

# Fast. Innovative. Responsive

# Service Transformation.

# Social Protection Project

## BACKGROUND

The coronavirus disease (COVID-19) has significantly disrupted economic activities, resulting in the country's first economic contraction in over two decades. On March 16, 2020, President Rodrigo Duterte declared a state of calamity across the whole country and imposed an enhanced community quarantine (ECQ) throughout the island of Luzon. The Philippines is the first in Southeast Asia to introduce strict quarantine measures in order to limit the spread of the disease. The containment measures restricted people movement, interrupted local supply chains, and disrupted economic activities. As a result, many workers lost jobs and incomes, and low-income households are at the risk of falling back or deeper into poverty if it were not for social protection (SP) programs.

On March 24, 2020, the Bayanihan To Heal as One Act (Republic Act No. 11469) was enacted into law, declaring a national emergency and granting the President expanded powers to adopt measures to prevent and suppress the spread of COVID-19. To protect households from the disease and the short-term costs of the containment measures, the Government of the Philippines through the Department of Social Welfare and Development has laid out SP measures under the Social Amelioration Program (SAP) that include emergency subsidies amounting to about US\$100-US\$160 for 18 million poor and low-income families, including beneficiary households from the Pantawid Pamilyang Pilipino Program (Pantawid Program or 4Ps). On September 11, 2020, Bayanihan 2 was enacted into law as a response to the existence of a continuing national emergency in the country. This allowed the DSWD to continue the provision of emergency subsidies in areas placed under granular lock downs.

## QUICK FACTS

### Board Approval

September 28, 2020

### Effectiveness

January 12, 2021

### Closing Date

June 30, 2025

### Project Cost

US\$ 600 million

### Implementing Agency

Department of Social Welfare and Development (DSWD)

### Oversight Committee

Department of Finance (DOF)  
 National Economic and Development Authority (NEDA)  
 Department of Budget and Management (DBM)  
 Commission on Audit (COA)

### Policy-making bodies

National and Regional Advisory Councils

### Partner Agencies

Department of Information and Communication Technology (DICT)  
 Philippine Statistics Authority (PSA)  
 Bangko Sentral ng Pilipinas (BSP)

#### 4PS BENEFICIARIES

**4.3 million in 2021**  
 DSWD

#### PROJECTED POVERTY RATE

**15.5% - 17.5% in 2021**  
 NEDA

#### UNEMPLOYMENT RATE

**8.7% in January 2021**  
 PSA

## IMPLEMENTATION CHALLENGES

The Philippines COVID-19 response revealed that there is room for improvement in the implementation of DSWD's SP delivery systems. Below are some operational challenges:



### Standardized Targeting System

Outdated social registry has greatly limited the Government's ability to immediately identify vulnerable populations



### Government-to-Persons (G2P) Payments System

Unavailability of digital G2P payment mechanisms and low-level financial inclusion among non-4Ps beneficiaries resulted in delays in payouts



### Information Systems and Business Process

Disjointed and fragmented Social Protection related information systems and business processes among different programs within and outside of the DSWD



### Service Delivery and Compliance Monitoring System

Lack in design flexibility of operational procedures that are responsive to pandemic and similar shocks



### Grievance Redress System (GRS)

Absence of an integrated management information system with a clear policy to manage complains and grievances

## STRATEGIC RESPONSE

### BENEFICIARY FIRST SOCIAL PROTECTION PROJECT

The project is an investment project financing with dual objectives of emergency COVID-19 response and longer term development. The Project Development Objective (PDO) is to mitigate the impacts of COVID-19 on the welfare of low-income households and strengthen DSWD's social protection delivery systems to be adaptive and efficient. The project consists of three components:



#### COMPONENT 1

##### Support for cash grants of the Pantawid program

will continue to provide 4Ps grants to Pantawid program beneficiaries, complementing the existing Social Welfare Development and Reform Project (SWDRP) II.



#### COMPONENT 2

##### Social protection delivery system and project management

will support the transition of business processes and SP delivery systems into more robust and sustainable ones. The overall digital transformation strategy to improve service delivery will be developed. The adoption of PhilSys (National ID) and digital technologies will promote integrated and holistic approach to beneficiary data management. The future of the standardized targeting system with more dynamic data updates will be further investigated. The project activities will enhance the efficiency, responsiveness and accountability of SP delivery in the longer term.



#### COMPONENT 3

##### Contingent Emergency Response

aims to allow for the reallocation of financing to provide an immediate response to an eligible crisis or emergency, as needed.