



# Building on social protection systems for effective disaster response: the Philippines experience

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How can social protection systems be used in disasters, as a complement to, or substitute for, humanitarian assistance? Oxford Policy Management led a two-year research project investigating this question, looking at the role of social protection in both mitigating the impact of large-scale shocks and supporting households after a crisis hits. We identify factors that can help and hinder effective disaster response, and consider how social protection actors collaborate with others working in humanitarian assistance and disaster risk management (DRM). We present findings from fieldwork in the Philippines, which looked at the experience of scaling up the government's social protection cash transfer programme after Typhoon Haiyan (known locally as Yolanda) in 2013, developments since then, and options for the future.

## How were typhoon-affected households supported in the Philippines?

The Philippines, owing to its geographic location, climate and topography, is exposed to several natural hazards and ranks in the top five most disaster-affected countries. About three-quarters of its population and 60% of its land area are susceptible to multiple natural hazards: on average, the country experiences 20 typhoons a year. The poverty incidence is around 22% and vulnerability to poverty higher.

Typhoon Haiyan, in November 2013, was by far the biggest environmental shock in the country's history, affecting over 16 million people and causing more than 6,000 deaths. The impact of such a disaster in terms of property damage, access to employment and destruction of livelihoods activities was devastating.

Following Haiyan, the Government of the Philippines declared a national calamity, and appealed for assistance from the international humanitarian community. The response was extensive, with over 70 country governments and international actors pledging money and at least 45 humanitarian organisations involved in cash-based interventions alone. The Department of Social Welfare and Development (DSWD) took the lead, given their mandate for disaster response, building on a range of contextual supporting factors set out in Box 1. DSWD's initial relief operations focused on in-kind provision to meet immediate survival needs. Following this, cash for work was implemented during the relief and early recovery phases.

### Box 1: Social protection, DRM and humanitarian coordination in the Philippines

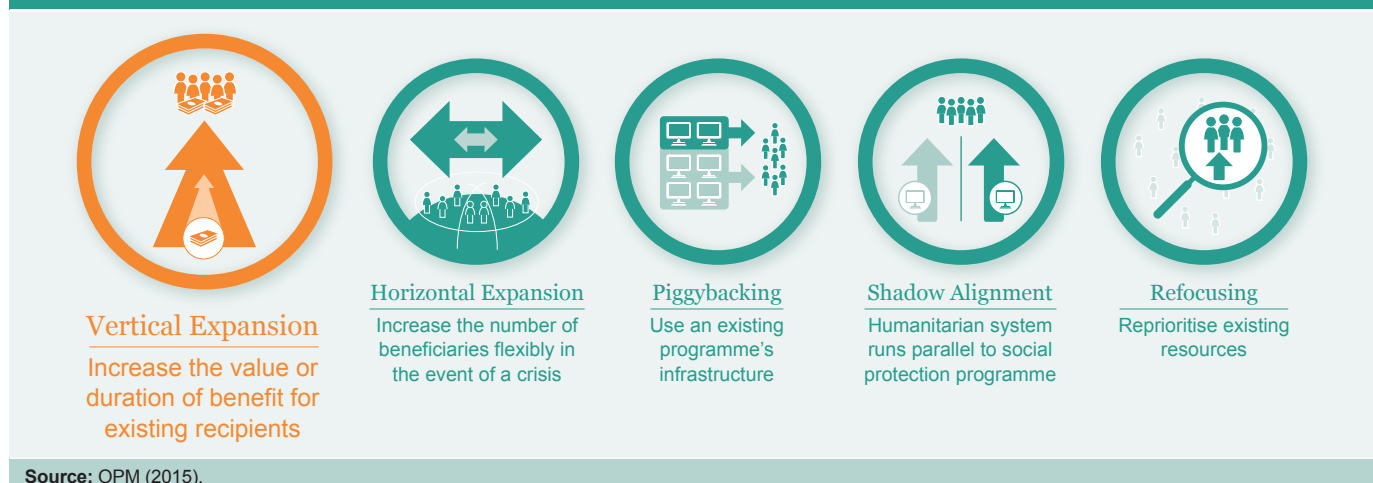
The Philippines has developed one of the most advanced social protection systems in the East Asia Pacific region, as part of rapid and comprehensive social welfare reform over the last decade. This includes:

- A strong lead ministry, the DSWD
- A legal basis supporting integration across social protection and its component parts
- A mandate for all agencies to utilise a social registry (known as Listahanan) to identify poor households. Data were first collected for it in 2011 and a second round was conducted in 2016. Some 60% of the population was included in the 2011 database.
- A flagship conditional cash transfer (CCT) programme targeted at the poor, the Pantawid Pamilyang Pilipino Programme, which has national coverage (reaching 4.4 million of the country's estimated 20.2 million households) and an established payment system including over the counter payments and electronic payments.

Over the last decade the Government of the Philippines has also developed comprehensive legislation and institutional arrangements governing **DRM**. Within this framework a separate bureau of DSWD takes the national lead on disaster response (other agencies are responsible for disaster prevention, preparedness and rehabilitation). Similarly, it has adopted a system to better coordinate disaster response activity among humanitarian actors. DSWD co-leads three humanitarian clusters, with the bulk of its disaster response provisioning – certainly in the early phases – provided in kind rather than in cash.

As markets stabilised, numerous aid agencies transitioned at least a portion of their response from in-kind relief to cash assistance. In particular, our case study focused on the experience of the **World Food Programme (WFP)** and **UNICEF**, who chose to deliver their Emergency Cash Transfer (ECT) to affected populations in selected areas by topping up payments to the beneficiaries of the country's flagship CCT programme, Pantawid (Box 1). From the different ways in which a social protection system can be used following a shock, this approach is best described as 'vertical expansion' as it delivers assistance through an existing programme, to existing recipients of that programme (Figure 1).

Figure 1: Typology of shock response



WFP and UNICEF both anticipated that these households, being some of the poorest, were likely to be some of the worst affected by the disaster. Moreover, due to the levels of poverty in the Visayas regions, almost half the population in some of the worst affected municipalities had qualified for Pantawid before the typhoon. In total, out of 805,000 Pantawid beneficiary households in the region affected by the typhoon (21% of the total CCT caseload), WFP and UNICEF targeted just over 110,000 by geographically prioritising the ‘worst affected’ municipalities (Table 1).

Table 1: WFP and UNICEF’s Emergency Cash Transfers, at a glance

Feature	WFP Emergency Cash Transfer	UNICEF Emergency Cash Transfer
<b>Geographic area</b>	60 of the 171 ‘worst affected’ municipalities, located in Eastern Visayas, Region VIII.	5 of the 171 ‘worst affected’ municipalities, located in Eastern Samar, Region VIII.
<b>Target group</b>	105,554 Pantawid beneficiary households.	5,801 Pantawid beneficiary households.
<b>Timeframe</b>	December 2013-March 2014.	July 2014-March 2015.
<b>Transfer</b>	Unconditional transfer of PHP 1300 (\$30) per month per family – provided every month, for two months (plus 50kg rice in some areas)	Unconditional transfer of PHP 4400 (\$100) per month per family – provided every month, for six months.
<b>Cash delivery</b>	Pantawid standard payment processes.	Pantawid standard payment processes.
<b>Complementary activities</b>	Cash assistance through NGOs to meet the food needs of non-Pantawid households affected in these municipalities.	Cash assistance through NGO channels to provide blanket coverage of non-Pantawid families in these municipalities.

Source: OPM, from full report of Philippines case study.

### What were the factors that enabled and constrained Pantawid top-ups?

Findings from our fieldwork in the Philippines (mainly concerning cost, time and human resources) suggest the vertical expansion of the Pantawid programme was an efficient way of reaching a portion of households affected. The programme offered proven systems with extensive coverage and experienced users. This meant relatively low transaction costs, and increased speed in reaching a particular cohort of the needy – those who were registered Pantawid beneficiaries and living in targeted areas. Since markets generally recovered rapidly, cash was also more appropriate than continued commodity provision. The CCT avoided the challenges of storage, delivery and the washing-away of prepositioned goods.

Non-beneficiary households – many of whom were at least as poor as Pantawid beneficiaries – also received assistance through traditional humanitarian channels. Overall, the evidence available shows that scaling up Pantawid did not have negative impacts on the channels that were still necessary to reach the wider population.

Challenges mostly stemmed from a lack of prior experience of, or procedures for, adaptation of the Pantawid programme for shock response, or any procedures for continuation of normal programme operations post-disaster.

Table 2 below summarises some of the key findings in terms of the factors that enabled and constrained the vertical expansion of the Pantawid programme within the WFP and UNICEF ECTs.

Table 2: Factors that enabled and constrained Pantawid top-ups		
Institutional and organisational issues		
Political context	✓	Clear government commitment to DRM/building effective disaster response systems.
	✓	Willingness to innovate because of the scale of the disaster.
	✓	Champions of the top-up ECTs at high levels within the administration.
	✗	Risk of reduced political support in the future as Pantawid itself not enshrined in legislation.
Regulatory environment	✓	Pre-existing resolutions on waiving cash transfer conditionality requirements in a calamity.
	✓	Ad-hoc relaxation of financial 'Know Your Customer' regulations by the Central Bank, acknowledging that many households had lost their identity cards.
	✗	Lack of programme regulations or procedures guiding integration of emergency response into Pantawid, including for payment service providers (primarily ad-hoc approach).
	✗	Inflexible procurement rules slowed procurement of equipment, eg. for validation exercise.
Capacity and resources	✓	Capacity of DSWD to draft in surge teams comprised of staff from surrounding regions, who were familiar with the programme even if not with the households.
	✗	Scale of disaster reduced DSWD field staff capacity and resources (affected offices, etc.) and put a strain on remaining capacity.
	✗	DSWD staff had parallel and competing responsibilities for standard emergency response (relief goods, evaluation centres).
Coordination	✓	DSWD is home ministry for both social protection and disaster response.
	✓	Pre-existing relationships between UNICEF/WFP and DSWD.
	✓	Wider DSWD experience of collaborating effectively with the humanitarian community.
	✓	Ad-hoc creation of a data triangulation service for humanitarian agencies to coordinate with the Listahanan social registry (e.g. receiving data, validating own data collection, etc.). See also Box 1.
	✗	Lack of existing coordination processes between Pantawid and DRM bureau within DSWD.
	✗	Scale of cash response (number of actors and programmes) limited the effectiveness of existing coordination mechanisms.
	✗	Lack of clarity on way that Pantawid beneficiary list should be used by humanitarian actors (inconsistent use).
Operational issues		
Data management and targeting	✓	ECT beneficiaries were already identified and enrolled in Pantawid, saving significant time and money in the critical post-disaster period.
	✓	Women were allowed to nominate alternative recipients if they could not reach the pay point.
	!	Some form of revalidation exercise will always be needed, eg. to track down displaced households and those with no ID, inform beneficiaries of the extra payment, replace named carers for newly orphaned children (took 3 weeks after Typhoon Haiyan).
	!	If giving top-ups to regular beneficiaries, still need a system for reaching other affected households (both WFP and UNICEF also offered cash benefits to non-Pantawid households separately through NGOs).
Communication	✓	Agencies took advantage of strong existing systems for communicating with beneficiaries.
	!	Complexity communicating a) why Pantawid households were getting more and b) why only certain areas were receiving top-ups.
	!	Use of top-ups requires agencies to ensure that emergency response does not undermine understanding and legitimacy of long-term CCT.
Payments	✓	Effective payment system with flexibility for households to switch from digital to over-the-counter payments if required (eg. if they had lost their cash cards in the disaster).
	✓	Familiarity with established partnerships and payment operating systems (reduced time and costs).
	✓	Flexibility of payment providers to surge in staff from other regions (existing DRM plan).
	✓	Provision of mobile ATMs.
	✗	Difficulties managing cash liquidity in affected areas.
	✗	WFP required monthly payment so Pantawid had to adapt its standard bi-monthly payment schedule.
	✗	No additional commission paid to payment providers, despite their high additional costs.
	✗	Lack of clarity on financial procedures (primarily processes for payment reconciliation).
✗	For e-transfers, lack of stockpiled cards for those who had lost/damaged theirs meant cards took several months to replace; problems with power supply disrupted the ATM network.	

Source: OPM. Note: ✓ = aspects that could be conducive to shock-responsive social protection. ✗ = aspects that may pose a risk, but could be mitigated. ! = aspects that hold true regardless of any details of policy design or implementation.

## What has happened since Haiyan?

### The future of shock-responsive social protection in the Philippines

There is continued and growing interest within government, the UN, donors and the wider humanitarian sector in the Philippines to use existing social protection systems to support shock response in the future. Efforts resumed in 2015 following a pause in 2014 (as the DSWD needed to re-establish its activities after the typhoon, and many key people within the government and partners moved to other jobs). In 2015, the World Bank concluded that a scalable emergency cash transfer programme within DSWD would reduce the burden of in-kind delivery, and provide more effective support to the diverse and changing needs of disaster-affected households. The Bank approached DSWD to support the development of a National Emergency Cash Transfer Programme (N-ECT), to both complement and leverage Pantawid systems. This would be a cash transfer programme that would be triggered only in the event of an emergency and that would build on the Haiyan learnings discussed in Table 2 above.

Key actors have been discussing four broad policy options for the design of an N-ECT that builds on existing social protection systems:

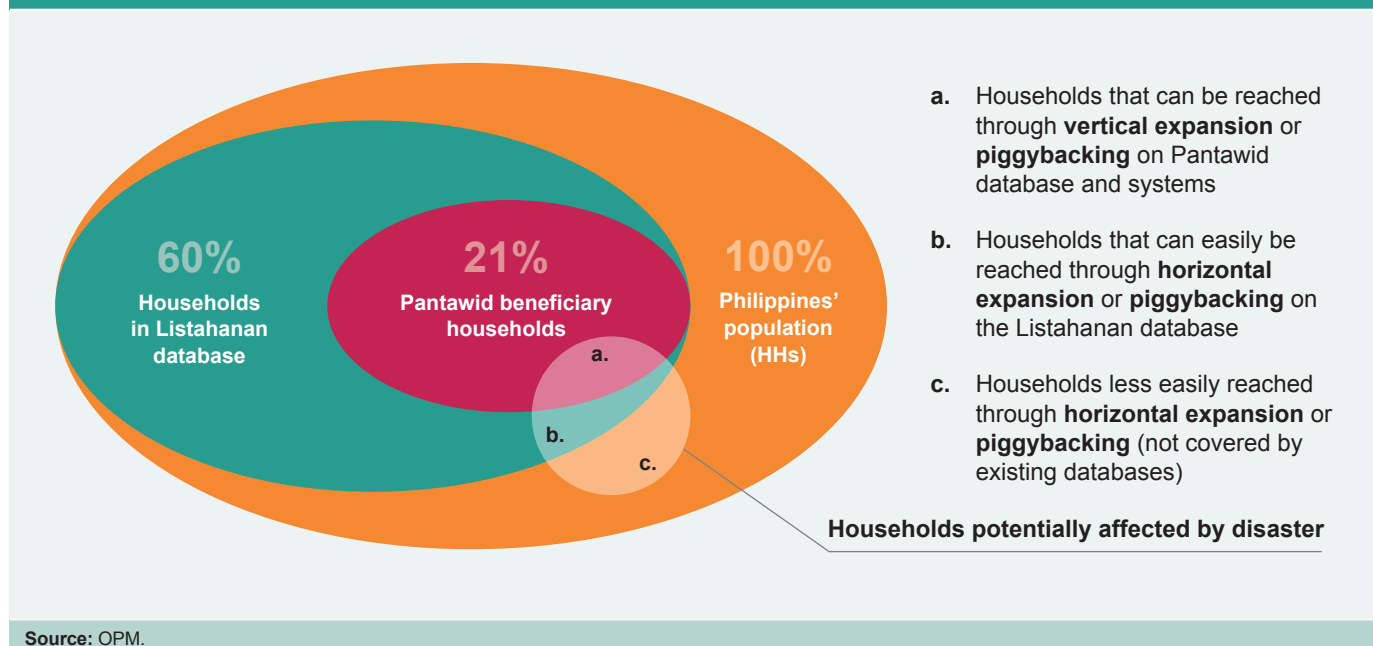
1. **Vertical and horizontal expansion** of Pantawid (i.e. top-ups to existing beneficiaries, plus temporary extension of the programme to additional households)
2. **Vertical expansion** of Pantawid, plus temporary support to additional households through a programme that is separate but that 'piggybacks' on Pantawid's administrative systems.
3. **Vertical expansion** of Pantawid, and reaching additional households through a separate humanitarian system response.
4. **Development of a new national programme**, separate to Pantawid but potentially **piggybacking** on its systems, to reach all disaster-affected households, regardless of whether or not they are Pantawid beneficiaries.

It can be seen that these options contain a hybrid of three types of usage of the social protection system: piggybacking, horizontal expansion and vertical expansion. The hybrid solution is necessary to fully cover the needs of affected populations.

Stakeholders generally recognise the value of the 'piggybacking' approach to shock-responsive social protection, embedding the N-ECT in some of the existing administrative systems of Pantawid (e.g. payments, socioeconomic registry, staff) to implement a separate programme, rather than setting up parallel structures (see options 2 and 4). This could have the potential for supporting rapid targeting and payments, through use of the data of households registered in the Listahanan socioeconomic registry (areas 'a' and 'b' in Figure 2). Some possible limitations to bear in mind here are:

- **population coverage:** Listahanan does not cover all households in the Philippines (60% at the time of Haiyan, now approximately 80%); those households not included (area 'c' in Figure 3) would still require rapid targeting in the aftermath of a disaster. This could place significant additional burden on the existing social protection system and may be better addressed through a parallel humanitarian intervention;
- **approach to data collection and updating:** the data on which Listahanan is based is collected only periodically, through a household survey approximately every five years. Therefore, data within it (both contact data and poverty and vulnerability data) will become increasingly out of date over time.

**Figure 2: Disaster-affected people within the wider population – why reaching the right people is challenging**



Option 1 includes the **horizontal expansion** of Pantawid post-disaster, to temporarily enrol additional caseloads of disaster-affected households into the programme. This might have been considered, for example, to reach new beneficiaries amongst those already registered in Listahanan (area 'b' in Figure 2). Such an option had been discussed after Haiyan, but set aside as such processes were not planned, nor tried and tested, and would have further affected DSWD's capacity. Key stakeholders are reluctant to consider this as an option for the N-ECT for fear of undermining the understanding and legitimacy of the long-term Pantawid programme.

Three of the options include an element of **vertical expansion** of Pantawid to reach existing beneficiaries with additional assistance (area 'a' in Figure 2). This proved extremely useful after Haiyan, but also had its drawbacks which need to be addressed if used in a future N-ECT:

- **population coverage:** post-disaster situations require support to the near-poor and non-poor who are affected. Pantawid only targets a subsection of 'poor' households – those with children – and covers just 21% of households in the Philippines. Therefore, this response alone would be insufficient to meet humanitarian needs;
- **approach to data collection and updating:** faces similar challenges as outlined above for piggybacking, as Pantawid data is drawn from Listahanan;
- **data quality:** there remain questions of data accuracy, partly because of Pantawid's proxy means test targeting approach.

## Lessons learned from the Philippines:

### How can social protection best complement and enhance disaster response?

Typhoon Haiyan was a rapid-onset disaster hitting a country with considerable exposure to similar natural events (meaning there was some level of predictability) and a state-led social protection system which is among the most advanced in the East Asia Pacific region. The following are the broad lessons for the Philippines. These may apply to countries with similar contexts.

## Disaster preparedness can and should extend to the social protection sector

The DSWD can play an important role in defining the roles and responsibilities of its staff and implementing partners, and sensitising them to these and to the procedures to follow in the aftermath of an emergency – building on the experience of DRM contingency planning. This should include a focus on both ensuring business continuity of standard programme operations and potential changes linked to the chosen approach to emergency response. Clear guidance should be provided to:

- central government, local government and all staff involved in the provision of social protection, especially at decentralised level – including provisions for ongoing training (e.g. in market assessments, and in the monitoring requirements for humanitarian programming) and for surging capacity in disaster affected areas;
- external payment service providers – including stand-by agreements on compensations, processes to ensure liquidity and continuity of regular payments, emergency financial procedures (e.g. reconciliation, or waiving of fees for replacement cards), approaches to ensuring flexibility of payment modality and contingency plans for staffing;
- humanitarian agencies – including stand-by agreements defining responsibilities and suggested processes (e.g. ensuring sufficient controls, checks and balances).

Importantly, it may not make financial sense to build such capacity nationwide, but rather to focus investment – including, potentially, data collection efforts (see below) – on areas where the likelihood and impact of hazards will be greatest. This will require risk profiling to define which geographical locations and administrative areas to prioritise.

## Targeting: Social protection databases can be instrumental, but require ‘vetting’

In a context where cash is increasingly the preferred mode of transfer, disaster preparedness for social protection includes a paradigm shift from prepositioning essential goods (such as food) to prepositioning data. The Philippines’ investment in Listahanan, a national registry of household socioeconomic data, could play an important role for timely roll-out of an emergency cash transfer programme (or horizontal expansion of a social protection programme) in an emergency. Similarly, the database of beneficiary households from the existing programme has already proven its potential for supporting vertical expansion. In either case, these data will need ‘vetting’ in advance of a disaster to establish population coverage, how up-to-date the data are, overlaps with affected population, data appropriateness and quality (see above). Measures that could help ‘prepare’ these databases for use in emergencies include:

- additional data collection efforts to increase database coverage in disaster-prone areas – including the near poor and non-poor (potentially up to 100% of population);
- ensuring the data collection approach enables continuous updating (e.g. on-demand applications complementing census surveys);
- ensuring the ‘right’ data are being collected (e.g. information that can be useful for emergency response, both for existing beneficiaries and potential beneficiaries);
- considering carefully the precise way that Listahanan would be used to inform targeting in an emergency (e.g. whether it would be a convenient starting point for obtaining a household list, or would predetermine eligibility; and whether households already receiving some assistance would be specifically included in emergency programmes – being classified as poor – or specifically excluded, being deemed to already have support).

## Coordination between social protection, DRM and humanitarian actors is critical

The Philippines’ unique institutional setup – with DSWD providing strong leadership and sharing responsibilities for social protection, disaster response and coordination of humanitarian actors – offered an opportunity for integrated thinking and programming on shock-responsive social protection. Key lessons for the Philippines and elsewhere include:

- the importance of defining coordination mechanisms at all levels of governance, including across departments;
- ensuring coordination with international humanitarian response includes guidance on the desired complementarity of existing social protection programmes with emergency response and a focus on processes for data / information sharing and joint planning. The Cash Working Group may have a role to play here;
- reaching agreement on the principles by which the emergency transfer value is likely to be set (eg. whether it would be intended to cover food and basic needs, or also assistance for shelter);
- ensuring pre-agreed contingency financing for immediate implementation without reliance on emergency appeals.

## A favourable regulatory framework and political environment play an important role

In the Philippines clear commitment to building effective systems for disaster response and strong political leadership enabled rapid decision-making in the months following Haiyan, including regulatory changes such as the relaxation of 'Know Your Customer' requirements by the Central Bank (a change which can now automatically be invoked in future calamities, since the precedent was set after Haiyan). For the future, it will be important to:

- ensure the regulatory environments for social protection and the financial sector clearly outline processes and requirements for emergency response;
- ensure no existing regulations act as a barrier to the establishment of effective emergency response through existing channels.

One key issue is that the Pantawid programme remains a special programme of the government and is not an entitlement enshrined in legislation. The potential for future administrations to reduce support for, or even abolish, the programme is a possible risk to the sustainability of any emergency response that depends on these systems.

Moreover, while the Philippines' pilot ECTs were funded through international humanitarian funds, any institutionalised N-ECT will require pre-agreed contingency finance for immediate implementation without reliance on emergency appeals.

### About the project

The Shock-Responsive Social Protection Systems study is a two-year research programme (2015 to 2017) led by Oxford Policy Management (OPM), in consortium with the Overseas Development Institute (ODI), the Cash Learning Partnership (CaLP) and INASP. Its aim is to strengthen the evidence base as to when and how existing government social protection systems can better respond to shocks in low-income countries and fragile and conflict-affected states, thus minimising negative shock impacts and reducing the need for separate humanitarian responses. The research is funded by UK Aid from the UK government, as part of the UK Department for International Development's (DFID's) Humanitarian Innovation and Evidence Programme (HIEP).

### Further information

This policy brief builds on work by Gabrielle Smith, Zoë Scott, Emmanuel Luna and Tanya Lone. The Philippines research draws on both quantitative and qualitative data gathered through a combination of literature review, document review and consultations with key informants and stakeholders at the national and sub-national levels. Our methodology builds on insights offered by the literature and summarised in our overarching conceptual framework for shock-responsive social protection. These are all accessible on our project webpage, where the full Philippines case study can also be found. The views expressed are those of the authors and do not necessarily reflect the UK government's official policies.

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