



## PHILIPPINE SOCIAL PROTECTION NOTE

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## Social Protection in the Philippines

### Typhoon Yolanda (Haiyan) and the case for building an “emergency cash transfer” program in the Philippines

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This note focuses on the way in which the *Pantawid Pamilyang Pilipino Program* (4Ps) conditional cash transfer (CCT) program and the national household targeting system for poverty reduction, *Listahanan*, were used by DSWD, and leveraged by humanitarian agencies, in response to super-Typhoon Yolanda (November, 2013). Based on this experience, and keeping in mind that the 4Ps program is not designed to respond to disasters, the note makes the case for the utility of building a separate, emergency cash transfer (ECT) program that is capable of delivering an immediate and much broader cash transfer response in the event of future large-scale disasters. An explicitly disaster-responsive, unconditional cash transfer program could reach a larger share of affected households than is currently possible, with grants of increased value reflecting acute need and in a timely, coordinated and transparent fashion. For beneficiaries, the provision of cash once initial life-saving needs have been met can increase agency and promote faster recovery, enabling repairs to homes, assets and a faster resumption of livelihoods. For DSWD, such a program could also help to reduce its substantial institutional burden to deliver in-kind assistance, the delivery of which is often logistically more difficult and costly than cash based assistance.

#### Overview

**On 8 November 2013, one the strongest typhoons ever recorded, Typhoon Yolanda (internationally referred to as Typhoon Haiyan) struck the Philippines, with severe human and economic consequences.** With wind speeds exceeding 300 km/h, Typhoon Yolanda is the most powerful storm to have made landfall in the history of the Philippines.<sup>1</sup> The storm elicited “storm surges” of over four meters (13 feet) in some regions. Nearly 6,300 people died and a further 4.1 million people were displaced.<sup>2</sup> The storm affected some of the country’s poorest regions with estimates of up to an additional one million people having fallen into poverty as a result.<sup>3</sup>

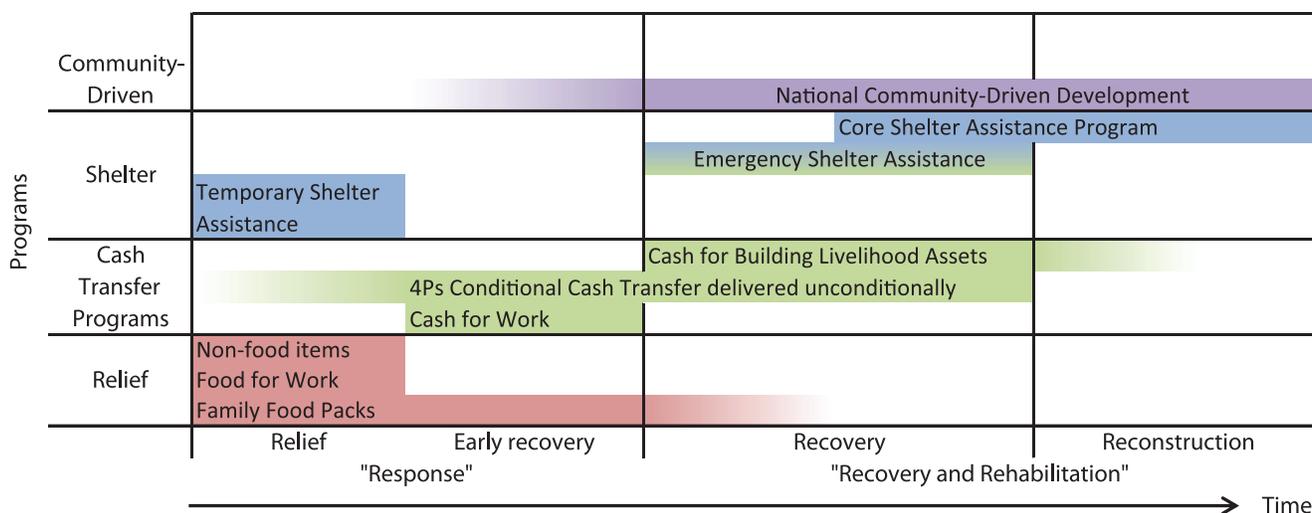
The Philippine Social Protection Note series aims to disseminate experiences, good practices, and key findings from the Philippines on the topics related to social protection. It also aims to broaden the dialogue on social protection and stimulate public engagement in moving forward the policy agenda. The views expressed here are those of the authors and do not necessarily reflect those of the World Bank.

<sup>1</sup> This policy note is a condensed version of a broader review of social protection and disaster risk management in the Philippines, based around a case study of Typhoon Yolanda, (see: Bowen, T. “Social protection and disaster risk management in the Philippines: the case of typhoon Yolanda (Haiyan)”). The country case study was one of a series of four case studies produced under the task: *Making Social Protection Systems More Responsive to Natural Disasters/Hazards in East Asia and the Pacific*. Financial support to prepare those studies was provided by the Rapid Social Response (RSR) trust fund. The other three case studies in the four-part series include Fiji, Tonga and Vietnam. Additional financial support for the Philippines case study was provided through the World Bank’s Climate Change and Poverty global report: “Shock Waves: Managing the Impacts of *Climate Change on Poverty*”.



In response to Yolanda, DSWD implemented a variety of social protection and social welfare programs to meet the multiple and changing needs of the affected. These programs can be broadly grouped into the following categories: distribution of in-kind relief items, cash transfers, shelter, and community driven development. These programs are mapped out in Figure 1 along a stylized post disaster timeline, illustrating the post-disaster phases in which each program was implemented. The focus of this note is on DSWD’s cash transfer programming (CTP) – in particular the use of the 4Ps conditional cash transfer. For a detailed account of how DSWD utilized each of these other programs in response to Yolanda, please refer to Bowen, T. “Social protection and disaster risk management in the Philippines: the case of typhoon Yolanda (Haiyan)”, the broader case study from which this note is derived.

Figure 1: The primary response, recovery and reconstruction programs of DSWD in the case of Typhoon Yolanda



Note: “Relief, early recovery, recovery and reconstruction” refer the typical international conception of the post-disaster phases over time. “Response” and “recovery and rehabilitation” represent the GoP conception of these phases. They align as illustrated on the figure’s x axis

After immediate survival needs were addressed through relief interventions, DSWD delivered a number of cash-based response programs, including through its national CCT program, the 4Ps. Upon the declaration of a “state of calamity”, the requirement for beneficiaries to comply with the “conditions” (pertaining to the education and health of children in the household, as well as attendance to monthly family development sessions) of the 4Ps conditional cash transfer program is waived by DSWD in affected geographical areas for a set period of time. This makes the 4Ps’ cash grants unconditional at a time when conditions may be hard or impossible to meet if, for instance, the supply side is down or access to facilities is limited. Utilizing the pre-existing 4Ps system in this way, DSWD were able to quickly release of a total of P550.5 million (US\$12.5 million) of “unconditional” 4Ps cash grants to Yolanda affected 4Ps beneficiaries between November 2013 and February 2014 – just three months after the disaster struck.<sup>4</sup>

In the case of Yolanda, both the World Food Program (WFP) and UNICEF also utilized the 4Ps delivery system to deliver additional emergency cash transfers to affected households – “topping up” the grant amount. The grant amounts received by the 4Ps beneficiaries from DSWD post-Yolanda remained fixed at the same amount that is delivered by the

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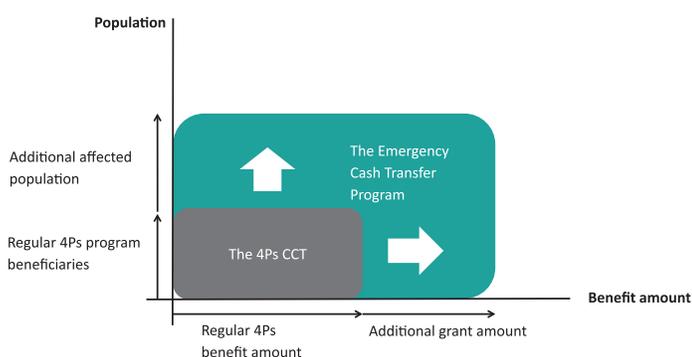
The author wishes to sincerely thank all of the stakeholders consulted during the preparation of this report for their time and invaluable insights. This includes: government representatives (in particular the many representatives consulted from the Department of Social Welfare and Development), World Bank Manila Country Office staff, regional organizations, international development partners, and representatives of non-governmental organizations.

4Ps in normal, non-emergency programming. However, in the case of Yolanda, WFP and UNICEF topped up the amount delivered by DSWD to a subset of 4Ps households in affected areas, effectively scaling up the 4Ps grant amount during a time of increased need for the disaster affected beneficiaries. This was a pragmatic and replicable practice that illustrates the potential efficiency gains for humanitarian agencies and affected beneficiary households when delivering post-disaster grants through a pre-positioned national cash transfer program. Indeed, WFP again utilized the 4Ps to deliver cash top-ups to 4Ps beneficiaries after Typhoon Ruby (Hagupit) in 2014.<sup>5</sup>

**Ahead of future disasters, DSWD, in partnership with the World Bank, is exploring the adoption of an “Emergency Cash Transfer” (ECT) program that is able to deliver post-disaster cash transfers to a larger share of affected households.** Currently, the post-disaster cash transfers that are delivered through the 4Ps are only provided to 4Ps beneficiaries and not to other affected households that may be equally or more poor and as or more affected by the disaster. This is because they are delivered through a CCT that is not designed to be explicitly responsive to disasters. The introduction of an Emergency Cash Transfer program as a complementary but separate program would preserve the integrity of the 4Ps CCT as an instrument for long-term human capital accumulation and poverty reduction. In that regard, an ECT program would have the explicit objective of providing temporary income support to affected households. This additional instrument will better equip DSWD to deliver a more equitable, broad-based post disaster cash transfer intervention that reaches both 4Ps and non-4Ps affected households alike. This will, in turn, also help to supplement some of DSWD’s substantial burden to deliver food / in kind support with a cash based response, once immediate food based needs have been met and beneficiary needs transition away from survival to asset re-accumulation and livelihood restoration.

**The post-disaster cash transfer program will need to be linked to appropriate risk financing mechanisms to ensure that it is financially viable and able to deliver to beneficiaries in a timely fashion.** Designing and building such a program is one thing, but the program itself will create a significant contingent liability for DSWD, given its objective of reaching larger shares of affected households with cash than it currently does, and with grants of increased value depending on need. Similarly, liquidity must be rapidly available to disperse grants through the program in a timely fashion. A first necessary step will be assessing and quantifying the contingent liability of the program under several scenarios (scale of disaster, number of beneficiaries, amount of assistance to be provided, etc.). Then, appropriate linkages to the contingent financing of DSWD (the Quick Response Fund) and the Department of Finance / GoP (National Disaster Risk Reduction and Management Fund – NDRRMF, formerly “calamity fund”) will need to be established. In this capacity, an ECT would provide a pre-prepared channel for DoF to disburse post-disaster funding through.

**Figure 2 – A stylized figure of how an Emergency Cash Transfer would enhance DSWD’s post-disaster, unconditional cash transfer capabilities**



**Alongside the GoP and DSWD cash based programs, separate humanitarian cash transfer programs (CTPs) were also implemented in the Yolanda response - to an “unprecedented degree”.**<sup>6</sup> At least 45 international humanitarian agencies implemented CTPs – unconditional and conditional - within the inter-agency response to Yolanda. UNOCHA (United Nations Office for the Coordination of Humanitarian Affairs) reported that between December 2013 and August 2014, more than three-quarters (77 percent) of these CTPs were conditional cash transfers (60 percent of which were cash for work, 20 percent cash for food or shelter), while just under one quarter (23 percent) were unconditional.<sup>7</sup> Four agencies alone in the inter-agency response distributed around US\$34 million, benefitting 1.4 million disaster-affected people.<sup>8</sup>

**Considerable effort was made to coordinate the large number of CTP providers with the social protection based cash transfer programs - with some positive results.** For example, humanitarian agencies were able to utilize Listahanan’s rich information on households – including relative levels of poverty and vulnerability - in the affected areas to target assistance. Ultimately, however, post-Yolanda response documentation and reviews reveal that 1) there has been no rigorous evaluation of the impact of the overall CTP response, and 2) there nevertheless appear to have been issues in



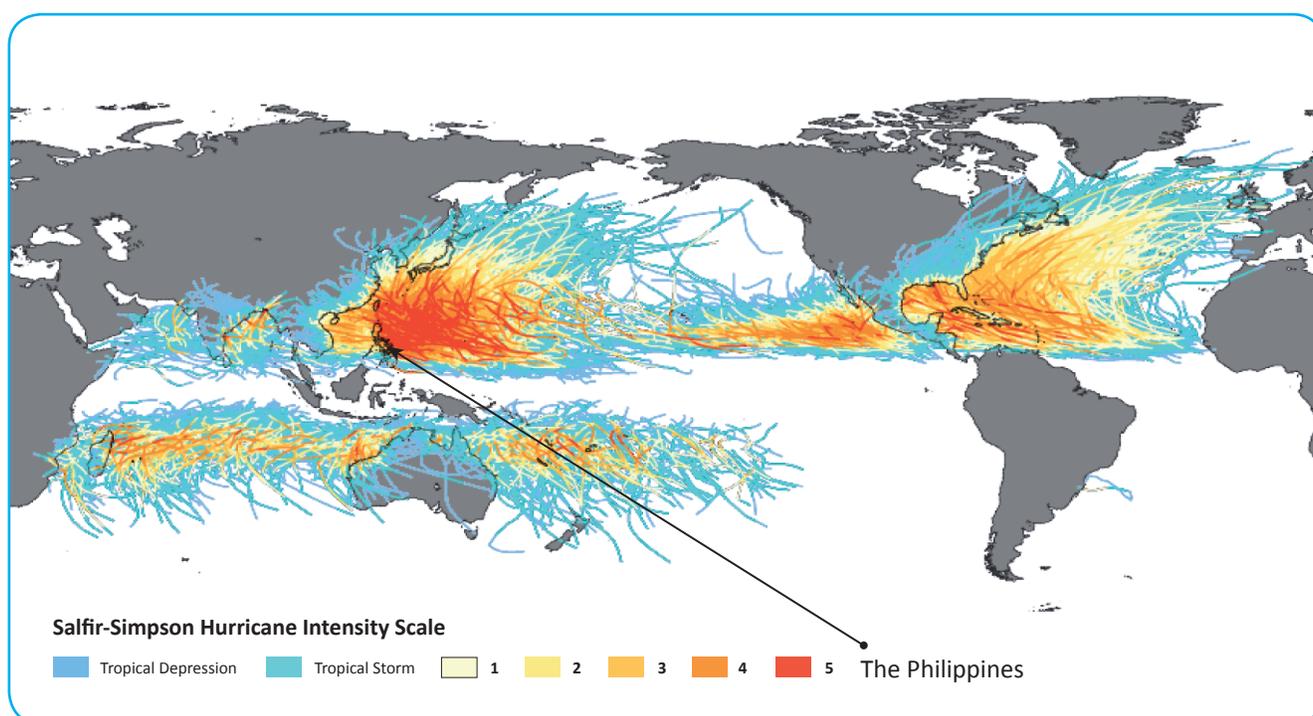
CTP coordination leading to coverage gaps and duplication. The leveraging of existing SP information systems such as Listahanan for increased future CTP coordination should continue to be explored ex-ante the next disaster by relevant CTP implementing agencies and DSWD.

**An Emergency Cash Transfer program could further increase overall CTP coordination for future large-scale disasters, to the ultimate benefit of the affected beneficiaries.** The introduction of an ECT program may further encourage additional humanitarian agencies to channel their cash transfers through such a pre-existing, but more expansive and equitable, DSWD/GoP led cash transfer program. With such a pre-prepared program capable of reaching a larger share of affected households than was possible in the case of Yolanda, there may be less need for humanitarian agencies to independently work to reach those outside of the program’s reach by setting up their own ad hoc cash transfer programs, as was the case in response to Yolanda.

## 1. Natural Disasters and Poverty in the Philippines

**The Philippines is currently ranked as the country with the second highest level of disaster risk in the world and is the eighth most vulnerable country to the effects of climate change.**<sup>9,10</sup> Its location, climate and topography expose the country to many recurring natural hazards. These include both climate-related hazards (e.g. typhoons, floods, drought, storm surge, landslides) and geophysical hazards (e.g. volcanoes, earthquakes and tsunamis). Recent research has suggested that of the 10 most exposed cities in the world to natural disasters, eight are located in the Philippines (including Manila - 4th).<sup>11</sup> An average of 20 tropical cyclones hit the country every year, of which five to seven are destructive. Below, Map 1 illustrates the relative global concentration and severity of tropical cyclones that have historically struck the Philippines. Moreover, climate change projections predict increases in annual mean temperatures for the country range from 0.9°C to 1.1°C by 2020, and by 1.8°C to 2.2°C in 2050.<sup>12</sup> These changes in temperature are projected to lead to more intense tropical storms and typhoons. Different areas of the country will be impacted in different ways. For example, regional projections for the Philippines include a 60 – 100 percent increase in annual rainfall in the Central Visayas and Southern Tagalog (including Metro Manila) by 2050, while annual average rainfall in Mindanao is expected to decline by 11 percent.<sup>13</sup>

Map 1: The historical instances and intensity of tropical storms and hurricanes<sup>14</sup>



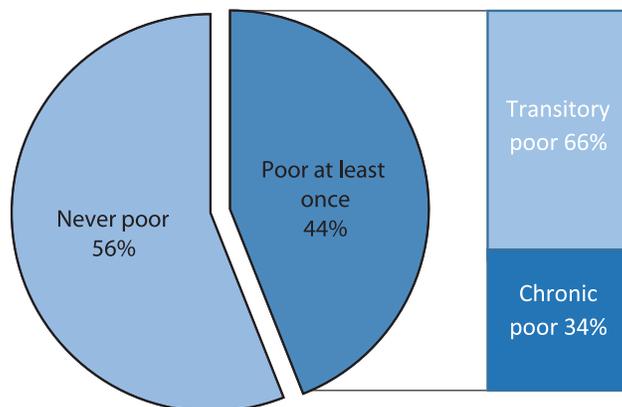
Source: Global Assessment Report on Disaster Risk Reduction (GAR) 2015, p. 67

**While typhoons occur with particular frequency in the Philippines, the country is also exposed to many other types of natural hazards.** Approximately 74 percent of the country’s population and 60 percent of its land area are susceptible to multiple natural hazards.<sup>15</sup> Notably, the country is located on the ‘Pacific Ring of Fire’, a ‘ring’ of volcanic and seismic activity that runs along the edge of the Pacific Ocean, where around 90 percent of all earthquakes occur and 75 percent of all active volcanoes are located.<sup>16</sup> Earthquakes are a relatively common occurrence in the Philippines, with 14 having occurred since 1990.<sup>17</sup> Recently, for example, a 7.2 magnitude earthquake struck Bohol province in central Philippines, October 2013, just weeks before Typhoon Yolanda made landfall. The earthquake was felt in 60 municipalities and six cities across six provinces, affecting 3.2 million individuals, of whom 95,884 were displaced.

**The impacts of repeated and increasingly frequent natural disasters are undermining poverty reduction in the Philippines.**

Despite a high rate of economic growth in the Philippines over the last decade, the national poverty rate has not significantly declined. According to the GoP’s official poverty estimates, income poverty has remained almost unchanged since 2003 at around 25.2 percent. One reason for this is the high degree of transient poverty in the Philippines. Many Filipinos live just above this poverty line, cycling in and out of poverty due to high vulnerability to shocks – including natural disasters. Indeed, as Figure 3 illustrates, between 2003 and 2009, 44 percent of the population was poor at least once – and of that 44 percent, two out of three households moved in and out of poverty. A study by Anttila-Hughes and Hsiang (2013) combined physical storm data with household surveys to conclude that, on average, typhoons that hit the Philippines depress affected household incomes by 6.7 percent (net of public and private transfers) and household expenditures by 7.1 percent.<sup>18</sup> Consequently, they found that typhoons led to significant reductions in human capital investments among affected households, especially in education (-13.3 percent) and health (-14.3 percent).<sup>19</sup> While food expenditures did not appear to decline as strongly among affected households, reductions in their food expenditure did extend over a longer period of time, in many cases beginning immediately in the year of storm exposure and continuing for three years afterwards.<sup>20</sup> These impacts are not disaggregated by income status, but highlight the relative burden on households possessing lower steady-state income and expenditure levels.

**Figure 3: Poverty status over time (2003, 2006 & 2009)**



Source: World Bank (2014), Country Partnership Strategy for the Republic of the Philippines for the Period FY2015-2018, p 4

## 2. The Philippines’ Disaster Risk Management Framework and Its Linkages to Social Protection

**The Philippines has one of the most advanced social protection systems in the East Asia Pacific region.** Undergoing rapid and comprehensive social welfare reform since 2007, DSWD has developed a number of national SP programs to help poor households manage risk and shocks. Advanced information and delivery systems have also been developed to accompany these programs. For example, the Pantawid Pamilya Pilipino Program (4Ps) is a nationwide conditional cash transfer program aimed at poverty alleviation and human capital accumulation that reached 4.4 million households in 2014. The targeting for the 4Ps is informed by a comprehensive national household targeting system, *Listahanan*, which contained information on 15.1 million households in 2015.

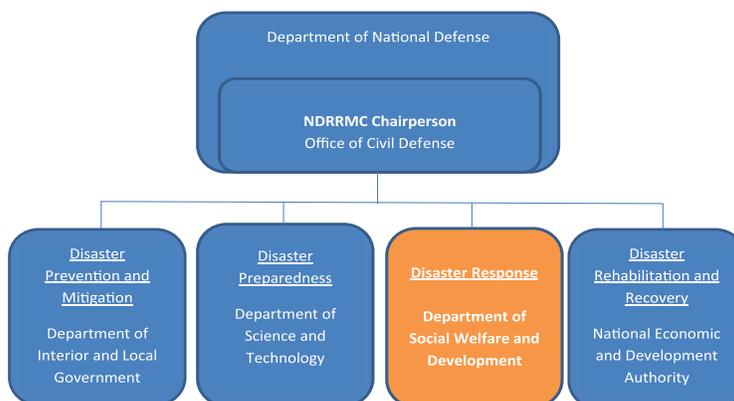
**Social protection is at the forefront of the overall government response to disasters like Yolanda.** As natural disasters constitute one of the most frequent and severe types of shock facing Filipino households, the GoP’s lead agency for social protection and social welfare - the Department of Social Welfare and Development (DSWD) - plays a prominent role in meeting the needs of poor and vulnerable people who are adversely affected by their impacts. This role became intensified during the Yolanda response and led to a number of important lessons regarding the most effective ways to utilize and scale up existing SP systems for large-scale disaster response.



DSWD is also the government’s lead agency for four clusters of the UN cluster system during the response phase; food security, camp coordination and camp management, shelter and protection. The cluster system, instituted in 2006 as part of the UN Humanitarian Reform process, is designed to facilitate effective humanitarian coordination by strengthening leadership and accountability in key sectors at the national and global levels.<sup>2</sup> The cluster system may be triggered to coordinate the government’s response and/or the broader international humanitarian response to a disaster, as was the case during Typhoon Yolanda. In 2007, the GoP formerly adopted the Cluster Approach, assigning government cluster leads to each of the 11 Clusters. Where DSWD’s clusters are concerned, partner humanitarian lead agencies are as follows: United Nations High Commission for Refugees (UNHCR), Protection; World Food Program (WFP), Food Security; International Federation of Red Cross and Red Crescent Societies (IFRC), Shelter; International Organization for Migration (IOM), Camp Coordination and Management/Non-food Items.<sup>21</sup>

Under the national DRM framework , DSWD takes overall responsibility for coordinating “disaster response”. The overarching goal of the Disaster Response vice-chair is to “provide life preservation and meet the basic subsistence needs of the affected population based on acceptable standards during or immediately after a disaster”.<sup>22</sup> However, the disaster response thematic area includes both immediate response activities and early recovery activities. Immediate response activities include needs assessments, search and rescue and relief operations, provision of food and non-food item relief packages, etc. Early recovery activities acknowledge that “the multidimensional process of recovery begins in a humanitarian setting” and includes activities that help to restore basic services, livelihoods, governance, security and rule of law, environment and social dimensions, including reintegration and social and emotional rehabilitation of displaced populations”.<sup>23</sup>

Figure 4: The National Disaster Risk Reduction Council: Division of Responsibilities<sup>24</sup>



Source: Figure adapted from GoP, National Disaster Risk Reduction and Management Council (NDRRMC), “National Disaster Risk Reduction and Management Plan (NDRRMP), 2011-2028”, 2011.

Response activities are financed through the National and Local Disaster Risk Reduction and Management Funds (NDRRMF – formerly ‘Calamity Fund’ - & LDRRMF) and Quick Response Funds. The NDRRMF is a lump sum fund appropriated under the General Appropriations Act (GAA). In a post disaster context, however, the process for securing the release of funds is lengthy: implementing agencies send a request to the OCD, who review the application before sending to the NDRRMC for review, who, if approving, send to the Office of the President, who advise the Department of Budget Management to release the funds. This is especially problematic in the response phase when activities must be undertaken immediately.<sup>25</sup> As such, 30 percent of the NDRRMF is allocated to “Quick Response Funds” for relief and recovery programs. Unlike the NDRRMF, the QRF does not require the recommendation of the NDRRMC or the approval of the Office of the President to trigger the use and release of funds. The NDRRMF is replicated at the local level through Local Disaster Risk Reduction

<sup>2</sup> The Cluster Approach operates at two levels – at the global level, the aim is to strengthen system-wide, humanitarian preparedness and technical capacity to respond to humanitarian emergencies by designating global cluster leads and ensuring there is predictable leadership and accountability in all the main sectors or areas of activity. At the country level, the aim is to ensure a more coherent and effective response by mobilizing groups of agencies, organizations and NGOs to respond in a strategic manner across all key sectors or areas of activity, each sector having a clearly designated lead, in support of existing government coordination and emergency response mechanisms.

<sup>3</sup> The Philippines’ Disaster Risk Reduction and Management Act (PDRRM, or Republic Act 10121(RA10121)) established the framework for the creation of the National Disaster Risk Reduction and Management Council (NDRRMC).

and Management Funds (LDRRMF); no less than 5 percent of regular source revenue must be set aside for DRM activities. Of the total amount appropriated to LDRRMFs, 30 percent is allocated to local QRFs for response and recovery activities.

### 3. The Impacts of Super-Typhoon Yolanda

**Typhoon Yolanda struck the Philippines on November 8, 2013.** With wind speeds exceeding 300 km/h, it is considered the most powerful storm to have made landfall in history.<sup>26</sup> Yolanda cut a path directly across the central Philippines, severely affecting areas in the Eastern, Central and Western Visayas and northern Palawan (see Annex 1, Map), precipitating a storm surge of over four meters in Eastern and Western Samar and Leyte that led to massive loss of life and extensive damage to public and private assets.

**The human and economic costs of the disaster to the Philippines were extremely high.** In terms of economic devastation, Yolanda cost the country an estimated P571.2 billion (USD 12.9 billion) in damages,<sup>27</sup> with over a million homes damaged or destroyed. This equated to 0.9 percent of gross domestic product (GDP). Nearly 6,300 people died, 80 percent of them from the country's second poorest region, the Central Visayas. A further 4.1 million people were reportedly displaced.<sup>28</sup> As of 2014, the GoP reported that more than 1,000 people were still "missing".<sup>29</sup> Along with the sheer strength of Typhoon Yolanda, well-documented issues with the communication of early warning information, specifically in terms of a widespread lack of understanding of the term "storm surge", contributed to these devastating human impacts.<sup>4</sup>

**Yolanda affected some of the country's poorest regions and was anticipated to increase national poverty incidence by 1.9 percentage points, with projections of up to an additional one million people falling into poverty.**<sup>30</sup> Pre-typhoon poverty incidence in the six hardest hit regions<sup>31</sup> ranged from 29.1 percent in Western Visayas to 45.2 percent in Eastern Visayas.<sup>32</sup> Estimates in the GoP's Reconstruction Assistance on Yolanda Plan (RAY), 2014, indicated that the poverty gap in these regions had already increased as a result of the disaster. The results of the 2014 Annual Poverty Indicators Survey (APIS) released by the Philippine Statistics Authority showed poverty incidence among Filipinos rising to 25.8 percent in the first half of 2014, from 24.6 percent in 2013 with Typhoon Yolanda believed to be a contributing factor.

**The impact on production and livelihoods was significant, and remains potentially debilitating, particularly for the hardest hit regions.** The large-scale destruction of crops and other physical assets has disrupted industry and has increased unemployment and underemployment. Vast quantities of crops were destroyed, including 161,400 hectares of coconut farms. Farmers also reported losses of livestock, agricultural equipment, post-production facilities, fishing vessels, and irrigation systems. These losses have had a substantial long-term negative impact on the domestic economy and household welfare. There also are strong multiplier effects to the informal sector, which constitutes a large share of the local economy in the affected regions. The government estimates that around six million workers were affected by the typhoon, of which around 2.6 million are vulnerable workers without adequate social insurance or unpaid family workers.<sup>33</sup>

**The occurrence of other intense weather events before and after Yolanda has further increased the fiscal burden and hardship experienced by significant segments of the population.** Weeks before Yolanda struck, Bohol Province and other parts of central Philippines experienced a 7.2 magnitude earthquake, with damages estimated at P2.2 billion (US\$50 million). Following Typhoon Yolanda, Typhoon Glenda struck the north and central regions in the Philippines in July, 2014 resulting in an estimated total cost of P10.8 billion (US\$ 247 million). Indeed, Yolanda or any other typhoon / disaster in the Philippines should not be thought of in isolation, but as one in a succession of frequent events, the impacts of which are accumulative for the most exposed and vulnerable.

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<sup>4</sup> A GIZ / EU Commission assessment of the early warning efforts for Yolanda found that the warning was received with enough time to enact preparations but that, crucially, the term "storm surge" was not understood by many. GIZ calculated that approximately 94 percent of the casualties in Tacloban, Palo and Tanauan were caused by the storm surge. The study concludes that "serious warnings and more effective evacuations along the coastline could have saved many lives", highlighting the primary importance of information, and the sufficient understanding of that information by the public, in saving lives.



#### 4. Post-Yolanda Social Protection Programming

Given its prominent position in the national DRM framework, and overall responsibility for disaster response, DSWD implemented a variety of programs to assist Yolanda affected households. These programs can be broadly grouped into the following categories: distribution of in-kind relief items, cash transfers, shelter, and community driven development. The focus of this particular note, however, is on DSWD’s cash transfer programming – in particular the use of the 4Ps CCT.<sup>5</sup>

The case of Yolanda also offers interesting lessons regarding the ways in which pre-existing national social protection systems may be most effectively utilized to coordinate the overall GoP and international humanitarian response. Yolanda’s devastation was so extensive that the government’s response was supplemented with a full scale international humanitarian response, coordinated through the UN cluster system. A number of international organizations utilized similar modes of assistance to those of DSWD. In some cases, this assistance was well harmonized with DSWD’s response, while in others there was seemingly a lack of cohesion.

##### DSWD, the 4Ps CCT and cash transfer response

In regular times, the 4Ps delivers cash grants to households with children (aged 0-18) that live beneath the poverty line and meet conditions pertaining to investments in their children’s education and health. The grants in turn are intended to provide an immediate alleviation of hardship in poor households, while incentivizing long term human capital accumulation among children to break the intergenerational cycle of poverty. The 4Ps beneficiary households, in general, must satisfy the following criteria: be identified as poor by the national household targeting system, Listahanan; have children 0-18 years old and/or have a pregnant woman at the time of assessment; agree to meet the conditions specified in the program, including attending monthly Family Development Sessions (FDS) which cover numerous topics from domestic violence and nutrition to disaster preparedness (see Box 1).

##### Box 1: The 4Ps and disaster preparedness

Attendance at Family Development Sessions (FDS), held once a month, is one of the conditions for receipt of 4Ps grants. One of the topics covered teaches beneficiaries to be disaster-ready, including understanding warning announcements, which items should be packed for evacuation, including identification documents, clothes, and other essentials, and where to evacuate to. FDS represent one way in which a CCT can be used for ex-ante disaster preparedness at the household level. Post-Yolanda, FDS was also used to deliver information to the 4Ps households on how to recognize and address post-traumatic stress.

Given issues concerning the lack of understanding of the term “storm surge” among many households that led to their not taking appropriate evacuation measures for Yolanda, and the resultant loss of life that occurred, it is clear that understanding disaster communications is crucial to disaster preparedness and survival. FDS sessions provide a medium for increasing household awareness of pertinent disaster information that could save lives. It is understood that DSWD is currently developing new guidelines and content for family disaster preparedness FDS sessions, to be delivered in disaster prone municipalities.

To respond to the situation where the health and education services are disrupted because of a disaster and beneficiaries are not able to meet the CCT conditions, the 4Ps design includes a provision that suspends conditions for a limited period of time when a “state of calamity” is declared. After a disaster, it is unrealistic to assume that beneficiaries can meet the conditions of the CCT, especially in instances where the supply side may be down, with schools and health centers destroyed or being used for relief operations. As such, a resolution (NAC Resolution No. 13, Series 2013) was enacted by DSWD in July 2013 to codify the removal of Compliance Verification in cases of a “state of calamity, disaster, complexity and other exceptional cases” for a maximum of three consecutive compliance verification periods (three months).

<sup>5</sup> For a detailed account of how DSWD utilized each of these programs in response to Yolanda, please refer to Bowen, T. “Social protection and disaster risk management in the Philippines: the case of typhoon Yolanda (Haiyan)” from which this note is derived.

**The DSWD was able to use these protocols to deliver much needed cash, without conditions, to a large number of 4P beneficiaries over a relatively short period of time.** On 8 December, one month after the disaster, DSWD 4Ps staff conducted a massive validation exercise of the affected 4Ps beneficiaries as a first step in delivery. The purpose of the validation exercise was to 1) locate the 4Ps beneficiaries; 2) identify them from among other displaced households (in cases where they were residing in evacuation centers and resettlement areas); 3) validate and update the data profiles of the identified household beneficiaries against existing records; 4) facilitate the issuance of temporary ID cards to be used for obtaining their cash transfers; 5) prepare necessary documentation for replacing lost cards and provide new, permanent credentials.<sup>34</sup> The validation exercise and other essential administrative steps, were carried out quickly enough to enable the release of a total of P550.5 million (US\$12.5 million) in 4Ps cash grants to Yolanda affected 4Ps beneficiaries between November 2013 and February 2014.<sup>35</sup> It should be emphasized that these were regular CCT grants due to the beneficiaries, disaster or no disaster. The difference was that the compliance with conditions was voided.

**DSWD also demonstrated resourcefulness and flexibility in locating and facilitating the validation of displaced 4Ps households that had left the affected regions.** Reportedly, by January 2014, 23,000 individuals from Yolanda affected areas had arrived in the Metro Manila region. Public announcements were broadcast to inform displaced 4Ps beneficiaries that they could contact the respective 4Ps city or municipal links in the area where they were residing to claim their benefits. If the beneficiaries had lost their identification documents, they were identified and validated against the 4Ps beneficiary database.

**Both the World Food Program (WFP) and UNICEF decided to utilize the 4Ps system to deliver further ‘top up’ grants to affected 4Ps beneficiaries.** This process of topping up DSWD’s 4Ps grants represents the primary example of DSWD-humanitarian coordination in response to Yolanda. The WFP agreed to work with DSWD in the validation of 4Ps beneficiaries, subsequently disbursing two separate top up grants to validated beneficiaries. It was agreed that payment would be delivered through the 4Ps existing payment modalities (including the Land Bank of the Philippines, Philippines Post, Prepaid Card and Globe Cash (mobile payments)). The first transfers were delivered quickly between December 2013 and January 2014, and the second between January 2014 and February 2014. Each transfer amounted to a fixed amount of PHP1300 (US\$30) per beneficiary household.

**Replicating the top-up initiative of WFP, UNICEF subsequently delivered a series of top up cash grants through the 4Ps, targeted to 4Ps beneficiaries in the worst affected region, Eastern Samar.** DSWD had assessed that the province of Eastern Samar was the worst affected by Yolanda, and as such UNICEF specifically selected it for the delivery of its top up grants. It was agreed that DSWD would identify, consolidate and validate a database of 5,801 4Ps beneficiary households in the five worst affected provinces of Eastern Samar.<sup>36</sup> The UNICEF top-ups consisted of a cash grant amount of PHP 4,370 (US\$100) per month, for six months, delivered between July and December 2014. DSWD and UNICEF monitoring of the program during the period July through September 2014 revealed that within the first 3 months of implementation PHP75,609,600 (US\$1,700,000) of UNICEF grants had been disbursed to 4Ps beneficiaries in the five municipalities of Eastern Samar, reaching 5,728 households in August and 5,739 households in September.<sup>37</sup>

**However, non-4Ps poor and vulnerable households are excluded from the cash transfer, and any donor funded top-ups, because the 4Ps’ system does not have the flexibility to reach non-4Ps households.** Being a CCT with conditionality temporarily removed, the beneficiaries received the 4Ps grants that they were due ahead of time, upon being validated. Additionally, many received the WFP and UNICEF funded top-up grants. However, poor households without children, near poor households tipped into poverty by the disaster, etc., that may be equally or more affected by the disaster than a 4Ps household could not be reached through this program. As DSWD noted to UNOCHA, “the Philippine Government is supportive of humanitarian agencies using their social protection programs as a vehicle to target appropriately, and to transfer assistance in a coordinated way. However, they have also advised that agencies should not feel the need to discriminate between existing beneficiaries and those who are evidently in need of emergency assistance and not on the scheme.” In these cases, DSWD emphasized that the humanitarian community should target the excluded affected



population. However, without a robust assessment of the cash coordination, it cannot be said whether the non-government programs were well targeted and complementary alongside the 4Ps, and together whether overall coverage was adequate and broadly equitable. Moreover, it appears no assessment has been undertaken to examine the impacts of the delivery of the CCT grants to the program beneficiaries compared to those poor households not receiving any post-disaster cash assistance. While it is too late to capture this data, survey work on these impacts for beneficiary households following subsequent disasters should be strongly considered.

**Following the Yolanda response, the coverage of the 4Ps’ regular CCT programming was expanded to permanently enroll households newly impoverished as a result of the impacts of the disaster.** The National Economic and development Authority (NEDA) noted in Reconstruction Assistance on Yolanda II<sup>6</sup> that “expanded social protection programs, both short-term (e.g., cash for work) and medium-term (e.g., 4Ps conditional cash transfers), are important for social sector recovery, implemented in close cooperation with planned livelihood initiatives to provide opportunities for the poor to meet basic needs, restore social services to pre-disaster levels, and access income earning opportunities”. To this end, DSWD reported processing the inclusion of an additional 20,000 households for enrolment into the 4Ps in 2014 based on updated information on the poverty status of those affected by Typhoon Yolanda.

### Government and Humanitarian Cash Transfer Program Coordination

**Alongside this and the other cash transfer programs (CTPs) of DSWD, humanitarian CTPs were also implemented in the Yolanda response - to an “unprecedented degree”.**<sup>38</sup> At least 45 international humanitarian agencies implemented CTPs – unconditional and conditional - within the inter-agency response to Yolanda. The UNOCHA reported that between December 2013 and August 2014, more than three-quarters (77 percent) of these CTPs were conditional cash transfers (60 percent of which were cash for work and 20 percent cash for food or shelter), while just under one quarter (23 percent) were unconditional.<sup>39</sup> Four agencies alone in the inter-agency response distributed around US\$34 million, benefitting 1.4 million disaster-affected people.<sup>40</sup>

**Considerable effort was made to coordinate the large number of CTP providers with the government cash-based response programs - with some positive results.** To facilitate inter-agency cooperation and coordination with GoP on cash transfer response programming, UNOCHA deployed a Cash Coordinator to the field and an Inter-Cluster Coordination Operational Group (ICCOG) was established in Manila to coordinate field level implementation and monitoring of all CTPs. The Philippines Cash Working Group (CWG) was also re-established in October 2013 and became operational in response to Yolanda. The CWG aims to provide a platform for CTP technical support for multi-sectoral coordination and experience sharing in preparedness, emergency response, and development activities.

**DSWD and UNOCHA encouraged the humanitarian CTPs to leverage existing social protection and other systems to increase coordination in their delivery, including:**

- *The Listahanan*

The Listahanan is a national household registry used in the targeting of beneficiaries of the national CCT program and other government anti-poverty and social programs. In 2015, the Listahanan was updated and expanded to contain information on 15.1 million households (or 75 percent of all households in the Philippines). In this way, the Listahanan is a valuable resource for locating households affected by a disaster. The DSWD’s Department for Risk Reduction and Operations Office (DRROO) utilize the Listahanan to create estimates of the number of households, including poor and vulnerable, that will be affected by a disaster given its location/path. It is also a valuable resource that informs Post Disaster Needs Assessments (PDNAs).

<sup>6</sup> Reconstruction Assistance on Yolanda’s Implementation for Results (RAYII) is a companion document to RAY Build Back Better (RAY) released in December 2013. RAY presented a Post-Disaster Needs Assessment (PDNA) as well as the Government’s strategic plan to guide the overall recovery and reconstruction of the economy, lives, and livelihoods in the affected areas. RAY II, a companion piece, presents an overall results monitoring framework of RAY in line with the Philippine Development Plan (PDP) 2011-2016.

The CWG also created a process for humanitarian agencies to coordinate with the Listahanan, digitizing the information on their beneficiaries by submitting it to the National Household Targeting Office (NHTO – manages the Listahanan) for verification and or inclusion into the database. This, in turn, helped DSWD to meet its mandate to increase the 4Ps coverage by 20,000 more chronically poor households affected by Typhoon Yolanda.

- *The 4Ps Beneficiary Update System (BUS):*

Designed to be regularly updated, by DSWD 4Ps staff, the BUS contains information on poor households with children (as identified using the Listahanan and a Proxy Means Test targeting method) that are also beneficiaries of the national 4Ps CCT program. The BUS works in conjunction with the 4P's Compliance Verification System that monitors monthly beneficiaries' compliance with the conditions of the 4Ps. Both the BUS and CVS are used to generate the grants payroll every two months. It appears that a number of CTPs directed assistance directly to 4Ps households utilizing this up-to-date beneficiary information.

- *The 4Ps Spot Checks:*

The National Advisory Committee (NAC) suggested that humanitarian agencies implementing CTPs utilize the 4Ps spot check monitoring system, under the overall guidance of the National Anti-Poverty Commission (NAPC).<sup>41</sup> Successive periodic updates by UNOCHA of the overall cash coordination effort reported that CWG discussions had been undertaken on using some of the 4Ps spot checks questions in their monitoring tools for greater comparability.

- *The 4Ps Grievance Redress System (GRS)*

The Grievance Redress System (GRS) is a component of the 4Ps CCT that allows anyone to direct queries, clarifications, complaints, grievances, and appeals to the appropriate 4Ps GRS offices at the community, provincial, regional and national levels. It has an investigation and verification component, works in coordination with legal and law enforcement authorities, and is linked with an MIS system that compiles the data to monitor the status of the grievances.<sup>42</sup> UNOCHA noted that “the GRS can serve as a vehicle for humanitarian agencies using the 4Ps targeting infrastructure to channel feedback on the additional assistance being provided in the emergency response”.<sup>43</sup>

**The extent to which these recommendations were adopted by the inter-agency humanitarian response remains unclear, and where / if they were utilized, specific details on lessons learned are yet to emerge.** Nevertheless, the potential value of a more unified overall CTP response facilitated by pre-existing SP information systems is clear, and further research into the streamlining of these information systems into future inter-agency response would add much value. The Listahanan, BUS, spot checks and GRS are each robust information systems, as evaluated during their delivery of the national CCT program.<sup>44</sup> If leveraged correctly, their pre-existing information and capacity could help to increase coordination of overall CTP response for future, large-scale disasters.

**Ultimately, post-Yolanda response documentation and reviews reveal that 1) there has been no rigorous evaluation of the impact of the overall CTP response, and 2) there nevertheless appear to have been issues in CTP coordination leading to coverage gaps and duplication.** The CWG memos reported a number of emerging issues in the overall cash transfer programming during the response phase: “poor coverage of inland barangays; critical levels of under coverage in Aklan and Antique; over focus in Northern Iloilo compared to other areas in proximity such as Capiz; dispersal of activities suggest an unbalanced response among the CTPs”.<sup>45</sup> After humanitarian operations were concluded, the final inter-cluster coordination group progress monitoring report concluded with regard to CTPs that, “given the multitude of actors that provided cash assistance, and the limited oversight and cash coordination structures that currently exist within international humanitarian architecture, it is not possible to accurately report the total number of households and individuals assisted, or the total amount of cash transferred to disaster- affected communities”. A UNOCHA evaluation of the response also concluded that “it is clear that there is much more to be done to ensure that simultaneous use of cash in various clusters provides maximum impact at household, community and local economy levels”.<sup>46</sup>



## 5. Lessons learned from the Yolanda Response

Reflecting on the lessons learned from Yolanda, and in particular after the poverty incidence increased in 2014, part of which is attributed to the adverse effects of the disaster, the government realized that an emergency cash transfer program delivered to all affected households would have been an effective tool in mitigating this poverty impact.

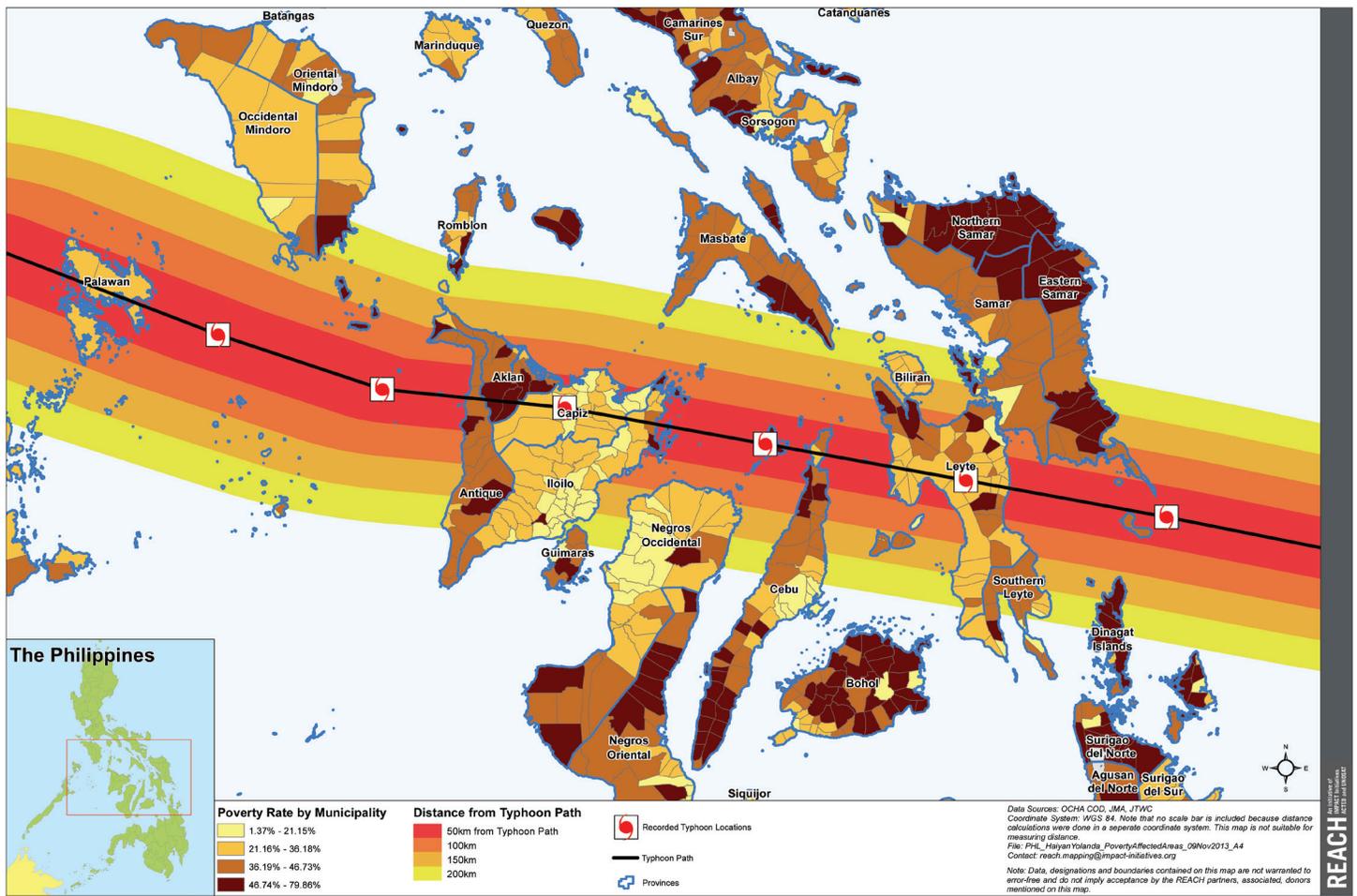
**DSWD, in partnership with the World Bank, is currently exploring the design and implementation of such a program.** Alongside its potential to help prevent affected households from falling into poverty as a result of a disaster, this program could also replace some of DSWD’s substantial burden to deliver in-kind assistance. The provision of food and shelter during the relief phase will likely remain an urgent necessity at a time when post-disaster markets are not functioning and needs are more squarely on survival. However, once this life-saving need has been met, typically within the first month, the continued provision of food packs represents a sizeable administrative burden, and one that may not align fully with the changing needs of the affected. Increased capacity to deliver cash based assistance to households at this juncture would reduce the standing capacity of DSWD to deliver food while offering poor households increased agency to begin to re-accumulate assets, fix their houses, etc. Moreover, a more expansive, government led post disaster CTP such as this could stand to significantly improve overall CTP program coordination within government and between government and humanitarian agencies, to the ultimate benefit of the beneficiaries.

**Regardless of whether DSWD introduces such a program, DSWD and other government agencies should work in collaboration with the relevant humanitarian agencies to leverage pre-existing SP information systems for better coordination during the next large-scale disaster.** During Typhoon Yolanda response operations, DSWD encouraged humanitarian agencies to utilize a number of its pre-existing SP systems and capacity to help coordinate the overall response. These included the national household targeting system, Listahanan and the 4P’s Beneficiary Update System for program targeting. The extent to which these SP systems were utilized in response to Yolanda by the humanitarian agencies remains unclear, but the value of leveraging existing capacity for coordinated response is clear, and was articulated repeatedly by both DSWD and humanitarian agencies during the Yolanda response. In that regard, these parties should continue to explore how they can utilize these SP systems for a more coordinated response, in advance of the next disaster.

**Lastly, more and better monitoring and evaluation of SP disaster response programs and their impacts needs to be undertaken for program development and informed recommendations.** In evaluating the programs delivered by DSWD in response to Yolanda it is clear that many of the best practices from this and other experiences have not been captured, and that little monitoring and evaluation of disaster-responsive programs was undertaken, especially during the response phase. During the relief phase of any disaster, the urgency to deliver to those in dire need, as quickly as possible, undermines methodical monitoring and evaluation of programs. This has caused problems for the humanitarian community at large with regard to evidence based policy adjustments for efficiency gains in their programming. As a result, in the case of Yolanda, it is difficult to assess the true impact of many of post-disaster social programs and make informed recommendation for program improvement. With an already strong track record in M&E among its regular programs such as the 4Ps, there would be much value to be had in extending these processes to post-disaster SP programming, particularly with regard to quantifying the impacts of the programs on affected household’s well being.

ANNEX

Map: Typhoon Yolanda's Path and the Municipal Level Poverty Rate



Source: Reliefweb, REACH initiative



## END NOTES

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- <sup>18</sup> UNOCHA, “Cash Coordination Update: Response to Typhoon Haiyan (Yolanda)”, January 2014, p. 3
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- <sup>21</sup> DSWD and UNICEF, “Emergency Cash Transfer: Narrative report for the July – September 2014 implementation”, 2014
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- <sup>23</sup> Ibid.
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