

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Philippines	Project Title:	Second Health System Enhancement to Address and Limit COVID-19 under the Asia Pacific Vaccine Access Facility – Additional Financing
Lending/Financing Modality:	Project Loan	Department/Division:	Southeast Asia Department/Human and Social Development Division

### I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: General intervention

#### **A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy**

Additional Financing for the Second Health System Enhancement to Address and Limit COVID-19 under the Asia Pacific Vaccine Access Facility (HEAL2-AF) supports the Philippine National Deployment and Vaccination Plan for COVID-19 Vaccines to prevent and control the spread of the coronavirus disease (COVID-19). It invests in the procurement of safe and effective COVID-19 vaccines to protect the public and reduce morbidity due to COVID-19 infection. HEAL2-AF will contribute to the overarching development objectives of the Philippine Development Plan, 2017–2022 for: (i) more inclusive growth by lowering poverty incidence; and (ii) reducing vulnerability of individuals and families.<sup>a</sup> It aligns with the Department of Health (DOH)'s National Objectives for Health that aim to improve health system performance in addressing public health outbreaks<sup>b</sup> and the Asian Development Bank (ADB) Asia Pacific Vaccine Access Facility (APVAX) goal of restoring economic growth and citizens' confidence. The loan will contribute to the achievement of Sustainable Development Goals 1 (no poverty), 3 (health and well-being for all), and 5 (gender equity). The project is aligned with ADB's Strategy 2030 operational priorities (OP): addressing remaining poverty and reducing inequalities (OP1), accelerating progress in gender equality (OP2), and fostering regional cooperation and integration (OP7).<sup>c</sup> It also aligns with the third pillar of the Philippines Country Partnership Strategy, 2018–2023 on investing in people through human development and social protection.<sup>c</sup>

#### **B. Results from the Poverty and Social Analysis during Transaction TA or Due Diligence**

**1. Key poverty and social issues.** The poverty rate in the Philippines declined from 25.2% in 2012 to 23.5% in 2015, and to 16.7% in 2018. Nearly 17.6 million people continue to live below the poverty line, and 14.2 million just above the line, who are vulnerable to sliding back into poverty due to exogenous shocks.<sup>d</sup> Vulnerable employment worsened from 36.1% to 39.6% among the employed over the same period.<sup>e</sup> Overseas Filipino workers' deployment dropped by up to 75% in 2020. The pandemic has also displaced about 700,000 overseas Filipino workers, 97.0% of whom lost their jobs, and 502,581 have returned to the Philippines.<sup>f</sup> With the COVID-19 community mitigation measures and economic disruptions, absolute poverty is at risk of increasing in the short-term due to the weak labor market, critical food shortages, reduced or eliminated household earnings, and a drastic decline in remittances. Business establishments, services, flow of goods and agricultural products, livelihood and income generating activities have been adversely affected. Over the medium-term, a slow economic recovery risks raising unemployment levels and suppressing earnings in the informal sector. Structural poverty may worsen as the access of poor families to social services is reduced, and the total number in critical need of health services increases rapidly and applies greater pressure on stretched health facilities. ADB estimated that, without substantial financial support to poor and near poor families, the poverty rate could increase from 16.7% in 2018 to 20.7% in 2020 as a result of the pandemic effects on incomes.<sup>g</sup> The Philippine Institute for Development Studies estimated that 1.4 million families or 7.5 million individuals will become poor as a result of the pandemic. However, implementation of the social amelioration program has mitigated impacts on poverty and reduced the number of families who will become poor to 0.4 million or 2.8 million individuals. The cost of learning loss, measured in terms of reduced earnings and productivity, partly due to the suspension of face-to-face schooling, has been estimated at ₱230 trillion in school year 2020/21.<sup>h</sup> A Social Weather Station survey indicated a new full year record of average hunger at 21.1% of families in 2020. This was recorded highest in Metro Manila at 23.3%, followed by Mindanao (16%), Luzon (14.4%), and Visayas (14.3%).<sup>i</sup> With progressive reopening of the economy and ramping up of COVID-19 vaccination that started on 1 March 2021, employment is slowly picking up. Unemployment rate peaked at 17.6% in April 2020 and eased at 8.1% in August 2021. Underemployment rate registered at 14.7% in August 2021. COVID-19 impacts heavily affected women and youth. Women are disproportionately employed in affected sectors. Youth unemployment remains high at 16.0% in August 2021.

**2. Beneficiaries.** HEAL2-AF will benefit the Filipino people by supporting the national COVID-19 vaccination program, particularly for 12- to 17-year-olds and third or booster shots for priority target group and other eligible populations nationwide. This will improve individual health and social wellbeing and facilitate economic recovery from negative impacts and externalities of the COVID-19 pandemic, thereby restoring citizens' confidence.

**3. Impact channels.** HEAL2-AF will enable the government and DOH to access and deliver safe and effective COVID-19 vaccines to 12- to 17-year-olds nationwide in the short to medium term. It will enhance the capacity of public health systems to efficiently respond to the health care needs of affected populations by delivering safe and effective COVID-19 vaccines to target populations nationwide, while protecting health and social workers.

**4. Other social and poverty issues.** COVID-19 negatively impacted the mental health and well-being of Filipinos as

evidenced by cases of moderate to severe depression during the early stages of the pandemic. Females who are between 12–21 years old and are single, students, and/or subjected to prolonged stay-at-home restriction are at greater risk for anxiety and depression. There is also low health financial risk protection among poor families.

5. **Design features.** The project will support the government to achieve the outcome of priority populations having access to safe and effective COVID-19 vaccines, while maintaining critical essential health services such as routine immunization. The project will access APVAX's project investment component (PIC) and follow ADB's eligibility criteria. The PIC will support procuring 45 million additional doses to expand coverage of the COVID-19 vaccination program.

## II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities.** HEAL2-AF will strengthen the Philippines' health system and its capacity to halt the spread of COVID-19 through the national COVID-19 vaccination program, which include the poor and vulnerable groups as the priority target population.

2. **Civil society organizations (CSO).** The DOH will seek CSOs' support in identifying and verifying target populations, disseminating information to local communities, and in organizing vaccination-related activities for marginalized disadvantaged population. Information-sharing and consultations with project stakeholders including CSOs will continue through the Philippines County Engagement Framework.

3. The following forms of civil society organization participation are envisaged during project implementation:

☒ Information gathering and sharing ☐ Consultation ☐ Collaboration ☒ Partnership

4. **Participation plan.** ☐ Yes ☒ No

## III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

**A. Key issues.** Prior to the pandemic, one of four married Filipino women aged 15–49 reported enduring physical, sexual, and/or emotional violence.<sup>j</sup> At the onset of COVID-19, every month of quarantine/lockdown generates an estimate of additional 12,000 gender-based violence cases, mostly unreported or under reported.<sup>k</sup> The Philippine National Police noted that during lockdowns and quarantines, the Women and Children's Desks were reported to have processed at least 12 complaints per week—more than twice the number they were receiving before the COVID-19 pandemic.<sup>l</sup> Women's already significant unpaid care and domestic work disproportionately increased during the pandemic. About 45% females and 30% males reported spending more than 5 hours a day on unpaid care and domestic work during the COVID-19 pandemic. This significantly increased from the 30% females and 12% males expressing the same prior to the pandemic.<sup>m</sup> Access to basic services, especially sexual and reproductive health services, have significantly become uneven among subgroups, with the Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, and others (LGBTQIA+) groups, pregnant women, women in especially-difficult circumstances (WEDC) as well as those in the geographically-isolated and disadvantaged areas (GIDA) reporting disrupted access to said services. Around 2 out of 5 women report limited access to contraceptives, and 1 out of 2 LGBTQIA+ report limited access to contraceptives and HIV/AIDS services.<sup>n</sup> DOH's National Strategic Framework for COVID-19 Deployment and Immunization (DOH Administrative Order 2021-0005) does not explicitly include many marginalized women, WEDC, and people in GIDA as target populations.

**B. Key actions.** HEAL2-AF is categorized as *effective gender mainstreaming*. It will continue implementing and monitoring the gender actions started under HEAL2. As HEAL2-AF will further expand the original scope and procure additional doses for those unvaccinated including the WEDC and people in GIDA, the gender action plan of HEAL2 remains in effect. While there will be no additional gender actions to be included in the current HEAL2 gender action plan, HEAL2-AF will continue to minimize last-mile service delivery constraints for marginalized women and WEDC, so as to maximize vaccine uptake and immunization. The gender-and-socially-inclusive protocols and dissemination plan, as well as the communication and messaging initiatives, consultations, and outreach to marginalized elderly, adolescents, women and WEDC in major cities and GIDA that will be developed and conducted under HEAL2, will be in effect for HEAL2-AF. The gender consultant supporting HEAL2 will also continue to support HEAL2-AF.

☒ Gender action plan ☐ Other actions or measures ☐ No action or measure

## IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

### A. Involuntary Resettlement

Safeguard Category: C

1. **Key impacts.** HEAL2-AF will primarily support the procurement of COVID-19 vaccines to be delivered to priority target population based on the Philippine National Deployment and Vaccination Plan for COVID-19 Vaccines. No land acquisition or resettlement impacts are envisaged.

2. **Strategy to address the impacts.** No impact is expected.

3. **Plans or other actions.** ☒ No action

☐ Resettlement plan

☐ Resettlement framework

☐ Environmental and social management

system arrangement

☐ Combined resettlement and indigenous peoples plan

☐ Combined resettlement framework and indigenous peoples planning framework

☐ Social impact matrix

### B. Indigenous Peoples

Safeguard Category: C

**1. Key impacts.** The proposed project will not have any direct or indirect impacts on the dignity, human rights, or cultural resources that indigenous peoples own, use, occupy, or claim as an ancestral domain or asset. None of the surveys which looked willingness to receive COVID-19 vaccination included a sub-set of indigenous peoples which makes it difficult to determine the extent of vaccine hesitancy regarding COVID-19 vaccines. DOH is closely working with chieftains of indigenous peoples communities to explain the COVID-19 vaccines and the processes to access them.

Is broad community support triggered? No

**2. Strategy to address the impacts.** Not applicable.

**3. Plan or other actions.**

- |   |  |
|---|--|
| <input type="checkbox"/> Indigenous peoples plan                                | <input type="checkbox"/> Combined resettlement plan and indigenous peoples plan                    |
| <input type="checkbox"/> Indigenous peoples planning framework                  | <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework |
| <input type="checkbox"/> Environmental and social management system arrangement | <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary     |
| <input type="checkbox"/> Social impact matrix                                   |  |
| <input checked="" type="checkbox"/> No action                                   |  |

## V. ADDRESSING OTHER SOCIAL RISKS

### A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market:

☒ unemployment ☒ underemployment ☐ retrenchment ☐ core labor standards

2. Labor market impact. Lower risk of COVID-19 infection and reduction in morbidity and mortality will facilitate resumption of economic activities and more job opportunities including those in informal and vulnerable employment.

**B. Affordability.** NA.

### C. Communicable Diseases and Other Social Risks:

1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):

☒ Communicable diseases ☐ Human trafficking ☐ Others (please specify) \_\_\_\_\_

2. Risks to people in project area. Not applicable.

## VI. MONITORING AND EVALUATION

**1. Targets and indicators.** The design and monitoring framework and gender action plan provide indicators and targets. Monitoring and evaluation will draw on both qualitative and quantitative data to measure progress in achieving targets. To the extent possible, data will be disaggregated by sex for the outcome and some output indicators.

**2. Required human resources.** The DOH and Disease Prevention and Control Bureau will provide staff to support monitoring and evaluation of the program through the Vaccine Information Management System. Technical assistance resources will continue to support the gender and social specialist to support DOH to implement the gender action plan.

**3. Information in the project administration manual.** DOH will prepare and submit (i) quarterly and annual progress reports; (ii) semi-annual safeguards monitoring reports; (iii) a midterm progress report on project outcome and outputs; and (iv) completion report on achievements, project activities/results, and preliminary assessment of achieved benefits.

**4. Monitoring tools.** This includes COVID-19 situation reports, response updates, project progress and delivery reports, performance monitoring system, gender action plan, vaccination uptake, materials delivery, and impact evaluation.

<sup>a</sup> National Economic and Development Authority (NEDA). 2017. *Philippine Development Plan 2017–2022*. Pasig City.

<sup>b</sup> DOH. 2018. *National Objectives for Health Philippines 2017–2022*. Manila; and ADB. 2020. *Support to Enhance COVID-19 Vaccine Access*. Manila.

<sup>c</sup> ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila; and ADB. 2018. *Philippines, 2018–2023—High and Inclusive Growth*. Manila.

<sup>d</sup> Philippine Statistics Authority (PSA). *Philippine Poverty Statistics – Poverty (Latest Releases)*. Manila.

<sup>e</sup> PSA. *Labor Force Survey: Key Employment Indicators, Philippines July 2020, April 2020 and July 2019*.

<sup>f</sup> Business World. 2021. *OFW deployment estimated to have fallen up to 75% in 2020-POEA*. 8 January; and Department of Labor and Employment. 2021. *Bello assures jobs abroad for displaced OFWs*. 26 September.

<sup>g</sup> ADB. 2020. *Philippines: COVID-19 Active Response and Expenditure Support Program*. Manila.

<sup>h</sup> NEDA. 2021. *The total cost of COVID-19 and quarantines on the present and future generations– T3 Partners Update, 16 September 2021*. Pasig City.

<sup>i</sup> C. Reyes et al. 2020. *Mitigating the Impact of COVID-19 Pandemic on Poverty*. Discussion Paper Series No. 2020-55. December 2020; and Social Weather Station. 2020. Fourth Quarter 2020 Social Weather Survey: *Hunger eases to 16.0% of families in November*.

<sup>j</sup> PSA. 2018. *Preliminary Results from the 2017 National Demographic and Health Survey*. Manila.

<sup>k</sup> University of the Philippines Population Institute and United Nations Population Fund Philippines. 2020. *Estimating the Potential Impact of the COVID-19 Pandemic on Key Sexual and Reproductive Health and Rights Outcomes in the Philippines*. Mandaluyong City.

<sup>l</sup> International Public Policy Observatory. 2021. *The impact of COVID-19 on gender-based violence in the Philippines: 'One of the most insidious consequences of the pandemic'*. London.

<sup>m</sup> United Nations Population Fund. 2020. *Gender & Inclusion Assessment of COVID-19 Pandemic on Vulnerable Women and Girls in the Philippines*. Mandaluyong City.

Source: Asian Development Bank.