Poverty and Inequality Reducing Programs: Lessons from the Philippines

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Poverty and Inequality Reducing Programs

1. 4Ps Conditional Cash Tranfer to reduce inequalities in opportunities in education and reduce intergenerational poverty

2. Community Based Monitoring System (CBMS) as a tool to reduce poverty and inequality at the local level

The Philippines' Conditional Cash Transfer Program: Pantawid Pamilyang Pilipino Program (4Ps)

Program Description

- To promote investment in human capital that ensures children belonging to poor households, aged 0-18, grow up healthy and stay in school
- Utilizes the conditional cash transfer scheme wherein beneficiaries receive cash grants based on their compliance to their co-responsibilities

Annual budget of 4Ps Program, in million PhP, 2008-2017

Budget category/Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total	1,297	8,300	10,000	21,194	39,445	44,911	62,614	62,323	62,666	78,187
Cash Grant	299	5,000	10,000	17,138	35,447	40,417	57,575	56,140	56,025	72,115
Training	-	-	-	1,625	703	507	219	219	219	158
Salaries	-	-	-	716	1,877	2,375	3,351	3,351	3,410	3,817
Cost of Services	-	-	-	-	-	-	261	1,078	1,187	821
Bank Service Fees	-	-	-	171	346	426	550	700	782	695
Advocacy	-	-	-	333	252	94	40	60	60	33
Capital Outlay	-	-	-	218	133	0	80	24	0	0
Monitoring & Evaluation	-	-	-	677	686	67	216	429	434	243
Administrative Expense	-	-	-	-	-	370	322	322	549	305

Note: - no available details
Source: Department of Social Welfare and Development (DSWD)

Eligibility

- Household is “poor” based on the Listahanan (formerly known as the National Household Targeting System for Poverty Reduction)
- Must have children aged 0-18 or have a pregnant member at the time of the enumeration. The program expanded the age coverage of eligible children beneficiaries from 0-14 to 0-18 years old to ensure that school-aged children will be given financial assistance until they reach 18 years old or finish high school, whichever comes first.
- Must be willing and able to comply with the conditionalities of the program as part of their co-responsibilities.

Program Features/Design

- Health Grant: P500 per month
- Education Grant
  - Elementary - P300 per month for 10 months
  - High School – P500 per month for 10 months
- Maximum of three (3) children per household is covered by the program
- Children beneficiaries are covered until they exceed the age 18 or finish high school, whichever comes first.
- Accordingly, the household will exit from the program when all the children beneficiaries graduate from high school or reach the maximum age of eligibility.

Conditionalities

FOR EDUCATION

- Children 6-18 years old enroll in primary/secondary schools or equivalent Alternative Learning System/Alternative Delivery Method, and have at least 85% school attendance
- Children 3-5 years old attend daycare/preschool program with at least 85% school attendance
- High school students are required to obtain a passing General Weighted Average (GWA) prescribed by the DepEd. High school students must also be promoted to the next grade level in the succeeding school year.

Conditionalities (cont'd.)

FOR HEALTH

- Children 0-5 years old get regular preventive health check-ups, growth monitoring and vaccines
- Pregnant women get pre-natal care and attended by skilled/professional health worker during child birth.
- Mothers who have given birth get post-natal care in accordance with the standard DOH protocol
- Children 6-14 years old must receive deworming pills twice a year

Conditionalities (cont'd.)

FOR FAMILY DEVELOPMENT SESSION

- Eligible households will have to attend the Community Assembly (ComAss) for their actual registration for the program. Households are required to submit documentary requirements such as marriage certificate and birth certificates of the children

Number of Beneficiary Households in millions

Source data: DSWD

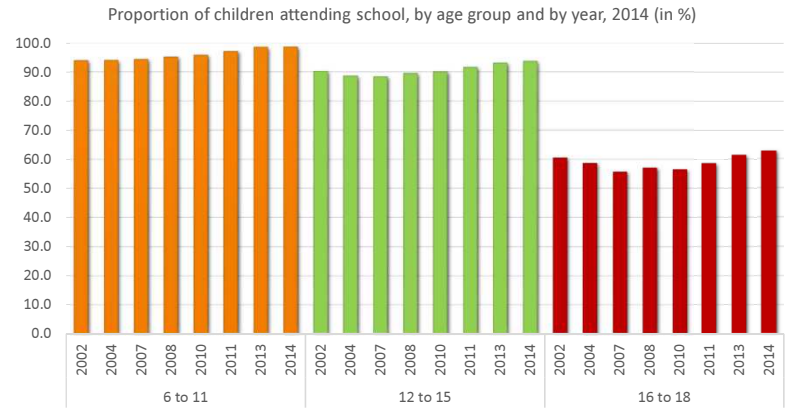
Findings: Impact Evaluations 1 & 2

- Increased school enrolment, school attendance, and access to key maternal and child health care services.
- The program keeps children in school. The program also increases households' investment in education.
- It keeps poor children healthy; reduced severe stunting.
- Reduced hours of child labor among poor children.

Findings: Impact Evaluations 1 & 2

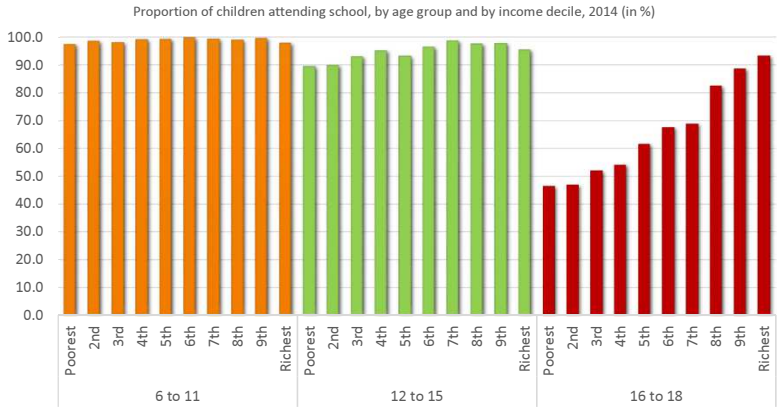
- The program also encouraged poor mothers to avail maternal health care services and the poor children to take up Vitamin A, deworming pills, and regular weight monitoring.
- More Pantawid mothers delivered in health facilities and accessed postnatal care services by skilled health professionals.
- The program has not affected decisions to work and fertility rates.

Proportion of children attending school has been increasing over time



Source of basic data: Philippine Statistics Authority, Annual Poverty Income Survey

Proportion of children attending school increases with income



Source of basic data: Philippine Statistics Authority, Annual Poverty Income Survey

More than half of those who have been in the program for at least 5 years are still poor

Magnitude of poor families and Poverty incidence by year of entry in 4Ps

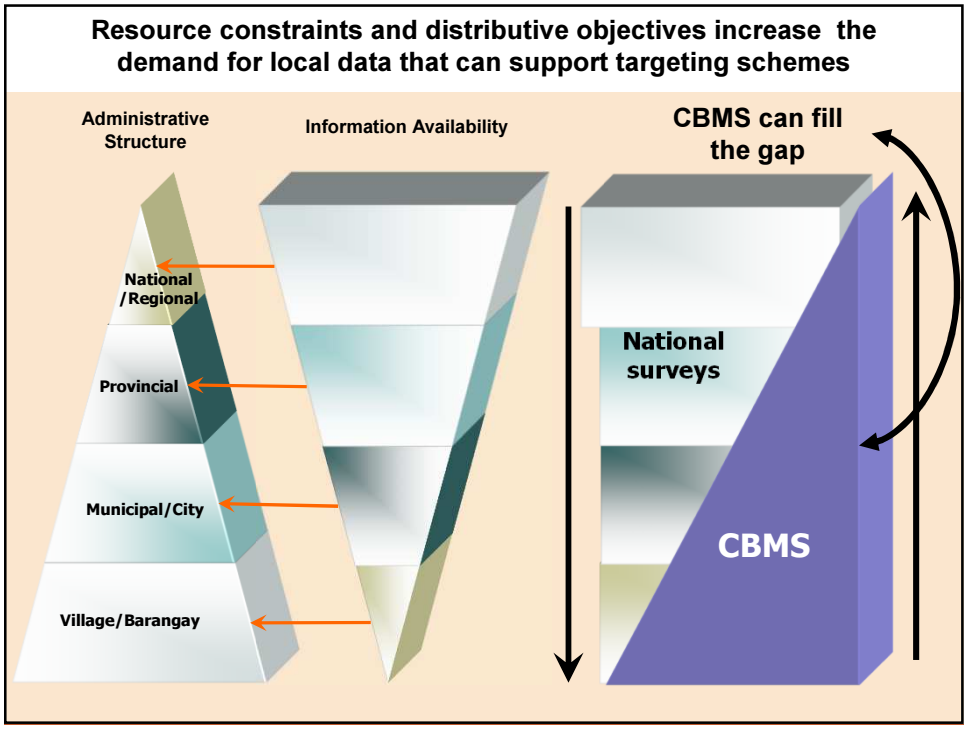
Year of entry	Magnitude of poor families who are 4Ps beneficiaries	Poverty incidence (%)
2009	504,949	60.8
2010	318,491	51.4
2011	520,226	51.9
2012	287,000	42.3
2013	167,206	38.9
2014	100,614	37.3
2015	46,404	41.4
Total	1,944,890	49.3

Source: PIDS ESD-Poverty Team estimates using FIES2015, PSA

Lessons

- Moving people out of poverty requires a package of interventions
- Results suggest reduction in poverty but it is too early to say if it reduces intergenerational poverty.
- Outstanding issue is the exit or graduation policy.
- Requires a significant amount of resources to sustain the program, for both direct program costs as well as administrative costs of targeted programs

Community Based Monitoring System (CBMS)



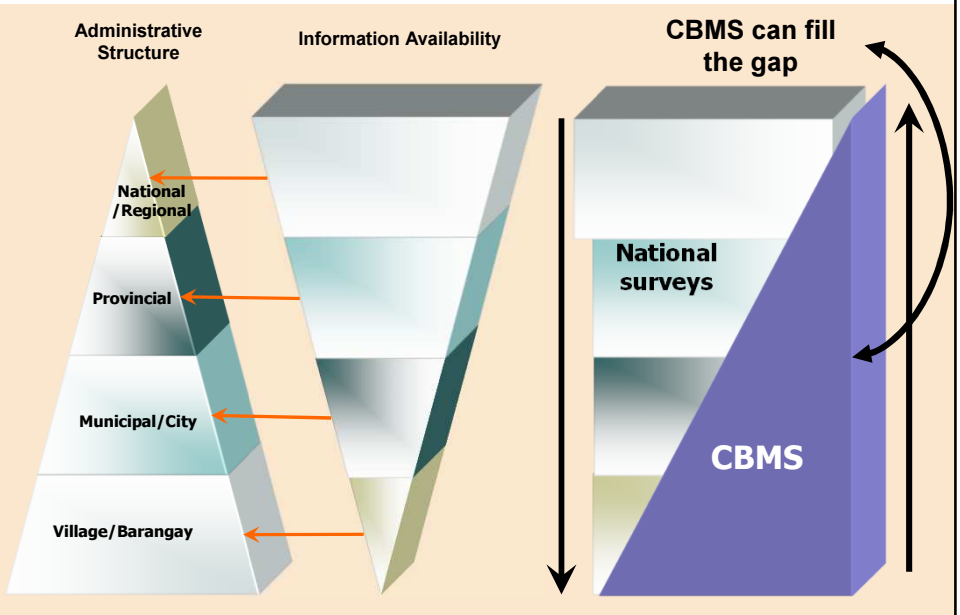
Localizing the SDGs

- "Leaving no one behind" requires data on the different dimensions of poverty for the same household at the same time

KEY FEATURES OF CBMS

- It is an organized way of collecting household and individual level data with the following features:
  - Designed primarily to provide inputs for local level planning and budgeting; lodged at the planning units of local government units
  - Census of all households in the community
  - Uses mobile-based technology to collect data and GIS to present spatial disparities
  - Conducted periodically
  - Provides data on the different dimensions of poverty, including the multidimensional poverty index (MPI)
  - Can provide data for 32 out of the 232 SDG indicators, including the desired disaggregations ("Leaving no one behind")
- CBMS aims to
  - Promote transparency and accountability
  - Support rational allocation or resources
  - Empower the community

Resource constraints and distributive objectives increase the demand for local data that can support targeting schemes

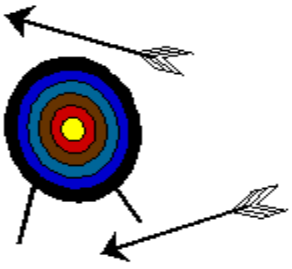


CBMS Responds to:

- **Lack of necessary disaggregated data** for:
  - ✓**Diagnosing** extent of poverty at the local level
  - ✓**Determining** the causes of poverty
  - ✓**Formulating** appropriate policies and program
  - ✓**Identifying** eligible beneficiaries
  - ✓**Assessing** impact of policies and programs
- **Need for support mechanisms** for the implementation of the decentralization policy
  - *CBMS facilitates greater transparency and accountability in local governance*

Targeting of Interventions

- CBMS can identify who and where the poor are and what are their needs
- CBMS directs assistance to those who need it most



CBMS Core Indicators of Poverty

Dimension	Indicator	
Health and Nutrition	Proportion of children under 5 who died	Health poor
	Proportion of women who died due to pregnancy related causes	
	Proportion of children aged 0-5 who are malnourished	Nutrition poor
Housing	Proportion of households in makeshift housing	Housing poor
	Proportion of households who are informal settlers	Tenure poor
Water and Sanitation	Proportion of households without access to safe water supply	Water poor
	Proportion of households without access to sanitary toilet facilities	Toilet poor

CBMS Core Indicators of Poverty

Dimension	Indicator	
Education	Proportion of children 5 years old who are not attending kindergarten	Education poor
	Proportion of children 6-11 years old who are not attending elementary school	
	Proportion of children 12-15 years old who are not attending secondary (junior high) school	
	Proportion of children 16-17 years old who are not attending senior high school	
	Proportion of children 6-15 (5-17) years old who are not attending school	

CBMS Core Indicators of Poverty

Dimension	Indicator	
Income and Hunger	Proportion of households with income below the poverty threshold	Income poor
	Proportion of households with income below the food threshold	Income poor (extreme)
	Proportion of households who experienced hunger due to food shortage	
Employment	Proportion of persons in the labor force who are unemployed	Job Poor
Peace and Order	Proportion of persons who are victims of crime	Security Poor

CBMS and the SDGs

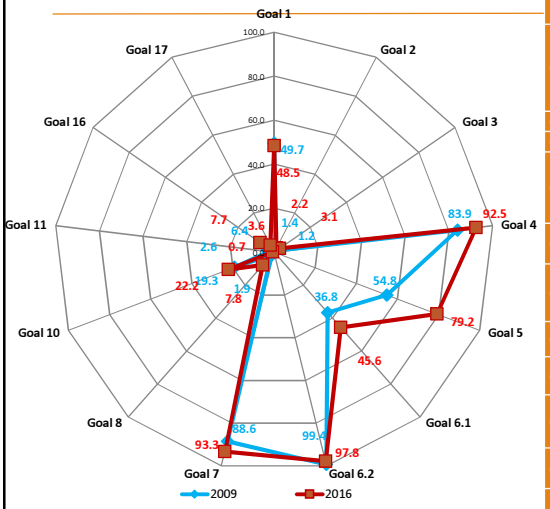
- SDGs focus on disaggregation by sex, age, geographic area, ethnic groups, etc.
- CBMS collects data on each and every member of the household, covers all the households and collects data on the different dimensions of poverty.
- Thus, CBMS data can be used to estimate some of the SDG indicators, including Multidimensional Poverty Index (MPI), and the desired disaggregation for these indicators.

CBMS and the SDGs

32 SDG indicators can be generated using the CBMS data

Goal	SDG Indicators that can be generated using CBMS
1	7
2	1
3	5
4	6
5	1
6	2
7	1
8	4
10	1
11	4
13	2
16	4
17	1
Total	**39**

MONITORING THE SDGs USING CBMS DATA

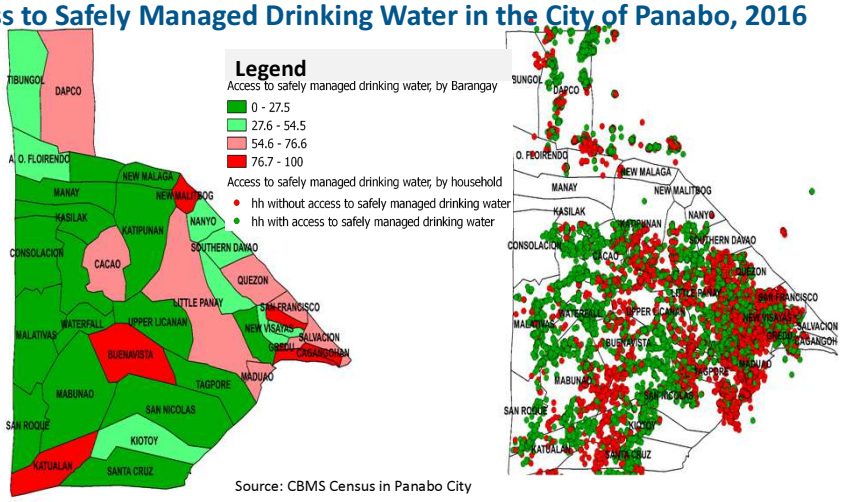


Source: CBMS Census in the City of Panabo, 2009 and 2016

Goal	Indicator	2009	2016
Goal 1	1.1.1 Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural); using 1.25 USD/day	49.7	48.5
Goal 2	2.2.2 Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)	1.4	2.2
Goal 3	3.2.1 Under-five mortality rate, per 1000	1.2	3.1
Goal 4	4.1.1 (a) Net enrolment rate in primary education	83.9	92.5
Goal 5	5.b.1 Proportion of individuals who own a mobile telephone, by sex (proxy: Proportion of households with at least one member who owns a mobile telephone)	54.8	79.2
Goal 6.1	6.1.1 Proportion of population using safely managed drinking water services	36.8	45.6
Goal 6.2	6.2.1 Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water	99.4	97.8
Goal 7	7.1.1 Proportion of population with access to electricity	88.6	93.3
Goal 8	8.5.2 Unemployment rate, by sex, age and persons with disabilities	1.9	7.8
Goal 10	10.2.1 Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities	19.3	22.2
Goal 11	11.1.1 Proportion of urban population living in slums, informal settlements or inadequate housing	2.6	0.7
Goal 16	16.1.1 Number of victims of intentional homicide per 100,000 population by sex and by age	6.4	7.7
Goal 17	17.8.1 Proportion of individuals using the Internet	-	3.6

POVERTY MAPPING

Access to Safely Managed Drinking Water in the City of Panabo, 2016

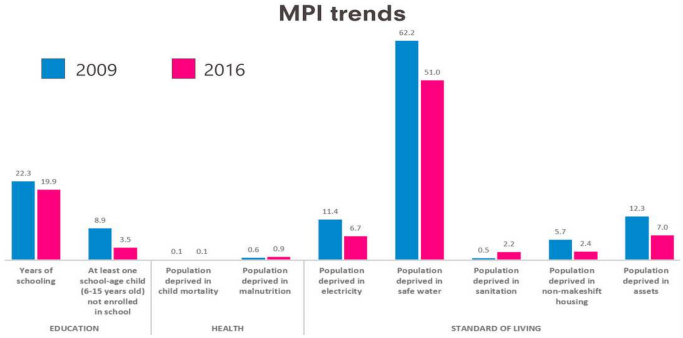


Source: CBMS Census in Panabo City

COMPUTING FOR MPI

MPI, by Location	2009	2016
Urban	1.23986	0.699
Rural	2.48201	1.2465

Source: CBMS Census in the City of Panabo, 2009 and 2016



Source: Figure above is taken from the UNDP Dashboard

Inequality of opportunities in education, Philippines, by major ethnic group, 2010

Outcome variable	Coverage	Dissimilarity index	Equity of opportunity (100% – D)	Human opportunity index (HOI)
Primary education (aged 6-11)				
All ethnic groups	91.24	2.48	97.52	88.97
Muslim	77.45	5.14	94.86	73.46
Indigenous non-Muslim	86.40	4.94	95.06	82.12
Non-indigenous/non-Muslim	93.01	1.43	98.57	91.68
Secondary education (aged 12-18)				
All ethnic groups	76.17	5.26	94.74	72.16
Muslim	65.88	8.06	91.94	60.56
Indigenous non-Muslim	71.12	8.04	91.96	65.40
Non-indigenous/non-Muslim	77.50	4.52	95.48	73.99

Source: Forthcoming PIDS Discussion Paper entitled "Inequality of opportunities among ethnic groups in the Philippines", Reyes, et al..

Inequality of opportunities in basic infrastructure services, Philippines, by major ethnic group, 2010

Outcome variable	Coverage	Dissimilarity index	Equity of opportunity (100% – D)	Human opportunity index (HOI)
Access to safe water				
All ethnic groups	78.60	5.73	94.27	74.10
Muslim	53.35	8.60	91.40	48.76
Indigenous non-Muslim	63.99	9.32	90.68	58.03
Non-indigenous/non-Muslim	81.66	4.10	95.90	78.31
Access to sanitation				
All ethnic groups	88.53	4.88	95.12	84.22
Muslim	63.66	8.79	91.21	58.06
Indigenous non-Muslim	80.26	7.91	92.09	73.91
Non-indigenous/non-Muslim	90.94	3.74	96.26	87.53
Access to electricity				
All ethnic groups	83.46	7.21	92.79	77.44
Muslim	61.36	12.10	87.90	53.94
Indigenous non-Muslim	63.51	17.12	82.80	52.64
Non-indigenous/non-Muslim	86.85	5.22	94.78	82.32

Source: Forthcoming PIDS Discussion Paper entitled "Inequality of opportunities among ethnic groups in the Philippines", Reyes, et al.

Thank you

MONITORING THE SDGs USING CBMS

Goal	SDG Indicators That Can Be Generated Using CBMS
1. End poverty in all its forms everywhere	✳ Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural) ✳ Proportion of population living below the national poverty line, by sex and age ✳ Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions ✳ Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable ✳ Proportion of population living in households with access to basic services ✳ Number of deaths, missing persons and persons affected by disaster per 100,000 people ✳ Number of countries with national and local disaster risk reduction strategies
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	✳ Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)

MONITORING THE SDGs USING CBMS

Goal	SDG Indicators That Can Be Generated Using CBMS
3. Ensure healthy lives and promote wellbeing for all at all ages	✳ Maternal mortality ratio ✳ Under-five mortality rate ✳ Mortality rate attributed to cardiovascular disease, cancer, diabetes or [and] chronic respiratory disease ✳ Number of people covered by health insurance or a public health system per 1,000 population ✳ Death rate due to road traffic injuries
4. Ensure inclusive and equitable education and promote lifelong learning opportunities for all	✳ Enrolment rate in Primary education and Secondary Education ✳ Number of children in child development centers/ day care centers ✳ Enrolment Rate in kindergarten: (a) Net Enrolment Rate(b) Gross Enrolment Rate ✳ Proportion of population with exposure to internet ✳ Parity indices (female/male, rural/urban, bottom/top wealth quintile and others such as disability status, indigenous peoples and conflict-affected, as data become available) for all education indicators on this list that can be disaggregated

MONITORING THE SDGs USING CBMS

Goal	SDG Indicators That Can Be Generated Using CBMS
5. Achieve gender equality and empower all women and girls	✳ Proportion of individuals who own a mobile telephone, by sex
6. Ensure availability and sustainable management of water and sanitation for all	✳ Proportion of population using safely managed drinking water services ✳ Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water
7. Ensure access to affordable, reliable, sustainable and modern energy for all	✳ Proportion of population with access to electricity
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	✳ Unemployment rate, by sex, age and persons with disabilities ✳ Proportion of youth (aged 15-24 years) not in education, employment or training ✳ Proportion and number of children aged 5-17 years engaged in child labour, by sex and age ✳ Number of commercial bank branches and automated teller machines (ATMs) per 100,000 adults

MONITORING THE SDGs USING CBMS

Goal	SDG Indicators That Can Be Generated Using CBMS
10. Reduce inequality within and among countries	✳ Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities
11. Make cities and human settlements inclusive, safe, resilient and sustainable	✳ Proportion of urban population living in slums, informal settlements or inadequate housing ✳ Number of deaths, missing persons and persons affected by disaster per 100,000 people ✳ Proportion of persons victim of physical or sexual harassment, by sex, age, disability status and place of occurrence, in the previous 12 months ✳ Number of countries with national and local disaster risk reduction strategies
13. Take urgent action to combat climate change and its impacts	✳ Number of deaths, missing persons and persons affected by disaster per 100,000 peoples ✳ Number of countries with national and local disaster risk reduction strategies

MONITORING THE SDGs USING CBMS

Goal	SDG Indicators That Can Be Generated Using CBMS
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels	✳ Number of victims of intentional homicide per 100,000 population by sex and by age ✳ Proportion of population subjected to physical, psychological or sexual violence in the previous 12 months ✳ Proportion of children under 5 years of age whose births have been registered with a civil authority, by age
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development	✳ Proportion of individuals using the Internet