



## 1. Project Data

**Project ID**

P153744

**Project Name**

Social Welfare Development and Reform II

**Country**

Philippines

**Practice Area(Lead)**

Social Protection &amp; Jobs

**L/C/TF Number(s)**

IBRD-85840,IBRD-89670

**Closing Date (Original)**

31-Dec-2019

**Total Project Cost (USD)**

750,000,000.00

**Bank Approval Date**

19-Feb-2016

**Closing Date (Actual)**

30-Jun-2022

**IBRD/IDA (USD)**
**Grants (USD)**

Original Commitment

450,000,000.00

0.00

Revised Commitment

750,000,000.00

0.00

Actual

750,000,000.00

0.00

**Prepared by**

Salim J. Habayeb

**Reviewed by**
Eduardo Fernandez  
Maldonado
**ICR Review Coordinator**
Eduardo Fernandez  
Maldonado
**Group**

IEGHC (Unit 2)

## 2. Project Objectives and Components

### a. Objectives

The objective of the project was to support the National Program Support for Social Protection of DSWD to improve the use of health and education services of poor children (Loan Agreement, April 29, 2016, p. 5).

Note: DSWD stands for the Department of Social Welfare and Development.

An additional financing on June 27, 2019, modified the PDO statement as follows: "to support the conditional cash transfer (CCT) program of DSWD to improve the use of health and education services by poor children"



(Loan Agreement, Additional Financing, November 28, 2019, p. 5). The modified statement was made for clarity reasons (ICR, p. 9) although the original statement was always meant to support the CCT program (known as the 'Pantawid Pamilyang Pilipino Program', or '4Ps' program, which means 'Bridging Program for the Filipino Family').

**b. Were the project objectives/key associated outcome targets revised during implementation?**

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

Yes

**Date of Board Approval**

27-Jun-2019

**c. Will a split evaluation be undertaken?**

No

**d. Components**

**I. Support to the Pantawid Pamilya (IBRD: Appraisal US\$450 million; Actual: US\$750 million)**

Component I aimed at supporting continuous delivery of the CCT Program to poor households with children. It would continue to contribute to financing health and education grants given to CCT beneficiaries nationwide. Beneficiary households -- poor households with children 0-18 -- would continue to be selected using the national household targeting system, known as Listahanan, that follows a standardized targeting mechanism with a rigorous quality control process.

Scope: The CCT Program was expected to directly benefit approximately 4.2 million poor beneficiary households with 11 million children and with about 22 million members (PAD, p. 13).

**II. Strengthening CCT Implementation, Monitoring and Evaluation (Borrower: Appraisal: US\$5.2 million; Actual: US\$5.2 million)**

The second component aimed at enhancing the CCT Program. It would allow DSWD's National Program Management Office to enhance implementation of CCTs by strengthening capacities for monitoring, evaluation and data analysis; delivery mechanisms of the CCT program (payment, communication, Grievance Redress System (GRS); and by streamlined and improved family and youth development sessions, and faster compliance verification and beneficiary data systems. The component would use Government to undertake institutional and capacity development, monitoring and impact evaluation activities, including: (a) strengthening policy analysis and M&E capacity, including conducting a CCT Program impact evaluation and annual CCT Program implementation spot checks; (b) training of central, regional and municipal staff to deliver the CCT Program; (c) developing content for, and strengthening capacity to deliver, strategic communications, including strengthening the beneficiary feedback mechanism; and (d) training for the development and delivery of family and youth development sessions (PAD, p. 9).



#### **e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

At appraisal, the IBRD cost was estimated at US\$450 million that represented 7.3 percent of the CCT scheme within a larger national program whose overall cost was projected at US\$5.85 billion between 2016 and 2019. The loan included provisions for retroactive financing up to US\$90 million for eligible expenditures under Category 1 for Conditional Cash Transfer Grants starting on March 1, 2015.

On June 27, 2019, an additional IBRD financing (AF) of US\$300 million was provided to continue CCT support. The AF also aimed at supporting: (i) improvement of business processes, including the adoption of NHTS-PR new data for targeting and updating 4Ps Operations Manual; (ii) upgrading the Pantawid Information System – including its link with the Learners Information System of the Department of Education (for tracking enrollment and attendance status of students) and the new Philippine Identification System; (iii) strengthened capacity for monitoring and evaluation; and (4) expansion of digital payments instead of over the counter cash delivery (ICR, p. 10).

The AF increased the total IBRD commitment to an aggregate of US\$750 million, that was also the actual IBRD cost, including a front-end fee of US\$1.1 million. In addition to financing the larger part of the CCT program, the Borrower fully financed Component II (Strengthening CCT Implementation and M&E) for US\$5.2 million.

### **3. Relevance of Objectives**

#### **Rationale**

The World Bank had previously supported the government in the first phase of the Social Welfare and Development Reform Project (SWDRP) during 2009-2015 for an amount of US\$505 million. The PAD (p. 3 and p. 7) explained that this project was a follow-on phase that would continue to consolidate the gains previously made under the CCT Program. The country had a well-established national system to target poor households, and the Pantawid Pamilya CCT Program was recognized as a flagship poverty reduction program that aimed to break intergenerational transmission of poverty by incentivizing poor households to invest in their children education and health. According to the PAD (p. 3), the program covered 4.2 million households by June 2015. At entry, objectives were aligned with the strategies of the Country Partnership Strategy FY15-18 to promote inclusive growth, reduce poverty, and support shared prosperity (ICR, p. 12).

At project closing, objectives continued to be relevant to Philippine Development Plan (PDP 2017-2022) and to CPF 2019-2023, specifically to CPF Focus Area 1 on Investing in Filipinos and its three objectives: (1) improved access to quality education services; (2) increased access to affordable health services; and (3) improved efficiency of social protection coverage for the poor and vulnerable.

However, there were some weaknesses in development expectations related to the historical Bank experience in the sector. Although the project originally envisioned various technical assistance (TA) areas



such as linkage to graduation, economic inclusion, and adaptive social protection, the government decided to largely limit the scope of the project to CCT grants and to use counterpart financing for implementation support activities under Component 2 (ICR, p. 21). This approach differed from the first phase of SWDRP that included and financed substantial TA, including for institutional capacity building and for the National Household Targeting System for Poverty Reduction. The ICR reported that the government decision was made mainly to avoid dual approval processes: one for budget support under Component 1 and the other for TA activities under Component 2. The ICR (p. 21) reported that not having a strong TA component in the project significantly undermined the quality of 4Ps implementation.

## Rating

Substantial

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

Improve the use of health and education services by poor children under the conditional cash transfer program

#### Rationale

**The theory of change** held that financing conditional cash grants, and strengthening its monitoring would encourage behavioral change among beneficiary parents to invest in the human capital of their children, thus plausibly leading to improved utilization of health and education services by poor children.

Note: In terms of long-term outcomes that were highlighted by the theory of change (improved human capital and lower incidence of poverty, ICR, p. 12), the presumed human capital improvement remains dependent on the quality of education and health services that are beyond the control of the operation. In this context, the CPF noted that significant challenges remain in learning outcomes that are more prevalent among the poor and in conflict affected areas, and that ensuring high-quality of health services for all was challenging, and with health indicators and the quality of care worse in poorer areas.

#### Outputs and intermediate results

The total number of household beneficiaries who received cash grants increased from a baseline of 4,178,985 to 4,404,634, achieving the target of 4,400,000 household beneficiaries.

The share of households receiving over the counter grant payments improved from a baseline of baseline 48 percent in 2018 to 8.1 percent in 2022, exceeding the target 19 percent.



The share of eligible children 6–14 years old in poor CCT beneficiary households attending school at least 85 percent of the time increased from a baseline of 84.9 percent in 2018 to 92 percent in 2022, achieving the target of 91.7 percent. The patterns of improvement were largely similar for the four subgroups (males, females, indigenous, and non-indigenous).

The share of CCT beneficiary households with updated information in the national household targeting system could not be measured because of delays in collecting and verifying data for Listahanan 3 resulting from the COVID-19 pandemic. The validation of updated information was still ongoing as of June 2022 (ICR, p. 32).

The percentage of grievance cases that were addressed in a timely manner increased from a baseline of 94 percent in 2018 to 98.9 percent in 2022, essentially achieving the target of 99 percent.

The project was gender responsive. It supported the government in developing Conditional Cash Transfer Gender Action Plan. It supported monthly Family Development Sessions that included, in addition to parenting roles, modules on gender equality and empowerment. The project promoted the role of female heads of households as grantees. The information system allowed all indicators to be disaggregated by gender. Also, the GRM system included category and special referral pathways for complaints related to gender-based violence, including grievances on sexual harassment and sexual exploitation and abuse. According to the ICR, the project contributed to a reduction in emotional non-partner domestic violence by 11 percentage points.

Importantly, the World Bank (ICR, p. 21) mobilized trust fund resources throughout the implementation period to provide complementary TA support using Bank-executed activities, although such support did not fully mitigate the consequence of not having sufficient leverage in Component 2 (Task Team clarifications, February 16, 2023). As examples, the Bank Team provided support in digital payment that contributed to reducing the share of households receiving over-the-counter payments; and provided support for reviewing the Pantawid Pamilya Information System to inform its updating.

## **Outcomes**

Evidence showed that the project almost fully achieved its intended outcomes of improved use of health and education services by poor children under the conditional cash transfer program.

The share of monitored children 0-5 years old in poor CCT beneficiaries' households undergoing growth monitoring and check-ups in accordance with Department of Health protocol increased from a baseline of 93.7 percent in 2018 to 97.7 percent in 2022, almost attaining the target of 98.1 percent. Disaggregated data for different subgroups (males, females, indigenous and non-indigenous children) showed essentially similar patterns of improvement.

The share of eligible children 3–5 years old in poor CCT beneficiary households attending preschool or school at least 85 percent of the time increased from a baseline of 86 percent in 2018 to 92.3 percent in 2022, exceeding the target of 91 percent. Disaggregated data for different subgroups (males, females, indigenous and non-indigenous children) showed largely similar patterns of improvement.

The share of eligible children 15–18 years old in poor CCT beneficiary households attending school at least 85% of the time increased from a baseline of 68 percent in 2018 to 79.1 percent in 2022, exceeding the target



of 75 percent. Achievements of females were higher than males (81.7 percent vs 76.7 percent), and higher for non-indigenous vs. indigenous beneficiaries (79.5 vs. 74.7 percent).

The Government adopted the 4Ps Act in 2019. The Act defined 4Ps as a national poverty reduction strategy and human capital investment program that provided conditional cash transfers to poor households for a maximum period of seven years, with the aim of improving health, nutrition and education aspects of their lives (ICR, p. 25). The Act increased the benefit amount with the expectation that this would augment the impact on poverty reduction and human capital accumulation among 4Ps beneficiaries.

Studies conducted during the project period confirmed that CCT continued to contribute to reducing poverty and inequality. The Lorenz curve of the CCT on income inequality, based on Annual Poverty Indicators Survey 2020, showed that the program was progressive, that is, poorer households received the higher share of program benefits than their actual share in the national income distribution (ICR, p. 19). The program covered 33.7 percent of the poorest quintile. Out of various social assistance programs, 4Ps contributed the most to poverty and inequality reducing effects of social assistance over 2006 to 2018. Without 4Ps, poverty would have been 7 percent higher, inequality would have been 0.9 percent higher, and the poverty gap would have been 11 percent higher in 2018 (ICR, p. 19 based on World Bank, forthcoming, Poverty and Inequality in the Philippines: Past Trends and Future Prospects).

At the same time, the ICR explained some weaknesses related to the achievements. The accuracy of project targeting was declining, including for pregnant women and missed (non-monitored) children of 4Ps. In the context of increasing exclusion of pregnant women and young children living in poverty, the ICR (p. 25) stated that, in the long term, this could diminish the overall 4Ps impact on national poverty reduction and human capital accumulation. By design, program conditions applied only to monitored individuals who were identified at the time of program enrollment or when updating the National Household Targeting System for Poverty Reduction, unless the beneficiary voluntarily reports updated information, such as with a new pregnancy in the household. But grants were provided per households and did not vary by the number of eligible children, i.e., there were no strong incentives to report new pregnancies. As the program matured, its expansion slowed down and updates in 2015 were not fully utilized to revalidate and update the 4Ps beneficiary registry and enroll new beneficiaries. The number of monitored pregnant/post-partum mothers and children aged 0-5 declined significantly (ICR, p. 15). This meant that succeeding pregnancies and newborns were not linked to the program's compliance verification system. Between 2017 and 2022, only about 200,000 to 300,000 pregnant women and under-5 children were monitored for compliance with health conditions, as opposed to the peak of about two million in 2012 and 2013.

**Rating**  
Substantial



## OVERALL EFFICACY

### Rationale

The project almost fully achieved its objective to improve the use of health and education services by poor children under the conditional cash transfer program. The achievement level is consistent with a substantial rating for overall efficacy.

### Overall Efficacy Rating

Substantial

## 5. Efficiency

The PAD's economic analysis (pp. 13-14) used information and benefit incidence analysis derived from the previous phase of the Pantawid Pamilya CCT Program to highlight positive effects on poverty and inequality. On average, without CCT grants, poor beneficiary households' incomes were 35 percent short of meeting the minimum income level needed to afford their basic needs. Pantawid cash transfers helped beneficiaries close this gap. The estimated reduction of total poverty and food poverty among beneficiaries of the CCT Program by up to 6.7 percentage points was significant. At the national level, it was also estimated that the program reduced both total poverty and food poverty by up to 1.4 percentage points in 2013, from a baseline of 26.4 percent total poverty and 12.5 percent of food poverty without the CCT. These estimates fell between those found in two large CCT Programs: Mexico's Prospera that was estimated to have reduced total poverty by 1.8 percentage points; and Brazil's Bolsa Familia by 0.5 percentage point. Pantawid also reduced the overall poverty gap from 9.1 percent to 8.2 percent and contributed to reducing national income inequality as measured by Gini coefficient by 0.5 points (49.2 without the program and 48.7 with the program in 2013).

The PAD also reported on efficiency gains accruing to the health and education sectors. In terms of health, Pantawid Pamilya promoted facility-based deliveries (7 in 10 live births in five previous years compared to only 5.5 in 10 live births among non-Pantawid mothers). It also showed that Pantawid Pamilya promoted access to professional post-natal care where 80 percent of mothers were checked by a skilled health professional after giving birth, compared to 59 percent in non-Pantawid mothers. In terms of education, Pantawid households living near the poverty threshold spent 206 Philippine pesos more per school-aged child per year compared to non-Pantawid households. Higher households' investment in education translated into higher gross enrollment rates of children in both age groups 6-11 years and 12-14 years, and these increases made enrolment rates equally high among poor and non-poor children. Importantly, the likelihood of completing elementary education among Pantawid Pamilya children of 13-16 years old (83 percent) was higher than among same age poor children who were not Pantawid Pamilya, children (79 percent). The positive effect was observed in both boys and girls.

The ICR argued that 4Ps program was an efficient means of delivering assistance to beneficiaries. Based on the most recent budget data for the program in 2022, the additional administrative cost to the government was only PHP 8.7 to deliver PHP 100 of cash grant to program beneficiaries. The program administrative cost included personnel costs, M&E, bank fees, and cost of equipment. The administrative cost was much lower than that of initial years of the program when, in 2009, the administrative cost was estimated at 18 percent of program costs.





A dynamic shift toward digital payment delivery, increasing from 52 percent at appraisal to 91.9 percent at project closing, may have also contributed to this improved efficiency (ICR, p. 17).

In addition, the ICR offered arguments about financial sustainability. The Bank's contribution over 2016-2022 accounted for around 7 percent of the government CCT budget, therefore, the loan would have a limited fiscal impact on the overall DSWD budget and would not raise sustainability risks. Loan proceeds were fully utilized.

Nevertheless, the ICR noted that, in terms of delivering targeted assistance to children from poor households, efficiency was not as high as originally expected in view of weak targeting performance of the 4Ps and the exclusion of pregnant women and young children (ICR, p. 17).

## Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

Relevance of objectives was rated substantial in view of alignment with CPF 2019-2023 at project closing and with the Philippine Development Plan 2017-2022. Efficacy was rated substantial, as the project development objective was almost fully achieved. Efficiency was also rated substantial in view of the value for money, but with some aspects of implementation that moderately reduced overall efficiency. These findings are consistent with a satisfactory outcome rating, indicative of essentially minor shortcomings in the operation's achievement of its objectives, in its efficiency, and in its relevance.

### a. Outcome Rating

Satisfactory

## 7. Risk to Development Outcome

The risk that development outcome may not be maintained appears to be limited, as the financial sustainability of the program was bolstered through legislation. The Pantawid Pamilyang Pilipino Program





Act and its Implementing Rules and Regulations were adopted in 2019, thus institutionalizing the CCT program that became a national poverty reduction strategy (ICR, p. 25).

The financial contribution of the World Bank loan to the overall national program was relatively small and with limited fiscal impact on the overall DSWD budget and the continuity of program financing. However, the ICR (p. 25) reported that reduced targeting performance and the exclusion of many pregnant women and young children could attenuate the overall impact of 4Ps on national poverty reduction and human capital accumulation in the long term. The ICR (p. 23) stated that M&E findings informed the design of “Beneficiary FIRST Social Protection Project” (P174066), that aims at mitigating the impact of COVID-19 on the welfare of low-income households, promoting the inclusion of pregnant women, and at strengthening data interoperability among databases.

## **8. Assessment of Bank Performance**

### **a. Quality-at-Entry**

The project built on the CCT Program that was well established and operating since its piloting phase in 2007 (PAD, p. 12). Project activities were technically sound, and the CCT Program was designed with consideration to best practice examples from other countries, such as Mexico, Brazil and Colombia (PAD p. 14). The rigorous impact evaluation rounds conducted in 2012 and 2014 for the previous project provided the evidence to support the continuation of 4Ps with demonstrated impact on poverty reduction and human capital accumulation (ICR, p. 20).

Implementation arrangements were planned to follow existing provisions and government procedures. Information provided by the PAD and ICR reflected implementation readiness. The overall risk was assessed as moderate. DSWD was the lead executing agency for the project. As in the previous phase of SWDRP, overall management of the project was under the DSWD Executive Committee, chaired by the Secretary and composed of all the Undersecretaries and Assistant Secretaries. Main activities would be undertaken by the CCT National Program Management Office (known as Pantawid NPMO), in accordance with the CCT Program Operations Manual and with support from other relevant DSWD departments, units and bureaus, all within the structure of DSWD (PAD, p. 10). Financial management arrangements were adequate (ICR, p. 24), loan proceeds would disburse to the Treasury, and M&E arrangements were well established and embedded institutionally.

As noted in section 3, the decision not to include TA activities under Bank financing was not attributable to the Bank Team, but rather was a decision made by the Borrower, as previously noted in section 3. In this context, the Bank Team was proactive in planning for and mobilizing trust fund resources to provide complementary TA using Bank-executed activities to mitigate the consequences of not having sufficient leverage in TA activities.



## **Quality-at-Entry Rating**

Satisfactory

### **b. Quality of supervision**

According to the ICR, the World Bank Team provided intensive and proactive support to DSWD throughout project implementation. Trust fund resources continued to be instrumental in providing TA for activities as well as in responding to the emerging demands from the Government, notably during the COVID-19 pandemic.

The Bank Team facilitated the processing of an AF amounting to US\$300 million to continue financing the Bank's contribution in support of CCT grants to poor households with children; and to support program improvements and expand digital payments (see section 2e).

The quality of reporting was good as reflected by aide-memoires and 13 ISRs, where implementation progress was well summarized along with arising issues and mitigating measures. The Mid-Term Review of the parent project was conducted as planned in 2018, and the review informed AF design. Manila-based Bank Team members maintained regular communications with DSWD. Before the COVID-19 pandemic, the Bank Team carried out trips to regions to assess progress in the field. These field missions helped the Bank Team and government representative to fully understand and discuss implementation challenges and potential solutions.

The Bank's supervision and implementation support missions were joined by the Asian Development Bank, UNICEF, and Australia's DFAT teams to reduce the workload of DSWD (ICR, p. 22).

## **Quality of Supervision Rating**

Satisfactory

## **Overall Bank Performance Rating**

Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

The development objective was reasonably clear and measurable, although support to CCT could have been explicitly specified at the outset. Intended outcomes were reflected by the selected indicators. Baselines were available. Periodic data would provide updates on program progress. DSWD also planned to undertake annual spot checks and impact evaluation as conditions for the loan (ICR, p. 22).



## **b. M&E Implementation**

Overall M&E implementation was adequate overall, but with moderate shortcomings in some areas. Annual spot checks were delayed in 2020 and 2021 because DSWD faced understandable challenges in performing them during the COVID-19 pandemic. There were concerns about the discrepancy in school enrollment rates between administrative data and spot checks, but there was not enough time to fully address the issue by the project closing date in 2022. Although, the project attempted to track all children in beneficiary households by changing an indicator from “monitored” children in schools to “eligible” children in the households, DSWD’s reports continued to present only “monitored” children’s outcomes as the Pantawid Pamilya Information System was not modified accordingly.

## **c. M&E Utilization**

According to the ICR (p. 22), M&E findings informed policy decisions, such as for increasing the CCT benefit amount. The nominal value of the grant had not been adjusted since it was piloted in 2007, despite an average annual inflation rate at 3.5 percent from 2007 to 2017. M&E findings were also expected to inform Government decisions to increase grant amounts under future adjustments in accordance with the 4Ps law (ICR, p. 23). As noted in section 7, the ICR (p. 23) stated that M&E findings informed the design of “Beneficiary FIRST Social Protection Project” (P174066), that aims at mitigating the impact of COVID-19 on the welfare of low-income households, promoting the inclusion of pregnant women and young children, and strengthening data validation through data interoperability among various databases.

## **M&E Quality Rating**

Substantial

# **10. Other Issues**

## **a. Safeguards**

Overview: The overall safeguards rating in the Operations Portal was satisfactory.

The project was classified as Category B under Environmental Assessment (OP/BP 4.01). It did not support civil works, and was not expected to have environmental impacts, however, according to the Integrated Safeguards Data Sheet at the appraisal stage, dated October 9, 2015, OP 4.01 was triggered on account of the need to assess the social impacts on beneficiaries and other major stakeholders, including Indigenous Peoples (IP) under OP 4.10. The ICR (p. 23) highlighted the fact that the CCT Program under its first phase, 2010-2015, had already extended efforts to advance inclusion, gender aspects and cultural sensitivity.

Mainstreaming efforts were integrated in the entire DSWD organization with the formation of national and regional teams for Gender and Development, and Indigenous People, including hiring of indigenous staff. Support for gender and IP development has been effectively mainstreamed in operational information



systems, operations manual, FDS, and social marketing. Tracking and reporting of compliance were enabled using sex- and ethnicity-disaggregated data. Under the Grievance Redress Information System, gender- and culture-sensitive guidelines, reporting, and referral systems were operationalized. FDS and social marketing activities were regularly reviewed and updated to be more gender-responsive and sensitive to the needs of IP grantees. The inclusion of IPs was institutionalized under an Indigenous Peoples Participation Framework that was first introduced in 2015 and expanded during this project to incorporate strategies around sustainability and exit of IP grantees. The project broadened the capture and inclusion of poor and vulnerable IP households, with substantial assistance provided during the COVID-19 pandemic. Institutional mechanisms that promoted participation in decision making and leadership roles included IP representation in regional, provincial, and municipal interagency committees. Overall safeguards rating recorded in the Operations Portal was satisfactory.

#### **b. Fiduciary Compliance**

Financial Management was undertaken through existing government mechanisms and accounting system. Arrangements for both the original project and AF were on a reimbursement basis. DSWD was required to monitor the liquidation of CCT grants, maintain a grievance monitoring system, and conduct capacity building for financial management personnel.

Overall financial management performance, including maintenance of accounting records, was rated moderately satisfactory for most of the implementation period. There were variable delays in the early stages of the project, and there were security challenges in the Bangsamoro Autonomous Region where payouts were less frequent. No procurement was planned or conducted under IBRD funding.

#### **c. Unintended impacts (Positive or Negative)**

None reported.

#### **d. Other**

--

### **11. Ratings**

<b>Ratings</b>	<b>ICR</b>	<b>IEG</b>	<b>Reason for Disagreements/Comment</b>
Outcome	Satisfactory	Satisfactory	



Bank Performance	Satisfactory	Satisfactory
Quality of M&E	Substantial	Substantial
Quality of ICR	---	High

## 12. Lessons

The ICR (pp. 25-27) offered several lessons and recommendations, including the following lessons re-stated by IEG Review:

**Flexibility in CCT conditionalities allows uninterrupted grant support for children from poor households.** Under normal circumstances, it is understood that CCT beneficiaries would need to comply with specified conditions to receive cash grants. However, during the COVID-19 pandemic, it was difficult for beneficiaries to attend schools or to participate in Family Development sessions and visit health facilities for checkup and immunizations. DSWD suspended CCT conditions in 2020, and, in 2021, it introduced new flexible conditions, including remote learning modalities to maintain a regular flow of grant transfers.

**Maintaining the accuracy of social protection targeting systems can promote the inclusion of vulnerable population groups and can contribute to a stronger impact on poverty reduction and human capital accumulation.** Under the project, targeting accuracy progressively diminished as the share of poor beneficiaries belonging to the bottom two quintiles declined because of limited replacement of exit beneficiaries. Program coverage of pregnant women and young children declined as health grants were provided without varying by the number of eligible children, thus providing little incentive to report new pregnancies, and contributing to a decreasing coverage of new pregnancies and young children. This lesson led to a pertinent ICR recommendation for investing in a dynamic social registry that can receive frequent updates from various sources, and for designing effective incentives that would promote the inclusion of pregnancies and newborns in program monitoring.

**Strengthening social protection delivery systems beyond 4Ps CCT can make systems more adaptive to shocks.** Under the project, the response to the COVID-19 pandemic highlighted the need to further strengthen delivery systems. The project helped the government early response to the pandemic through timely emergency support for 4Ps CCT beneficiaries, but support to additional beneficiaries (e.g., new poor) encountered difficulties, as there was no accurate and updated social registry. Application forms were manual and payments were made mostly in cash. This experience raised another ICR recommendation to make the system more adaptive to shocks, including for natural disasters, by further investing in DSWD's capacity, social registries, information technology and payment mechanisms that can facilitate timely inclusion of eligible populations not covered in regular social protection programs like 4Ps. Such investments, including the expansion of digital payments, can provide added attention to the least financially-included areas through collaboration with the private sector and financial service providers.

## 13. Assessment Recommended?



No

#### **14. Comments on Quality of ICR**

The ICR provided a clear overview of the project experience. It was results-oriented, aligned to stated objectives, and very candid. It aptly explained the progression of the CCT program from its initial phase to the current project and onward to the follow-on operation. Its analysis was meticulous and the conclusions were based on adequate evidence, where some gaps were adequately explained by the ICR. Beyond project intended results, the ICR also properly presented available evidence on the project's long-term outcomes in its contribution to reducing poverty and inequality. Lessons were derived from project experience and the ICR systematically connected them to future recommendations. The ICR was succinct and followed established guidelines. It was internally consistent. Apart from some weaknesses in addressing efficiency, the overall quality of the ICR was high.

##### **a. Quality of ICR Rating** High