

## ABND in Philippines:

### Informal meeting of Departments, workers and employers, UN

23 May 2014

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#### Participants

- Social Security Commission (Commissioner Malonzo, Alan Ortiz)
- Institute for Labor Studies
- Employees Compensation Commission (Stella Banawis)
- Federation of Free Workers (Antonio Asper)
- Employer representatives (Roland Moya)
- ILO (Valerie Schmitt, Cocoy Sardana)

#### Justification for the ABND exercise

- The enhancement of the National Social Protection Strategy (NSPS) is one of the major commitments of the Philippines government. In the past year, there have been several discussions and consultations of the Subcommittee on Social Protection (chaired by DSWD) for preparation of the action plan. However, the preparation of the action plan is being deferred until the next administration in 2016. DSWD wishes to use the ABND report for the action plan of the NSPS.
- The SPF was presented to the Subcommittee on Social Protection by the DOLE Under-Secretary. The DSWD and other key counterparts are therefore, aware of the SPF framework.
- The development of social protection in Philippines lacks harmonization. Different institutions are carrying out their own measures. DSWD has focused on social assistance. Social insurance institutions have their own provisions, which are not coordinated with other social protection providers. As a result, **non-poor informal sector workers (accounting for 40% of the work force) have been ignored** and have no access to social protection. It is important to bring all providers and stakeholders, as a team. It is also important to have a common analysis of the situation, and come up with evidence-based recommendations. This is what the ABND intends to do and why it is important in the context of the Philippines.

#### ABND methodology

- A joint Government–UN team needs to be established. The existing **Subcommittee on Social Protection (SC-SP)** chaired by DSWD and UNICEF (under UNDAF Pillar 2) can take up the roles and functions of this joint team.
- Steps 1 and 2 of the ABND could be conducted by this joint team. For step 2, a sub-group would process the detailed calculations with the RAP.

- The final ABND report would be technically endorsed by the group, and then shared with the Human development cluster for their endorsement. The cluster includes the Subcommittee on Social Protection, Subcommittee for the Informal Economy and the Tripartite Industrial Peace Council (TIPC).

### Next steps

- A meeting with UN agency heads would be held on 27.5.2014, followed by dinner with DOLE Secretary Baldoz.
- On 28.5.2014, a meeting would be held with DSWD, DOLE, PhilHealth, NEDA, National Antipoverty Commission, workers and employers, senior citizens associations, the NEDA consultant in charge of the NSPS implementation plan, micro-insurance schemes. This meeting, organized by DOLE, would aim to:
  - justify the ABND (responsible: DOLE);
  - present the ABND process and outcomes (responsible: ILO);
  - organize the ABND process, including establishing the chair and co-chair, discussing how to use the Subcommittee on Social Protection; and
  - decide on the next steps including:
    - formal launch of the ABND exercise;
    - list of focal points for the bilateral consultations;
    - list of consultations and tentative dates; and
    - selecting the regions where ABND will be conducted, e.g. national level, Mindanao, disaster-affected areas.

### Information on social protection in Philippines

- SSS has 30 million members but only one-third regularly pay contributions.
- SSS has been trying to cover the informal sector like agricultural workers and taxi drivers, who account for 40% of the workforce and are without protection, but more people need to be covered. For this, SSS advocates for a similar strategy as that of PhilHealth, i.e. to subsidize the premiums of the not-so poor.
- Only 30% of income earners have social security, 25% receive social assistance, but **40% are working poor who have no social protection.**
- The main group that has **no income security is the elderly.** Despite the formal sector pensions (under SSS and GSIS) and the social pension (by DSWD), most elderly people have no protection.
- There is a divide between urban and rural areas, with regard to accessing social protection. Although access to social protection (social insurance and assistance) is reasonable in urban areas, most people have limited access in rural areas.
- Some schemes, such as 4Ps, have no legal basis but only administrative orders.
- The social pensions (by DSWD) is legislated under the civil citizens law.
- It may be important to **include micro-insurance schemes** in the ABND, as they cover 8-9 million people in the Philippines. One of the main schemes (under CARD) has 25% coverage.