

DSWD OPINION NO. 10 S. 2024**DRN: LS-L.O-23-12-14154-C****MEMORANDUM**

FOR : DIRECTOR WAYNE C. BELIZAR
Financial Management Service (FMS)

FROM : THE OFFICER-IN-CHARGE, LEGAL SERVICE¹

SUBJECT : LEGAL OPINION ON THE MONITORING OF CASH CARD
ACCOUNTS WITH NO WITHDRAWALS OF THE PANTAWID
PAMILYANG PILIPINO PROGRAM (4Ps) HOUSEHOLD
BENEFICIARIES

DATE : 24 JANUARY 2023

This refers to your Memorandum requesting the Legal Service (LS) to provide legal opinion on whether to continue the monitoring of the Cash Card Accounts of the Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries *with no withdrawals*.

Based on your Memorandum and Letter from LBP, there were **Seventy-One Thousand Nine Hundred Ninety-Three (71,993) Cash Card Accounts** with balance of more than *Fifty Thousand Pesos (Php50,000.00)* which were not converted to Basic Deposit Account (BDA) by the Landbank because it exceeded the BDA threshold amount of Php50,000 under Bangko Sentral ng Pilipinas (BSP) Circular No. 192, Series of 2018 or the "Framework for Basic Deposit Accounts".

Upon coordination with the FMS, these accounts exceeded the Php50,000.00 threshold amount on the following reasons: there was no withdrawal made by grantees due to change of beneficiaries from old to new; the cash card was not timely delivered to the grantee; or the grantee died prior to its issuance, among others. This prompted the proponent office to seek the legal opinion on whether the Department will still monitor these "no withdrawal accounts" considering that it is covered by bank account confidentiality.

At the onset, Item III. A. 10.1 and 10.2 of the Implementing Guidelines for the Distribution of Cash Grants under the 4Ps Act, provides:

10. Monitoring of Accounts with no Withdrawals

10.1 LPB GPSD shall provide the Quarterly Report of Accounts that have no Withdrawals to DSWD CO on or before the fifteenth (15th) of the month following the reporting quarter.

10.2 The DSWD shall monitor the list of accounts with no withdrawals for the period of 01 January 2022 to 31 May 2024. Following the said date, DSWD and LBP shall assess if there is a need

¹ Special Order No. 6021 dated December 4, 2023

to amend /revisit the MOA IRR for the continued monitoring of these accounts.

10.3 Within 30 days from receipt of the report from LBP GPSD, the **DSWD shall validate the households with accounts that have no withdrawals and shall endorse to LBP GPSD those accounts that are for closure.** The consent of the CCT grantee to close his/her cash card account, in the event of non-withdrawal for one (1) year, shall be included in the waiver section of the LBP enrolment form.

10.4 The Landbank shall process the closure of accounts within **three (3) banking days from receipt of the request and shall issue Manager's Check for the outstanding balances therein in favor of the DSWD for onward remittance to the Bureau of Treasury.** *(Emphasis and underscoring supplied)*

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That is, to interpret this explicit provision of the above-mentioned guidelines, **the DSWD is authorized to monitor accounts with no withdrawals until May 2024 with no distinction until the Implementing Rules and Regulations (IRR) of the MOA has been amended.** Thus, we are of the view that the monitoring of the cash card of 4Ps beneficiaries with no withdrawals may be continued as this may be allowed by the implementing guidelines for the purpose of validating these accounts for closure and eventual reversion to the National Treasury.

With regard to the statement of Landbank dated 09 February 2023 that the **71,993** cash card accounts with a balance of more than 50,000.00 were not converted to BDA pursuant to BSP Circular No. 992 series of 2018, that if the maximum balance of the depositor **exceeded** the threshold amount, the bank should convert these accounts to regular account² which is now covered by Republic Act (RA) No. 1405 or the "Bank Secrecy Act.", which provides:

Section 2. All deposits of whatever nature with banks or banking institutions in the Philippines including investments in bonds issued by the Government of the Philippines, its political subdivisions and its instrumentalities, are hereby considered as of an absolutely confidential nature and may not be examined, inquired or looked into by any person, government official, bureau or office, except upon written permission of the depositor, or in cases of impeachment, or upon order of a competent court in cases of bribery or dereliction of duty of public officials, or in cases where the money deposited or invested is the subject matter of the litigation. (Emphasis ours)

Consequently, **cash card with a balance of more than Php50,000.00 which were not converted to BDA may still be reported to DSWD by the Landbank pursuant**

² Section 1 Section X222 on Basic Deposit Account under maximum balance of the Implementing Guidelines for Distribution of Cash Grant to 4Ps.

to Item III. A. 10.1 and 10.2 of the Implementing Guidelines for the Distribution of Cash Grants under the Pantawid Pamilyang Pilipino Program.

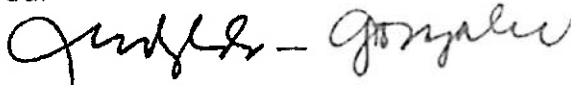
In fact, the Landbank has submitted its Quarterly Report Accounts to DSWD on 20 October 2023 covering the "no withdrawals for CCT and Unconditional Cash Transfer (UCT) Programs".

May we remind that this legal opinion is limited only to the facts and documents presented for review. The LS recommends that the 4Ps-NPMO shall coordinate with the Landbank management to discuss matters pertaining to the monitoring of no withdrawal accounts, if deemed appropriate.

Lastly, kindly fill-out the attached Customer Feedback Form and return to the Legal Service

For your consideration.

Thank you.



ATTY. MARIA CASSANDRA M. URBIZTONDO-GONZALES

FBT/LCA10065