

## ABND in the Philippines:

### RAP workshop to convert recommendations into scenarios

2-3 June 2015

---

A workshop was conducted on 2 and 3 June 2015 to familiarize the Core Group (CG) conducting the Assessment-based National Dialogue (ABND) process in the Philippines with the Rapid Assessment Protocol (RAP) model. The RAP is a cost estimation tool developed by the International Labour Organization (ILO) and the United Nations Children' s Fund (UNICEF), which will be used to estimate the cost of establishing a Social Protection Floor (SPF) in the Philippines.

#### Participants

TBC

#### Converting recommendation into scenarios for the RAP

Previously, bilateral consultations with relevant government and non-governmental agencies, CG meetings and discussions, as well as island-wide consultations were held, to develop SPF recommendations as part of the assessment matrix. The recommendations are of two types:

1. RAP-able recommendations: those whose cost can be estimated using the RAP. These typically include quantitative recommendations such as to increase benefit levels, increase coverage, etc.; and
2. Non-RAP-able recommendations: those whose cost cannot be estimated using the RAP. These typically include qualitative recommendations such as to improve service quality, and recommendations which require detailed or actuarial studies such as to design a new social insurance scheme.

The first type of recommendations was converted into draft scenarios by the ILO. These were presented to the CG for further discussion and refinement. ILO also presented the data sources and methods used to estimate the cost of the different scenarios.

## PhilHealth

### *Draft Scenarios*

- Scenario 1: Provide a 30 per cent national government subsidy for PhilHealth premiums for vulnerable informal sector members.
- Scenario 2: Provide a 50 per cent national government subsidy for PhilHealth premiums for vulnerable informal sector members.

### *Recommended Scenario*

- Scenario 1: Provide a 100 per cent national government subsidy for PhilHealth premiums for vulnerable groups.

### *Discussion points*

- The coverage of PhilHealth needs to be extended to those workers that are not identified by the National Household Targeting System for Poverty Reduction (NHTS-PR) as poor, but who cannot pay PhilHealth premiums themselves.
- The target group for the recommended Scenario 1 was identified as informal economy workers and vulnerable formal economy workers. This is being addressed by PhilHealth presently, as the coverage is not restricted just to the beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps), but is also extended to those that belong to the four lowest income deciles and are unemployed.
- Data on the target group will be given by the Bureau of Workers with Special Concerns (BWSC).
- The increased cost of operation and administering the benefits, on both supply and demand sides, should be considered as well.

## Social Security System (SSS)

### *Draft Scenarios*

- Scenario 1: Introduce an employment insurance scheme wherein the national government subsidizes 30 per cent of the contributions.
- Scenario 2: Introduce an employment insurance scheme wherein the national government subsidizes 50 per cent of the contributions.

### *Recommended Scenario*

- Scenario 1: Introduce unemployment insurance (UI) benefits wherein the national government subsidizes 1/3<sup>rd</sup> of the contributions. The benefit replacement rate is to be taken as 45 per cent, 60 per cent or 90 per cent of the average income. The UI cash allowance is to be provided for 3 or 6 months.

- Scenario 2: Introduce unemployment insurance benefits wherein the national government subsidizes 50 per cent of the contributions. The benefit replacement rate is to be taken as 45 per cent, 60 per cent or 90 per cent of the average income. The UI cash allowance is to be provided for 3 or 6 months.

#### *Discussion points*

- The Department of Labor and Employment (DOLE) is presently considering the feasibility of an employment insurance scheme, which comprises UI benefits linked with active labour market policies (ALMPs). ALMPs include job search assistance and training by the government and employers.
- Contractual workers and those on job orders (JOs) also should be included.
- It was decided that the scheme should be implemented in phases, first for wage and salaried workers, and then for informal sector workers. Design of a UI scheme for informal sector workers requires further careful feasibility studies, to ensure that workers can actually avail and benefit from it.
- The cost estimation for UI benefits is harmonized with a previous study on the feasibility of UI conducted by ILO in 2010.

#### *Draft Scenarios*

- Scenario 3: Provide a 30 per cent national government subsidy for SSS premiums for the informal sector.
- Scenario 4: Provide a 50 per cent national government subsidy for SSS premiums for the informal sector.

#### *Recommended Scenario*

- Scenario 5: Provide a national government counterpart contribution for SSS premiums for informal sector workers who are earning at least P2,500 but not more than P8,500 monthly. Employees Compensation benefits should also be considered for the informal sector.

#### *Draft Scenario*

- Scenario 5: Provide an additional monthly pension of P500 to persons with disabilities (PWDs), over and above the usual pension amount.

#### *Recommended Scenario*

- Scenario 6: Provide an additional monthly pension to PWDs, funded by a national government subsidy, over and above the usual pension amount.

## Government Service Insurance System (GSIS)

### *Discussion points*

- The recommended Scenario 6 under SSS can also be accommodated under the GSIS scheme.
- The draft scenarios under GSIS are considered either under SSS or the social pension, and can therefore be disregarded.

## Pantawid Pamilyang Pilipino Program

### *Draft Scenarios*

- Scenario 1: Increase the benefit amount from P300 to P400 for the education grant; and from P500 to P600 for the health grant.
- Scenario 2: Also, adjust benefit amounts to inflation.

### *Recommended Scenarios*

- Scenario 1: Increase the benefit amount to at least P1,000 per month per child (with no restriction on the number of children) for the education grant. Keep the amount of the health benefit the same, as it is supplemented by PhilHealth benefits.
- Scenario 2: Stipulate a maximum monthly benefit amount to each family, based on the poverty line, for the education grant. Benefit amount for the health grant remains unchanged.

### *Discussion points*

- There was general consensus among the group that there should be no distinction made between the benefits available to children based on the birth order. All children should be able to avail of the education and health grants through the 4Ps. Further, the benefit amount of P300 is too small, and the increase from P300 to P400 is not significant. The amount should be increased such that the benefit actually leads to an increase in consumption by the family.
- The maximum monthly benefit amount mentioned in Scenario 2 is to be decided through bilateral meetings. However, to ensure that the grant can benefit families, it is recommended to conduct additional feasibility studies.
- The health grant remains unchanged, but the number and depth of services provided is to be increased.

### *Draft Scenario*

- Scenario 3: Provide food or cereal vouchers worth P200 to families with 6-24 month old children.

### *Recommended Scenario*

- Scenario 3: Provide food or cereal vouchers worth P200 per child to families with 6-24 month old children, to be supplied by the Food and Nutrition Research Institute – Department of Science and Technology (FNRI-DOST) in partnership with local government units (LGUs). Also, supplement the vouchers with training for families on child nutrition.

### *Discussion points*

- It was highlighted that the objective of the 4Ps is not to bring families out of poverty, but to help children break intergenerational poverty by building human capital.

## **School Feeding Program (SFP)**

### *Draft Scenarios*

- Scenario 1: Provide a meal to all children in public schools under SFP.
- Scenario 2: Provide a meal and milk bottle to all children in public schools under SFP

### *Recommended Scenario*

- Scenario 1: Provide a meal and a supplementary drink to all children from Kindergarten to grade 6 (progressively increase from grade 3 to 6) for the whole year (progressively increase from 120 days to entire school year).
- Scenario 2: In addition, extend the same benefits to children attending home-school and those not attending school.

### *Discussion points*

- The school meal and drink should be provided to all children, and not just a selection of children based on body weights, in order to be effective and sustainable.
- The present cost of providing meals is P15 (food cost) + P1 (distribution cost) per child per day.
- Employment programmes such as the Sustainable Livelihood Program (SLP) engage parents in the community, to help in the distribution of food and vouchers. The parents receive a guaranteed income, but SLP should also provide insurance coverage.

## **Social Pension for Indigent Senior Citizens**

### *Draft Scenarios*

- Scenario 1: Provide a social pension of P500 per month to all poor elderly >60 years of age.
- Scenario 2: Provide a social pension of P500 per month to all poor elderly >60 years of age, indexed on inflation.

- Scenario 3: Provide a social pension of P750 per month to all poor elderly >60 years of age.
- Scenario 4: Provide a social pension of P750 per month to all poor elderly >60 years of age, indexed on inflation.

#### *Recommended Scenarios*

- Scenario 1: Provide a means-tested social pension of P750 or P1,500 per month to all elderly >60 years of age who are not beneficiaries of other pension schemes.
- Scenario 2: Provide a means-tested social pension of P750 or P1,500 per month to all elderly >60 years of age.

#### *Discussion points*

- The civil society organization Social Watch strongly advocate for stipulating a higher pension amount of P1,500 in order for it to be of use to beneficiaries.

### **Programmes for children, elderly and PWDs**

#### *Draft Scenarios*

- Scenario 1: Provide a social pension of P500 per month, indexed on inflation, to all PWDs who do not benefit from other pension schemes.
- Scenario 2: Provide a social pension of P750 per month, indexed on inflation, to all PWDs who do not benefit from other pension schemes.

#### *Recommended Scenarios*

- Scenario 1: Provide a means-tested social pension, inclusive of a care-giver allowance of P2000, P3000 or P4000 per person per month, indexed on inflation, to all qualified PWD beneficiaries.
- Scenario 2: Provide a means-tested social pension, inclusive of a care-giver allowance of P2,000, P3,000 or P4,000 per month, indexed on inflation, to all individual PWDs who do not benefit from other pension schemes.

#### *Discussion points*

- The focus of this discussion was to improve facilities and infrastructure, to truly benefit and assist in the integration of PWDs of all ages into society. However, this recommendation depends on improving delivery of benefits and services and is therefore non-RAP-able.

## **Technical Education and Skills Development Act (TESDA) programmes**

### *Draft Scenarios*

- Scenario 1: Provide a daily allowance at the poverty threshold, indexed on inflation, to low-income people enrolled in TESDA training courses.
- Scenario 2: Provide a daily allowance at twice the poverty threshold, indexed on inflation, to low-income people enrolled in TESDA training courses.

### *Recommended Scenarios*

- Scenario 1: Provide a daily allowance at the poverty threshold, indexed on inflation, to low-income people including PWDs, enrolled in TESDA training courses. Amount of the voucher should equal the cost of the course plus transportation. Training programmes should be aligned for 4Ps beneficiaries, i.e. everyone below the poverty line should be given special consideration for the training vouchers.
- Scenario 2: Increase the number of training vouchers to match the available jobs.

## **DOLE Integrated Livelihood and Emergency Employment Program (DILEEP)**

### *Draft Scenarios*

- Scenario 1: Introduce a special intervention providing work to PWDs paid at the regional minimum wage, with social insurance coverage and protective gear.

### *Recommended Scenarios*

- Scenario 1: Introduce a special intervention providing work to PWDs paid at the regional minimum wage, with social insurance coverage and protective gear.
- Scenario 2: Increase the benefit amount as well as the number of beneficiaries who are PWDs.

## **Special Program for Employment of Students (SPES)**

### *Draft Scenarios*

- Scenario 1: Increase coverage to 500 students.
- Scenario 2: Increase coverage to 1,000 students.

### *Recommended Scenarios*

- Scenario 1: Increase coverage depending on the baseline and include PWDs who are of eligible age

### *Discussion points*

- The CG discussion focused on including the employment of SPES beneficiaries not just in government agencies but also in non-governmental organizations (NGOs). It was also recommended to include personal assistance programmes at the community level, like job-search assistance, counselling, etc.

## **Community-based Employment Program (CBEP)**

### *Recommended Scenarios*

- Scenario 1: Increase the number of days of guaranteed employment from 30 to 100 days per year, paid at the minimum wage with social insurance coverage.

### *Discussion points*

- The programme for guaranteed employment could be modelled along the lines of the Mahatma Gandhi National Rural Employment Guarantee Scheme (NREGS) in India.

## **Next Steps**

Sectorial consultations will be held over the next few weeks to identify specific recommendations and scenarios for different sectors, such as children, construction workers, indigenous people (IPs), etc. who have special concerns. For all these scenarios, the cost will be computed using the RAP model. Bilateral meetings will be conducted to finalize the model, in case of missing information. Finally, the RAP model will be presented to and validated by the CG in a second RAP workshop.