



Increasing the Impact of Pantawid Pamilyang Pilipino Program Through Financial Literacy Seminar and Entrepreneurial Management Training in Lingayen, Pangasinan

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Abstract – The study assessed whether conditional cash transfer (CCT) programs can be leveraged to deliver financial education and affect both knowledge and behavior. Evaluations of CCT programs have shown that they can be successful in increasing usage of health care and education services. This project explores the extent to which CCTs can improve financial capabilities. Working with around 185 beneficiaries of the Pantawid Pamilyang Pilipino Program cash transfer program in Lingayen, Pangasinan,, the study randomly selects group of beneficiaries to participate in the training. CCTs, a type of results-based financing, aim to reduce the intergenerational transmission of poverty. Pantawid can impact the well-being of poor families through a variety of mechanisms and dimensions and over varying periods of time. This study investigates whether the benefits of investing more resources in Pantawid through financial literacy training and entrepreneurial management seminar will increase the impact and enhance the implementation of the CCT.

Keywords – Conditional Cash Transfer (CCT), Entrepreneurial Management, Financial Literacy,,

INTRODUCTION

Poverty alleviation is one of the goals of Millennium Development Goal which must be achieved by the year 2015. To help the poor people overcome these financial problems and to achieve the said goal, governments of different countries have set up different programs and strategies. One of the most prominent strategies is the implementation of conditional cash transfer programs. These programs give low-income families the opportunity to receive financial support from the government, in the condition that they keep their children in school and maintain their well-being or health through regular check-ups.

Conditional cash transfers (CCT) are “regular income transfers to poor households conditional on particular actions and/or changes in behavior” as part of social safety net (UNICEF, 2012) . These conditions are usually set as investments in human capital. In that sense, CCT programs are different from traditional social assistance programs aiming to provide short time social assistance at times of crises. In contrast, CCT programs use short-term social assistance as an instrument to invest in children’s human capital as a longer term investment. In more than thirty countries around the world, CCT

programs are being implemented. Some of them are Brazil, Mexico, Chile, Nicaragua, Indonesia, Philippines, Bangladesh and Turkey which are developing countries. In many of these countries, CCT programs started as poverty reduction programs but extended their scope throughout their implementation.

In the Philippines, Pantawid Pamilyang Pilipino Program (4Ps), introduced by Senator Miriam Defensor Santiago, is one of the national poverty reduction strategy that provides CCT to extremely poor households to improve their health, nutrition and education particularly of children aged 0-14. The program helps to fulfill the country’s mandate to meet the Millennium Development Goals (MDGs) now called Sustainable Development Goals (SDGs) particularly on the first goal of completely eradicating poverty. Since its commencement in 2007, the 4Ps has expanded and now covers about 30 percent of the Philippines’ eligible poor households (Fernandez and Olfindo, 2011). The 4Ps has two major objectives. First is social assistance which is to provide cash assistance to the poor to satisfy their immediate and primary needs. Second is social development which means to disrupt the so called the



intergenerational poverty cycle through investments in people

According to the DSWD, the 4Ps provides financial support to beneficiaries consisting of P 6,000 a year (or P 500 per month) per household for health and nutrition related expenses; and P 3,000 for one school year (10 months) (or PhP300/month) per child for their educational expenses. A maximum of three children per household is permissible. A household with three qualified children is given a support of P 1,400/month during the school year or PhP15,000 annually as long as they comply with the conditions given by DSWD. These conditions are the following: 1) Pregnant women must avail of pre- and post-natal care (pre and post pregnancy) and be attended during childbirth by a trained health professional such as nurses and midwives in hospitals and not just 'hilot'; 2) Parents must join family development sessions organized by the local government; 3) 0-5 year-old children must have periodic health check-ups and vaccines; 4) 3-5 year-olds must attend daycare or preschool classes at least 85 percent of the whole school year; 5) 6-14 year-olds are required to enroll in elementary or high school and must also attend at least 85 percent of the time. 6) 6-14 year-old children must also have de-worming medicines twice a year.

OBJECTIVES OF THE STUDY

This study aimed to assess the design, implementation and initial impacts of the program in the context of the intervention of financial literacy program and entrepreneurial management seminar in Lingayen, Pangasinan. Specifically, this research answers the following questions: (1) What are the socio-demographic characteristics of the beneficiaries of the program? (2) Does the program produces short term effect? long term effect? (3) What are the issues and problems encountered throughout the implementation of the program?

Specifically, this study aimed to:

- 1) Describe the socio-demographic characteristics of 185 beneficiaries/household in the three barangays in Lingayen, Pangasinan;
- 2) Assess and evaluate the program implementation and execution;
- 3) Describe the effects of the intervention of financial literacy program and entrepreneurial management seminar in the implementation of the 4Ps or Pantawid Pamilyang Pilipino Program.

MATERIALS AND METHODS

The study is limited only to three barangays in Lingayen, Pangasinan. Data constraints on outcome variables limit the study from conducting a rigorous impact evaluation. Furthermore, only the limited explanatory variables included in both survey questionnaires for beneficiaries of the program were used in this research. This paper makes use of data on the three barangays of Lingayen, Pangasinan namely Domalandan Center, Maniboc and Estanza. When the program was implemented, these three barangays have 1,867 recipients. 185 households in total were randomly selected from these areas which represented ten percent of the overall number of beneficiaries. Additionally, open and closed structured interviews were managed using a survey instrument which is designed to obtain the following: demographic and socio-economic data, acceptability and level of satisfaction, program implementation information, various concerns and issues and benefits received before and after the extension program.

With the help of statistical software, the survey data was analyzed and processed using simple frequency distributions. The analysis of qualitative results was done according to identified themes. Using descriptive statistics, the groups of households-beneficiaries and the groups of households who were not enrolled but eligible for the program and lived in intervention areas (i.e., the non-beneficiaries) were compared.

RESULTS AND DISCUSSION

This section shows selected socio-economic information on both household beneficiaries and non-household beneficiaries from the three barangays. This will provide some background to their impressions and perspectives on the implementation of 4Ps in their areas. This information will also serve as a guide in order to evaluate the extent of contribution of 4Ps in achieving the expected outcome of the government on the health, nutrition, and education of low-income families. This section also presents the level of acceptability and satisfaction toward the 4Ps as well as the problems faced during the implementation of the project. The suggestions of the beneficiaries for improvement of this program were also considered. The results are based on the interviews with household heads or their spouses.

Table 1 shows the distribution of households per barangay. All in all, 185 randomly selected households were visited and interviewed. These constitute 10 percent of the overall number of beneficiaries in each of the three barangays where 4Ps was implemented.

Barangay	Total Number of Beneficiaries- Household	Target Number of Households at 10% only
Domalandan Center	767	76
Maniboc	495	49
Estanza	605	60
Total	1,867	185

Table 1. Background characteristics.

The table below shows the distribution of respondents and their spouses based on employment. Self-employed beneficiary-respondents constitute 58 percent of the sample, while 29 percent say they have no work at all. Most of the respondents and their spouses are self-employed. Similarly, table 2 indicates that most of the respondents and their spouses are self-employed (64%). Different multiple self-employed activities are being applied by households to derive income such as: operating a small business (retailing: sari-sari stores), vending farming and fishing activities, contractual services, or engaging in the transportation business (e.g jeepneys).

Table 2. Employment

Beneficiaries	Frequency	Percentage
Occupation_Respondent:		
Employed	23	13%
Unemployed	53	29%
Self-Employed	109	58%
TOTAL	185	100%
Occupation_Spouse:		
Employed	42	23%

Unemployed	19	10%
Self-employed	124	67%
TOTAL	185	100%

Table 3 shows the distribution of the respondents in relation to average monthly income. The average monthly income of the 166 or 89.7% respondents is Php 5,000 and below; while there are 5 or 3% of the respondents has an average monthly income of Php 10,000 and above. However, data show that the sample beneficiary households are poor. The family income all over the three barangays is still inadequate to meet daily needs of the members. Households with this level of income are eligible for the cash grants of the government according to DSWD.

Table 3. Average Monthly Income

Average Monthly Income	Frequency	Percentage
Php 5,000 and below	166	89.7%
Php 5,001 – Php 10,000	14	7 %
Php 10,001- Php 15,000	3	2%
Php 15,001 and above	2	1.3 %
TOTAL	185	100

Enrolment and Participation in the Seminars and Trainings.

Table 4 and Figure 1 show that there is a nearly equal proportion of beneficiary households who have been enrolled in the program in 2009 (49%) and 2010 (51%).

Figure 1.

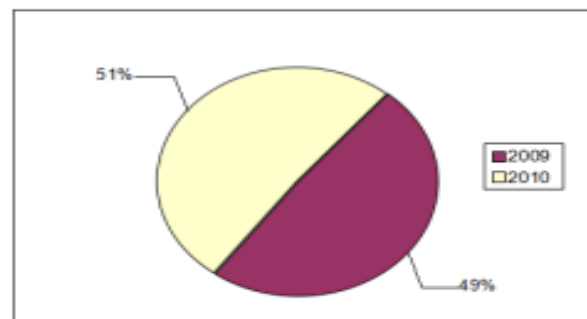


Table 4. Year Enrolled in the Program (In Percent)

	Frequency	Percent
2009	91	49.3%
2010	94	50.7%
TOTAL	185	100 %

The programs and seminars provided by the CCT does not include seminars and training on financial literacy and entrepreneurial management to help them widen their knowledge about finances and the importance of having a business or small scale enterprises that will help them for the daily expenses of household. Because of this the Pangasinan State University plans to conduct seminars and training about this matter. To be able to enhance more the project we conducted survey on the level of acceptability of the beneficiaries regarding this programs. Table 5 shows the presents the level of acceptability of the beneficiaries in providing this training and seminars.

Table 5. Level of Acceptability and Effectivity of 4Ps Beneficiaries on Providing Financial Literacy Seminar and Entrepreneurial Management Training

Level of Acceptability and Effectivity	Average Weighted Mean	Descriptive Rating
1. I am willing and able to attend the seminar and training.	4.6	Highly Accepted and Effective
2. I am eager to give my time and resources for the success of this program.	3.5	Accepted and Effective
3. I am willing to attend regular sessions for individual progress and evaluation.	3.89	Accepted and Effective

4. I learned a lot after attending the program.	4.5	Highly Accepted and Effective
5. After the program and seminar, I am eager to put my own business and become more knowledgeable about my finances.	4.0	Accepted and Effective
Overall Average Weighted Mean	4.098	Accepted and Effective

The Pantawid Pamilyang Pilipino Program beneficiaries in the three barangays of Lingayen, Pangasinan rated their acceptability and effectivity on providing the financial literacy and entrepreneurial management training as **ACCEPTED AND EFFECTIVE** with an overall average weighted mean of 4.098. This implies that the respondents were willing for the seminar and training that be provided to them.

Challenges faced during program implementation

The following were the challenges faced by program implementers:

Inclusion and exclusion errors: Some of the families under the 4Ps should not be there. On the other hand, there are qualified families who are supposed to be included but were not included.

Interference of local officials: DSWD emphasized that 4Ps is in no way controlled and manipulated by politicians. However, disagreement between DSWD and local government officials specifically on the barangay level is unavoidable. Some local officials wanted to get the credits that a certain family was chosen because of them. Some families were even threatened that they will be removed if they will not vote for the mentioned politicians.



Allowance spent on gambling and alcoholic beverages: Instead of using their monthly allowance to buy their immediate needs or even in educational expenses, some beneficiaries spent it on on gambling (*tong-its*) and alcoholic beverages.

Pawned automatic teller machine (ATM) cards: Some beneficiaries chose to pawning of ATM cards even at the initial part of the 4Ps program.

Delays in the scheduled releases: Every month, beneficiaries get a subsidy worth Php 1400 if they are compliant with DSWD's guidelines. However, the scheduled release of the subsidy is sometimes delayed.

Program is perceived to encourage beneficiaries to be lazy: There is a tenacious perception that the 4Ps is encouraging beneficiaries to be lazy since they were dependent on the government subsidy.

Program is too short: The beneficiaries will be supported by the government for five (5) years but the period is deemed to be short.

With the challenges mentioned above, the monitoring scheme instituted by the program helped lessened, if not eradicated, the problems faced. Government agencies had quarterly meetings to look into the problems encountered and introduced ways to improve the implementation. One such move was to appoint focal persons in the different barangays to coordinate with the different agencies when solving problems. These focal persons usually receive reports from community residents regarding the compliance of the beneficiaries. Such reports would prompt them to verify the truthfulness of the facts mentioned. They visit homes and discuss the issues with the beneficiary. This is also an opportunity to reach out to beneficiaries regarding problems encountered and to discuss ways for the latter to avoid further complications such as deductions on their monthly subsidy or worse, removal from the list of beneficiaries. Improvements seen on the beneficiaries.

Improvements seen on the beneficiaries

Empowered to take control of their lives: Beneficiaries particularly the mothers have learned how to take care of

their children more and they also learned how to budget the funds given to them.

Improvement in the health status: Children are indeed regularly immunized. More births are attended by professional health workers and some of the health centers where these are taken are Phil-Health accredited.

Improvement in school attendance: As they are required to attend 85% of their classes, children consistently go to school since their families provide them breakfast and in turn gives them energy to go to school. Some children beneficiaries

Enhancement of their entrepreneurial management skills and improvement of financial education. Thru the extension program that will be implemented by PSU Lingayen Campus the beneficiaries will gain more knowledge on how to manage their finances efficiently and effectively. According to our key informant interviews, the beneficiaries now have the willingness to put up small scale enterprises for a long term benefit to them given by the program. This will help them for their daily expenses and needs and can even improve their lives and help them get out of the poverty threshold.

CONCLUSION AND RECOMMENDATIONS

Pantawid Pamilya Pilipino Program (4Ps) is on course to the realization of its goals. In terms of education and health outcomes for children, the impact evaluations display hopeful results. Vital to guarantee the attainment of the desired outcomes in poverty reduction, health, and education is the demand-side support delivered by the program to poor families. Potential private and social returns to investing in 4Ps remain important. Moreover, risks can be lessened.

This study interviewed three groups of beneficiaries which came from three barangays in Lingayen, namely Domalandan Center, Maniboc and Estanza. As was established from the basic socio-economic and demographic characteristics of the three groups, the impression is that there is no difference between the three barangays. Majority of the respondents came from Domalandan Center and Estanza.

Respondents are either unemployed or self-employed and/or derive their income as non-professionals. Majority of the households get their income from



multiple self-employed activities such as: operating a small business (retailing: sari-sari stores), vending farming and fishing activities, contractual services, or engaging in the transportation business (e.g jeepneys).

On the other hand, findings about the inclusion and exclusion of the beneficiaries seem to be ironic. To have a better explanation of this picture, the following analyses are necessary. First, there is the probability that the beneficiaries included the government subsidy in the computation of their monthly income. Second, the study has not and cannot yet rule out the probability that a number of families who live below the poverty line were not chosen as 4Ps beneficiaries. This redounds to the issue of targeting which, admittedly, was one of the concerns of the program during the first few years of its implementation. The persistence of this issue is validated during the focus group discussions conducted. As mentioned earlier (cf. inclusion and exclusion errors), "Some families included in the program were actually not supposed to be there or should not have been prioritized."

On the overall, the beneficiaries are satisfied with the program's implementation. They appreciate the seminars and trainings set by the program implementers. Responsible parenthood, and family development and planning were perceived as the most important topics. Other seminars/topics mentioned were values formation, domestic violence laws, and healthcare and immunization programs. It is, however, interesting to note that the poorest of the poor might not be encouraged to participate in the program as the cost of compliance might be greater than their expected benefits. This is why we are implementing additional programs and trainings to insist to them the long term benefits that they might enjoy in the near future.

The programs and seminars provided by the CCT does not include seminars and training on financial literacy and entrepreneurial management to help them widen their knowledge about finances and the importance of having a business or small scale enterprises that will help them for the daily expenses of household. This programs that will be injected by the PSU Lingayen Campus as an extension program aimed to bring long term effects to the beneficiaries and luckily it turns that it is accepted and effective on its first year of implementation.

Although the program is still on-going, results of the study indicate that Pantawid Pamilyang Pilipino Program in the three barangays of Lingayen Pangasinan has

greatly helped beneficiaries attain the program's basic objectives in the short run. The challenge, however, lies on what will happen to the beneficiaries after the program ends. During the survey and focus group discussions, most participants lamented that just as when they have started to fully understand and comprehend the program, they find that it will end soon.

At this point, one has yet to see how far the current 4Ps has achieved its aim of alleviating intergenerational poverty. The return of investment in the areas of health and education are yet to be translated into human and social capital and this cannot be accomplished overnight.

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