

## Women and children with disabilities face dire conditions, study shows

ALTHOUGH GENDER DISPARITY in general has been reduced among Filipinos, the latest study on persons with disabilities (PWDs) of state think tank Philippine Institute for Development Studies (PIDS) conducted in Cebu implies a high gender gap, particularly in terms of educational attainment and employment. It also attests to the vulnerable situation of children with disabilities.

Prior to the study, virtually no detailed information on the situation of PWDs can be retrieved, according to Dr. Soya Mori, a senior research fellow at the Institute of Developing Economies–Japan External Trade Organization, which serves as the partner organization of PIDS in the research project.

The 2010 census of the Philippine Statistics Authority (PSA) reveals that 1.4 million Filipinos had disability, up from less than a million in 2000. Out of this figure, 49.1 percent

### Editor's Notes

In 2011, the leaders of the 10-member Association of Southeast Asian Nations (ASEAN) signed the Bali Declaration on the Enhancement of the Role and Participation of Persons with Disabilities (PWDs) in the ASEAN Community. This document upholds the bloc's commitment to promote the rights and uplift the well-being of PWDs in the ASEAN region through the implementation of disability-sensitive and inclusive policies and programs across the economic, political, and sociocultural pillars of the ASEAN Community. To intensify this initiative, the period 2011–2020 was also proclaimed ASEAN Decade of Persons with Disabilities.

The timing of this declaration and its subsequent activities has never been more auspicious. While ASEAN is fast becoming an economic powerhouse in the world, many PWDs still live in the margins of

⇒ p. 16

### What's Inside

- 6 ASEAN needs to work harder to attain community vision
- 10 Looking back and moving forward
- 11 Self-sufficiency policy led to rice price hikes—PIDS study



Persons with disabilities are not a homogenous group. The effects of their condition differ depending on their age, sex, and location, among other factors. (Photo by the Institute for Social Entrepreneurship in Asia)

were women. The agency also noted the highest prevalence of disability among children aged 5–19 years old.

But these numbers are too general to be used in formulating appropriate policies beneficial to the PWD sector, which is not a homogenous group. More so, much less information are available on women and children with disabilities.

A deaf person himself, Mori, through an interpreter, said it is difficult to get statistics on gender equality in the PWD sector in the Philippines. Available data, however, indicate that women with disabilities only earn a third of what men with disabilities earn. In terms of education, women with disabilities' education tend to be shorter by a year than their men counterpart.

The PIDS study is part of the project, "Poverty Alleviation of Women and Children with Disabilities in Developing Countries," which also covered India and Indonesia. Aside from Cebu, the Philippine leg of the project also covered Metro Manila and Rosario, Batangas, and examined the education and livelihood of PWDs and the possible interventions the government can do to assist them.

In the present study, researchers spoke to more than 200 women and children with disabilities from San Remigio and Mandaue City in Cebu Province to identify the challenges that make them more vulnerable to economic shocks than men. They also partnered with PWDs who served as the enumerators throughout the conduct of the survey. The researchers shared the findings with the stakeholders of the PWD sector in a series of fora in Quezon City, San Remigio, and Mandaue City in March, which coincided with the country's celebration of the National Women's Month.

Mori said they focused on Cebu, where "women with disabilities are experiencing more stress and pressure compared to other areas in the Philippines." San Remigio and Mandaue in Cebu also exhibited best practices in terms of organization and cooperation of PWDs in rural and urban setting, respectively, according to the research team.

### 'Not high enough' detection, intervention rates

Aside from the gender gap, the study reveals the government's failure to ensure early detection and intervention of disabilities among newborns.

"Early detection of disabilities can lead to early intervention and can prevent more serious illnesses," according to Dr. Celia Reyes, PIDS senior research fellow and the director of the research project.

While the government is exerting efforts to address the issue, such as the

expansion of the newborn screening, Reyes said "the issue really is in terms of affordability particularly for the poor." Currently, the expanded newborn screening is at PHP 1,500, of which the Philippine Health Insurance Corporation (PhilHealth) will only cover PHP 550. The beneficiaries will then have to shoulder the remaining PHP 950.

As of October 2016, roughly 8.8 million newborns have already undergone newborn screening, which is "still not high enough", according to Reyes.

Reyes urged the government to promote newborn screening among mothers during prenatal checkups. She also called for the inclusion of the expanded newborn screening in the PhilHealth package.

### 'Burdensome' fees, lack of facility, workers

Women and children with disabilities from rural areas also seem to be at a



Areas located in the peripheries have poor access to education and health services. For women and children with disabilities, this is a big challenge. (Photo by Raffy Lerma/Philippine Daily Inquirer)

disadvantage in terms of access to health facilities and workers. According to the study, a higher percentage of women with disabilities have gotten sick during the past 12 months in San Remigio than in Mandaue City, considered a key urban area in Cebu Province.

Despite this, the study found that San Remigio does not even have a single hospital. Meanwhile, residents of Mandaue City enjoy the presence of 10 hospitals, 8 of which are privately run.

Nonetheless, women and children with disabilities in both areas have to travel an average of 5–6 kilometers to reach the nearest health facility. The transportation for each visit will cost children with disabilities at least PHP 580 and women with disabilities at least PHP 145 on the average.

In general, women with disabilities from Mandaue City spend at least PHP 2,000 on health care, while children with disabilities from the same area spend at least PHP 2,600. For San Remigio, health-care spending can reach as high as PHP 2,400, especially for women with psychosocial disabilities.

“This could be very burdensome, especially for the poorer families,” Reyes said.

In fact, the lack of money is one of the top reasons why women and children with disabilities prefer not to visit a health facility, aside from the availability of home remedy.

“Herbal medicine is very popular, especially in San Remigio,” according to Reyes. However, “our health practitioners would tell us [self-prescription] is actually not good,” she added.

In terms of health-care workers, PWDs need doctors with specialized prescription license, physical therapists,

and psychiatrists. However, a typical health facility only has a doctor, nurses, midwives, and a dentist.

“Perhaps, we can encourage the Department of Health to also deploy specialized doctors and therapists to local health units,” Reyes said.

Reyes added a partnership between health units and local medical schools can help address the human resource needs of facilities through internships. She said the government can also assist the medical providers in obtaining the needed license to respond to the special needs of PWDs.

To ensure early intervention among PWDs, Dr. Jocelyn Christina Marzan from the University of the Philippines, Manila also recommended sending speech pathologists and occupational therapists in the provinces.

#### **‘Not enough PWD benefits from PhilHealth’**

Despite the “burdensome” fees, Reyes said PWDs, in general, do not enjoy automatic enrollment to PhilHealth and a lot of households still do not have access to it.

Less than 25 percent of households with children with disabilities have access to PhilHealth benefits. In the case of women with disabilities, this figure is much lower at less than 20 percent. In general, the access to PhilHealth in Central Visayas is around 63 percent.

Apparently, some of the PWDs are still not aware they can access PhilHealth benefits, according to Reyes. She encouraged the local government units to be proactive in enrolling poor PWDs in PhilHealth.

Moreover, she stressed that the PhilHealth benefits extended to PWD

beneficiaries “are still not enough” to meet their special needs. She urged the agency to extend its benefits to all poor PWDs and include testing disabilities to allow for early detection.

Aside from PhilHealth, PWDs do not also enjoy the incentive of getting a PWD identification card (ID) upon birth. In fact, some of them only get their IDs at six years of age.

A PWD ID can minimize PWDs’ out-of-pocket expenditure through discounts in transport, medicines, and some health services.

#### **Women with disabilities considered ‘income poor’**

In terms of economic standing, majority of women with disabilities in Cebu, especially in San Remigio, can be considered “income poor”, according to Christian Mina, a PIDS research associate working on the project.

This can be partly explained by women with disabilities’ lower economic participation than the general population. According to Mori, at least 50 percent of women, in general, are employed while only 10 percent of women with disabilities currently have jobs. Moreover, more than 50 percent of surveyed women with disabilities are not even part of the labor force.

However, the situation of deaf women is better than the rest. In fact, roughly four in every five deaf women of San Remigio are employed. Mori said this is because deaf people can still participate in farm activities, compared to individuals with visual and mobility impairments.

In terms of job opportunities, blind women in Cebu have less opportunities to



Dr. Soya Mori, senior research fellow at the Institute of Developing Economies - Japan External Trade Organization (IDE-JETRO) discusses the issues and challenges faced by women and children with disabilities during the Dissemination Forum on “Poverty Alleviation of Women and Children with Disabilities” conducted by PIDS on March 16, 2017. Also in the photo are (from left to right) Dr. Celia Reyes, PIDS senior research fellow and project director, and Dr. Tatsufumi Yamagata, director-general of IDE-JETRO. (Photo by Gizelle Manuel/PIDS)

work as massage therapists than those in Metro Manila. As such, women with visual impairment tend to have lower economic activities than deaf women in Cebu.

Meanwhile, the typical reason for PWDs’ exclusion from the labor force is their permanent disability, according to Mina. Unfortunately, it seems that even a higher educational attainment does not guarantee employment to women with disabilities. In fact, Mina said “a high proportion of those who are unemployed have higher educational attainment.”

He added that at least two in every five unemployed women with disabilities do not also have access to assistive devices, such as wheelchairs and hearing aids. According to him, this can be the reason why they remain unemployed despite having higher educational attainment.

“Even if they are severely impaired, they can function normally if they have assistive device,” Mina explained.

#### ‘Women PWDs have lower wages’

For those who are employed, Mina said the most common economic activities are farming, retail trade, and services-oriented in San Remigio, while street vending and retail trade in Mandaue City. Meanwhile, the study found that the type of occupation is more area specific and has no relationship with the type of impairment.

In terms of sectors of employment, women with disabilities in San Remigio are commonly employed in agriculture, trade, and household sectors. Meanwhile, those from Mandaue are usually found in trade, household, and manufacturing sectors.

“Unfortunately, workers in these sectors have lower wages,” Mina explained. According to the January 2016 Labor Force Survey of the PSA, their daily wages do not even reach PHP 300, which is below the minimum wage.

In terms of occupational groups, San Remigio workers are either farmers or unskilled laborers. For those in Mandaue City, many fall under unskilled laborers or small-scale retail store owners. The PSA survey also suggests these groups are the lowest wage earners among all occupational groups, with some earning less than PHP 200 a day.

#### ‘9 in 10 considered vulnerable’

In terms of class and nature of employment, 9 in every 10 women with disabilities in Cebu can be considered

vulnerable; they are self-employed or unpaid family workers or informally employed, or with temporary contract or hired on a daily basis. As such, “the quality of employment of women with disabilities is very low,” Mina said.

Aside from the challenges posed by their physical condition, the lack of training experiences and the limited opportunities within the community lower the employment prospects of PWDs.

Only few of employed women with disabilities have at least one skills development training. In addition, very few of them reported their disability people’s organizations are conducting training for their benefit.

Apparently, the entire PWD population in Cebu only has one training center to rely on. Located some 90 kilometers south of San Remigio, the Area Vocational Rehabilitation Center provides trainings to PWDs 16 years old and above. Meanwhile, no existing occupational skills training offered by the Technical Education and Skills Development Authority is crafted specially for PWDs.

Employment opportunities for PWDs are also rare within their community. According to Mina, employers of PWDs in Cebu may not be large in number and are concentrated in Cebu City. More so, only 10 out of more than 50 local government units in Cebu Province are employing PWDs. In San Remigio, only the town government provides employment opportunities to those with disabilities.

Several laws have already been filed in Congress, such as House Bills 1916 and 2396, which promote the employment of PWDs in private corporations engaged in social development. Specifically, they seek to amend the Magna Carta for Disabled

Persons by requiring the private sector to reserve 5 percent of their casual and contractual positions for PWDs.

On the side of the government, Mina recommended the expansion of incentives for employers of PWDs, aside from the current tax deduction. He said this will encourage companies to hire more women with disabilities.

“The process of claiming tax incentives should also be eased to genuinely incentivize employers,” he added.

Mina also urged the government, through the National Council on Disability Affairs, to strictly monitor the compliance of different stakeholders to all existing disability laws, such as the Accessibility Law, to ensure full participation of PWDs in the development process.

### ‘Most drop out of elementary’

Their low level of education also serves as one of the contributory factors behind women with disabilities’

vulnerable and informal employment, according to the study.

Adrian Boyett Agbon, another PIDS research associate and part of the project team, noted that women and children with disabilities have lower school participation rates and generally have lower educational attainment than men with disabilities and nondisabled children.

Mori added that most women with disabilities tend to drop out of elementary school or would just complete elementary school. Fewer are going to high school. In general, only 1 in every 10 women with disabilities can even reach the college level.

According to Agbon, the number of schools in areas where PWDs are residing can affect their school participation. In the case of San Remigio, for instance, only 40 percent of children with disabilities surveyed from the poorest population are attending school. Meanwhile, all children from the same economic stratum are

⇒ p. 13



Women with disabilities do not have much employment opportunities. This was shared by this visually impaired woman who attended the forum. (Photo by Gizelle Manuel / PIDS)



# ASEAN needs to work harder to attain community vision

AS THE ASSOCIATION of Southeast Asian Nations (ASEAN) celebrates a milestone in its history, the regional bloc is all the more facing rising global uncertainties that are quite atypical during its formation 50 years ago. How to move forward as one community in the face of more complex challenges is undeniably a tall order for ASEAN. In support of ASEAN's jubilee year, the Singapore Institute of International Affairs (SIIA) and the Philippine Institute for the Development Studies (PIDS)—top think tanks in Southeast Asia and the Pacific—joined forces for the first time to convene representatives from government, the research community, and the private sector in a roundtable discussion on “The Future of the ASEAN Community—Unlocking ASEAN's Next Chapter”.

Initially at the center stage of the conversation were the withdrawal of the United States (US) from the Trans-Pacific Partnership (TPP) and the rising protectionist sentiments, which put the Philippines and other ASEAN member-states in a vulnerable spot in the world market today.

SIIA Chairman Simon Tay said that in order to weather the seemingly “stormy global environment”, ASEAN countries “must come together as a community, and be in sync'd politically, economically, and socio-culturally”.

The ASEAN Community concept is composed of three interrelated pillars, namely, the ASEAN Economic Community (AEC), the ASEAN Socio-

Cultural Community, and the ASEAN Political-Security Community.

Referring to the AEC, Tay said: “We need to knit together the ASEAN as a common production-based platform where we can see more inter-ASEAN investment flowing, and more outside investments coming to ASEAN, not just to one ASEAN country but across the region.”

For Undersecretary Ceferino Rodolfo of the Department of Trade and Industry (DTI), global developments affect ASEAN “in varying degrees and at different levels”.

He stressed that the member-states must work together to avoid the repeat of a Brexit and learn from the lessons of the TPP.



ASEAN's 50-year history is as colorful as its member-states' flags. From its evolution to its expansion and to the deepening of its regional integration agenda, ASEAN continues to stand tall and proud. (Photo by seatca.org)



“The recent economic developments provide us lessons on inclusiveness. Particularly, the Brexit referendum provides us with the key message of engaging our stakeholders and the public in the policymaking process,” Rodolfo pointed out.

Amid the uncertainties, Rodolfo maintains a positive outlook for the country and its ASEAN neighbors especially with the Regional Comprehensive Economic Partnership (RCEP) agreement that is currently in the negotiating table, adding that “ASEAN is ready to face a heightened global role in laying the foundation of the new global economy.”

The DTI official said that the TPP withdrawal of the US should be seen by ASEAN as a signal to hasten the negotiations in the RCEP.

On a similar note, PIDS Vice President Marife Ballesteros, in her welcome remarks, said that pushing for a trade agreement with China, India, Australia, South Korea, and New Zealand through the RCEP will greatly help in promoting free flow of trade in the ASEAN region.

On the part of the Philippines, she said that the government will need to continue liberalizing the goods sector by reducing import tariffs and conducting better monitoring of nontariff barriers and trade surveillance. “We need to position ourselves in order to take advantage of new trade opportunities that will come out from the rebalancing,” Ballesteros added.

### The digital economy

A way forward for ASEAN to sustain growth is to embark on innovation and to embrace the digital economy.



The challenge for ASEAN member-states is to ensure that the digital economy is safe for everyone and that no one is left behind. Small businesses and even those in the informal economy should be able to take advantage of its gains.

According to Mary Elizabeth Chelliah, principal trade specialist and deputy director of the International Trade Cluster of the Ministry of Trade and Industry in Singapore, electronic commerce (or e-commerce) has become an increasingly vital element of the global economy and has lowered the operating cost of small and medium enterprises.

“Everything is now done online. With e-commerce, there are more retailers who can sell their products from home; they no longer need a space to rent for business,” she said.

But the surge of e-commerce, Chelliah explained, has also brought certain challenges and concerns that call for some guidelines and regulations from ASEAN governments to protect consumers’ welfare from poor service, fraud, and cyber theft.

“E-commerce is not completely new. For one thing, the 2000 e-ASEAN framework agreement adopts e-commerce regulations for creating trust and confidence among consumers, and for facilitating the development of e-ASEAN. Also, the ASEAN Community Economic Blueprint 2025

identified e-commerce as a key area of focus,” she shared.

Chelliah said it is important to align domestic regulations and laws with international policies on business transactions done online or through digital means.

“It is important for ASEAN member-states to look into the entire e-commerce system, make improvements particularly in terms of facilitating cross-border transaction, and collectively work toward system harmonization,” Chelliah asserted.

Apart from putting regulations in place, the Singaporean official also encouraged governments to invest in enhancing the back-end support of technology, such as improving Internet connection and Internet accessibility especially in far-flung areas.

Meanwhile, Assistant Secretary Arturo Boncato of the DTI related how the Philippine government is helping the country’s micro, small, and medium enterprises (MSMEs) to take advantage of the digital economy.

One of the goals of the Philippine e-commerce road map for 2016–2020, he said, is to do “onboarding for at least a hundred thousand MSMEs out of over a million in the country”, which is equivalent to 10 percent of its total number.

Boncato disclosed that there are still around three million MSMEs that belong to the informal economy. “We would like to use the e-commerce platform to make them part of the formal economy,” he said.

Moreover, the DTI official shared that his agency has also set specific guidelines for online businesses to regulate e-transactions.

“We made it a major requirement for online shopping platforms not to allow the onboarding of establishments without license from government, as well as those with no business names secured either from the Security and Exchange Commission or the DTI, or those with no business permits from local government units and most especially those that are not registered with the Bureau of Internal Revenue,” he declared.

Boncato also urged the participants to also look at the downside of e-commerce. “Aside from data privacy, the potential loss of jobs because of e-commerce should also be a major concern among all ASEAN countries,” he explained.

### Stakeholder engagement and information dissemination

The need for ASEAN leaders to ensure that economic growth is inclusive and felt at the grassroots is the essence of creating a more people-centered ASEAN.

Phasporn Sangasubana, deputy director-general of Thailand’s Department of ASEAN Affairs, said that to achieve this,

the people—whose lives are affected by ASEAN’s policies and decisions—need to be more involved. This, she asserted, requires a change of approach.

ASEAN leaders from the beginning of its conception, she said, have been used to a top-down mechanism. “The challenge is to make it bottom up so that policymakers can include the people’s voices in making policies,” she explained.

Sangasubana noted that ASEAN has existing platforms for engaging civil society organizations but not much is known about these.

As the discussion progressed, it became clear that ASEAN has to do a better job not just in engaging its stakeholders but also in communicating its mandates, activities, and accomplishments.

Scott Loh, deputy chief of mission and counsellor at the Embassy of the Republic of Singapore in the Philippines, said not many people know what ASEAN does. While it has performed well in the last 50 years (see related article on page 10), the benefits of regional integration in terms of increased flows of goods, capital, people, and technology; human resource development; and peace and security for the region’s 625 million people are not widely disseminated.

“No ASEAN member has explained ASEAN sufficiently to its people,” said Loh.

This view was shared by former Department of Foreign Affairs Secretary and ASEAN Society Chairperson Delia Albert who opined that ASEAN needs to bolster its information dissemination and promotional strategies. Coming from the Philippines, which is one of the original five signatories of the ASEAN Declaration, she lamented the fact that the

country has one of the lowest awareness levels of ASEAN.

Albert took note of a recent survey conducted by the Singapore-based Institute of Southeast Asian Studies among Philippine university students that showed 57.4 percent were totally not familiar about the ASEAN.

“Obviously, there is a communication gap. We have to educate the people about what ASEAN does and tell them stories that transpired in the last 50 years,” she said.

ASEAN Foundation Executive Director Elaine Tan recommended using the social media to inform the public about the ASEAN.

“ASEAN does not know how to communicate. We can use technology and different visuals to tell stories about ASEAN’s gains,” she said.

Tan also underscored the role of young people as foot soldiers in promoting ASEAN. “We should get young people as ambassadors. The Philippines is doing good on this. It is an inexpensive way to communicate ASEAN,” she remarked.

Meanwhile, Loh called for the inclusion of ASEAN information in school modules and programs and for ASEAN member-states to be consistent with their messaging in order to foster a better ASEAN Community. Related to this, Sangasubana suggested training teachers about ASEAN so they will understand the essence of ASEAN agreements and incorporate them in their lesson plans and teaching modules.

Sangasubana also related that in her country, most schools have the ASEAN flag and they celebrate its foundation day by making students wear costumes

of ASEAN countries as a way to increase their familiarity about the organization.

“Other strategies that can be done are by holding ASEAN youth camps and forum so they would know relevant issues besetting us and share them with their families and communities,” she added. She also recommended tapping the mass media and conducting constant dialogue with the private sector.

### Connectivity deficits

Aside from the insufficient stakeholder engagement and promotion about ASEAN, addressing the region’s infrastructure deficits is also imperative. Good connectivity is crucial in building a prosperous, competitive, and resilient ASEAN Community.

Undersecretary Adoracion Navarro of the National Economic and Development Authority and a former senior research fellow of PIDS expressed optimism that the region will be able to overcome its infrastructure woes in due time.

“Basically, the opportunities are, one, the fact that we have a renewed focus on connectivity through the Master Plan 2025 and, two, the momentum that we have as evidenced by the accomplishments we have made so far,” she said.

Notable progress, she related, is evident in a number of areas, such as the establishment of the ASEAN Highway Network, which connects the ASEAN countries, the feasibility studies on the ASEAN RoRo Shipping Network and Short-Sea Shipping, the completion of nine power interconnection projects under the ASEAN Power Grid, and the completion of a study on the establishment of the ASEAN Broadband Corridor.

Fauziah Zen, economist at the Economic Research Institute for ASEAN and East Asia, asserted that financing is not a problem because there is “a huge supply of money in the world” from sources such as pension and insurance, which can be used as matching funds. “The problem is effective channeling,” she noted.

Likewise, multilateral sources of finance are not scarce.

Navarro also noted that big financiers such as China and Japan have become more aggressive in competing with each other for economic influence in the region. “This is why ASEAN member-states must upgrade their respective capabilities in assessing proposals,” Navarro said.

On the influx of Chinese funding, she asserted that “having cofinancing arrangements between Chinese official development agencies and multilateral agencies such as the Asian

Development Bank and the World Bank” can be a good model. “This type of arrangement can introduce higher levels of governance and therefore address possible concerns on transparency and accountability,” she explained.

Navarro underscored that whoever the funder is, the member-states should always frame their negotiations with financiers using their country’s development agenda together with the ASEAN’s overall development agenda.

### ASEAN under the Philippine chairmanship

ASEAN 2017, which is chaired by the Philippines, has for its theme “Partnering for Change, Engaging the World” and focuses on six priority areas: a people-oriented and people-centered ASEAN; peace and stability; maritime security and cooperation; inclusive, innovation-led growth; resiliency; and regionalism.



Reliable and affordable physical connectivity is crucial in building a prosperous, competitive, and resilient ASEAN Community.

According to Executive Director Zaldy Patron of the Office of the ASEAN Affairs, the Philippines as ASEAN chair will highlight that ASEAN exists for the benefit of the people.

“The activities that we have planned for this year are intended to uphold human rights; promote high quality of life, equal access to opportunities, and improved access to social services of vulnerable groups; and enhance the provision of basic necessities to citizens,” he shared.

Patron added that the Philippines will promote the importance of civil servants in ASEAN community building.

Climate change adaptability is also high in the ASEAN agenda this year. Primarily, the Philippines will focus on strengthening the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management as well as the implementation of the One ASEAN, One Response Declaration signed last year.

At the same time, it will ensure that the issues of terrorism, violent extremism, illegal drugs proliferation, and piracy are part of the discussions.

In the area of maritime security, hopes are high that the framework for a code of conduct for the concerned parties in the South China Sea will be finalized before the year ends.

As with the last 50 years, ASEAN’s future will not be an easy one. The Philippines, as ASEAN chair this 2017, has a golden opportunity not just to highlight its interests in the region but also to take the lead in charting the way forward for ASEAN—one that will facilitate the fruition of a full-fledged ASEAN Community. **SVS, RTT**

## Looking back and moving forward

REFLECTING ON THE most important contribution of the Association of Southeast Asian Nations (ASEAN) in the last 50 years, Ambassador Delia Albert, former Philippine foreign affairs secretary, noted that it is the peace dividend.

According to Albert, ASEAN has managed to enjoy peace and stability despite the differences among its member-states in terms of language, culture, politics, and economic attributes, to name a few.

“The strength of ASEAN is how we overcame those differences,” added Albert.

Albert underscored these points at the roundtable discussion on “The Future of the ASEAN Community: Unlocking the ASEAN’s Next Chapter” jointly organized by the Singapore Institute of International Affairs (SIIA) and the Philippine Institute for Development Studies (PIDS).

She was the assistant of Ambassador Narciso Ramos, one of the founding fathers of ASEAN, when the charter that formed the association was signed in 1967. The late ambassador was no other than the father of former President Fidel Ramos, himself a staunch ASEAN advocate.

Supporting Albert’s views, Sarasin Viraphol, an official of the Thai Ministry of Foreign Affairs for 20 years before joining the private sector, said that as the association charts its way forward, it is

important to take stock of the lessons of the past.

“It would be useful to review the challenges ASEAN has met in the last 50 years and see how we overcame those challenges and made use of the opportunities before us. We successfully dealt many interregional issues; they have made ASEAN what it is now,” said Viraphol.

ASEAN continues to face a myriad of concerns, including political stability, human rights, territorial claims, religious beliefs, terrorism, and irregular migration. Some of these issues have, in some instances, threatened the harmonious relations between and among ASEAN member-states and nonmembers. The ASEAN region is also one of the world’s most vulnerable to food insecurity, natural disasters and climate change, congestion, and pollution.

In keeping ASEAN both relevant and capable in pursuing progress, stability, and peace for the region, Albert insinuated that it may be time to review the ASEAN Charter and institutions and see what changes are necessary.

“We should also think about restructuring the ASEAN Secretariat and boosting its capability,” she added.

Think tanks like SIIA and PIDS, she said, have an important role to play as sources of evidence-based analysis. **SVS**

# Self-sufficiency policy led to rice price hikes—PIDS study



The rice self-sufficiency program resulted in shortages that triggered price increases. (Photo by chotda/flickr.com)

A RECENT STUDY on food security released by the Philippine Institute for Development Studies (PIDS) said the government's policy on rice self-sufficiency led to an inadvertent increase of the staple's price in the last few years.

Author Roehlano Briones, a PIDS senior research fellow, shared his analysis at a forum organized by PIDS and the Congressional Planning and Budget Research Department (CPBRD) at the House of Representatives on February 28, 2017. He explained that the policy, which is being "implemented in the name of food security, pushed up the price of rice to the detriment of the poor."

Briones mentioned that there are two strategies for achieving self-sufficiency in any domestically produced good such as rice. One is through support for domestic production; the other is by maintaining barriers to imports in order to "shield local producers from foreign competition".

Between the two strategies, Briones emphasized that the barriers to imports, also known as protectionism, are responsible for triggering rice price increases.

"Protectionism prevents cheap rice imports from coming in, leaving domestic supply to satisfy domestic demand as in the case of a complete import ban," he explained.

He pointed out further that a ban will initially "lead to shortages, which then causes prices to soar, stimulating domestic production, stifling off some of the demand, while stimulating more production". Ideally, shortages are eventually eliminated and self-sufficiency is eventually attained but at a higher price for consumers, added Briones.

The agricultural trade expert stated that there are real consequences to rising prices in basic commodities like rice. As in many things, the poorest and the most vulnerable are the hardest hit, he said.

"Statistical analysis relating to regional stunting rates, regional per capital



According to PIDS Senior Research Fellow Roehlano Briones, the extension of the special treatment in 2012 maintained the protectionist policies that continued to drive up rice prices. (Photo by Gizelle Manuel/PIDS)

incomes, and food prices finds that, as the price of rice increases, the rate of childhood stunting increases,” Briones expressed. He mentioned that the inflation of food prices will increase incidence of malnutrition, “which will result to long-term problems such as poor cognition and poor school performance, and eventually, low productivity and low adult wages”.

Briones maintained that the Philippine government did the right thing in pursuing production support for rice through the increase of budget allocations for irrigation, farm-to-market roads, farm mechanization, postharvest and market facilities, instead of “providing ineffective and wasteful fertilizers and promoting seed subsidy programs”.

What the government got wrong though, according to Briones, is the extension of the

special treatment in 2012, which maintained the restrictive policies that continued to drive up rice prices. “The Philippine government should have pursued rice self-sufficiency through judicious support of the domestic special treatment in 2012 and should have implemented tariffication right then,” he added.

This recommendation was reflected in the latest *Philippine Development Plan (PDP) 2017–2022* released by the National Economic and Development Authority (NEDA), which recommends to replace quantitative restriction (QR) on rice imports with tariffs. The tariff proceeds from rice imports, according to the PDP, will be plowed back to the rice sector.

While the PDP is cognizant of the adverse impact of the scrapping of the rice QR on small farmers, the government said the tariff collected from imports will be

used to help them recoup their losses. Moreover, NEDA Assistant Secretary Mercedita Sombilla remarked that economic managers should invest in boosting the agricultural capacities of the country, rather than rely on the discretion of the World Trade Organization.

“There’s really a potential to reduce production cost. When we are trying to increase productivity, we should also look at how to lower the production cost,” said Sombilla.

The NEDA official also proposed that, “there should be new strategies, innovative measures that the Department of Agriculture should include in their program to ensure that rice productivity will be enhanced.”

Ultimately, she said, the government should revisit its restrictive import policies that resulted in higher prices for rice.

Briones, for his part, recommended the repeal of Republic Act 8178 or the Agricultural Tariffication Act of 1996, which exempts rice from tariffication. He also proposed for the revision of the National Food Authority’s regulatory function on import monopoly and to open rice importation to the private sector. The author likewise suggested for the executive branch to decide on the allocation of rice tariff collections to fund safety nets for rice farmers.

The PIDS-CPBRD Legislators Forum Series features research studies conducted by PIDS. It is aimed at sharing with members of Congress and their technical staff the results and recommendations of PIDS studies to assist them in crafting appropriate and well-timed policy interventions to society’s problems. The topics selected are relevant issues based on the legislative priorities of the House of Representatives. **MHB**



**Women and children... from p. 5**

attending school in Mandaue City, which has a relatively higher number of school facilities than San Remigio.

Nonetheless, the school participation rates among children with disabilities remain lower compared to regional and national rates. For the age group 16–18, for example, only 14 percent of children with disabilities attend school in San Remigio whereas the regional rate is at 63 percent.

They also tend to stop attending school after the age of 15. In the case of children with mobility disability, virtually no one is attending school between the ages of 16 and 18 years old.

In both San Remigio and Mandaue City, higher participation rates are observed among mobility- and hearing-impaired children. Meanwhile, children with psychosocial disability tend to least participate in school.

Moreover, some PWD children who belong to households that are beneficiaries of the *Pantawid Pamilyang Pilipino* Program are not in school. Agbon clarified, however, that this might be because the PWD child may already be the fourth or fifth in the family. The program provides families PHP 300 a month for every child, or PHP 3,000 for a school year, for a maximum of three children.

**‘SPED schools often far’**

The study also found that special education (SPED) schools are often far from the place of residence of the PWD children, which can further explain their low participation. More so, fewer SPED schools can be found in Mandaue City compared to Cebu City.

The scenario is more miserable in San Remigio, where no formal SPED school is running. While the local elementary school is currently holding nonformal

SPED classes, they are limited to hearing-impaired children.

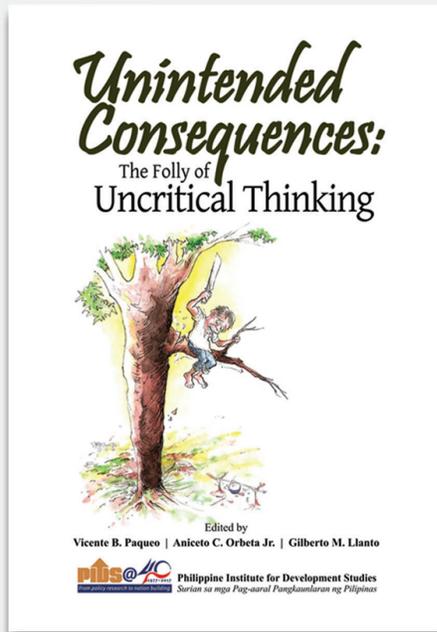
With this, Agbon recommended the provision of a mobile SPED school, which can encourage children with disabilities to continue attending school. The Department of Education can also enhance its Alternative Learning System Mobile Teacher Program to cater to all types of disabilities among children.

Abner Manlapaz, PWD representative from LifeHaven Independent Living Center, also called for the government to invest in in-service and pre-service teacher education to better prepare teachers in handling children with disabilities and reduce inequalities in schools.

Currently, “the government is not seriously accepting the fact that PWDs have poor access to education and employment,” Manlapaz added. **RGV**

**Unintended Consequences: The Folly of Uncritical Thinking**

★★★★★



Edited by Vicente Paqueo, Aniceto Orbeta Jr., and Gilberto Lianto

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## Research Digests

PIDS Book 2017-01

### **Unintended Consequences: The Folly of Uncritical Thinking**

by Vicente B. Paqueo, Aniceto C. Orbeta Jr., and Gilberto M. Llanto

This book highlights the importance of evidence-based policymaking through an analysis of some of the country's past and present policies that were stirred with good intentions but had somehow resulted to bad economic effects. Discover the unintended consequences of implemented policies on traffic, food, salary, rent, as well as industry and environmental concerns like overfishing and logging. The authors—researchers and former professors—also discussed controversial topics such as sex education, minimum wage, conditional cash transfer, and unemployment.

PN 2017-02

### **Australian SME Micro-Offshoring in the Philippines: Opportunities and Challenges**

by Peter K. Ross and Mike O'Hagan

An increasing number of Philippine-based business process outsourcing (BPO) centers offer micro-offshoring services to Australian small and medium enterprises (SMEs) assuring reduced transaction costs. This *Policy Note* takes a closer look into the sector and considers the potential economic and social gains of this expanding market. It calls on the BPO sector to move up the value-added chain and provide more sophisticated services to generate greater labor productivity growth and longer-term lift in living standards. Read more about the competitive advantages and challenges of SME micro-offshoring in the country.

PN 2017-03

### **Who Benefits and Loses from an Untargeted Tuition Subsidy for Students in SUCs?**

by Aniceto C. Orbeta Jr. and Vicente B. Paqueo

Free tuition for students enrolled in state universities and colleges (SUCs) looks appealing. However, does it really support constitutional

mandate of the state to protect and promote the right of all citizens to quality education compared to other alternatives? This *Policy Note* finds that free tuition in SUCs can do more harm than good for a number of reasons.

Discover why the proposed free tuition policy is antipoor. The authors also offer some alternative recommendations in lieu of the policy.

PN 2017-05

### **Who Benefits from the Government Health Insurance Subsidy for the Poor?**

by Michael R. Cabalgin

In 1995, the Philippine government, through the Philippine Health Insurance Corporation (PhilHealth), instituted the National Health Insurance Program. To ensure the enrollment of poor Filipinos in the program, the national government created a health insurance subsidy financed by sin taxes to fund their premium contribution. This *Policy Note* analyzes the said subsidy and discovers leakages that benefit other groups and institutions, such as the nonpoor sector and even the PhilHealth itself. Find out why the health insurance subsidy is unsustainable and read about some policy recommendations to a more inclusive government health subsidy program.

PN 2017-06

### **Why Differences in Household Expenditure Estimates Matter**

by Jose Ramon G. Albert, Ronina D. Asis, and Jana Flor V. Vizmanos

Government estimates obtained from sample surveys, such as the *Family Income and Expenditure Survey*, and national accounts have wide discrepancies across time, with their divergence generally growing. Such discrepancies have consequences to policy. For instance, poverty can be overestimated if survey-based estimates are biased downward. Check out why government estimates are predisposed to discrepancies and how protocols can be improved to efficiently and completely track expenditure patterns.

PN 2017-08

### **Reviving the Wood Processing Industry of the Philippines**

by Danilo C. Israel

Wood processing is an important downstream activity of the forestry sector. It adds economic value to log, diversifies its product, and increases the incomes and employment of involved communities. However, the practice of wood processing has declined in the Philippines and it can somehow be attributed to the implementation of Executive Order (EO) 23.

Read about how EO 23 affected the wood processing industry and other major issues in the wood processing value chain. The *Policy Note* also provides policy recommendations and actions to revitalize the wood processing industry in the country.

DP 2017-02

### **Agricultural Insurance Program: Lessons from Different Country Experiences**

by Celia M. Reyes, Christian D. Mina, Adrian D. Agbon, and Reneli Ann B. Gloria

Agricultural insurance is generally considered a vital risk management tool for farmers. However, in developing countries, farmers consider this a luxury only few of them can afford.

Take a closer look at how different developed and developing countries implement the agricultural insurance program and learn more about the best practices aimed at improved coverage rates and successful implementation of a highly subsidized agricultural insurance program.

DP 2017-04

### **Strengthening Social Enterprises for Inclusive Growth: Philippines**

by Marife M. Ballesteros and Gilberto M. Llanto

While social enterprises have been tagged as an alternative approach to inclusive and sustainable growth, there are still few policies supportive of these firms that can be vehicles for profit and moral imperatives as well. Read more about the dynamics of social enterprises, their contribution to economic growth, and

some research-based policy recommendations to create an enabling environment for social entrepreneurs in the country.

DP 2017-08

**Technology and Knowledge Transfers in Production Networks: Case Study on Philippine Food Manufacturing Firms**

*by Fatima Lourdes E. Del Prado and Maureen Ane D. Rosellon*

Food manufacturing firms are engaging in production networks to innovate relevant products and cope with the high demands of the global market. These networks are known to promote knowledge and technology exchange among partners. While this is seen as a feasible approach to business expansion and growth, it may also be risky for traditional firms, especially those that are grounded on family secret recipes, procedures, and traditions. Discover the views of two manufacturing firms on sharing technology and knowledge to their partners in the food production network.

DP 2017-10

**Competition for the Market: A Policy Framework for Improving Bus Operation along EDSA**

*by Gilberto M. Llanto and Hope A. Gerochi*

The EDSA bus market is fiercely competitive. In theory, allowing competition among many bus operators is expected to result in cost-effective and reliable transport services, and efficient use of roads. However, in reality, the outcomes are far different: daylong traffic jam and poor bus service along Metro Manila's most important road artery. This paper proposes the alternative regulatory approach called "competition for the market framework" which incentivizes bus operators who will participate in the proposed bus consolidation to address road congestion.

Read more about the opinions of the authors on the framework and some of the proposed strategies in this paper.

DP 2017-11

**What Does ASEAN Mean to ASEAN Peoples? (The Philippine Case)**

*by Sheila V. Siar, Gilberto M. Llanto, and Jose Ramon G. Albert*

Using a purposive online and paper-based survey and focus group discussions with select target groups, this study reveals moderate familiarity about ASEAN, as well as modest identification as ASEAN citizens, which improves with age and experience.

Know more about the level of awareness of the Filipino people on ASEAN; their perceived problems confronting the Philippines and ASEAN; and their aspirations, concerns, and hopes for the association. The paper also includes recommendations on how the ASEAN Secretariat can provide more effective technical support to the association in meeting its goals and aspirations.

DP 2017-14

**Understanding the New Philippine Competition Act**

*by Erlinda M. Medalla*

The Philippine Competition Act (Republic Act 10667) was enacted in July 2015 to commence the establishment of a truly working competition policy, including capacity building, and dissemination, information, and education for the law.

Know more about the provisions of the new law, what it covers, what it can do, and what could be the possible implications for related policies. This paper also briefly looks at the case of PLDT/Globe acquisition of the San Miguel Corporation's telecommunications assets.

DP 2017-16

**The Promises and Pains in Procurement Reforms in the Philippines**

*by Adoracion M. Navarro and Juan Alfonso O. Tanghal*

Major underspending in the government has been largely attributed to the complexity of the "public procurement process". Congress currently proposes granting emergency powers to the president and do away with competitive bidding as the default mode in implementing transportation projects. However, data analysis shows that in civil works procurement, bid failure rate tends to be higher under the alternative mode of procurement than under the competitive mode.

Read more about the difficulties encountered and good practices of various government agencies in implementing the Philippine procurement process and some policy recommendations to address the country's procurement issues.

DP 2017-17

**The Renewable Energy Policy Debate in the Philippines**

*by Maureen Ane D. Rosellon*

The Philippines enacted two legislations to promote renewable energy (RE) deployment (i.e., Renewable Energy Act of 2008 and the Biofuels Act of 2006) in recognition of the advantages of the use of RE as energy source. However, there remain issues and criticisms on the promotion of RE technologies and on the implementation of the RE laws. This paper collected and examined data and information on the areas of debate.

Look into the justifications of each side for supporting or not supporting the use of RE resources and technologies. Findings provide some reference for revisiting the RE laws and regulations to improve their implementation and produce better outcomes for stakeholders.



### Editor's... from p. 1

society. There are at least 16 million PWDs in Southeast Asia in 2011 based on estimates of the United Nations Economic and Social Commission for Asia and the Pacific. Viet Nam has the highest prevalence rate (7.8%) followed by Thailand (2.9%) and Myanmar (2.3%). The Philippine rate is 1.2 percent, which translates to more than 1 million Filipinos with disability. The 2010 census of the Philippine Statistics Authority discloses a slightly higher disability rate of 1.6 percent or an equivalent of 1.4 million Filipinos. Although the total number of PWDs in the Philippines is smaller relative to other countries' PWD population, their situation is far from ideal, with women and children worse off than others—as the banner article of this issue shows. The case study conducted in Cebu Province by the Philippine Institute for Development Studies (PIDS), with support from the Institute of Developing Economies–Japan External Trade Organization, revealed that many of them lack access to health, education, and assistive services, especially those in the

rural areas, as well as employment opportunities for women with disabilities.

Though not covered by the research, the effects of natural hazards and climate change—which have become more intense and unpredictable—should also be a cause for concern as these exacerbate the vulnerabilities of PWDs. Southeast Asian countries are among the most disaster prone yet research on PWDs during and after disasters is lacking. Moreover, up-to-date and reliable statistics on disability are usually scarce; existing data are, at best, projections. Data disaggregated into subpopulations, which are useful for crafting context-specific interventions, are also limited. All of these intensify the economic and social exclusion of PWDs from the development process, including in disaster risk reduction and management efforts.

As duty bearers, ASEAN and its country governments must ensure that the rapid

growth the region is experiencing benefits all sectors of society—even the weakest and the least. People-centered development is one of the overarching themes of the ASEAN Community agenda. It is crucial for ASEAN and its members to move away from rhetoric and toward more concrete interventions that will advance the rights of marginalized groups like the PWDs. This issue's article on the ASEAN points to the need for more inclusive approaches in program planning and policy formulation—one that brings in the perspectives of all stakeholders. Legislative and policy steps are useless without action on the ground. There should also be a conscious effort to do periodic and systematic monitoring and evaluation to inform future decisions.

Completing this DRN issue is an article about a PIDS study that bares the unfavorable effects of the Philippine government's rice self-sufficiency program.

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