

The Manila Times

‘Adjustment in 4P grants needed’

By Mayvelin U. Caraballo, TMT – March 6, 2021

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The Philippine Institute for Development Studies (PIDS) on Friday proposed adjusting automatically the cash assistance extended for beneficiaries of the government’s Pantawid Pamilyang Pilipino Program (4Ps).

In a statement, the state think tank cited a paper, titled “Giving Cash to the Poor: A Study of Pantawid Pamilya Cash Grants Generosity, Frequency and Modality,” in highlighting the need to “establish a principle for adjusting the grant amount” ahead of the six-year review period stipulated under Republic Act 11031, or the “4Ps Act. “

In that paper, its authors — PIDS senior research fellow Aniceto Orbeta, supervising specialist Kris Ann Melad and research analyst Nina Victoria Araos — said making this adjustment was important, considering that the Philippines would eventually enter a post-coronavirus pandemic recovery phase.

Program beneficiaries are given a monthly health subsidy of P750 and educational assistance of P700, P500 and P300 for students in senior high school, junior high school, and elementary school, respectively. This is in addition to their monthly rice subsidy of P600.

The researchers found that the “amount of cash grants has remained at their nominal levels starting 2008 up to 2016,” and said “the reduction in [the] real value of the grants has reduced its ability to augment the income of the beneficiaries and aid human capital investment of children.”

Besides this adjustment, the paper also urged the government to consider differentiating the amount of assistance for specific target beneficiaries by gender or location, for example.

It also recommended that if the grant couldn’t be adjusted proactively, supplementary interventions, such as other programs and cash assistance, should be provided to the beneficiaries.

The importance of distributing payouts to recipients according to a specified or fixed schedule and reducing barriers in accessing the grant were also stressed.

“To implement this, improvements should be made in the processes and information technology infrastructures of the Department of Social Welfare and Development and the Land Bank of the Philippines, an authorized government depository bank (AGBD) of the program,” PIDS said.

Another recommendation of the study is for LandBank and other relevant AGDBs to expand their network of automated teller machines (ATMs) and branches.

LandBank should also find alternative cash withdrawal points, such as point-of-sale (POS) transactions/withdrawal services to cover areas without ATMs, the think tank said.

Moreover, POS establishments should be monitored, and transaction fees should not be shouldered by the beneficiaries, at least for the first withdrawal, regardless of where the transaction was done, it added.