



Republic of the Philippines
Department of Social Welfare and Development

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HONORABLE BENJAMIN D. ASILO

Chairperson
Committee on People's Participation
House of Representatives
Quezon City

Dear Honorable Congressman Asilo:

This has reference to the request of the Committee on People's Participation for our Department's official position on House Bill No. 3444 or the "Act Providing for the Centralized Accreditation of Non-Governmental Organizations and People's Organizations Eligible to Access Government Funds and Providing a System of Accountability and Transparency for the Use of Said Funds" authored by Representative Teodoro Baguilat, Jr.

While we appreciate the trust and confidence given to the Department as the Central Accrediting Agency for Non-Governmental Organizations (NGOs) and People's Organizations (POs) which will be entrusted with government funds, we wish to inform the Honorable Congressman that DSWD only regulates NGOs and POs which operate within the social welfare purview. We believe that other national government agencies (NGAs) with regulatory functions like the Securities and Exchange Commission (SEC), Cooperative Development Authority (CDA), Department of Health (DOH) and Department of Labor and Employment (DOLE) should be given similar responsibility.

For further enhancement of the bill, may we also recommend the following:

1. On Section 7, Criteria for Accreditation:
 - Item a: Include certificates of registration issued by other government agencies like SEC, CDA, DOH and DOLE.

Further and in relation to our 1st comment, the agency that issues the certificate of registration of any given NGO or PO should also be the one to accredit the organization based on its existing standards.

 - Item c: Clearly define the term "stable financial condition" in the context of cash and property resources. Also, there was no mention whether DSWD as an accrediting agency, along with other NGAs with regulatory function, will be given the power to inquire into the "assets" of these NGOs and POs.

3. On Section 18, Presumption of Malversation of Government Funds: It is worth noting that to constitute malversation under Article 217 of the Revised Penal Code, the following elements must occur:

- that the offender be a public officer;
- that he/she had custody or control of funds or property by reason of the duties of his/her office;
- that the funds are public funds or property for which he/she was accountable and;
- that he/she appropriated, took, misappropriated or consented through abandonment or negligence, permitted another person to take them.

In as much as we are dealing with NGOs and POs with juridical personality, the Committee still has to deliberate whether these organizations' representatives will be considered public officers once the bill is enacted into law. *Note:* Article 203 of the Revised Penal Code defines who may be considered as public officers.

4. On Section 19, Implementing Rules and Regulations (IRR): Other stakeholders i.e. SEC, CDA, DOLE, NGO and PO Representatives should be part of the Committee that will draft the IRR.

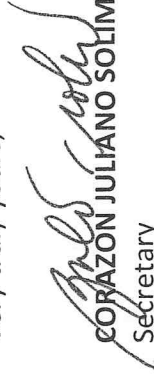
5. On Section 20, Appropriations: The appropriation should cover expenses for the accrediting agencies' human resource requirements (hiring and capability building of personnel).

6. A section on the monitoring of these accredited NGOs and POs should also be included.

Lastly, we also wish to inform the Honorable Congressman that a similar bill has been filed this Congress to reinforce the regulatory functions of the Department over public and private individuals, agencies and/or organizations engaged in social welfare and development (SWD) activities. The measure was numbered as House Bill No. 3411 (Short Title: Social Welfare and Development Agencies' Act) authored by Representatives Cresente Paez and Anthony Bravo of COOP-NATCCO Partylist.

Thank you.

Very truly yours,


CORAZON JULIANO SOLIMAN
Secretary