Department of Social Welfare and Development PANTAWID PAMILYANG PILIPINO PROGRAM

NAC Resolution No. 12 Series of 2013

Continued Support for Children Beneficiaries of the Pantawid Pamilyang Pilipino Program to Finish High School

WHEREAS, the *Pantawid Pamilya* National Advisory Committee (NAC) is the highest policy-making inter-agency body that provides policy directions and guidance on matters pertinent to program implementation;

Whereas, **Section 17 of the Philippine Constitution** states that the state shall give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development.

Whereas, **Section 1 of Article 14 of the Philippine Constitution** states that the state shall protect and promote the right of all citizens to quality education at all levels, and shall take appropriate steps to make such education accessible to all.

Whereas, Section 5.5 of Article 14 of the Philippine Constitution states that the State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment.

Whereas, as part of its role of higher level policy coordination and ensuring effective and efficient program implementation, the NAC deliberated to extend the program coverage of the Pantawid Pamilyang Pilipino Program based on the following justifications:

- Implementation of Pantawid Pamilya brings and keeps younger children in school. In the first impact evaluation report, increased school attendance was found across all school-aged groups (6-17 years old). Further, it was reported that the school attendance rate for younger children (6-12) is 96.2% in 2011 from 83.6% in 2008. In contrast, older children (13-14) have declining attendance rate from 83.7% in 2008 to 66.8% in 2011.
- Pantawid Pamilya implementation promotes human capital by incentivizing staying in school. There is a need to further build the human capital of Pantawid Pamilya beneficiaries for it to contribute to the break the transmission of intergenerational poverty. The Pantawid Pamilya helps create an effective and secure financial state of the family by incentivizing school attendance.
- Increase in household income leads to increase in completion rate which further leads to
 increase in skills, productivity and returns. Higher economic returns are more likely to occur
 with high school graduates more than elementary graduates. The average daily wage of

someone who had finished elementary is roughly about 10% higher than that of what an elementary undergraduate could earn (Labor Force Survey, 2011). Meanwhile, a person who finished high school would get a wage that is about 40% higher on average than that of someone who completed elementary. In addition, poverty incidence remarkably drops to almost half (from 34.1% to 16.6%) when HH is headed by a high graduate compared to HH headed by an elementary graduate (Family Income and Expenditure Survey, 2009).

- Values formation, through the implementation of the Family Development Sessions (FDS), is an important mechanism to build social capital among beneficiaries. FDS is a vehicle to develop both parent's valuation of and children's interest in school.
- Other Conditional Cash Transfer (CCT) programs have impacts on education for older children. Mexico's Oportunidades increased high school enrolment in rural areas by as much as 85 percent after only a few years of program implementation. Colombia's Familias en Accion increased enrolment for children aged 12-17. The CCT program in Bangladesh raised 11-18 year old girls' enrolment. Lastly, the Japan Fund for Poverty Reduction initiative in Cambodia raised secondary school girls' enrolment and attendance.

Whereas, in view of the foregoing, the members of the NAC recognize the need to extend support to the children beneficiaries to further pursue the rights of the children and for the program to contribute to the breakage of intergenerational poverty.

NOW THEREFORE, be it resolved as it is hereby resolved, the members of the NAC approve the continued support to children beneficiaries under Pantawid Pamilya, specifically:

1. Extension of coverage of Pantawid Pamilya

Continued support for children beneficiaries until they finish high school shall have the following provisions:

- a. To go beyond the five-year limit to cover up to high school education;
- b. To extend the coverage up to 18 years of age (taking into account the K-12 program);
- c. To provide higher grant amount of PhP 500 for children in high school, but removing the health grant for those households who have been exposed to the program for 5 years and no longer have children beneficiaries enrolled in elementary monitored by the program; and
- d. To maintain the limit of three (3) children beneficiaries per household.

2. Projection of High School Coverage

Currently, the program provides education grants to more than 7 million children aged 3-14 belonging to more than 3.8 million households. Under the proposed extension, children will be entitled for education grants until they are 18 years old, implying that they could benefit from education transfers for a maximum of 15 years, starting from age 3 to 18. About 10 million children will be served by 2014 when age coverage is extended to 18 years old.

3. Selection Criteria

The selection of children aged 3-18 for education monitoring will be based on the following existing policy on the selection of children beneficiaries which includes son, daughter, grandson and granddaughter of the household head, to wit:

- a. For Sets 1-5, the children beneficiaries selected by the system will continue to be monitored.
- b. For Sets 6-7 and replacement, the household shall select from among the children included in the household roster.
- c. For replacement and additional children beneficiaries to complete the 3 children limit per household, the household shall select from among the children included in the household roster.

4. Pilot phase

A pilot phase of Set 1-7 households with children aged 3 to 18 in 1,627 cities and municipalities shall be implemented in 2014. The expected number of children covered during the pilot phase is 10.2 million. Out of the 10.2 million eligible children, 6.321 million (62%) and 3.875 million (38%) are eligible for elementary and high school, respectively. 4,287,630 children or 42.1% out of the 10.2 million children will be funded with Php 12.3 billion, during the pilot phase.

Adopted this 10th day of July, Two Thousand and Thirteen, in Dumaguete City.

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