



Republic of the Philippines
Municipality of Tiwi
Province of Albay
OFFICE OF THE SANGGUNIANG BAYAN
2nd Floor, Municipal Building, 4513 Tiwi, Albay

**AN ORDINANCE RESTRICTING
FINANCIAL INSTITUTIONS,
LENDING COMPANIES,
USURERS AND INDIVIDUALS
IN THE MUNICIPALITY OF TIWI
FROM ACCEPTING 4Ps CASH
CARDS AND OTHER 4Ps
DOCUMENTS AS COLLATERAL
OR SECURITY FOR LOAN**

Sponsors:
Hons. Adolfo V. Camu Jr. & Jovito C.
Coderis

PRESENT:

Hon. DAVID C. BEATO	Vice Mayor, Presiding Officer
Hon. JOSE MOREL C. CLIMACO	Kagawad
Hon. PELAGIA S. ZEPEDA	Kagawad
Hon. LORENZO C. CARLET	Kagawad
Hon. SHILLA K. CORBILLA	Kagawad
Hon. RAMMEL A. CAPA	Kagawad
Hon. ADOLFO V. CAMU JR.	Kagawad
Hon. JOHN M. BRON	Kagawad
Hon. AIDA B. de LEON	Kagawad
Hon. JOVITO C. CODERIS	Kagawad, ABC Rep.
Hon. JERAHMEEL C. CLERIGO	Kagawad, SKF Rep.

ABSENT:

None

ENACTED: MAY 10, 2021/85TH RS

EXPLANATORY NOTE

WHEREAS, the Municipality of Tiwi is an active implementer of the *Pantawid Pamilyang Pilipino* Program (4Ps) and Modified Conditional Cash Transfer (MCCT) Program servicing two thousand six hundred eighty nine (189) family beneficiaries enrolled, respectively, as of March 2021;

WHEREAS, in the nationwide scale implementation of the 4Ps Program, there have been numerous complaints filed before the Grievance Redress System (GRS) on cash card pawning whereby such card or other 4Ps documents are used as loan collaterals;

WHEREAS, the 4Ps National Advisory Committee (NAC) maintains that the card received by the beneficiaries are owned by the Philippine Government and does not authorize the grantees to pawn or use it as load collateral for any transaction or undertaking;

WHEREAS, NAC, the policy-making body of 4Ps, issued Resolution No. 20 series of 2014 that provides for procedural guidelines on misdemeanor cases involving 4Ps cash card pawning, among others;

WHEREAS, the said NAC Resolution penalizes only violative acts committed by the beneficiaries;

WHEREAS, the Sangguniang Bayan sees it fit to impose sanctions on reciprocal acts committed by financial institutions, individuals, loan sharks, lending companies and the like who accept 4Ps cash cards as loan collaterals;

DAVID C. BEATO
PRESIDING OFFICER

ISELITO B. CANTES, MP
SB SECRETARY

NOW THEREFORE, be it ordained by the Sangguniang Bayan of Tiwi, Albay in session assembled that the following Municipal Ordinance be enacted to wit:

Municipal Ordinance No. 10-2021

AN ORDINANCE RESTRICTING FINANCIAL INSTITUTIONS, LENDING COMPANIES, USURERS AND INDIVIDUALS IN THE MUNICIPALITY OF TIWI FROM ACCEPTING 4Ps CASH CARDS AND OTHER 4Ps DOCUMENTS AS COLLATERAL OR SECURITY FOR LOAN

SECTION 1. TITLE. This Ordinance shall be known as "4Ps NO PAWNING POLICY" of the Municipality of Tiwi.

SECTION 2. DECLARATION OF POLICY. The Municipality commits to improve the socio-economic status of 4Ps beneficiaries so they may enjoy a better life. Money grants can alleviate some conditions of poverty however, these grants should also leverage changes in the behavior and mindset of the beneficiaries.

The Municipality of Tiwi hereby reiterates the dual objectives of 4Ps Program as

1. *Social Assistance* whereby those extremely poor families are given monetary support for their immediate needs; and
2. *Social Development* whereby 4Ps is set to break the intergenerational poverty cycle investing in human capital and affording health support and education of children eighteen (18) years and below.

SECTION 3. DEFINITION OF TERMS. The following terms shall mean as they are used in this ordinance as follows:

3.1. 4Ps-refers to *Pantawid Pamilyang Pilipino* Program (4Ps), also known as Bridging Program for the Filipino Family, is a human development measure of the national government that provides conditional cash grants to the poorest of the poor, to improve the health, nutrition, and the education of the children eighteen (18) years and below;

3.2. MCCT-refers to Modified Conditional Cash Transfer Program targeting families in the pockets of poverty, those in streets and in difficult situations who are in need of social protection, mainstreaming them into the regular 4Ps program;

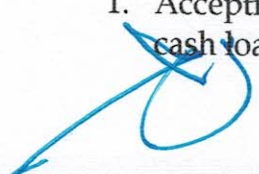
3.3. Cash Card Pawning- the act of depositing the 4Ps cash card, ID, and/or other 4Ps documents to the lender as security for cash loan or credit on item/goods;


3.4. Individual Lenders- refers to private individuals who grants loans to clients.


SECTION 4. PROHIBITED ACTS

4.1. It shall be unlawful for any person, firm, or entity engaged in the business of extending cash loans to do any of the following:

1. Accepting 4Ps Cash Card or any 4Ps documents as collateral or security for cash loan or any form of indebtedness;




DAVID BEATO
RESIDING OFFICER


MSELITO B. CANTES, MP
SR. SECRETARY

2. Collecting service fee or any other form of collection attributed to cash card pawning; and
3. Collecting interest payment from 4Ps beneficiary for loans guaranteed by cash card or any 4Ps documents.

4.2. It shall be unlawful for a 4ps/MCCT beneficiary, pursuant to Section 3.1 of NAC Resolution No. 20 Series of 2014, to commit any of the following:

1. Pawning the 4Ps cash card; and
2. Using 4Ps documents such as ID, *Kasunduan*, and such others as loan collateral.

SECTION 5. PENAL SANCTIONS. Any lender and 4Ps beneficiary subjected to Case Management Process whose details of violation have been established and duly proven by the Municipal Social Welfare and Development Office (MSWDO) and Municipal Link shall be meted the following penalties as follows:

5.1. In violation to any of the provisions in Section 4.1 hereof the following penalties shall be sanctioned to the violator as follows:

1. Individual Lenders

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|-----------------|---|
| First Offense | A fine of one thousand five hundred pesos (P 1,500.00) per loan grant; |
| Second Offense: | A fine of two thousand pesos (P 2,000.00) per loan grant; |
| Third Offense: | A fine of two thousand five hundred pesos (P 2,500.00) per loan grant; or imprisonment of not exceeding on (1) year at the discretion of a competent court; |

2. Lending Companies and Financial Institutions

- | | |
|-----------------|---|
| First Offense | A fine of one thousand five hundred pesos (P 1,500.00) per loan grant; |
| Second Offense: | A fine of two thousand pesos (P 2,000.00) per loan grant; |
| Third Offense: | A fine of two thousand five hundred pesos (P2,500.00) per loan grant; revocation of business permit; and imprisonment of not exceeding one (1) year at the discretion of a competent court; |

5.2. In violation to Section 4.2 hereof, the 4Ps/MCCT household beneficiary shall be referred to the Municipal Social Welfare and Development Office (MSWDO) and be dealt with in accordance with Section 3.2.1 of NAC Resolution No. 20 Series of 2014, which provides for sanctions on misdemeanor grievances to wit:

First Offense:	Written warning from the head of 4Ps Provincial Operations Office and counselling with the 4Ps Municipal Link;
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Second Offense:	Written warning from the Department of Social Welfare and Development (DSWD) Regional Director and counseling with the Social Welfare Officer III and suspension of cash grant of (1) payment period;
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DAVID C. BEATO
RESIDING OFFICER

ISELITO B. CANTES, MP
SR SECRETARY

Third Offense: Delisting of the beneficiary under the Grievance Redress System (GRS) Fraud duly approved by the DSWD Regional Director and tagging to be facilitated by the Regional Grievance Officers. The household's delisted status is non-appealable;

SECTION 6. SEPARABILITY CLAUSE. If for any reason, any section of this Ordinance shall be held unconstitutional or invalid, other sections which are not affected thereby shall continue to be in full force and effect.

SECTION 7. REPEALING CLAUSE. All executive order, memoranda, and other issuances or parts thereof that are in conflict with this ordinance are hereby repealed or modified accordingly.

SECTION 8. EFFECTIVITY. This ordinance shall take effect the day after posting requirements or publication.

CONCURRED IN:

- Hon. Jose Morel C. Climaco
- Hon. Pelagia S. Zepeda
- Hon. Lorenzo C. Carlet
- Hon. Shilla K. Corbilla
- Hon. Rammel A. Capa
- Hon. Adolfo V. Camu Jr.
- Hon. John M. Bron
- Hon. Aida B. de Leon
- Hon. Jovito C. Coderis
- Hon. Jerahmeel C. Clerigo

DISSENTED -None

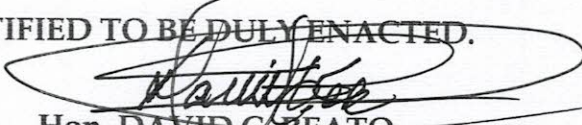
ABSTAINED -None

UNANIMOUSLY ENACTED.

DATE ENACTED.

May 10, 2021/85th RS

CERTIFIED TO BE DULY ENACTED.


Hon. DAVID C. BEATO
Vice Mayor & Presiding Officer

ATTESTED:


JOSELITO B. CANTES, MPA
Sanggunian Secretary

APPROVED/VETOED:


Hon. JAIME C. VILLANUEVA
Municipal Mayor
Date: 5-14-21