

1
2 **MINUTES OF THE MEETING- 2ND Meeting of the Board**
3
4

5 **Attendance:**

6 Members of the Board

- 7
8 1. Secretary Cesar V.Purisima,DOF–Chairperson (Represented by Treasurer
9 Rosalia V. De Leon)
10 2. Secretary Mary Ann Lucille L.Sering,CCC–Member
11 3. Secretary Arsenio M. Balisacan, NEDA–Member (Represented by Dir. Mercedita
12 Sombilla)
13 4. Secretary Manuel A. Roxas,DILG–Member (Represented by Mr. Silvestre
14 Barrameda)
15 5. Secretary Florencio B. Abad, DBM–Member (Represented by Dir. Teresita M.
16 Salud)
17 6. Chairperson Remedios I. Rikken, PCW–Member (Represented by Dep. Dir.
18 Manuela Silva)
19 7. Mr. Peter Angelo V. Perfecto, Business Sector–Member
20 8. Mr. Redentor Constantino, iCSC–Observer

21
22 Members of the Secretariat

- 23 1. Asst. Sec. Joyceline A. Goco, CCC
24 2. Dir. Rommel Herrera, DOF
25 3. Mr. John Adrian Narag, DOF
26 4. Ms. Maria Lovella Segayo, CCC
27 5. Ms. Kathryn San Juan, CCC

28
29 Complete List of Participants in Annex 1.
30

31 **Agenda Item I: Call to Order**

- 32 1. Treasurer Rosalia De Leon called the meeting in order in behalf of the
33 Secretary of Finance at 3:00 in the afternoon.

34 **Agenda Item II: Adoption of the Agenda**

35 ***DECISION BM.02/01***

- 36 2. Upon consideration of the Provisional Agenda drafted by the PSF Board
37 Secretariat, the body moved to adopt the following agenda:

- 38 I. *Call to Order*
39 II. *Adoption of the Agenda*
40 III. *Approval of the Minutes of the 1st PSF Board Meeting*
41 IV. *Matters Arising from the Previous Meeting*
42 V. *Memorandum for the President on the approval and publication of the*
43 *Revised IRR (R-IRR).*

-
- 44 VI. PSF Work Plan
45 VII. Draft Manual of Operations
46 VIII. Other Business
47 IX. Other Matters
48
49

50 **Agenda Item III: Approval of the Minutes of the 1st PSF Board Meeting**

51 ***DECISION BM.02/02***

52 3. The said Minutes, together with its pertinent annexes, were forwarded to the
53 respective PSF Member Agencies on 27 March 2014 for review and comments.
54 Upon consideration of the draft prepared by the PSF Secretariat, the Board *moved to*
55 *approve* the minutes of the meeting.
56

57 **Agenda Item IV: Matters Arising from the Meeting**

58 ***DECISION BM.02/03***

59 4. The Board, having considered the Matters arising from the 1st PSF Board
60 Meeting,

61 4.1. *Noted* that there is an agreement between the CCC, DOF, DBM and
62 NEDA to formulate policies and guidelines including the mode of funding for
63 approved projects. In relation to this, Sec. Sering *expressed* that there is a proposal
64 to develop a business plan through the support of the Commission which will serve
65 as guide in the development of the aforementioned policies and guidelines.

66 4.2. *Noted* that majority of the PSF members have submitted their designated
67 focal and alternates for the PSF Board Secretariat. Similarly, it *accepted* Philippine
68 Commission on Women's *commitment to submit* their nominee to the PSF Board
69 Secretariat within that week.

70 4.3. *Recognized* the urgent need to appoint the NGO representative of the
71 Board. The final appointment would be decided during the next Commissioners'
72 Meeting.

73

74 **Agenda Item 5: Memorandum for the President on the Approval and**
75 **Publication of the Revised IRR**

76 ***DECISION BM. 02/04***

77 5. Upon consideration of the matters arising from the previous meeting, the Board
78 was informed that the R-IRR of R.A. 9729 as amended by R.A. 10174 was submitted
79 to the Office of the President on 17 May 2013 and that the President is examining

80 the document line by line as relayed by the Legal of the Office of the President. As
81 such, the Board:

82 5.1. *Reaffirmed* its support to the previous agreement that the DOF, DBM,
83 NEDA and CCC shall issue a joint memorandum for the approval and publication of
84 the R-IRR. The Secretariat has circulated the draft memorandum to the relevant
85 members of the Board for additional comments.

86

87 **Agenda Item VI: PSF Work Plan**

88 ***DECISION BM. 02/05***

89 6. In consideration of the Matters Arising from the previous meeting and the Work
90 Plan presented by Asec. Goco, the Board was informed that most of the activities
91 indicated in the Work Plan are on track. Other items in the Work Plan are included in
92 the PSF Business Plan.

93 The Board took note of the discussion of the nature of the fund, including the source
94 to unlock the unprogrammed fund and its timing vis-à-vis actual funding of the
95 proposals. The Board was also informed that the CCC took the initiative of
96 capacitating ecotown demonstration LGUs in project proposal development.
97 Moreover, a template/outline for the project proposal is being developed which is
98 included in the PSF Business Plan. The Board:

99 6.1. *Approved* the proposed timeline indicated in the PSF Work Plan under
100 the premise the Board has prepared the requirements needed .

101 6.2 *Recognized* that the mechanism for the call for proposals and the basis of
102 the approval must be in place.

103 6.3 *Requested* the Secretariat to prepare a criteria that will aid in prioritizing
104 the LGUs (proponents) and activities that will be supported under the PSF.

105 6.4 *Noted* the suggestion of Dir. Teresita Salud that the Secretariat members
106 of DOF, DBM and CCC to formulate a JMC regarding the use of the fund and its
107 nature. It also *took note* of the suggestion of Mr. Redentor Constantino that “financial
108 blending” is feasible with the existence of other funds such as the Performance
109 Challenge Fund which can be used for DRR-CCA feasibility studies.

110 6.5. *Recognized* that there are various mechanisms to determine the targeted
111 LGUs of the PSF such as the National Housing Targeting Housing System of the
112 Conditional Cash Transfer program, income classification of the DILG, ecotown site
113 selection criteria of CCC and the categories under the updated Philippine
114 Development Plan of NEDA.

115 6.6. *Requested* the Secretariat to present the formula on the selection of
116 LGUs under the Ecotown Demonstration Project in the next Board meeting.

117 6.7. *Considered* the recommendation of Mr. Peter Perfecto that as part of the
118 selection criteria, the long-term partners (e.g. academe, business and civil society)
119 that go beyond the three-year term of Local Chief Executives must be identified.

120 6.8 *Affirmed* that the members of PSF Technical Secretariat (composed of
121 CCC, DOF, DBM, NEDA and PCW) are competent in terms of developing the
122 selection criteria for the approval of project proposals.

123

124 **Agenda Item 7: Draft Manual of Operations**

125 ***DECISION B.02/06***

126 7. The Board was informed that the working draft of the Manual of Operations is
127 based on the Revised IRR and details have to be included particularly on the
128 utilization, sources and monitoring of the fund. Taking into consideration of the draft
129 manual that was circulated during the 1st PSF Board Meeting, the Board:

130 7.1. *Resolved* that the PSF Board should meet at least twice a year with
131 mandatory meetings in January and June. The Chair also *requested* the members of
132 the Board to designate their permanent alternates. Further, it *accepted* the request of
133 the DILG to nominate their representative to the Technical Secretariat.

134 7.2. *Considered* the proposal that the CCC, DOF and DBM should work
135 together to dissect the Manual of Operations' section on "sources of funds" given the
136 urgency of the 2015 budget preparations.

137 7.3. *Noted* the need to determine the nature of the fund, whether it would be
138 treated as a grant or loan and subsequently, include its details in the Manual of
139 Operations.

140 7.4. *Considered* to explore the use of PSF as guarantee for risk insurance as
141 stipulated in the law and how this can complement with mechanisms under the
142 Climate Resiliency Fund as well as microinsurance. Has considered the provision of
143 risk-insurance premiums as one of the initial items that can be supported by the fund
144 given its current demand.

145 7.5. *Requested* for a presentation on JMC of the National Disaster Risk Reduction
146 and Management Council, DBM and DILG on the allocation and utilization of the
147 Local Disaster Risk Reduction and Management Fund in relation to the discussion
148 on insurance. Similarly, the Board noted that risk insurance can be one of the major
149 projects of PSF.

150 7.6 *Recognized* the need to determine the revenue source of the PSF for it
151 not to be unprogrammed in the succeeding years. Subsequently, it will also
152 determine where the PSF will be lodged. The Board has also noted that a separate
153 budget for operational expenses of the Board is lodged under the Climate Change
154 Commission as the Secretariat.

155 7.7 *Considered* the need to develop monitoring and evaluation mechanisms
156 as well as indicators that shall be incorporated in the Manual of Operations. These
157 mechanisms shall aid in monitoring the progress of the programs and projects that
158 will be approved by the Board in the future. Further, the Board recognizes the need
159 to develop an accountability mechanism for the fund that shall also be included in the
160 Manual.

161 7.8 During the discussion on possible sources of revenue for the fund, the
162 Board *agreed to examine* the NDRRMC-DBM-DILG Joint Memorandum Circular No.
163 2013-1 pertaining to the Allocation and Utilization of the Local Disaster Risk
164 Reduction Management Fund (LDRRMF). Further, the Board *requested* the
165 Secretariat to present a draft JMC among DBM, DILG, DOF and CCC on the use of
166 the LDRRMF as one of the funding sources of PSF and the use of the 5% as an
167 LGU counterpart for risk transfer guarantee.

168 7.9 *Requested* the Secretariat to present its work programme for the next six
169 months. Further, the Board affirmed that the Climate Change Commission shall
170 serve as the convenor. The Board suggested that a separate discussion on the
171 regularity of meetings among the members of the technical secretariat should be
172 conducted. The members of the Secretariat may nominate their respective
173 alternates as well.

174

175 **Agenda Item 8: Other Business**

176 **8. Sec.** Sering reiterated the important points agreed by the Board to Sec. Purisima,
177 which include the use of the fund as a risk transfer insurance with the LGU Calamity
178 Fund as counterpart with the PSF; development of criteria for the uses of the Fund
179 and the inclusion of the 5% LDRRMF for risk transfer. Sec. Purisima, on the other
180 hand, shared DOF's current proposal with the Office of the President on the 3-layer
181 mitigation program. Firstly, come up with an insurance mechanism for small and
182 medium enterprises which the PSF can finance. Secondly, insurance/risk pooling
183 among LGUs. Lastly, fund similar to the PSF which can be sourced from a levy given
184 that the said fund will come from the budget and private sector plays a big role on its
185 sourcing. He stressed the need for a formal system of involving the private sector.

186 8.1 The reconciliation and the determination of a clear-cut relationship
187 between the People's Survival Fund and the Climate Resiliency Fund were
188 *emphasized* by Sec. Purisima. He explained further that there is a proposal

PEOPLE'S SURVIVAL FUND

Board Meeting No. 02-2014

23 April 2014/ Bureau of the Treasury-Intramuros, Manila

189 submitted to the Office of the President asking the President to support a levy that
190 would allow the Department of Finance to fund Climate-Resilient Infrastructure.

191 8.2 Mr. Constantino *expressed* that they are willing to support the proposed
192 tax measure however, he also *expressed* that instead of a separate fund, the
193 government should be promote the channeling of the fund to the DPWH for the
194 construction of more resilient infrastructure. Further, the issue will not be the tax
195 imposed but the separate nature of the budget. In response to this concern, Sec.
196 Sering mentioned that this matter shall be subjected to consultations with emphasis
197 on the rationale for government's decision on such arrangement.

198 The meeting was adjourned at 4:55 in the afternoon.