



INSTITUTE FOR CLIMATE AND SUSTAINABLE CITIES
For Sustainable Energy Solutions and Fair Climate Policy

Modality, criteria, and process in COs accessing the People's Survival Fund

A recommendation to the PSF Board

Republic Act 10174 or the People's Survival Fund was passed in 2012 earmarked one billion pesos (Php1,000,000,000) in the annual General Appropriations Act (GAA) or the national budget to support "local" adaptation initiatives. Since its passage, the PSF will only be fully funded as a programmed budget item in the 2015 GAA. This development warrants the immediate identification of modalities, criteria, and processes that can be included in the manual of operations to be developed and published by the PSF Board.

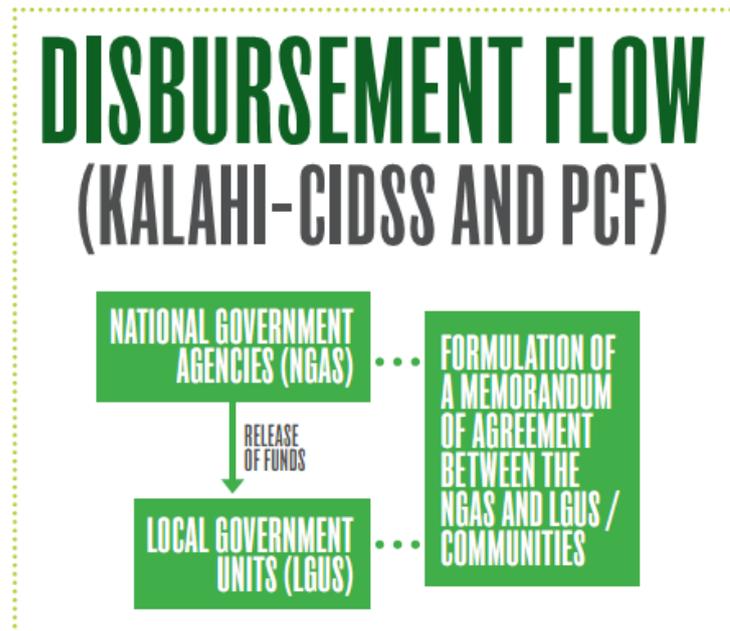
The PSF law states that the Php1 billion fund can be accessed by local government units and communities for different adaptation initiatives in a manner that the proposed project supports existing initiatives and plans (*Sec.20 Uses of the Fund*).

The Institute for Climate and Sustainable Cities (iCSC) as the CSO representative in the PSF Board submits these recommendations for the consideration of the PSF Board.

Recommendations:

- **Clarify the term "communities" (Sec.20 Uses of the Fund).** Refer to or adopt definitions by NAPC, DBM-BUB, or SEC. We feel "communities" should pertain to local community organizations (COs), with emphasis on *local*. Organizations or associations with a national character or scope should not qualify.
- **Establish restrictions in the type of projects.** Only "soft" projects should be funded. The restriction should be reviewed three years after implementation. The three-year period will allow the PSF Board to assess policy effectiveness.
- **Establish "proof of communication with LGUs" from proposing COs.** Proof of communications refer to evidence showing the CO has exhausted all means of collaboration and requests for adaptation support from their respective Local Government Unit (LGU). Key reasons:
 - It is important to encourage collaboration between COs and their LGUs.
 - LGUs need to be encouraged to respond to climate-related interest from its citizens.
 - Care must be taken to avoid undermining LGUs.
 - LGUs must be encouraged to *encourage participation*.

- **Use existing processes and learn from best practices in drafting the technical list of accreditation requirements for COs.** The Kahirapan-Comprehensive and Integrated Delivery of Social Services (Kalahi-CIDSS) of the Department of Social Welfare and Development (DSWD) is a good example. Another is the Municipal Development Fund Office (MDFO) as the conduit of the program Agrarian Reform Communities Project II, which allows the government to extend micro financing support to community cooperatives, given that the cooperatives qualify with the rigorous proposal and reporting process of the fund manager.



These examples are arguably imperfect. Nonetheless, they can be used as pilot processes that can help establish better baselines and references for future consideration by the Board.

We recommend using the Kalahi-CIDSS process and the MDFO conduit cycle. The PSF Board should develop a simple but secure arrangement for COs. The process of granting funds to nongovernment entities for adaptation initiatives should not be too open to ensure adherence to fiduciary standards but also not too constraining to avoid discouraging proposal submissions.

For Monitoring:

The House of Representatives (HoR) approved NGO Accreditation for Government Fund Releases Act, which is named as Senate Bill No. 2375 or the NGO Accreditation Bill seeks to standardize the process of allowing access to nongovernment entities. The bill which is still being discussed specified technical requirements such as financial reports, certifications, and sworn statements to ensure accountability and credibility.