

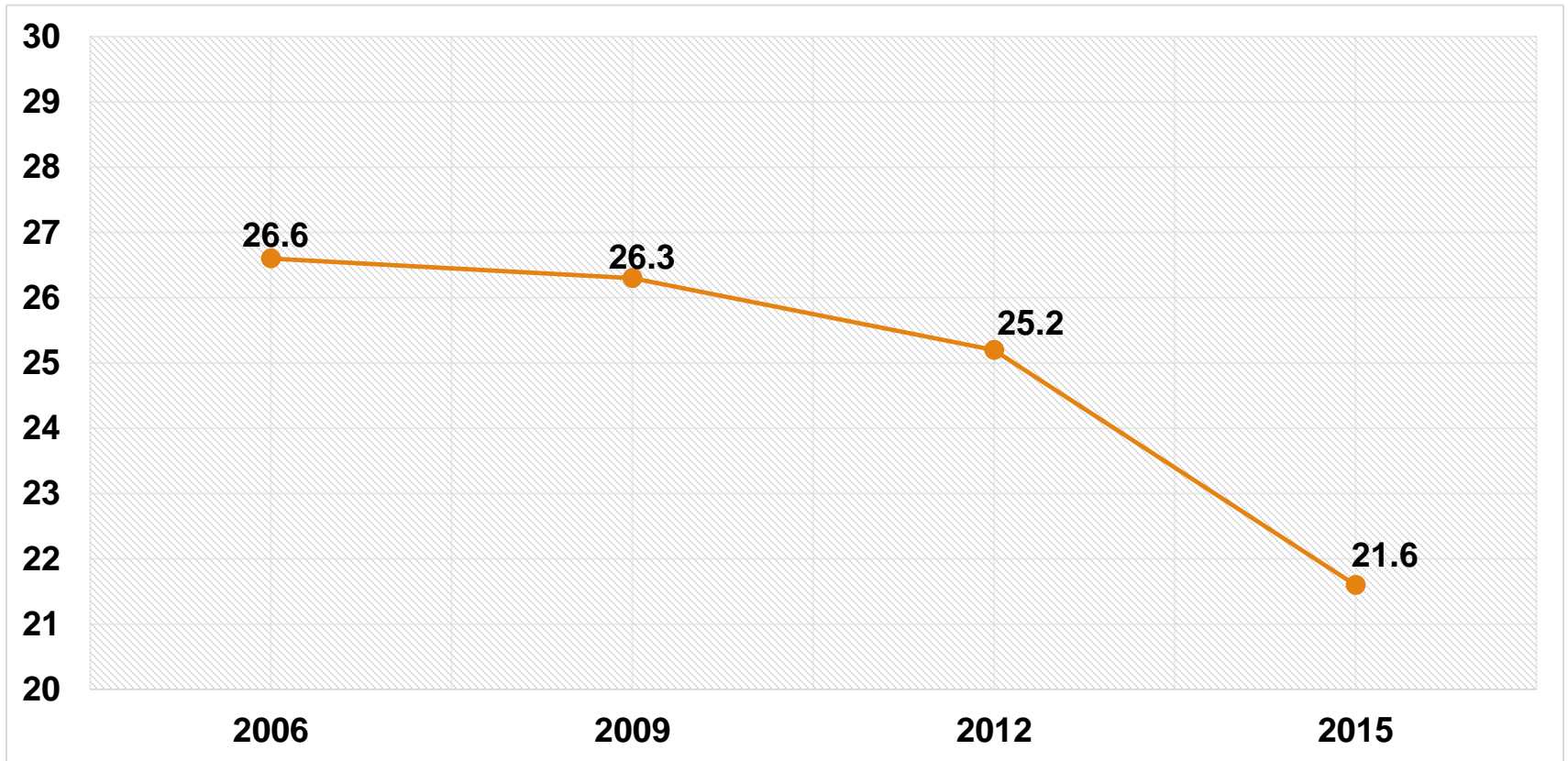
A Public Expenditure Review of Social Protection Programs in the Philippines

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Importance of Social Protection and the PER

- One of the main economic justifications for social protection is to redistribute income or for equity.
- In a developing country such as the Philippines a comprehensive and well-designed social protection system is needed.
- This PER gives an overall view of the Philippine social protection system and surveys existing national government social protections programs.
- It also answers the question of “how much has the Philippine government invested in social protection programs this past decade?”

Philippine Poverty Incidence, 2006-2015



Though household poverty incidence has been declining since 2006, despite this progress, there is still more work to be done in social protection.

Definition of Social Protection

Types	Definition	Examples	Source of Financing
Labor Market policies and Income to support unemployed	government measures that enhance employment opportunities in the country and advance Filipino workers' rights and welfare	<ul style="list-style-type: none"> • Special employment program for students • Assistance to displaced workers (DOLE-AMP) 	<ul style="list-style-type: none"> • Non-contributory • National government
Social welfare programs	preventive and developmental interventions that seek to support the minimum basic requirements of the poor and reduce risks associated with unemployment, resettlement, marginalization, illness and disability, old age and loss of family care	<ul style="list-style-type: none"> • Conditional cash transfers such as 4Ps 	
Social safety nets	measures that target affected groups with the specific objective of providing relief and transition	<ul style="list-style-type: none"> • Social Pension for Indigent Senior Citizens (SocPen) 	
Social Insurance	programs that seek to mitigate income risks by pooling resources and spreading risks across time and income classes	GSIS/SSS	Contributory/member contributions

Background

- In 2007, the Philippines adopted the following definition of Social Protection: “... *constitutes programs and policies that seek to reduce poverty and vulnerability to risks and enhance the social status and rights of the marginalized by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people’s capacity to manage risks*” (Villar, 2013)
- Subsequently, the Philippine Social Protection Operational Framework and Implementation Strategy was adopted.

Philippine Social Protection System

Social Protection Types	Social Protection System	National Government Social Protection Expenditures
Labor Market Interventions	√	√
Social Welfare Programs	√	√ with NFA Implicit Subsidy
Social safety nets	√	√
Social Insurance	√	<p>Only includes:</p> <ul style="list-style-type: none"> • PhilHealth Indigent Contributions paid by the national government • GSIS Emergency loans

National Government Social Protection Programs

Social Protection Program

National Government Agency (NGA)

Labor Market Interventions

Special Employment Program for Students

Department of Labor and Employment (DOLE)

Education Assistance Program

National Commission on Indigenous Peoples (NCIP)

Social Safety Net (Emergency Response/short term programs)

Core Shelter Programs

Assistance to Individuals in Crisis Situations

Katas ng VAT para kay Lolo at Lola; Social Pension for Indigent Sr. Citizens

Katas ng VAT Pantawid Kuryente

Department of Social Welfare and Development (DSWD)

Emergency (Calamity) Loan

Government Service Insurance System (GSIS)

Social Insurance

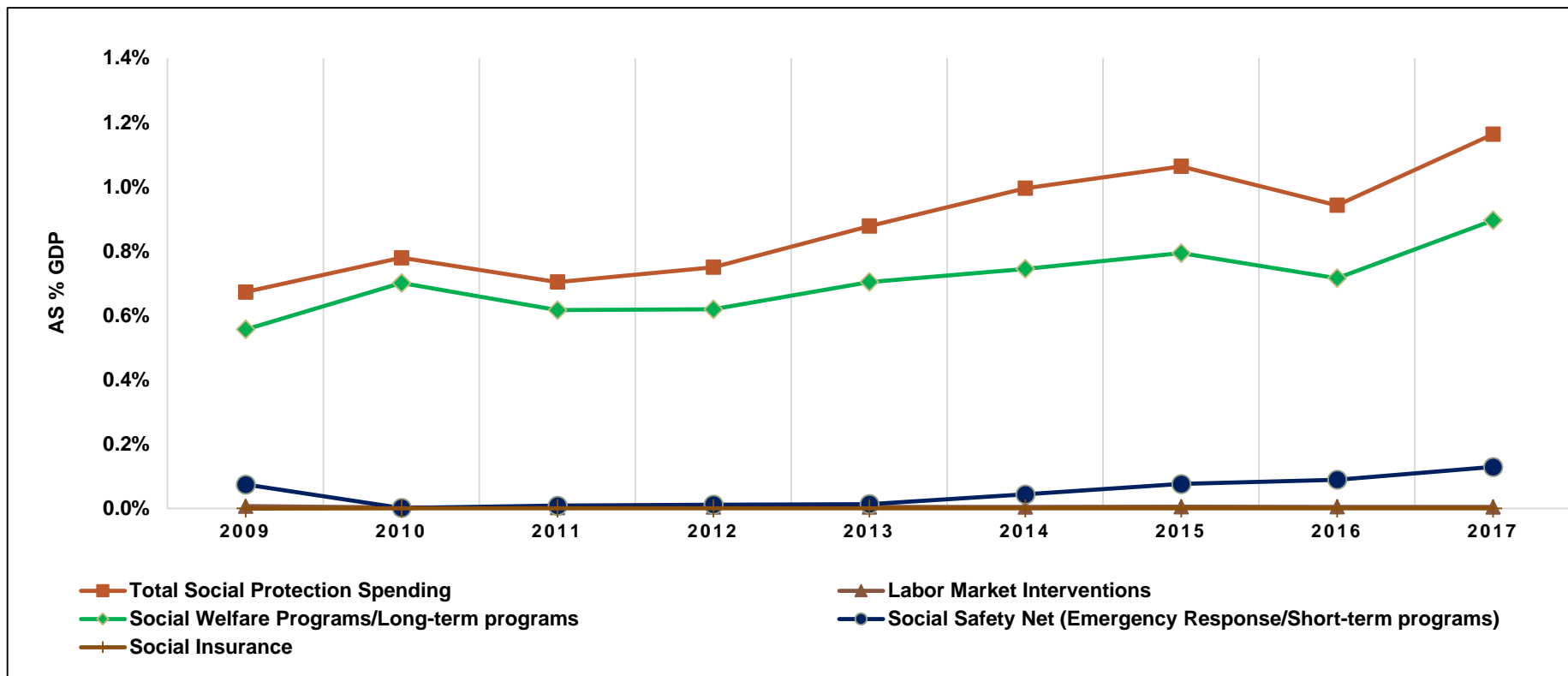
PhilHealth Indigent Program

Philippine Health Insurance Corporation (PhilHealth)

National Government Social Protection Programs

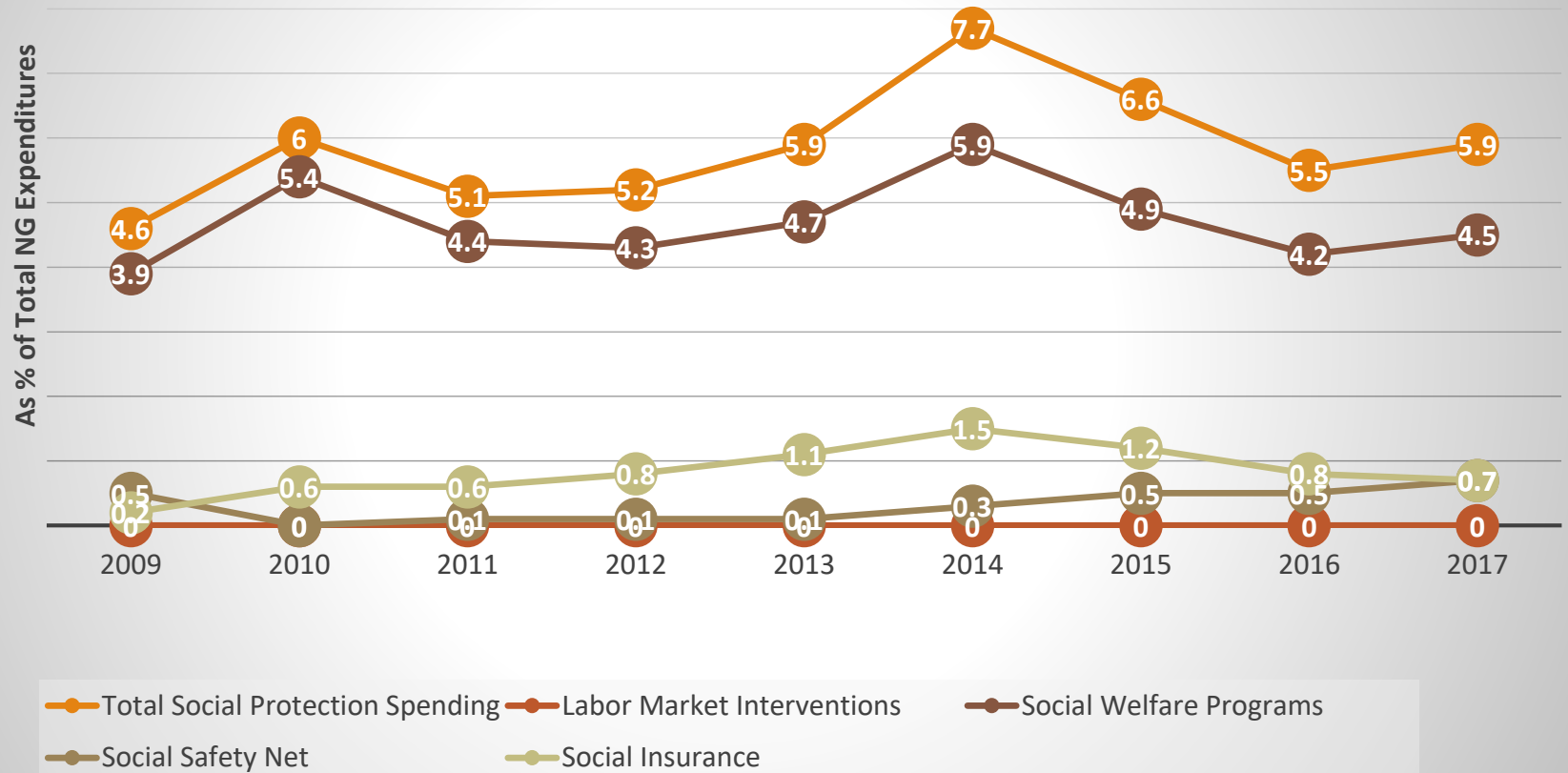
Social Welfare Programs (Long-Term programs)	National Government Agency
Livelihood and Self-employment Programs	DSWD
Pantawid Pamilyang Pilipino Program (4Ps)	
Kapit Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS)	
Malusog na Simula, Mayaman na Bansa	
Supplemental Feeding Program	
School Based Feeding Program	Department of Education (DepED)
Rice Price Subsidy	National Food Authority (NFA)
Seed and Fertilizer Subsidy	Department of Agriculture (DA)
Family Welfare Program/Workers with Special Concerns	DOLE
Assistance to Displaced Workers – AMP	
Implicit Subsidy	NFA

Philippine Social Protection Expenditure Trends, 2009-2017



From 2009-2017, national government social protection expenditures increased at an average of 0.7% of GDP or approximately 5.8% of national government expenditures.

Philippine Social Protection Expenditure Trends, 2009-2017



International Comparisons: ADB Social Protection Index (2013)

Country	Overall SPI	Social Insurance	Social Assistance	Labor Market Programs
Singapore	0.169	0.158	0.008	0.003
Malaysia	0.155	0.145	0.010	0.000
Thailand	0.119	0.092	0.025	0.003
Indonesia	0.044	0.014	0.028	0.002
Philippines	0.085	0.068	0.011	0.005
Viet Nam	0.137	0.116	0.017	0.004
Lao PDR	0.026	0.017	0.009	0.000
Cambodia	0.020	0.005	0.012	0.003
Regional Average	0.094	0.077	0.015	0.003

- The ADB social protection index (SPI) is derived from total expenditures on social protection divided by the total number of intended beneficiaries of all social protection programs.
- The Philippines weighted SPIs is highest for labor market interventions but lower than the regional average for all the rest.

By National Government Agency

Department of Agriculture (DA)

Department of Education (DepEd)

National Commission on Indigenous People (NCIP)

Department of Labor and Employment (DOLE)

Department of Social Welfare and Development (DSWD)

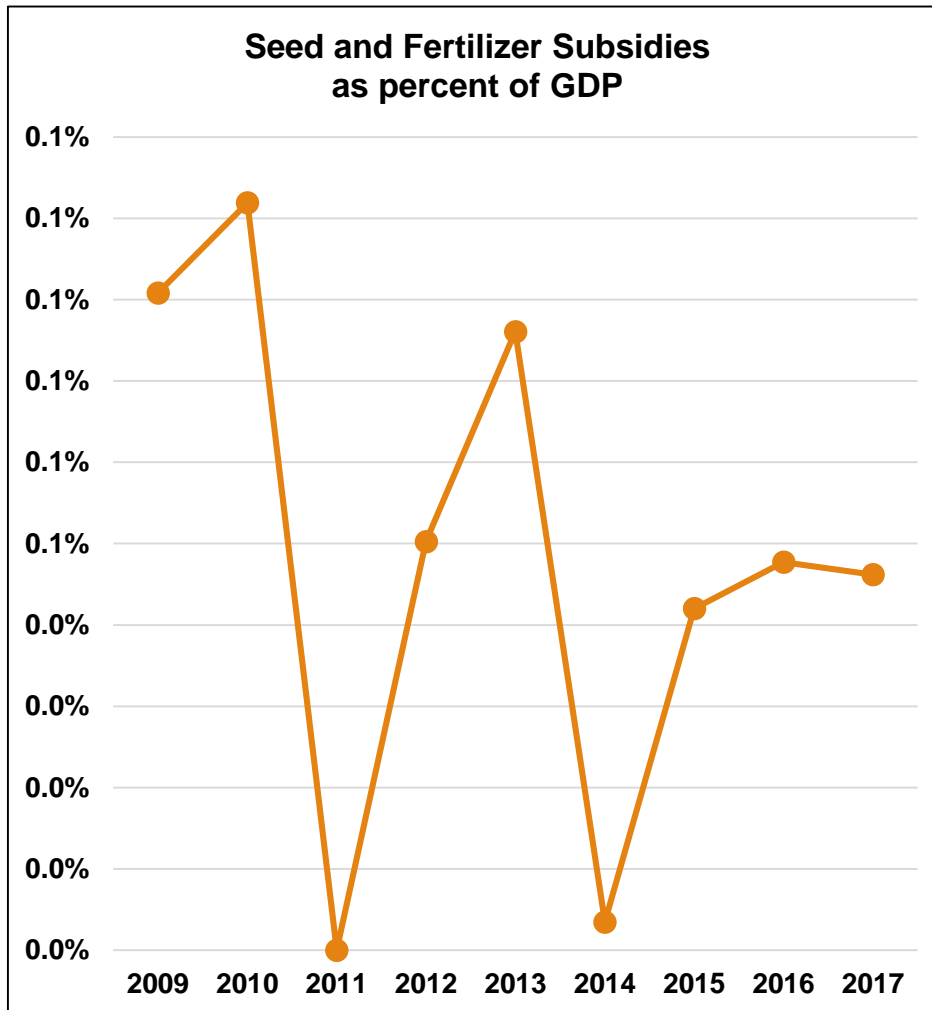
GOCCs

National Food Authority (NFA)

Government Service Insurance System (GSIS)

Philippine Health Insurance Corporation (PhilHealth)

Department of Agriculture (DA): Seed and Fertilizer Program, 2009-17



This program experienced considerable changes.

- In 2007, a COA audit report finding the ineffective implementation of the program.
- Shift to consultative implementation in 2014.

Department of Education (DepEd): School-Based Feeding Program

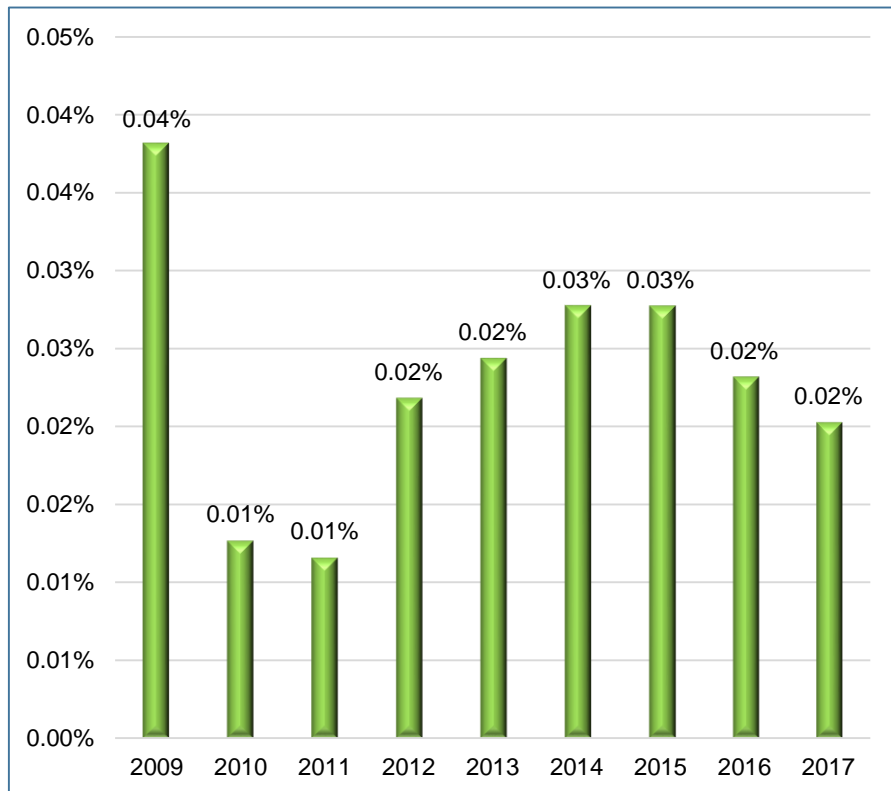
SHARE OF DEPED SOCIAL PROTECTION TO TOTAL DEPED EXPENDITURES, 2009-17



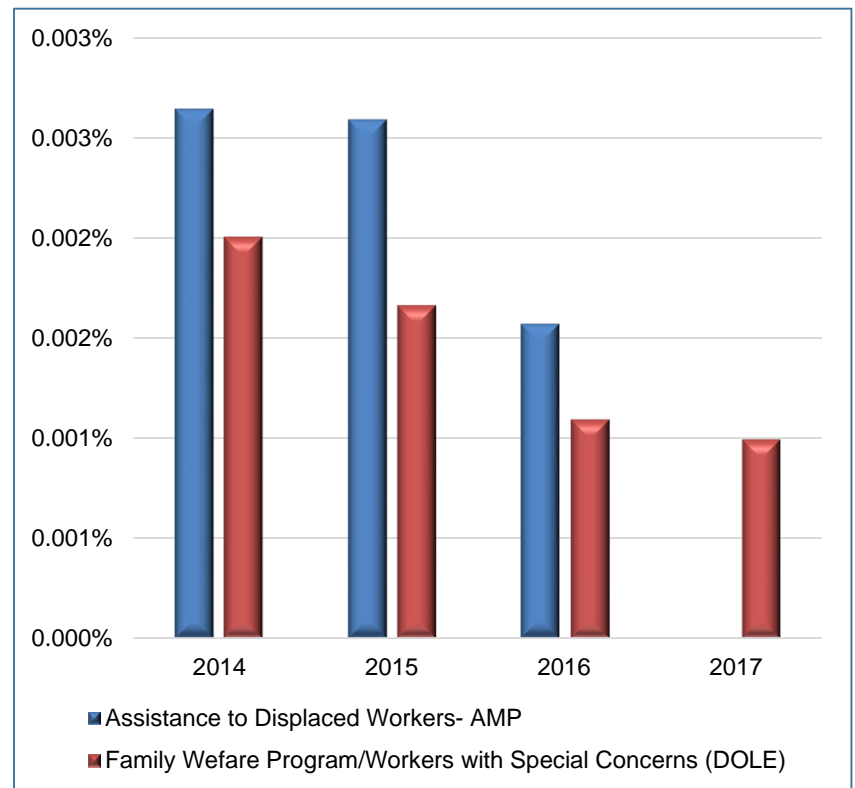
- The DepEd School-Based Feeding program evolved from the Breakfast Feeding Program that was enhanced by the DepEd based, in part, on recommendations of an impact assessment of the earlier program (Albert, et.al. 2015).
- Earlier DepEd feeding programs include the Breakfast Feeding Program (1997), Supplemental Food Program renamed to Malusog na Simula, Mayaman na Bansa (2007), Food for School Program (2005). The latter was discontinued in 2009/10 based on a Department of Budget and Management assessment that the program no longer delivered its intended outcomes.

Department of Labor and Employment (DOLE)

Special Employment Program for Students (SPES)

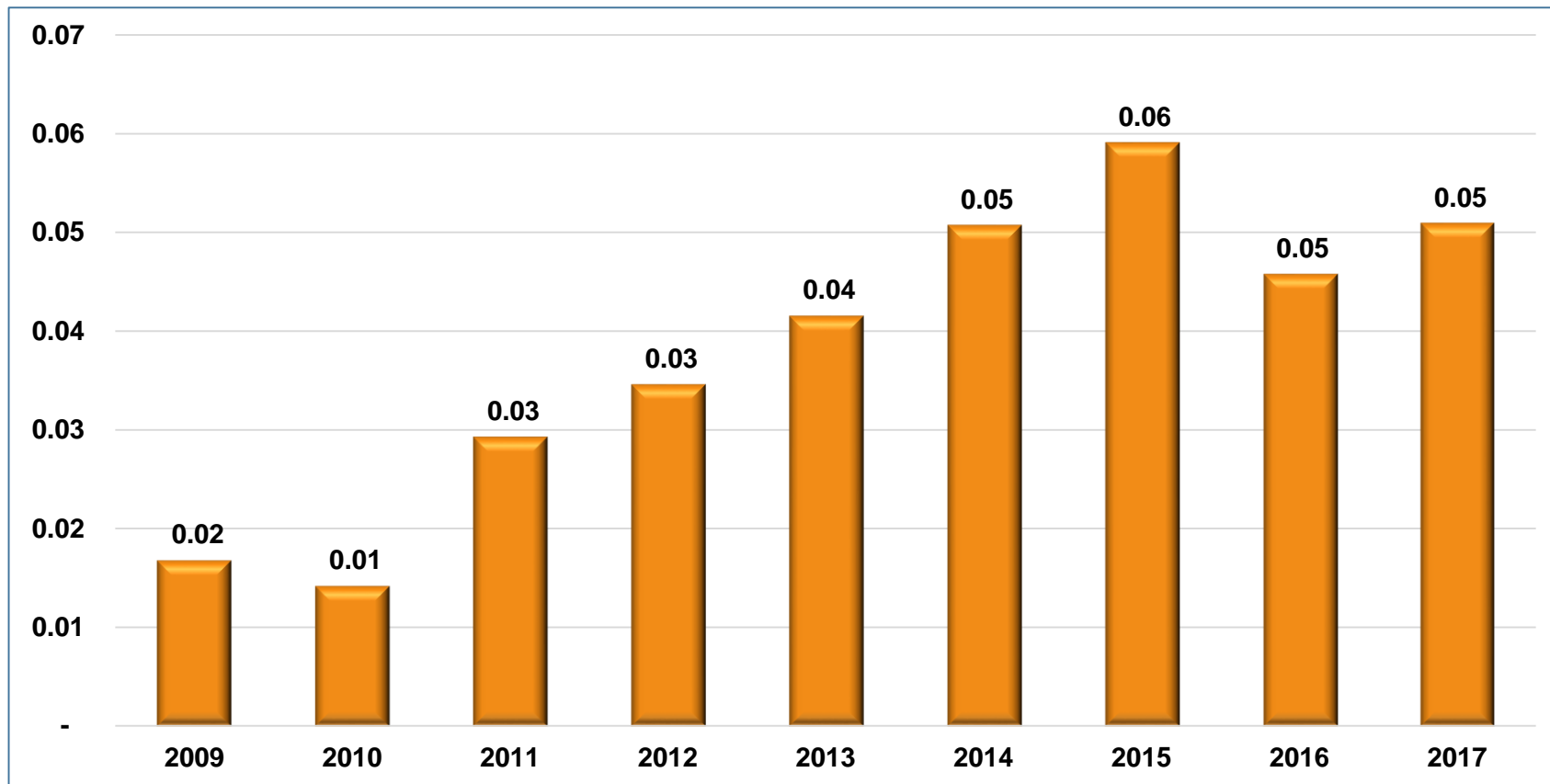


Share of DOLE Social Welfare Programs to Total National Government Expenditures (in percent), 2014-17



Department of Social Welfare and Development (DSWD)

Share of DSWD Social Protection programs to Total National Government Expenditures (in percent), 2009-2017



DSWD Social Protection Expenditures

- From 2009 to 2017, total DSWD social protection programs received increasing shares of the total national government expenditures averaging 0.04%
- Within the DSWD budget, allocations to social protection programs received an average of 45%.
- Among the DSWD social protection programs the Pantawid Pamilyang Pilipino Program (4Ps) receives the largest share.
- Programs such as KALAHI-CIDSS; Livelihood and Self-employment Programs, Social Pension follow the 4P in terms of expenditure shares though the latter program received the largest increase since 2015.
- Supplemental Feeding Program and Assistance to Individuals in Crisis Situations are the other remaining DSWD programs

DSWD: Changes in Social Protection Programs

- Some DSWD projects were initially funded by development partners but were later continued by the National Government (KALAHI CIDSS).
- There were efforts to design and continuously improve a national targeting system with the implementation of the 4Ps and now expanded Soc Pen program.
- Audit reports and impact assessments appear to have contributed to changes in the design of programs as well as allay fears regarding the program (e.g. 4Ps).

General Findings and Next Steps

- There is a need to continuously improve the design of government programs especially when it comes to programs that redistribute income to a targeted group.
- Furthermore, improving the targeting system is critical in improving the design of a program. In any public policy program, there is always the risk of an eligible person being excluded or including someone who is not the intended beneficiary.
- The redesign of a program could also lead to the consolidation or refocusing of programs within or across agencies with similar functions/objectives.
- To improve both design and targeting, there is the need to monitor and evaluate the efficiency and effectiveness of the program. This must be evidence-based to be able to intelligently assess future policy direction.
- The availability of timely and consistent data evidence-based reforms.



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