ANALYZING AND MONITORING
THE IMPACT OF THE
GLOBAL FINANCIAL CRISIS

William Randall Spence
Evan Due
Celia Reyes
Outline of Presentation

- What is PEP
- Modeling and Policy Impact Analysis (MPIA) Studies of Crisis Impacts
- Community Based Monitoring Systems (CBMS) Study of Crisis Impacts, Coping Mechanisms and Government responses in the Philippines
- Next Steps
PEP Vision and Objectives

Vision
- PEP is a global network of developing country researchers with the skills and reputation to participate in and influence national and international academic and policy debates on poverty issues

Objectives
- Better understand the causes and consequences of poverty
- Propose pro-poor policies and programs
- Improve the measurement and monitoring of poverty
- Strengthen local research capacity on poverty issues
- Develop new concepts and techniques for poverty analysis
PEP: A decade of policy research and development

- Engage a critical mass of researchers in developing countries
- Foster comparative analyses across countries and teams
- Provide systematic training and technical assistance
- Increase visibility, dissemination and policy impact
- Interact and share knowledge with the other PEP programs and projects, and with related national and international initiatives
- Comprised of 4 sub networks – MPIA, PMMA, CBMS and PIERI
- Number of projects – 111
Research Themes

MPIA
- Economic Growth
- Public Spending especially on education and health
- Sectoral policies, particularly agriculture
- Poverty reduction policies
- Labor markets (migration, education, gender, regulation)

CBMS
- Poverty monitoring
- Targeting
- Gender responsive budgeting
- Local governance
- Localizing the MDGs
Research Themes

PMMA
- Multidimensional poverty analysis
- Public spending and its impact on poverty and equity
- Growth and poverty dynamics
- Policy impact analysis
- Intra-household allocation of well-being

PIERI
- Education
- Health
- Social protection

Financial Crisis Impacts
- CBMS, MPIA, PMMA
PEP Network

- Core funders – IDRC, CIDA, AusAID
- Main partner institutions - AKI Philippines, CRES Senegal, GRADE in Peru, Laval, SANEM, OPHI, IFPRI
- Collaboration with the UN
  - Support for CBMS implementation in the Philippines and Kenya
  - CBMS-UNDP Development Grants
  - Gender responsive budgeting with UNIFEM in Peru
  - UNICEF commissioned study on the impact of GFC on child poverty
  - Preparation of Provincial MDG reports for presentation in September 2010 meeting in New York
MPIA Crisis Impact Studies

- CGE modelling integrated with household survey data: microsimulation
- Transmission channels:
  - Trade, Remittances, Foreign direct investment, Aid flows, (Countercyclical fiscal policy)

- Household consumption and welfare fall, particularly poor households **Bangladesh**
  - Garment exports and manufacturing sector declined
  - Decline in agricultural sector and overall GDP, some expansion in total exports
  - Poorer households appear to be the major victims
MPIA Crisis Impact Studies - Preliminary results

**Pakistan**
- Declines of FDI (28%), foreign portfolio investment (128%), exports (13%), ODA (61.3%)
- Sharp decline in development spending particularly health education, population and social security: serious challenges for MDG realization
- Export declines hit high income earners, drop in ODA was harsh on the poor

**Philippines**
- Garment exports and manufacturing sector declined
- Household consumption and welfare fall, particularly poor households
- Decline in agricultural sector and overall GDP, some expansion in total exports
- Poorer households appear to be the major victims
KEY FEATURES OF CBMS

- Involves a census of all households in a community
- Local government unit (LGU)-based while promoting community participation
- Taps existing LGU-personnel/community members as monitors
- Establishes database at each geopolitical level
- Has a core set of indicators but system is flexible enough to accommodate additional indicators
- Frequent, rapid, quickly processed and available results
- Inexpensive and paid mostly by local governments (more advanced systems like Philippines)
Decentralization creates new information demands that may be best satisfied with CBMS

CBMS can fill the gap

Administrative Structure

Information Availability

CBMS

National surveys

National

Provincial

Municipal/City

Village

National surveys
CBMS Core Indicators

**CBMS Indicators**

-**Survival**
  - Health
  - Food & Nutrition
  - H2O & Sanitation

-**Security**
  - Shelter
  - Peace & Order

-**Enabling**
  - Income
  - Employment
  - Education

**Dimensions of Poverty**

- Health
- Food & Nutrition
- H2O & Sanitation
- Shelter
- Peace & Order
- Income
- Employment
- Education

**Core Indicators**

1. Child deaths (0-5 yrs. old)
2. Women deaths due to pregnancy-related causes
3. Malnourished children (0-5 yrs. old)
4. HHs w/o access to safe water
5. HHs w/o access sanitary toilet
6. HHs who are squatters
7. HHs living in makeshift housing
8. HHs victimized by crimes
9. HHs w/income below poverty threshold
10. HHs w/income below food threshold
11. HHs who experienced food shortage
12. Unemployment
13. Elementary school participation
14. High school participation
USES OF CBMS

- **Empowers** community by building its capacity to participate in diagnosing the problem, offering solutions and monitoring the impact of these solutions.
- Enriches existing **databases** both at the local and national levels.
- Enhances the preparation of socioeconomic profiles as well as development and investment **plans**.
- Improves the allocation of resources by making it easier to prioritize interventions based on the local poverty diagnosis.
- Increases **equity** in resource allocation between communities and households, as well as between men and women.
- Helps to monitor the impact of projects and programs, thus contributing to poverty reduction efforts.
- Helps in analyzing the impact of economic shocks (e.g., price shocks and global crisis).
CBMS Coverage

- **Asia**
  - Bangladesh
  - Cambodia*
  - Indonesia*
  - Lao PDR*
  - Pakistan
  - Philippines*
  - Vietnam

- **Africa**
  - Benin
  - Burkina Faso
  - Ghana
  - Kenya*
  - Nigeria*
  - Senegal
  - Tanzania
  - Zambia*

- **Latin America**
  - Peru
Malnourished Children 0-5 years old, by regions

Underweight children 0-5 years old
- 0 - 20 (Significantly below average)
- 20.1 - 27.6 (Below average)
- 27.7 - 33 (Above average)
- 33.1 - 100 (Significantly above average)

Source: FNRI, NNS, 2003
Proportion of children aged 0-5 years old who are malnourished, by municipality

Province of Marinduque, 2005

Marinduque CBMS Database

- Municipality: MARINDUQUE
  - % children 0-5 who are malnourished:
    - 0 <= n < 4 (green)
    - 4 <= n < 7 (light green)
    - 7 <= n < 7.8 (pink)
    - 7.8 <= n < 100 (dark red)

Source: CBMS Survey 2005
Proportion of children aged 0-5 years old who are malnourished, by barangay
Province of Marinduque, 2005

Source: CBMS Survey 2005
Proportion of children aged 0-5 years old who are malnourished, by purok and location of households

Municipality of Torrijos, Marinduque, 2005

Source: CBMS Survey 2005
Monitoring the Impact of the crisis using CBMS

I. Objectives
II. Why use CBMS
III. Impact of the Global Financial Crisis
IV. Mitigation Programs
V. Conclusion and Recommendations
OBJECTIVES OF THE STUDY

1. To monitor the impact of the global financial and economic crisis on poverty in the Philippines

2. To identify coping strategies of households

3. To determine who benefits from government programs aimed at mitigating the impact of the crisis

4. To provide inputs to policymakers in prioritizing mitigating measures to address the impact of the crisis on poverty
Why use CBMS?

- Data from existing surveys are too aggregated
- Surveys on poverty are conducted too infrequently – data, when they become available, cannot be used as basis for timely response
- Absence of data on coping strategies of households
- Lack of data on access to government programs
Decreasing trend in GDP growth starting Q3 of 2007

Source: NSCB
TREND IN EXPORTS

There is an increasing trend in volume of exports starting March 2009 but year-on-year growth is still in negative territory.

Source: NSO
TREND IN UNEMPLOYMENT RATE

- ↑ in unemployment rate by 0.3 percentage points in January 2009 (y-o-y)
- ↑ in unemployment rate by 0.2 percentage points in July 2009 (y-o-y)

Source: NSO
Labor turnover rate for all sectors started to decline in Q2 of 2008 with the manufacturing sector posting negative turnover rate in Q1 of 2009.
TREND IN OFW REMITTANCES

- OFW remittances continue to exhibit general upward trend but year-on-year growth rates had slumped compared to previous years.
- Total number of deployed OFWS increased in 2008 but growth rate (y-o-y) declined during the 2H of 2008
1. **Overseas Employment and Remittance**

2. **Local Employment**
   A. Entrepreneurial Activities
   B. Wage Earners and Salaried Workers
1. Outcome Indicators (Overseas Employment and Remittances; Local Employment)
2. Impact Indicators (CBMS Core Indicators)
3. Indicators of Coping Mechanisms (Expenses on Food, Utilities, Education, Health, Transportation, Communication and Recreation, Sale and pawning of assets, Borrowing money, Seeking additional source of income)
4. Access to Programs
## COVERAGE

<table>
<thead>
<tr>
<th>No.</th>
<th>Barangay</th>
<th>Municipality/City</th>
<th>Province</th>
<th>No. of HHs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brgy. 192</td>
<td>Pasay City</td>
<td>NCR</td>
<td>856</td>
</tr>
<tr>
<td>2</td>
<td>Poblacion III</td>
<td>Sto. Tomas</td>
<td>Batangas</td>
<td>466</td>
</tr>
<tr>
<td>3</td>
<td>Villa Angeles</td>
<td>Orion</td>
<td>Bataan</td>
<td>354</td>
</tr>
<tr>
<td>4</td>
<td>Salvacion</td>
<td>Puerto Princesa City</td>
<td>Palawan</td>
<td>237</td>
</tr>
<tr>
<td>5</td>
<td>Masikap</td>
<td>Puerto Princesa City</td>
<td>Palawan</td>
<td>227</td>
</tr>
<tr>
<td>6</td>
<td>Gumamela</td>
<td>Labo</td>
<td>Camarines Norte</td>
<td>432</td>
</tr>
<tr>
<td>7</td>
<td>San Vicente</td>
<td>Santa Elena</td>
<td>Camarines Norte</td>
<td>225</td>
</tr>
<tr>
<td>8</td>
<td>Ando</td>
<td>Borongan</td>
<td>Eastern Samar</td>
<td>174</td>
</tr>
<tr>
<td>9</td>
<td>San Miguel</td>
<td>Llorente</td>
<td>Eastern Samar</td>
<td>269</td>
</tr>
<tr>
<td>10</td>
<td>Magbangon</td>
<td>Cabucgayan</td>
<td>Biliran</td>
<td>259</td>
</tr>
</tbody>
</table>

Population of 15,161 in 3,499 households in 10 barangays
### RESULTS: On Overseas Employment and Remittances

#### A. Returning OFWs because of Retrenchment (By Country)

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of OFWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>7</td>
</tr>
<tr>
<td>USA</td>
<td>4</td>
</tr>
<tr>
<td>Qatar</td>
<td>3</td>
</tr>
<tr>
<td>UK</td>
<td>3</td>
</tr>
<tr>
<td>Italy</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>

Many of the retrenched workers used to work in private households, health and social work, and manufacturing sectors.

Source: CBMS Survey 2009
### RESULTS: On Overseas Employment and Remittances

#### B. Wage Reduction among OFWs (By Country)

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of OFWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>16</td>
</tr>
<tr>
<td>USA</td>
<td>4</td>
</tr>
<tr>
<td>Hong Kong SAR</td>
<td>4</td>
</tr>
<tr>
<td>Qatar</td>
<td>3</td>
</tr>
<tr>
<td>Singapore</td>
<td>2</td>
</tr>
<tr>
<td>DPRK</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
</tr>
<tr>
<td>Unspecified</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
</tr>
</tbody>
</table>

- Most common reasons for wage reduction is reduction in working hours, firm cutting costs and firm incurring losses.

Source: CBMS Survey 2009
## RESULTS: On Local Employment

### Entrepreneurial Activities

#### A. Opening of New Business and Closing of Existing Business

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Magnitude</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHs engaged in a new entrepreneurial activity</td>
<td>75</td>
<td>2.1</td>
</tr>
<tr>
<td>HHs engaged in an entrepreneurial activity</td>
<td>1,817</td>
<td>51.9</td>
</tr>
<tr>
<td>HHs which closed a business</td>
<td>19</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009
## RESULTS: On Local Employment

### B. Change in the Number of Employed Persons and Amount of Monthly Income from the Business

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Magnitude</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHs with significant change in the monthly income from the business</td>
<td>158</td>
<td>8.7</td>
</tr>
<tr>
<td>Increase</td>
<td>33</td>
<td>20.9</td>
</tr>
<tr>
<td>Decrease</td>
<td>125</td>
<td>79.1</td>
</tr>
<tr>
<td>HHs with significant change in the no. of employed persons in the business</td>
<td>6</td>
<td>0.3</td>
</tr>
<tr>
<td>Increase</td>
<td>3</td>
<td>50</td>
</tr>
<tr>
<td>Decrease</td>
<td>3</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009
RESULTS: On Local Employment

A. Loss of Job: By Sector

<table>
<thead>
<tr>
<th>Industry</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>22</td>
<td>20.2</td>
</tr>
<tr>
<td>Private households with employed person</td>
<td>15</td>
<td>13.8</td>
</tr>
<tr>
<td>Education</td>
<td>12</td>
<td>11.0</td>
</tr>
<tr>
<td>Other community, social and personal service activities</td>
<td>9</td>
<td>8.3</td>
</tr>
<tr>
<td>Wholesale &amp; retail trade, repair of motor vehicles</td>
<td>8</td>
<td>7.3</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>8</td>
<td>7.3</td>
</tr>
<tr>
<td>Transport, storage, and communication</td>
<td>7</td>
<td>6.4</td>
</tr>
<tr>
<td>Public administration and defense; compulsory social security</td>
<td>7</td>
<td>6.4</td>
</tr>
<tr>
<td>Financial intermediation</td>
<td>5</td>
<td>4.6</td>
</tr>
<tr>
<td>Health and social work</td>
<td>4</td>
<td>3.7</td>
</tr>
<tr>
<td>Construction</td>
<td>4</td>
<td>3.7</td>
</tr>
<tr>
<td>Electricity, gas and water supply</td>
<td>3</td>
<td>2.8</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Real estate, renting and business activities</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Extra-territorial organizations and bodies</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>109</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009

- 1.9% of those in the labor force lost their jobs.
- One fifth of the affected individuals used to work in the manufacturing industry.
- There was no reported job loss linked to the agricultural sector.
## RESULTS: On Local Employment

### B. Reduction in wage, Number of Working Hours and Employment Benefits

<table>
<thead>
<tr>
<th></th>
<th>No. of Employed Persons</th>
<th>With Wage Reduction</th>
<th>With Reduced Working Hours</th>
<th>With Reduced Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Male</td>
<td>3,155</td>
<td>47</td>
<td>1.5</td>
<td>37</td>
</tr>
<tr>
<td>Female</td>
<td>1,891</td>
<td>36</td>
<td>1.9</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>5,046</td>
<td>83</td>
<td>1.6</td>
<td>73</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009

- Almost half of those workers who experienced wage reduction are employed as plant and machine operators and assemblers. About 20% are service workers and shop & market sales workers.
Generating Panel Data Using CBMS

Definition of same household over time

In CBMS, a household in 1\textsuperscript{st} round is the same with the household in the 2\textsuperscript{nd} round if it has at least one common member in both the survey periods living in the dwelling unit for the specified time.

What is the main purpose of Panel Data?

• Helpful in monitoring the status of each household over time through analysis of several phenomena such as dimensions of poverty
### RESULTS: Panel Data

#### 13+1 Core Indicators, Brgy. 192, Pasay City, 2005 and 2009

<table>
<thead>
<tr>
<th>CBMS Core Indicators</th>
<th>2005</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health and Nutrition</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of children aged 0-4 years old who died</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Proportion of women who died due to pregnancy related causes</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Proportion of children aged 0-5 years old who are malnourished</td>
<td>0.0</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Shelter</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of households living in makeshift housing</td>
<td>0.3</td>
<td>3.1</td>
</tr>
<tr>
<td>Proportion of households that are squatters*</td>
<td>0.0</td>
<td>43.2</td>
</tr>
<tr>
<td><strong>Water and Sanitation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of households without access to safe water supply</td>
<td>3.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Proportion of households living near hazardous waste</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of children ages 6-11 years old enrolled in elementary school</td>
<td>12.8</td>
<td>9.1</td>
</tr>
<tr>
<td>Proportion of children ages 13-16 years old enrolled in secondary school</td>
<td>23.3</td>
<td>23.8</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of households with income below the poverty threshold</td>
<td>8.3</td>
<td>9.9</td>
</tr>
<tr>
<td>Proportion of households with income below the food (subsistence)   threshold</td>
<td>2.2</td>
<td>2.8</td>
</tr>
<tr>
<td>Proportion of households that experienced food shortage</td>
<td>0.6</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of persons who are unemployed</td>
<td>17.5</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>Peace and Order</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of persons who were victims of crimes</td>
<td>0.0</td>
<td>0.4</td>
</tr>
</tbody>
</table>

*for

Source: CBMS Survey 2009
The most common coping strategies adopted by the households is trying to look for work. Having a secondary job was also commonly adopted coping mechanism among households surveyed.
### RESULTS: Coping Strategies

**Tapping various fund sources**

<table>
<thead>
<tr>
<th>Coping Strategies</th>
<th>Total Magnitude</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowed money</td>
<td>1,401</td>
<td>40.0</td>
</tr>
<tr>
<td>Used savings</td>
<td>455</td>
<td>13.0</td>
</tr>
<tr>
<td>Sold assets</td>
<td>68</td>
<td>1.9</td>
</tr>
<tr>
<td>Pawned assets</td>
<td>166</td>
<td>4.7</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009

- The most common coping strategies adopted by the households is borrowing money
## RESULTS: Coping Strategies

### Education

<table>
<thead>
<tr>
<th>Coping Strategies</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members who are studying used second-hand uniforms</td>
<td>212</td>
<td>18</td>
</tr>
<tr>
<td>Reduced allowance for members who are studying</td>
<td>104</td>
<td>24.9</td>
</tr>
<tr>
<td>Members who are studying used second-hand books</td>
<td>147</td>
<td>35.3</td>
</tr>
<tr>
<td>Withdrawn children from school</td>
<td>5</td>
<td>1.2</td>
</tr>
<tr>
<td>Shifted from private vehicle/school bus to commuting</td>
<td>11</td>
<td>2.6</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>1.9</td>
</tr>
<tr>
<td>Transferred children from private school to public school</td>
<td>8</td>
<td>1.9</td>
</tr>
<tr>
<td>Members who are studying skipped classes</td>
<td>5</td>
<td>1.2</td>
</tr>
<tr>
<td>Transferred children from daycare to homecare</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Most common strategies adopted:

1. **Hand-me-down uniforms**
   - 496 (18%)

2. **Reduced allowance**
   - 400 (12.2%)

3. **Second-hand books**
   - 336 (12.0%)

Source: CBMS Survey 2009
RESULTS: Coping Strategies

A. Shifting of Children from Private School to Public School

<table>
<thead>
<tr>
<th></th>
<th>No. of Students</th>
<th>No. of Children who Shifted from Private to Public School</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>2,234</td>
<td>18</td>
<td>0.8</td>
</tr>
<tr>
<td>Female</td>
<td>2,074</td>
<td>15</td>
<td>0.7</td>
</tr>
<tr>
<td>Total</td>
<td>3,974</td>
<td>33</td>
<td>0.8</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009

- About 0.8% of students who were studying in a private school in the past school year moved to a public school in the coming school year (i.e., 2009-10)
## RESULTS: Coping Strategies

### B. Withdrawal of Children from School

<table>
<thead>
<tr>
<th></th>
<th>No. of Students*</th>
<th>No. of Withdrawn Children</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>2,273</td>
<td>39</td>
<td>1.7</td>
</tr>
<tr>
<td>Female</td>
<td>2,094</td>
<td>20</td>
<td>1.0</td>
</tr>
<tr>
<td>Total</td>
<td>4,368</td>
<td>59</td>
<td>1.4</td>
</tr>
</tbody>
</table>

* Including those who are withdrawn in the coming school year

Source: CBMS Survey 2009

- About 1.4% of students who were studying were withdrawn from school in the coming school year (i.e., 2009-10)
## RESULTS: Coping Strategies

### Health

<table>
<thead>
<tr>
<th>Coping Strategy</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shifted to generic drugs/cheaper drug brands</td>
<td>1,184</td>
<td>33.8</td>
</tr>
<tr>
<td>Used medicinal plants/herbal medicines</td>
<td>995</td>
<td>28.4</td>
</tr>
<tr>
<td>Shifted to government health centers and hospitals</td>
<td>760</td>
<td>21.7</td>
</tr>
<tr>
<td>Resorted to self-medication</td>
<td>710</td>
<td>20.3</td>
</tr>
<tr>
<td>Shifted to alternative medicine</td>
<td>445</td>
<td>12.7</td>
</tr>
<tr>
<td>Lessened the availment of medical treatment for any illness</td>
<td>183</td>
<td>5.2</td>
</tr>
<tr>
<td>Reduced prescribed drug intake</td>
<td>176</td>
<td>5.0</td>
</tr>
<tr>
<td>Did not buy medicine</td>
<td>172</td>
<td>4.9</td>
</tr>
<tr>
<td>Did not seek medical treatment for any illness</td>
<td>153</td>
<td>4.4</td>
</tr>
<tr>
<td>Discontinued intake of prescribed medicine</td>
<td>94</td>
<td>2.7</td>
</tr>
<tr>
<td>Others</td>
<td>62</td>
<td>1.8</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009
RESULTS: Access to Programs

Some government programs

- Comprehensive Livelihood and Emergency Employment Programs (CLEEP)
- Pantawid Pamilyang Pilipino Program (conditional cash transfer)
- NFA Rice access program (price subsidy)
- Self-Employment Assistance-Kaunlaran (SEA-K) (credit)
- Philhealth Sponsored Programs (health insurance)
A. Access to NFA Rice Program

<table>
<thead>
<tr>
<th>Income Quintile</th>
<th>Magnitude</th>
<th>% of HHs in the Income Quintile who were able to access</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>482</td>
<td>68.9</td>
</tr>
<tr>
<td>2</td>
<td>375</td>
<td>53.6</td>
</tr>
<tr>
<td>3</td>
<td>258</td>
<td>36.9</td>
</tr>
<tr>
<td>4</td>
<td>165</td>
<td>23.6</td>
</tr>
<tr>
<td>5</td>
<td>87</td>
<td>12.4</td>
</tr>
<tr>
<td>Total</td>
<td>1,367</td>
<td>39.1</td>
</tr>
</tbody>
</table>

Source: CBMS Survey 2009

- Not all HHs in the lowest income quintile were able to access the program. Yet, there were households in the richest quintile who were able to benefit from the program.
RESULTS: Access to NFA Rice Program

<table>
<thead>
<tr>
<th>SITE</th>
<th>LEAKAGE RATE</th>
<th>EXCLUSION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL SITES</td>
<td>48.9</td>
<td>35.6</td>
</tr>
<tr>
<td>Rural</td>
<td>38.8</td>
<td>22.8</td>
</tr>
<tr>
<td>Urban NCR</td>
<td>87.8</td>
<td>44.6</td>
</tr>
<tr>
<td>Urban Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside NCR</td>
<td>41.6</td>
<td>47.9</td>
</tr>
</tbody>
</table>

48.9 % of all households who access the program are considered non-poor
35.6 % of poor households were not able to access the program

Source: Authors’ calculations
CONCLUSION AND RECOMMENDATIONS

GOOD NEWS

The impact was not as large as initially anticipated. Modest increase in poverty is expected from the GFC.

BAD NEWS

Coupled with the impact of rice and fuel price shocks in 2008 and the recent natural calamities, poverty incidence is expected to go up significantly in 2009. Rice prices have not gone down to pre-price shock levels. Fuel prices have declined since the peak in 2008, but have started to go up again.
In response to the crisis, households adopted various coping strategies, some of which may have long-term adverse effects in the long-run.

- Preliminary results on access to government programs suggest the need to improve program design and targeting efficiency.

- Need to put in place local monitoring system to provide basis for timely response
Implications on achieving the MDGs

- Results imply greater challenges to reach some of the MDGs:
  - Goal 1
    - Halve income poverty by 2015
    - Achieve full employment
    - Halve the proportion of people who suffer from hunger
  - Goal 2 – Achieve universal access to education
  - Goal 3 – Promote gender equality
  - Goal 4 – Reduce child mortality
Next steps: Collaboration

○ PEP collaboration with UNESCAP and other UN agencies
  • What are the potential areas of common interest?
  • Involvement through other existing networks, such as ARTNeT and the Social Protection in Asia network
  • Involvement of UN Commissions in PEP conferences (e.g. ECA/Addis). PEP studies on crisis to be completed and presented in Dakar on June 12-18
  • Conference in September on the impacts of the GFC, implications and future priorities

○ Other potential collaboration
  • MDG monitoring
  • Macroeconomic policy
  • Risk mitigation and social protection
  • Labour markets and Migration
  • Fiscal Policy and Accountability
Next steps: Collaboration

- Feeding evidence to policymakers in Asia – example: evaluation of conditional cash transfers
- Research to Policy and Practice (R2PP)
  - Learning from best practice and sharing of experiences: e.g. Vietnamese Economics Research Network and ECNA
  - Building capacity for communicating research results to policy makers
- Research Networks as Platforms for collaboration
  - Social Protection in Asia
  - ARTNeT
  - PEP
  - Development Analysis Network in the GMS
  - Environmental Economics Program in South East Asia
  - LIRNE Asia
  - Global Development Network; EADN
Next steps: Collaboration

- Other institutional platforms for joint cooperation
  - ASEAN / APEC: on regional integration
  - GMS
  - SAARC
  - ERIA; ADBI;
  - Policy Research Institutions: Tsinghua; LKY;
  - UNU-WIDER

- Other Suggestions?
Thank You!

Dr. W. R. Spence
Economic and Social Development Affiliates
rspence@gmail.com

Dr. Celia Reyes
PEP-CBMS Network Office (Asia)
Angelo King Institute for Economic and Business Studies
Email at: reyesc@dls-csb.edu.ph
Website: www.pep-net.org

Dr. Evan Due
International Development Research Centre
edue@idrc.org.sg