

## **Social Protection in the Philippines: In Pursuit of Inclusive Growth**

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### **I. INTRODUCTION**

The Department of Social Welfare and Development (DSWD) is the Philippine government's lead agency in social welfare development, policy development, and program implementation as emphasized in Executive Order 221, Series of 2003. It was created by virtue of Republic Act 5416 of 1968 with the mandate to set standards and policies to ensure effective implementation of public and private social welfare programs. In particular, the DSWD is responsible for, among others, (i) formulating policies and plans that provide direction to intermediaries and other implementers in the development and delivery of social welfare and development services and (ii) providing social protection to the poor, vulnerable, and disadvantaged sector. It envisions "a society where the poor, vulnerable, and disadvantaged are empowered for an improved quality of life" by developing, implementing, and coordinating social protection and poverty reduction solutions for and with the poor, vulnerable, and disadvantaged.

The President's Social Contract with the Filipino People reiterates DSWD's role as the active lead in social protection, which is a priority area of the Aquino government as reflected in the overall goal of inclusive growth in the 2011-2016 Philippine Development Plan. Inclusive growth is encompassed in the President's Social Contract, which envisions "a country with an organized and widely shared rapid expansion of our economy through a government dedicated to honing and mobilizing our people's skills and energies as well as the responsible harnessing of our natural resources." It is expected to result in reduced poverty and increased employment through three broad strategies such as (i) high and sustained economic growth, (ii) equal access to development opportunities, and (iii) effective and responsive social safety nets.

Achieving inclusive growth entails development of human resource by improving access to quality social services and enhancing social protection that is intended to empower the poor and vulnerable and, in turn, enable them to participate in the growth process (PDF Working Group on the MDGs and Social Progress 2013). DSWD plays a crucial role in this regard especially in the area of social protection. In an effort to formulate the DSWD's sectoral reform agenda in 2006, the agency defined its critical role and contribution in rationalizing social protection in the Philippines. As a result, social protection in the Philippine context gained formal definition on 13 February 2007.

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On the other hand, several studies assessing social welfare and protection programs in the country suggest the need to harmonize social welfare programs to avoid overlaps and improve targeting of areas and beneficiaries. Also, there is a need for the government to harmonize and coordinate poverty reduction with social protection especially in crafting interventions and strategies. In response, DSWD, in collaboration with NEDA and SSS, formulated an operational framework to harmonize all social protection programs. To date, the NEDA Social Development Committee (SDC) approved the use of the framework “by all stakeholders involved in recommending and implementing social protection policies, programs, and projects in the country” (NEDA-SDC Resolution No. 3, series of 2012).

This short paper aims to share the Philippine experience on social welfare policies, which are embodied in the said operational framework. The paper is organized as follows. Section II provides an overview of the Operational Framework on Social Protection. Section III presents the country’s experience on social welfare policies, particularly in terms of DSWD’s Convergence Strategy, which orchestrates the agency’s core social protection programs. In addition, it discusses some of the successes as well as issues and challenges confronting the Philippine government with regard to social welfare policies. The paper ends with the concluding remarks in Section IV.

## **II. OVERVIEW OF THE SOCIAL PROTECTION OPERATIONAL FRAMEWORK<sup>2</sup>**

As mentioned earlier, the social welfare policies in the Philippines are embodied in the Social Protection Operational Framework (Figure 1), which is a common guiding framework in proposing, implementing, monitoring, and evaluating social protection policies, programs, and projects to avoid duplication of interventions (NEDA-SDC Resolution No. 3, Series of 2012). The framework was formulated cognizant of the need to harmonize all social protection policies, programs, and projects to ensure greater impact on the poor and vulnerable. The need springs from the fact that multiplicity of programs and government agencies involved tends to bring about poor coordination, redundancy in providing services, and overlapping of program beneficiaries (DSWD 2012).

### **SOCIAL PROTECTION DEFINED**

The Operational Framework on Social Protection defines social protection as “policies and programs 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.”<sup>3</sup> It is regarded as one of the pillars of poverty reduction (Figure 2) considering that “exposure to risks and the inability of individuals/families to manage and cope with these risks lead to poverty.” As such, it forms part of the overall inclusive development goals and overall poverty strategy of the country.

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2 Draws heavily on DSWD and NEDA (2012) and PDF Working Group on the MDGs and Social Progress (2013).

3 The Operational Framework adopts the definition used by the Sub-Committee on Social Protection (SCSP) as follows: (i) “poor” refers to individuals and families whose income falls below the poverty threshold as defined by the government and/or those that cannot afford in a sustained manner to provide their basic needs of food, health, education, housing, and other amenities of life; (ii) “vulnerable” refers

Figure 1. Enhanced Social Protection Framework and Strategy

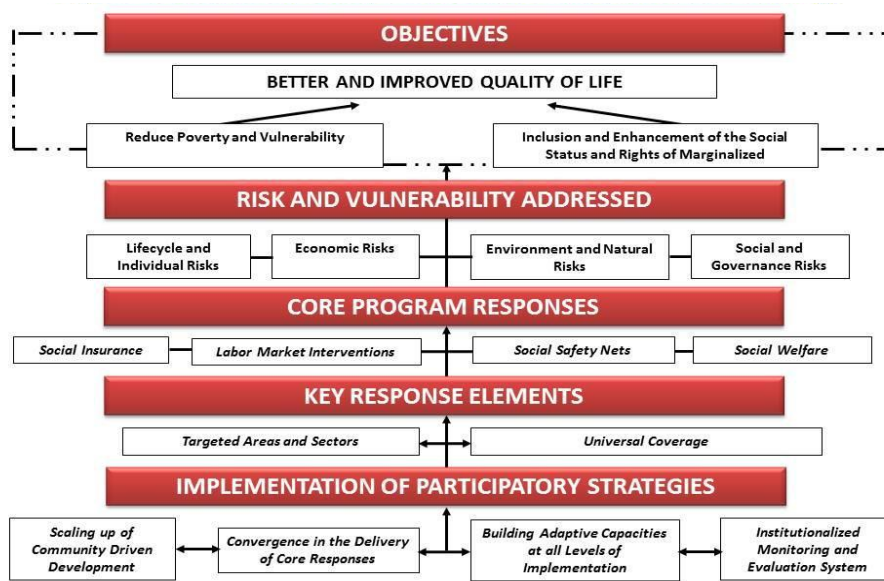
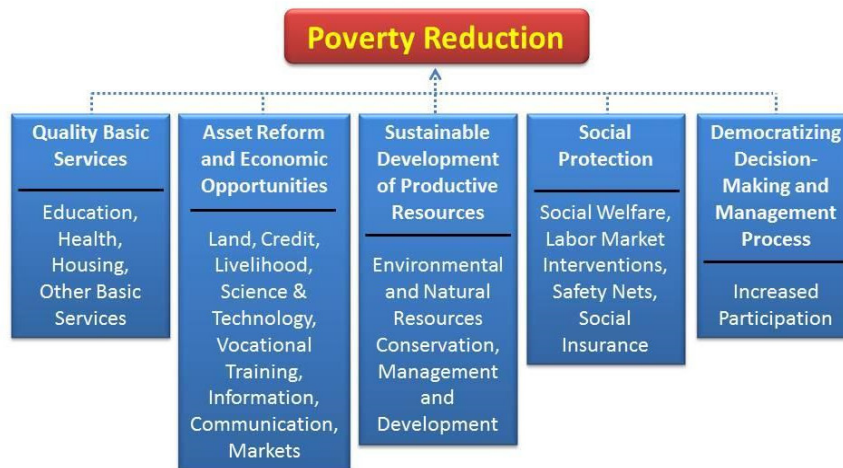


Figure 2. Enhanced Analytical Framework for Poverty Reduction



NOTE: Analytical framework taken from RA 8425, Social Reform and Poverty Alleviation Act was enhanced to include social protection.

Source: Enhancing the Social Protection Operational Framework and Strategy of the Philippines, DSWD-NEDA-SDC, July 2012

to households confronted by *ex ante* risk that, if they are currently non-poor, will fall below the poverty line, or if they are currently poor, will remain in poverty. It is also defined in terms of exposure to adverse shocks to welfare and not only in terms of exposure to poverty; and (iii) “marginalized” are those groups in society who, for reasons of poverty, geographical inaccessibility, culture, language, religion, age, gender, migrant status, or other disadvantage, have not benefited from health, education, employment, and other opportunities and who are relegated to the sidelines of political persuasion, social negotiation, and economic bargaining.

The core of the Operational Framework is the objective of social protection, i.e., better and improved quality of life for its beneficiaries, which can be achieved by reduction in poverty and vulnerability and inclusion and enhancement of the social status and rights of marginalized (Figure 1). The other elements/features of the Framework are discussed below.

## Identifying and Responding to Major Risks and Vulnerabilities

Table 1. Types of Risks/Vulnerability and Responses\*

Assessment		Responses	
Types of Risks/ Vulnerability	Household or Informal Mechanisms	Government	Private and Civil Society Sector
<b>Individual Lifecycle</b>			
Hunger and malnutrition	Support from relatives, subsistence farming	Health and nutrition policy, programs, and projects	Provision of nutrition services, soup kitchens, etc.
Illness, injury, disease (including HIV-AIDS)	Extended family, community support	Social security, health insurance, and microinsurance	Private insurance schemes
Disability	Hygiene, preventive health	Social security, social assistance, employees compensation	Private insurance and microinsurance
Old age	Asset/savings reduction	Pension plan	Old age annuities, private pension
Death	Debt	Social security	Private life insurance
<b>Economic</b>			
End of source of livelihood	Diversified sources of livelihood	Sound macro and sector policies for job generation; emergency and guaranteed employment	Private sector investments that are job-generating
Unemployment	Private transfers, child labor	Regional and rural development policies, emergency and guaranteed employment	Private job search institutions
Low and irregular income	Depletion of assets/ savings	Labor market policies, social assistance, conditional cash transfers	Banking services to the poor, microfinance

Price instability of basic commodities	Reduced consumption of basic goods	Price control inflation management	Sales discounts
Economic crisis	Migration	Social funds, subsidies, emergency employment	
<b>Environmental and Natural</b>			
Drought, rains and floods, earthquakes volcano eruption and landslides	Migration Community action Private transfers Extended family support Asset/savings depletion	Environmental policy, programs, and projects Infrastructure investments Relief and rehabilitation Relocation-temporary and permanent Disaster prevention and mitigation measures Geo-hazard mapping Insurance against disasters	Relief and rehabilitation programs
<b>Social/Governance</b>			
Social exclusion	Community networks	Inclusive growth, good governance, transparency, and accountability	Good corporate governance Corporate social responsibility
Corruption	Community pressure	Public information, transparency and accountability campaign; bottoms-up budgeting	Strengthening participation of NGOs and CBOs
Crime and domestic violence	Women's groups and watchdogs	Providing security and equal access to justice	Peace and order promotion (e.g., anti-drug campaigns)
Political instability and armed conflict	Migration	Participation of citizens and civil society groups; peace negotiations	Advocacy for democracy and democratic transitions
Adopted mainly from the ADB Social Protection Strategy Paper, 2001 and Aldaba (2008)			
* Lifted from DSWD and NEDA (2012)			

The Operational Framework envisions social protection to respond to various types of risks and vulnerabilities (e.g., lifecycle and individual risks, economic risks, environment and natural risks, and social and governance risks) confronting households and individuals. Table 1 provides the responses that can emanate from different sectors (e.g., households, government, private sector, and civil society).

### **A. Core Program Responses**

The responses to the risks and vulnerabilities listed above are categorized into four core programs as follows:

- (i) social welfare – social welfare programs providing basic protection to the poor, excluded, discriminated against, and marginalized; preventive and developmental interventions aimed at supporting the minimum basic requirements of the poor (e.g., Pantawid Pamilyang Pilipino Program (4Ps), Department of Labor and Employment (DOLE)-coordinated National Convergence Plan Against Child Labor in the Philippines, DSWD’s Supplementary Feeding Program, and DSWD’s Social Pension for Indigent Senior Citizens)
- (ii) labor market interventions – include employment facilitation schemes, active labor market programs (ALMPS), and emergency and guaranteed employment; examples include DOLE’s free placement and job-assistance services, career guidance and counseling, and skills training; DOLE’s convergent programs (e.g., institutionalization of the Philippine Qualifications Framework, strengthening of Public Employment Service Offices, and improvement of Phil-Job Net through the integration of the Skills Registry System and DOLE Human Resource Data Warehouse) to address job-skills match and to increase employability of the Filipino workforce
- (iii) social safety nets – refer to time-bound (i.e., short-term) stop-gap and bridge measures (e.g., cash transfers, food-for-work programs, and emergency and employment programs) meant to assist and tide over affected families during crisis until such time that they have developed their potential to earn income and meet their future needs
- (iv) social insurance and related programs – include premium-based schemes protecting households from lifecycle and health-related risks (e.g., old age, illness, and disability); examples include expanded PhilHealth coverage and expanded coverage for work-related contingencies under the Employees Compensation Program

## B. Key Response Elements

### i. Identifying and responding to priority target areas and sectors

The Operational Framework expects social protection to be able to identify and focus its target areas and target groups because prospective beneficiaries may include both poor and non-poor. To ensure better targeting of social protection programs, the DSWD established the National Household Targeting System for Poverty Reduction (NHTS-PR), which is a targeting system based on proxy means test that unified the criteria for the selection of the poorest segment of the population and created a database of poor households. In 2010, the government mandated all national government agencies to adopt the NHTS-PR as mechanism for identifying poor households that will be beneficiaries of social protection programs (Executive Order No. 867, Series of 2010).

In addition, based on various indicators, the government should target priority areas that have concentration of poverty, conflict, and disasters for the provision of programs and projects. Also, it should target areas that are exposed to potential risk due to climate change. Likewise, it should aim social protection programs at marginalized sectors that include, but are not limited to, women, children, youth, elderly, families, indigenous peoples (IPs), and persons with disabilities (PWDs). The Operational Framework emphasizes that the target areas and target sectors are not mutually exclusive, thus addressing concerns on cross-cutting sectors such as gender.

### ii. Working toward universal coverage

Due to limited resources, the government can only target households and individuals who are poor and highly vulnerable (i.e., based on NHTS-PR) as beneficiaries of social protection programs. Nevertheless, increases in government's resource base may enable major social protection programs, particularly those reducing or mitigating education- and health-related risks, to reach universal coverage and to form part of the delivery of basic social services.

## C. Implementation of Participatory Strategies

The Operational Framework identifies key participatory strategies for implementation. They are as follows:

### i. Scaling up of community driven development (CDD)<sup>4</sup>

Community-driven development is viewed as important strategy considering that implementation of social protection programs

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<sup>4</sup> An approach helping poor communities (i.e., barangays) to develop necessary skills and providing them with resources to be able to select, implement, and sustain small-scale community infrastructure projects and key social services

starts at the ground level. In the Philippines, Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) and Makamasang Tugon are leading CDD programs. According to the Operational Framework, the Philippine government is scaling up CDD activities including institution building (e.g., formation of CDD units within sectors and departments, developing CDD modules for use by existing training institutes, and conducting interagency CDD pilots).

ii. Convergence in the delivery of core responses (i.e., social protection)

Convergence entails the synchronization and coordination of all interventions of government (i.e., both national and local) and the private sector in a particular geographical area with the objective of ensuring that reforms pertaining to poverty alleviation are realized. Operationalization of convergence requires convergence (i) in the target areas/municipalities, (ii) with the private sector in the delivery of social protection programs, (iii) in the package of intervention to be delivered in the target areas/municipalities, (iv) of coordinating mechanisms/feedback systems from the top to the ground and vice versa, and (v) of resources that are available for the implementers from the national to the local levels, more importantly in budgeting.

iii. Building adaptive capacities at all levels of implementation

The Operational Framework requires that social protection programs at all levels should include crucial assessment of adaptation in view of the various types of risks as well as their negative consequences.<sup>5</sup> Adaptation, as used in the Framework, is more than the physical provision of better infrastructure and warning systems and it necessitates an integrated participatory process involving individuals and their social networks, local units, and national agencies, thus consistent with the convergence approach of the overall Framework. Table 2 provides the mechanisms by which social protection can build adaptive capacity.

iv. Institutionalized monitoring and evaluation system

Institutionalization of monitoring and evaluation systems is deemed important for the rationalization of various social protection programs. In particular, a regular monitoring and evaluation system is critical in adjusting, refining, or even terminating programs to ensure that appropriate responses to the various types of risks are implemented and sustained. Also, it is useful in assessing how convergence among stakeholders at all levels is achieved.

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<sup>5</sup> A process consistent with improving human capital, better governance, and rights-based conditions.

Table 2. Promoting Adaptation Through Social Protection\*

SP Category	SP Instruments	Adaptation Benefits
Protective (coping strategies)	<ul style="list-style-type: none"> <li>- Social service provision</li> <li>- Social transfers (food/cash) including safety nets</li> <li>- Social pension schemes</li> <li>- Public works programs</li> </ul>	<ul style="list-style-type: none"> <li>- Protection of those most vulnerable to climate risks, with low levels of adaptive capacity</li> </ul>
Preventive (coping strategies)	<ul style="list-style-type: none"> <li>- Social transfers</li> <li>- Livelihood diversification</li> <li>- Weather-indexed crop insurance</li> <li>- Social insurance</li> </ul>	<ul style="list-style-type: none"> <li>- Prevents damaging coping strategies as a result of risks to weather-dependent livelihoods</li> </ul>
Promotive (building adaptive capacity)	<ul style="list-style-type: none"> <li>- Social transfers</li> <li>- Access to credit</li> <li>- Asset transfer or protection</li> <li>- Starter packs (drought/flood resistant)</li> <li>- Access to common property resources</li> <li>- Public works programmes</li> </ul>	<ul style="list-style-type: none"> <li>- Promotes resilience through livelihood diversification and security to withstand climate-related shocks</li> <li>- Promotes opportunities arising from climate change</li> </ul>
Transformative (building adaptive capacity)	<ul style="list-style-type: none"> <li>- Promotion of minority rights</li> <li>- Anti-discrimination campaigns</li> <li>- Social funds</li> <li>- Proactively challenging discriminatory behavior</li> </ul>	<ul style="list-style-type: none"> <li>- Transforms social relations to combat discrimination underlying social and political vulnerability</li> </ul>

Source: Davies et al. "Climate Change Adaptation, Disaster Risk Reduction and Social Protection," in *Promoting Pro-Poor Growth Social Protection*, OECD, 2009, p. 205 as cited by UP CSWCD (2012).

\* Lifted from DSWD and NEDA (2012). Protective measures provide relief from deprivation. Preventive measures avert deprivation. Promotive measures aim to enhance real incomes and capabilities of the poorest and most vulnerable populations. Transformative measures aim to address vulnerabilities arising from social inequity and exclusion of the poorest and most marginalized groups.

6 Draws heavily from the 2010 DSWD Annual Report and DSWD Memorandum Circular 18, Series of 2012 (i.e., Guidelines on Internal Convergence of the DSWD Core Social Protection Programs).

7 English translation: Three Torches Against Poverty.

### III. PHILIPPINE EXPERIENCE IN SOCIAL WELFARE POLICIES

As mentioned in the previous section, convergence in the delivery of core responses (i.e., social protection) is one of the key participatory strategies identified in the Operational Framework. In this regard, the DSWD launched in 2010 the Convergence Framework/Strategy,<sup>6</sup> dubbed as “Tatsulo” or “Tatlong Sulo Laban sa Kahirapan,”<sup>7</sup> which reflects the complementation of strategies such as the country’s conditional cash transfer program (i.e., Pantawid Pamilyang Pilipino Program or 4Ps), community-driven development program (i.e., Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services or KALAHI-CIDSS), and sustainable livelihood program (i.e., Self-Employment Assistance-Kaunlaran [SEA-K] Microenterprise Development and the Guaranteed Employment Program).

The 4Ps is a human investment program that aims to improve the living conditions of the poor by providing cash grants subject to some conditionalities, thus inducing poor households to invest in human capital and, in turn, break the intergenerational cycle of poverty among them. On the other hand, the KALAHI-CIDSS is a community-driven development project that seeks to reduce poverty by empowering communities and promoting good local governance through community projects. On the one hand, SEA-K Program and Guaranteed Employment Program are intended to sustain and expand the benefits provided to 4Ps beneficiaries by ensuring the sustainability of income after they graduate/exit from the program.

The Convergence Framework/Strategy that orchestrates these core social protection programs is geared toward maximized use of government’s resources and capacity and also, empowerment of the Filipinos out of poverty. As DSWD (2012) puts it, the said strategy “maximizes the complementary aspects of the Department’s three core social protection programs, which in sum provides parallel micro and macro level interventions to address poverty.” It should be noted that while DSWD strengthens its own convergence strategies, it also strengthens external convergence strategies with other national government agencies. In particular, DSWD works together with the Department of Education (DepEd) and Department of Health (DOH) for the delivery of the package of interventions under the 4Ps. In addition, DSWD collaborates with the Department of Public Works and Highways (DPWH) and the Department of Environment and Natural Resources (DENR) to implement guaranteed employment programs for the same target beneficiaries (DSWD and NEDA 2012).

To date, DSWD has gained success in the complementation of social protection programs, particularly in terms of harmonization of 4Ps with DepEd and DOH operations and coordination with LGUs on the supply side of the program; convergence in DSWD’s three major programs (i.e., 4Ps, KALAHI-CIDSS, Sustainable Livelihood Program) at the operational levels, thus maximizing resources and fast-tracking delivery of services for greater impact; and DSWD’s partnership with DPWH, Department of Agriculture (DA), and DENR for employment facilitation and livelihood opportunities for Pantawid Pamilya beneficiaries (DSWD 2013a). As of the first quarter of 2013, 4,634 4Ps beneficiaries were hired under the Employment Facilitation Program, which is in partnership with DPWH. In addition, 117,388 families were provided with capital seed fund in connection with the SEA-K Program (DSWD 2013b).

Nevertheless, DSWD (2013a) recognizes some challenges confronting the government in the area of social protection. On coordination, there is a need for synchronization and harmonization of program implementation/operations across sectors and institutions to raise the number of self-sufficient social protection beneficiaries. Although the DSWD has gained some success in this regard, more work is required to operationalize the existing policy of convergence of antipoverty and social protection programs (PDF Working Group on the MDGs and Social Progress 2013). In addition, there is a need for strengthening/enhancing of governance and mechanisms to improve access to social protection interventions especially at the local level. Moreover, the lack of timely and disaggregated data delays implementation of interventions and hinders better targeting of beneficiaries of social protection programs.

#### IV. CONCLUDING REMARKS

The paper highlights the Operational Framework on Social Protection, which embodies the social welfare policies in the Philippines. In particular, it delves into the key features/elements of the said framework, particularly the risks and vulnerabilities addressed, core program responses, key response elements, and key participatory strategies. The formulation of the Operational Framework is indicative of the Philippine government's commitment in ensuring that social protection programs are well-designed (e.g., programs drawn-up address the identified risks and vulnerabilities) and well-implemented (e.g., key participatory strategies), and in turn, the ultimate goal of better and improved quality of life for program beneficiaries is achieved. In addition, it also shows the government's effort in ensuring efficient and effective use of limited resources, i.e., by harmonizing all social protection programs.

It should be noted that due to scarce government resources, many of the social protection programs in the country are targeted to priority areas and groups. For instance, the Pantawid Pamilyang Pilipino Program (4Ps) is a targeted social welfare program whose beneficiaries are identified through the National Household Targeting System. Nevertheless, the lack of financial resources did not preclude the government to implement social protection program with universal coverage. In June 2013, President Aquino signed Republic Act 10606 (i.e., National Health Insurance Act of 2013) or "An Act Amending Republic Act 7875, otherwise known as the National Health Insurance Act of 1995, as Amended and for Other Purposes." Such Act is aimed at ensuring that all Filipinos, especially the poor and persons with disabilities, are covered by health care insurance.



*To see the figures and tables in color, please see the online version at  
<http://dfa.gov.ph/index.php/apec-2015-policy-studies>*

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