

MEMORANDUM CIRCULAR NO. 06  
Series of 2017

**GUIDELINES ON THE PROVISION OF RICE SUBSIDY TO  
PANTAWID PAMILYANG PILIPINO PROGRAM HOUSEHOLDS**

**I. RATIONALE**

On, July 25, 2016, President Rodrigo Roa Duterte delivered his first State of the Nation Address (SONA) to the Filipino people. Along with other priority agenda to include intensifying existing social welfare and development services, building resiliency, and empowering individuals, families, and communities.

The Pantawid Pamilyang Pilipino Program was given particular attention in the President's SONA in the context of strengthening the delivery of social services. The President stated thus: "The beneficiaries of 4Ps shall be made to become independent and self-reliant after they graduated from the program. We aim to present them with other forms of assistance so that they can stand on their own two feet...*I have decided to direct the DSWD to provide rice subsidies to the poorest of the families...*"

In response to the President's directive and the Department's vision of making Filipinos free from hunger and poverty, rice subsidy shall be given to its household beneficiaries as additional cash grant aside from the education and health grants that are given upon compliance to the program conditionalities.

**II. LEGAL BASIS**

**General Appropriations Act (GAA) of 2017** provides that the beneficiaries of Pantawid Pamilya shall include: "(i) those registered in Pantawid Pamilya Information System; (ii) victims of natural and man-made disasters rendered homeless and with no means of livelihood; (iii) indigenous peoples in geographically isolated and disadvantaged areas; (iv) homeless street families; and (v) transitioning households whose level of well being have improved but still at high risk of subsequently falling back into survival level as they precariously live with little or no buffer against economic shocks."

Further, the same law provides that the "abovementioned beneficiaries shall be entitled to an additional cash grant as Rice Assistance/Subsidy which amount is included" in the total cash grant budget for Pantawid Pamilya.

### III. OBJECTIVES

This memorandum circular is being issued to guide the provision of rice subsidy to household beneficiaries of Pantawid Pamilyang Pilipino Program. Specifically, this circular shall:

1. Identify the recipients of the rice subsidy as an additional cash grant;
2. Prescribe the amount of rice subsidy per household, conditions for its entitlement, and schedule of its release to beneficiaries; and
3. Provide guidance to Field Offices (FOs) on the criteria and mechanics of entitlement of rice subsidy in relation to beneficiaries' compliance.

### IV. TARGET RECIPIENTS

This circular shall cover the household beneficiaries of Pantawid Pamilyang Pilipino Program, as defined by DSWD, and in congruence with the type of households and families contemplated in the 2017 GAA as described above.

### V. POLICY and OPERATIONAL GUIDELINES

1. Rice subsidy shall be given to registered, active, and compliant Pantawid Pamilya household beneficiaries on a bi-monthly period,
2. In compliance with the General Appropriations Act of 2017, rice subsidy shall be given in the form of cash and shall be treated as an additional cash grant;
3. Provision of rice subsidy shall be on a per-household basis and shall be given on top of their cash grants every period. For newly registered households, rice subsidies shall be provided on top of their initial cash grants;
4. The total amount of rice subsidy shall be PhP 7,200.00 per year or PhP 600.00 per month per household, and shall be paid to compliant households using the same schedule being followed by the program in the processing and release of education and health grants;

Bi-Monthly Compliance Monitoring Period	Months Covered	Encoding of Compliance Data And Payroll Processing	Payout*	Amount of Rice Subsidy per Compliant Household per Period**
2016 Period 6b	January	February 2017	March 2017	PhP 600.00
2017 Period 1	February and March	April 2017	May 2017	1,200.00
2017 Period 2	April and May	June 2017	July 2017	1,200.00
2017 Period 3	June and July	August 2017	September 2017	1,200.00
2017 Period 4	August and September	October 2017	November 2017	1,200.00
2017 Period 5	October and November	December 2017	January 2018	1,200.00
2017 Period 6a	December	February 2018	March 2018	600.00
<b>Total</b>				<b>PhP 7,200.00</b>

\* Provision of rice subsidy for compliance in January 2018 (Period 6 2017) will be subject to availability of funds as approved by Congress.

\*\*For 2016 Period 6, only cash grants for January 2017 shall be sourced from 2017 appropriations. Likewise, for 2017 Period 6, only December 2017 cash grants shall be sourced from 2017 appropriations.

5. Change in the amount and continuation / discontinuation of the provision of rice subsidies is subject to the succeeding annual appropriations.
6. Appropriate measures shall be undertaken to ensure that beneficiaries are properly and sufficiently informed on the purpose of additional cash grant as rice subsidy. These may include, but not limited to, the following activities:
  - 6.1. Information and communication campaigns by the Pantawid Pamilya National Program Management Office (NPMO) on rice subsidy for both the staff and beneficiaries;
  - 6.2. Inclusion of a topic on rice subsidy on Family Development Sessions reiterating the proper use of rice subsidy and enjoining purchase of locally planted rice;
  - 6.3. Submission of reports on the number of households receiving rice subsidy to the DSWD Secretary; and
  - 6.4. Reported cases of misuse of rice subsidy will be sanctioned following the established grievance redress procedure that allows for progressive disciplining.
7. Any payment-related concerns on the availment of rice subsidy, arising from circumstances outside the direct control of the program and DSWD, shall follow the established grievance redress procedure, wherein upon validation of the complaint, the affected beneficiary shall be entitled to retroactive payment.

However, if a household has already been paid with regular cash grants and consequently with rice subsidy for complying with, for example, health conditionality, but is disputing their noncompliance with education conditionality, only the education grants would be paid retroactively upon completion of grievance resolution process.

8. The Pantawid Pamilya NPMO is henceforth instructed to incorporate the rice subsidy in their Compliance Verification System (CVS), develop Risk Management and Intervention Plan and formulate risk mitigating measures to ensure efficient release of rice subsidy, which will be updated as necessary.
9. The Unified Financial Management Services (UFMS) is also hereby instructed to incorporate the amount of rice subsidy in their preparation of cash grants payroll, in proper coordination with Pantawid Pamilya NPMO and the Information Management Bureau (IMB).

**VI. MONITORING AND REPORTING**

The DSWD shall incorporate the utilization of rice subsidy in its regular monitoring and reporting of cash grants distribution through the following:

Report	Applicability
Payment Status Report	Regular CCT Payrolls
Certification of Unpaid Households	
Consolidated List of Unpaid Beneficiaries Report	
Payment Status Report	Retro-Regular CCT Payrolls
Certification of Unpaid Households	
Consolidated List of Unpaid Beneficiaries Report	

**VII. REPEALING CLAUSE**

All previous policies that are inconsistent with this circular are hereby superseded.

**VIII. EFFECTIVITY**

This circular shall take effect immediately and shall be circulated to all DSWD Field Offices, Bureaus, Services, and Units.

Issued this 14<sup>th</sup> day of March 2017 in Quezon City, Philippines.

  
JUDY M. TAGUMALO  
Secretary

**Certified True Copy:**

  
MYRNA H. REYES

**Records & Archives Mgt. Section**