

ABND in the Philippines:

Highlights of the Rapid Assessment Protocol (RAP) Workshop

28, 29 September 2015

Participants

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Overview

On September 28 and 29, a Rapid Assessment Protocol (RAP) workshop, chaired by the Department of Labour and Employment (DOLE), was held as part of the ABND exercise, currently conducted in the Philippines. The objectives of the workshop were to enrich and finalize the existing draft scenarios, to define the specific parameters for costing, and consequently to finalize the RAP model and assessment matrix. Representatives from government agencies, workers and employers organizations, social service providers, non-governmental organizations, and the UN agencies were present.

On the first day, a short introduction to the draft RAP model and the draft scenarios was given by DOLE and the ILO. Afterwards, the participants of the workshop were broken into groups to discuss and finalize the parameters of the scenarios for costing. On day two, the results of the

discussions were presented and discussed by the whole group, and it was agreed upon finalized scenarios for costing. In the afternoon of day two, representatives of the Core Group finalized the assessment matrix and decided upon which non-costable recommendations should be presented to the Human Development and Poverty Reduction (HDPR) cluster, as a next step of the ABND process in the country.

The highlights of the discussions are presented below, according to social protection floor guarantee and scheme. In addition to that, an overview of the finalized scenarios and respective parameters for costing is presented at the end of the document.

SPF 1 – Health

PhilHealth

Subsidize social insurance premiums for the informal sector by the government

- The question on how to define the informal sector workers to be covered by the subsidy, was discussed extensively. As agreed, the subsidy should be targeted at vulnerable and near-poor informal sector workers, not covered by the government subsidy provided to families included in the National Household Targeting System for Poverty Reduction (NHTS-PR).
- The issue on how to define the target group has not been solved during the workshop. For now, the RAP model estimates the target group based on the number of informal sector workers, multiplied by the poverty share (approximately 25%) in the country.
- An alternative way of defining the target group could be the selection of vulnerable employment and working poverty according to specific industries and occupations as proxies. The Labor Force Survey (LFS) data includes vulnerable employment, defined as self-employed workers and family workers without pay. The data could be further disaggregated by industry and occupation in order to arrive at an estimated number and/or rate of vulnerable informal sector workers. Another data source is the merged Family Income and Expenditure Survey (FIES)-LFS. Working poverty numbers and/or rates by basic sector can be used to arrive at an estimated number and/or rate of vulnerable informal sector workers.

SPF 2 – Children

Pantawid Pamilyang Pilipino Program (4Ps)

For the 4Ps, various recommendations will be costed, with priority given to the increase in the benefit amounts provided to beneficiaries.

Increase the health and education grants

- It was decided by the participants to propose a 20% increase of the grants provided for health and education, so that the increased health grant would amount to PHP 600 per household (up from PHP 500), and the education grant to PHP 360 (up from PHP 300) per elementary school child and PHP 600 (up from PHP 500) per high school child. Studies on the 4Ps suggest that a 20% raise does not promote dependency of the beneficiaries, yet provides a sufficient increase in the grant rates.
- Additionally, another scenario for costing in the RAP model proposes a 20% increase in the grant rates, plus an adjustment every five years, based on the cumulative inflation rate of the past years.
- It was pointed out that data on the age breakdown of current 4Ps beneficiaries would be needed to cost such scenarios. DSWD agreed to share the data as requested.

Expand coverage

- It was agreed that more than three children per household (if applicable) should be covered by the education grant, currently limited to three children per household. In the scenario for costing, all eligible children in 4Ps beneficiary households would receive the benefits.
- In order to cost such a scenario, data on the age breakdown of current 4Ps beneficiaries, the average household size of 4Ps beneficiary households and the average age of children in these households, is needed.

Provide a fortified cereal mix to 6-24 months old children under 4Ps

- It was decided to provide food or cereal vouchers to 4Ps beneficiary families with children aged 6-24 months, amounting to PHP 390 per month (PHP 13 per day for 30 days). The vouchers are meant to be supplied on a monthly basis by FNRI DOST, in partnership with LGUs.
- Again, data on the age breakdown of current 4Ps beneficiaries, specifically data on 0-2 year olds, is needed for the costing of the recommendation. It was stated that in 2011, 1,790,796 below 2 year olds were part of the 4Ps.

Supplementary Feeding Program (SPF)

Provide meals to all children in school, for the whole school year (200 days), instead of only 120 feeding days

- It was mentioned that the cost of providing a meal per day amounts to approximately PHP 13-15 per student. Additionally, one should not neglect the one-time cost of providing equipment, such as weighing scales, to schools.
- Furthermore, representatives stated that it is currently being discussed, whether the programme should be reformed into providing food vouchers, instead of meals, to the students.

Food voucher for undernourished 2-4 year olds (NEW)

Provide a food voucher to undernourished, 2-4 year old children, as based on their nutritional status

- It was proposed to provide a food voucher to undernourished 2-4 year olds, as based on their nutritional status. The programme would be implemented independently from the 4Ps.
- The group has discussed various sources of data on the nutritional status of children, such as the National Nutrition Survey (NNS), which is conducted every 5 years. Nevertheless, no conclusions have been reached on the specific scenarios and parameters to compute the cost of the proposed scheme.

SPF 3 – Working Age

Social Security System (SSS)

Introduce an employment insurance (EI) scheme with job search assistance

- For the costing exercise the focus will be on a job search allowance, provided under the employment insurance scheme, while the job search assistance will not be included in the RAP.
- It was agreed that various benefit replacement rates, 50% and 60%, and time periods for payment, 3 to 6 months, will be included in the costing model.
- Moreover, it was agreed, that the government should provide seed money for the set-up of such a scheme, in form of a subsidy, potentially amounting to 30% and 50%.
- Additionally, it was highlighted that certain conditions for avilment should apply, including an involuntary layoff of the worker. On average, about 700,000 workers registered with SSS are laid off involuntarily every year.
- It was noted on the side that with the introduction of an employment insurance scheme, the separation benefit, currently provided by the employers, might be phased out.

Partly subsidize social insurance premiums for the workers in the informal sector, by the national government

- The subsidy should be targeted at low-income informal sector workers. The target group will be defined as self-employed, excluding non-poor groups based on profession, i.e. business men and professionals. It was discussed that the target group should not include unpaid family workers, as no counterpart contribution can be provided from their end. According to SSS, the target group for 2015 would then count approximately 7 million workers.
- It was decided to include a 30% and 50% government subsidy in the costing model.

Technical Education and Skills Development Authority (TESDA)

Provide a daily sustenance allowance to low-income people enrolled under TESDA

- The scenario was only discussed briefly, with the amount of the daily sustenance allowance not decided upon. Options for costing include an allowance amounting to share or multiple of the poverty line.
- Moreover, it remains to be agreed upon, how to define low-income trainees. The most feasible option would be to target enrollees living below the poverty line.

Employment Guarantee Scheme (NEW)

Introduce a guaranteed employment scheme, providing wage-employment for a defined number of days per year

- It was decided to proceed with the costing of an employment scheme, guaranteeing 70 / 80 / 100 days of employment. The scheme should target unemployed and underemployed primarily, specifically the ones in low-skilled and low-paid occupations and industries, and workers with low educational attainment.

SPF 4 – Elderly

Social Pension for Indigent Senior Citizens

Increase the present amount of social pension for the elderly and index the benefits on inflation

- It was decided to cost various scenarios, wherein the pension amount provided to the pensioner differs. The lower option constitutes a benefit amount of PHP 750, while the higher option amounts to PHP 750, adjusted to cumulative inflation, every 5 years. It was pointed out by COSE, that an estimated PHP 1,500 per month would be necessary to meet basic living requirements, however, starting at PHP 750 and slowly increasing the amount is considered a more feasible option.

Extend the coverage of the social pension to cover more elderly, who are not receiving any pension income

- As currently only a small share of elderly receive any kind of pension income in the country, COSE developed various options on increasing the coverage. These options further discussed for costing during the RAP workshop include:
 - Redesign the current social pension and extend coverage to all senior citizens aged 60 years and above for universal coverage.
 - Develop a universal scheme limited older people aged 70 / 80 years and above, and employ a means test for 60 to 70 / 80 year olds.

- Target all elderly aged 60 and above and use some form of pensions test, i.e. senior citizens receiving a contributory pension from SSS/ GSIS are not eligible for universal pension. Currently, about 20% of the elderly receive some form of pension income in the Philippines.
- In order to estimate the number of poor elderly, the poverty share of the elderly population, amounting to 33% according to COSE, is applied.
- Additionally, it was pointed out that the administrative cost of pension schemes should not be higher than 7%. It was agreed that the take-up rate for the schemes should be 100% from year one onwards. In reality it might not be feasible to cover 100% of the target group from the beginning onwards, so that progressive realization, starting eligibility at a higher age and slowly decreasing the age, might be more feasible.

Other Vulnerable Groups

Persons with Disabilities (PWDs)

Provide a disability allowance to all PWDs / Provide a disability allowance to all PWDs, not receiving any other support from social insurance schemes

- It was pointed out that data on PWDs might not be reliable and complete, as families might not report PWDs, due to stigmatization. Furthermore, the census (2010) and the NHTS-PR (2011) provide different numbers on PWDs.
- For the definition of the target group, two costing options were developed. Firstly, the provision of an allowance to all PWDs will be costed; secondly, the provision of an allowance to PWDs, not receiving any other allowance from social security schemes, will be included in the RAP.
- A question on the combinability of the disability allowance and the old-age pension was raised. It remains to be discussed, as to whether elderly PWDs, eligible for an old-age pension, would still be eligible to receive the disability allowance.
- It was proposed to call the benefit 'allowance' rather than 'pension', as children with disabilities will be benefitting from it, too. Furthermore, similar to the social pension, a take-up rate of 100% and administrative cost amounting to 7%, will be included in the RAP model.

Next steps

As a next step, the outputs of the RAP workshop, including the highlights of non-costable recommendations in the matrix, and the costing model, will be presented to the HDPR cluster. For that matter, it was agreed to hold another Core Group meeting in preparation for the presentation. In the meantime, DOLE will prepare the list of non-costable recommendations, as agreed upon by the group.

Programme	Recommendation	Parameters for Scenarios					
		Beneficiaries	Benefit amount	Government subsidy	Benefit duration	Take-up rate	Administrative cost
SPF1 – Health Care							
PhilHealth	<i>Subsidise social insurance premiums for near-poor members of the informal sector, by the national government</i>	Near-poor informal sector members	Inpatient and outpatient care	30% of premiums	Indefinite	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	5%
				50% of premiums			
				100% of premiums			
SPF2 – Children							
4Ps	<i>Increase the benefit amounts provided under 4Ps</i>	4Ps beneficiaries (up to 3 children per household for education grant)	20% increase in benefits; <u>Health (per household):</u> PHP 600 (up from PHP 500); <u>Education (up to 3 children):</u> PHP 360 (0-14 year olds, up from PHP 300), PHP 600 (15-18 year olds, up from PHP 500)	Fully funded by the government	Until child reaches the age of 18 years	100%	3%
	<i>Increase the benefit amounts provided under 4Ps and index grants to inflation</i>	4Ps beneficiaries (up to 3 children per household for education grant)	20% increase in benefits; <u>Health (per household):</u> PHP 600 (up from PHP 500); <u>Education (up to 3 children):</u> PHP 360	Fully funded by the government	Until child reaches the age of 18 years	100%	3%

			(0-14 year olds, up from PHP 300), PHP 600 (15-18 year olds, up from PHP 500); Index the grants to inflation, with an increase every 5 years, using the cumulative inflation rate				
	<i>Increase the 4Ps benefit amounts (20% increase) and provide the 4Ps education benefit to all qualifying children (i.e. below the age of 18 years) in beneficiary households.</i>	4Ps beneficiaries (all eligible children in beneficiary households)	20% increase in benefits; <u>Health (per household):</u> PHP 600 (up from PHP 500); <u>Education (all eligible children):</u> PHP 360 (0-14 year olds, up from PHP 300), PHP 600 (15-18 year olds, up from PHP 500)	Fully funded by the government	Until child reaches age beyond 18 years	100%	7%
	<i>Provide food or cereal vouchers to 6-24 months old 4Ps beneficiary children</i>	4Ps beneficiaries 6-24 months old	Vouchers of PHP 390 per month (PHP 13 per day, for 30 days)	Fully funded by the government	Until child reaches age beyond 24 months (2 years)	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	5%
Food vouchers for 2-4 year olds (NEW)	<i>Provide food vouchers for families with undernourished children aged 2-4 years old</i>	All undernourished children aged 2-4 years <i>(Note: Data from National Nutrition Survey, conducted every 3-5 years)</i>	<i>(Note: Consider costing computation for food threshold, c/o PSA)</i>	Fully funded by the government	Until child reaches age beyond 4 years	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	8%

		<i>might be available)</i>					
Supplementary Feeding Programme	<i>Provide a meal to all children in public schools (K to grade 6) under SFP, for the whole school year</i>	Public school students, K to grade 6 (currently provided from K to grade 3)	One meal per day (costing PHP 15 per day)	Fully funded by the government	200 days per year (up from 120 days)	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	3% <i>(Note: Include operating cost, c/o DepEd)</i>
SPF 3 – Working Age							
Social Security System	<i>Introduce an employment insurance scheme, wherein the national government subsidizes the contributions partially</i>	Unemployed SSS contributors <i>(Note: With the introduction of such a scheme the severance pay would be phased out)</i>	Replacement rate of 50% of the wage	30% government subsidy (to be considered as seed money)	3 months	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	10%
			Replacement rate of 60% of the wage	50% government subsidy (to be considered as seed money)	4 months		
					6 months		
	<i>Partly subsidize social insurance premiums for poor/vulnerable workers of the informal sector, by the national government</i>	Informal sector workers <i>(Note: targeted at self-employed, excluding non-poor groups based on profession, i.e. business men, professionals)</i>	Maternity, disability, death, sickness, loans, etc. provided under SSS	30% government subsidy	Indefinite	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	10%
	50% government subsidy						
TESDA	<i>Provide a daily sustenance allowance to low-income people enrolled under TESDA training courses and Training for Work Scholarships.</i>	Low-income TVET students <i>(Note: potentially targeted at students not receiving any other allowance, need for data)</i>	Allowance at the national poverty threshold per day, indexed to inflation	Fully funded by the government	Duration of the course <i>(Assumption: TESDA courses last for 4 months per year)</i>	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	5%
		Allowance at twice the poverty threshold per day,					

			indexed to inflation				
Employment Scheme (NEW)	<i>Introduce a guaranteed employment scheme, providing wage-employed for a defined number of days per year.</i>	Unemployed & underemployed, specifically low-skilled workers	Minimum wage	Fully funded by the government	70 days	1st year: 25% 2nd year: 50% 3rd year: 75% 4th year: 100%	15%
			Minimum wage and social insurance coverage		80 days		
					100 days		

SPF 4 – Elderly

Social Pension for Indigent Senior Citizens	<i>Increase the present amount of social pension for the elderly.</i>	Poor elderly aged 60 and above	PHP 750 per month	Fully funded by the government	Until death	100%	3%
		<i>(Note: as defined by the poverty share for elderly, at 33%)</i>	PHP 750 per month; Index the benefit to inflation, with an increase every 5 years, using the cumulative inflation rate				
<i>Extend the coverage of the social pension to cover more elderly, who are not receiving any pension income.</i>		Social pension for poor elderly aged 60 and above and universal coverage for all elderly aged 70+	PHP 750 per month	Fully funded by the government	Until death	100%	3% for social pension, 7% for universal pension
		Social pension for poor elderly aged 60 and above and universal coverage for all elderly aged 80+					
		All elderly aged 60 years old and	PHP 750 per month				

		above, not receiving a pension from SSS or GSIS				<i>(Note: progressive realization would practically imply that the age of eligibility is lowered gradually, until target is reached)</i>	
		All elderly aged 60 years old and above	PHP 750 per month			100%	7%
Cross-cutting							
Programmes for PWDs	<i>Provide a disability allowance to all PWDs / Provide a disability allowance to all PWDs, who do not receive any allowance from social insurance schemes</i>	All PWDs / PWDs who are not receiving any benefits from SSS and GSIS	PHP 750 per month	Fully funded by the government	Until death	100%	7%
			PHP 750 per month; Index the benefit to inflation, with an increase every 5 years, using the cumulative inflation rate				
			PHP 1500 per month				
			PHP 1500 per month; Index the benefit to inflation, with an increase every				

			5 years, using the cumulative inflation rate				
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