



REPUBLIC OF THE PHILIPPINES

JOINT MEMORANDUM CIRCULAR NO. 01, SERIES OF 2022

Date: 01 June 2022

FOR: All Heads of Departments, Bureaus, Offices, and other Agencies of
DEPARTMENT OF FINANCE
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY
DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT
DEPARTMENT OF BUDGET AND MANAGEMENT
BUREAU OF THE TREASURY
LAND BANK OF THE PHILIPPINES

SUBJECT GENERAL GUIDELINES FOR THE IMPLEMENTATION OF THE
: TARGETED CASH TRANSFER PROGRAM

1.0. Background

- 1.1. Growing tensions from the Russia-Ukraine conflict has resulted in the steady increase in the price of fuel and other oil products. With Russia as one of the world's top producers of crude oil, the price of Dubai crude oil increased by 27.7 percent from USD 83.47 per barrel in January to USD 106.60 per barrel on March 18 this year. The prices of premium, regular gasoline, and diesel inched up by 26.8, 28.7, and 61.7 percent, respectively, from January 2 to March 17.
- 1.2. Prices of non-fuel commodities have also been affected, as increases in fuel prices also increase the cost of producing and transporting these products.
- 1.3. To mitigate the effects of the increase in fuel prices and other commodities, the Philippine government committed to provide the bottom 50 percent of Filipino households with monthly cash grants covering a period of 6 months.
- 1.4. An Interagency Committee (IAC), chaired by the Department of Finance (DOF) and co-chaired by the National Economic and Development Authority (NEDA), with the Department of Social Welfare and Development (DSWD), the Department of Budget and Management (DBM), the Bureau of the Treasury (BTr), and the Land Bank of the Philippine (LBP) as members, is hereby created to oversee the implementation of the Targeted Cash Transfer program. The IAC shall update this JMC and issue supplemental guidelines as needed.

2.0. Purpose and Coverage

- 2.1. This Joint Memorandum Circular (JMC) shall provide the general guidelines on the identification of qualified beneficiaries and the implementation arrangements of social welfare and benefits programs stipulated under the TCT program.
- 2.2. It shall cover all Departments and agencies that are mandated to execute the said programs as well as other relevant agencies such as the LBP that are essential in the effective implementation of the TCT program.

3.0. Definition of Terms

- 3.1. **Beneficiaries** – These refer to the qualified individuals, families, or households comprising the poorest 50 percent of Filipino households. Their identification shall be based principally on the National Household Targeting System for Poverty Reduction (NHTS-PR, also known as Listahanan), and shall include the beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps), the Social Pension Program, and other databases that may be approved for use by the Inter-Agency Committee.
- 3.2. **Electronic Money (e-Money)** – This refers to money whose monetary value is digitally stored in a transaction account, that is not a deposit and non-interest-bearing, that was issued, created, or accepted by a bank – and is a) electronically stored in an instrument or device; b) denominated in or pegged to Philippine Peso or other foreign currencies; c) pre-funded by customers to enable payment transactions through the use of a transaction account; d) accepted as a means of payment by the issuer for its customers or by other persons or entities including merchants/sellers; e) issued against receipt of funds of an amount equal to the monetary value issued; and f) withdrawable in cash or cash equivalent or transferable to other accounts/instruments that are withdrawable in cash. E-money can only be issued by electronic money issuers (EMIs) which can be classified as EMI-banks and EMI-non-bank financial institutions.
- 3.3. **Geographically Isolated and Disadvantaged Areas (GIDA)** – This refers to communities with marginalized populations physically and socio-economically separated from the mainstream society and characterized by absence of access to roads or reside in hard to reach areas, absence of or limited opportunity for development, absence of or limited areas to social services, particularly health and education, insufficiency of food security, limiting environment such, but not limited to, discriminatory policies, norms, and situations that inhibit the full exercise of their rights.
- 3.4. **LBP cash card** – This refers to the electronic debit card given to the beneficiaries of the 4Ps of the DSWD to receive their cash grants provided by the LBP.
- 3.5. **Listahanan or National Household Targeting System for Poverty Reduction (NHTS-PR)** – This refers to the information management system that employs geographic targeting, household assessment, and validation in order to provide national government agencies, development partners, and other social protection actors with information on who and where the poor are in the Philippines. This information is then used for the identification and selection of potential beneficiaries for various poverty alleviation and social protection programs.




- 3.6. Pantawid Pamilyang Pilipino Program (4Ps)** – This refers to the social protection program of the DSWD that focuses on human capital development through the provision of cash grants to eligible poor households. It is one of the flagship social protection programs of the national government that seeks to enable poor households to meet certain human development goals, particularly health and education outcomes, aimed at breaking the intergenerational cycle of poverty. The provision of cash grants is conditional upon the fulfillment by the beneficiaries of the conditionalities of the program.
- 3.7. Social Pension Program** – The Social Pension for Indigent Senior Citizens is one of the provisions stated under Section 5 Republic Act 9994 otherwise known as the Expanded Senior Citizens Act of 2010. Social Pension is an additional government assistance in the amount of Five Hundred Pesos Only (P500.00) monthly stipend to augment the daily subsistence and other medical needs of indigent senior citizens, subject to a review every two years by Congress in consultation with the DSWD.
- 3.8. Special Disbursing Officer (SDO)** – A duly appointed disbursing officer authorized to pay out government funds or settle government payables and obligations in currency (cash) or in check to authorized recipients for a special purpose or time-bound undertaking.
- 3.9. Targeted Cash Transfer (TCT) Program** – This pertains to the cash grant program for the poorest 50 percent of Filipino households to be implemented by DSWD for six months to alleviate the impact of rising fuel prices. This program is patterned after the 2018 to 2020 UCT program as provided under RA 10963 or the Tax Reform for Acceleration and Inclusion (TRAIN) Law.

4.0. Scope

- 4.1.** The program shall provide cash grants amounting to a total of Php 3,000 for six months or from April to September 2022 to the bottom 50 percent of Filipino households or approximately 12.4 million households, subject to availability of funds. The cash grant shall be given to the beneficiaries through the LBP cash card or other approved modes of distribution as stated in Section 6.5 of this Circular.
- 4.2.** The beneficiary households shall include the following:
- Some 4.0 million low-income households who were previously beneficiaries under the **Pantawid Pamilyang Pilipino Program (4Ps)**,
 - Some 6.0 million non-4Ps low-income households who were previously beneficiaries under the 2018 to 2020 UCT program stipulated under RA 10963 or the TRAIN Law, which may include beneficiaries of the Social Pension Program, and
 - Some 2.4 million low-income households in the database of the **Listahanan or National Household Targeting System for Poverty Reduction** or other data sources as applicable, provided that they fall within the first to fifth national income decile.

Provided that -

- The DSWD shall then identify the list of beneficiaries as stated in Section 4.2.a. to 4.2.c. of this Circular.



2. The DSWD may coordinate with the respective local governments, as may be necessary, for assistance in the identification of eligible beneficiaries, in accordance with the Listahanan or NHTS-PR.

4.3. The concerned lead implementing agencies shall exert all efforts to conduct information drives and distribute communication materials to ensure that the beneficiaries and the implementing units at the sub-national and grassroots levels are aware of their roles, rights, and responsibilities.

5.0. Funding of the TCT program

5.1. The IAC shall identify potential sources of funding for the TCT program.

5.2. The BTr may conduct a cash sweep of identified funding sources, as needed, to cover the requirements of the TCT program.

5.3. The DBM shall issue a Special Allotment Release Order (SARO), or the appropriate certification, for the utilization of other funding sources, as certified to by the BTr, for this purpose.

5.4. The funding requirements shall be allocated to the TCT program covered by this JMC under the appropriate line item in the DSWD budget. The use of, and adjustments to, line items in the unprogrammed allocations under the General Appropriations Act (GAA) of 2022 may serve as the appropriations cover for the TCT, upon the issuance of a certification of excess revenues from BTr.

5.5. The IAC may constitute a Technical Working Group on financial matters to address concerns and issues on the funding and distribution of the TCT program, and recommend amendments or supplemental guidelines to this portion of the JMC.

6.0. Availment and distribution of the TCT

6.1. The program shall provide cash grants amounting to a total of PhP 3,000 from April to September 2022 for each household belonging to the bottom 50 percent of Filipino households or a target of 12.4 million households, as specified under section 4.2 of this Circular, subject to availability of funds. Households shall be identified by DSWD in close coordination with Landbank.

6.2. The distribution of the TCT shall be as follows:

1. Beneficiaries stated in Section 4.2.a., 4.2.b., and 4.2.c., of this Circular shall receive payments amounting to PhP 500 per month for 6 months, in an appropriate manner, as determined by the DSWD and the LBP, subject to availability of funds.
2. Beneficiaries residing in Geographically Isolated and Disadvantaged Areas (GIDA) may receive payments in methods and frequencies other than that used for other beneficiaries. Such methods may include distribution through SDOs, among others.

Target distribution per beneficiary group, in millions of households

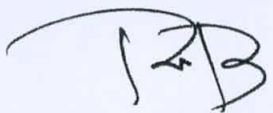
Households	Estimated beneficiaries
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A) Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries	4.0
B) Non-4Ps, TRAIN UCT, and other eligible beneficiaries	6.0
C) Households not belonging in (A) or (B) and within the first to fifth per capita national income decile, which may be identified through the Listahanan 2 database or other sources as deemed appropriate by the DSWD.	2.4

Provided, that changes to the abovementioned schedule of distribution may be made by the IAC, depending on emerging circumstances affecting the delivery of the TCT program, subject to the availability of funds.

- 6.3.** Preferably, the cash grants shall be distributed directly to the LBP cash card or preferred transactional accounts of the beneficiaries not later than the second week of every month, subject to Section 6.2.2 of this Circular.
- 6.4.** Upon receiving from the DSWD the list of TCT beneficiaries, the LBP shall be responsible for distributing and paying the cash grants to TCT beneficiaries.
- 6.5.** For the distribution and payment of TCT cash grants, the DSWD and LBP may utilize any combination of the following modes:
- 6.5.1.** LBP Cash Card
 - 6.5.2.** Crediting to other subsisting LBP accounts
 - 6.5.3.** Crediting by LBP for payments to subsisting other bank accounts via InstaPay or PESONet
 - 6.5.4.** Transaction accounts of approved electronic money issuers including but not limited to the following:
 - a. Banks (including but not limited to the following: BDO, BPI, and other banking institutions)
 - b. Non-bank financial institutions (including but not limited to the following: GCash, Paymaya, and Starpay)
 - c. Remittance centers
 - 6.5.5.** DSWD SDO
- 6.6.** The LBP cash card shall be the preferred mode for the distribution and payment of cash grants. The LBP shall ensure that the number of cash cards produced is aligned with the count of beneficiaries mentioned in Section 4.2.a., 4.2.b., and 4.2.c. of this Circular.
- 6.7.** The DSWD and LBP shall complement their resources in the implementation of the various modes.
- 6.8.** The DSWD and LBP shall agree on and jointly issue Operating Procedures to govern each of the modes.

6.9. The program shall be terminated by December 31, 2022, unless determined otherwise by the IAC through amendments to this JMC. Thereafter, all unexpended funds set aside for the program shall be reverted to the General Fund.

6.10. Grievances related to the program implementation will be managed and monitored by the DSWD Central Office (DSWD-CO), following the guidelines to be subsequently issued. There shall also be a dedicated hotline for PWDs and Senior Citizens to take into consideration their special needs. Mobile numbers (Smart, Globe, and Sun) and Facebook accounts for Regional Offices shall also be set up for accessibility and convenience.

6.11. All interbank fees incurred from cash card withdrawals by the beneficiaries shall be charged by LBP to the budget for administrative costs of the TCT Program for the six payout months. Administrative costs may include bank fees and other costs necessary to distribute the TCT payments.

7.0. Roles and Responsibilities of Involved Agencies

7.1. For the Department of Finance (DOF) to serve as Chair, to provide estimates for the budgetary requirement, and to oversee the implementation of the TCT program through the IAC created under this Circular.

7.2. For the Department of Social Welfare and Development (DSWD) to serve as Co-chair, to identify the beneficiaries who will receive the cash grant under this Circular, to submit the list of beneficiaries to the LBP, and to assist the LBP in the implementation of the modes of distribution, as stated in Section 6.5 of this Circular. The DSWD shall distribute the cash grant to eligible beneficiaries without LBP cash cards or other subsisting LBP accounts through other distribution and payment methods as stated in Section 6.6.

7.3. For the Department of Budget and Management (DBM) to identify funding sources for the TCT program, to facilitate the release, and ensure efficient and effective management of government resources, consistent with existing budgeting, accounting, and auditing rules and regulations.

7.4. For the National Economic and Development Authority (NEDA) to provide policy guidance for the efficient execution of the TCT program.

7.5. For the Bureau of the Treasury (BTr) to conduct a sweep of identified cash balances that can be used for the TCT program and to immediately certify the availability of funding sources, when realized, for the implementation of the TCT program.

7.6. For the Land Bank of the Philippines (LBP) to provide the IAC with reports on the fund balances necessary to cover the requirements of the TCT program, to distribute the cash grant to the list of beneficiaries and payroll provided by DSWD through the modes provided in Section 6.5 of this Circular, and to ensure the availability of cash cards for beneficiaries, as stated in Section 6.6 of this Circular.

8.0. Transparency, Accountability, and Implementation



8.1. Amendment of the Guidelines – The IAC shall amend or supplement this JMC, as may be necessary.

8.2. Issues for Resolution – The interpretation of the provisions of this JMC, including cases not covered herein, shall be submitted to the DBM, DOF, and DSWD for joint resolution.

8.3. Establishment of Technical Working Groups – The IAC may create Technical Working Groups (TWGs) to resolve issues or concerns on specific aspects of the program. The IAC may nominate members from the DBM, DOF, and DSWD and other relevant agencies to constitute the TWGs.

8.4. Monitoring and Evaluation

8.4.1. The DSWD shall regularly monitor the implementation of the TCT program.

8.4.2. Notwithstanding existing monitoring and evaluation systems, the progress of the program shall be identified in terms of: (i) achievement of key performance indicators (KPIs), and (ii) timeliness in the conduct of planned activities. These shall be identified by DSWD within thirty (30) days from the signing of this JMC and approved by the Chair and Co-Chair of the IAC.

8.4.3. The submission of Status Reports (SRs) by the DSWD, in coordination with LBP, shall be required on a monthly basis. The monthly status reports shall also be published online and sent to the heads of implementing agencies.

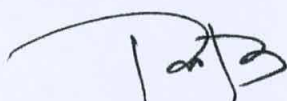
8.4.4. The IAC meeting shall be convened on a monthly basis, or as often as may be necessary, to review and assess the program, in coordination with the concerned agencies. These meetings may serve as venues to report project status, identify solutions to challenges in project implementation, and share information among government and non-government stakeholders.

9.0. Separability, Repealing, and Effectivity Clauses

9.1. Separability Clause – If any clause, sentence, or provision of this JMC shall be declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

9.2. Repealing Clause – All orders, issuances, rules, and regulations inconsistent with or contrary to the provisions of this JMC are hereby repealed or amended accordingly.

9.3. Effectivity Clause – This JMC shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.





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