



**Republic of the Philippines**  
**Department of Social Welfare and Development**

IBP Road, Batasan Pambansa Complex, Constitution Hills, Quezon City 1126

Telephone Nos. (632) 931-8101 to 07; Telefax (632) 931-8191

E-mail: [osec@dswd.gov.ph](mailto:osec@dswd.gov.ph)

Website: <http://www.dswd.gov.ph>

**MEMORANDUM CIRCULAR**

No. 11, Series of 2014

**SUBJECT: ENHANCED GUIDELINES ON THE IMPLEMENTATION OF THE  
SUSTAINABLE LIVELIHOOD PROGRAM**

---

**I. BACKGROUND AND RATIONALE**

Republic Act 5416 provides the clear mandate of the Department of Social Welfare and Development (DSWD) in providing comprehensive social welfare program. With its ultimate goal of reducing poverty incidence and improving quality of life, the Department is continuously developing the capacities and opportunities for the poor, vulnerable and disadvantaged sector.

On the context of improving the well-being of the poor households identified by the National Household Targeting System for Poverty Reduction (NHTS-PR), the Department through the Sustainable Livelihood Program (SLP) is mandated to support the target households by actively facilitating or linking them to economic opportunities that will facilitate their transition from state of survival to self-sufficiency.

Prior to SLP's conception, the Department has been implementing the Self-Employment Assistance-Kaunlaran (SEA-K) as its frontline program on livelihood assistance for four (4) decades. Responding to challenges of program expansion and in contribution to the realization of the thrusts and priorities of the Department, Administrative Order 11 of 2011 was issued to formally introduce SLP with expanded menus of livelihood interventions anchored on Community Driven Enterprise Development (CDED) strategy.

Pursuant to the series of consultation workshops held with DSWD Regional Offices, results of the capacity-building activities and field monitoring visits and the just concluded 2014 SLP Financial Management Planning Workshop, enhancement in the implementing guidelines of SLP was deemed appropriate to clarify some operational steps in the implementation of Sustainable Livelihood Program.

The enhancement of SLP guidelines is deemed necessary for the implementers and stakeholders of SLP to adapt to the growing demand of substantial interventions to better contribute to the attainment of the DSWD's strategic goal of transitioning Pantawid Pamilya households from survival to self-sufficiency.

## II. DEFINITION OF TERMS

- A. **Basic Employment Skills Training (BEST)**- refers to capacity-building of program participants on basic employment skills training (e.g. work ethics, employment document preparation). These are usually taught by field PDOs under the Capacity Building Stage.
- B. **Basic Microenterprise Management Training (BMMT)**- refers to capacity-building on basic entrepreneurial skills training (e.g. microentrepreneurship, business plan preparation) which is a mandated training for all program participants.
- C. **Capital Seed Fund (CSF)**- refers to non-collateral funds provided to qualified program participants under the Microenterprise Development track to manage his/her proposed business which will be returned within two (2)years at no interest rate.
- D. **Community Driven Enterprise Development (CDED)**- refers to the framework that vies for business sustainability and development in the context of community's local livelihood assets and economy. The framework is guided with the *resource-based and market-driven principle highlighting the involvement of community members in identifying and managing livelihood opportunities that are linked to sustainable markets.*
- E. **Employment Facilitation Track**- refers to the track of SLP that provides assistance to qualified member/s of poor households who preferred employment rather than engaging in micro-enterprise. Activities under this track include pre-employment counselling, technical-vocational skills training and job referrals or placement.
- F. **Family Development Session (FDS)**- this refers to the series of sessions being attended by Pantawid Pamilya households as part of the conditionalities of the Pantawid Pamilyang Pilipino Program.
- G. **Field Project Development Officers (Field PDOs)**- this refers to either regular, contractual or MOA workers hired with an item of Project Development Officer II being deployed in target municipalities of SLP.
- H. **Microenterprise Development Track**- refers to the track of SLP which focuses on micro-enterprise development. Activities under this track include entrepreneurship skills training, partnership building and the provision of capital assistance.
- I. **Municipal/City Action Team (M/CAT)**- this refers to a team of DSWD staff working in the municipalities/cities composed of representatives from the 4Ps, Kalahi-CIDSS/NCDDP and SLP.
- J. **Municipal/City Inter-agency Committee (M/CIAC)**- consists of heads or designated representatives from various LGU offices and private organizations in the municipalities. The Committee acts as advisor of the Municipal/City Action Team in the implementation of the different activities of SLP, KC/NCDDP or 4Ps. For this document, the M/CIAC may have been organized prior to the entry of SLP team in the municipality. Expansion of

membership could be done to suit the needs of SLP if and whenever necessary.

- K. Program Participants-** refers to eligible individual/s representing a Pantawid Pamilya household. Other eligible individual/s include those listed by NHTS-PR and other qualified poor household. Eligible individuals refer to household members 18 years old above or 16 years old after the submission of a written consent from legal parent or guardian.
- L. Provincial Coordinator (PC)-** refers to Project Development Officers II assigned by the Field Office to serve as a coordinator/link of all field PDOs in a certain province. The main task of the PC is to ensure that partnership is implemented and sustained to assure that markets are in place for both enterprises and employment.
- M. Self-Employment Assistance Kaunlaran (SEA-K)-** is a modality under the Micro-enterprise Development Track which capacitates program participants to manage enterprises through the provision of capital seed fund plus needed entrepreneurial and technical-vocational skills training supportive to the identified businesses.
- N. Self-Employment Assistance Kaunlaran Association/Group (SKA/SKG)-** a community-based group organized under the SEA-K scheme composed of a minimum of five (5) eligible program participants.
- O. SLP-National Program Management Office (SLP-NPMO)-** this refers to an established office based at DSWD Central Office which manages the over-all implementation of SLP. It oversees the implementation of SLP activities in the SLP-Regional Project Management Office.
- P. SLP-Regional Project Management Office (SLP-RPMO)-** this refers to the organizational structure at the Field Offices which is responsible in the implementation of SLP in the entire region. The RPMO is headed by the Regional Director as the Project Director with the Assistant Regional Director for Operations as the Program Manager. The office is composed of the Regional Project Coordinator, External Relations Officer, CDED Officer, Monitoring and Evaluation Officer and Training Officer based at the FO and the Provincial Coordinator and field PDOs assigned in the different municipalities.

### III. IMPLEMENTING GUIDELINES

This Memorandum Circular shall provide the direction for all program implementers and partners to ensure efficient and effective implementation of SLP of the Department, to wit:

#### A. General Guidelines

1. The SLP is implemented through a convergence strategy of DSWD that promotes complementation of services/interventions of DSWD with other

core social protection programs namely: Pantawid Familyang Pilipino Program and the KALAHI-CIDSS and external convergence with the public and private Sectors.

2. The SLP shall be implemented through CDED using the concepts of resource-based and market-driven as the guiding principles to meet programs' deliverables. It has two tracks namely Microenterprise Development and Employment Facilitation tracks.
3. The SLP shall also be implemented through program integration schemes with other social protection programs of DSWD such as Supplementary Feeding Program, Persons with Disabilities, among others.

## **B. Specific Guidelines**

### **B.1. Program Timeline**

Phase	Month					
	1	2	3	4	5	6
1 <sup>st</sup> phase	Pre-implementation	Social Preparation		Capacity-building	Resource Mobilization	
2 <sup>nd</sup> phase	Project Implementation, Monitoring and Sustainability					

The entire program timeline is divided into two phases:

1<sup>st</sup> phase- 1<sup>st</sup> to 6<sup>th</sup> month (organizing period), which covers activities from pre-implementation to resource mobilization. It is in this phase that program participants will be organized and equipped with necessary capacities supportive to their chosen SLP tracks.

2<sup>nd</sup> phase- (a)7<sup>th</sup>-24<sup>th</sup> month (project implementation and monitoring) which covers the actual implementation of enterprises and engagement in employment opportunities (in some cases, continuation of employment as this may have been facilitated during the 1<sup>st</sup> phase) and the conduct of regular monitoring of field PDOs. (b) 25<sup>th</sup> to 30<sup>th</sup> month (mainstreaming period) covers activities that will integrate/mainstream participants to institutions and other support services for project sustainability.

## **B.2 SLP Stages**

### **B.2.1. Stage 1: Pre-Implementation Stage**

1. The role of the Municipal/City Local Government Unit (M/CLGU) in program implementation is very important. A Memorandum of Agreement (MOA) or Memorandum of Understanding (MOU) shall be forged between the Field Offices and the M/CLGU prior to implementing the program. The MOA/MOU shall provide the specific counterparts, roles and responsibilities of both parties before, during and after program implementation.
2. DSWD convergence strategy must be undertaken for a more holistic program implementation. Field PDOs must ensure completeness and accuracy of information/data to be needed in the SLP through a constant and proper coordination, collaboration and communication with DSWD players in the field and other external partners.
3. Program participants must be properly identified and validated by the field PDOs in close coordination with other members of the Municipal/City Action Team (M/CAT) of DSWD. The field PDOs must ensure that program participants passed the minimal requirements set by the program.
4. The field PDOs may seek technical assistance from the Provincial Coordinator (PC) or FO-based staff of the RPMO should the need arise during this stage.
5. The prescribed timeline for this stage is one (1) month. The field PDOs should take full responsibility in engaging with M/CLGUs, identifying participants and conducting participatory planning activities with program partners. For the latter, the Municipal/City Inter-agency Committee (M/CIAC) shall be organized.
6. The field PDOs must ensure that livelihood agenda will be integrated in the regular meetings of M/CIAC.

### **B.2.2. Stage 2: Social Preparation**

- a. The field PDOs must ensure that identified program participants during the pre-implementation stage will attend all activities under this stage. One of the mechanisms to ensure participation of participants is through the conduct of Family Development Sessions (FDS). If and whenever applicable, the field PDOs should coordinate with the Municipal/City Link (M/CL) to synchronize the conduct of different activities under social preparation with the schedule of

FDS to maximize attendance of Pantawid Pamilya beneficiaries who are also part of the target group of SLP.

- b. In the conduct of the different social preparation activities to include but not limited to *Self-awareness Session, Time Management, Financial Literacy and Participatory Livelihood Issue Analysis (PLIA)*, the field PDOs must ensure quality development of knowledge, skills and attitude of program participants through participatory processes.
- c. In areas where KALAHI-CIDSS was implemented prior to SLP, the field PDOs may utilize the results of Participatory Situational Analysis (PSA) especially on the livelihood concerns being identified as priority problems and projects of the community to complement the results of PLIA. It is expected that Field PDOs should have gathered the PSA results even prior to the conduct of the PLIA as this would anchor strategies in conducting PLIA.
- d. The Self-Awareness session is critical in identifying and crystalizing the participant's goals and plans in moving toward a self-sufficient level of well-being. In this case, the field PDOs must facilitate a process wherein the participants are made aware of their current contexts, and are encouraged to articulate their dreams for themselves and their families. Attainment of self-sufficiency through the conduct of self-awareness may bring about co-ownership and appreciation of program participants for the latter to attain increase level of well-being instead of self-sufficiency.
- e. A signed Letter of Intent (LOI) shall be secured by the field PDOs from the target program participant to set continued commitment and assurance that the participant is interested to attend the capacity-building stage of the program after attending the different sessions under social preparation.
- f. For program participants who are not yet ready to proceed to the capacity-building stage, the field PDOs will endorse them to M/C Link for case management.
- g. The field PDOs should ensure that identified partners whose commitment is to conduct sessions will be engaged accordingly per MOA/MOU signed by DSWD and the partner.
- h. All program participants shall finish the activities under this stage prior to *attending the different capacity-building activities*.
- i. The field PDOs may seek technical assistance from the PC or FO-based staff of the RPMO should the need arise during this stage.

- j. The prescribed timeline for this stage is approximately (2) months after completion of final list of program participants, action plan and MOA/MOU signing of DSWD and MLGU.

### **B.2.3. Stage 3: Capacity-building**

- a. The program participants, after having attended all the required sessions of social preparation stage and after signing the LOI signifying continued commitment and interest in attending capacity-building stage, will undergo the Basic Microenterprise Management Training (BMMT), to better prepare him/her to livelihood opportunities.
- b. It is in this stage that participants will be able to clearly identify livelihood opportunities considering their capacities to manage enterprises, availability of market opportunities and their employable skills for a certain available job market through the help of the field PDOs. With the facilitation of the field PDOs, the program participants should be able to decide on which track of SLP they be engaged in considering all the livelihood issues, capacities and opportunities surrounding them. Participants who are not yet able to decide will be given considerable time to think with the close monitoring of the field PDOs.
- c. Participants who decided to engage into microenterprise shall be assisted by field PDOs to prepare a business/project proposal for a certain enterprise while participants who decided to engage for an employment shall undergo Basic Employment Skills Training (BEST) to prepare participants in his/her employment.
- d. The field PDOs should also ensure that partners whose commitment is to conduct trainings supportive to enhancing program participants' skills for microenterprise or employment opportunities will be engaged accordingly.
- e. The field PDOs may seek technical assistance from the PC or SLP-RPMO should the need arise during this stage.
- f. Trainings conducted can be coordinated with the Institutional Development Division of the FO to ensure that capacity-building activities are being guided and monitored accordingly.
- g. The overall process of the capacity-building must be completed within two (2) months.

#### **B.2.4. Stage 4: Resource Mobilization**

- a. This stage shall refer to the provision of financial and/or non-financial resources to operationalize the participants' enterprises or facilitate access to employment. The role of field PDOs is to facilitate access of program participants to institutions that provide financial and/or non-financial resources. At all times, the provision of financial assistance in the form of capital seed fund will be the last resort.
- b. Required procedures should always be undertaken by the field PDOs in assisting program participants to be referred and be able to access financial or non-financial assistance from external institutions. In case of non-approval of project proposal of program participants by formal funding institutions, participants will then be organized into SKA/SKG. Subject to approval of project proposals and fund availability, provision of capital seed fund from DSWD not exceeding to Ten Thousand Pesos (Php 10,000.00) will be provided following the SEA-K process. The amount extended to SKA/SKG is not considered a loan but part of the capacity-building strategy to teach them to help one another by returning capital assistance they received to roll on to newly organized SKA/SKG.
- c. The SKA/SKG mother proposal should contain the identifying information/data of the SKA/SKG which include the name and address of SKA/SKG, number of members, date organized, amount of requested Capital Seed Fund (CSF), savings account and the name of bank; project description; project composition, savings mobilization strategy; projected cash flow; release and rollback of CSF; and recommendations of the field PDOs. The proposal should be supported with documents such as pictures of members, duly signed constitution and by-laws, photocopy of SKA/SKG bank account, amortization schedule, certificate of eligibility, project summary profile of members and promissory note.
- d. The project proposals and release of fund assistance shall be subject to the approval of the Regional Director. Once approved, the funds will be directly transferred to the account of the SKA/SKG prior to release to members. The group must ensure regularity of rollback until such time that the amortization payment is duly completed. No program participant shall receive capital seed fund from DSWD if he/she is not a member of an organized SKA/SKG. Exception to this rule is the individual referrals. Such individual referrals should undergo the standard protocol and recipients should be able to pass all the requirements prior to endorsing it to external partners for assistance. Provision of CSF and other support will still remain to be the last resort subject to availability of funds.



- e. The CSF provided by DSWD should be returned by the program participants to DSWD within one (1) year based on their amortization schedule. If and whenever necessary, an extension of one (1) year shall be given as maximum leeway if term is not followed. The CSF extended to SKA/SKG shall be returned to DSWD within a maximum period of two (2) years exclusive of a one (1) month grace period. The process of capital seed fund recovery is part of the capacity-building process which inculcates social responsibility to the program participants.
- f. For an effective financial management of SKA/SKG, the following mechanisms shall be implemented:
  - Rollback from SKA/SKG to DSWD shall be remitted to the Regional DSWD Revolving and Settlement Fund Account through inter-branch deposit transaction.
  - All financial transactions shall only be done by authorized SKA/SKG officials. The official mandatory signatories of said withdrawals should be the SKA/SKG President, SKA/SKG Treasurer and either the M/CSWDO or field PDO.
- g. No DSWD ( e.g. field PDOs) and LGU staff ( e.g. M/CSWDO) shall be receiving rollback from SKA/SKGs. The field PDOs may secure a copy of the inter-branch deposit slip of SKA for monitoring and validation purposes.
- h. The field PDOs should ensure that the SKA/SKG has in-place internal policies when it comes to savings mobilization and saving utilization which shall be clearly stipulated in their Constitution and By Laws. Such rules and procedures shall be determined and agreed by the members of the SKA/SKG.
- i. The field PDOs should ensure that identified partners whose commitment is to provide financial or non-financial assistance like loans, start-up kits and employment will be engaged accordingly per signed MOA/MOU between DSWD and the partner.
- j. To sustain SLP interventions, the FOs through the SLP-RPMO shall implement various strategies to safeguard the proper utilization and of capital seed fund to ensure that it will be extended/rolled on to other organized SKA/SKGs.
- k. The overall process of this stage must be completed within one (1) month.

**B.2.5.Stage 5: Project Implementation, Monitoring and Sustainability**

- a. This stage comprises the progressive monitoring of the field PDOs on the program participants and their enterprises being established.

- b. One of the key results of the continuous monitoring and provision of Technical Assistance by field PDOs to program participants is the enhancement of the organizational capacities of SKA/SKGs that leads to sustained enterprises.
- c. The field PDOs should enjoin the participation of program partners and the MAT in ensuring that convergence is taking place in the entire program implementation process.
- d. Proper feedback mechanism should be implemented during and after monitoring activities. Said feedback should be relayed by the field PDOs to concerned individuals or groups for appropriate actions if and whenever necessary.
- e. The field PDOs should submit report to SLP-RPMO with detailed recommendations within three (3) days after the monitoring activities. However, if a decision needs to be undertaken immediately, field PDOs must communicate immediately to the concerned staff at the SLP-RPMO.
- f. Recommendations that need collaborative decision-making among program partners should be dealt with accordingly in a meeting for proper documentation.
- g. For a comprehensive monitoring system, field PDOs should ensure that there is baseline information on the program participants like case folders. Field PDOs must also maintain proper data management of participants' and associations' profiles.
- h. Field PDOs should ensure that all information of program participants and organized SLP associations/groups should be encoded in the SLP Information System. Provided, however, that such data being encoded are accurate, on-time and reliable.
- i. Successful program participants who finished all their obligations to their association and to the program, after the evaluation and recommendation of the field PDOs, will be assisted to be referred to institutions for financial or non-financial resources for a higher level of livelihood intervention. However, in such occasions where referrals made are not successfully attained, the field PDOs should conduct further assessment and shall propose, if and whenever applicable, strategies to further assist program participants utilizing the resources of DSWD subject to approval and availability of funds.

## **B.3 SLP Financial Management**

### **B.3.1. General Guideline**

All funds disbursed should undergo usual accounting and auditing procedures as determined by law, implemented and monitored by concerned government authorities like the Department of Budget and Management, Commission on Audit, among others.

### **B.3.2. Specific Guideline**

#### **1. CDED Fund**

- a. The Community Driven Enterprise Development (CDED) process is composed of five (5) stages, namely: Pre-implementation, Social Preparation, Capacity-building, Resource Mobilization and Monitoring and Sustainability. The entire process is implemented with a minimum of six (6) months extended to at least twenty-four (24) months for project monitoring to ensure sustainability of *livelihood interventions provided*.
- b. The CDED fund will serve as an incentive for partner LGUs and program participants to co-finance the expenses for the various CDED activities in a scheme where DSWD, C/MLGUs, and program participants provide financial and non-financial counterparts. The FOs may also tap non-government and private sector partners as possible resource providers that could co-finance the various CDED activities. It is also meant to ensure the attendance of the participants to the CDED sessions by ensuring their access to minimum logistical support considering that the program's target participants belong to poor families.
- c. The field PDOs must plan the CDED sessions for the program participants in coordination with the Local Chief Executive, MIAC and leaders of the program participants. The said plans must be translated into a funding proposal for CDED activities specifying the rationale, objectives, description of the activities, breakdown of the implementation costs, various fund sources and disbursement schedule. *In this proposal, the total amount being requested from the DSWD CDED funds shall be clearly identified.* The list of program participants should be attached to the proposal. This shall be submitted to the FOs for review. The FOs must then endorse the proposal to the SLP-NPMO for review and downloading of funds.
- d. In consideration of various contexts and needs in the different project sites, the FOs may pursue any of the below-cited options in relation to the utilization of CDED Funds particularly in the conduct of CDED activities.:

- Issuance of a Cash Assistance Payroll containing the list of program participants, and the amount that each participant shall receive based on their attendance to the sessions. In this case, a designated Special Disbursement Officer (SDO) from the Field Office as assigned by the Regional Director shall disburse the funds to the program participants upon their completion of an activity, or a set of activities.
  - Downloading of funds to the group of program participants provided that they are eligible recipients of government funds per COA Circular 2007-001. The group shall comply with RA 9184 and submit liquidation reports to the FOs upon completion of the disbursement of funds.
  - Field Office procurement of suppliers and/or service providers that would provide any type of product or service during the conduct of the CDED activities.
- e. The actual budget for CDED funds shall be set by the SLP-NPMO on an annual basis subject to the availability of funds, and an assessment of the prevailing CDED counterpart requirements from the DSWD based on the previous year's disbursements.

## **2. Capital Seed Fund (CSF)**

- a. Given the thrust of the program to improve the poor's access to financial services, a strategy of linking program participants to formal financial institutions must be done. It is the task of the field PDOs to refer those who have chosen the Microenterprise Development track to public and private sector partners operating within the locality. The said partners could possibly provide financial and non-financial assets to the program participants. The program participants themselves may approach the partners directly, if deemed possible and necessary. All of the participants who have accessed financial and non-financial assets from external partners must be monitored and reported by the field PDOs.
- b. The Self-Employment Assistance Kaunlaran (SEA-K) exists as one of the funding modalities under the Microenterprise Development track. It must be implemented in municipalities or barangays with limited or no formal financial institutions. It should serve the purpose of increasing the capacities of communities to engage in local economic activities, which should eventually encourage private financial institutions to enter the said areas, and expand their coverage to poor families. It should also lead to the organization of community based credit and savings facilities that financial institutions may

tap as wholesale credit providers or conduits for lending to the areas with limited outreach from the financial sector.

- c. The maximum CSF that a qualified program participant may receive from the SEA-K funding modality is **Ten Thousand Pesos (Php10,000.00)**. This should be supported with a project proposal duly approved by the Regional Director.
- d. *Regardless if the enterprise is group or individually managed and/or owned*, the capital seed fund shall be disbursed to the Self-Employment Assistance Kaunlaran Association/Group (SKA/SKG). The SKA/SKG must be composed of at least five (5) members. There shall be no maximum number of members per SKA/SKG as it should be based on production capacities based on the available assets, and market opportunities. The number of members per SKA/SKG shall not be limited to a maximum of 30 members. Regardless of the number of members, it is the responsibility of the field PDOs to provide appropriate TA to ensure project feasibility and SKAs organizational development.
- e. The CSF shall be rolled back from the SKA/SKG to the DSWD within a maximum period of two (2) years following the SEA-K scheme.
- f. It must be emphasized that the amortization schedule within the two-year period shall be jointly determined by the field PDOs and the program participants during the preparation of the project proposal, which should happen during the Capacity-Building Stage of the CDED. It must also be noted that the amortization schedule may vary depending on the project cycle.
- g. Despite the dependency of the amortization scheme on the project cycle, the value and a habit of meeting their rollback obligation regularly must still be instilled among the program participants. In cases of long-gestating projects wherein projected income starts after the 3<sup>rd</sup> month and thereafter, each participant is required to rollback a portion of their capital seed fund once a week or once a month. A resolution or an agreement among the SKA/SKG members shall be made to this effect.
- h. The amortization schedule shall be finalized and agreed upon prior to the release of the capital seed fund. This should be reflected in the approved project proposal. It shall be the basis of the computation for the amount due and demandable for the month, and the generation of data on the rollback rate.
- i. On the basis of instilling social responsibility among the program participants, the SKA/SKG must implement internal rules and procedures in providing

disciplinary measures to delinquent members due to absenteeism, failure to comply schedule of rollback, among others.

- j. For the purpose of consistency and regularity in the rollback system and in assuring that program participants will have a regular meeting for updating and learning-sharing sessions, SKA/SKG members should meet once a week or once a month, whichever is applicable and agreed upon by the SKA/SKG, for the purposes of organizational meeting and updating of financial status. *Field PDOs should meet the SKA/SKG at least once a month for updating and monitoring.* It is during this meeting that SKA/SKG will provide the field PDOs update on their enterprises and financial status.

### 3. Skills Training Fund

- a. Skills training is a capacity-building strategy to prepare program participants to better manage their chosen livelihood options either establishing a microenterprise or engaging into employment. Skills training is a pro-active way of ensuring that program participants will be able to perform the required competencies as deemed necessary and important in the enterprise or employment that he/she is about to engage with. The skills training may be in form of pure acquisition of technical skills and knowledge or combined with the provision of starter kits/inputs.
- b. The actual budget for skills training funds shall be set by the SLP-NPMO on an annual basis subject to the availability of funds, and an assessment of the prevailing skills training counterpart requirements from the DSWD based on the previous year's disbursements. The maximum amount for the skills training grant that may be provided to qualified program participant is **Twenty Thousand Pesos (Php20,000.00)**. It is intended to enable the beneficiaries to participate in technical-vocational training courses and other identified skills training.
- c. The training fund covers the full registration/training fee and in some cases, it covers transportation (fare from residence to training venue, vice versa) and food expenses (meals going to and from the training venue and during the training), as well as starter kits to establish a microenterprise or for employment of the participants. The actual amount of training fund for each *eligible participant should be based on the cost parameters set by SLP-NPMO* for the fiscal year provided that all other expenses aside from the registration/training fee is still within the maximum grant amount of Php20,000.00.
- d. Starter kits are physical assets that will enable program participants to practice the acquired/learned skills during the training. These kits are set of

materials or equipment that are necessary in starting the enterprise or in the employment of the participant. The kits include tools, utensils, machineries, ingredients, inputs, among others. The starter kits shall only be provided after the participants passed the required skills training or depending on the requirements of the training institute conducting the skills training.

- e. Counterparts from the participant or other stakeholders will be requested should the budget exceed the maximum allotted amount for skills training.
- f. In consideration of various contexts and needs in the different project sites, the FOs may pursue any of the two options in relation to the utilization of the Skills Training Funds:
  - Fund transfer to any government training institution such as but not limited to TESDA schools or any TESDA accredited technical-vocational institutions (TVIs) and also TRC and ATI. This shall be facilitated through the preparation of a project proposal and a MOA/MOU duly approved by the authorities among all the parties involved.
  - Field Office procurement of suppliers and service providers for all the training expenses, including but not limited to the honorarium of the resource person/s, board and loading, transportation, and other incidental costs. These transactions shall be in accordance with existing DBM guidelines and standard training cost parameters of the DSWD.

Procedure:

**Skills Training under the Microenterprise Development Track**

- a. *As a requisite, program participants should have submitted a project/business proposal to field PDOs as indicated in item B.2.3.c.*
- b. *Field PDOs to review the project/business proposals submitted by the program participants and assess if the requested skills training (this should be integrated in the project proposal of the participant) will highly support the productivity and profitability of enterprises with assurance that there are available market opportunities.*
- c. *After the assessment, the field PDOs should submit Skills Training Proposal which contains the rationale, objectives, description of the training, expected outputs, budgetary requirements (description, unit cost) and budget source, monitoring and evaluation schemes, post training plans, among others.*
- d. *Attached to the training proposal is the post-training plan which highlights the information of the participant's enterprise basing from the project proposal submitted to the field PDOs. It shall contain description of the*

*enterprise, list of potential/assured markets, projected monthly cash flow, among others to assure that the skills training is indeed leading to productive and profitable enterprise.*

- e. The FO, through its Regional Director, must submit the proposal to SLP-NPMO for review, approval and downloading of necessary funds.*
- f. In the event that the participants choose to undergo skills training only but not willing to receive starter kits , they may submit a proposal to avail CSF to start their enterprises which will be for further review and approval under the SEA-K modality if not accepted by micro-finance institutions. (The CSF is on top of the skills training grant of 20,000.00.)*

#### **Skills Training under the Employment Facilitation Track**

- a. As a requisite, program participants should have undergone the Basic Employment Skills Training (BEST).*
- b. The program participants, with the assistance of the field PDOs, will submit an employment plan containing background of the proposed employment, start and duration of employment, location of employment and available skills of the participant.*
- c. The field PDOs will review the plan and validate it by matching it with existing labor market demand taking into consideration the needed skills requirements of the target employers and the available skills of the participant.*
- d. After having reviewed and validated the plan, the field PDOs shall draft a training proposal for submission to SLP-RPMO. The proposal should indicate the rationale, objectives, budgetary requirements and budget source, post training plans, among others.*
- e. Attached to the training proposal is the post-training plan which details information on the potential/assured employability of the participant as a result of employment linking/facilitating activities conducted by the field PDOs. It shall contain the list and background of probable/assured employers, proof that the employer needs skilled manpower for the available positions, target employment duration, nature and location of employment.*
- f. The SLP-RPMO, after having reviewed the proposal, shall endorse it to the Regional Director for approval and once approved, endorse it to SLP-NPMO for review, approval and downloading of necessary funds.*

#### **4. Cash for Building Livelihood Assets (CBLA) Funds**

- a. CBLA is a strategy in developing physical and natural assets to increase livelihood gains which is implemented through short-term community mobilization activities that provides an allowance that is equivalent to 75% of the prevailing daily regional wage; the*



establishment or rehabilitation of common service facilities within the community to increase production as well as the viability of the program participants' enterprise and CFW also serves as a skills training activity for the participants which could increase their employability given their work experience.

- b. CBLA funds will be utilized for labor-intensive projects that are being identified as priority and/or necessary during the conduct of PLIA or along the implementation of SLP. The projects identified where the CWF-BLA funds to be used should be able to open up opportunities to harness or enhance natural resources to be more productive. In this manner, the CBLA funded project will be able to support the proposed or existing resource-based livelihood activities of poor households that are being facilitated by SLP or by partners.
- c. CBLA addresses the need to develop natural assets to enhance agri-based livelihoods such as farming, fishing, among others to increase productivity and profitability in Pantawid Pamilya and other vulnerable municipalities where physical assets linking to these resources are not well developed, ready market opportunities for the produce and community support to sustain the investment is assured.
- d. CBLA will be implemented through public-private partnership involving National Government Agencies and private sectors.
- e. As to operations of the CBLA, the following procedures should be followed:
  - 1. The prescribed rate and duration of assistance for the CBLA is seventy-five percent (75%) of the prevailing daily regional wage and it shall on the average be not more than ten (10) days excluding a one (1) day pre-CBLA orientation session. However, if in the assessment of the MIAC there is a need to extend such for valid and justifiable reasons, this can be extended by FOs after such extension is approved by the Regional Director, subject to SLP fund availability. The allowable extension should not be more than three (3) months following regular working day schedules.
  - 2. The CBLA projects should be a result of the PLIA conducted during the social preparation stage. The field PDOs should conduct further participatory community investigation to validate the result of the PLIA and present the results to the Municipal Inter-agency Committee (MIAC). Should the MIAC find the importance of the intervention, a MIAC sub-committee or technical working group shall be organized to oversee the entire implementation of the CBLA in close coordination with the field PDOs. The role of the sub-committee/TWG on CBLA

starts from the drafting of proposal until project monitoring and evaluation.

3. All proposals should be submitted to the FOs thru the SLP-RPMO. The proposals should be reviewed by the CDED officer and provide recommendations thereof. The SLP Regional Project Coordinator shall further review the proposals and the recommendations of the CDED officer prior to submission to the Assistant Regional Director for Operations for further review and to Regional Director for approval. After the approval of the RD, the SLP-RPMO should forward the proposal to concerned entities like DSWD, NGAs, CSOs and private partners and other stakeholders for funding and other partnership collaboration.
4. The CBLA projects could be funded by external partners, DSWD, NGAs, CSOs and private partners or a collaboration of the aforementioned entities. If the project will be funded by DSWD, the FO through the Regional Director should endorse it to SLP-NPMO for review, approval and downloading of needed funds.
5. If the proposal were already approved, the field PDOs should inform the MIAC and shall conduct project planning with the Sub-committee/TWG- CBLA.
6. The following are the activities to be conducted in the community for the CBLA:
  - a. Organization of CBLA Team
    - *The team shall be composed of representatives from the MIAC-TWG/Sub-committee on CBLA, MAT and Barangay Council where the project will be implemented*
    - *The team is responsible in identifying and selecting participants for the CBLA, project implementation, monitoring and evaluation.*
  - b. Selection of Participants
    - *The 1<sup>st</sup> priority participants are the Pantawid Pamilya beneficiaries who already participated in the different social preparation and capacity-building activities of SLP. Non-pantawid beneficiaries such as those listed by NHTS-PR are considered 2<sup>nd</sup> priority participants. Least priority participants are those identified poor households based on the validation conducted by field PDOs and other poor households like those being delisted in the Pantawid roster due to system error. Other priority participants as previously mentioned may only be allowed to participate in cases where target Pantawid beneficiaries have been listed and there is still a need of more workers.*
    - *SKA/SKGs can be a recipient of the CBLA provided that their project will support/enhance the marketability of their enterprises*

*and should undergo the qualifying stages as stated in the previous paragraphs.*

- *The participants should be skilled as required by the project.*
- *Only one participant per household per project/work will be allowed. However, if there is a limited manpower source, additional participants from each household that have already selected participant may be included. The field PDOs should ensure that other deserving households can access this opportunity.*

c. Orientation of CBLA

- *The participants, after having been identified and selected, will be invited for an orientation on the work to be undertaken.*
- *Should the participant fail to attend the orientation, he/she will be provided with a chance provided further that the reason of his/her absence is valid.*

d. Actual work

- *The duration of work should be 8 hours per day. The start and end time should be determined and agreed by the group during the orientation.*
- *There will be a daily time record/attendance to be signed by the participants.*
- *Should the participant provide lesser working hour other than the prescribed 8 hours daily working hours, his/her rate should be computed by the daily rate divided by the number of hours rendered.*

e. Payment

- *The payment of the work rendered should be reflected in the payroll to be prepared by the CBLA team. The attachments of the payroll are the attendance sheets during the orientation, daily time record/attendance and photo documentation.*
- *The payment shall be made by week or as agreed by the participants during the orientation.*
- *Payment shall be in form of cash or check. Said payment can be deposited to SKA/SKG account if the latter is a recipient of CBLA. For other recipients, the Disbursing Officer or any authorized staff of the Field Office shall disburse the funds to the beneficiaries. The Field Office may opt to employ certain control measures on the disbursement of such fund to avoid implementation delays and manage financial risks.*

7. The CBLA activity shall be reported under the capacity-building stage under the microenterprise development track, which supports the establishment of productive community-based enterprises. However, the actual microenterprise projects and/or employment activities that were created as a result of the CBLA must be reported as an

accomplishment under the resource mobilization stage, provided that it meets the minimum quality standards of the program.

#### **5. Special Projects lodged under SLP**

- a. The SLP may be assigned to implement special projects related to microenterprise development and employment facilitation. It must be noted that all such projects shall follow the CDED scheme, and shall be aligned to the general SLP objectives and processes.
- b. Separate guidelines detailing the specific objectives, policies and processes of the special projects shall be jointly executed by the various proponents of the projects.

### **IV. INSTITUTIONAL ARRANGEMENTS**

#### **A. Sustainable Livelihood Program – National Project Management Office**

1. Formulate the annual thrusts and priorities of SLP congruent to Department's goal to be translated into an annual work and financial plan to guide SLP-RPMOs in the implementation of the different stages of SLP.
2. Provide clear guidelines as to fund management, activity procedures, target setting and others that may be deemed important.
3. Provide continuous monitoring and technical assistance to SLP-RPMOs through its Regional Field Monitors ensuring that processes are undertaken properly and that resources are maximized efficiently and effectively within the agreed timeline as reflected in SLP-RPMO's annual Work and Financial Plan.
4. Facilitate or provide the needed capacity building/development activities of field implementers to equip them with the required knowledge, skills and attitude in performing their duties and responsibilities. Such training is in accordance with the result of Training Needs Analysis, consultation dialogues with SLP-RPMOs and in line with the demand of the program in achieving its goals.
5. Strengthen mechanism to institutionalize partnership management to widen and sustain networks with NGAs, CSOs and private sectors. Such mechanisms shall be cascaded to SLP-RPMOs for their implementation.
6. Ensure that standard operating procedure as to fund management is being implemented to include but not limited to the following:

- Download funds according to approved annual budget and SLP and DSWD cost parameters following the fiscal procedures set by the Department through the Financial Management Service
- Download funds to FOs through the SLP-RPMOs only after all required documents are being submitted
- Fund utilization is within the existing standards of DBM and subject to the rules and procedures of the Commission on Audit.
- SLP-NPMO to monitor the proper utilization of funds as to the prescribed program operations guideline

**B. Financial Management Service – DSWD Central Office**

1. Provide technical assistance to SLP-NPMO on budgetary, financial and cash management matters of the program.
2. *Sub-allot, transfer funds and realign funds based on request.*
3. Participate/act as resource person during the national program implementation review.

**C. Regional Level – SLP Regional Project Management Office**

1. Manage and coordinate/supervise the regional implementation of the SLP in partnership with public and private sectors.
2. *Conduct regular monitoring of the programs and the progress of the enterprises and employment status and ensure close coordination with other partner agencies/organizations (NGAs, CSOs, MFIs, and other potential partners) and LGUs in the implementation of the program to ensure project sustainability.*
3. *Provide technical assistance and capability building to LGUs and program participants.*
4. Actively engage enterprise and employment development partners for SLP.
5. Mapping of potential BDS, MFIs, and Local Employment partners.
6. Conduct forum for the potential partners in the implementation of the program.
7. Submit an annual work and financial plan and/or project proposals to SLP-NPMO as basis for funding allocation.

8. Provide inputs in the formulation of policies, guidelines and strategies, as well as continuing livelihood program development and innovations

**D. Municipal/City Local Government Units (M/CLGUs)**

1. The M/CLGUs shall be the co-implementer of the Department and shall support and advocate in the attainment of SLP goals of inclusive socio-economic development by extending all forms of support services to the program.
2. Designate a full-time livelihood worker with provision of sufficient mobilization expenses in relation to the performance of his/her duties as the counterpart of the field PDOs in the community level implementation of the SLP.
3. Coordinate, monitor and if deemed necessary, provide augmentation in all phases of implementation of the program in their respective areas of jurisdiction.
4. Identification and assessment in terms of readiness/preparedness of the potential participants to engage in Sustainable Livelihood Program.
5. Facilitate provision of other support services to the households to ensure that they will move toward self-sufficiency.

**E. NGAs, CSOs, MFIs and Private Sectors**

1. Coordinate with DSWD particularly the SLP-NPMO or SLP-RPMOs in partnering in the implementation of the different program components specific to the services being provided by them.
2. Extend appropriate services (training, capital assistance, manpower, etc.) for business advancement and/or expansion and for competitive labor skills for employment which will benefit the program participants and their communities.
3. Extend other form of services for the development of the program participants as maybe identified during the implementation of partnership agreement.
4. Implement the program in their area of coverage following the agreed mechanisms as reflected in the MOA/MOU.
5. Act as resource person in project-related training/workshops/seminars as requested by the program participants or from SLP-NPMO/RPMOs that will better enhance their capacities to implement the components of the partnership.

## VI. EFFECTIVITY

This Memorandum Circular shall take effect immediately and shall provide additional guidelines in the implementation of SLP. Statements which contradict some provisions of previous orders or circulars shall be amended by the provisions of this Circular.

Issued in Quezon City this 7th day of April 2014.

  
**CORAZON JULIANO-SOLIMAN**  
Secretary