

# KALAHI Convergence

## WORKING TOGETHER FOR POVERTY REDUCTION



The National Anti-Poverty Commission



## **KALAHI Convergence: Working Together for Poverty Reduction**

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ISBN 971-92687-8-6

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Photos: National Anti Poverty Commission

This publication was undertaken with the financial support of the United Nations Development Programme (UNDP) under the Strengthening Institutional Mechanisms for the Convergence of Poverty Alleviation Efforts Phase II (SIMCPAE II) project





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# Foreword

In 2001, President Gloria Macapagal-Arroyo launched the KAPIT BISIG LABAN SA KAHIRAPAN (KALAH) as the new national strategy of the Arroyo administration for reducing poverty by half by the year 2010.

With KALAH, the Arroyo administration enshrined convergence – of resources, programs and projects, stakeholders and sectors – as the key ingredient in poverty reduction.

In the past two years, KALAH has taken significant steps and made some gains in reducing poverty. Structures have been established and operationalized to ensure that poverty reduction efforts become more convergent, focused and strategic. More relevant data on poverty are being collected and used. Poverty reduction plans are also being formulated at the local level. And in many areas of the country, communities, households and families are feeling the impact of KALAH services, projects and assistance.

The outcome of the May 2004 elections has brought a fresh mandate and a continued lease on life for our efforts under KALAH. It has given us the opportunity to sustain our initial groundbreaking aims, further refine our structures, strategies and tools, and expand our reach.

With this new mandate, the Arroyo administration adopted a 10-point agenda for poverty reduction and national development. In the next few years, KALAH will be at the forefront of efforts in realizing this agenda.

Towards this, the National Anti-Poverty Commission is pleased to offer this handbook, *KALAH Convergence: Working Together for Poverty Reduction*. It is meant for KALAH implementors and stakeholders all over the country as we continue our efforts to make KALAH a workable and useful framework and strategy in fighting poverty and pushing the government's new 10-point agenda.



As such, it is my hope that this handbook will serve as a valuable companion, reference and guide as we grapple with and resolve policy and program issues, dilemmas and difficulties. With its narratives of our initial gains, I hope that it will also serve as a constant reminder and encouragement that we remain steadfast in our course of eradicating poverty in the Philippines.



**Secretary Imelda Nicolas**  
NAPC Convenor





# Acknowledgements

The National Anti-Poverty Commission (NAPC) wishes to thank the United Nations Development Programme (UNDP) for providing the resources that made the publication of this handbook possible. Through UNDP's support for NAPC's *Strengthening Institutional Mechanisms for the Convergence of Poverty Alleviation Efforts Phase II* (SIMCPAE II) program, NAPC has been able to publish this handbook and pursue other convergence efforts and projects under KALAH I.

NAPC also extends its gratitude to the NAPC Secretariat Members who contributed their inputs in improving the manuscript; the NAPC Localization Unit staff who provided assistance, and STRIDES, Inc. for working on the manuscript and overseeing the publication process from inception to editing, layout and printing.

We are also grateful to our partners in local government and the national government agencies, and in the basic sectors; their experiences and insights were the anchors for this handbook.

Most importantly, we extend our thanks to the KALAH I communities for the lessons, insights and experiences gained in working with them. They are at the heart of this handbook, along with the hope that KALAH I will make a difference in their lives.

**The Localization Unit  
NAPC Secretariat  
National Anti Poverty Commission**





# Acronyms

AFP	Armed Forces of the Philippines
AO	Administrative Order
ARC	Agrarian Reform Community
ARCDP	Agrarian Reform Communities Development Program
ARMM	Autonomous Region of Muslim Mindanao
BS	Basic Sector
CALABARZON	Cavite Laguna Batangas Rizal Quezon Growth Area
CAR	Cordillera Autonomous Region
CIDSS	Comprehensive and Integrated Delivery of Social Services
CLPIMS	Core Local Poverty Indicators and Monitoring System
CORD	Cabinet Officer for Regional Development
DA	Department of Agriculture
DAO	Department Administrative Order
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DFA	Department of Foreign Affairs
DILG	Department of the Interior and Local Government
DPA	Deputy Presidential Assistant
DPWH	Department of Public Works and Highways
DOH	Department of Health
DSWD	Department of Social Welfare and Development
EO	Executive Order
HDI	Human Development Index
KALAHl	Kapit-Bisig Laban sa Kahirapan
KALAHl-CIDSS	KALAHl-Comprehensive and Integrated Delivery of Social Services
KALAHl-ARZ	KALAHl in Agrarian Reform Zones
KART	KALAHl Roving Team
LPIMS	Local Poverty Indicators and Monitoring System
LPRAO	Local Poverty Reduction Action Officer
LPRAP	Local Poverty Reduction Action Plans
LPRAT	Local Poverty Reduction Action Team



MC	Memorandum Circular
MTPDP	Medium-Term Philippine Development Plan
NAPC	National Anti-Poverty Commission
NCR	National Capital Region
NKCG	National KALAHI Convergence Group
NEDA	National Economic Development Authority
PA	Presidential Assistant
PAGCOR	Philippine Amusement and Gaming Corporation
PARD	Presidential Assistant for Regional Development
PTDF	People's Development Trust Fund
PNP	Philippine National Police
PSF	President's Social Fund
RDC	Regional Development Council
RDO	Regional Development Officer
RKCG	Regional KALAHI Convergence Group
SAFDZ	Strategic Agriculture and Fisheries Development Zones
SRA	Social Reform Agenda
UNDP	United Nations Development Programme





# About the Handbook

This handbook is an introductory publication of the *Kapit-Bisig Laban sa Kahirapan* (linking arms against poverty) program or KALAH I – the overarching poverty reduction program of the national government launched in May 2001 under the administration of President Gloria Macapagal-Arroyo. The handbook is intended for the use of KALAH I program implementors in and out of government, to serve as an easy reference and guide for on-the-ground program implementation.

As such, this handbook provides basic information about KALAH I – its history and rationale, principles and strategies, stakeholders and resources, structures and policies. It also puts together all the relevant policies, instruments and guidelines that provide direction and guidance to implementors and stakeholders in implementing KALAH I in their respective fields and areas.

## HOW THE HANDBOOK IS ORGANIZED

Chapter One of the handbook provides a poverty situationer as well as a brief history of poverty reduction programs in the Philippines. This serves as a starting point to understanding how KALAH I evolved and was adopted by the Arroyo administration.

Chapter Two introduces the government's poverty reduction framework and strategy as it is embodied by KALAH I. It presents the philosophical underpinnings of KALAH I, including its goals, strategies, principles and program components.

Chapter Three answers ten key questions about KALAH I operationalization at the national, regional and local levels. Questions about KALAH I stakeholders, target beneficiaries, and organizational structures are answered. It also presents a menu of KALAH I programs created to reduce poverty around the country, the resources available for such programs, and other implementation, monitoring and evaluation mechanisms for KALAH I. The chapter also describes the special roles of local government units and the basic sectors in the implementation of KALAH I. Finally, the chapter explores early lessons learned in the first two years of KALAH I implementation under the Arroyo administration after Memorandum Circular 33 was passed for implementation in November 2002.

Chapter Four rounds out the handbook by presenting the challenges in undertaking KALAH I as well as a sampling of initial gains shared by project implementors and actual KALAH I beneficiaries.



CHAPTER I

# Understanding Poverty







# I. Fighting Poverty: A Continuing Challenge

Along with the rest of the world, the Philippines entered the third millennium and a new age of advanced science and technology, global trade, and an exponentially growing wealth of information and resources at our fingertips – all to make life richer and more comfortable.

In this same moment in history, however, more than a third of Filipinos continue to live in poverty. Statistics (NSCB, 2004) can only partly convey hunger, illness, illiteracy, landlessness and powerlessness:

- More than 4.3 million or one third of Filipino families today or 26.5 million Filipinos are poor, lacking the income or resources to buy food and other basic needs.
- 3.5 million people are unemployed or 12.2 per cent of the country's labor force.
- 29% of all Filipino households do not own the houses they live in.
- Almost one-third (30%) of all Filipino children aged 0 to 5 years old are underweight, meaning they are not eating enough and properly.
- 36 of every 1000 babies under one year old die while 55 of every 1000 children die before reaching the age of 5.
- 180 of every 100,000 women who give birth die during childbirth or other pregnancy-related causes.
- While 96 % of children begin elementary education, only 69% finish grade 6. Only 65% of those who enter high school gain their high school diplomas.
- Four million children and youth, who should be in school or at play, are actually child workers



*Poverty from a child's eyes (Payatas slums, Quezon City)*



and laborers, doing work that should be done by adults and which often endangers their health and safety.

- 21% or 1/5 of Filipino households do not have safe water supply, leaving them prone to diseases caused by drinking unsafe water and lack of sanitation.
- 18 % do not have sanitary toilets, leaving them vulnerable to disease and infection caused by poor sanitation and waste disposal.

### **Important Strides in Poverty Reduction**

Despite this bleak reality, the Philippines has made important strides in fighting poverty in its many forms in the last decade. In the last four years, poverty incidence has declined in the country, and more basic services have been made available to a larger portion of the population. Fewer babies die at birth, fewer children die before the age of five. More children are now able to go to elementary and high school. Unemployment has declined and more people are able to find jobs and livelihood opportunities. More people have electricity, potable water and sanitation facilities.

### **The Continuing Challenge**

Despite these advances, the challenge of reducing and finally eradicating poverty in the country remains an enormous and urgent task. Much has been accomplished, but much more needs to be done.



*Provision of better basic health services: A goal of KALAHI.*

Filipinos have proven to themselves and to the world that we work best and achieve most by doing things together. In times past, “bayanihan”, or the act of voluntarily working together for the good of others is the Filipino way of life. In contemporary times, we gave birth to “people power” and showed how unity results in strength and changes for the better.

The challenge then for Filipinos today, especially people in government, civil society and the basic sectors, is to harness this same spirit – whether we call it bayanihan or people power — towards poverty reduction.





## II. Understanding Poverty as a First Step to Addressing It

To effectively address and fight poverty, we must first understand it fully. This section therefore explores poverty in the Philippines – its causes and factors, and its various forms and dimensions.

### DEFINING POVERTY

Poverty has been traditionally explained as “a state of lack or a deficiency to meet the basic necessities for survival”. In recent decades, however, poverty has evolved to mean more than a lack or deficiency in income and other economic or material goods and resources. Its definition has expanded from being purely based on economic indicators such as income and consumption to an expanded meaning that includes ‘non-material deprivation and social differentiation’ (Wratten, 1995:12).



*Indigenous peoples: poorest of the poor*

Poverty, then, is not only being materially poor.

- To be poor is to be socially and politically powerless, to lack the capacity to meaningfully participate in small and great matters that affect our lives.
- To be poor is to be excluded in decision-making processes that impact on our day-to-day lives and future.
- To be poor is to be deprived of opportunities and resources to develop, learn, and build capacities to acquire a decent quality of life.
- To be poor is to be vulnerable and unable to cope with adverse events like calamities, sudden illness, inflation, recessions and the like.
- To be poor is to lack the power to shape the conditions of our lives and our destinies.

With this broader definition, deprivation or lack of entitlements deemed necessary for a decent quality of life, such as health care and education, are now taken into account. Poverty is no longer determined solely by lack of income, but more importantly, by people’s access



to basic infrastructures and services such as health care facilities, nutritious food, safe water, sanitation, and education, as well as the extent of people's participation in decision making processes and their capacities to protect and uphold their basic human rights.

## Poverty in the Philippines: Causes and Factors

Given these definitions, what causes and sustains the high poverty incidence in the Philippines? Why are so many Filipino people poor?

Several factors have been identified as influencing high poverty rates in the Philippines.

### *Inequality*

Inequality in income distribution, or how economic gains are unevenly distributed among different income groups, is a factor significantly influencing the extent of poverty. The Philippines has had consistently high levels of inequality (incomes are not equally shared). The poor in the Philippines control less than 2 per cent of the country's total income, while the rich control 40%. For every 100 pesos gained in the national income, less than 2 pesos go to the poorest ten percent of our population (NAPC, 2004).

On the average, recent trends show that the poor have been gradually sliding down the poverty line. This means that the average gap between their incomes and the amount they need to fulfill their basic needs has been steadily widening in recent years.

**Table 1.1 Income share, by deciles, 1997 & 2000**

	% SHARE TO TOTAL INCOME	
	1997	2000
<b>First Decile</b>	1.68	1.68
<b>Tenth Decile</b>	39.30	38.67

Source: NSCB, 2002

Comparing income inequalities across East Asian countries, the Gini ratio in the Philippines is much higher than those of its neighbors. (See Table 3)

**Table 1.2 Gini Indices of Selected South East Asian Countries**

Malaysia	49.2
Philippines	46.2
Thailand	41.4
China	40.3
Vietnam	36.1

Source: World Development Report, 2003 \* The Gini index measures the extent to which the distribution of income among individuals or households in an economy deviates from a perfectly equal distribution. Thus, a Gini index of zero represents perfect equality and a Gini index of 100 represents perfect inequality.



Inequality, in turn, severely hampers poverty reduction efforts. From 1985 to 1997, a country estimate (Balisacan and Pernia in NAPC, 2001) found that poverty incidence could have been reduced by 20.5 percentage points, but due to inequality of income distribution, it went down by only 16.5 %.

Moreover, inequality in incomes also translates to unequal access to basic services like health care and education, and resources like land, housing and information, as well as meaningful opportunities for gaining employment, social mobility and security.

### *Poor Economic Growth and Stability*

A stable and vibrant economy creates a conducive environment for increased economic productivity; it creates jobs and increases incomes. A secure and equitable economic and political climate also means resources are more equitably distributed and readily available.

Conversely, low productivity and uncertain political situations lead to increased poverty. Specifically, unstable political conditions have been a disincentive for consumer spending and investments, both domestic and foreign. Both are considered vital to employment and income generation and even the stability of prices of goods and services.

**Table 1.3 Poverty incidence and magnitude, 1985-2000**

Year	1985	1988	1991	1994	1997	2000
<b>Poverty Incidence</b>	44.2	40.2	39.9	35.5	31.8	33.7
<b>Poor Families</b>	4,355,052	4,230,484	4,780,868	4,531,170	4,511,151	5,139,565

*Source: National Statistics Coordination Board*

In the eighties, poverty was declining in the country. Official estimates from the National Statistical Coordination Board (NSCB) showed poverty incidence decreased from a high 44.2 % in 1985 to 31.8 % in 1997). For three three-year interval periods\* between 1985 and 1997 - there were relatively substantial reductions in poverty incidence, between 3.5 to 4.5 %. Except for the period between 1988-1991, these were considered periods of high economic growth and as observed, periods with rise in household and per capita expenditure (Balisacan, 2001). Poverty reduction during this period was positively associated with economic growth.

### *Ineffective governance and poorly designed anti-poverty interventions*

In addition, bad or ineffective governance contributes to enlarging poverty. Poor or unjust policies, mismanagement of public funds, intense politicking, political discord, and graft and corruption, affect

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\*Poverty incidence is estimated officially only every three years since it is dependent on the Family Income and Expenditure Survey that is undertaken only every three years.



the implementation of crucial economic programs. They derail the provision of basic services and stifle opportunities for participation in politics and government among various sectors. Public funds, intended or allocated for critical basic services that can uplift the living conditions of poor people and generate greater opportunities for livelihood and education, are wasted or diverted elsewhere.

In addition, some poorly designed interventions aimed at reducing poverty have also contributed to high poverty rates. Ineffective anti-poverty interventions have been caused by: inadequate resources, poor targeting, lack of monitoring mechanisms to evaluate impact and progress; limited participation of affected sectors in decision-making processes; and the presence of partisan influence that weaken decisions and favor other interests.

## Characteristics of Poverty in the Philippines

Having discussed the factors and causes of high poverty incidence in the country, we now turn to the specific characteristics of Philippine poverty.

### *Rural-Urban Poverty*

In 2002, rural poverty incidence was much higher at 46.9 per cent than urban poverty incidence at 19.9 per cent (NSCB, 2002).

**Table 1.4 Income Gap, 1985-2000**

	1985	1988	1991	1994	1997	2000
<b>National</b>	33.2	31.7	32.7	31.5	31.6	31.8
<b>Urban</b>	31.2	30.0	32.2	30.0	28.2	28.0
<b>Rural</b>	34.0	32.5	32.9	32.3	34.2	33.4

*Source: National Statistics Coordination Board*

However, both urban and rural areas were affected by the economic crises. In 2000, rural poverty was at 46.9 %, up from 44.4 % in 1997. Urban poverty also increased from 17.9 % in 1997 to 19.9 % in 2002. Ironically, as shown in Table 5, economic slowdowns have affected urban residents more than rural areas. In 1991, the share of urban poverty increased by more than 10 % (from 28.3 % in 1988 to 38.6 % 1991). A similar trend can be observed during the period of 1997 to 2000 though in a less dramatic scale. Apparently, the East Asian financial crisis wrought greater havoc in the urban areas; given that the country's financial markets are concentrated in urban centers. Data show that among the poor, those in urban areas were more affected by changes in the economic situation – while they can benefit more from the fruits of economic growth, they experience greater losses during times of economic crises.

Similar to poverty incidence, in terms of income gap, the rural poor are in a more disadvantaged position compared with their urban counterparts. From 1985, the income gap for those in rural areas has always been larger compared with those in urban areas. Consequently, the income gap has been consistently narrowing in urban areas since 1985.



## Regional Differences in Poverty

Poverty incidence is highest in the Autonomous Region of Muslim Mindanao and Bicol.

**Table 1.5 Regions ranked in terms of poverty incidence (in 2000)**

Region	Incidence of Poor Families	Poverty Incidence
ARMM	Autonomous Region of Muslim Mindanao	57
5	Bicol	49
12	Central Mindanao	48.4
13	Caraga	42.9
9	Western Mindanao	38.3
6	Western Visayas	37.8
8	Eastern Visayas	37.8
10	Northern Mindanao	32.9
7	Central Visayas	32.3
11	Southern Mindanao	31.5
CAR	Cordillera Administrative Region	31.1
1	Ilocos	29.6
NCR	National Capital Region	28.4
2	Cagayan Valley	24.8
4	Southern Tagalog	20.8
3	Central Luzon	17.0

Source: NSCB, 2004

Across time, Mindanao has surpassed the national average and at the turn of the decade, has had the highest poverty incidence. Of its 5 regions, 4 regions occupied the highest ranks for poverty incidence nationwide. It is particularly high in the dominantly Muslim-populated areas such as Central Mindanao (Region XII) with 55.3% and the Autonomous Region of Muslim Mindanao (ARMM), which occupied the top spot with almost 7 out of 10 families living in poverty since the middle of the nineties (NSCB, 2004).

Regions in Luzon continue to enjoy the lowest poverty incidences among regions, except for Region 5 or the Bicol Region, which ranks second among provinces with the highest poverty incidence in Luzon (NSCB, 2004).

## Inequality Within Regions

Inequality also exists within regions. Inequality is concentrated mostly in the Visayas, which has had 3 of the highest gini rates in recent years. Region 8 registered the worst, with a coefficient of 0.39 two decades ago, moving up to 0.49 in year 2000.

Similarly, Mindanao has high rates of inequality, with Region 10 having the highest coefficient for income inequality. Though ARMM registers the lowest inequality with a gini coefficient of only 0.3424, being the poorest region, this may simply imply that its people are equally poor (70% of the population), and very few are in the upper income groups.



**Table 1.6 Regional Gini Coefficients**

Region	Gini Coefficients	
	1997	2000
National	.4881	.4814
NCR	.4625	.4462
CAR	.4651	.4454
Ilocos	.4260	.4069
Cagayan Valley	.4132	.4220
Central Luzon	.3643	.3572
Southern Tagalog	.4257	.4231
Bicol Region	.4370	.4467
Western Visayas	.4411	.4604
Central Visayas	.4752	.4701
Eastern Visayas	.4459	.4824
Western Mindanao	.4679	.4604
Northern Mindanao	.4948	.4706
Southern Mindanao	.4500	.4588
Central Mindanao	.4535	.4394
Caraga	.4381	.4142
ARMM	.3489	.3424

Source: NSCB, 2004

### *Poverty by Province*

For poverty incidence, majority of the provinces in the top 20 are located in Mindanao, Bicol in Luzon, and in the Visayas. Sulu posted the highest poverty incidence at 63.2 percent. Masbate ranks second at 62.8 percent while Tawi-Tawi ranks third at 56.5% (NSCB, 2003). Among the top ten, 6 came from Mindanao, 2 are in Luzon and 2 (the top-ranked in poverty incidence) are in the Visayas.



**Table 1.7 Poverty Ranking of Provinces**

Rank	Province	Poverty Incidence	Rank	Province	Poverty Incidence
1	Sulu	63.2	41	Antique	35.1
2	Masbate	62.8	42	Biliran	34.8
3	Tawi-tawi	56.5	43	Davao Oriental	34.4
4	Ifugao	55.6	44	Quezon	34.1
5	Romblon	55.2	45	La Union	33.7
6	Maguindanao	55.1	46	Bukidnon	32.2
7	Lanao del Sur	55.0	47	Quirino	31.4
8	Sultan Kudarat 1	54.3	48	Pangasinan	30.9
9	Camiguin 1	53.1	49	Ilocos Sur	30.6
10	Camarines Norte 1	52.7	50	Isabela	30.2
11	Capiz	51.0	51	Iloilo	29.8
12	Lanao del Norte	50.8	52	Siquijor	29.2
13	Agusan del Sur	50.2	53	Negros Oriental	28.9
14	Mt. Province 1	49.0	54	Cebu	28.7
15	Abra	48.8	55	Southern Leyte	28.5
16	Saranggani 2	48.0	56	Palawan	27.9
17	Eastern Samar	47.3	57	Tarlac	27.6
18	Bohol	47.3	58	Misamis Oriental	27.6
19	Zamboanga Norte 1	45.6	59	Nueva Ecija	27.3
20	Marinduque	45.2	60	Aurora	26.6
21	Catanduanes	44.7	61	Basilan	26.2
22	Misamis Occidental	43.4	62	Apayao	26.1
23	Oriental Mindoro 2	43.1	63	Zambales	23.5
24	North Cotabato	42.9	64	Guimaras	22.6
25	Camarines Sur	42.6	65	Batangas	20.9
26	Surigao Del Norte 1	42.4	66	Cagayan	20.3
27	Negros Occidental	41.6	67	Ilocos Norte	18.2
28	Occidental Mindoro	41.4	68	Davao del Sur	18.2
29	Sorsogon	41.4	69	Nueva Vizcaya	15.9
30	Northern Samar 1	40.7	70	Pampanga	14.4
31	Western Samar	40.7	71	Benguet	14.1
32	Agusan del Norte	39.9	72	Cavite	10.2
33	Albay 1	39.6	73	Bataan	9.9
34	Davao del Norte 1	38.9	74	Laguna	8.6
35	Kalinga 1	38.8	75	Rizal	8.0
36	Surigao Del Sur	38.2	76	Batanes	7.5
37	South Cotabato 1	37.3	77	Bulacan	5.4
38	Zamboanga Sur	37.0			
39	Aklan 1	36.3			
40	Leyte	36.1			

\*Rank 1: Poorest Province • Source: NSCB in NAPC, 2003



### *Poor Human Development*

The United Nations Development Programme (UNDP) established the Human Development Index (HDI) to determine a country's capacity to respond to the human development needs of its people, particularly in relation to income, health, and education. Health status is usually measured using life expectancy, mortality rates, malnutrition levels, and access to safe drinking water and sanitation facilities. Education status, on the other hand, is measured through literacy and enrolment rates.



*Sanitary Toilet Construction in Brgy. Sisirin, Pitogo, Quezon through KALAHI*

In the past four years, the Philippines's HDI ranking has fluctuated, ranking 77<sup>th</sup> in 2000, going down to 85<sup>th</sup> in 2003, and climbing to 83<sup>rd</sup> in 2004 (HDR, 2004).

The Philippines as a whole has been performing well in decreasing mortality rates for infants and children (NSCB, 2004). The decade (1990) started with a high of 80 deaths per 1,000 children under 5 years of age and 57 deaths per 1,000 live births. These went down to 55 (under 5 mortality) and 36 (infant mortality) respectively, within a span of eight years. The average rate of reduction for both is a considerable improvement. In addition, participation in secondary schooling for those children aged 13 to 16 years old has also increased substantially.

However, the country has been slow in combating malnutrition and providing safe drinking water to households. Both these figures have only achieved less than 1% improvement in 1998 compared to previous years. For basic education, figures show that the country has deteriorated in this area as a lower proportion of children (aged 6 to 12 years old) have been attending elementary schooling.

Education. People in ARMM are the least educated as shown by school cohort survival rates and participation rates at the elementary level.

Aside from the provinces in ARMM, at least one out of two children in Masbate, Negros Oriental, Sarangani, Agusan del Sur, and Western Samar, will not complete their grade school education. The good news, however, is that cohort survival rates for all regions except Central Mindanao, are rising, which means more children are going to school and finishing the elementary grades, thus increasing their chances of gaining higher education.



*Improvement of Road Network and Drainage System in Brgy. Cayabu, Tanay, Rizal through KALAHI*



*Health and Nutrition.* Malnutrition, as measured in the National Nutrition Survey, is most prevalent in Visayas with three of the top five provinces with high malnutrition incidence belonging to Regions 6 and 8. Likewise, the provinces in the Cordillera region (Mountain Province, Apayao, Kalinga, and Ifugao) registered high infant mortality rates (IMR), possibly due to issues of accessibility, which affects the presence of trained health care personnel. Likewise, Eastern Visayas has the worst case of infant mortality among all the regions (61 out of every 1000 live births).

*Water and Sanitation.* The areas in Muslim Mindanao have the least access to potable water and sanitary facilities (toilets), with five provinces being in the top 10. Two provinces from Luzon (Masbate and Apayao) are in the top five. Siquijor and Capiz are the only provinces from the Visayas region in the top 10.

### *Gender and Poverty*

Poverty also has a gender dimension. Poverty affects and is influenced by the status and roles of women vis-à-vis men in society. Over the years, Filipino women have become more visible, active and decisive participants in Filipino society. More women are joining the labor force in ever larger numbers partly out of economic necessity and partly in response to greater economic and educational opportunities made available to women. More women than men finish high school and college. Maternal mortality has declined steadily; from 209 in 1990, the number of women who die from pregnancy-related causes has gone down to 180 in 1995.

**Table 1.8 Educational Attainment of Population over 5 years old**

	Male	Female
No grade completed	2020113	1942217
Preschool	785154	757730
Elementary	14417828	13506942
High School	9356856	9546269
Postsecondary	1327956	1234027
College undergraduate	3264681	3421268
Academic degree holder	1211446	1665170
Post baccalaureate	111709	156004
Not stated	970931	969855

*Source: NSCB, 2003*

While these improvements are significant, the reality is that the situation of Filipino women vis a vis men still shows marked gaps. In terms of political decision-making, less than 20 per cent or 1/5 of the seats in Congress are held by women; only 12 per cent of senators are women. Male judges still outnumber women, about 3 to 1 or even 4 to 1 in most levels.



While maternal mortality rates have declined, a significantly high number of women remain at risk during pregnancy. And while more women are working, their employment, as well as that of men is increasingly threatened by lack of job security, and the declining value of wages. At the same time, women who work often remain mainly responsible for rearing their children and keeping their homes, forcing them to take on multiple burdens at home and at work.





## III. Addressing Poverty

### **POVERTY REDUCTION STRATEGIES — AQUINO TO ESTRADA**

Since the restoration of democratic political institutions in 1986, successive Philippine governments, from President Corazon Aquino's to Joseph Estrada's have tried to implement programs to reduce poverty in the Philippines.

#### **Agrarian Reform under Pres. Corazon Aquino**

After the twenty-year Marcos regime — which saw record declines in the economy and standards of living — the post-Marcos government of Corazon Aquino (1986-1992) began instituting structural reforms that sought to build the economy and meaningfully address poverty. These measures included an agrarian reform program to redistribute land to landless farmers, trade liberalization and market deregulation. Several public entities and corporations were sold and trade regulations relaxed to pave the way for economic growth and development as a solution to poverty.



*Strategizing session by the NAPC Sectoral Representatives and Secretariat: Multi-stakeholders in Action*

#### **The Ramos Administration's Social Reform Agenda**

After Aquino, President Fidel Ramos (1992-1998) pursued a Social Reform Agenda (SRA) that focused on identifying and providing for the Minimum Basic Needs (MBN)) of Filipinos.

Ramos's SRA chalked up a number of landmark achievements. First, through the SRA, the language of reform and poverty reduction was mainstreamed in national and local governance. Reducing poverty through social reform was identified as a key goal and strategy.

Second, the SRA paved the way for the mainstreaming of civil society and basic sector participation in governance and poverty reduction. Third, for the first time, convergence,



or the integration of various government programs and services, was adopted as a strategy for poverty reduction and service provision (Tuano, 2001).

On the economic front, Ramos also put in place a Growth Areas Strategy that called for the building up of growth areas and corridors in the different regions to spur economic growth and investment in the countryside.

### **Joseph Estrada's Lingap para sa Mahihirap**

The most notable achievement of President Joseph Estrada (1998-2001), who succeeded Ramos, was in "institutionalizing and formalizing poverty reduction at the highest levels" of government (Tuano, 2001). Under Estrada, the National Anti-Poverty Commission was created, headed by the President.

Under Estrada, the Lingap para sa Mahihirap (Care for the Poor) program was launched. Its strategy was identifying the 100 poorest families in each province in the Philippines and converging a host of complementary programs and services in these areas. These poorest communities were provided basic water and sanitation services, health insurance, socialized housing, cooperative development and other basic services. Other core strategies were: food security, modernization of agriculture and fisheries, low-cost mass housing, peace and order, and active LGU participation in poverty reduction (Tuano, 2001).

### **GAINS IN POVERTY REDUCTION**

These attempts at poverty reduction through the post-EDSA administrations of Aquino, Ramos and Estrada met with different levels of success. Across time, however, what these successive programs and strategies have achieved is the integration and institutionalization of poverty reduction as a core national development strategy. National anti-poverty structures have been created, including the National Anti-Poverty Commission (NAPC). Greater avenues for participation of the poor and other sectors in the highest levels of government have also been institutionalized, in NAPC (basic sector representatives), and in local governance (NGO and PO participation through the local government code). New tools and mechanisms have also been developed and institutionalized for poverty assessment and intervention, including the Minimum Basic Needs (MBN) system. Localization of anti-poverty interventions has also been increasingly recognized as critical to poverty reduction.

### **REMAINING GAPS IN POVERTY REDUCTION**

Despite these gains, poverty reduction programs have been constrained from achieving greater impact by the following:

- limited resources and capacities
- politicization in the delivery of services to the poor
- the lack of clear focus of anti-poverty interventions
- weak redistributive reform policies/programs



As such, gaps in poverty reduction strategies at present include:

1. Need to give priority to asset reform programs, for example, redistributive agrarian reform and, urban land reform that would address inequitable asset distribution

2. Limited convergence of different programs that address poverty such as asset reform, livelihood and employment, basic service delivery

3. Need to develop new tools and mechanisms for poverty assessment and anti-poverty interventions, specifically tools for better targeting of beneficiaries and monitoring and evaluation

4. Need to build capacities of local governments and basic sectors in poverty reduction

5. Limited resources for poverty reduction, with most poverty reduction programs still incorporated in countrywide development funds and therefore at the discretion of government officials and legislators

6. Lack of clear focus of programs, given the lack of adequate targeting mechanisms and tools and clear strategies



*KALAHl's Bangus Fish Cage Project in Brgy. Maslog, Legazpi City*

## **LEARNINGS AND INSIGHTS IN POVERTY REDUCTION**

Given the legacy and accumulated work of poverty reduction programs in the past, and an ongoing analysis of the remaining gaps that need to be addressed, several lessons have been gleaned by the National Anti Poverty Commission (NAPC) that were used to inform and currently continue to shape the formulation of other poverty reduction strategies and programs of the Philippine government. Some of these lessons include:



*Cattle Fattening Project in Brgy. Macasipac, Sta. Maria, Laguna through KALAHl*



1. Growth is a necessary, though not the only condition for poverty reduction. The lessons from our Asian neighbors, however, show that rapid economic growth led to high poverty reduction rates when coupled with measures ensuring equal distribution of wealth.
2. There is a need to focus on agricultural and rural development to reverse some of the negative effects of industrial modernization in the 70s.
3. Government needs to highlight the importance of education, good governance, and infrastructure in poverty reduction.
4. Asset reform should be the focus of poverty reduction programs. Studies show that asset accumulation improves human capital outcomes; therefore, redistribution asset reform programs and policies can reduce poverty by improving human capital.
5. Public investments are necessary to improve rural infrastructure, primary social services, research and development for agriculture and small-to-medium scale enterprises (SMEs), capacity building for LGUs and micro-finance.
6. Participation of basic sectors and civil society is an important facet of poverty reduction.
7. Clear, accurate and focused targeting of poor groups is key to poverty reduction, including the transient poor and vulnerable sectors.
8. Convergence should be a key strategy for poverty reduction. With poverty being a multi-dimensional concern, addressing it entails the synergy and integration of different policy and program initiatives.



*Construction of Fish Processing and Production Center in Brgy. Tacligan, San Teodoro, Oriental Mindoro through KALAH I*

These lessons from the past form the basis of KALAH I, the Philippine government's current poverty reduction framework and strategy under the Arroyo administration that will be discussed in the next chapter.



CHAPTER 2

# Poverty Reduction as the New Development Agenda







# I. A Framework for Poverty Reduction

*"..within the decade ... government will win the fight against poverty."*

—President Gloria Macapagal-Arroyo-July 30, 2004

In 2001, a new poverty reduction thrust was set in motion by President Gloria Macapagal-Arroyo. In a nutshell, the Philippines' new national strategy squarely put poverty reduction at the core of governance and development work.

Though new, this focus was solidly founded on the lessons of the past and built on the legacy of gains as well as gaps of previous poverty reduction programs, from Aquino to Estrada.

This poverty reduction focus also echoes the new development goals put forward at the international level, like the Millennium Development Goals adopted by the United Nations General Assembly in 2000.

This direction was concretely spelled out in the Medium Term Philippine Development Plan (MTPDP) of 2001-2004, which outlined the following development framework:

1. *Macroeconomic stability and equitable growth based on free enterprise.* This recognizes the importance of economic growth and stability as a key condition to reducing poverty
2. *Agricultural and fisheries modernization with social equity.* This provides the needed focus to the rural sector, where a majority of the poor belongs. It also aims to address regional poverty and underdevelopment.



*Convergence and delivery of primary government services during a KALAHI launching.*



3. *Comprehensive human development and protecting the vulnerable (social bias for the poor)*. This, in turn, addresses the importance of focused and accurate targeting as well as recognizing the need for comprehensive service delivery
4. *Good and effective governance*. This strategy recognizes the key role that governance – both national and local — plays in poverty reduction and outlines the need for improving local and national government capacities, mobilizing resources and putting in place adequate policies and programs for poverty reduction

### **Addressing Poverty in the New Millennium**

The core goals and strategies of the MTPDP and the new poverty reduction thrust under Macapagal-Arroyo reflect the new goals of poverty reduction at the international level. At the turn of the millennium, the United Nations (UN) General Assembly adopted a set of Millennium Development Goals. These goals put poverty reduction at the core of development work.

#### **The Millennium Development Goals**

- Goal 1. Eradicate extreme poverty and hunger.
- Goal 2. Achieve universal primary education.
- Goal 3. Promote gender equality and empower women.
- Goal 4. Reduce child mortality
- Goal 5. Improve maternal health
- Goal 6. Combat HIV-AIDS, malaria and other diseases.
- Goal 7. Ensure environmental stability.
- Goal 8. Develop a global partnership for development

#### **Specific Targets with Reference to Poverty:**

- Target 1: Halve the proportion of people living in extreme poverty between 1990-2115
- Target 2: Halve the proportion of populations below minimum level of dietary energy consumption and halve the proportion of underweight children (under five years)
- Target 3: Halve the proportion of people without access to safe drinking water or those who cannot afford it by 2115.



When President Gloria Macapagal-Arroyo delivered her inaugural speech following her victory in the 2004 presidential elections, she further specified the focus of her development goals along the 10-Point National Development Agenda. These points are the core substance of the Medium Term Philippine Development Plan for 2005-2010 namely:

1. Create 10 million jobs by promoting agribusiness and micro enterprises
2. Close classroom gaps and provide scholarships to every poor family and computers to every school
3. Balance the budget
4. Develop the network of transport and digital infrastructure
5. Provide power and water to the entire country
6. Decongest Metro Manila by developing new centers for government, business and housing
7. Develop Subic and Clark into the best international logistic and service centers
8. Automate the electoral process
9. Arrive at a just completion of the peace process
10. Closure to divisions from EDSA I, II and III.

The above agenda was fleshed out and provided a clear strategic framework under a reform package of social justice and basic needs programs within the government's poverty reduction strategies.





## II. Incorporating Past Lessons and New Insights: The Arroyo Administration's Poverty Reduction Strategies

The Arroyo administration's poverty reduction framework incorporates lessons learned from past programs and new insights into the current poverty situation.

As such, this framework takes into consideration the following:

- Poverty is a multi-dimensional problem and requires a multi-dimensional approach. It also puts poverty reduction within the larger goal of human development. Thus, the framework spells out economic, social, political and ecological dimensions.
- Poverty is linked to and determined largely by inequitable asset distribution; thus redistributive asset reform is essential to poverty reduction.

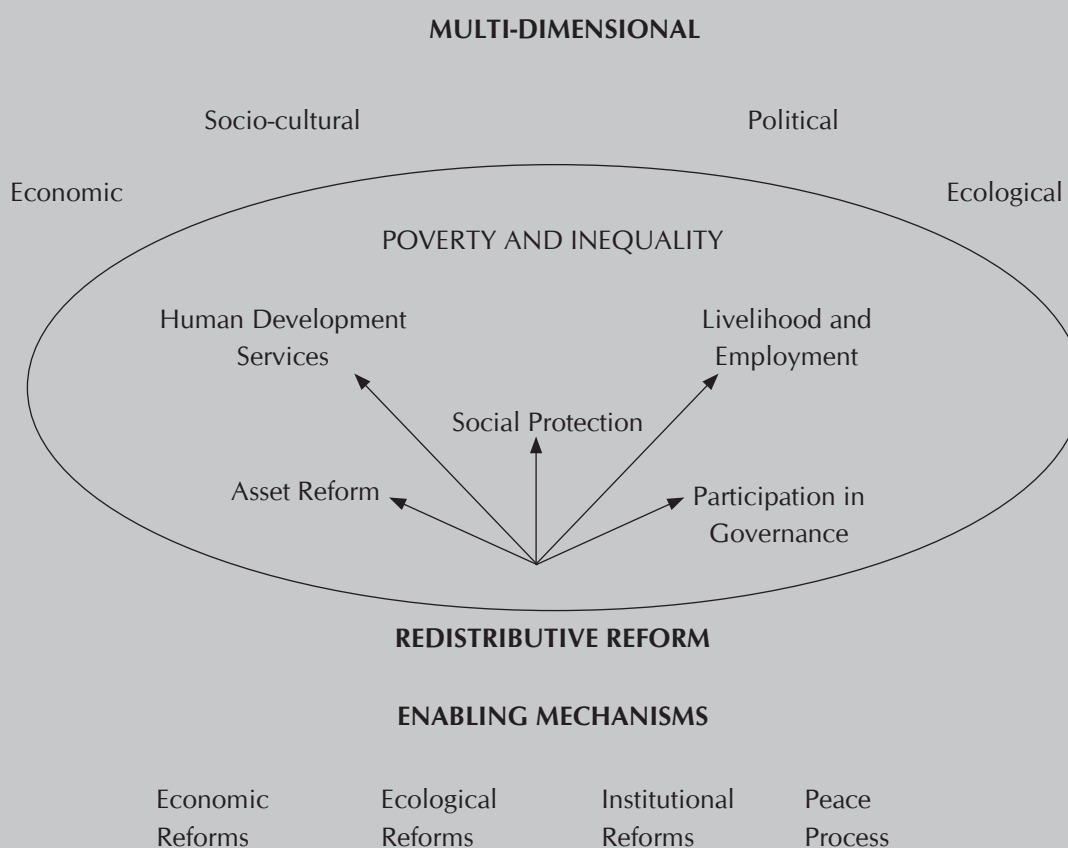
The following poverty reduction strategies were identified to further actualize this framework:

- *Accelerated asset reform.* Asset reform seeks to address the issue of economic inequity by widening the citizen's share of resources, whether natural or manufactured, from which they can earn a living and increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management, and control over such resources. The government shall give priority to the enactment and strict implementation of laws that widen the share of the basic sectors in the resources of society. The government shall likewise undertake budgetary reform to implement asset redistribution programs in agrarian, aquatic, urban, and ancestral domain areas.
- *Improved access to human development services.* These are reforms that will improve access to basic services such as education, health and sanitation, electrification, water and housing which are necessary to meet basic human needs and enable citizens to live decent lives. This will also ensure that the benefits of asset reform are equally shared and maximized by its rightful beneficiaries.
- *Provision of employment and livelihood opportunities.* This entails increasing employment and livelihood opportunities for the poor and strengthening the capacities of marginalized groups to engage in productive enterprises. This will be done by opening up tracts of idle land for agribusiness ventures as well as the provision of microfinance services to the poor.



- *Security from violence and social protection including safety nets for vulnerable sector.* Government will work to eliminate all forms of discrimination, which causes women, youth and children, the elderly, persons with disability, and other vulnerable population groups to be further marginalized and excluded even within their own economic sectors. Programs that will protect and insure them from the severe impacts of natural and man-made disasters and calamities shall be put in place as well.
- *Institutionalized and strengthened participation especially of the basic sectors in governance.* These reforms address the issue of political equity and ensure equal participation in all venues in society especially in decision-making and management processes that affect people's rights, interests, and welfare. The government will ensure that sectoral representation is institutionalized at all levels of government, with particular emphasis on the decision-making structures of the different local government units. The end outcome shall be empowered communities and sectors able to genuinely participate in the development process.

**Figure 1. Framework for Poverty Reduction**





### III. KALAH I as Embodiment of the National Poverty Reduction Strategy

Following the formulation of the MTPDP 2001-2004 which put in place the new poverty reduction framework, President Macapagal Arroyo signed Memorandum Circular 33 (MC 33) in November 2001, institutionalizing the ***Kapit-Bisig Laban sa Kahirapan*** (linking arms against poverty) or KALAH I as the administration's overarching program for a focused, accelerated, convergent, expanded and strategic effort to reduce poverty.

KALAH I embodies and operationalizes the new poverty reduction framework of the Philippine government. It is anchored on people's participation and empowerment as well as the convergence of various stakeholders from government and civil society for a more comprehensive and holistic poverty reduction scheme.

#### **KALAH I IS F-A-C-E STRATEGY**

KALAH I embodies the FACE strategy to poverty reduction in recognition of poverty's multi-dimensional nature, the need for integration and expansion in anti-poverty efforts and the urgency of focusing on the poorest of the poor. Thus, KALAH I is:

**F-focused.** It targets the poorest and most vulnerable barangays and sectors in communities. In recognition of previous interventions, which failed to reach those most in need due to poor targeting, KALAH I establishes specific criteria for greater accuracy in targeting, to ensure that interventions benefit those most vulnerable and have maximum impact.

**A-ccelerated.** It addresses immediate needs while initiating processes towards resolution of more long-term issues of communities. It also fasttracks and simplifies processes and mechanisms for the delivery of anti-poverty reduction programs and projects, cutting channels and relating directly with target groups, thereby contributing to the empowerment of communities.

**C-onvergent.** KALAH I encourages for national government agencies to work together with other stakeholders – LGUs, legislators, NGOs and POs, private sector, academe, and local communities. Given the magnitude of the poverty concerns in the Philippines, an effective and sustainable poverty reduction program entails the convergence of efforts of the government bureaucracy at all levels, the private sector, civil society, and most especially the basic sectors who represent the disenfranchised and marginalized population groups. Through participatory, autonomous, and transparent mechanisms, the government shall institutionalize a nationwide poverty-reduction framework that concurrently addresses the economic, political and socio-cultural dimensions of poverty.



**E-xpanded.** It not only addresses human development services but asset reform, livelihood and employment concerns as well. This recognizes the multi-dimensional nature of poverty and the need for integrated and multi-themed approaches.

## KALAHI GOALS AND TARGETS

Based on the Macapagal-Arroyo administration's poverty reduction framework, KALAHI has the following goals or targets:

- *reduced poverty* – through the provision of targeted interventions in barangays and municipalities;
- *improved governance* – through the institutionalization of tools for poverty targeting, planning, budgeting, resource generation, and monitoring and evaluation within national and local governments;
- *empowered communities* – through their direct participation in program and project identification, implementation, monitoring and assessment.

## KALAHI CORE COMPONENTS

To pursue these goals, KALAHI has put in place four core components and strategies:

**1. Convergent Service Delivery.** Convergent service delivery is institutionalized under KALAHI at the national and sub-national levels, to avoid overlapping and competing of government programs or projects. It ensures a proper system for coordination to maximize limited resources and ensure efficient service delivery. For a more focused implementation, government agencies are clustered into four according to the nature of their services:

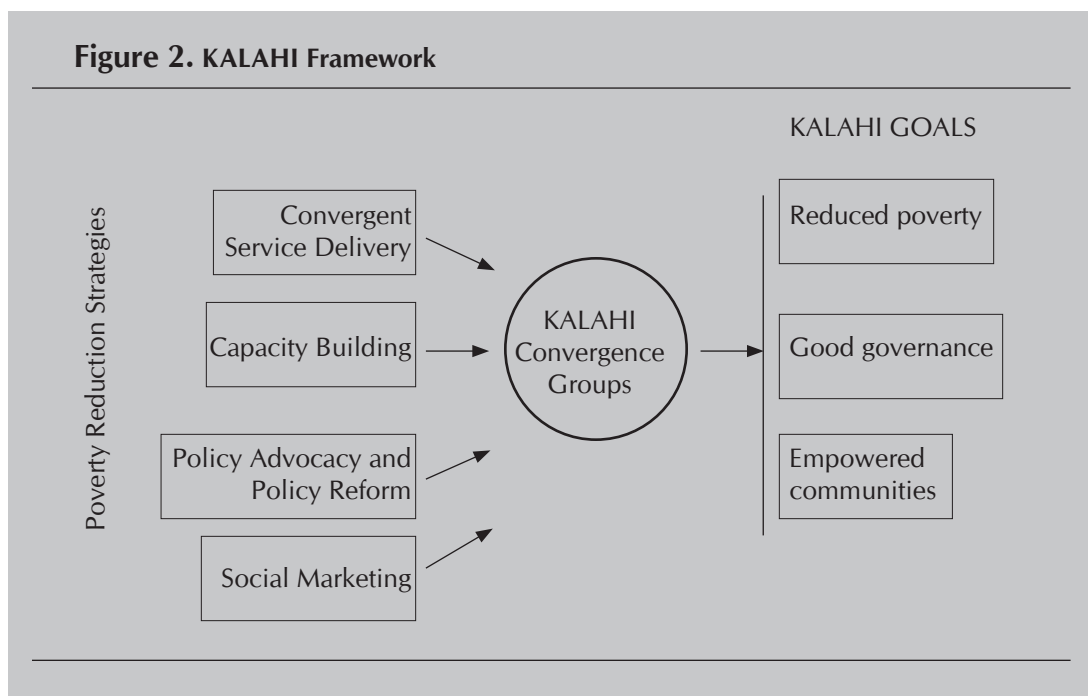
- *Asset Reform Cluster* – agencies involved in agrarian reform, urban land reform, fisheries development and ancestral domain;
- *Human Development Services and Social Protection Cluster* – agencies involved in the delivery of basic services such as health, shelter, water, electricity, education, and maintenance of peace and order;
- *Livelihood and Employment Cluster* – agencies involved in providing employment opportunities, micro credit and assistance in micro enterprise development.
- *Institutionalization and Capability Building Cluster* – agencies involved in building the knowledge and capacities of government, particularly local government units to respond to poverty issues and concerns.

**2. Capacity Building.** To ensure sustained, efficient, and effective delivery of services, KALAHI builds and strengthens the capacity of service providers at the national, regional, and local levels by collaborating with other government agencies, civil society, the private sector, as well as donor agencies. NAPC is tasked not only to provide the necessary technical support but also to ensure that capacity-building efforts are integrated in every project and participatory process.



**3. Policy Advocacy and Policy Reform.** A supportive policy environment is crucial for the sustainability and survival of KALAH I and other anti-poverty initiatives. It is the task of NAPC to initiate policy reform measures towards the institutionalization of KALAH I, by building on the policy agenda formulated by basic sectors and the experiences of previous poverty reduction projects in collaboration with other policy stakeholders such as, but not limited to, the academic sector, pressure groups, and legislators.

**4. Social Marketing.** A supportive public is also necessary for the success and sustainability of KALAH I. All stakeholders are encouraged to disseminate information about the government's poverty reduction program to the public in order to solicit much needed support for the program and forge community ownership. KALAH I stakeholders, under the leadership of NAPC, will link with government, such as the Philippine Information Agency (PIA), and private media organizations, in launching information campaigns.



## KALAH I PRINCIPLES

Aside from its goals and strategies, KALAH I is also guided by a set of principles formulated with a perspective enriched by past programs and an eye on the future.

First of all, KALAH I does not subscribe to a homogenous and standardized strategy for poverty reduction; instead, it promotes flexibility in program implementation across communities within the mandated thrusts of KALAH I and the government's national development agenda.

A responsive and flexible program like KALAH I adheres to the prevailing principles of participation, empowerment, openness and inclusiveness. These principles make the process of governance more



meaningful and dynamic by harnessing the diverse ideas, talents, and the creativity of various actors that is responsive and attuned to the unique needs of a particular community.

Implementation efforts in the delivery of programs and services are directed towards attaining convergence in all aspects of governance. Through KALAH I, the government solicits the active participation of basic sector organizations, other civil society organizations, and the business sector in its poverty reduction programs or activities. By bringing in different stakeholders into the process, KALAH I aims to forge more meaningful partnerships, enhance accountability and transparency, and foster collective ownership of its processes and outcomes. Consequently, issues of sustainability are partly addressed since the burden and responsibility of poverty reduction is shared by different stakeholders. At the same time, the adoption integrated and holistic framework of KALAH I maximizes the limited resources on hand.

KALAH I also recognizes the importance of basic sector participation in poverty reduction. It recognizes the need for the poor to be politically powerful to reduce poverty. Though poor in material resources, the marginalized groups such as peasants, fisher folk, labor, urban poor, women, children and youth, play a crucial role in KALAH I not only in articulating their needs, but more importantly in undertaking key endeavors toward changing their disadvantaged conditions. Therefore, KALAH I also aims to build the capacities of basic and marginalized groups.

**Respect for Local Autonomy** – local stakeholders have a primary role in deciding on the key aspects of projects/programs especially in the selection of target local government units (LGUs), identification and selection of partner beneficiaries, and the identification and selection of priority projects.

**Empowering** – adhering to the principles of peoples' participation and empowerment, capacity building is a crucial component for every project. Poverty reduction projects will harness and develop the existing capacities of community stakeholders to ensure meaningful and quality participation.



*Anti-poverty initiatives from the different sectors:  
Basic Sector March, January 2003*



*KALAH I is participatory and demand-driven.  
(Barangay consultation-dialogue in post-conflict  
Pikit, North Cotabato)*



**Demand-driven** – poverty reduction projects should be according to the identified and articulated needs and priorities of poor communities.

**Uncomplicated** – tools, requirements, and procedures should be simply stated to facilitate better understanding and appreciation of processes. This would also translate in increased efficiency and fast-track the implementation of important activities.

**Convergent** – coordination and integration of services of various stakeholders in targeted areas are essential for synergy that would contribute to greater program impact.

**Transparent** – anchoring on the principle of good governance, all aspects of the project, especially funding, should be made known to the public. Community members and other stakeholders are encouraged to regularly monitor projects to ensure transparency.

**Inclusive** – participants are not limited to organized groups or those that are officially recognized or accredited, but other stakeholders as well.

**Open Menu** – target communities and their respective local governments have the prerogative and discretion in the identification of projects to be funded as long as said projects are in consonance with the governing thrusts of KALAH I (asset reform, human development services and social protection, livelihood and employment, institutionalization and capacity-building).

**Nurtured by community** – a sense of ownership will be encouraged among community stakeholders to ensure sustainability of projects and programs.

How these principles are put into practice and how KALAH I strategies are operationalized to pursue identified goals will be discussed in chapter three.



CHAPTER 3

# Operationalizing and Institutionalizing KALAHI Convergence







# I. Introduction

When the Arroyo Administration came to power in 2001, President Gloria Macapagal Arroyo immediately set out to fast track the delivery of various poverty reduction programs. But it was the signing of **Memorandum Circular 33**, known as the “*Institutionalization of the Kapit-Bisig Laban sa Kahirapan (KALAHÍ)*” by President Gloria Macapagal Arroyo in November 2002, which provided the significant push to the government’s poverty reduction efforts. MC 33 and its implementing guidelines — which came out in September 2003 — have since shaped the implementation of poverty reduction programs under the Arroyo Administration.



*KALAHÍ inter-agency visit and dialogue with poor communities in the Cordilleras*

This chapter walks us through the basic provisions of MC 33 and its implementing rules and regulations (IRR). It explores the ways KALAHÍ goals, principles and program components have been operationalized and are being institutionalized and implemented at the national, regional and local levels.

As such, ten key questions about KALAHÍ operationalization are asked and answered in this chapter.

- Question 1: Who implements KALAHÍ?
- Question 2: Who are the target beneficiaries of KALAHÍ?
- Question 3: What structures are currently in place for KALAHÍ?
- Question 4: What are the poverty-reduction programs under KALAHÍ?
- Question 5: What are other KALAHÍ implementing processes and mechanisms?
- Question 6: How is KALAHÍ being monitored?
- Question 7: How is KALAHÍ being sustained?
- Question 8: What resources are being mobilized for KALAHÍ?



Question 9: What is the role of local government units in KALAHl?

Question 10: What is the role of basic sectors in KALAHl?

The answers to these questions evolved from 2001 to 2004 or over 4 years of multi-sectoral consultations, planning and program implementation. By familiarizing ourselves with these questions and their answers, we, as KALAHl stakeholders, can participate more effectively in further shaping and implementing KALAHl in our respective localities.





## II. Implementing KALAH! Q&A

### Q1 WHO IMPLEMENTS KALAH!?

*Multi-stakeholders Against Poverty*

#### *KALAH! at a Glance*

#### **Stakeholders in KALAH! Implementation**

- National Government Agencies and regional offices
- Local Government Units
- Basic Sectors
- Business or Private Sector
- Civil Society
- Donor Agencies
- Support Institutions

Government agencies are primarily responsible for KALAH! implementation and monitoring. This is in keeping with their role of instituting asset reforms, improving the delivery of basic social services, widening participation by the poor, building institutions for efficient provision of public goods and regulating markets that can assist in poverty reduction goals.

However, government recognizes that it cannot be successful in poverty reduction without the assistance of other sectors. Businesses and civil society, including non-governmental organizations, peoples' organizations, the academe, and other support institutions, have an important role in addressing poverty in the country. KALAH! thus calls for the active participation and involvement of basic sectors, business, academe and non-government organizations in the implementation of a comprehensive poverty reduction program.



*Unleashing the power of culture and the arts: Arts demonstration-workshop, National Day for Overcoming Extreme Poverty, 18 October 2004)*



## KALAHI STAKEHOLDERS AND THEIR RESPECTIVE ROLES UNDER KALAHI

Under KALAHI therefore, each stakeholder has a definite role to play; specifically

- *National Government Agencies (NGAs) and their regional offices.* Government entities within NAPC – member agencies, partner agencies, and other support institutions – serve as coordinators, implementors, and monitors of the various poverty reduction programs and projects according to their respective capacities and mandates. The NGAs and their respective regional offices take part and participate in the various structures and mechanisms established under KALAHI. NGAs that take part in KALAHI include:

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National Anti-Poverty Commission (NAPC)	Technology and Livelihood Resource Center (TLRC)
Department of Social Welfare and Development (DSWD)	People's Credit and Finance Corporation (PCFC)
Department of Health (DOH)	Presidential Commission for the Urban Poor (PCUP)
Department of Education (DepEd)	National Housing Authority (NHA)
Commission on Higher Education (CHED)	National Youth Commission (NYC)
Department of Agriculture (DA)	National Food Authority (NFA)
Department of Agrarian Reform (DAR)	National Irrigation Administration (NIA)
Department of Environment and Natural Resources (DENR)	National Statistical Coordination Board (NSCB)
Department of Justice (DOJ)	National Statistics Office (NSO)
Department of the Interior and Local Government (DILG)	Philippine Charity Sweepstakes Office (PCSO)
Department of National Defense (DND)	Philippine Information Agency (PIA)
Department of Public Works and Highways (DPWH)	Armed Forces of the Philippines (AFP)
Department of Budget and Management (DBM)	Philippine National Police (PNP)
Department of Trade and Industry (DTI)	Population Commission (PopCom)
Department of Labor and Employment (DOLE)	Cooperative Development Authority (CDA)
Department of Science and Technology (DOST)	Quedan Credit Corporation (QUEDANCOR)
Department of Energy (DOE)	Office of the Presidential Adviser on the Peace Process (OPPAP)
National Economic and Development Authority (NEDA)	Local Water Utilities Administration (LWUA)
Housing and Urban Development Coordinating Council (HUDCC)	National Home Mortgage and Finance Corporation (NHMFC)
National Commission on Indigenous Peoples (NCIP)	Philippine Health Insurance Corporation (PHIC)
Technical Education and Skills Development Authority (TESDA)	And other national government agencies that may be identified

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- *Local Government Units.* Local government units (LGUs) are expected to be at the forefront of any development effort. As such, LGUs are expected to facilitate, implement, or co-implement poverty reduction programs and projects within their respective localities. They also take an active role in planning, monitoring, evaluating and providing resources for poverty reduction programs in their respective areas of jurisdiction.



The national and regional chapters of the leagues of the LGUs: League of Provinces, League of Cities, League of Municipalities, and the *Liga ng mga Barangay* are represented in the national and regional structures of KALAHI.

- *Basic Sectors.* Republic Act 8425 mandates the meaningful and effective participation of the basic sectors in policy development, planning, coordination, monitoring and evaluation of poverty reduction initiatives at all levels. Their participation is even more vital in the implementation and monitoring of targeted poverty reduction programs. They are expected to organize themselves and form grassroots alliances geared towards policy interventions at the national and local levels.

Representatives of basic sectors that take part in KALAHI include:

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Farmers and rural landless workers	Youth and students
Artisanal fisherfolk	Persons with disabilities
Urban poor	Victims of disasters and calamities
Indigenous cultural communities	Senior citizens
Workers in the formal sector and migrant workers	Non-government organizations (NGOs)
Workers in the informal sector	Children
Women	Cooperatives

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- *Private/Business Sector.* The private or business sector has the responsibility of providing basic goods and opening channels for improving economic productivity and employment opportunities for the poor. The sector promotes corporate responsibility by assisting in resource mobilization and redirecting their social development programs towards poverty reduction goals.
- *Civil Society.* The civil society needs to organize and strengthen the capacities of communities so that they can fully participate in policy-making and decision-making processes. The civil society will engage in local poverty-reduction programs, develop mechanisms to conduct policy advocacy and social marketing as well as critically monitor government's work.
- *Donor Agencies.* The donor agencies serve as a major potential source of funds for poverty reduction programs. For the implementation and monitoring of said programs and the provision of institutional support and capacity-building activities, donor agencies are tapped to provide technical assistance, grants, and loans.
- *Support Institutions.* Other support institutions such as the academe and other research institutions provide technical assistance in the areas of policy research, program development, capacity-building, extension services and other relevant initiatives.



## Q2 WHO ARE THE TARGET BENEFICIARIES OF KALAHI?

### *Reaching the Poorest Communities Around the Country*

#### *KALAHI at a Glance* **Beneficiaries**

- Poorest barangays or communities
- Poorest provinces
- 17 regions

KALAHI aims to reach the poorest barangays in the 17 regions of the country, including the Autonomous Region in Muslim Mindanao. The KALAHI structure in each region, called the Regional KALAHI Convergence Group (RKCG), is tasked to identify the poorest communities and barangays in their region. The RKCG chooses the poorest communities that will benefit from the program after reviewing the recommendations of local government units in the region. KALAHI also gives priority to the twenty poorest provinces in the country.

#### **Parameters for Identifying Poorest Communities**

In identifying the poorest communities or barangays, KALAHI implementors at the local and regional levels consider certain parameters. These parameters, enumerated below, are reviewed and updated regularly vis-à-vis the anti-poverty goals of the Arroyo administration and the needs of the community.

- high poverty incidence and extreme poverty situation as determined by the standards of the minimum basic needs (MBN) or any existing poverty indicator system;
- large gap in asset reform as determined by the low level of security in land and/or aquatic tenure;
- presence of vulnerable poverty sectors such as landless, upland coconut farmers, indigenous peoples, artisanal fisherfolks, and displaced sectors;
- communities in or recovering from a disaster, environmental crisis or armed conflict;
- communities without access to major Overseas Development Assistance (ODA) and other foreign assisted projects; and
- communities situated within local government units, which have inadequate financial resources such as 6<sup>th</sup> and 5<sup>th</sup> class municipalities.



*Protecting vulnerable sectors, specially children:  
A KALAHI priority*



## Using Poverty Indicators to Determine Poverty Situation of Target Communities

The Core Local Poverty Indicators, also called CLPI, further help determine the poverty incidence and situation in a target community. KALAH I encourages the use of these indicators to identify the poorest barangays that should benefit from KALAH I. Since they serve merely as guideposts, local government units have the flexibility to add other indicators or to use proxy indicators when necessary:

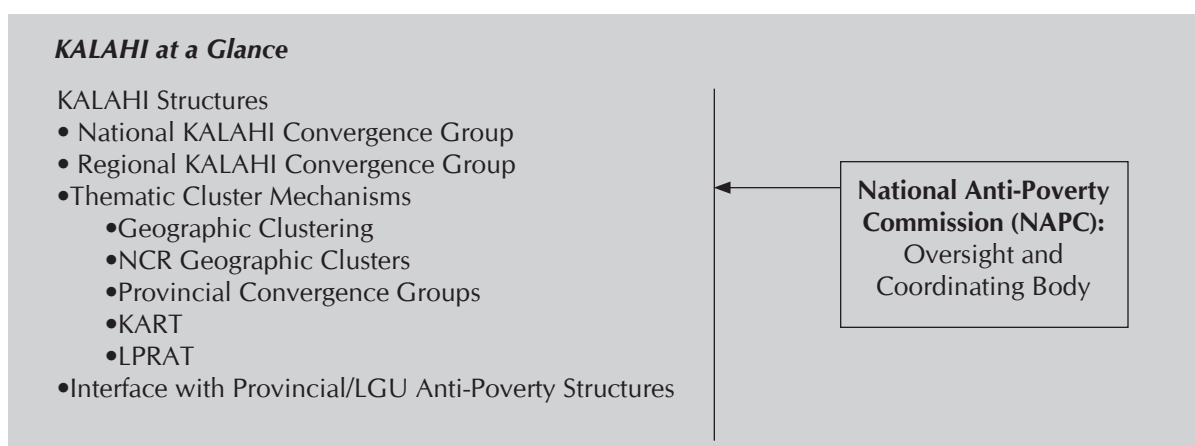
**Table 3.1 Core Local Poverty Indicators**

Health	<ul style="list-style-type: none"> <li>proportion of children aged 0-5 years old who died to the sum of children 0-5 years</li> <li>proportion of women who died due to pregnancy to the total number of pregnant women</li> </ul>
Nutrition	<ul style="list-style-type: none"> <li>malnutrition prevalence or the proportion of children aged 0-5 years who are malnourished to the total number of children aged 0-5 years</li> </ul>
Access to Basic Amenities	<ul style="list-style-type: none"> <li>proportion of households with access to safe water</li> <li>proportion of households with access to sanitary toilet facilities</li> </ul>
Shelter	<ul style="list-style-type: none"> <li>proportion of households who are squatting</li> <li>proportion of households living in makeshift facilities</li> </ul>
Peace and Order	<ul style="list-style-type: none"> <li>proportion of households with members victimized by crimes</li> </ul>
Income	<ul style="list-style-type: none"> <li>proportion of households with income less than the poverty threshold</li> <li>proportion of households with incomes less than the food threshold</li> <li>proportion of households who eat less than three (3) meals a day</li> </ul>
Employment	<ul style="list-style-type: none"> <li>unemployment rate</li> </ul>
Education	<ul style="list-style-type: none"> <li>elementary participation rate</li> <li>secondary participation rate</li> </ul>

Other relevant locally-initiated convergence poverty reduction activities adhering to these poverty indicators are also considered by KALAH I implementors when choosing KALAH I partner-communities. Guided by these parameters, each province should aim to identify at least two (2) KALAH I convergence areas in their locality.

## Q3 WHAT KALAH I STRUCTURES ARE CURRENTLY IN PLACE?

### *Convergence Mechanisms at the National, Regional and Local Levels*



## NAPC: KALAHİ'S OVERSIGHT AND COORDINATING BODY

The National Anti-Poverty Commission (NAPC) is the coordinating and oversight body mandated to coordinate and synchronize all poverty reduction initiatives of the government across all levels.

### KALAHİ Multi-stakeholder Structures

Several official structures at the national, regional and local levels composed of representatives from different sectors facilitate and monitor the implementation of KALAHİ:

#### *1. NKCG, RKCG and Thematic Cluster Mechanisms*

Based on Memorandum Circular 33 and its implementing guidelines, two parallel and autonomous structures determine the nature of KALAHİ at the national and regional levels. At the national level, the **National KALAHİ Convergence Group** or NKCG was created. At the regional level, regions are mandated to form their respective **Regional KALAHİ Convergence Groups** or RKCGs. The NKCG and RKCGs each have their respective **thematic cluster mechanisms**.

#### *2. Geographic Clustering*

Geographic clustering has also evolved to push KALAHİ forward at the local level, including the following:

- a. **NCR Geographic Clusters.** In the National Capital Region (NCR), the National Anti-Poverty Commission (NAPC) works with other line agencies to create five NCR geographic clusters. These geographic clusters in NCR contribute to more efficient and accelerated delivery of services, closer coordination, and greater participation of LGUs in NCR.
- b. **Provincial and Municipal Convergence Groups.** Provinces, cities and municipalities, on the other hand, are encouraged to put up their own parallel convergence groups at their level following the principles of convergence and autonomy. In 2004, the provinces under CALABARZON, Oriental Mindoro and Palawan were some of the first few provinces to create their own Provincial Convergence Groups.
- c. The **KALAHİ Roving Team** or KART is seen as a group of experts from the RKCG. It is created to assist in the identification of target communities, as well as the formulation and implementation of projects and programs at the provincial level. The RKCG facilitates the formation of KART in each targeted province, composed of:
  - Presidential Assistant
  - Directors and representatives of key regional agencies in the locality
  - AFP representative
  - PNP Representative

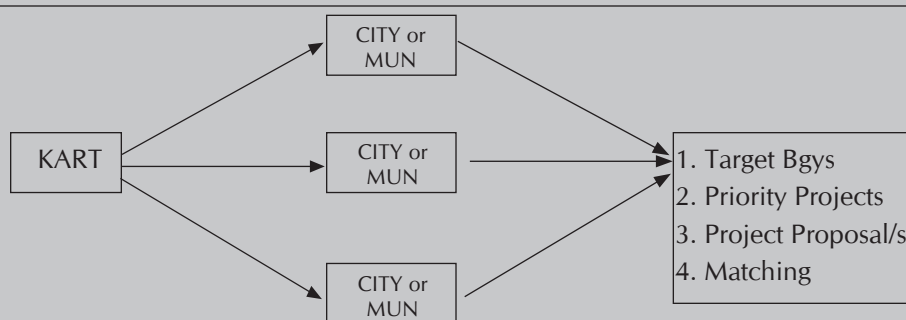


- Provincial Governor or his/her representative
- Local Government Agencies
- Basic Sector Representatives

The presidential assistant acts as the convenor while the governor is the co-convenor.

d. The **Local Poverty Reduction Action Teams** or LPRAT is a multi-stakeholder, inter-agency group at the provincial and municipal levels composed of key agencies from the LGUs, some regional agencies, and basic sector representatives. They are led by the Local Poverty Reduction Action Officer (LPRAO) working in behalf of the local chief executive. The initial task of the LPRAT is to implement the Local Poverty Indicator and Monitoring System and the Local Poverty Reduction Action Planning (LPIMS-LPRAP). Eventually, the LPRAT is envisioned to become the convergence group in the province or municipality.

**Figure 3.1 How KART Will Work**



### 3. Interfacing with Provincial and Anti-Poverty Structures

In the spirit of local autonomy, KALAH I also taps into existing locally-created anti-poverty structures and interfaces with structures to push the KALAH I objectives and goals along. The heads of these locally initiated poverty reduction structures are asked to sit in the RKCG.



## **NATIONAL KALAHI CONVERGENCE GROUP (NKCG): Composition, Functions and Structure**

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### **Composition of the NKCG**

Composed of heads and/or focal persons of the national government agencies, local government leagues, presidential assistants or RKCG Chairpersons and representatives from the 14 basic sectors.

National Government Agencies: Relevant national government agencies shall comprise the NKCG (see page 50 for list).

Heads and/or focal persons of the National Chapters of the Leagues of the Local Government Units: League of Provinces, League of Cities, League of Municipalities, and the Liga ng mga Barangay.

NAPC Sectoral representatives from the following sectors:

- |  |                                       |
|--|---------------------------------------|
| • Farmers and rural landless workers                 | • Youth and students                  |
| • Artisanal fisherfolk                               | • Victims of disasters and calamities |
| • Urban poor   | • Senior citizens                     |
| • Indigenous cultural communities/indigenous peoples | • NGOs                                |
| • Workers in the formal sector and migrant workers   | • Children                            |
| • Workers in the informal sector                     | • Cooperatives                        |
| • Women  |                                       |

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### **The Functions and Responsibilities of the NKCG**

- recommend policies and provide imprimatur for adoption by the NAPC En Banc;
- provide technical support for coordinating and monitoring poverty reduction programs and to ensure convergence of programs and projects at all levels of execution;
- meet quarterly or as necessary to discuss KALAHI development, plans and direction;
- formulate and approve its internal rules including but not limited to the conduct of regular and special meetings, declaration of quorum, election of officers, approval of minutes and resolutions;
- ensure dissemination of all necessary information on KALAHI development to their counterpart at the regional level; and
- map all resources available for poverty reduction programs and projects.



## THE REGIONAL KALAHI CONVERGENCE GROUP

### Composition, Functions and Structure

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#### The Composition of the RKCG

The RKCG is composed of a) the heads, designated focal persons or their authorized representatives of the regional counterparts of the NKCG agencies), b) the Cabinet Officer for Regional Development, c) the Presidential Assistant, d) Deputy Presidential Assistant, e) NAPC Sectoral Council members residing in the region, f) regional chapters of the Leagues of local government units, g) the Local Poverty Reduction Officer of each province and highly urbanized city in the region, and h) other government agencies, civil society, private sector, and basic sector groups that the RKCG may invite to sit as members.

- set up within the existing structure of the Regional Development Council (RDC) for all regions except the National Capital Region and the Autonomous Region of Muslim Mindanao (ARMM).
  - the government of the ARMM shall constitute its own convergence group and secretariat. It may however call on the assistance of the NAPC on this matter. The ARMM Governor shall serve as the ARMM KALAH I Convergence Chair.
  - NAPC shall facilitate the establishment of a RKCG in the NCR whose chair shall be the NAPC Lead Convenor and with the NAPC Secretariat as the NCR-RKCG Secretariat.
- 

#### The Functions and Responsibilities of the RKCG

- preparation, implementation, monitoring and evaluation of regional poverty alleviation plans and investment programs, including the formulation of policy recommendations thereof;
  - integration of poverty reduction plans and programs of local government bodies (provincial, city, municipal, barangay), line agencies, state universities and colleges, government owned and controlled corporations, and special development authorities in the region into a regional poverty reduction plan;
  - review, prioritization, and endorsement to NAPC and other relevant and concerned agencies the poverty reduction investment program/budgets of the region for funding and implementation by concerned national agencies;
  - promotion and encouragement of the inflow and allocation of private investments in the region to support regional development objectives, policies and strategies supporting poverty initiatives in the region;
  - review, prioritization, and endorsement of poverty reduction-related national plans, programs, and projects proposed for implementation in the region;
  - initiation and coordination of the development, funding and implementation of regional and special poverty development projects such as those involving several agencies or LGUs;
  - mobilization of concerned government agencies, organizations, sectors, or entities such as the Local Poverty Reduction Action Officer (LPRAOS), whenever necessary;
  - mobilization of the Cabinet Officer for Regional Development (CORD) to facilitate resolution of RKCG matters that need Cabinet action;
  - recognition and coordination with focal persons, teams, and/or committees that LGUs may establish at their respective levels as RKCG counterparts;
  - enhancement of basic sector participation, especially the NAPC sectoral council members in the regions, and improve coordination with the concerned local government units as well as local civil society groups;
  - close collaboration with the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP) to maintain a strong link between anti-poverty and internal security efforts of the government;
  - formulation and approval of its internal rules, including but not limited to, the conduct of regular and special meetings, declaration of quorum, election of officers, approval of minutes and resolutions;
  - screening of NGOs and other civil society groups interested in RKCG membership and participation in KALAH I-related activities;
  - conduct of periodic review and assessment of RKCG's programs, projects and activities; and
  - performance of other related functions and activities as may be necessary to promote and sustain poverty initiatives in the region.
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### NKCG Structure

For more efficient and effective implementation, the NKCG shall be managed by the Chair and a Secretariat with their respective functions and responsibilities. The remaining members of the convergence group shall sit in one or more cluster committees depending on their organizational mandates

*Chair.* The NAPC Lead Convenor shall serve as the Chair of the NKCG with the following functions:

- preside over the meeting of the NKCG;
- facilitate the resolution of NKCG matters that need cabinet action;
- accept, in behalf of the NKCG, donations, contributions, grants, bequests, or gifts;
- submit to the President through the NAPC, national poverty reduction plans, investment programs, and accomplishment reports as approved by the convergence group;
- oversee the provision of technical and administrative support to the Group and to the Secretariat; and
- perform other functions and duties as may be directed by the President

*Secretariat.* NAPC Secretariat shall serve as the NKCG Secretariat, providing technical and administrative support. In particular, it shall:

- develop policies and facilitate consultation to key stakeholders before elevating it to NAPC En Banc for adoption;
- consolidate the reports of the four clusters and come up with a report identifying concerns and issues, which need to be addressed and referred to appropriate agencies or bodies;
- coordinate the preparation of the agenda of the NKCG meetings;
- keep a complete record of all proceedings of the NKCG sessions;
- certify to the veracity of all official records and documents of the NKCG and the Chair's signature;
- keep custody of records of the NKCG;
- prepare, review and draft NKCG resolutions; and
- perform other functions as may be assigned by the Chair and the NKCG.

*Cluster Committees/Members.* Towards more focused and coordinated planning and programming, the NKCG membership shall be clustered into four (4) thematic groups: asset reform, human development services and social protection, livelihood, employment, institutionalization and capacity building.

- Membership in the clusters shall be based on the relevance of agency/organizational mandates. Thus, any government agency or body, or civil society representative, may become a member of any cluster and may opt to join more than one cluster.
- Each cluster shall have a Convenor. The respective members of the cluster shall determine selection of the Cluster Convenor.
- The Cluster Convenor shall provide secretariat support to the committee.
- Cluster meetings shall be held on a monthly basis, or as the need arises to discuss the progress of KALAH I implementation by their respective member agencies. The meeting shall be a venue to determine possible program and policy measures to enhance further implementation at the regional level.
- Every cluster member, through the agency's focal person or NKCG representative, shall submit a monthly report to the respective cluster convenor for consolidation and submission to the NKCG Secretariat.



## The RKCG Structure

For a more efficient and effective implementation, each RKCG shall be managed by a set of officers consisting of the Chair, Vice-Chair, and a Secretariat with their own functions and responsibilities. The remaining members of the convergence group shall sit in one or more cluster committees depending on their organizational mandates.

*Chair.* The Chair for the RKCG shall be the Presidential Adviser, Presidential Assistant, Deputy Presidential Assistant, or the Regional Development Officer (RDO), as the case may be. When necessary, the President of the Republic of the Philippines shall designate the RKCG Chair, based on the endorsement of the NAPC Lead Convenor. The Chair has the following functions and responsibilities:

- preside over the meetings of the RKCG;
- facilitate the resolution of RKCG matters that need cabinet action;
- accept, in behalf of the RKCG, donations contributions, grants, bequests, or gifts;
- represent the RKCG in Cabinet meetings and other activities at the national level;
- submit to the President through NAPC, regional poverty reduction plans, investment programs, and quarterly monitoring and accomplishment reports as approved by the convergence group;
- oversee the provision of technical and administrative support to the Group and to the Secretariat; and
- perform other functions and duties as may be directed by the President.

*Vice-Chair.* The Vice-Chair shall be elected from among the members of the RKCG. It shall perform the function of the Chair in its absence. Specifically, the Vice-Chair shall:

- preside, in the absence of the Chair, over the meetings of the RKCG;
- assist the Chair in the performance of his/her functions and responsibilities;
- act on matters requiring immediate decision of the Chair, in his/her absence; and
- assist the Chair in providing technical and administrative support to the members of the Secretariat

*Secretariat.* The NEDA Regional Office (NRO) shall serve as the secretariat of the RKCG. In coordination with the Chair and/or the Vice-Chair, the NRO, through its Regional Director shall act as the Secretary of the RKCG who will manage the technical, administrative, and financial operations of the RKCG and be accountable for the funds and properties of the RKCG. The Regional Director has the following functions:

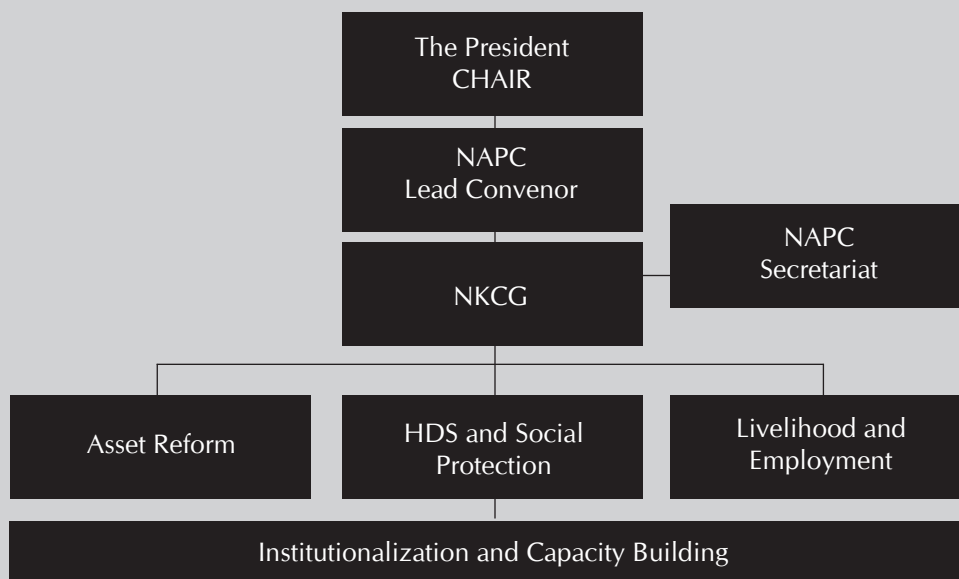
- coordinate the preparation of the agenda of the RKCG meetings;
- manage the records of the RKCG (meetings and activities), keep a complete record of all proceedings of the RKCG sessions and disseminate minutes of the meetings to all RKCG members
- prepare, review and draft RKCG resolutions;
- keep custody of records of the RKCG;
- report to the chair on the operations of the RKCG;
- prepare progress reports of RKCG programs and projects and submit consolidated reports on a quarterly basis to the RKCG Secretariat;
- prepare the work and financial plans of the RKCG; and
- perform other such functions as may be assigned by the Chair, the Vice-Chair, and the RKCG.

*Cluster Committees/Members.* Cluster Committees/Members. The RKCG shall be clustered and structured in the same manner as the national- level group, including representatives from all basic sectors in the regions and the agencies in which membership (in specific cluster committees) shall be based on the relevance to their organizational mandates. Membership is not limited to one cluster/committee. These clusters shall be the planning and implementing arms of KALAH! at the local level in partnership with the concerned local government units. To operationalize KALAH! at the regional level, it should be anchored on the regional development planning system. The cluster committees shall assist the RKCG in the performance of its functions, including:

- review and endorse poverty reduction programs and projects of national government agencies, LGUs, and the private sector in the region to the NAPC which include those requiring national government budget appropriations or subsidies;
- integrate cluster information and statistics in the preparation of the annual regional poverty alleviation report;
- assist the RKCG in translating national development goals and policies into specific regional cluster objectives which address poverty concerns;
- integrate cluster plans and programs of LGUs into regional cluster plans and programs/projects and coordinate all cluster planning and programming activities of sectoral line agencies in the region; and
- perform other related functions as may be assigned by the RKCG.



**Figure 3.2. National KALAHl convergence structure**

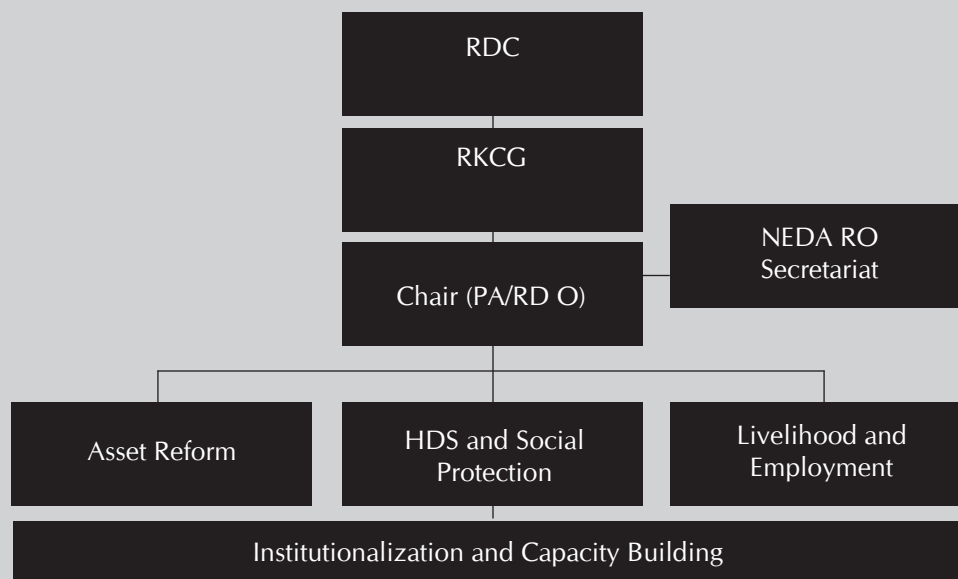


#### Thematic Cluster Mechanism of NKCG

NKCG COMPOSITION	CLUSTERS			
	Institutionalization and Capacity Building	Asset Reform	Human Dev't Services and Social Protection	Livelihood and Employment
<ul style="list-style-type: none"> <li>Focal Persons of Agencies</li> <li>ED and focal persons of LGU Leagues</li> <li>NAPC sectoral representatives</li> <li>Presidential Assistants or RKCG Chairpersons</li> </ul>	<ul style="list-style-type: none"> <li>NEDA, PIA, NSO, NSCB, OPAPP, DILG</li> <li>NAPC sectoral representatives</li> </ul>	Urban: <ul style="list-style-type: none"> <li>HUDCC, NHMFC, NHA</li> </ul> Rural: <ul style="list-style-type: none"> <li>DAR, DA/PCA/NAFC/ BFAR, DENR, NCIP, NIA</li> <li>NAPC Sectoral Representatives</li> </ul>	<ul style="list-style-type: none"> <li>DOH, PhilHealth, DSWD, DepEd, CHED, HUDCC, DA-NFA, PCSO, DPWH, DOE, LWUA, DOJ-PAO, DILG, PCUP, PIA, POPCOM, NYC</li> <li>NAPC Sectoral Representatives</li> </ul>	<ul style="list-style-type: none"> <li>DTI, TLRC, TESDA, DOLE, PESO, DILG, PCFC, DA, BFAR, NIA, PCUP, DOST, DSWD, NYC, DOST</li> <li>NAPC Sectoral Representatives</li> </ul>
Secretariat: NAPC Focal Unit: KALAHl Team				



**Figure 3.3. Regional KALAHl Convergence Structure**



#### Thematic Cluster of RKCG

RKCG COMPOSITION	CLUSTERS			
	Asset Reform	Human Dev't Services and Social Protection	Livelihood and Employment	Institutionalizing Capacity Building
<ul style="list-style-type: none"> <li>OPARD</li> <li>Focal Persons of Agencies</li> <li>ED and focal persons of LGU Leagues</li> <li>Focal Person from Sectoral Councils in the region</li> </ul>	Urban: <ul style="list-style-type: none"> <li>HUDCC, NHMFC, NHA</li> </ul> Rural: <ul style="list-style-type: none"> <li>DAR, DA/PCA/NAFC/BFAR, DENR, NCIP, NIA</li> <li>Regional Basic Sector</li> </ul>	<ul style="list-style-type: none"> <li>DOH, PhilHealth, DSWD, DepEd, CHED, HUDCC, DA-NFA, PCSO, DPWH, DOE, LWUA, DOJ-PAO, DILG, PCUP, PIA, POPCOM, NYC</li> <li>Regional Basic Sector</li> </ul>	<ul style="list-style-type: none"> <li>DTI, TLRC, TESDA, DOLE, PESO, DILG, PCFC, DA, BFAR, NIA, PCUP, DOST, DSWD, NYC, DOST</li> <li>Regional Basic Sector</li> </ul>	<ul style="list-style-type: none"> <li>NEDA, PIA, NSO, NSCB, DILG, LPRAOs, OPAPP</li> <li>Regional Basic Sectors</li> </ul>
Secretariat: NEDA Regional Office Focal Unit: KALAHl Team				



*At a glance*  
**The National Anti-Poverty Commission**

**Functions and Responsibilities of NAPC**

Guided by Republic Act 8425 and Memorandum Circular No. 33, NAPC shall:

- a. Develop the poverty reduction strategy of the government,
- b. Coordinate with government and the private sector for the full implementation of social reform and poverty alleviation programs in conformity with the approaches and flagship programs,
- c. Ensure the meaningful representation and active participation of the basic sectors.
- d. Oversee, monitor, and recommend measures to ensure the effective formulation, implementation and evaluation of policies, programs, resource allocation and management of social reform and poverty alleviation programs,
- e. Advocate for the mobilization of funds by the national and local governments to finance social reform and poverty alleviation programs and capacity-building activities of the basic sectors and
- f. Provide financial and non-financial incentives to local government units with counterpart resources for the implementation of social reform and poverty alleviation programs.

**NAPC Coordinating Mechanism.**

The formation of appropriate coordinating bodies at all levels of execution is necessary to ensure that convergence from policy development to program implementation and monitoring are taking place. These bodies consist of the NAPC En Banc and the NAPC Executive Committee.

- a. NAPC en banc. It is the highest policy-making and coordinating body that shall oversee the implementation of KALAHÍ. It is chaired by the President and composed of the Lead Convenor, the Secretaries or Heads of the national government agencies, Presidents of the Leagues of Local Government Units, and the Sectoral Representatives of the fourteen (14) basic sectors.
- b. NAPC Executive Committee. It shall be the operational and administrative coordination mechanism of the government and the basic sectors and the secretariat to resolve urgent and important issues between en banc meetings of the Commission. It shall be composed of the Lead Convenor, Vice-Chairpersons of the Government and Basic Sectors, two Sectoral Representatives of the NAPC basic sectors, two Heads/Secretaries of the NAPC government sector, and one representative from the Leagues of Local Government Units.
- c. NAPC Secretariat. It shall provide the crucial support for the convergence mechanism institutionalized under KALAHÍ. Concretely, it shall also function as the Secretariat of the National KALAHÍ Convergence Group (NKCG), and shall perform regular liaison work with KALAHÍ Convergence Groups. It shall provide the necessary technical support for capacity development in the areas of: poverty diagnosis, targeting, planning, coordination of implementation, monitoring, evaluation, improvement of statistical systems, and resource mobilization at all levels. It shall also spearhead the crucial policy advocacy and reform for a supportive policy environment as well the social marketing needs of KALAHÍ.



## Q4 WHAT ARE POVERTY REDUCTION PROGRAMS UNDER KALAHİ?

### *Programs and Modes of Implementation*

#### *KALAHİ at a Glance*

##### **Program Menu and Modes of Implementation**

- Anti-Poverty Programs for various national government agencies (AR, HDSSP, L&E, ICB)
- KALAHİ NCR
- KALAHİ Prototype Projects (KPPS)
  - KALAHİ-Rural
  - KALAHİ-Urban
  - KALAHİ-Conflict Areas/Internal Security Areas and KALAHİ Karaban
  - KALAHİ-Local Initiatives
  - KALAHİ in Resettlement Areas
  - KALAHİ-Karaban
  - KALAHİ CIDSS
- KALAHİ AR Zones
- KALAHİ Poverty Free Zones

KALAHİ operates primarily by converging poverty-reduction programs, projects, services and resources of national government agencies, local government units, basic sectors, civil society groups and the private sector in focus barangays. It aims to maximize the impact of anti-poverty interventions. To accelerate and facilitate the convergence process, various prototype models and modes of implementing KALAHİ have evolved through the years.

#### **Agency Anti-Poverty Programs**

KALAHİ works primarily through line agencies as they implement their respective flagship poverty-reduction programs according to their agency mandates. These include programs like the Agrarian Reform Communities Development Program (ARCDP) of the Department of Agrarian Reform, Strategic Agriculture and Fishery Development Zones (SAFDZ) of the Department of Agriculture, and the Comprehensive and Integrated Delivery of Social Services (CIDSS) of the Department of Social Welfare and Development. The agencies provide the funds and are tasked to oversee and monitor the progress of these projects.

Below are some of the flagship programs of selected agencies.



**Table 3.2 Flagship Programs of Selected Agencies**

<b>Program Cluster</b>	<b>Agencies and Programs</b>
Asset Reform	DAR (AR Program) DA (SAFDZ) NCIP (CADT/CATC) DENR (Community Resource Management)
Human Devt Services and Social Protection	DepEd (basic education) DOH (basic health) DILG/DWSD (protection against violence) DOE (electrification) HUDCC (housing) NFA (food subsidy) DSWD (CIDSS and welfare services) PHIC (health insurance) DOJ (legal protection and free legal aid)
Livelihood and Employment	DILG (employment) NYC (youth emergency employment) DOLE (employment facilitation) TESDA (skills training) TLRC (skills training) DOST (skills training/technology) PCFC (microcredit)

## **KALAHI NCR**

Convergence among government agencies for poverty reduction started in the NCR in May 2001, with 43 urban poor barangays including 4 Muslim communities. Convergence was various government agencies' response to the call of the then newly-installed President Gloria Macapagal-Arroyo to prioritize depressed communities in the Metro Manila area. Government agencies coordinated with LGUs concerned in the identification of priority poverty reduction needs and in delivering the services needed to match these needs. This was later given the name "KALAHI-NCR."

## **KALAHI PROTOTYPE PROJECTS (KPPS)**

At the same time, to further fast track poverty reduction efforts, the Arroyo Administration developed several KALAHI prototype projects. These prototype projects aim to provide funds to projects in poor communities, otherwise not covered by the different government agencies. These projects have the following common features:

- Poor communities are pre-identified based on some specific criteria
- Funds for prototype projects come from the President's Social Fund (PSF)



**Table 3.3 Some KALAHl Prototype Projects**

Prototype Project	Pre-identified Target Communities	Amount of Funding Provided
KALAHl-Rural	Pre-identified rural poor communities selected based on poverty incidence and large gap in asset reform, particularly agrarian reform or recognition of indigenous people's ancestral domains or the presence of vulnerable sectors including landless farmers, coconut farmers, marginal fisher folk and indigenous peoples, among others	With project support ranging from PhP 300,000 to 1M
KALAHl-Urban	The "KALAHl Expansion in Urban Poor Communities in NCR and Six Major Cities" (KALAHl Urban) is a KALAHl prototype project designed to address directly and indirectly the needs of the urban poor communities. It is a delivery of government services in land and housing, human development services, and livelihood and employment opportunities.	With project support ranging from PhP 300,000 to 1M
KALAHl-Conflict Areas	KALAHl extends its coverage to communities in identified internal security areas, or areas identified with or prone to insurgency and/or terrorist elements. Through KALAHl, these areas are extended poverty-focused programs and services to assist the communities in rebuilding their lives amid or after conflicts from the amount set aside by President Arroyo from the Presidential Social Fund (PSF) for KALAHl expansion.	With project support up to PhP 300,000
KALAHl Local Initiatives	These are demand driven projects initiated by LGUs and Civil Society Groups that respond to specific poverty problems of specific communities and exhibit high multi-stakeholder involvement	With funding ranging from PhP 300,000 to 1 M

#### 1. KALAHl-Rural

In December 2001, KALAHl expanded to poor rural communities. Named "KALAHl Rural," projects under this prototype initially targeted 60 priority rural barangays. By 2004, 96 rural barangays have been reached. The convergence approach is adopted for KALAHl Rural barangays with special funding from the PSF of P40M for priority projects that are unable to obtain funds from other sources.





## 2. KALAHI-Urban

“KALAHI Urban” is KALAHI Rural’s counterpart in the urban area. This prototype initially targeted 7 cities around the country. As of 2004, KALAHI Urban has been able to fund community projects in Davao City, Zamboanga City, Baguio City, and Cagayan de Oro City.



## 3. KALAHI in Conflict Affected Areas/Internal Security Areas and KALAHI Karaban

Another major prototype of KALAHI is the KALAHI in Conflict Areas. This prototype aims to provide convergent services to poor communities affected by armed conflict. Around 147 barangays nationwide were targeted for this prototype.

Through this project, the importance of socio-economic intervention in confronting internal security problems is recognized. “KALAHI-Conflict Areas” constitutes a major pillar in government’s strategy of combating internal security problems. For this prototype, President Arroyo set aside another P40M from the PSF.



*Offering a menu of projects and services in focused barangays and sectors for maximum impact. (e.g., core shelter assistance; medical mission, goat dispersal; scholarships; reintegration of rebel returnees; cheap basic commodities; livelihood training; supplemental feeding)*



To ensure accelerated and integrated response to community problems, a KALAHI Roving Team (KART) was set up in each targeted province of KALAHI in Conflict Areas. As discussed earlier, a KART is composed of KALAHI focal persons from frontline agencies like DOH, DAR, DA, and DSWD at the regional and provincial levels. (see related discussion of KART on page \_\_\_\_). KARTs were formed in response to perceived limitations of individual regional agencies in addressing problems in conflict areas. With the KART's "roving" approach, regional agencies are able to make their rounds in the different KALAHI areas more frequently.

Because of increasing evidence of the effectiveness of KART, some regions also tap KART for KALAHI areas outside conflict-affected barangays.

#### *4. KALAHI-Local Initiatives*

This prototype aims to provide assistance to poor communities that are not covered by other KALAHI prototypes. As its name connotes, KALAHI Local Initiative receives, reviews and funds community-based projects initiated by local communities themselves.

For the year 2003, 13 projects were approved for funding with a total cost of P4M, excluding generated local counterpart of P495,000. Project types ranged from animal dispersal and abaca plantation projects to water system installation, core shelter and farm-to-market roads construction. The projects were scattered in 6 provinces covering 7 municipalities and 25 barangays.

#### *5. KALAHI in Resettlement Areas*

This prototype provides basic services such as water supply, electrification, schools, and drainage systems to residents of resettlement sites. It also provides livelihood training, support facilities for enterprise start-up, and micro-finance projects. By 2004, it has served 5000 households in six underdeveloped resettlement sites in Regions III, IV and the NCR.

The resettlement sites targeted under this prototype were identified during a meeting between President Gloria Macapagal-Arroyo and the April 30 Working Group – a coalition of NGOs and POs working for the urban poor sector. In that meeting, the Working Group brought the plight of resettled families to the attention of the President. In response, the President directed the release of P40 million from the PSF for the redevelopment of said sites. Another P13.2 million were also provided from the president's contingency fund for livelihood support projects in the resettlement sites.



*KALAHI: the overarching poverty program that cover all flagship programs of various agencies on poverty*



## 6. KALAH! Karaban

From April to July 2002, Region III, IV and V RKCGs launched a social mobilization campaign dubbed the “KALAH! Karaban.” KALAH! Karaban aims to reach out to the poorest barangays, which, in the case of the three regions, are also conflict areas identified by the Cabinet Oversight Committee on Internal Security (COC-IS) through its National Internal Security Plan.

This prototype got its name because RKCG members deliver services through a caravan. The caravans of government agencies and other stakeholders travel from one target community to another and provide services that address the communities’ immediate needs, including medical services, food and employment assistance. The RKCGs also conduct orientation sessions for local chief executives (LCEs) during KALAH! Karabans, which serve as a forum for KALAH! agencies to provide updates on their agency commitments to the local chief executives.

By 2004, KALAH! Karaban has been conducted in **193** barangays in three regions; 108 of these barangays are in Region IV. The RKCGs in these regions have also started monitoring and follow-through activities.

## 7. KALAH!-CIDSS (KALAH!-Comprehensive and Integrated Delivery of Social Services

This World Bank-assisted prototype seeks to empower poor communities through enhanced participation in barangay governance and involvement in the design, implementation, and management of anti-poverty initiatives. It provides community grants of P300,000 per target barangay and aims to reach 5,378 barangays in five years. It also provides implementation support through social mobilization, capacity building, and monitoring and evaluation on local governance and poverty reduction in KALAH!-supported areas.

The KALAH!-CIDSS Kaunlaran at Kapangyarihan sa Barangay (KALAH!-CIDSS:KKB) anchors itself on the KALAH! Convergence Program and is coordinated and monitored by a National Steering Committee, a National Technical Working Group, and their regional and municipal counterparts. It is targeted to be an improved version of the community-based poverty reduction project patterned after the Comprehensive & Integrated Delivery of Social Services of DSWD, which, in turn, was patterned after the highly successful Kecamatan Development Program (KDP) of Indonesia. KALAH!-CIDSS aims to empower target communities by enhancing their participation in barangay governance and in the development, design and implementation of development activities that can reduce poverty in their community.



*From Top: KALAH! Community Day, Installation of Irrigation pump in San Nicolas, Pangasinan; Regular provision of medical services.*



## **KALAHI AR Zones**

KALAHI in Agrarian Reform Zones or KALAHI ARZ is a development intervention focusing on the needs of Agrarian Reform Communities (ARCs) to help qualified beneficiaries acquire land, improve tenancy, enhance productivity and income generation, provide physical infrastructure and micro-credit, and manage the environment, among others.

The KALAHI-Agrarian Reform Zones aims to sustain and extend the gains of ARCDP, SAFDZ and KALAHI-CIDSS by creating modernized and socially equitable agriculture and fisheries sector and expanding the coverage of these programs and improving the beneficiaries' reach of development interventions. ARCs form the nucleus of integrated area development and management, and become the center of convergence of interventions in rural development.

KALAHI ARZ now covers 2,420 barangays.

## **KALAHI Poverty Free Zones**

Still in its pilot stage, the KALAHI Poverty Free Zone of the Department of Labor and Employment aims to provide livelihood for people in targeted areas. Integrated programs based on the most promising industries in the locality are delivered from training and provision of capital assistance to beneficiaries up to marketing and provision of technical assistance on micro enterprise management. This is implemented in one community per region.

## **Q5 WHAT ARE OTHER KALAHI IMPLEMENTING PROCESSES AND MECHANISMS?** *LPRAP, KARABAN and Project Matching*

KALAHI has three main implementing mechanisms and processes that guide its program delivery, namely:

1. *CLPIMS*. KALAHI encourages local government units to adopt the core local poverty indicators and monitoring system (CLPIMS) and the drafting of their respective local poverty reduction action plans (LPRAP). This includes establishing baselines and targets for the core local poverty indicators, undergoing participatory poverty diagnosis and coming up with poverty reduction action plans and investment programs.
2. *KARABANs & Community Day*. KALAHI, through NAPC and the KALAHI convergence structures, also coordinates the conduct of Karabans and KALAHI community days to launch poverty reduction programs in each area, and
3. *Project Matching*. KALAHI projects are also implemented through a project matching process.



## Local Poverty Reduction Action Planning

DILG Memorandum Circular 2003-92 issued on 23 April 2003 (see Appendix \_\_) and the Local Poverty Diagnosis and Planning Guidebook provide a step-by-step guide for local poverty reduction planning. Local government units wanting to undertake an LPRAP can use these as their reference. LPRAP steps include:

1. *Poverty diagnosis using MBN, CLPI and HDI (Human Development Index)*

- a. Data Collection and Analysis
- b. Data Aggregation

2. *Local Poverty Planning*

Running poverty planning and diagnosis workshops at the barangay, municipal, city and provincial level is a recommended LPRAP methodology. This step includes the identification of a specific course of action that local government units can undertake in improving the quality of life of the individual or households in the community.

3. *Capacity Building*

The DILG, in coordination with the NAPC and NEDA, on the other hand, takes the lead in building the capabilities of local governments so that local poverty reduction plans formulated are focused and anchored on the thirteen (13) core local poverty indicators. DILG also has to ensure that LGUs follow the LPRAP process as described in DILG MC 2003-92.

## KARABAN and Community Day

KALAH! is launched at the local level during a designated Community Day through an activity called KARABAN. In a festive atmosphere punctuated by banners, streamers and loudspeakers, line agencies converge at the designated area, usually the most popular spot in the community, and undertake the following activities:

- The initial delivery of their agency commitments to the community. Government agencies provide services, conduct medical missions, distribute seedlings or award checks or land titles, depending on their mandate and on the identified needs of the community.
- The conduct of a community dialogue. Different community dialogue workshops on selected issues are held by participating line agencies. Community issues are clarified and concrete action and responses by the line agencies are identified.

### *The Project Matching Process*

Project Matching is a process followed by KALAH! implementors to identify the source of funding for priority projects. The main source of funding for anti-poverty projects is the internal revenue allotment (IRA) of local government units (e.g., barangay, municipal, provincial), and government line agencies. The possibility of external funding comes only when these priority projects cannot be accommodated by



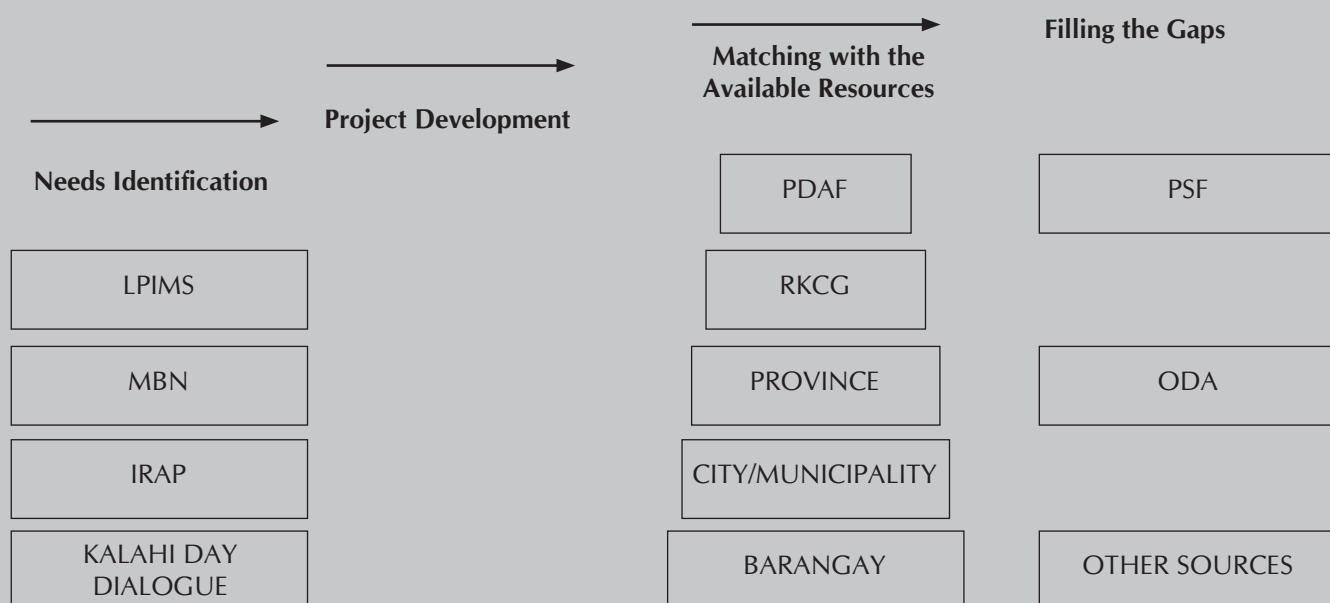
available agency or local government funds.

More specifically, project matching involves the following steps

1. With the RKCG or existing convergence structure, the Municipal LCE, MPDC, MPRAO, MSWDO, MHO, and Chairpersons of targeted barangays, identify and prepare proposals for three priority projects based on the needs identified.
2. The RKCG and concerned LGU then try to match the priority projects within the existing resources (programs/projects) of concerned local government units and regional government agencies.
3. Priority projects that cannot be accommodated, fully or partially, by agencies or local government units are proposed for the PSF or other external funding.

**Figure 3.4**

**Process of Matching in KALAHI**



## Q6 HOW IS KALAHI BEING MONITORED?

### *KALAHI Monitoring and Evaluation Mechanisms*

Two Monitoring and Evaluation (M&E) mechanisms for ensuring sustained, efficient and effective delivery of commitments and services are in place:

#### **(1) Internal M&E by the implementing agencies**

The IRR of MC 33 defines **internal monitoring** as the continuous assessment that guides implementation. It is important in evaluating the efficiency of processes and other technical and operational concerns. Under this process, the following are monitored: inputs (physical and financial resources introduced in the project), outputs (goods and services generated by the project), outcomes (access and satisfaction to goods and services produced) and impact (effect on dimension of wellbeing). The Evaluation Team is composed of a core group from the RKCG and the NAPC and the team is tasked to formulate evaluation tools and conduct internal monitoring.

#### **(2) External M&E through an independent monitoring and evaluating body.**

External monitoring, on the other hand, is defined as periodic assessments that help determine project impact, and other needs of KALAHI i.e., status of institutionalization in government, effectiveness of structures, efficient use of resources. Evaluation tools are prepared by the external monitor to be approved by the NAPC and the NKCG.

Internal monitoring is done through individual agency monitoring or through a cluster monitoring system within the existing structure of the NKCG and RKCGs. NAPC, on the other hand, obtains the services of an independent organization to conduct the external monitoring and evaluation of KALAHI programs and projects.

The evaluation framework adopted by both the internal and external monitoring teams has three important criteria:

- the socio-economic impact of the project, taking into account the project's input, output, outcomes, and impact;
- the technical development of the project, particularly its feasibility and effectiveness; and
- the soundness of financial management

*Construction of post-harvest facilities for greater agricultural productivity (Inauguration of Multi-Purpose Drying Pavement in Brgy. Rajal, Balungao in Pangasinan)*



Given its oversight functions, NAPC in cooperation with the NKCG and the RKCGs takes charge of consolidating the monitoring and evaluation results that would periodically provide a nationwide state of KALAH I implementation.

## **Q7** **HOW ARE KALAH I EFFORTS BEING SUSTAINED ?** *KALAH I Institutionalization and Capacity Building*

Sustaining KALAH I gains is done in two ways:

1. KALAH I is being institutionalized at all levels of government through the installation of processes and systems that ensure the active involvement of all stakeholders in the operationalization and implementation of KALAH I programs and projects.
2. Building capacities for poverty reduction across all tiers of government is one of KALAH I's main sustainability mechanisms. Capacity building activities for local government units and government agencies are conducted regularly to enable KALAH I stakeholders to implement KALAH I.

Capacity building makes for more responsive and effective institutions and agencies. By providing government personnel with the necessary expertise and values that support poverty reduction, more effective and efficient programs can be implemented with little need for external consultants.

Essentially, capacity building entails the development of both the individual staff and the institution or organization as a whole. KALAH I believes in continuously enriching capacities of government staff while at the same time maximizing and harnessing their existing skills and knowledge. Institutional capacity building is also ensured by providing the mandate, structure, framework, strategies, and the culture within the government bureaucracy that will encourage commitment to poverty reduction.

As per RA 8425 and Memorandum Circular 33, NAPC constitutes a technical working group consisting of representatives from the NAPC Secretariat, NEDA, DBM, DILG, and NAPC Sectoral Representatives Council (SRC). The Technical Working Group formulates and recommends the institutionalization and capacity-building programs to be undertaken by KALAH I partners.

## **Q8** **WHAT RESOURCES ARE BEING MOBILIZED FOR KALAH I?** *Mobilizing Resources for KALAH I*

Strategic programs addressing poverty reduction concerns require substantial resources. Thus, central to the implementation of KALAH I is the need to meet fund and other resource requirements at the national and local levels. Limited and inadequate government budgetary allocations have been a major stumbling block in effectively carrying out strategic and quality interventions.



All government agencies concerned are thus mandated to ensure a KALAH I budget item in their respective budgets starting fiscal year 2004. The Department of Budget and Management (DBM) will issue guidelines and provide an orientation regarding the institutionalization of the KALAH I budget, including guidelines for local government units. The Implementing Rules and Regulations of MC 33 specifically states that:

1. The KALAH I budget item does not necessarily entail the creation of a new or separate budget item. However, as part of the institutionalization of KALAH I, commitments for poverty reduction shall have priority in terms of budget allocations.
2. By virtue of Memorandum Circular No. 33, funding for KALAH I programs and projects should be sourced from the following:
  - a. allocation of program funds of national government agencies;
  - b. allocation from funds of LGUs, including but not limited to, the 20% development fund, gender and development fund, etc.;
  - c. special funds from government financial institutions and government owned and controlled corporations such as the Philippine Amusement and Gaming Corporation (PAGCOR), Philippine Charity Sweepstake (PCSO), AND Land Bank of the Philippines;
  - d. the President's Social Fund (PSF);
  - e. the People's Development Trust Fund (PDTF);
  - f. President's Contingent Fund (PCF);
  - g. Congressional allocation;
  - h. Donor institutions, both foreign and local through the regional offices of the Bureau of Local Government under the Department of Finance or other agencies

Existing funding sources and facilities have eligibility requirements before loans or grants or other forms of financial assistance can be availed of. Some if not all of these available sources are programmed for specific areas of assistance (i.e., training or capability building) or program type (i.e., agriculture related projects, infrastructure investments, etc.). Where national government and ODA fund support are not available, other innovative fund sourcing mechanisms or strategies may be undertaken. While not limited to this list, innovative fund sources include:

- *NGO tie-up* – NGAs or LGUs may link up with NGOs and private foundations to access non-traditional ODA funds. Some bilateral donors provide direct financial assistance to NGOs.
- *Inter-LGU project* – LGUs especially in contiguous areas may form groups or clusters to implement joint programs or projects.
- *Build-Operate-Transfer Schemes* – LGUs or NGAs may link up with private investors to bring in capital investment under BOT or other similar arrangements.
- *Bond flotation* – Several LGUs in the recent past have raised money through this scheme.



Government agencies are expected to operationalize poverty reduction programs based on their mandates while LGUs are encouraged to adopt the NAPC poverty reduction strategies in their respective areas. While KALAH I does not entail the creation of a new budget item, poverty reduction programs should be a priority in terms of budget allocations at all levels of government. In allocating budgets for poverty reduction, budgets have to cover items for mobilization activities, including but not limited to, meetings, promotions, and launching of programs, projects and capacity-building activities.

## Q9 **WHAT IS THE ROLE OF THE LOCAL GOVERNMENT UNITS?** *Local Government and KALAH I*

In the spirit of local autonomy, KALAH I's success heavily depends on the level of commitment and support of local government units to poverty reduction in their localities. As such, LGUs play a crucial role and are tasked to undertake the following:

1. Conduct their own Local Poverty Reduction Planning and formulate their Local Poverty Reduction Plan as mandated by DILG MC 2003-93
2. Designate their Local Poverty Reduction Action Officer (LPRAO) as mandated by DILG MC 105-125 issued on August 13, 2001 tasked to collaborate with the LDC and coordinate the conduct of the following:
  - i. Poverty diagnosis/situational analysis
  - ii. Agenda formulation and integration of agenda into local development plans
  - iii. Coordination of poverty reduction programs and services
  - iv. Conduct of a comprehensive information, education and communication campaign on KALAH I and poverty reduction efforts
  - v. Resource mobilization
3. Set up their local KALAH I convergence group (LDC as the local counterpart to the Regional KALAH I Convergence Group
4. Perform social reform agenda tasks such as the local implementation of the Urban Development and Housing Act (UDHA), Accessibility Law (PWD), Gender and Development (GAD), Magna Carta for Senior Citizens, Social Protection and Anti-trafficking Ordinance for Women and Children)
5. Undertake local programs on poverty reduction and local economic transformation s mandated by DILG 2001-109 issued on August 21, 2001
6. Ensure the participation of basic sector representatives and council members in local governance as mandated by DILG MC 2002-169.

After one year of KALAH I implementation, the importance of having strong linkages between RKCG and sub-regional levels (provincial, municipal/city, barangay) proved to be a significant lesson. Creating parallel structures at the provincial and other sub-regional levels for KALAH I as well as designating their Local Poverty Reduction Action Teams (LPRAT) and Local Poverty Reduction Action Officers (LPRAOs)



contribute greatly to the effectiveness of KALAH I implementation at the local level, and as such cannot be overemphasized. Past experience has also shown the importance of continuous capacity building of LGUs to enable them to implement poverty reduction programs/projects.

## Q10 **WHAT IS THE ROLE OF THE BASIC SECTORS?** *Basic Sector and KALAH I*

The basic sectors (e.g., farmers, fishers, labor, etc.) also play a crucial role in putting into operation efficient and effective poverty reduction mechanisms through effective planning, decision-making, implementation, monitoring and evaluation of poverty reduction programs at all levels of governance. As such, basic sectors need to participate actively in the following:

1. All KALAH I-related activities;
2. Identification of sites and partners/beneficiaries of poverty reduction programs or projects;
3. Formulation of local poverty reduction plans;
4. Implementation, monitoring and evaluation of poverty reduction programs and projects
5. Planning sessions of appropriate local special bodies;
6. Other activities relative to their respective sectors.

The following guidelines provide the parameters for basic sector representation:

- NAPC basic sector council members residing in the region are automatically members of the RKCG.
- The RKCG has the authority to screen and designate other basic sector representatives as they see fit, following the general criteria provided in MC 33 and its IRR. They can customize the criteria and screening process for basic sector representatives according to their needs and situation.
- There is no limit to the number of representatives for each sector.
- There is no need to have all 14 basic sectors represented in the RKCG, especially if some of these sectors do not exist in some regions or are not as yet organized (example, IPs may not be a strong presence in some regions)
- RKCG can formulate its own criteria and implementing guidelines, perhaps in collaboration with the basic sector councils to ensure proper selection of basic sector representatives.
- Review basic sector selection in the RKCG to ensure equitable representation





### III. Early Lessons on KALAHI Implementation

To close this chapter, we gather important lessons gained by KALAHI stakeholders from all over the country after more than a year of KALAHI implementation. These should prove insightful to future KALAHI implementors.

#### Early Lessons on Mobilizing Stakeholders for the KALAHI Structures

The early lessons of the RKCGs from 2003 to 2004 point to important considerations in relation to how RCKGs can be further strengthened or reconstituted in the different regions after the 2004 elections.

1. The commitment and participation of heads of member-agencies in the RKCG are crucial, particularly because critical policy decisions need to be made in the RCKG. This assumes that KALAHI is given priority by the line agencies. As such, the RKCG and NKCG have to further define mechanisms that will ensure the active participation of heads of agencies.



*At the center of all KALAHI poverty-reduction intervention are the communities.*

2. As mandated by MC 33 and its corresponding IRR, the regular attendance of permanent principal and alternate representatives and focal persons who can adequately and competently represent the agencies has to be ensured. The frequent turnover of focal persons or representatives designated to attend RKCG activities affects the continuity and coordination of programs. It is also important that representatives to KALAHI structures can speak for the line agency and have the authority to make commitments for their agencies.

3. RKCG has to have strong links with the NKCG/NAPC, in terms of coordination and information sharing and in ensuring NAPC's presence in important RKCG activities.



4. There is also a need to have strong linkages between RKCG and other regional bodies, such as the RDC in order to match opportunity with functions and resources. This will also ensure that the duplication or overlapping of functions that results in the waste of valuable resources and efforts can be avoided. In order to strengthen the links between the RKCG and other regional bodies, the RKCG has to clarify its role in poverty reduction vis-à-vis other regional initiatives while continuously sharpening its directions and focus. In order to formalize relationships between RKCG and RIACs, a Memorandum of Understanding (MOU) should be forged with concerned agencies in compliance with existing directives.

### **Early Lessons on Implementing KALAH I Programs and Projects**

Previous implementation efforts of KALAH I programs point to early lessons in ensuring that future efforts at program implementation of KALAH I programs can be enhanced further. These early lessons include:

1. The number of KALAH I implementors at the regional and local level has to be adequate to ensure the smooth implementation of KALAH I programs. In the past, KALAH I was seen as an additional responsibility by already overworked personnel of line agencies contributing to inefficiency, ineffectiveness and inconsistencies in KALAH I implementation. By creating formal mechanisms like having specific provisions for plantilla positions in relation to KALAH I at the regional and local levels, smoother implementation can be ensured.
2. Addressing the twin concerns of having wide coverage and at the same time ensuring focused and meaningful targeting of KALAH I areas necessitate that solutions be provided for the following issues:
  - Lack of awareness or conscious effort to apply the identified criteria for identifying and selecting KALAH I sites.
  - Politicization in the prioritization and selection of sites
  - Addressing a great demand—with many barangays wanting to be KALAH I sites but there are limited resources
  - Mismatch between identified areas for KALAH I by RKCG/RDC and funds and programs provided by NKCG
3. Effective poverty reduction programs call for providing needs-specific and sectoral-based services to targeted communities
4. There is also a need to balance potentially conflicting concerns of providing quick response to urgent needs of communities to the need to ensure adequate social preparation for KALAH I programs. Past experience shows the importance of social preparation. Finding viable ways and strategies for preparing the community while aiming to provide quick response to urgent needs of the community is essential. To achieve this, NGOs or other agencies already undertaking social preparation can be tapped.



5. It is important to conduct a strong awareness-raising and advocacy program on the KALAH I programs at the local level with the assistance of the Philippine Information Agency (PIA).
6. Eliminating voluminous documentary requirements in accessing funding assistance from NAPC and other agencies especially those providing credit/micro-finance assistance (Reg. 8, Senior Citizens Sectors) will go a long way in improving program efficiency and effectiveness. It is vital that documentary requirements are kept simple to help communities access financial/funding assistance for KALAH I.

### **Early Lessons on Mobilizing Resources and KALAH I Funding**

Limited resources in implementing poverty reduction programs in the past reiterate the constant need for active resource mobilization. Those who have been involved in these programs push that the following steps be taken to address this concern:

1. Continue efforts at resource mobilization or resource pooling, including holding donors' forum, tapping existing ODA projects and other fund sources to meet unfunded needs.
2. Enhance the skills of communities in project proposal making

### **Early Lessons on KALAH I Monitoring and Evaluation**

These were the lessons gained in relation to monitoring and evaluation:

1. Monitoring tools and indicators that will be responsive and comprehensive should be formulated before the next round of implementation. These tools should take into account sectoral development indicators and beneficiary feedback. Monitoring should ensure the collection of accurate data and the systematic assessment of target barangays.
2. The compliance of the monitoring and evaluation requirements for KALAH I can be ensured by conducting regular orientation and follow-through/monitoring activities in all KALAH I areas especially agencies/LGUs commitments.
3. The task of monitoring should be clearly assigned to a specific cluster within the RKCG.
4. It is important to integrate existing M&E initiatives such as those of NEDA, NCRFW, NSCB, NNC, and PMC in developing an effective and standard M&E system and tools on poverty reduction;
5. Funding for M&E activities should be provided



## Early Lessons on Sustaining Effort

And finally, here are some of the lessons on sustaining initial KALAHl gains.

1. Previous experience has shown that elections and changes in national and local leadership have become obstacles in sustaining poverty reduction programs at the local level. The practice of multi-stakeholder participation in KALAHl convergence is being viewed as an important sustainability mechanism to address this concern. Implementors also recognize the need for a good transition plan when elections are held.
2. As another sustainability measure, KALAHl is also documenting best practices in KALAHl convergence in order to push its replication in other areas.



## CHAPTER 4

# KALAH!s Initial Gains and Challenges Ahead







# I.KALAHI: Growing by Leaps and Bounds

KALAHI is only on its second year, but already testimonies of people from different parts of the country point to its initial, groundbreaking gains. Whether it is farm-to-market roads, water systems, or small start-up capital for home-based livelihood, poor communities and families are being reached through a convergence of efforts of local governments, national line agencies and communities themselves. As a conclusion to this handbook, we present a brief review of KALAHI initial gains and lessons, and end with a few success stories of KALAHI initiatives, as an inspiration for KALAHI stakeholders to continue the work begun.

Much has truly been achieved by KALAHI. More KALAHI modes and programs have been implemented. More beneficiary barangays, municipalities and provinces have been reached. More resources have been provided, and greater convergence of government efforts at the national and local levels has been achieved.



*Rural development: key to poverty reduction.*





## II. Initial KALAH I Gains

### **Greater Geographical Reach**

From 40 barangays in NCR in July 2001, 610 barangays in 60 provinces, 32 cities, and 213 municipalities have been reached by KALAH I by 2004. These do not include barangays covered by KALAH I programs of national line agencies, which cover 2,420 barangays.

### **More KALAH I Forms of Intervention**

From only 1 in 2001, 6 KALAH I prototypes are now in place, including KALAH I Urban, KALAH I Rural, KALAH I Local Initiatives, KALAH I Karaban, and KALAH I in Conflict Affected Areas and KALAH I Convergence

More national line agencies have also implemented their own KALAH I programs:

- KALAH I CIDSS
- KALAH I AR Zones (DAR)
- KALAH I Poverty Free Zones

### **More KALAH I Projects**

Some 291 community-based small-scale infrastructure and livelihood projects have been implemented through KALAH I. These include:

- 112 projects in 86 rural barangays
- 16 projects in 21 urban barangays
- 155 projects in 162 conflict-affected barangays
- 35 existing projects in 21 barangays that received support from KALAH I (Local Initiatives)

### **More Resources Provided**

A total of P57.5 million pesos has been released for KALAH I prototype projects. From P300,000 to P35 million worth of assistance has been provided for each of the country's regions through KALAH I; most of these funds have been for infrastructure support facilities in agriculture (such as irrigation projects, livelihood centers, etc), benefiting both KALAH I and non-KALAH I barangays.



*KALAHI structures created at the national, regional and provincial levels*

RKCGs have been set up in all covered regions and have been recipients of capacity building programs. In addition, multisectoral representation has been enhanced through the inclusion of basic sector representatives in the convergence groups at various levels.

More recently, other local structures are also being created in support of KALAHI convergence. This includes the creation of provincial convergence groups and provincial KALAHI roving teams in selected provinces.





### III. Taking Stock of Remaining Gaps

At the same time, some significant gaps in KALAH I implementation are obvious at this point. These include the following:

- Limited agency budgets to support KALAH I commitments, resulting in unfunded and undelivered commitments
- Still limited involvement of NAPC basic sector representatives at sub-national levels and the LPRAOs in KALAH I activities
- Need to strengthen monitoring systems for anti-poverty programs and projects
- KALAH I sustainability

To address these gaps, the following responses are now being pursued:

- Continued capacity building for LPRAOs and RKCGs
- Heightened coordination with LGUs and Basic Sector representatives through the RKCG process
- Ongoing efforts to integrate existing M & E systems for APPs
- Continuing advocacy for convergence





## IV. Stories to Inspire

Given these remaining gaps in KALAH! implementation, it is obvious that there is still much to aspire for. In her pre-inaugural address for her new term as president in June 2004, President Gloria Macapagal-Arroyo reiterated her strong commitment to poverty reduction, stressing again and again the importance of focusing governance and development for the Filipino poor, and that development will never be genuine if it does not include the poorest among us.

*“Dapat kalahok sa nilalayan ng bayan ang pinakadukhang mamamayan nang hindi tayo mabigong lahat.” — Pres. Gloria Macapagal-Arroyo, June 30, 2004.*

These are words to inspire and strengthen our commitment to poverty reduction. But there is no greater inspiration in the pursuit of KALAH! than in seeing our efforts bear fruit and in hearing the testimonies of people whose lives have been changed for the better because of KALAH!. These are some of the stories.

### A BRIDGE TO A BETTER LIFE

Barangay Loob, Gainza, Camarines Sur is separated from the rest of the municipality by a river. As long as they can remember, residents had to cross this river to get to school, bring their produce to market or do business in the town center and other barangays.

To cross the river, however, is to literally take their life in their hands. There was no bridge so farmers, employees, and school children had to swim or ride in makeshift, unsteady rafts to get to the other side. Already inconvenient and unreliable on ordinary sunny days, the crossing becomes life-threatening during typhoons, when the river swells and becomes turbulent.

The dangerous river crossing



*Linking communities for progress. (Foot Bridge Project in Gainza, Camarines Sur)*



has claimed its share of lives. A few years ago, three high school students drowned when they tried to swim across the river to get home after a fierce storm.

Residents of Barangay Loob have tried their best to cope. In the beginning, people built a wooden bridge across the river, but lacking sturdy materials and proper engineering design, it would get washed away when the storms came and had to be rebuilt all over again. People finally gave up rebuilding it after a few attempts.

Barangay Captain San Buenaventura recalls that he and his constituents have also repeatedly appealed to the municipal government and other government agencies for help but while they had been promised assistance, it never actually came.

Gainza Mayor Romeo Gontang has also tried his hand at finding help for Barangay Loob, going to different government agencies to ask for funds, since the municipal government did not have the resources to finance such a project, but with little success.

Thus, Barangay Loob residents have almost resigned themselves to living with this daily hazard when, unexpectedly, help finally came.

In 2002, Barangay Loob was selected as a KALAHI area, after being identified as one of the poorest barangays in the Philippines. In June of that year, officials of the National Anti-Poverty Commission met with Mayor Gontang to discuss the construction of a hanging bridge for the barangay.

Residents were at first skeptical of KALAHI; they had already met with too many government officials who promised to help but never delivered. But their doubts were soon dispelled when in January 2004, NAPC officials returned and handed over 60% of the promised P1 million-fund for the hanging bridge project.

Soon after, engineers and workers from the Department of Public Works and Highways and the Municipal Engineering department began work on the bridge.

Jubilant over the project, Barangay Loob residents themselves got involved by putting in place rules and policies for the maintenance of the bridge. These included limiting the number of people who can cross the bridge at one time to 10 and prohibiting too much movement (like jumping up and down) while on the bridge.

Today, Loob's hanging bridge is a well-loved structure in the community, providing not only safety, but also opportunities for economic growth in the barangay.



## BRINGING POTABLE WATER TO PARADISE

Concepcion, Iloilo is home to an undiscovered paradise. With 16 islets scattered in its municipal waters, residents of Concepcion live amid an incredible diversity of marine and wildlife as well as sunken galleons, all worthy of a National Geographic feature. In the island-barangay of Salvacion, hundreds of migrating sea-turtles stop every year to lay their eggs. In Tambaliza, another islet-barangay, one can spot a monkey-eating eagle gliding overhead

on a clear day. On calm days, thousands of squids can be seen swarming around the bay. And underwater, one can find natural coral reefs and seabeds abundant with schools of fish and squid.



*Access to potable water is a basic need in KALAH! Areas.*

This wealth of nature, however, exists side by side with the poverty and hardship of the people. Residents of islet-barangays like Nipa and Botlog had to travel two kilometers by sea twice a week to buy potable water from the neighboring barangay of Polopina. The lack of potable water exacted its toll, bringing illness and disease, and taxing the residents' meager income as the water had to be paid for dearly. The lack of income opportunities has also compelled residents to pounce on the migrating sea turtles to sell their eggs and meat. An ordinance had to be passed to stop the practice.

In 2003, however, KALAH! made a difference in these parts by bringing much-needed assistance to people. With funds from the President's Social Fund, a much-needed water system project was inaugurated in Nipa and Botlog. Now, Nipa has faucets strategically placed near households while in Botlog, an underwater pipe linked directly to the mainland was built, with the volunteer labor of local fisherfolk in a record 8 days.

Today, with a vital service available, the people of Concepcion are encouraged to look more positively at the future, considering the prospect of tourism-related developments that can bring growth to the area.

## BUILDING PEOPLE'S CAPACITIES TO IMPROVE THEIR LIVES

Mely Paculana was an urban poor housewife living in Guadalupe Viejo in Makati City when she became a scholar of the Training and Livelihood Resource Center (TLRC), a government agency tasked to provide opportunities for self-employment to people in depressed communities. TLRC is also a member-agency of the Livelihood and Employment Cluster of the KALAH! program.

In October 2001, Mely began her training as a TLRC scholar, learning how to do small-scale food processing. Upon her graduation, the Guadalupe Viejo barangay council, as their counterpart in the KALAH! project, provided her 700 pesos as starting capital. With this small capital, Mely began



making fruit juice, cupcakes and tocino to sell in her neighborhood.

Mely says it wasn't easy at the beginning. She had few buyers at first, but word of mouth soon made Mely's products a hit in the community. School employees and sari-sari stores soon became her "suki", and people from neighboring barangays also began to patronize her products. After a while, she and other scholars in the neighborhood were able to put up their own outlet that now has a revolving capital of P30,000.

More than the additional income for Mely and other women in the community, the project soon proved to be an opportunity for Mely to reach out to others. After the success of their small business, Mely began getting invited by TLRC to act as resource speaker in their livelihood training activities in such places as Batangas, Cavite, Pampanga and Bicol.

Recently, when Mely attended a national food fair, she received the surprise of her life when she found out that some of her trainees were actually big-time suppliers of processed food. More than the honorarium she earns from giving the trainings, she says this discovery has given greater value to her work and success.

## BRINGING SERVICES TO CONFLICT AREAS

The C-130 plane touched down the runway of the airbase in Jolo as a score of soldiers stood on the ground, waiting to escort DSWD and NAPC officials to the towns of Luuk and Patikul, reported hideouts of the Abu Sayyaf Muslim extremist group. Amid conflict and an atmosphere of danger, KALAH I has come to Sulu's people. After a three-hour journey by sea, NAPC and DSWD officials arrived in Luuk and began the KALAH I community day. Residents of Luuk were treated to a rare medical mission, given free medicines, seeds and seedlings, even kitchen utensils as start-up for possible livelihood projects. Children were treated to supplemental feeding.

The KALAH I community day took an entire day to undertake, and became a welcome respite from the fear and uncertainty of people living in a conflict-prone area. At its close, it also brought forth a promise of more opportunities to come. After consulting with Luuk Mayor Abdurahaman Arbison, the KALAH I team committed funds for the construction of a farm-to-market road in Luuk that is envisioned to restart the process of rehabilitation in this conflict-damaged area.



*TLRC resource speakers during a KALAH I livelihood training*



*KALAH I consultations in Mindanao.*





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# Appendices

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# Appendix A

Republic of the Philippines  
Congress of the Philippines  
Metro Manila

Begun and held in Metro Manila, on Monday, the twenty-eighth day of July, nineteen hundred and ninety-seven.

## [REPUBLIC ACT NO.8425]

### **AN ACT INSTITUTIONALYZING THE SOCIAL REFORM AND POVERTY ALLEVIATION PROGRAM, CREATING FOR THE PURPOSE THE NATIONAL ANTI-POVERTY COMMISSION, DEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES**

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

**SECTION 1. Title.** – This Act shall be known as the “Social Reform and Poverty Alleviation Act”

**SEC. 2. Declaration of Policy.** – It is the policy of the State to:

- (1) Adopt an area-based, sectoral and focused intervention to poverty alleviation wherein every poor Filipino family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, peace and order, education and functional literacy, participation in governance, and family care and psycho-social integrity;
- (2) Actively pursue asset reform or redistribution of productive economic resources to the basic sectors including the adoption of a system of public spending which is targeted towards the poor;
- (3) Institutionalize and enhance the Social Reform Agenda, hereinafter known as the SRA, which embodies the results of the series of consultations and summits on poverty alleviation;
- (4) Adopt and operationalize the following principles and strategies as constituting the national framework integrating various structural reforms and anti-poverty initiatives:
  - (a) Social reform shall be a continuing process that addresses the basic inequities in Philippine society through a systematic package of social interventions;
  - (b) The SRA shall be enhanced by government in equal partnership with the different basic sectors through appropriate and meaningful consultations and participation in governance;
  - (c) Policy, programs and resource commitment from both government and the basic sectors shall be clearly defined to ensure accountability and transparency in the implementation of the Social Reform Agenda;
  - (d) A policy environment conducive to sustainable social shall be pursued;
  - (e) The SRA shall address the fight against poverty through a multi-dimensional and cross-sectoral approach which recognizes and respects the core values, cultural integrity, and spiritual diversity of target sectors and communities;
  - (f) The SRA shall pursue a gender-responsive approach to fight poverty;



- (g) The SRA shall promote ecological balance in the different ecosystems, in a way that gives the basic sectors a major stake in the use, management, conservation and protection of productive resources;
- (h) The SRA shall take into account the principles and interrelationship of population and development in the planning and implementation of social reform programs thereby promoting self-help and self-reliance; and,
- (i) The SRA implementation shall be focused on specific target areas and basic sectors.

**SEC. 3. Definition of Terms.** – As used in this Act, the following terms shall mean:

- (a) “Artisanal fisherfolk”- Refers to municipal, small scale or subsistence fishermen who use fishing gear which do not require boats or which only require boats below three (3) tons;
- (b) “Basic sectors” – Refer to the disadvantaged sectors of Philippine society, namely: farmer-peasant, artisanal fisherfolk, workers in the formal sector and migrant workers, workers in the informal sector, indigenous peoples and cultural communities, women, differently-abled persons, senior citizens victims of calamities and disasters, youth and students, children, and urban poor;
- (c) “Cooperative” – Refers to a duly registered association of at least fifteen (15) persons, majority of which are poor, having a common bond of interest, who voluntarily join together to achieve a lawful common social and economic end. It is recognized by the members who equitably contribute the required share capital and accept a fair share of the risks and benefits of their undertaking in accordance with the universally accepted corporate principles and practices;
- (d) “Capability building” – Refers to the process of enhancing the viability and sustainability of microfinance institutions through activities that include training in microfinance or improvement of management information systems, monitoring of loans and other related activities. The term capability building shall in no way refer to the provision of equity investments, seed funding, partnership’s seed funds, equity participation, start-up funds or any such activity that connotes the infusion of capital or funds from the government or from the people’s development trust fund to microfinance institution as defined on this Act. Capability building precludes the grant of any loan or equity funds to the microfinance institution;
- (e) “Collateral-free arrangement” – A financial arrangement wherein a loan is contracted by the debtor without the conventional loan security of a real estate or chattel mortgage in favor of the creditor. In lieu of these conventional securities, alternative arrangements to secure the loans and ensure repayment are offered and accepted;
- (f) “Group character loan” – A loan contracted by a member and guaranteed by a group of persons for its repayment. The creditor can collect from any of the members of the group which guaranteed the said loan, without prejudice to the right of reimbursement of the member or members of the group who had advanced the payment in favor of the actual debtor;
- (g) “Indigenous cultural communities/indigenous peoples” – As defined in Republic Act No. 8371, otherwise known as “The Indigenous Peoples Rights Act of 1997;”
- (h) “Migrant workers” – As defined in Republic Act No. 8042, otherwise known as the “Migrant Workers and Overseas Filipino Act of 1995;”
- (i) “Micro-enterprise” – Any economic enterprise with a capital of One hundred fifty thousand pesos (P150, 000.00) and below. This amount is subject to periodic determination of the Department of Trade and Industry to reflect economic changes;
- (j) “Microfinance”- A credit and savings mobilization program exclusively for the poor to improve the asset base of households and expand the access to savings of the poor. It involves the use



of viable alternative and credit schemes and savings programs including the extension of small loans, simplified loan application procedures, group character loans, collateral-free arrangements, alternative loan repayments, minimum requirements for savings, and small denominated savers' instruments;

- (k) "Minimum basic needs" – Refers to the needs of a Filipino family pertaining to survival (food and nutrition; health; water and sanitation; clothing); security (shelter; peace and order; public safety; income and livelihood) and enabling (basic education, and literacy; participation in community development; family and psychosocial);
- (l) "Human development index"- Refers to the measure of how well a country has performed, based on social indicators of people's ability to lead a long and healthy life, to acquire knowledge and skills, and to have access to the resources needed to afford a decent standard of living. This index looks at a minimum of three outcomes of development: the state of health (measured by life expectancy at birth), the level of knowledge and skill (measured by a weighted average of adult literacy and enrollment rates), and the level of real income per capita, adjusted for poverty considerations;
- (m) "Non government organizations" – Refers to duly registered nonstock, nonprofit organizations focusing on the upliftment of the basic or disadvantaged sectors of society by providing advocacy, training, community organizing, research access to resources, and other similar activities;
- (n) "People's organization" – Refers to a self-help group belonging to the basic sectors and/or disadvantaged groups composed of members having a common bond of interest who voluntarily join together to achieve a lawful common social or economic end;
- (o) "Poor" – Refers to individual and families whose income fall below the poverty threshold as defined by the National Economic and Development Authority and/or cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing and other essential amenities of life;
- (p) "Poverty alleviation"- Refers to the reduction of absolute poverty and relative poverty;
- (q) "Absolute poverty" – Refers to the condition of the household below the food threshold level;
- (r) "Relative Poverty"- Refers to the gap between the rich and the poor;
- (s) "Social reform" – Refers to the continuing process of addressing the basic inequities in Filipino society through a systematic, unified and coordinated delivery of socioeconomic programs or packages;
- (t) "Small Savers Instrument (SSI)" – Refers to an evidence of indebtedness of the Government of the Republic of the Philippines which shall be in small denominations and sold at a discount from its redemption value, payable to bearer and redeemable on demand according to a schedule printed on the instrument, with a discount lower than the face stated rate if not held to maturity. The resource generated under this scheme shall be used primarily for micro-credit for the poor. SSIs are not eligible as legal reserve of banks and legal reserves prescribed of insurance companies operating in the Philippines;
- (u) "Urban poor" – Refers to individuals or families residing in urban centers and urbanizing areas whose income or combined household income falls below the poverty threshold as defined by the National Economic and Development Authority and/or cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing and other essential amenities of life;
- (v) "Workers in the formal sector" – Refers to workers in registered business enterprises who sell their labor in exchange for wages and other forms of compensation;



- (w) “Workers in the informal sector” – Refers to poor individuals who operate businesses that are very small in scale and are not registered with any national government agency, and to the workers in such enterprises who sell their services in exchange for subsistence level wages or other forms of compensation; and
- (x) “Youth” Refers to persons fifteen (15) to thirty (30) years old.

**SEC. 4. Adoption and Integration of Social Reform Agenda (SRA) in the National Anti Poverty Action Agenda.** – The National Anti-Poverty Action Agenda shall principally include the core principles and programs of the Social Reform Agenda (SRA). The SRA shall have a multi-dimensional approach to poverty consisting of the following reforms:

- (1) Social dimension access to quality basic services.-These are reforms which refer to equitable control and access to social services and facilities such as education, health, housing, and other basic services which enable the citizens to meet their basic human needs and to live decent lives;
- (2) Economic dimension asset reform and access to economic opportunities.- Reforms which address the existing inequities in the ownership, distribution, management and control over natural and man-made resources from which they earn a living or increase the fruits of their labor;
- (3) Ecological dimension sustainable development of productive resources.- Reforms which ensure the effective and sustainable utilization of the natural and ecological resource base, thus assuring greater social acceptability and increased participation of the basic sectors in environmental processes that affect their rights, interests and welfare.
- (4) Governance dimension democratizing the decision making and management processes. – Reforms which enable the basic sectors to effectively participate in decision-making and management processes that affect their rights, interests and welfare.

The SRA shall focus on the following sector-specific flagship programs:

- (1) For farmers and landless rural workers-agricultural development;
- (2) For the fisherfolk – fisheries and aquatic resources conservation, management and development;
- (3) For the indigenous peoples and indigenous communities respect, protection and management of the ancestral domains;
- (4) For workers in the informal sector – workers’ welfare and protection;
- (5) For the urban poor – socialized housing; and
- (6) For members of other disadvantaged groups such as the women, children, youth, person with disabilities, the elderly, and victims of natural and man-made calamities – the Comprehensive Integrated Delivery of Social Services (CIDSS).

Additionally, to support the sectoral flagship programs, the following cross-sectoral flagships shall likewise be instituted:

- (1) Institution-building and effective participation in governance;
- (2) Livelihood programs;
- (3) Expansion of micro-credit/microfinance services and capability building; and
- (4) Infrastructure buildup and development.



## Title I

### NATIONAL ANTI-POVERTY COMMISSION

**SEC. 5. The National Anti-Poverty Commission.** – to support the above-stated policy, the National Anti-Poverty Commission, hereinafter referred to as the NAPC, is hereby created under the Office of the President, which shall serve as the coordinating and advisory body for the implementation of the SRA. The Presidential Commission to Fight Poverty (PCFP), the Social Reform Council (SRC), and the Presidential Council for Countryside Development (PCCD) are hereby abolished and the NAPC shall exercise the powers and the functions of these agencies. The NAPC shall be the successor-in-interest of the three (3) abolished commissions and councils.

The creation and operationalization of the NAPC shall be guided by the following principles:

- (1) Incorporation of the Social Reform Agenda into the formulation of development plans at the national, regional, sub regional and local levels;
- (2) Efficiency in the implementation of the anti-poverty programs by strengthening and/or streamlining present poverty alleviation processes and mechanisms, and reducing the duplication of functions and activities among various government agencies;
- (3) Coordination and synchronization of social reform and poverty alleviation programs of national government agencies;
- (4) Exercise of policy oversight responsibilities to ensure the attainment of social reform and poverty alleviation goals;
- (5) Strengthening of local government units to more effectively operationalize the SRA in local development efforts;
- (6) Institutionalization of basic sectoral and NGO participation in effective planning, decision-making, implementation, monitoring and evaluation of the SRA at all levels;
- (7) Ensuring adequate, efficient and prompt delivery of basic services to the poor; and
- (8) Enjoining government financial institutions to open credit and savings windows for the poor, and advocating the creation of such windows for the poor among private banking institutions.

**SEC. 6. Composition of the NAPC.**– The President of the Republic of the Philippines shall serve as Chairperson of the NAPC. The President shall appoint the Lead Convenor of the NAPC, either from the government or private sector, who shall likewise serve as the head of the National Anti-Poverty Commission Secretariat, and shall have the rank of a Cabinet Secretary. There shall be a vice-chairperson for the government sector and a vice-chairperson for the basic sectors; the former to be designated by the President, and the latter to be elected among the basic sector representatives of the NAPC as vice-chairperson for the basic sector; and the following as members:

- (1) Heads of the following government bodies:
  - (a) Department of Agrarian Reform (DAR);
  - (b) Department of Agriculture (DA);
  - (c) Department of Labor and Employment (DOLE);
  - (d) Department of Budget and Management (DBM);
  - (e) Department of Social Welfare and Development (DSWD);
  - (f) Department of Health (DOH);
  - (g) Department of Education, Culture and Sports (DECS);
  - (h) Department of the Interior and Local Government (DILG);
  - (i) Department of Environment and Natural Resources (DENR);
  - (j) Department of Finance (DOF);
  - (k) National economic and Development Authority (NEDA);



- (l) People's Credit and Finance Corporation (PCFC), subject to Section 17 of this Act; and
- (m) Presidential Commission on Urban Poor (PCUP).

(2) Presidents of the Leagues of Local Government Units:

- (a) League of Provinces;
- (b) League of Cities;
- (c) League of Municipalities;
- (d) Liga ng mga Barangay

(3) Representatives from each of the following basic sectors:

- (a) Farmers and landless rural workers;
- (b) Artisanal fisherfolk;
- (c) Urban poor;
- (d) Indigenous cultural communities/indigenous peoples;
- (e) Workers in the formal sector and migrant workers;
- (f) Workers in the informal sector;
- (g) Women;
- (h) Youth and students;
- (i) Persons with disabilities
- (j) Victims of disaster and calamities;
- (k) Senior citizens;
- (l) Non government organizations (NGOs);
- (m) Children; and
- (n) Cooperatives

Sectoral councils formed by and among the members of each sector shall respectively nominate three (3) nominees from each sector within six (6) months after the effectivity of the implementing rules and regulations of this Act, and every three (3) years thereafter and in case of vacancy. The President of the Republic of the Philippines shall, within (30) days after the submission of the list of nominees, appoint the representatives from the submitted list. Sectoral representatives shall serve for a term of three (3) years without reappointment. Appointment to any vacancy for basic sector representatives shall be only for the unexpired term of the predecessor.

The implementing rules and regulations (IRR) of this Act shall contain the guidelines for the formation of sectoral councils, the nomination process, recall procedure and such other mechanisms to ensure accountability of the sectoral representatives.

**SEC. 7. Powers and Functions.** – The NAPC shall exercise the following powers and functions:

- (1) Coordinate with different national and local government agencies and the private sector to assure full implementation of all social reform and poverty alleviation programs;
- (2) Coordinate with local government units in the formulation of social reform and poverty alleviation programs for their respective areas in conformity with the National Anti Poverty Action Agenda;
- (3) Recommend policy and other measures to ensure the responsive implementation of the commitments under the SRA;
- (4) Ensure meaningful representation and active participation of the basic sectors;
- (5) Oversee, monitor and recommend measures to ensure the effective formulation, implementation and evaluation of policies, programs and resource allocation and management of social reform and poverty alleviation programs;
- (6) Advocate for the mobilization of funds by the national and local governments to finance social



- reform and poverty alleviation programs and capability building activities of people's organizations;
- (7) Provide financial and non-financial incentives to local government units with counterpart resources for the implementation of social reform and poverty alleviation programs; and

**SEC. 8. Principle Office.** – The NAPC shall establish its principal office in Metro Manila and may establish such branches within the Philippines as may be deemed necessary by the President of the Philippines to carry out the powers and functions of the NAPC.

**SEC. 9. The NAPC Secretariat.** – The NAPC shall be supported by a Secretariat, which shall be headed by the Lead Convenor referred to under Section 6 hereof. The Secretariat shall provide technical and administrative support to the NAPC. It shall be formed from the unification of the secretariats of the following bodies:

- (1) Presidential Commission to Fight Poverty (PCFP);
- (2) Social Reform Council (SRC); and
- (3) Presidential Council for Countryside Development (PCCD).

Within three (3) months from the effectivity of this Act, the Office of the President shall finalize the organizational plan for the NAPC.

To provide the continuity of existing social reform and poverty alleviation related programs, all accredited organizations under the three (3) unified councils and commissions shall be automatically accredited under the NAPC until such time that additional accreditation requirements may be provided by the NAPC.

**SEC. 10. The People's Development Trust Fund.** – The People's Development Trust Fund (PDTF) is hereby established, which shall be monitored by the NAPC.

The Trust Fund in the amount of Four billion and five hundred million pesos (P4,500,000,000.00) shall be funded from the earnings of the PAGCOR in addition to appropriations by Congress, voluntary contributions, grants, gifts from both local and foreign sources as may be accepted or decided on by the NAPC. Any additional amount to the Trust Fund shall form part of the corpus of the Trust Fund, unless the donor, contributor or grantor expressly provides as a condition that the amount be included in the disbursable portion of the Trust Fund.

The President of the Philippines shall assign to any existing government department or agency the administration of the Trust Fund, based on the expertise, organizational capability, and orientation or focus of the department or agency. The NAPC shall be limited to the function of monitoring the utilization of the PDTF, while the government departments or agencies designated by the President shall directly administer the utilization of the earnings of the PDTF.

Only the fruits of the PDTF shall be used for the purposes provided in this Act. Any undisbursed fruits for the preceding year shall form part of the disbursable portion of the PDTF in the following year.

For the purpose of monitoring the earnings of the PDTF, the NAPC shall:

- (1) Source funds for the establishment of and augmentation to the Trust Fund;
- (2) Recommend to the appropriate government department or agency the accreditation of organizations and institutions that shall act as partners in conducting institutional development and capability building activities for accredited organizations and beneficiaries of microfinance and micro enterprise programs.
- (3) Ensure that validation and monitoring activities are conducted for funded institutional development and capability building projects/programs/beneficiaries: and
- (4) Promote research and development work on livelihood and microfinance technology and publications/communications programs that assist the poor beneficiaries.



**SEC.11. Purposes of the People's Development Trust Fund (PDTF).** – The earnings of the PDTF shall be utilized for the following purposes:

- (1) Consultancy and training services for microfinance, livelihood and micro-enterprises training services;
- (2) Scholarship or training grants for microfinance staff and officers, and selected beneficiaries;
- (3) Community organizing for microfinance, livelihood and micro-enterprises training services;
- (4) Livelihood/micro-enterprise project/program feasibility studies and researches;
- (5) Savings mobilization and incentive programs, and other similar facilities;
- (6) Information and communication systems such as baseline surveys, development monitoring systems, socioeconomic mapping surveys, organizational assessments, and other similar activities;
- (7) Legal and other management support services such as registration, documentation, contract review and enforcement, financial audit and operational assessment;
- (8) Information dissemination of microfinance technology; and
- (9) Other activities to support microfinance as approved by the designated agency administering the PDTF.

The PDTF may be accessed by the following

- a) Registered microfinance organizations engaged in providing micro-enterprise services for the poor to enable them to become viable and sustainable;
- b) Local government units providing microfinance and micro-enterprise programs to their constituents: Provided, That the PDTF shall not be used by the LGUs for personal services and maintenance and other operating expenses; and
- c) Local government units undertaking self-help projects where at least twenty-five percent (25%) of the total earnings of the PDTF shall be used exclusively for the provision of materials and technical services.

**SEC. 12. The Role of Local Government Units (LGUs).** – The local government units, through the local development councils of the province, city, municipality, or barangay shall be responsible for the formulation, implementation, monitoring and evaluation of the National Anti-Poverty Action Agenda in their respective jurisdictions. The LGUs shall:

- (a) Identify the poor in their respective areas based on indicators such as the minimum basic needs approach and the human development index, their location occupation, nature of employment, and their primary resource base and formulate a provincial/city/municipality anti-poverty action agenda;
- (b) Identify and source funding for specific social reform and poverty alleviation projects;
- (c) Coordinate, monitor and evaluate the efforts of local government units with the private sector on planning and implementation of the local action program for social reform and poverty alleviation; and
- (d) Coordinate and submit progress reports to the National Anti-Poverty Commission regarding their local action programs,



Nothing in this Act shall be construed as diminishing the powers granted to the local government units under the Local Government Code.

## TITLE II

### MICROFINANCE SERVICES FOR THE POOR

SEC. 13. Microfinance Program. –The programs and implementing mechanisms of the Social Reform Agenda's Flagship Program on Credit shall be integrated, adopted and further enhanced to effectively support the objectives of this Act along the following thrusts:

- (1) Development of a policy environment, especially in the area of savings generation, supportive of basic sector initiatives dedicated to serving the needs of the poor in terms of microfinance services;
- (2) Rationalization of existing government programs for credit and guarantee;
- (3) Utilization of existing government financial entities for the provision of microfinance products and services for the poor; and
- (4) Promotion of mechanisms necessary for the implementation of microfinance services, including indigenous microfinance practices.

**SEC. 14. People's Credit and Finance Corporation (PCFC).** – The People's Credit and Finance Corporation (PCFC), a government-controlled corporation registered with the Securities and Exchange Commission and created in accordance with Administrative Order No. 148 and Memorandum Order No.261, shall be the vehicle for the delivery of microfinance services for the exclusive use of the poor. As a government-owned and –controlled corporation, it shall be the lead government entity specifically tasked to mobilize financial resource from both local and international funding sources for microfinance services for the exclusive use of the poor.

**SEC. 15. Increase 171, the Capitalization of PCFC.** – To facilitate the increase in the capitalization of the PCFC, the President of the Republic of the Philippines shall take measures to enable the amendment of the Articles of Incorporation of the PCFC such that:

- (a) The authorized capital stock of the PCFC may be increased from One hundred million pesos (P100,000,000.00) to Two billion pesos (P2,000,000,000.00) divided into twenty million common shares with a par value of One hundred pesos (P100.00) per share;
- (b) The subscribed capital stock may be increased from One hundred million pesos (P100,000,000.00) to Six hundred million pesos (P600,000,000.00), and the national government may subscribe the difference of Five hundred million pesos (500,000,000.00);
- (c) The initial paid-up capital may be increased from One hundred million pesos (100,000,000.00) to Two hundred fifty million pesos (P250,000,000.00), to be increase subsequently to a total of Six hundred million pesos (P600,000,000.00), such that at the end of a period of four (4) years the subscribed capital shall be fully paid-up, in the following manner:

For the initial increase in paid-up capital during the first year, the difference of One hundred fifty million pesos (P150,000,000.00); for the third year, One hundred million pesos (P100,000,000.00); and for the fourth year, One hundred million pesos (P100,000,000.00).

The appropriations for the additional paid-up capital shall be sourced from the share of the national government in the earnings of the PAGCOR, in the manner provided for under Section 18, which provides for the appropriations under this Act.

**SEC 16. Special Credit Windows in Existing Government Financing Institutions (GFIs).** –The existing government financial institutions shall provide for the savings and credit needs of the poor. The GFIs such as the Land Bank of the Philippines, Philippine Postal Bank, Al Amanah Bank, and the Development Bank of the



Philippines are hereby mandated to coordinate with NAPC and PCFC in setting up special credit windows and other arrangements, such as the servicing of Small Savers Instruments (SSIs) that will promote the microfinance program of this Act.

The private financing institutions may also provide the savings and credit requirements of the poor by setting up similar credit windows and other arrangements to promote the savings component of the microfinance program of this Act.

Special credit windows for the poor shall, as far as practicable, include an allocation for the basic sectors, as defined in this Act, particularly those living in the rural areas agrarian reform communities, and women in the countryside.

**SEC. 17. PCFC Privatization.** – In the event that the ownership of the majority of the issued voting stocks of PCFC shall have passed to private investors (exclusively qualified nongovernment organizations, people's organizations and cooperatives), the stockholders shall cause the registration with the Securities and Exchange Commission (SEC) of the revised Articles of Incorporation and By-laws. The PCFC shall thereafter be considered as a privately organized entity subject to the laws and regulations generally applied to private corporations.

The chairman of the PCFC may still be a member of the National Anti-Poverty Commission (NAPC) upon the privatization of the PCFC: Provided, That the PCFC will continue its main purpose of providing for the savings and credit needs of the poor.

### TITLE III

#### APPROPRIATIONS FOR THE NATIONAL ANTI-POVERTY COMMISSION (NAPC) AND THE PEOPLE'S DEVELOPMENT TRUST FUND (PDTF)

**SEC. 18. Appropriations.** – To carry out the provisions of this Act, the following amounts are appropriated as follows:

- (1) The sum of One hundred million pesos (P100,000,000.00) is hereby appropriated as the initial operating fund in addition to the unutilized funds of the rationalized commission and councils. The sum shall be sourced from the President's Contingent Fund. In subsequent years, the amount necessary to implement this Act shall be included in the annual appropriations. The said amounts shall be under the management of the NAPC.
- (2) The aggregate sum of Four billion and five hundred million pesos (P4,500,000,000.00) for ten (10) years is hereby appropriated for the establishment of the People's Development Trust Fund (PDTF) from the share of the national government in the earnings of the Philippine Amusement and Gaming Corporation (PAGCOR), in the following manner: on the first year, Three hundred fifty million pesos (P350,000,000.00); on the second year, Three hundred fifty million pesos (P350,000,000.00); on the third year, Four hundred million pesos (P400,000,000.00); on the fourth year, Four hundred million pesos (P400,000,000.00); on the fifth year and every year thereafter until the tenth year, Five hundred million pesos (P500,000,000.00) annually.
- (3) The aggregate sum of Five hundred million pesos (P500,000,000) for four years shall be appropriated for the increase in the capitalization of the PCFC, from the share of the national government in the earnings of the PAGCOR, at such time that the increase in the capitalization of the PCFC, in the manner provided for under Section 15 of this Act, shall have been affected. The appropriation shall be made in the following manner on the first year, One hundred fifty million pesos (P150,000,000.00); on the third year, One hundred million pesos (100,000,000.00); and on the fourth year, One hundred million pesos (P100,000,000.00).



**SEC. 19. Transitory Provision.** – The Social Reform Council (SRC) and the representatives therein shall, in temporary capacity, exercise the powers and assume the duties of the NAPC until such time that the members of NAPC shall have been duly appointed or designated.

The Office of the President shall formulate the implementing rules and regulations (IRR) of this Act within six (6) months after its effectivity.

The assets, liabilities and personnel of PCFC, SRC, and PCCD are hereby transferred to the NAPC. Personnel who cannot be absorbed by NAPC shall be entitled to a separation pay of one-and-a-half ( 1 ½) months for every year of service and other benefits under existing retirement laws, at the option of the personnel concerned.

**SEC. 20. Repealing Clause.** – All laws, executive orders, rules and regulations, or parts thereof, inconsistent with this Act are hereby repeated, amended or modified accordingly. The provisions of this Act shall not be repealed, amended or modified unless expressly provided in subsequent general or special laws.

**SEC. 21. Separability Clause.** – If any provision of this Act shall be held invalid or unconstitutional, the remaining provisions thereof not affected thereby shall remain in full force and effect.

**SEC. 22. Effectivity Clause.** – This Act shall be effective on June 3 1998.

Approved,

**ERNESTO M. MACEDA**  
President of the Senate

**JOSE DE VENECIA JR.**  
Speaker of the House  
Of Representatives

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on December 9, 1997 and December 8, 1997, respectively.

**LORENZO E. LEYNES JR.**  
Secretary of the Senate

**ROBERTO P. NAZARENO**  
Secretary General  
House of Representatives

Approved:

**FIDEL V. RAMOS**  
President of the Philippines





# Appendix B

MALACAÑANG  
MANILA

## ADMINISTRATIVE ORDER NO. 21

REVISED IMPLEMENTING RULES AND REGULATIONS GOVERNING REPUBLIC ACT NO. 8425 OTHERWISE KNOWN AS THE SOCIAL REFORM AND POVERTY ALLEVIATION ACT

WHEREAS, pursuant to Republic Act No. 8425, or the Social Reform and Poverty Alleviation Act, the Office of the President is mandated to formulate the implementing rules and regulations governing the law;

WHEREAS, poverty alleviation, defined as the reduction of absolute and relative poverty, is one of the core thrusts of government;

WHEREAS, several implementing rules and regulations have been issued relating to the Social Reform and Poverty Alleviation Act, to wit: Administrative Order (A.O.) No. 11 series of 1998, A.O. No. 36 series of 1998 and an unnumbered Implementing Rules and Regulations (IRR) signed on December 23, 1998;

WHEREAS, pursuant to the provisions of the Social Reform and Poverty Alleviation Act and its implementing rules and regulations, the National Anti-Poverty Commission was established to replace the Presidential Commission to Fight Poverty, the Social Reform Council and the Presidential Council for Countryside Development;

WHEREAS, the provisions ensuring wide participation, autonomy and transparency in the selection of representation among the basic sectors mandated in A.O. No 1 series of 1998 were revoked and repealed by A.O. No. 36 series of 1998 and the unnumbered IRR signed on December 23, 1998;

WHEREAS, the Lead Convenor of the National Anti-Poverty Commission has recommended the repeal of A.O. No. 36 series of 1998 and the unnumbered IRR signed on December 23, 1998, and the issuance of revised implementing rules and regulations complying with the provisions of the Social Reform and Poverty Alleviation Act;

WHEREAS, broad participation shall be ensured to create responsive, accountable, and meaningful representation from the basic sectors.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby promulgate:

### RULE I POLICY AND DEFINITION OF TERMS

**SECTION 1. Title.** – These Rules shall be known as the Revised Rules and Regulations Implementing the Social Reform and Poverty Alleviation Act.

**SECTION 2. Purpose.** – These Rules are promulgated to prescribe the procedures and guidelines for the implementation of Title I on the National Anti-Poverty Commission of the Social Reform and Poverty Alleviation Act in order to facilitate compliance therewith and achieve the objectives thereof.



**SECTION 3. Declaration of Policy.** – It is the policy of the State to:

- (1) Adopt a sustainable, integrated, area-based, sectoral and focused intervention to poverty alleviation wherein every poor Filipino family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, peace and order, education and functional literacy, participation in governance and family care and psycho-social integrity;
- (2) Actively pursue asset reform or redistribution of productive economic resources to the basic sectors including the adoption of a system of public spending which is targeted towards the poor;
- (3) Institutionalize and enhance the Social Reform Agenda (SRA), which embodies the results of the series of consultations and summits on poverty alleviation;
- (4) Adopt and operationalize the following principles and strategies as constituting the national framework integrating various structural reforms and anti-poverty initiatives:
  - (a) Social reform shall be a continuing process that addresses the basic inequities in Philippine society through a systematic package of social interventions;
  - (b) The SRA shall be enhanced by government in equal partnership with the different basic sectors through appropriate and meaningful consultations and participation in governance;
  - (c) Policy, programs and resource commitments from both government and the basic sectors shall be clearly defined to ensure accountability and transparency in the implementation of the SRA
  - (d) A policy environment conducive to sustainable social reform shall be pursued;
  - (e) The SRA shall address the fight against poverty through a multi-dimensional and cross-sectoral approach which recognizes and respects the core values, cultural integrity and spiritual diversity of target sectors and communities;
  - (f) The SRA shall pursue a gender-responsive approach to fight poverty;
  - (g) The SRA shall promote ecological balance in the different ecosystems in a way that gives the basic sectors a major stake in the use, management, conservation and protection of productive resources;
  - (h) The SRA shall take into account the principle and interrelationship of population and development in the planning and implementation of social reform programs thereby promoting self-help and self-reliance;
  - (i) SRA implementation shall be focused on specific target areas and basic sectors; and
  - (j) The SRA shall advocate and institutionalize a multi-sectoral approach towards building social consensus to poverty alleviation at the national and local levels thereby mobilizing the different but potentially complementary capacities, resources and perspectives of civil society, government, and business towards a concerted societal effort at alleviating poverty.

**RULE II**

**THE PHILIPPINE APPROACH TO SOCIAL REFORM AND POVERTY ALEVIATION**

**SECTION 1. The Multi-dimensional Approach to Poverty Alleviation.** Strategies or programs of government and civil society shall incorporate the elements that will address each of the four dimensions of the SRA, namely:



a) Economic Dimension - Asset Reform. Asset reform seeks to address the issue of economic inequity by widening the citizens' share of resources, whether natural or manufactured, from which they can earn a living and increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management and control over such resources. The government shall give priority to the enactment and strict implementation of laws that widen the share of the basic sectors in the resources of society. The government shall likewise undertake budgetary reform to implement asset reform.

b) Social-Cultural Dimension – Access to Quality Basic Services and Protection of the security of Life, Person, Livelihood, Indigenous Culture and freedom from Violence. These reforms refer to the equitable control and access to social-cultural services and facilities especially education, health, housing and other basic services. These reforms are necessary to enable the citizens to meet their basic human needs, to live decent lives and to ensure that the benefits of asset reform are equally shared by all its rightful beneficiaries. The government shall therefore work to eliminate all forms of discrimination which cause women, youth and children, the elderly and persons with disability to be further marginalized and excluded even within their own economic sectors.

c) Ecological Dimension – Sustainable Use of Productive Resources. These reforms ensure the effective and sustainable utilization of the natural and ecological resource base, thus assuring greater social acceptability and increased participation of the basic sectors in environmental and natural resources conservation, management and development.

d) Governance Dimension – Equal Representation and Participation. These reforms address the issue of political equity and ensure equal participation in all venues in society especially in decision making and management processes that affect their rights, interests and welfare. The government shall ensure that sectoral representation is institutionalized in all levels of government, with particular emphasis on the decision making structures of the different local government units.

**SECTION 2. Asset reform.** Asset reform requires laws and policies that widen the citizens' share of resources, natural and manufactured, from which they can earn a living or increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management and control over such resources. Specifically, asset reform shall be obtained through the following sector-specific flagship programs:

- a) Farmers and landless rural workers: ownership, access to and control of tillable lands by the tillers, higher productivity, channels for productivity and fair prices for produce;
- b) Fisherfolk: broader access to and control of aquatic resources, rational and sustainable management of fishery resources and wider availability of fishing and post-harvest facilities;
- c) Urban Poor: broader access to and security in basic needs, particularly housing and land, and broader opportunities for increased income;
- d) Indigenous Cultural Communities: recognition and protection of their ancestral domain rights basic services and cultural integrity;
- e) Workers in the Formal Sector and Migrant Workers: recognition and protection of their rights to a living wage, humane conditions of work, security of tenure, self-organization and collective bargaining;
- f) Workers in the Informal Sector: protection by labor laws, security in their workplace, protection against harassment and abuse, access to programs and services catering to their special needs and organization into unions, cooperatives and other forms of associations; and
- g) Disadvantaged groups that cut across all sectors, particularly women, youth and students, children, the elderly, persons with disabilities and victims of natural and man made calamities: Comprehensive Integrated Delivery of Social Services (CIDSS) reform to correct and transform the structures that discriminate against and cause the further marginalization of these groups in all spheres of life, including within their own economic sectors.



Additionally, to support the sectoral flagship programs, the following cross-sectoral flagships shall likewise be instituted:

- a) Institution-building and effective participation in governance;
- b) Sustainable livelihood programs;
- c) Expansion of micro-credit/microfinance services and capability building; and
- d) Infrastructure buildup and development.

### **RULE III**

#### **THE NATIONAL ANTI-POVERTY COMMISSION**

**SECTION 1. Principles Governing the National Anti-Poverty Commission (NAPC).** The NAPC shall be governed by the following principles:

- a) Incorporation of the SRA into the formulation of the development plans at the national, regional, sub-regional and local levels;
- b) Efficiency in the implementation of the anti-poverty programs by strengthening or streamlining present poverty alleviation processes and mechanisms and reducing the duplication of functions and activities among various government agencies;
- c) Coordination and synchronization of social reform and poverty alleviation programs of national government agencies;
- d) Exercise of policy oversight responsibilities to ensure the attainment of social reform and poverty alleviation goals;
- e) Strengthening of local government units to more effectively operationalize the SRA in local development efforts;
- f) Institutionalization of basic sectoral and non-government organizations' (NGO) participation in effective planning, decision making, implementation, monitoring and evaluation of SRA at all levels;
- g) Ensuring adequate, efficient and prompt delivery of basic services to the poor;
- h) Enjoining government financial institutions to open credit and savings window for the poor and advocating the creation of such windows for the poor among private banking institutions; and
- i) Pursuit of poverty alleviation in harmony with sustainable development as embodied in Philippine Agenda 21 and other policies of government.

**SECTION 2. Composition of the NAPC.** The President of the Republic of the \*Philippines shall serve as the Chairperson of the NAPC. The President shall appoint the Lead Convenor of the NAPC, either from the government, civil society or private sector, who shall likewise serve as the head of the NAPC Secretariat and shall have the rank of Cabinet Secretary.

There shall be a Vice-Chairperson for the government sector and a Vice-Chairperson for the basic sectors, the former to be designated by the President and the latter to be elected among the Sectoral Representatives of the NAPC.

The members of the NAPC are as follows:

(1) Heads of the following government bodies:

- (a) Department of Agrarian Reform (DAR);



- (b) Department of Agriculture (DA);
  - (c) Department of Labor and Employment (DOLE);
  - (d) Department of Budget and Management (DBM);
  - (e) Department of Social Welfare and Development (DSWD);
  - (f) Department of Health (DOH);
  - (g) Department of Education, Culture and Sports (DECS);
  - (h) Department of the Interior and Local Government (DILG);
  - (i) Department of Environment and Natural Resources (DENR);
  - (j) Department of Finance (DOF);
  - (k) National economic and Development Authority (NEDA);
  - (l) People's Credit and Finance Corporation (PCFC), subject to Section 17 of this Act; and
  - (m) Presidential Commission on Urban Poor (PCUP).
- (2) Presidents of the Leagues of Local Government Units:
- (a) League of Provinces;
  - (b) League of Cities;
  - (c) League of Municipalities;
  - (d) Liga ng mga Barangay
- (3) Representatives from each of the following basic sectors:
- (a) Farmers and landless rural workers;
  - (b) Artisanal fisherfolk;
  - (c) Urban poor;
  - (d) Indigenous cultural communities/indigenous peoples;
  - (e) Workers in the formal sector and migrant workers;
  - (f) Workers in the informal sector;
  - (g) Women;
  - (h) Youth and students;
  - (i) Persons with disabilities
  - (j) Victims of disaster and calamities;
  - (k) Senior citizens;
  - (l) Non government organizations (NGOs);
  - (m) Children; and
  - (n) Cooperatives

**SECTION 3. Powers and functions of the NAPC.** The NAPC shall exercise the following powers and functions:

- (a) Coordinate with different national and local government agencies, civil society and the private sector to ensure full implementation of all social reform and poverty alleviation programs;
- (b) Coordinate with local government units in the formulation of social reform and poverty alleviation programs for their respective areas in conformity with the approaches and flagship programs;
- (c) Recommend policy and other measures to ensure the responsive implementation of the commitments under the SRA;
- (d) Ensure meaningful representation and active participation of the basic sectors;
- (e) Oversee, monitor and recommend measures to ensure the effective formulation, implementation and evaluation of policies, programs and resource allocation and management of social reform and poverty alleviation programs;
- (f) Advocate for the mobilization of funds by the national and local



governments to finance social reform and poverty alleviation programs and resource allocation and management of social reform and poverty alleviation programs;

- (g) Provide financial and non-financial incentives to local government units with counterpart resources for the implementation of social reform and poverty alleviation programs; and
- (h) Submit an annual report to Congress including, but not limited to, all aspects of its operations, programs, project implementation, financial status and other relevant data as reflected by the basic reform indicator.

**SECTION 4. Executive Committee.** An Executive Committee shall be created to oversee the execution of the powers and functions of the NAPC.

The Executive Committee shall be chaired by the Lead Convenor and shall be composed of the Vice-Chairpersons and two other members from the government and basic sectors.

The Executive Committee shall have the following functions:

- a) Set the agenda for the meetings of the NAPC;
- b) Oversee the implementation of the NAPC Resolutions concerning poverty alleviation programs;
- c) Oversee that grievances are addressed in the appropriate forum; and
- d) Other functions as may be delegated by NAPC.

#### **RULE IV**

#### **FLAGSHIP PROGRAMS**

**SECTION 1. Flagship Programs and Lead Agencies.** The NAPC shall determine the framework and direction of flagship programs and designate Flagship Lead Agencies for sectoral and multi-sectoral programs which address the specific and cross-sectoral needs of the basic sectors as provided in the Social Reform and Poverty Alleviation Act.

**SECTION 2. Roles and Functions of the Flagship Lead Agencies.** The Flagship Lead Agencies shall have the following functions:

- a) Ensure the effective implementation of flagship programs in coordination with other concerned agencies as they address the needs of the basic sectors and rural and urban poor communities;
- b) Identify and facilitate resolution of issues and concerns related to the implementation of flagship programs; and
- c) Undertake regular consultations with their counterpart Sectoral Councils as provided in these Rules.

**SECTION 3. Formation of Flagship Teams.** The Flagship Lead Agencies shall form teams within their respective agencies to handle the day-to-day implementation of its programs in coordination with other agencies, basic sectors and civil society. They shall designate senior Technical Action Officers (TAO) and alternates as focal persons at the national, regional and local levels.



## RULE V

### SECTORAL ASSEMBLIES

**SECTION 1. Preparatory Committee.** The Lead Convenor shall organize and convene a Preparatory Committee of each sector which will in turn organize their respective Sectoral Assemblies.

The Preparatory Committees shall ensure that the Sectoral Assemblies represent a wide range of interests. For purposes of convening the Sectoral assemblies upon the effectivity of these Rules, the Preparatory Committee of each sector shall be composed of not less than ten (10) and not more than fifteen (15) representatives. As much as possible, the members of the Preparatory Committee shall represent sectoral organizations of different perspectives and persuasions.

Each Preparatory Committee will elect a Chairperson who shall be disqualified from being nominated for the position of Sectoral Representative of the NAPC. However, the elected Chairperson of the Preparatory Committee is qualified to be elected as Chairperson of the Sectoral Assembly.

Subject to the approval of the President, the Preparatory Committees shall have the authority to recommend the organizations that will participate in the Sectoral Assemblies and the criteria for participation. Provided, however, that the Preparatory Committees must consider the track record of the organizations and, as much as possible, shall ensure that the delegates come from different perspectives and persuasions. Provided, further, that the Preparatory Committees must also consider regional and gender concerns in their process of selection.

Subject to the approval of the President, each Preparatory Committee shall have the authority to draft the proposed ground rules which, among others, shall provide the procedure for discussion, recognition and voting and other matters related to the Sectoral Assembly proceedings. At the commencement of the Sectoral Assembly, present the draft proposed ground rules to be observed by the Sectoral Assembly, and facilitate the election of the Chairperson of the Sectoral Assembly.

Upon the effectivity of these Rules, the Sectoral Council of each basic sector shall be immediately organized in accordance with these Rules. Thereafter, each Sectoral Council shall nominate three (3) nominees to the position of Sectoral Representative. The list of nominees shall be submitted to the President who will appoint the new Sectoral Representatives within thirty (30) days from the submission of the lists. After the initial convening of the Preparatory Committees upon the effectivity of these Rules, incumbent Sectoral Councils shall perform the functions of the succeeding Preparatory Committees.

**SECTION 2. Sectoral Assembly.** Upon the election of the Chairperson in every Sectoral Assembly, the elected Chairperson shall take over the role of facilitating the conduct of the Sectoral Assembly. The Chairperson shall immediately proceed with the adoption of the ground rules for the Sectoral Representative.

The Sectoral Assemblies will determine, among others, the composition, powers and functions of their respective Sectoral Councils. In the performance of their functions, the Sectoral Assemblies shall exercise transparency and follow democratic procedures.

Among others, the Sectoral Assemblies shall:

- (a) Set the qualifications required of each member of the Sectoral Councils;
- (b) Establish the process of electing the members of the Sectoral Councils, including replacements in cases of vacancies;
- (c) Elect the members of their respective Sectoral Councils which shall not be less than fifteen (15) nor more than twenty-five (25);
- (d) Set the qualifications required of each nominee to the position of Sectoral Representative;
- (e) Establish the process of selecting the nominees to the position of Sectoral Representative; and
- (f) Determine the powers and functions of the Sectoral Councils, such as the responsibility of coming up



with a consensus on anti-poverty programs, including flagship programs and other issues affecting the sector and to assist the Sectoral Representative in the monitoring of the implementation of the flagship program at the local level.

Whenever necessary and upon due notice, the Sectoral Assembly may be convened by the Sectoral Council.

## **RULE VI**

### **SECTORAL COUNCILS**

**SECTION 1. Sectoral Councils.** The Sectoral Councils shall be the venue wherein the basic sectors will establish a consensus among themselves in all matters concerning the sector, including the nomination and recall of the Sectoral Representatives in the NAPC.

The Sectoral Council shall be composed of at least fifteen (15) sectoral leaders, but not exceeding twenty five (25), and elected through the Sectoral Assemblies as mandated by these Rules.

The Sectoral Councils formed by and among the members of each sector shall respectively nominate three (3) nominees from each sector to the position of Sectoral Representative every three (3) years and in case of a vacancy caused by the death, resignation, recall, physical incapacity or other causes of a Sectoral Representative. Processes that will ensure accountability of every Sectoral Representative to the sector shall be established by the Sectoral Councils.

Immediately upon the election of the Sectoral Councils, they shall consult and confer with the appropriate government departments, including the flagship agencies, in order to define, enmesh and incorporate the poverty reduction framework into the agencies' programs and the sectors' needs. This will include identifying the components of the flagship program on anti-poverty and geographic areas for implementation.

The Sectoral Councils shall convene at least once every quarter to discuss issues and concerns of the sectors with their respective Sectoral Representative.

Not later than one hundred twenty (120) days prior to the end of the term of the incumbent Sectoral Representatives, or not later than thirty (30) days from the occurrence of a vacancy caused by the death, resignation, recall, physical incapacity or other causes of a Sectoral Representative, each Sectoral Council shall act as a Preparatory Committee and organize its Sectoral Assembly. The Sectoral Councils, acting as Preparatory Committees, shall establish the rules of organization of the succeeding Sectoral Assemblies. Among others, these rules shall provide for the admission of new delegates and the expulsion of incumbent delegates. Provided, however, that the Preparatory Committees must consider the track record of the organizations and, as much as possible, shall ensure that the delegates come from different perspectives and persuasions. Provided, further, that the Preparatory Committees must also consider regional and gender concerns in their process of selection.

Thereafter, each Sectoral Assembly must complete the task of forming the succeeding Sectoral Council within fifteen (15) days in case of vacancy or not later than sixty (60) days prior to the end of the term of the incumbent Sectoral Representatives.

**SECTION 2. Recall.** To provide an effective mechanism by which the basic sectors can hold the Sectoral Representatives accountable for their undertakings, a procedure for recall shall be instituted by the respective Sectoral Councils. The Sectoral Council to which the erring Sectoral Representative belongs shall be the sole authority to initiate and decide on recall proceedings. A copy of the petition for recall shall be sent to the President through the Lead Convenor. Immediately upon receipt of the petition by the Sectoral Council, it shall convene for the purpose of resolving the petition for recall. Any incumbent Sectoral Representative shall be removed by a two-thirds (2/3) vote of all the members of the Sectoral Council. The decision of the Sectoral Council shall be final and shall be transmitted to the Office of the President through the Lead Convenor.



Upon their election to office, the Sectoral Councils shall determine, among others, the processes necessary for the recall proceedings. Provided, that the grounds for recall shall include, among others, any acts inimical to the interest and autonomy of the basic sectors. Provided, further, that the recall processes and procedure shall accord due process to all parties concerned.

## **RULE VII**

### **SECTORAL REPRESENTATIVES**

**SECTION 1.** There shall be fourteen (14) Sectoral Representatives, each respectively representing the basic sectors enumerated in the Social Reform and Poverty Alleviation Act.

The President of the Philippines shall, within thirty (30) days after the submission of the list of nominees, appoint the Sectoral Representatives from the list submitted by the Sectoral Councils. Sectoral Representatives shall serve for a term of three (3) years without reappointment.

In case of a vacancy in the position of Sectoral Representative due to death, resignation, recall, physical incapacity, or other causes, the Sectoral Council will nominate three (3) nominees. The list of nominees shall be submitted to the President, who will appoint the new Sectoral Representative within thirty (30) days from submission of the list. Appointment to fill any vacancy in the position of Sectoral Representatives shall only be for the unexpired term of the predecessor.

**SECTION 2.** The Sectoral Representatives, with the assistance of the two nominees, shall, in consultation with the respective Sectoral Councils, formulate and adopt organizational mechanisms and guidelines which shall define the parameters for the participation of the basic sectors in the anti-poverty agenda of the government. The organizational mechanisms and guidelines as formulated by the basic sectors shall be adopted by government as the official document governing the relations between and among sectors, as well as with the government. Provided, that the parameters shall ensure principled partnership between the basic sectors and the government. Provided, further, that the mechanisms and guidelines may include processes necessary for effective basic sector coordination among themselves.

## **RULE VIII**

### **MISCELLANEOUS AND FINAL PROVISIONS**

**SECTION 1. Repealing Clause.** All executive orders, issuances, rules and regulations, or parts thereof, inconsistent with the provision of the Social Reform and Poverty Alleviation Act and these Rules are hereby repealed, amended or modified unless expressly provided in subsequent general or special laws. A.O. No. 36 series of 1998 and the unnumbered IRR signed on December 23, 1998 referring to the NAPC are hereby repealed.

**SECTION 2. Separability Clause.** If any provision of these Rules is held unconstitutional or invalid, other parts or provisions thereof which are not affected thereby shall continue to be in a full force and effect.

**SECTION 3. Effectivity.** These Rules shall take effect immediately upon publication thereof in a newspaper of general circulation.

City of Manila, November 8, 2001.

By the President

**ALBERTO G. ROMULO**  
Executive Secretary





# Appendix C

MALACAÑANG  
Manila

## MEMORANDUM CIRCULAR NO. 33

### INSTITUTIONALIZING THE KAPIT LABAN SA KAHIRAPAN (KALAH) AS THE GOVERNMENT'S PROGRAM FOR POVERTY REDUCTION

WHEREAS, President Gloria Macapagal-Arroyo declared an all out war against poverty in her inaugural speech;

WHEREAS, winning the war against poverty entails an energized bureaucracy, and an empowered and highly participative civil society and business sector working together adhering to continuous-building processor;

WHEREAS, the Medium Term Philippine Development Plan (MTPDP) 2001-2004 espouses poverty reduction as is overarching theme spelled out in the following major sections: (a) Macroeconomic Stability and Equitable Growth; (b) Agricultural Modernization with Social Equity; (c) Comprehensive Human Development and Protecting the Vulnerable; and (d) Good and Effective Governance;

WHEREAS, the Kapit-Bisig Laban sa Kahirapan or KALAH, has been adopted as the embodiment of the government's poverty reduction initiatives.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines and Chairperson of the National Anti-Poverty Commission, by virtue of the powers vested in me by law, do hereby order the institutionalization of the KALAH in government systems and processes.

**SECTION 1. POLICY STATEMENT.** The Kapit-Bisig Laban sa Kahirapan (KALAH) shall be the administration's overarching program for a focused, accelerated, convergent, and expanded, and strategic effort to reduce poverty. All government poverty reduction programs and projects shall anchor on KALAH. The government, through KALAH, shall solicit active participation of basic sector organizations, other civil society organizations, and business sector in its poverty reduction programs or activities.

**SEC 2. Goals.** The poverty reduction program of the government shall pursue the following goals: (a) reduced poverty, (b) improved governance, and (c) empowered communities.

**SEC 3. Strategies.** The KALAH shall be operationalized based on the following poverty reduction strategies: (a) accelerated asset reform, (b) improved access to human development services, (c) provision of employment and livelihood opportunities, (d) security from violence and social protection including safety nets for vulnerable sectors, and (e) institutionalized and strengthened participation of the basic sectors in governance. Environmental protection shall be a cross-cutting concern in all these strategies.

**SEC 4. Convergence Policy.** It is the policy of the government to enjoin the active involvement of all sectors of society in the operationalization of KALAH. Multi-stakeholder and inter-agency convergence shall be observed and institutionalized in all poverty reduction activities. All government agencies shall therefore institutionalize KALAH in their respective systems and processes and participate actively in the implementation of KALAH in the national and sub-national levels.



**SEC 5. Convergence Mechanism.** The National Anti-Poverty Commission (NAPC), by virtue of the Republic Act 8425 (Social Reform and Poverty Alleviation Act of 1997), shall serve as the coordinating and oversight body in the operationalization of the government's poverty reduction initiatives. T shall provide enabling policies to ensure efficient and successful implementation of the KALAHl.

To facilitate proper targeting of KALAHl sites, and planning, coordination and monitoring of poverty reduction programs, projects and resources, adhering to the principle of open and inclusive membership, NAPC shall facilitate the establishment of the following convergence groups.

- a) the National KALAHl Convergence Group (NKCG), composed of heads and/or focal persons of the following initial list of national government agencies: Department of Social Welfare and Development, Department of Health, Department of Education, Commission on Higher Education, Department of Agriculture, Department of Agrarian Reform, Department of Environment, and Natural Resources, Department of Justice, Department of Interior and Local Government, Department of National Defense, Department of Public Works and Highways, Department of Budget and Management, Department of Trade and Industry, Department of Labor and Employment, Department of Science and Technology, Department of Energy, National Economic and Development Authority, Technology and Livelihood Resource Center, People's Credit and Finance Corporation, Presidential Commission for the Urban Poor, National Food Authority, National Irrigation Administration, National Statistical Coordination Board, National Statistics Office, Philippine Charity Sweepstake Office, Philippine Information Agency, Armed Forces of the Philippines, Philippine National Police, Population Commission, Cooperative Development Authority, Quedan Credit Corporation, Office of the President Adviser on the Peace Process, and other national government agencies that may be identified hereafter, national chapters of League of Provinces, League of Cities, League of Municipalities, and Liga ng mga Barangay, and the NAPC Basic Sector Representatives.

The NAPC Lead Convenor shall serve as Chair of the NKCG with the NAPC Secretariat as its Secretariat.

For purposes of a more focused and coordinated planning and programming, the convergence group shall be divided into four (4) clusters, namely: asset reform, human development services and social protection, livelihood and employment, and institutionalizing and capacity-building. Membership in the clusters shall based on the relevance of organizational mandates; thus, any government agency or body, or civil society representative, may become a member of any cluster and may opt to join more than one cluster.

- b) The Regional KALAHl Convergence Group (RKCG), composed of heads and/or focal persons of the regional counterparts of the NKCG agencies, the Cabinet Officer for Regional Development (CORD) and/or his/her representative, the Presidential Assistant for Regional Development (PARD) or the Regional Development Officer (RDO) and/or his/her representative, NAPC Sectoral Council members in the region, regional chapters of local government leagues. Local Poverty Reduction Program Action Officer (LPRAO) of each province and highly urbanized city in the region, and other government agencies, organizations or sectors that the RKCG may invite as members.
  - i) A RKCG shall be set up within the existing structure of the Regional Development Council (RDC) for all regions except the National Capital Region (NCR) and the Autonomous Region of Muslim Mindanao (ARMM).
  - ii) The Chair of the RKCG shall be the Presidential Assistant for Regional Development (PARD) or the Regional Development Officer (RDO), as the case may be, while the Vice-Chair, who shall perform the functions of the Chair in the formers absence, shall be elected from among its members.
  - iii) The NEDA Regional Office (NRO) shall serve as the secretariat of the RKCG. The RKCG may call upon concerned government agencies, organizations, sectors, or entities such as the Local Poverty Reduction Program Officers (LPRAOs), whenever necessary.



- iv) The CORD shall facilitate resolution of RKCG matters that need Cabinet action
- v) The government of the ARMM shall constitute its own convergence group and secretariat. It may however call on the assistance of the NAPC on this matter. The ARMM Governor shall be the ARMM KALAH I Convergence Chair.
- vi) The NAPC shall facilitate the establishment of a RKCG in the NCR whose chair shall be the NAPC Lead Convenor. The NAPC Secretariat shall serve as the NCR-RKCG's Secretariat.
- vii) The RKCG shall recognize and work with KALAH I focal persons or teams that LGUs may establish at their respective levels.
- viii) The RKCG shall collaborate closely with the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP) to maintain the strong link between anti-poverty and internal security efforts of the government.

**SEC 6. Institutionalization and Capacity-Building.** The NAPC shall coordinate the planning, monitoring and evaluation, and assessment and integration of tools and mechanisms that will be used under the KALAH I program. It shall exercise oversight functions over any government agency's capacity-building programs or projects for poverty reduction.

**SEC 7. Funding Resources.** To effectively implement KALAH I in all targeted areas and communities, funding shall be sourced from: (a) allocation from program funds of national government agencies; (b) allocation from funds of local government units, including but not limited to the 20% development fund, gender and development fund, etc.; (c) special funds from government financial institutions and government owned and controlled corporations such as the Philippine Amusement and Gaming Corporation (PAGCOR), Philippine Charity Sweepstake Office (PCSO), and Land Bank of the Philippines (LBP); (d) President's Social Fund (PSF); (e) People's Development Trust Fund (PDTF); (f) congressional allocation; (g) donor institutions, both foreign and local, and (h) other innovative funding sources.

All government agencies concerned shall ensure a KALAH I budget item in their respective budget starting Fiscal year 2004. The Department of Budget and Management (DBM), in coordination with the NAPC, shall issue guidelines and orient all agencies concerned on the KALAH I budget.

**SEC 8. Implementing Guidelines.** The implementing guidelines of this Memorandum Circular shall be prepared by the NPC Secretariat, within 60 days upon signing, and shall undergo consultation process with the different stakeholders.

**SEC 9. Repealing Clause.** All orders, issuances, rules and regulations, which are considered inconsistent with this Memorandum Circular are hereby repealed and modifies accordingly.

**SEC 10. Separability Clause.** Any provision hereof that may be declared in violation of existing laws shall in no way nullify the other provisions of this Memorandum Circular.

**SEC 11. Effectivity.** This Memorandum Circular shall take effect immediately.

Done in the city of Manila, this 28<sup>th</sup> day of November, in the Year of Our Lord, two thousand and two.

By the President

CERTIFIED COPY:

**ALBERTO G. ROMULO**  
Executive Secretary

**MARIANITO M. DIMAANDAL**  
Director III  
Malacañang \_\_\_\_\_





## Appendix D

### IMPLEMENTING GUIDELINES GOVERNING MEMORANDUM CIRCULAR No. 33 OTHERWISE KNOWN AS THE INSTITUTIONALIZATION OF THE KAPIT BISIG LABAN SA KAHIRAPAN (KALAH) AS THE GOVERNMENT'S PROGRAM FOR POVERTY REDUCTION

#### ARTICLE 1. THE KAPIT-BISIG LABAN SA KAHIRAPAN (KALAH) CONVERGENCE POLICY FRAMEWORK

**Section 1. Principle and Strategies Governing KALAH.** The Kapit-Bisig Laban sa Kahirapan is the administration's overarching program for a focused, accelerated, convergent, and expanded and strategic effort to reduce poverty. Given the limited resources of government, a focused and integrated approach maximizes the impact and of program and projects in reducing poverty incidence and in attaining social development. Implementation efforts in the delivery of programs and services are directed toward attaining convergence in all levels of governance with the end in view of developing the capacities of local government units in sustaining the convergent approach in poverty reduction efforts. The government, through KALAH shall therefore enjoin the active participation of basic sector organizations, other civil society organizations, and business sector in the fight against poverty and improving the quality of life of the Filipino people. It shall adhere to the principles of openness, inclusiveness, participation, localization, and empowerment.

**Section 2. Program Components.** The general principles and governing strategies of KALAH implementation are translated and constructed into four (4) core components:

- a. **Convergent Service Delivery.** Convergence of service delivery is institutionalized under KALAH at the national and sub-national levels. Convergence of service delivery will avoid the overlapping and competing of government programs or projects but instead will ensure proper system for coordination or integration, thus maximizing limited resources and efficient service delivery.
- b. **Capacity Building.** To ensure a sustained, efficient, and effective delivery of services, KALAH builds and strengthens the capacity of service providers at the national, regional, and local levels by collaborating with other government agencies, civil society, the private sector, as well as donor agencies. NAPC is tasked not only to provide the necessary technical support but more importantly to ensure that this component be integrated in every project that would harness and develop the capacities of partner communities as well as to warrant participatory processes.
- c. **Policy Advocacy and Policy Reform.** A supportive policy environment is crucial for the sustainability and survival of KALAH. It is the task of NAPC to initiate policy reform measures towards the institutionalization of KALAH, by building on the policy agenda formulated by basic sectors and the experiences of previous poverty reduction projects by collaborating with other policy stakeholders such as, but not limited to, the academic sector, pressure groups, and legislators.
- d. **Social Marketing.** A supportive citizenry is necessary for the success sustainability of KALAH. All stakeholders are encouraged to disseminate information about the government's poverty reduction program to the public in order to solicit much needed support for the program and more importantly, to forge community ownership. KALAH stakeholders, under the leadership of NAPC, should tap and link with government and private media organizations in launching media campaigns.

**Section 3. Target Beneficiaries.** As the over-arching anti-poverty program, KALAH covers all regions. Each region, through the Regional KALAH Convergence Group (RKCG) is therefore tasked to facilitate the proper identification of the poorest communities and barangays in the region. In the final selection of KALAH partner-



communities, recommendations from local government units (provinces, cities, municipalities, and barangays) of the prioritized provinces shall be significantly considered by the RKCG.

- a. The following parameters can be used by identifying KALAH I partner-communities. Such parameters shall be constantly reviewed and updated by the national government, taking into account the anti-poverty goals of the administration and the need to apportion the delivery of programs dependent on the needs of the community through the facilitation of the NAPC.
  - i. high poverty incidence as defined according to national measurements (i.e., as published by the National Statistical Coordination Board);
  - ii. extreme poverty situation as determined by the standards of the minimum basic needs (MBN) or any other existing poverty indicator system;
  - iii. large gap in asset reform as determined by the low level of security in land and/or aquatic tenure;
  - iv. presence of vulnerable poverty sectors such as landless, upland coconut farmers, indigenous peoples, artisanal fisherfolk, and displaced sectors;
  - v. communities with poor access to basic services due to geographical limitations; and
  - vi. communities situated within local government units which have inadequate financial resources such as 6<sup>th</sup> and 5<sup>th</sup> class municipalities.
- b. To further determine the poverty incidence and situation in a target community, each region and/or province should make use of concrete poverty indicators. The following indicators may be used as guideposts. However, LGUs may decide to add other indicators or they may opt to use proxy indicators in lieu of the Core Local Poverty Indicators listed below.
  - i. Health – proportion of children aged 0-5 years old who died to the sum of children 0-5 years.
  - ii. Nutrition – malnutrition prevalence or the proportion of children aged 0-5 years old who are malnourished to the total number of children 0-5 years old.
  - iii. Access to Basic Amenities –
    - 1 proportion of households with access to safe water; and
    - 2 proportion of households with access to sanitary toilet facilities.
  - iv. Shelter –
    - 1 proportion of households who are squatting; and
    - 2 proportion of households living in makeshift facilities.
  - v. Peace and Order - proportion of households with members victimized by crimes.
  - vi. Income –
    - 1 proportion of households with income less than the poverty threshold;
    - 2 proportion of households with incomes less than the food threshold; and
    - 3 proportion of households who eat less than three (3) meals a day.
  - vii. Employment – unemployment rate.
  - viii. Education –
    - 1 elementary participation rate; and
    - 2 secondary participation rate.
- c. the presence of locally-initiated convergence poverty reduction activities adhering to the set parameters and poverty indicators shall be considered by the RKCG in choosing KALAH I partner-communities.
- d. Every RKCG shall see to it that every province has at least two (2) KALAH I Convergence Areas by 2004, taking into account the parameters of targeting and needs assessment in the communities.

**Section 4. Functions and Responsibilities of KALAH I Stakeholders.** The state recognizes that it is the primary responsibility of government agencies to institute asset reforms and improve the delivery of basic social



services, widen the channels of participation of the poor, build institutions for efficient provision of public goods and regulate markets that can assist in poverty reduction goals. However, it also recognizes that government alone cannot address poverty reduction and inequality. Businesses and civil society, including non-governmental organizations, peoples' organizations, the academe, and other support institutions, have vital roles to play in addressing the economic, political, and social inequities in the country. Thus, the active participation of various stakeholders in a comprehensive poverty reduction program is significantly needed. The following are the **KALAH** stakeholders:

- i. National Government Agencies. Under KALAH, government entities within NAPC – member agencies, partner agencies, and other support institutions – shall serve as coordinators, implementers, and monitors of the various poverty reduction programs and projects according to their respective capacities and mandates. The national government agencies and their respective regional offices shall particularly take part/participate in the various structures and mechanisms established under KALAH.
- ii. Local Government Units. The local government units shall be at the forefront of any development efforts. Apart from facilitating, implementing, or co-implementing poverty reduction programs within their respective localities, it shall also take an active role in planning, monitoring, and evaluating poverty reduction programs and projects implemented within their respective areas of jurisdiction. Likewise, local government units are encouraged to provide counterpart resources for local KALAH projects.
- iii. The Basic Sector. Pursuant to the principles of shared governance in RA 8425, the meaningful and effective participation of the basic sectors in policy development, planning, coordination, monitoring and evaluation of poverty reduction programs and initiatives at all levels of governance shall be ensured. The basic sectors can contribute in institutionalizing mechanisms for targeted poverty reduction programs and projects by harnessing and encouraging their self-organizing capacity, as well as by forming grassroots alliances geared towards policy reforms and/or initiatives at the national and local levels.
- iv. Private/Business Sector. The private or business sectors shall be encouraged to continue the equitable sharing the returns to their productive factors, keeping in mind that labor is their major partner in ensuring the efficient operation of their enterprises. It shall take the responsibility of providing basic goods adequately and opening channels for improving economic productivity and employment opportunities for the poor. It shall also promote corporate responsibility by assisting in resource mobilization and by redirecting their social development programs towards poverty reduction goals.
- v. Civil Society. Civil Society shall organize and strengthen the capacities of communities so that they can fully participate in policy-making and decision-making processes. It shall also develop mechanisms to conduct policy advocacy and social marketing as well as critically monitor government's work and engage in local actions.
- vi. Donor Agencies. The donor agencies shall serve as the major potential source of technical and financial resources for poverty reduction programs and projects. For the implementation and monitoring of poverty reduction programs and the provision of institutional support and capacity-building activities, the donor agencies shall provide technical assistance, grants, and loans to be identified priority programs and projects.
- vii. Support Institutions. Other support institutions such as the academe and other research institutions shall provide technical assistance in the areas of policy research, program development, capacity-building, extension services and other relevant initiatives.



## ARTICLE 2. KALAHI CONVERGENCE MECHANISM

**Section 1. Institutional Convergence – Coordinating and Integrating Mechanisms.** The consistency of efforts among stakeholders and across levels can only be ensured through continuous coordination and integration activities.

- a. KALAHI therefore adopts a common convergence strategy that will be efficient and functional from the national down to the local level. This convergence mechanisms will ensure the coordination and integration of all anti-poverty efforts towards the national poverty reduction target even within the context of local government autonomy.
- b. As per Memorandum Circular No. 33, to facilitate the implementation of KALAHI, NAPC shall facilitate the establishment of the following convergence groups: the National KALAHI Convergence Group (NKCG), and the Regional KALAHI Convergence Groups. Though parallel and autonomous structures, regular information and communication between and among the convergence groups are expected.

**Section 2. Monitoring and Evaluation Mechanism.** To ensure a sustained efficient and effective delivery of commitments and services, the monitoring and evaluation of projects and programs shall be done internally by the implementing agencies, as well as external through an independent monitoring r evaluating body. Internal monitoring may be done through individual agency monitoring or through a cluster monitoring system within the existing structure of the NKCG and RKCGs. NAPC shall contract out the services of an independent organization that shall conduct the external monitoring and evaluation of KALAHI programs and projects.

- a. The evaluation framework that shall be adopted by both the internal and external monitoring teams has three important criteria:
  - i. the socio-economic impact of the project, taking into account the project's input, output, outcomes, and impact;
  - ii. the technical development of the project, particularly its feasibility and effectiveness; and
  - iii. the soundness of financial management
- b. Given its oversight functions, NAPC shall take charge of consolidating the monitoring and evaluation results in cooperation with the NKCG and the RKCGs, that would periodically provide a nationwide state of KALAHI implementation.
- c. Internal monitoring – Continuous assessment, that will further guide implementation, especially important in evaluating the efficiency of processes and other technical and operational concerns. Internal monitoring shall include input (physical and financial resources introduced in the project), output (goods and services generated by the project), outcomes (access and satisfaction to goods and services produced) and impact (effect on dimension of wellbeing). Team shall be constituted by a core group from the RKCG and the NAPC including the formulation of evaluation tool.
- d. External monitoring – Periodic assessments that will help determine impact of the project, and other needs of KALAHI i.e., status of institutionalization in government, effectiveness of structures, efficient use of resources. Evaluation tool shall be prepared by the external monitor but to be approved by the NAPC and the NKCG.

**Section 3. Functions and Responsibilities of NAPC under the KALAHI program.** Guided by Republic Act 8425 and Memorandum Circular No. 33, the NAPC is primarily mandated to coordinate and synchronize all poverty reduction initiatives of the government. Particularly, NAPC shall:

- a. develop the poverty reduction strategy of the government,
- b. coordinate with government and the private sector for the full implementation of social reform and poverty alleviation programs in conformity with the approaches and flagship programs,
- c. ensure the meaningful representation and active participation of the basic sectors.
- d. Oversee, monitor, and recommend measures to ensure the effective formulation, implementation and



- evaluation of policies, programs, resource allocation and management of social reform and poverty alleviation programs,
- e. Advocate for the mobilization of funds by the national and local governments to finance social reform and poverty alleviation programs and capacity-building activities of the basic sectors and
- f. Provide financial and non-financial incentives to local government units with counterpart resources for the implementation of social reform and poverty alleviation programs.

**Section 4. NAPC Coordinating Mechanism.** The formation of appropriate coordinating bodies at all levels of execution is necessary to ensure that convergence from policy development to program implementation and monitoring are taking place. These bodies consist of the NAPC En Banc and the NAPC Executive Committee.

- a. **NAPC En banc.** It is the highest policy-making and coordinating body that shall oversee the implementation of KALAH I. It is chaired by the President and composed of the Lead Convenor, the Secretaries or Heads of the national government agencies, Presidents of the Leagues of Local Government Units, and the Sectoral Representatives of the fourteen (14) basic sectors.
- b. **NAPC Executive Committee.** It shall be the operational and administrative coordination mechanism of the government and the basic sectors and the secretariat to resolve urgent and important issues between en banc meetings of the Commission. It shall be composed of the Lead Convenor, Vice-Chairpersons of the Government and Basic Sectors, two Sectoral Representatives of the NAPC basic sectors, two Heads/Secretaries of the NAPC government sector, and one representative from the Leagues of Local Government Units.
- c. **NAPC Secretariat.** It shall provide the crucial support for the convergence mechanism institutionalized under KALAH I. Concretely, it shall also function as the Secretariat of the National KALAH I Convergence Group (NKCG), and shall perform regular liaison work with KALAH I Convergence Groups. It shall provide the necessary technical support for capacity development in the areas of: poverty diagnosis, targeting, planning, coordination of implementation, monitoring, evaluation, improvement of statistical systems, and resource mobilization at all levels. It shall also spearhead the crucial policy advocacy and reform for supportive policy environment as well as the social marketing needs of KALAH I.

**Section 5. Composition of the National KALAH I Convergence Group (NKCG).** The National KALAH I Convergence Group shall be composed of heads and/or focal persons of the national government agencies, local government leagues, and representatives from the 14 basic sectors.

- a. National Government Agencies. The following is an initial list that shall comprise the NKCG:
  - The National Anti-Poverty Commission (NAPC)
  - Department of Social Welfare and Development (DSWD)
  - Department of Health (DOH)
  - Department of Education (DepEd)
  - Commission on Higher Education (CHED)
  - Department of Agriculture (DA) and its attached agencies
  - Department of Agrarian Reform (DAR)
  - Department of Environment and Natural Resources (DENR)
  - Department of Justice (DOJ)
  - Department of the Interior and Local Government (DILG)
  - Department of National Defense (DND)
  - Department of Public Works and Highways (DPWH)
  - Department of Budget and Management (DEM)
  - Department of Trade and Industry (DTI)
  - Department of Labor and Employment (DOLE)
  - Department of Science and Technology (DOST)
  - Department of Energy (DOE)
  - National Economic and Development Authority (NEDA)



- Housing and Urban Development Coordinating Council (HUDCC)
  - National Commission on Indigenous Peoples (NCIP)
  - Technical Education and Skills Development Authority (TESDA)
  - Technology and Livelihood Resource Center (TLRC)
  - People's Credit and Finance Corporation (PCFC)
  - Presidential Commission for the Urban Poor (PCUP)
  - National Housing Authority (NHA)
  - National youth Commission (NYC)
  - National Food Authority (NFA)
  - National Irrigation Administration (NIA)
  - National Statistics Coordination Board (NSCB)
  - National Statistics Office (NSO)
  - Philippine Charity Sweepstakes Office (PCSO)
  - Philippine Information Agency (PIA)
  - Armed Forces of the Philippines (AFP)
  - Philippine National Police (PNP)
  - Population Commission (PopCom)
  - Cooperative Development Authority (CDA)
  - Quedan Credit Corporation (QUEDANCOR)
  - Office of the Presidential Adviser on the Peace Process (OPPAP)
  - Local Water Utilities Administration (LWUA)
  - National Home Mortgage and Finance Corporation (NHMFC)
  - Philippine Health Insurance Corporation (PHIC)
  - And other national government agencies that may be identified and included by the NKCG or NAPC en Banc.
- b. Heads and/or focal persons of the National Chapters of the Leagues of the Local Government Units: League of Provinces, League of Cities, League of Municipalities, and the Liga ng mga Barangay.
- c. NAPC Sectoral representatives from the following sectors:
- Farmers and rural landless workers
  - Artisanal fisherfolk
  - Urban poor
  - Indigenous cultural communities/indigenous peoples
  - Workers in the formal sector and migrant workers
  - Workers in the informal sector
  - Women
  - Youth and students
  - Victims of disasters and calamities
  - Senior citizens
  - NGOs
  - Children
  - Cooperatives

**Section 6. Functions and Responsibilities of the NKCG.** The NKCG shall have the following functions and representatives:

- a. recommend policies and provide imprimatur for adoption by the NAPC En Banc;
- b. provide technical support for coordinating and monitoring poverty reduction programs and to ensure convergence of programs and projects at all levels of execution;
- c. meet quarterly or as maybe necessary to discuss KALAHI development, plans and direction;
- d. formulate and approve its internal rules including but not limited to the conduct of regular and special meetings, declaration of quorum, election of officers, approval of minutes and resolutions;
- e. ensure dissemination of all necessary information on KALAHI development to their counterpart at the regional level; and
- f. map all resources available for poverty reduction programs and projects.



**Section 7. The NKCG Structure.** For a more efficient and effective implementation, the NKCG shall be managed by the Chair and a Secretariat with their respective functions and responsibilities. The remaining members of the convergence group shall sit in one or more cluster committees depending on their organizational mandates

**a. Chair.** The NAPC Lead Convenor shall serve as the Chair of the NKCG with the following functions:

- i. preside over the meeting of the NKCG;
- ii. facilitate the resolution of NKCG matters that need cabinet action;
- iii. accept, in behalf of the NKCG, donations, contributions, grants, bequests, or gifts;
- iv. submit to the President through the NAPC, national poverty reduction plans, investment programs, and accomplishment reports as approved by the convergence group;
- v. oversee the provision of technical and administrative support o the Group and to the Secretariat; and
- vi. perform other functions and duties as may be directed by the President

**b. Secretariat.** NAPC Secretariat shall serve as the NKCG Secretariat providing technical and administrative support. In particular, it shall:

- i. develop policies and facilitate consultation to key stakeholders before elevating to the NAPC En Banc for adoption;
- ii. consolidate the reports of the four clusters and shall come up with a processed report and identify concerns and issues, which need to be addressed and referred to appropriate agencies or bodies;
- iii. coordinate the preparation of the agenda of the NKCG meetings;
- iv. keep a complete record of all proceedings of the NKCG sessions;
- v. certify to the veracity of all official records and documents of the NKCG and the Chair's signature;
- vi. keep custody of records of the NKCG;
- vii. prepare and review and draft NKCG resolutions; and
- viii. perform such other functions as may be assigned by the Chair and the NKCG.

**c. Cluster Committees/Members.** Towards a more focused and coordinated planning and programming, the NKCG shall be clustered into four (4): asset reform, human development services and social protection, livelihood and employment and capacity building.

Membership in the clusters shall be based on the relevance of agency/organizational mandates. Thus, any government agency or body, or civil society representative, may become a member of any cluster and may opt to join more than one cluster.

- i. Each cluster shall have a Convenor. The respective members of the cluster shall determine selection of the Cluster Convenor.
- ii. The Cluster Convenor shall provide secretariat support to the committee.
- iii. Cluster meetings shall be held on a monthly basis, or as the need arises to discuss the progress of KALAH I implementation by their respective member agencies. the meeting shall be a venue to determine possible program and policy measures to enhance further implementation at the regional level.
- iv. Every cluster member, through the agency's focal person or NKCG representative, shall submit a monthly report to the respective cluster convenor for consolidation and submission to the NKCG Secretariat.

**Section 8. Composition of the Regional KALAH I Convergence Group (RKCG).** Addressing poverty requires local participation and local solutions. KALAH I is operationalized at the regional level through the establishment of the Regional KALAH I Convergence Group (RKCG).



- a. The RKCG shall be composed of the heads or focal persons, or their authorized representatives of the regional counterparts of the NKCG agencies, the Cabinet Officer for Regional Development, the President Assistant, Deputy Presidential Assistant, or Regional Development Officer and/or his/her representative, the NAPC Sectoral Council members residing in the region, regional chapters of the Leagues of local government units, and the Local Poverty Reduction Officer of each province and highly urbanized city in the region, and other government agencies, civil society, private sector, and basic sector groups that the RKCG may invite to sit as members.
- b. The RKCG shall be set up within the existing structure of the Regional Development Council (RDC) for all regions except the National Capital Region and the Autonomous Region of Muslim Mindanao (ARMM). However, the government of the ARMM shall constitute its own convergence group and secretariat. It may however call on the assistance of the NAPC on this matter. The ARMM Governor shall serve as the ARMM KALAHI Convergence Chair. NAPC shall facilitate the establishment of a RKCG in the NCR whose chair shall be the NAPC Lead Convenor and with the NAPC Secretariat as the NCR-RKCG Secretariat.

**Section 9. Functions and Responsibilities.** Each RKCG shall be responsible for the following concerns:

- a. the preparation, implementation, monitoring and evaluation of regional poverty alleviation plans and investment programs, including the formulation of policy recommendations thereof;
- b. integrate poverty reduction plans and programs of local government bodies (provincial, city, municipal, barangay), line agencies, state universities and colleges, government owned and controlled corporations, and special development authorities in the region into a regional poverty reduction plan;
- c. review, prioritize, and endorse to the NAPC and other relevant and concerned agencies the poverty reduction investment program/budgets of the region for funding and implementation by concerned national agencies;
- d. promote and encourage inflow and allocation of private investments in the region to support regional development objectives, policies and strategies supporting poverty initiatives in the region;
- e. review, prioritize, and endorse poverty reduction-related national plans, programs, and projects proposed for implementation in the region;
- f. initiate and coordinate the development, funding and implementation of regional and special poverty development projects such as those involving several agencies or LGUs;
- g. call upon concerned government agencies, organizations, sectors, or entities such as the Local Poverty Reduction Action Officer (LPRAOS), whenever necessary;
- h. call upon the Cabinet Officer for Regional Development (CORD) to facilitate resolution of RKCG matters that need Cabinet action;
- i. recognize and work with focal persons, teams, and/or committees that LGUs may establish at their respective levels as RKCG counterparts;
- j. enhance the participation of the basic sectors, especially the NAPC sectoral council members in the regions, and improve coordination with the concerned local government units as well as local civil society groups;
- k. collaborate closely with the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP) to maintain strong link between anti-poverty and internal security efforts of the government;
- l. formulate and approve its internal rules including but not limited to the conduct of regular and special meetings, declaration of quorum, election of officers, approval of minutes and resolutions;
- m. screen NGOs and other civil society groups interested in RKCG membership and participation in KALAHI-related activities;
- n. conduct periodic review and assessment of RKCG's programs, projects and activities; and
- o. perform other related functions and activities as may be necessary to promote and sustain poverty initiatives in the region.

**Section 10. Organizational Structure of the RKCG.** For a more efficient and effective implementation, each RKCG shall be managed by a set of officers consisting of the Chair, Vice-Chair, and a Secretariat with their



own functions and responsibilities. The remaining members of the convergence group shall sit in one or more cluster committees depending on their organizational mandates.

- a. **Chair.** The Chair for the RKCG shall be the Presidential Adviser, Presidential Assistant, Deputy Presidential Assistant, or the Regional Development Officer (RDO), as the case may be. When necessary, the President of the Republic of the Philippines shall designate the RKCG Chair, based on the endorsement of the NAPC Lead Convenor. The Chair shall have the following functions and responsibilities:
  - i. preside over the meeting of the RKCG;
  - ii. facilitate the resolution of RKCG matters that need cabinet action;
  - iii. accept, in behalf of the RKCG, donations contributions, grants, bequests, or gifts;
  - iv. represent the RKCG in Cabinet meetings and other activities at the national level;
  - v. submit to the President through the NAPC, regional poverty reduction plans, investment programs, and quarterly monitoring and accomplishment reports as approved by the convergence group;
  - vi. oversee the provision of technical and administrative support to the Group and to the Secretariat; and
  - vii. perform other functions and duties as may be directed by the President.
- b. **Vice-Chair.** The Vice-Chair shall be elected from among the members of the RKCG. It shall perform the function of the Chair in its absence, Specifically, the Vice-Chair shall:
  - i. preside, in the absence of the Chair, the meetings of the RKCG;
  - ii. assist the Chair in the performance of his/her functions and responsibilities;
  - iii. act on matters requiring immediate decision of the Chair, in his/her absence; and
  - iv. assist the Chair in providing technical an administrative support to the members of the Secretariat
- c. **Secretariat.** The NEDA Regional Office (NRO) shall serve as the secretariat of the RKCG. In coordination with the Chair and/or the Vice-Chair, the NRO, through its Regional Director shall act as the Secretary of the RKCG who shall manage the technical, administrative, and financial operations of the RKCG and shall be accountable for the funds and properties of the RKCG. The Regional Director shall perform the following functions:
  - i. coordinate the preparation of the agenda of the RKCG meetings;
  - ii. manage the records of the RKCG (meetings and activities), keep a complete record of all proceedings of the RKCG sessions and disseminate minutes of the meetings to all RKCG members
  - iii. prepare and review and draft RKCG resolutions;
  - iv. keep custody of records of the RKCG;
  - v. report to the chair on the operations of the RKCG;
  - vi. prepare progress reports of RKCG programs and projects and submit a consolidated report on a quarterly basis to the RKCG Secretariat;
  - vii. prepare the work and financial plan of the RKCG; and
  - viii. perform such other functions as may be assigned by the Chair, the Vice-Chair, and the RKCG.
- d. **Cluster Committees/Members.** The RKCG shall be clustered and structured in the same manner as the national level, including representatives from all basic sectors in the regions and the agencies in which membership (in specific cluster committees) shall be based on the relevance to their organizational mandates. Membership is not limited to one cluster/committee. These clusters shall be the planning and implementing arms of KALAHARI at the local level in partnership with the concerned local government units. To operationalize KALAHARI at the regional level, it should be anchored on the regional development planning system. The cluster committees shall assist the RKCG in the performance of its functions that include:



- i. review and endorse poverty reduction programs and projects of national government agencies and LGUs, and private sector in the region to the NAPC which include those requiring national government financial budget appropriations or subsidies;
- ii. integrate cluster information and statistics in the preparation of the annual regional poverty alleviation report;
- iii. assist the RKCG in translating national and development goals and policies into specific regional cluster objectives which address poverty concerns;
- iv. integrate cluster plans and programs of LGUs into regional cluster plans and programs/projects and coordinate all cluster planning and programming activities of sectoral line agencies in the region; and
- v. perform other related functions as may be assigned by the RKCG.

### **ARTICLE 3. KALAHI INSTITUTIONALIZING AND CAPACITY BUILDING**

**Section 1. Framework for Institutionalization and Capacity Building.** In line with the KALAHI Convergence Policy, the active involvement of all stakeholders shall be ensured in the operationalization and implementation of KALAHI programs and projects. All government agencies, at all levels, shall particularly institutionalize KALAHI in their respective systems and processes. Capacity building activities shall be therefore conducted within the government agencies that will guide them in the processes and mechanisms involved in the institutionalization and mainstreaming of KALAHI. Nevertheless, capacity-building endeavors shall not be limited to government line agencies but shall also involve the local government units and especially the NAPC basic sectors.

**Section 2. Implementing Structure and Mechanism.** The NAPC shall coordinate the planning, monitoring and evaluation, and assessment and integration of tools and mechanisms for institutionalization of KALAHI. It shall exercise oversight functions over any government agency's capacity building programs of projects for poverty reduction. As per RA 8425 and Memorandum Circular 33, the NAPC shall constitute a technical working group consisting of representatives from NAPC Secretariat, NEDA, DBM, DILG, and NAPC Sectoral Representatives Council (SRC). The Technical Working Group shall formulate and recommend the institutionalization and capacity-building program that shall be undertaken by KALAHI partners.

- a. NAPC shall constitute a working group of equally representing the government and civil society groups, namely: a representative each from the National Economic Development Authority (NEDA), Department of Budget and Management (DBM), and the Department of Interior and Local Government (DILG), four (4) from the LGU leagues, and four (4) from the Basic Sectors. The working group shall assist in the formulation and development of concrete framework and indicators for institutionalization that shall serve as tools for monitoring and evaluating the institutionalization activities of government agencies, which shall be conducted by NAPC as part of its oversight functions.
- b. The representatives or the focal persons comprising the working group shall be determined and chosen from within the government and basic sector separately.
- c. All existing task forces, groups, committees, and clusters involved in capacity development shall converge their activities under the Institutionalization and Capacity-Building Cluster.

### **ARTICLE 4. KALAHI FUNDING**

**Section 1. Funding Sources.** All government agencies concerned shall ensure a KALAHI budget item in their respective budget starting Fiscal year 2004. The Department of Budget and Management (DBM), in coordination shall issue guidelines and provide orientation pertaining to the institutionalization of the KALAHI budget including guidelines for the local government units. Likewise, for Fiscal year 2003, DBM and NAPC shall



conduct workshops for the budget officers of the different government agencies, for the 2003 allocation and to set the transition for the 2004 budget.

- a. The KALAH! budget item shall not necessarily entail the creation of a new or separate budget item. However, as part of the institutionalization of KALAH!, commitments for poverty reduction shall have priority in terms of budget allocations.
- b. By virtue of Memorandum Circular No. 33, funding for KALAH! programs and projects shall be sourced from the following:
  - i. allocation of program funds of national government agencies;
  - ii. allocation from funds of local government units, including but not limited to, the 20% development fund, gender and development fund, etc.;
  - iii. special funds from government financial institutions and government owned and controlled corporations such as the Philippine Amusement and Gaming Corporation (PAGCOR), Philippine Charity Sweepstake (PCSO), AND Land Bank of the Philippines;
  - iv. the President's Social Fund (PSF);
  - v. the People's Development Trust Fund (PDTF);
  - vi. President's Contingent Fund (PCF);
  - vii. Congressional allocation;
  - viii. Donor institutions, both foreign and local through the regional offices of the Bureau of Local Government under the Department of Finance or other agencies; and
  - ix. Other innovative funding sources.

**Section 2. Implementing and Funding Mechanisms.** Line agencies shall operationalize poverty reduction programs base on their mandates while local government units (LGUs) are encouraged to adopt the NAPC poverty reduction strategies in their respective areas. Budget for poverty reduction programs shall include items for mobilization activities, including but not limited to, meetings, promotions, and launching of programs and projects and capacity-building activities.

## ARTICLE 5. MISCELLANEOUS AND FINAL PROVISIONS

**Section 1. Repealing Clause.** All orders, issuances, rules and regulations, which are considered inconsistent with this Implementing Guidelines are hereby repealed and modified accordingly

**Section 2. Separability Clause.** Any provision hereof that may be declared in violation of existing laws shall in no way nullify the other provisions of this Implementing Guidelines.

**Section 3. Effectivity.** This Implementing Guidelines shall take effect immediately.

DONE, in the city of Manila this 30<sup>th</sup> September in the year of our Lord, Two Thousand Three.

**SEC. TERESITA QUINTOS-DELES**

Lead Convenor





# Appendix E

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT  
A. Francisco Gold Condominium II Bldg., EDSA  
Corner Mapagmahal St., Diliman, Quezon City

October 16, 2002

MEMORANDUM CIRCULAR  
NO.: 2002-169

**TO :** ALL LOCAL CHIEF EXECUTIVES, MEMBERS OF THE  
SANGGUNIAS, DILG REGIONAL DIRECTORS AND OTHERS CONCERNED

**SUBJECT :** INTRODUCING THE NATIONAL ANTI-POVERTY  
COMMISSION BASIC SECTOR REPRESENTATIVE AND COUNCIL MEMBERS AND  
ENSURING THEIR PARTICIPATION IN LOCAL GOVERNANCE

This Memorandum Circular is hereby issued to introduce to local government units the Sectoral Representatives and Council Members of the National Anti-Poverty Commission (NAPC) and ensure their participation and active engagement in the localization of the government's poverty reduction program.

The National Anti-Poverty Commission (NAPC), by virtue of Republic Act 8425 or the Social Reform and Poverty Alleviation Act, serves as the oversight and coordinating body of all poverty reduction programs of government and institutionalized Basic Sector participation in governance at all levels of decision-making and management processes. Her Excellency, President Gloria Macapagal-Arroyo, who chairs the Commission, gives full recognition to the NAPC as the institutionalized consultative mechanism where basic sector issues/concerns and demands are articulated and proper government responses and strategies are crafted within the framework of consultation and partnership.

Two equally important building blocks constitute the NAPC: the government sector and the civil society/basic sectors. The government sector consists of heads of national government agencies and the four (4) leagues of LGUs. On the other hand, the basic sector component is composed of the Sectoral Representative of the basic sector.

Since last year up to the first quarter of 2002, activities have been undertaken to constitute the Basic Sector counterpart of the Commission. Preparatory Committees and Sectoral assemblies were conducted from which Sectoral Councils, composed of 20-25 members coming from various people's NGOs and networks nationwide, were set up.

The 14 Sectoral Councils each submitted to Her Excellency President Gloria Macapagal-Arroyo from which the 14 Sectoral Representatives were appointed. The Sectoral Representatives sit with the heads of the NAPC member agencies and the leagues of LGUs during NAPC En Banc meetings which the President chairs.

Through the NAPC, the Basic Sectors play a crucial role in government's efforts to put into operation efficient and effective poverty reduction mechanisms through effective planning, decision-making, implementation, monitoring and evaluation of poverty reduction programs at all levels of governance.



Therefore, cognizant of the role of Basic Sectors in the government's and civil society's collective endeavor of pursuing an adequate, efficient and effective poverty reduction programs, and considering that they represent their respective sectors at the national level, all local government units are hereby enjoined to accord due recognition and engage the NAPC Basic Sector Council members and Sectoral Representatives in their respective localities, and ensure their participation in, but not limited to, the following areas:

1. All Kapit-Bisig Laban sa Kahirapan (KALAHI)-related activities;
2. Identification of sites and partners/beneficiaries of poverty reduction programs or projects;
3. Formulation of local poverty-reduction programs;
4. Implementation, monitoring and evaluation of poverty reduction programs and projects
5. Planning sessions of appropriate local special bodies;
6. Other activities relative to their respective sectors.

Attached is list of the NAPC Council members for information and guidance.

#### EFFECTIVITY

This Memorandum Circular shall take effect immediately.

**JOSE D. LINA, JR.**  
Secretary

Attested by:

**ATTY. AGRIPINO G. MORGA**  
Head Executive Assistant





# Appendix F

NATIONAL ANTI-POVERTY COMMISSION (NAPC)

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD)

## JOINT MEMORANDUM

**FOR :** Chair and Secretariat of Regional KALAH I Convergence Group (RKCG), DSWD Regional Directors and Assistant Directors of Regions I, II, III, IV-A, IV-B, V, VI, VII, VIII, IX, X, XI, XII, XIII, CAR

**SUBJECT :** Interface of Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services: Kaunlaran at Kapangyarihan a Barangay (KALAH I-CIDSS:KKB) into the KALAH I Program

1. The Kapit-bisig Laban sa Kahirapan (KALAH I) is the governments overarching program for a focused, accelerated, convergent, expanded and strategic effort to reduce poverty. All government poverty reduction programs and projects shall anchor on KALAH I. (See I, Memorandum Circular 33, Office of the President, Series of 2002).
2. The core of KALAH I is the convergence of poverty reduction stakeholders (as emphasized by RA 8425 otherwise known as the Social Reform and Poverty Alleviation Act). In this light, the National Anti-Poverty Commission (NAPC) organized the National KALAH I Convergence Group (NKCG) and a Regional KALAH I Convergence Groups (RKCG) in each region of the country.
3. The RKCG is chaired either by the Presidential Assistant (PA). Regional Development Officer (RDO) or Deputy Presidential Assistant. NEDA Regional Office takes charge as secretariat.
4. The KALAH I-CIDSS:KKB is a project that anchors on the KALAH I Convergence Program. The KALAH I-CIDSS: KKB program is being coordinated and monitored by a National Steering Committee and a National Technical Working Group, and by regional, provincial and municipal inter-agency committees (IACs). And as such, the KALAH I-CIDSS: KKB National Technical Working Group shall form part of the NKCG at the national level, while its regional IAC shall form part of the RKCG at the regional level. The following shall be the minimum areas of coordination:
  - a. Targeting of KALAH I municipalities and barangays and complementation with other KALAH I programs or projects- there will be coordination of targeting the municipalities and barangays for convergence implementation; the RKCG and KALAH I-CIDSS:KKB members will be invited to observe the multi-stakeholders provincial for a, which confirms the selection of KALAH I-CIDSS municipalities, and the conduct of the municipal inter-barangay forum;
  - b. Monitoring and Evaluation System- NAPC and DSWD shall encourage barangays to incorporate suitable core local poverty indicators, based on Department of Interior and Local Governments (DILG) Memorandum Circular 2003-92, and both agencies shall endeavor to complement the input-output databases that both agencies have instated for monitoring of project outputs;
  - c. Status of project implementation per barangay-the RKCGs and regional IACs shall provide reports of project implementation in the targeted barangays;



- d. Capacity-Building activities-NAPC shall endeavor to arrange with the DILG the participation of local government officials of KALAH-CIDSS and KALAH-Rural/ Urban/ Conflict Areas targeted barangays in local poverty alleviation planning and monitoring processes conducted by the DILG; NAPC shall also arrange the participation of IAC members in the regional convergence workshops it is undertaking, while DSWD will provide training packages on capability building for barangay volunteers and community groups;
5. With the objective of maximizing resources for poor communities, all KALAH projects shall complement and not duplicate each other in any barangay or community.
6. KALAH-CIDSS provincial and municipal IACs can also serve as coordinating bodies of the RKCGs upon request for better complementation of interventions at the municipal and barangay levels.

For your guidance and compliance.

**TERESITA QUINTOS-DELES**

Secretary, Lead Convenor  
National Anti-Poverty Commission

**CORAZON JULIANO-SOLIMAN**

Secretary  
Department of Social Welfare and Development





# Appendix G

27 August 2003

**MEMORANDUM CIRCULAR \_\_\_\_\_**

**TO : ALL WATER DISTRICTS**  
**SUBJECT : SERVICE EXTENSION TO WATERLESS COMMUNITIES**

In support of the directive of Her Excellency President Gloria M. Macapagal-Arroyo to mobilize resources for poor waterless areas, and pursuant to Presidential Decree \_\_\_ declaring a national to optimize public service from water utility operations, all Water Districts are hereby encouraged to extend potable water supply services to waterless communities outside of their present areas of coverage.

For purposes of this Circular, a “waterless community” is a population area without at least Level I water supply system. “Extension service” means a project or activity that can help alleviate the lack of water in a target area. It may include, but not limited to:

- installation of hand pumps
- regular water delivery
- construction and regular filling of water tanks
- pipeline extension

For the most effective service extension, WDs are advised to:

1. coordinate with their respective Municipal/City/Provincial Development Officers the list of priority communities that need potable water service;
2. consult with the leaders or lead members of target communities on the appropriate form of extension service;
3. consult with the target water users on reasonable tariffs to be charged to sustain the operation of the extension service; and
4. tap experienced community development officers from the WD and/or other government and non-government organizations for the community consultations.

It is suggested that each capable WD shall have extended service to at least one waterless community within its area of jurisdiction by the end of 2003. Extension of service beyond WD boundaries is also encouraged, particularly to adjoining areas that have no potable water service. Further, it is understood that the quality of water delivered by extension service shall comply with the prevailing water quality standards.

**LORENZO H. JAMORA**  
Administrator



In connection with Memorandum Circular 007,03 dated 27 August 2003 encouraging all water district to extend potable water supply services to waterless communities outside of their present areas of coverage, and as LWUA's added contribution to the national government's poverty alleviation efforts, particularly:

1. community or municipality where service extension is being provided;
2. method of consolidations used;
3. type of service extension provided per community or municipality;
4. number of household-beneficiaries served per community or municipality;
5. tariff charged, per community or municipality, if any, and
6. method of tariff collection, per community or municipality, if any

The above information is to be included in the field personnel's travel report as the last item under FINDINGS/CONCLUSIONS, and marked as "MC 007,03 Monitor", in the sample travel order attached.

The NAPCs Waterless Municipalities Project coordinator will collect data from the travel reports before these \_\_\_\_\_ by to the Records, Reproduction, and Communications Division \_\_\_\_\_ data would then be processed and transmitted to NAPC.

For compliance:

**LORENZO H. JAMORA**  
Local Water Utilities Administrator  
Balara, Quezon City





# Appendix H

REPUBLIC OF THE PHILIPPINES

NATIONAL ANTI-POVERTY COMMISSION  
DEPARTMENT OF BUDGET AND MANAGEMENT

Joint Memorandum Circular No. 2003-2

Date: October 3, 2003

**TO:** All Heads of National and Regional Departments/ Agencies/  
Government Owned-Controlled Corporations and All Others Concerned

**SUBJECT:** Guidelines for the Identification and Release of FY 2003 Budget Items for KALAH  
Convergence Sites

## 1. RATIONALE

Republic Act 8425, otherwise known as the Social Reform and Poverty Alleviation Act, provides for the institutionalization of social reform and poverty alleviation programs with the active participation of major stakeholders in poverty reduction. RA 8425 provides that policies, programs, and resource commitments from both government and the basic sectors are clearly defined to ensure accountability and transparency in the implementation of social reform and poverty alleviation programs. Further, RA 8425 mandate National Anti-Poverty Commission (NAPC) to advocate for the mobilization of funds by the national and building activities of people's organizations.

Memorandum Circular No. 33 provides for the institutionalization of the Kapit-Bisig Laban sa Kahirapan (KALAH) as the government's program for poverty reduction. Section 7 of MC 33 prescribes that in order to effectively implement KALAH in all targeted areas and communities, funding shall be sourced, among others, from allocation of programs funds of national government agencies. MC 33 enjoins all concerned government agencies to ensure a KALAH budget item in their respective budget starting Fiscal Year 2004.

KALAH has been operationalized in CY 2001 with funding support coming from the President's Social Fund for the delivery of accelerated services and focused convergence work and complementary support from other initiatives such as the KALAH Karaban for social mobilization and advocacy in insurgency-affected areas. As the said fund was tapped for short-term and accelerated interventions, efforts of the national and local governments should be directed towards ensuring that the programs, activities, and projects (PAPS) committed under KALAH shall be continued and sustained. Moreover, the wide range of services given by the national government agencies to KALAH communities necessitates concrete and timely follow-through. As the work in KALAH communities continues to progress, the need for fund mobilization and augmentation is important in order to sustain efforts that are already in place in the local government and the community.

## 2. PURPOSE

- 2.1 To prescribe guidelines and procedures for the identification of a KALAH budget item in the budgets of the national government agencies for the remaining months of Fiscal Year 2003;



- 2.2 To provide the mechanics for the release of funding support to KALAH I programs, activities, and projects by national and regional government agencies based on the agreed KALAH I budget items; and
- 2.3 To define the institutional arrangement and describe the procedures for the submission of requests on fund realignment and reports on the utilization by the agencies.

### **3. COVERAGE**

- 3.1 This circular shall apply to all KALAH I participating agencies identified in Memorandum Circular 33 and other agencies that NAPC may identify

### **4. GENERAL GUIDELINES**

- 4.1 The operationalization of programs, activities, and projects for KALAH I convergence sites being undertaken by the regional offices of line agencies require institutional and administrative support from the central offices of these national government agencies. priority shall be given to the release of the budgets of the national government agencies that are intended to support the programs, activities, and projects in the KALAH I convergence sites.
- 4.2 In the absence of KALAH I budget items for specific programs, activities and projects in the 2003 General Appropriations Act (GAA), mechanisms for quick identification of budget items that are needed by the KALAH I convergence site and quick response to request budget realignment within FY 2003 for KALAH I programs, activities, and projects shall be made by the agencies concerned.

### **5. PROCEDURAL GUIDELINES**

- 5.1 The Regional KALAH I Convergence Group (RKCG) shall be responsible in undertaking the following step-by-step process:
  - 5.1.1. Development of a list of budget items and amounts for the period September to December 2003, which are required by the individual agencies for their responses and commitments to the KALAH I sites and communities. Said list of budget items and amounts shall fall within the budgets of the agencies under GAA 2003 and shall strongly consider the following criteria:
    - The budget items/amounts shall be used to respond to a priority need in the KALAH I barangay/site based on the minimum basic needs (MBN) identification using the Local Poverty Indicators and Monitoring System (LPIMS) and the community dialogue during KALAH I launching and community day.
    - The responding line agency shall specific the KALAH I barangays, the specific request made, the specific item, and the specific programs or projects that they will draw the item from.
    - The budget items shall augment the mobilization (i.e. travel and transportation, accommodation and meals of staff, communication, and supplies) of the responding agency to provide technical and other forms of assistance to the barangays or municipal Local Government Unit (LGU) in the KALAH I community.
  - 5.1.2. Presentation of the agreed list of KALAH I budget items/amounts to the concerned agencies for deliberation and approval and for firming-up commitments of the agencies to utilize the realigned fund for KALAH I programs, activities, and projects;



- 5.1.3. Monitoring of the status of fund realignments and utilization based on the agreed lists;
- 5.1.4. Consolidation of the reports on the progress of work undertaken and documented by the regional line agencies for reporting to NAPC.
- 5.2 The NAPC secretariat shall consolidate all reports from the RKCG and provide copies of the said report to the members of the National KALAH I Convergence Group (NKCG) and the RKCG.
- 5.3 Where necessary, requests for issuance of SARO to reflect budget realignment to cover KALAH I-supportive programs/projects/activities shall be submitted to DBM not later than October 17, 2003, as duly endorsed by the Department/agency head concerned, such request shall be processed in accordance with established rules and Appropriations Act and the related implementing guidelines.
- 5.4 The DBM shall ensure the prompt and timely releases of the funds to the requesting agencies in order to proceed to the actual implementation and delivery of services.

## **6. SAVING CLAUSE**

- 6.1 Issues arising from the implementation of this Circular shall be referred to the NAPC and DBM.

## **7. EFFECTIVITY**

- 7.1 This Circular shall take effect immediately.

**TERESITA QUINTOS-DELES**  
Lead Convenor  
National Anti-Poverty Commission

**EMILIA T. BONCODIN**  
Secretary  
Department of Budget and Management





# Appendix I

Republic of the Philippines  
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT  
A Francisco Gold Condominium II, EDSA cor. Mapagmahal St,  
Diliman, Quezon City

August 21, 2001

**MEMORANDUM CIRCULAR**  
**No. 2001-109**

**TO :** ALL PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS, DILG REGIONAL, PROVINCIAL AND CITY DIRECTORS, MUNICIPAL LOCAL GOVERNMENT OPERATIONS OFFICERS, AND OTHERS CONCERNED.

**SUBJECT :** INITIAL AREAS FOR ACTION IN THE IMPLEMENTATION OF PROGRAMS ON POVERTY REDUCTION AND LOCAL ECONOMIC TRANSFORMATION

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In line with the current efforts of the Department of the Interior and Local Government (DILG) to refocus its programs towards poverty reduction and transforming the local economies to effectively support the priorities of the Administration, all Local Chief Executives are hereby enjoined to undertake the following initial areas for action in the implementation of local programs on POVERTY REDUCTION and LCOAL ECONOMIC TRANSFORMATION.

1. Poverty Reduction

- 1.1 Designation of a Local Poverty Reduction Program Action Officer in each province, city and municipality
- 1.2 Inventory of poorest families per criteria of DILG Memorandum Circular Nos. 98-51 and 98-54
- 1.3 Identification of Local needs in the areas of food, shelter, employment and education per the President's State of the Nation Address last July 23, 2001;
- 1.4 Utilization of the following poverty reduction tools in identifying target beneficiaries
  - 1.4.1 Minimum Basic Needs (MBN) Approach
  - 1.4.2 Integrated Rural Accessibility Planning (IRAP)
  - 1.4.3 Community-based Monitoring System (CBMS)
  - 1.4.4 Other tools
- 1.5 Formulation of a Local Poverty Reduction Action Agenda (LPRAA) based on the identified priority needs of the locality in item #1.3 to be incorporated in Local Development Plan;
- 1.6 Identification of external and internal sources of assistance to implement identified projects in the LPRAA.



## 2. Local Economic Transformation

- 2.1 Creation or activation of a One-Stop-Shop Investment Promotion Center in each provinces, city and municipality;
- 2.2 Inventory of existing small and medium enterprises in each province, city and municipality
- 2.3 Identification of priority needs of the locality on:
  - 2.3.1 Small and Medium Enterprise Development
  - 2.3.2 Cluster Development
  - 2.3.3 Establishment of Economic Zones (eco-tourism, eco-industrial and eco-agricultural)
  - 2.3.4 Other economic concerns
- 2.4 Formulation of a Local Economic Transformation Program Agenda (LETPA), based on identified priority needs in Item #2.3, to be incorporated in Local Development Plan;
- 2.5 Utilization of various tools in needs identification such as:
  - 2.5.1 Comprehensive Land Use Plan
  - 2.5.2 Studies in urban Management
  - 2.5.3 BOT Guidelines
- 2.6 Identification of external and internal sources of assistance to implement projects identified in the LETPA

All provinces, cities and municipalities are advised to submit all LPRAAs and LETPAs to this level, attention: Bureau of Local Government Development (BLGD), through the proper DILG channels.

DILG Regional Directors are directed to convene regional for a to be participated in by LGUs and concerned government agencies to tackle aforementioned action areas. DILG Central Office Bureaus are likewise directed to provide the necessary technical assistance to such for a and to formulate the appropriate models for pilot-testing and the detailed guidelines for each area of action for appropriate guidance of all concerned.

Likewise, all DILG Regional and Field Offices shall submit Regional Action Plans to this level, through the BLGD, to implement the provisions of this Circular.

For information and guidance of all concerned.

**JOSE D. LINA, JR.**  
Secretary

Attested by:

**ATTY. AGRIPINO G. NORGA**  
Head Executive Assistant





# Appendix J

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT  
A Francisco Gold Condominium II, EDSA cor. Mapagmahal St.,  
Diliman, Quezon City

**Memorandum Circular No. 2003-92**

**Date: April 29, 2003**

**To :** All Provincial Government, City and Municipal Mayors, DILG  
Regional, Provincial and City Directors, Provincial/City/Municipal Planning and Development  
Coordinators, Provincial/City/Municipal Poverty Reduction Action Officers, Barangay Captains,  
Barangay Officials, and All Others Concerned

**Subject:** Policy Guidelines for the Adoption of the Core Local Poverty  
Indicators in Planning

## **I. RATIONALE**

Republic Act 8425 or the Social Reform and Poverty Alleviation Act provides for the State's policy to "adopt an area-based, sectoral and focused intervention to poverty alleviation wherein every poor Filipino family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, peace and order, education and functional literacy, participation in governance, and family care and psycho-social integrity."

Republic Act 7160 or the Local Government Code of 1991 provides local government units responsibility to improve the quality of life of people in the communities and ensure the general welfare of its constituencies. The Code further mandates the local government units to prepare annual development plans funded by the internal revenue allotment and locally-generated revenues.

Following the President's pronouncement of winning the war against poverty within the decade, the medium-Term Philippine Development Plan (MTPDP) 2001-2004 was developed espousing poverty reduction as the over-arching goal focusing on four (4) key strategies: (a) Macroeconomic Stability and Equitable Growth; (b) Agricultural Modernization with Social Equity; (c) Comprehensive Human Development and Protecting the Vulnerable; and (d) Good and Effective Governance.

Guided by the priority of the current administration, concerned national government agencies issued several policy initiatives that will guide and direct the local government units in undertaking poverty reduction program. Memorandum Circular No. 2001-105 issued by the Department of Interior and Local Government (DILG) on August 31, 2001 called for the designation of Local Poverty Reduction Action Officers (LPRAOs) in all municipalities, cities and provinces which are tasked to oversee the poverty reduction efforts in their localities. Moreover, Memorandum Circular No. 2001-109 issued by the DILG on August 21, 2001, enjoined all local chief executives to undertake local programs on poverty reduction and economic transformation and emphasized the need to designate LPRAOs and to formulate Local Poverty Reduction Action Plan (LPRAP). Memorandum Circular No. 33 issued by the National Anti-Poverty Commission (NAPC) on November 21, 2002 institutionalized Kapit-Bisig Laban sa Kahirapan (KALAHI) as the government's program for poverty reduction and enjoined key stakeholders to observe convergence in all poverty reduction efforts.



In pursuit of all these policy issuances, concerned national government agencies underscored the importance of targeting the poorest communities and identifying local needs as well as internal and external sources of assistance to implement poverty reduction programs. To realize this concern, a review and assessment of the existing local poverty monitoring systems such as the Minimum Basic Needs Community Based Indicator System (MBN-CBIS), Minimum Basic Needs-Community-based Poverty Indicator and Monitoring System (MBN CBPIMS), Integrated Rural Accessibility Planning (IRAP) and Community-based Monitoring System (CBMS) was undertaken which resulted to a consensus of establishing a comparable core local poverty indicators that took off from the gains of the different systems already in place at the local level. The core local poverty indicators are the minimum set of indicators that can facilitate and guide local governments in pursuing poverty reduction initiatives and in formulating a more poverty-focused local development plans. Recognizing their peculiarity, the local government units may add area-specific indicators which they consider crucial in their development efforts. These core local poverty indicators were presented and adopted during the Sixth NAPC En Banc Meeting through En Banc Resolution No. 6 and thus, corresponding joint memorandum circular outlining the policy guidelines for the adoption of the core local poverty indicators is hereby formulated.

## II. PURPOSE

This circular is hereby issued to provide the policy guidelines for the adoption of the core local poverty indicators and consideration of area-specific indicators. The guidelines shall aid the local government units in assessing and understanding poverty and its dimensions at the barangays, municipalities, cities and provinces with the end in view of formulating an LPRAP and implementing the plans and programs that would reduce poverty.

## III. COVERAGE

This circular shall apply to all concerned local government units at the barangay, municipal, city and provincial levels and all other concerned.

## IV. GENERAL PROGRAM GUIDELINES

Towards this end. All local government units and all other concerned are hereby directed to adopt the core local poverty indicators and institutionalize the said system at all levels of execution. Guidelines toward the adoption of the core local poverty indicators are as follows:

### A. Core Local Poverty Indicators

In diagnosing the situation of a community, concerned local government units shall utilize data based on the following quality of life dimensions with the corresponding core local poverty indicators.

Dimensions	Indicators
Health	1 proportion of children aged 0-5 years old who died to the sum of children aged 0-5 years old
Nutrition	2 Malnutrition prevalence/Proportion of children aged 0-5 years old who are malnourished to the total number of children 0-5 years old
Access to Basic Amenities	3 Proportion of Household without access to safe water
	4 Proportion of households without access to sanitary toilet facilities
Security	
Shelter	5 Proportion of households who are squatting
	6 Proportion of households living in makeshift housing
Peace and Order	7 Proportion of households with members victimized by crimes
Enabling	
	8 proportion of households with income less than the poverty threshold
	9 proportion of households with income less than the food threshold
	10 proportion of households who eat less than 3 meals a day
Employment	11 Unemployment rate
Education	12 elementary participation rate
	13 Secondary Participation rate



While the core local poverty indicators complement the existing indicators already used by the local government units (LGUs), the LGUs may decide to add other indicators or use proxy indicators for some of the indicators to monitor area-specific concerns. The LGUs may adopt indicators on community participation to monitor the participation of communities and households from the data collection up to the utilization of data.

## **B. Implementing Strategies**

To assist the local government units in formulating the LPRAP and implementing required capacity-building activities, a Guidebook for Local Poverty Diagnosis and Planning is developed. The guidebook is designed to aid the local government units in addressing the issues on targeting the poorest households and monitoring the efficiency and effectiveness of poverty reduction programs at the local level. It provides the tools and processes that allow for greater participation of the community in data collection and analysis, data aggregation and local planning. It involves participatory workshops that will promote transparency and accountability in designing and implementing plans and programs.

### **1. Local Poverty Diagnosis**

Prior to implementing poverty reduction programs, concerned local government units shall undertake local-level poverty diagnosis workshop. Poverty Diagnosis is a process of understanding and identifying the extent to which an individual or household have enough to sustain their survival, security, and enabling needs. The process would show how individual or households are poor, why they are poor, who the poor are and where they are located.

#### **1.1. Data Collection and Analysis**

The local government units shall utilize data for the thirteen (13) core local poverty indicators coming from the community-initiated household surveys and administrative reports already available at the barangays, municipality, or city. Different monitoring systems that area already in place can provide data for most of these indicators.

In cases where there is no existing monitoring system being used in the barangays or reports that can provide data for these indicators, the barangay may decide to undertake its own data collection activity by adopting any or a variant of the existing monitoring systems through community-initiated household survey. The barangay LPRAT shall spearhead the data collection activities. The barangay health workers (BHW), barangay nutrition scholars (BNS) and other community leaders shall serve as the enumerators. In cases where there is a need for additional enumerators, community volunteers and on-the-job trainees shall be tapped.

Data collection should be undertaken prior to the preparation of barangay, municipal, city, and provincial poverty reduction action plans, preferably May of every year. The barangay officials shall ensure that data are recorded and kept properly and be made accessible to all stakeholders within their area of jurisdiction.

The analysis and interpretation of data collected from the barangays shall be processed through a participatory and consensus building approach wherein the Local Poverty Reduction Action Officers (LPRAO), the Municipal Planning Development Coordinator (MPDC), barangay officials, members of the Barangay Local Poverty Reduction Action Team, and other community leaders and concerned individuals and organizations gather at the barangay level. It is recommended that a focused group discussion, community assemblies and other participatory processes shall take place to further validate and assess barangay poverty situation, prioritize problems and provide interventions at the barangay level based on resources available. The barangay-level diagnosis and planning workshop process is described in the guidebook.

To the extent possible, gender issues and concerns should be identified with the existing framework and manuals on gender and development as guide or reference.



## 1.2 Data Aggregation

Data aggregation is a process of consolidating information derived at the barangay and utilizing the information for planning interventions and responding to local situations. Data aggregation shall start at the barangay level wherein purok or sitio data collected are aggregated to provide barangay status. Likewise, the municipal aggregation shall require the aggregation of all barangay data to provide a municipal situational status.

The aggregation at the barangay level shall require the participation of the Local Poverty Reduction Action Team (LPRAT). Data collected using the local poverty indicators shall be posted in the barangay through a poverty map which presents the status of each indicator and local these in the barangays spot map. Color codes area reflected on the map to show the severity and/or moderateness of the situation. This is done after the diagnostic process as detailed in the guidebook has already taken place at the barangay level.

Data aggregation at the municipal level shall be the consolidation of all barangay data to derive municipal-level situationer. Data aggregated shall now be the basis for the formulation of the Local Poverty Reduction Action Plan (LPRAP). The process of municipal-level diagnosis and planning is describes n the guidebook. In the same manner, each municipality/city shall prepare their own poverty map reflecting all indicators with corresponding color codes.

Provincial level data aggregation is also a process of consolidating all municipal data to derive a provincial situationer. Provincial poverty map shall also be prepared reflecting the indicators and color codes. Provincial situationer shall facilitate the prioritization and allocation of resources of provinces to help municipalities respond to poverty problems.

At the municipal level, the MPDC or LPRAO shall consolidate and analyze the data from the barangays and prepare summary forms for submission to the Municipal Mayor. Municipal Development Council, Provincial Planning and Development Office (PPDO) and other concerned agencies. The MPDC or LPRAO shall keep the data.

At the provincial level, the PPDO shall consolidate and analyze the data from the municipalities and prepare summary forms for submission to the Provincial Development Council and the DILG. The PPDO shall keep the data.

Aggregated information shall be made available to all stakeholders who would like to help local government units in their efforts for poverty reduction. If possible, aggregated data should be electronically accessible.

## 2. Local Poverty Planning

An important step next to poverty diagnosis is poverty planning which involves the identification of specific courses of action that the local government units shall undertake in improving the quality of life of the individual or households in the community. The DILG, in coordination with the National Anti-Poverty Commission (NAPC) and the National Economic Development Authority (NEDA) shall take the lead in capacitating local governments to ensure that plans formulated are more poverty-focused, utilize the thirteen (13) core local poverty indicators, and carry out the process as described in the Local Poverty Diagnosis and Planning Guidebook.

The designated tasks to each level of local government can be realized through the conduct of Poverty Diagnosis and Planning Workshops. These workshops shall require the participation of a group of individuals present in specific local government units and across local units. In view of this, the local chief executives shall tap existing group of individuals or teams that are already undertaking such activities related to poverty diagnosis and planning. However, in the absence of such teams, a Local Poverty Reduction Action Team (LPRAT) shall be created with the following as recommended members.

Barangay Level: Barangay Captain, Chair of the Appropriations Committee in the Barangay, Chairs of the various committees on education, health, water and sanitation, Barangay Representatives of basic sectors



present in the area, Purok or Sitio Leaders, School Principal/Head Teacher, Barangay Health Worker, Barangay Nutrition Scholar, Day Care Worker, Community Environment and Natural Resources Officer, and other community workers.

Municipal Level: Local Poverty Reduction Action Officer, Municipal Planning Development Coordinator, Municipal Local Government Operations Officer, Barangay Captain (all barangays), Chair of the Appropriations Committee, Chairs of the various committees on education, health, water and sanitation, NAPC Sectoral Representative, School Principal/Head Teacher, Department Heads of the Municipal Government Unit, Non-Government Organizations, People's Organizations, and Private Sectors (members in the Municipal Development Council/City Development Council).

Provincial Level: Provincial Planning Development Coordinator, Local Poverty Reduction Action Officer, NEDA Representative, Provincial Social Welfare and Development Officer (PSWDO), Provincial Agriculturist, and representatives of all other national government agencies in the province.

### **C. Implementing Structures and Institutional Arrangements**

Institutionalization of local poverty monitoring system would require the participation of all levels of government. Each of the local governments shall undertake the following tasks.

Barangay Level:

1. Collect data at the household level
2. Process and analyze data for barangay-level diagnosis
3. validate data through community assembly
4. prepare barangay level poverty map and barangay profile
5. prepare Barangay Poverty Reduction Action Plan/Program

Municipal/City Levels

1. Consolidate and aggregate barangay data
2. process and analyze data for municipal-level diagnosis
3. prepare municipal/city level poverty map and municipal/city profile
4. prepare Municipal/City Poverty Reduction Action Plan/Program

Provincial Level

1. Consolidate and aggregate city and municipal data
2. process and analyze data for provincial level diagnosis
3. prepare Provincial Poverty Reduction Action Plan/Program on the basis of existing poverty situation and the municipal/city action plans
4. Establish database that are electronically accessible and maintain data
5. submit summary reports to the Provincial Development Council and the DILG
6. Provide Technical Assistance in Capacity-Building Activities

Regional Level

1. Monitor the progress of implementation of these policy guidelines
2. Provide technical assistance for capacity building

National Level

1. Monitor the progress of implementation of these policy guidelines
2. Ensure the convergence of national government efforts for poverty reduction
3. Provide policy guidelines and direction of poverty initiatives of other stakeholders such as funding institutions and donor agencies
4. Develop systems and strategies to ensure availability of locally-generated data for access to all stakeholders



#### **D. Capacity Development**

To aid the local government units in understanding poverty and its dimensions in determining the situations of their respective localities, and in formulating Local Poverty Reduction Plans, local government units shall be provided with proper training through the conduct of workshops, seminars, and other training activities.

The Department of the Interior and Local Government (DILG) shall take the lead in providing and conducting appropriate trainings to the concerned local government units in collaboration with other national government agencies.

#### **E. Advocacy and Communications**

Advocacy forms part of the process of institutionalizing the system to ensure that key national and local stakeholders have access to relevant data and information specific to communities. While there are ongoing initiatives in this area of work, the NAPC, NEDA and DILG shall undertake advocacy activities to ensure that the core local poverty indicators are adopted and integrated into the work of other institutions.

#### **F. Monitoring, Evaluation and Review**

The DILG, through its regional, provincial and municipal offices, shall monitor activities undertaken by each local government unit in operationalizing the core local poverty indicators and the process involved in the formulation of the LPRAP. The DILG shall provide a consolidated status report to NAPC for presentation to the NAPC En Banc and to serve as basis for policy direction and development.

The Department of the Interior and Local Government (DILG) shall undertake a mandatory review of the core local poverty indicators to ascertain if there are gaps in the adoption of the system and to undertake other regular monitoring and capacity development activities. In undertaking this review, the DILG may coordinate with the NAPC Secretariat, the NEDA, Department of Social Welfare and Development, Department of Health, National Nutrition Council, Department of Labor and Employment, Department of Education, and representatives from the leagues of local government units, including the League of Provinces of the Philippines, the League of Cities of the Philippines, the League of Municipalities in the Philippines, and the Liga ng mga Barangay, the basic sectors and the academe. The DILG shall be responsible for the following functions:

1. conduct mandatory review of the core local poverty indicators every three (3)
2. Monitor the implementation and applicability of the core local poverty indicators as determinants of poverty and report to the NAPC En Banc every year, and
3. Monitor the progress of advocacy and capacity-building activities

#### **G. Resource Requirements and Institutional Support**

The NAPC, NEDA and DILG shall tap the local government units, funding and donor institutions, private and business organizations, non-government organizations, people's organizations, and other poverty reduction stakeholders to ensure sustained capacity development at the local level. Mechanisms and other institutional arrangements shall be established to synchronize and harmonize all efforts.

Future program and project funding would prioritize local government units that have successfully operationalized the core local poverty indicators. Priority assistance shall be given to local government units that are utilizing the core local poverty indicators in the implementation of convergent poverty reduction programs like KALAHI. All KALAHI areas shall immediately adopt the thirteen (13) core local poverty indicators.



## **V. Effectivity**

These guidelines shall take effect immediately.

**SEC. JOSE D. LINA JR.**

DILG Secretary

Attested by:

**ATTY. ALAN ROULLO YAP**

Head Executive Assistant





# Appendix K

KAPIT-BISIG LABAN SA KAHIRAPAN  
 CONSOLIDATED KALAHI ACCOMPLISHMENT REPORT (CONVERGENCE)  
 For the month of \_\_\_\_\_ 2005

MUNICIPALITY/

CITY : \_\_\_\_\_  
 REGION : \_\_\_\_\_  
 PROVINCE : \_\_\_\_\_  
 BARANGAY : \_\_\_\_\_  
 DISTRICT : \_\_\_\_\_

KEY ISSUES/ PROBLEMS/ NEEDS	COMMITMENTS/ PROJECTS/SERVICES/ INTERVENTIONS			C O S T (in PhP)			NUMBER OF BENEFICIARIES				STATUS (Attach additional page when necessary)
	NATURE/ TYPE	DATE COMMITTED	IMPLEMENTING AGENCY	TOTAL ALLOTTED (commitment)	TOTAL UTILIZED (delivered)	FUND SOURCES	TARGET		SERVED		
							MALES	FEMALES	MALES	FEMALES	
							Total:	Total:	Total:	Total:	
							Grand Total:	Grand Total:	Grand Total:	Grand Total:	

Prepared by:  
 Noted by:

\_\_\_\_\_  
 RKCG Secretariat Focal Person  
 Chairman, RKCG



# MONTHLY AGENCY ACCOMPLISHMENT REPORT PER BARANGAY

AGENCY: \_\_\_\_\_  
 For the month of \_\_\_\_\_ 2005

REGION : \_\_\_\_\_  
 MUNICIPALITY/CITY : \_\_\_\_\_  
 PROVINCE : \_\_\_\_\_  
 BARANGAY : \_\_\_\_\_  
 DISTRICT : \_\_\_\_\_

KEY ISSUES/ PROBLEMS/ NEEDS	COMMITMENTS/ PROJECTS/SERVICES/ INTERVENTIONS		C O S T (in Php)		NUMBER OF BENEFICIARIES				STATUS include operational problems (Attach additional page when necessary)	
					TARGET		SERVED			
	NATURE/ TYPE	DATE COMMITTED	TOTAL ALLOTTED (commitment)	TOTAL UTILIZED (delivered)	FUND SOURCES	MALES	FEMALES	MALES		FEMALES
						Total:	Total:	Total:		Total:

Prepared by:  
 Noted by:

\_\_\_\_\_  
 KALAHI Focal Person  
 Head of Agency



# Appendix L

## NAPC PARTNER AGENCIES (AS OF DECEMBER 2004)

DESIGNATION	FIRST NAME	LAST NAME	AGENCY	ADDRESS	TEL. NO.	FAX NO.
Chief of Staff	Narciso	Abaya	Armed Forces of the Philippines	Camp Emilio Aguinaldo, Quezon City	9116436	9116436
Director	Malcolm	Sarmiento, Jr.	Bureau of Fisheries and Aquatic Resources	860 Arcadia Building, Quezon Avenue, Quezon City	3725057 3737452	3725048
Chairman	Ruben	Conti	Cooperative Development Authority	5th & 6th floor Benlor Building 1184 Quezon Avenue, Quezon City	3736894 3736906	3712077 3736913
Chairman	Rolando	Dizon	Commission on Higher Education	5th floor DAP Building San Miguel Avenue, Ortigas Center Pasig City	9100823 6346868	6355829
Cabinet Secretary	Arthur	Yap	Department of Agriculture	4th floor DA Annex Building, Elliptical Road, Diliman, Quezon City	9204358	9298183 9203986
Cabinet Secretary	Rene	Villa	Department of Agrarian Reform	DAR Building, Elliptical Road, Diliman, Quezon City	9279287	9293088 9283979
Cabinet Secretary	Emilia	Boncodin	Department of Budget and Management	DBM Building, Gen. Solano St., San Miguel, Manila	7354926 7354929	7354936
Cabinet Secretary	Michael	Defensor	Department of Environment and Natural Resources	2nd Floor DENR Building, Visayas Avenue, Quezon City		
Cabinet Secretary	Florencio	Abad	Department of Education	2nd Floor Rizal Building I University of Life, Meralco Avenue, Pasig City	6337208	6364876
Cabinet Secretary	Angelo	Reyes	Department of the Interior and Local Government	A. Francisco Gold Condominium II EDSA cor. Mapagmahal St., Diliman, Quezon City	9250302 9250323	9258888 9250332
Cabinet Secretary	Avelino	Cruz, Jr.	Department of National Defense	Room 301, DND Building Camp Aguinaldo, Quezon City	9110488	9116213
Cabinet Secretary	Vicente	Perez, Jr.	Department of Energy	4th Floor DOE Building, PNPC Complex, Meritt Road, Fort Bonifacio, Makati City	8402286 8402192	8401731



Cabinet Secretary	Manuel	Dayrit	Department of Health	2nd Floor DOH Building I San Lazaro Compound Sta. Cruz, Manila	7119502 7119503	7431829
Cabinet Secretary	Raul	Gonzales	Department of Justice	DOJ Main Building, Padre Faura St., Manila	5262746 5248994	5211614
Cabinet Secretary	Patricia	Sto. Tomas	Department of Labor and Employment	2nd Floor DOLE Executive Building, San Jose St., Intramuros, Manila	5272116 5272118	5273494
Cabinet Secretary	Estrella	Alabastro	Department of Science and Technology	DOST Building General Santos Avenue, Bicutan, Taguig, Metro Manila	8372939	8372937
Cabinet Secretary	Florante	Soriquez	Department of Public Works and Highways	Room 201 DPWH Building Bonifacio Drive, Port Area, Manila	3043221 5274111	3043020
Cabinet Secretary	Corazon	Soliman	Department of Social Welfare and Development	3rd Floor DSWD Building, Batasan Complex, Constitution Hills, Quezon City	9317916 9318068	9318191 9312485
Cabinet Secretary	Cesar	Purisima	Department of Trade and Industry	4th Floor BOI Building, 385 Senator Gil Puyat Avenue, Makati City	8997450	8961166 8997475
Chairman	Manuel	de Castro	Housing and Urban Development Coordinating Council	6th floor, Atrium Building Makati Avenue, Makati City	8114170	8114158 8114168
Administrator	Lorenzo	Jamora	Local Water Utilities Administration	Katipunan Road, Balara, Quezon City	9273028 9205440	9205446
Chairman	Bayani	Fernando	Metropolitan Manila Development Authority	MMDA Building corner EDSA and Orense St., Guadalupe, Makati City		8820859
Cabinet Secretary	Imelda	Nicolas	National Anti-Poverty Commission	3rd floor DA-ATI Building, Elliptical Road, Diliman, Quezon City	3717060	3733361- 64 local 132
Chairman	Reuben Dasay	Lingating	National Commission on Indigenous People	2nd floor N. dela Merced Building corner West and Quezon Avenue, Quezon City	3739536	3739765
Cabinet Secretary	Romulo	Neri	National Economic and Development Authority	6th Floor NEDA Building, Amber Avenue, Pasig City	6313716 6313723	6313747



Administrator	Gregorio	Tan, Jr.	National Food Authority	101 Matimyas Building E. Rodriguez Sr. Avenue, Quezon City	7121705	7121110
General Manager	Federico	Laxa	National Housing Authority	Elliptical Road, Diliman, Quezon City	9284961 9222460	9222058
			National Home Mortgage Fund			
Administrator	Jesus Emmanuel	Paras	National Irrigation Administration	2nd floor EDSA, Diliman, Quezon City	9296071 9222795	9262846
Secretary General	Romulo	Virola	National Statistics Coordination Board	403 Senator Gil Puyat Avenue, Makati City	8952395 8961796	8961778
Administrator	Carmelita	Ericta	National Statistics Office	Solicarel Building I, Ramon Magsaysay Boulevard, Sta. Mesa Manila	7160734 7156502	7137073
Chairman	Paulo Benigno	Aquino IV	National Youth Commission	4th floor Bookman Building 373 Quezon Avenue, Quezon City	7499409	7812372 loc. 220
Cabinet Secretary	Teresita	Deles	Office of the Presidential Adviser on Peace Process	7th Floor Agustin I Building Emerald Avenue, Ortigas Compound, Pasig City	6382217	6382216
President & CEO	Illuminada	Cabigas	People's Credit and Finance Corporation	2nd flr, Accelerando Building, 395 Senator Gil Puyat Avenue, Makati City	8953003 8961610	3250448 3250449
Chairman	Sergio	Valencia	Philippine Charity Sweepstakes Office	Q.I. Compound, E. Rodriguez Sr. Avenue, Quezon City	7491828	7491363
Chairman	Percival	Chavez	Presidential Commission for the Urban Poor	5th floor DHC Building 1115 EDSA, Quezon City	4104713	4104713
President & CEO	Francisco	Duque III	Philippines Health Insurance Corporation	17th floor, City States Center 1707, 709 Shaw Boulevard, Barangay Oranbo, Pasig City	6376451 6871152	6376237
Director General	Renato	Velasco	Philippines Information Agency	PIA Building Visayas Avenue, Quezon City	9204386 9201224	9204347 9204347
Chief	Edgar	Aglipay	Philippine National Police	Camp Crame, EDSA Quezon City	7248763 7264361	7248763
Executive Director	Tomas	Osias	Commission on Population	Welfare Ville Compound, Mandaluyong City	5316805 5316735	5335122
President & CEO	Nelson	Buenaflor	Quedan and Rural Credit Guarantee Corporation	34 Panay Avenue Quezon City	3729087	3736800



Director General	Augusto "Boboy"	Syjuco	Technical Education and Skills Development Authority	7th floor, TESDA Administration Building, TESDA Complex, East Service Road, Taguig, Metro Manila	8937122	8162480
Director General	Luis	Guanio	Technology and Livelihood Resource Center	10th floor City States Center Building, 709 Shaw Boulevard Pasig City	6335799	6335703



**DIRECTORY OF RKCG PAS AS OF DECEMBER 2004**

REGION	NAME	DESIGNATION	ADDRESS	TEL. NOS.	FAX NOS.
NCR	Imelda M. Nicolas	Lead Convenor	3rd Floor, DA-ATI Building, Elliptical Road, Diliman, Quezon City	02-4265029 4265019 local 127	local 132
CAR	Thomas Kilip	Presidential Assistant		09196753451	
I	Ernie A. Mendoza, III 09162054716	Presidential Assistant	Ilocos Sur Provincial Capitol , Ilocos Sur	072-7222752 7222082	
II	Renato V. Diaz	Undersecretary	Tahanan ng Masa Building, J. P. Laurel, Malacañang, Manila	02-7362466	02-7362466
III	Renato V. Diaz	Undersecretary	Tahanan ng Masa Building, J. P. Laurel, Malacañang, Manila	02-7362466	02-7362466
IV-A	Thelsa Biolena	Regional Director	DSWD Building, Zapote Road, Alabang, Muntinlupa City	02-8077102	02-8074140
IV-B	Alfredo E. Abueg, Jr.	Undersecretary	Room 419, Tahanan ng Masa Building, Malacañang Manila	02-7368654	02-7368771
V	Mario K. Espinosa	Undersecretary	3rd Floor Annex, New Executive Building, Malacañang Manila	02-7356076	02-7366218 052-4820611
VI	Rafael L. Coscolluela	Undersecretary	Ground Floor, NEDA 6, Fort San Pedro, Iloilo City	033-5098228	033-3370553
VII	Felix C. Guanzon	Presidential Assistant	Malacañang sa Sugbo, Port Area, Cebu City	032-2562999 2562988	032-2530608
VIII	Victor A. Domingo	Secretary	Ground Floor, NEDA 8, Pawing, Palo, Leyte	053-3237070	053-3237088
IX	Renato Ebarle  09189135017	Undersecretary	Office of the Executive Secretary, New Executive Building, Malacañang Manila	02-7361010	062-2144726
X	Jerome R. Soldevilla	RKCG Chair-Designate	c/o NEDA X Capistrano Echem, Cagayan de Oro City	08822-710500 728072	08822-722168



XI	Jesus G. Dureza	Secretary	3rd Floor Bangko Sentral ng Pilipinas Building E. Quirino Avenue, Davao City	082-2214957 2212179	082-2212181
XII	Virgilio Leyretana	Deputy Presidential Assistant	2nd Floor SouthCom Building, P.C. Hill, Cotabato City	064-4216552	064-4216552
CARAGA	Jose S. Aquino II	Presidential Assistant	Mezanine Floor J & M Building, F Durano St., Butuan City	085-3425567	085-3420689



**DIRECTORY OF NEDA SECRETARIAT (REGIONAL) AS OF DECEMBER 2004**

REGION	NAME	DESIGNATION	ADDRESS	TEL. NOS.	FAX NOS.
CAR	Juan B. Ngalob	Regional Director	Botanical Garden, Leonard Wood Road, Baguio City	074-6196627	074-4423232
I	Leonardo N. Quitos, Jr.	Regional Director	Guerrero Road, San Fernando City, La Union	072-8882680	072-8882708
II	Milagros A. Rimando	Regional Director	Carig Sur, Tuguegarao City, Cagayan	078-8441243	078-8467497
III	Remigio Mercado	Regional Director	2/F Hyatt Garden Building, Dolores Junction, Dolores, San Fernando, Pampanga	045-8602214	045-9636773 9613902
IV-A	Severino C. Santos	Regional Director	NEDA IV-A, NEDA Complex, EDSA, Quezon City	02-9297699	02-9296044
IV-B	Oscar D. Balbastro	Regional Director	NEDA IV-B, NEDA Complex, EDSA, Quezon City	02-9291828 9291852	02-9296479
V	Marlene Ca. P. Rodriguez	Regional Director	NEDA V, NEDA Building, Arimbay, Legazpi City	052-4820252	052-4820600 8205899
VI	Truman T. Cainglet	Regional Director	Fort San Pedro, Iloilo City 5000	033-3369626	033-3351070
VII	Jose Romeo C. Escandor	Regional Director	NEDA VII, Sudlon Lahug, Cebu City	033-4147500 2538959	033-2530489
VIII	Buenaventura C. Go-Soco, Jr.	Regional Director	Government Center, NEDA Building, Candahug, Palo, Leyte 6501	053-3233092	053-3233093 3233110
IX	Rafael G. Evangelista, Jr.	Regional Director	Justice R.J. Lim Boulevard, Zamboanga City	062-9916741	062-9911364
X	Casimira V. Balandra	Regional Director	Bernado-Lopez Building, Capistrano- Echem St., Cagayan de Oro City	08822- 728072	08822-722168
XI	Nicasio Angelo J. Agustin	Regional Director	2/F G.B. Cam Building cor. Alvarez, Monteverde Street, Davao City	082-2264212 2277495	082-2216476
XII	Ma. Lourdes D. Lim	Regional Director	Regional Government Center, NEDA XII Building, Cotabato City	064-4212912 4211974	064-4211081
CARAGA	Carmencita S. Cochingco	Regional Director	Bel-Air Subdivision, Km 3 Libertad, Butuan City	085-2252951	085-8150308



