

**MEMORANDUM CIRCULAR**No: 09

Series of 2022

**SUBJECT: SPECIAL GUIDELINES FOR THE IMPLEMENTATION OF THE TARGETED CASH TRANSFER (TCT) PROGRAM UNDER THE PROTECTIVE SERVICES FOR INDIVIDUALS AND FAMILIES IN ESPECIALLY DIFFICULT CIRCUMSTANCES (PSIF)**

**I. RATIONALE**

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 financial support through the Targeted Cash Transfer (TCT) Program.

TCT Program 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.

The Department of Social Welfare and Development (DSWD) is assigned as co-chair of the Interagency Committee (IAC) created to oversee the implementation of the TCT Program.

**II. LEGAL BASES**

The implementation of the TCT Program is anchored on the following issuances:

1. Department of Finance (DOF), DSWD, Department of Budget and Management (DBM) and National Economic Development Authority (NEDA) Joint Memorandum Circular No. 1. Series of 2022, General Guidelines for the Implementation of the TCT Program dated June 1, 2022.
2. Memorandum from the Executive Secretary dated May 2, 2022 on the Implementation of the TCT Program for Vulnerable Households Affected by the Recent Oil Price Hike.

**III. OBJECTIVES**

This guideline is being issued to provide guidance on the implementation of TCT Program, particularly:

1. Identification of the 12.4 million households to receive the cash transfer;
2. Preparation of payroll and institutional arrangements; and
3. Adoption of scheme(s) that will expedite the distribution of cash transfer to the beneficiaries.



#### IV. DEFINITION OF TERMS

In addition to the Section 3.0, Definition of Terms of JMC No. 01, Series of 2022, the following terms are defined to guide the implementation of the TCT Program:

1. **Certified List** - this shall refer to the *clean list* of the beneficiaries that are eligible for TCT, as determined by the **authorized offices** and crossmatched<sup>1</sup> with all the available databases.
2. **Inter-agency Committee (IAC)** - the monitoring body created to oversee the TCT Program implementation as prescribed by JMC No. 01, Series of 2022.

#### V. SCOPE

The program shall provide cash grants amounting to PhP500.00 per month for six (6) months from April to September 2022 or a total of PhP3,000.00 to the bottom 50 percent of Filipino households or approximately 12.4 million beneficiaries subject to availability of funds. The cash grants shall be given to the beneficiaries through the Landbank of the Philippines (LBP) cash card or other approved mode of distribution as stated in Section VII of this Memorandum Circular (MC).

The beneficiary households shall include the following:

- A. Some 4.0 million identified beneficiaries under the Pantawid Pamilyang Pilipino Program (4Ps);
- B. Some 6.0 million identified non-4Ps households who were previously beneficiaries under the 2018 to 2020 UCT program stipulated under RA 10963 or the TRAIN Law, including beneficiaries of the Social Pension Program; and
- C. Some 2.4 million households in the database of the Listahan or National Household Targeting System for Poverty Reduction (NHTS-PR) or other data sources as applicable, provided that they will fall within the first to fifth income decile of the NHTS-PR.

#### VI. AVAILMENT AND DISTRIBUTION OF THE TCT

The program shall provide cash grants amounting PhP500.00 per month for six (6) months from April to September 2022 or a total of PhP3,000.00 for each beneficiary belonging to the bottom 50 percent of Filipino households or a total target of 12.4 million beneficiaries, as specified under section V of this Circular, subject to availability of funds.

The distribution of the TCT shall be as follows:

- A. Beneficiaries stated in Sections V.A, V.B and V.C of this Circular shall receive payments amounting to PhP500 per month for 6 months (except for the months of April-July), in an appropriate manner, as determined by the DSWD, subject to availability of funds.
- B. Beneficiaries residing in Geographically Isolated and Disadvantaged Areas (GIDA) may receive payments in two tranches for the whole 6 months of program

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<sup>1</sup> ensure no duplication from other databases

coverage, or in only one tranche in justifiable circumstances subject to the approval of the Secretary, as recommended by the TCT Technical Working Group (TCT-TWG). The beneficiaries under these areas may be paid through SDOs, among others.

Households	Estimated Beneficiaries
A. Pantawid Pamilyang Pilipino Program (4Ps)	4.0 million
B. Non-4Ps, previous TRAIN UCT beneficiaries, and other eligible beneficiaries in other DSWD poverty databases	6.0 million
C. Households not belonging in (A) and (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 National Household Targeting Office (NHTO).	2.4 million

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

Preferably, the cash grants shall be distributed directly to the LBP cash card or the preferred transactional accounts of the beneficiaries submitted to the DSWD not later than the second week or every month, or the second week of the month subsequent to the TCT payroll period, subject to section VI.B of this Circular subject further to the system capacity of LBP and subject finally to availability of funds.

Upon receiving from DSWD the certified list of TCT beneficiaries, the LBP shall be responsible for distributing and paying the cash grants to TCT beneficiaries.

## VII. MODE OF PAYMENT

For the distribution and payment of TCT cash grants, the DSWD and/or LBP may utilize any combination of the following modes:

- A. LBP Cash Card;
- B. Crediting to other subsisting LBP Accounts;
- C. Crediting by LBP for payment to subsisting other bank accounts, as submitted by the beneficiaries to the DSWD, via Instapay or PESOnet;
- D. Procured services of financial intermediaries, including but not limited to the following:
  1. Banks (including but not limited to: BDO, BPI, and other banking institutions);
  2. Non-bank financial institutions (including but not limited to licensed electronic money issuers such as GCash, Paymaya, Starpay, etc.); and
  3. Remittance centers.
- E. Direct payout through DSWD Special Disbursing Officers (SDO).

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 V.A, V.B and V.C of this Circular.

The modes of payment enumerated in items A through D above shall be governed in a separate Memorandum of Agreement-Implementing Guidelines jointly issued by the DSWD and LBP.

**VIII. VALIDATION PROCESS**

The list from the concerned DSWD Offices shall be subjected to a validation process consisting of eligibility and deduplication<sup>2</sup> checks. The eligibility check shall be performed and certified by the offices cited under Section IX.A, while the deduplication check shall be performed by the Unconditional Cash Transfer-National Program Management Office (UCT-NPMO) for beneficiaries in Sections V.A and V.B, and the NHTO for those beneficiaries under Section V.C, with these offices seeking technical assistance from the Information and Communications Technology Management Service (ICTMS). No payment shall be made, unless the complete validation process provided herein is observed.

**IX. DISBURSEMENT PROCEDURE**

**A. DISBURSEMENT THROUGH LBP CASH CARDS**

The payroll for the TCT cash card shall be prepared by the database owner and certified that the beneficiaries are eligible per criteria set under section 4.2 of DOF, DSWD, DBM and NEDA JMC No. 1 s. 2022 and approved by the Cluster Head of the Operations detailed as follows:

Beneficiaries	Preparation of the Clean List and the Certifying Authority
1. 4.0M Pantawid Familyang Pilipino Program (4Ps)	4Ps National Program Management Office (NPMO)
2. 6.0M Non-4Ps, TRAIN UCT, and other eligible beneficiaries	Social Pension UCT NPMO
3. 2.4M Households not belonging in (A) and (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.	Field Office, Office of the Regional Director

**B. DISBURSEMENT THROUGH SDO PAYOUT**

1. The Field Offices shall facilitate the payout for those beneficiaries without LBP cash cards through the SDO.

<sup>2</sup> Ensuring beneficiary/ies will not be included more than once in a payroll, or more than once in a payroll of the same month (i.e., TCT payroll beneficiary/ies under 4Ps should not be included in the payroll beneficiary/ies under Sections V.B and V.C in the same TCT payroll month).

2. FMS shall facilitate the release of funds through issuance of Sub-allotment Release Order (Sub-ARO) and Notice of Transfer of Allocation (NTA) as supported by the following documents:
  - a. Approved list of payroll compliant to Section VIII of this Circular; and
  - b. Fund request approved by concerned Cluster Head.

**C. PROJECT IMPLEMENTATION PLAN FOR THE TCT**

The UCT-NPMO and the TCT-TWG, within twenty (20) calendar days from the date of effectivity of this MC, shall submit a Project Implementation Plan (PIP) to the Secretary for approval through the TCT-TWG. The PIP will cover the policies and procedures that will be adopted in the validation of the beneficiaries, the preparation of the clean list and the determination of the payment strategies for these beneficiaries, including the resources required for this purpose, among others.

Additional guidelines may be issued to cover modes of payment under Section VII. B, C and D of this circular.

**X. MONITORING AND EVALUATION**

The DSWD shall regularly monitor the implementation of the program along the following key performance indicators. Monthly Status Reports will be submitted by DSWD, in coordination by LBP, to the heads of the IAC.

**Table 1. TCT Program Key Performance Indicators**

<b>Objective</b>	<b>Indicator</b>	<b>Source of Data</b>
TCT Program Efficiently Delivered	Number of TCT beneficiaries provided with subsidy: <ol style="list-style-type: none"> <li>a. 4Ps</li> <li>b. Non-4Ps, TRAIN UCT, and other eligible beneficiaries</li> <li>c. Households not belonging in (A) and (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.</li> </ol>	Agency Operations Center (AOC) / FO AOCs
	Satisfaction rate on the timeliness of delivery of the cash transfer	Social Marketing Service (SMS)
	Number of grievances received Percentage of grievance resolved	AOC/FO AOCs
	Fund Utilization and Disbursement Rate	FMS

The DSWD TCT-TWG shall meet about a week before every IAC meeting, or as often as necessary, to review and assess the program. The discussions in the meetings shall include – but may not be limited to, the reporting of project implementation status, identification of solutions to surfacing challenges in project implementation, and sharing important information between and among implementing units and/or support offices.

## **XI. INSTITUTIONAL ARRANGEMENTS**

### **A. DSWD CENTRAL OFFICE**

1. The UCT-NPMO shall oversee the overall implementation of this Circular, distribution of grants and resolve issues related thereto;
2. Monitor the nationwide implementation of the TCT thru the TCT Technical Working Group;
3. Develop the monitoring mechanisms and/or online submission portal, and endorse weekly and monthly status reports to the TCT-TWG through the AOC;
4. Package the monthly financial and physical reports for submission to IAC or other program monitoring reports required by oversight agencies through the Policy Development and Planning Bureau;
5. Conduct the deduplication of lists gathered from different databases with the technical assistance of the ICTMS.
6. ICTMS to develop a database of TCT beneficiaries including the tagging of paid and unpaid beneficiaries in coordination with the DSWD FO RICTMU;
7. Facilitate the necessary process/es for the transfer and release of funds to the FOs through the Finance and Management Service;
8. The Legal Services shall assist in the legal interpretation of this Circular and other related issuances should the need arise;
9. Develop and implement the communication plan thru the Social Marketing Service;
10. Develop and implement the grievance mechanisms and procedures to be followed under this program through the AOC;
11. Augment personnel workforce and provide logistic support upon request of the FOs through the GASSG; and
12. Other tasks and mandates that may be issued by the Secretary.

### **B. DSWD FIELD OFFICE**

1. Conduct the validation of household beneficiaries to produce the additional 2.4 Million program beneficiaries mentioned at Section V.C of this MC;
2. Assist the LBP in the distribution of cash cards to the TCT beneficiaries;
3. Facilitate the conduct of pay-out through SDOs based on the approved payroll and refund unutilized funds directly to the Bureau of Treasury;
4. Submit weekly and monthly physical and financial monitoring reports to the AOC and the FMS, respectively, or other reporting frequencies and information as may be required by the Secretary or the TCT-TWG. The AOC, FMS or the TCT-TWG shall prescribe the reporting templates and disseminate the same to the FOs for purposes of complying with the requirements under this Section;
5. Handle grievance concerns through the FO AOCs; and
6. Other tasks and mandates that may be issued by the Secretary or the TCT-TWG;

### **C. INTER-AGENCY COMMITTEE**

1. Act as the oversight with the Department of Finance as Chair;
2. LBP as the primary payment partner of DSWD who shall provide resources to assist DSWD in the distribution of the cash grants;
3. The concerned implementing and participating agencies in the JMC are enjoined to conduct information drives and shall support the propagation of 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 as stated in Section 4.3 of the JMC.



**XII. FEES AND CHARGES**

- 1. The DSWD shall pay the following fees and charges to the LBP in accordance with the approved Memorandum of Agreement (MOA):
  - a. Cost of generation of Cash/Prepaid Cards in accordance with the Implementing Guidelines for 4Ps within fifteen (15) banking days from receipt of billing from LBP:

Particulars	Cost of Generation
Initial Cash Card issuance	PhP50.00
Prepaid Card	PhP108.60 plus P25.00 for license of MasterCard

Note: Cash Cards and Prepaid Cards are subject to procurement for the additional 2.4 Million TCT beneficiaries.

Since LBP is advancing the cost of Cash/Prepaid Card generation, DSWD shall reimburse the cost of Cash/Prepaid Card generation to the LBP.

- b. Reimburse LBP the cost of the first interbank withdrawal of each grantee amounting to not more than P20.00 for every payroll period/payroll generated (a maximum of 6 payout months per grantee or not more than P120.00 per grantee for interbank withdrawal fees). Excess interbank withdrawal fees must be charged by LBP to the grantee's account.

**XIII. IMPLEMENTATION TIMELINE**

Pursuant to Section 6.9 of the JMC No. 1, s. 2022, the program shall be terminated by December 31, 2022, unless determined otherwise by the IAC through amendments to the said JMC. Thereafter, all unexpended funds set aside for the program shall be reverted to the General Fund.


**XIV. REPEALING CLAUSE**


All issuances inconsistent with the provisions of this Memorandum Circular are hereby repealed, modified or amended accordingly.

**XV. EFFECTIVITY**

This Circular shall be effective upon signing and shall remain in force and effect unless annulled or revoked by subsequent issuance by the Secretary.

Issued in Quezon City, Philippines.

  
ROLANDO JOSELITO D. BAUTISTA  
Secretary  
Date: JUN 27 2022

Cert. True Copy:  
  
28 JUN 2022  
MYRNA H. REYES  
SIC Division Chief  
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