

Poverty Targeting Processes and Mechanisms in the Philippines

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Manila

Xavier Gine

World Bank, DECRG



Motivation

- Accurate targeting mechanism is a *necessary* pre-condition for a successful social transfer program
- Some studies on poverty tools/indicators
 - means tests;
 - proxy means tests;
 - community selection;
 - geographic targeting.
- However, few rigorous studies on targeting *processes*

Motivation

- In the Philippines,
 - Efforts on standardizing a targeting tool
 - Government agencies recognize that social programs often don't reach the “true” poor households
 - PhilHealth Sponsorship Program
 - Rice Subsidy Program

How can we improve “coverage” and “accuracy”?

Design

Conduct a series of field experiments that:

- Provide incentives to enumerators to conduct full and accurate enumeration.
- Provide incentives to barangay captains to facilitate data collection

Enumerator Compensation

Problem: Households in remote areas—often poorer households—are more likely to be missed by surveyors

Potential Solution: Provide higher compensation for enumerating remote households using GPS devices

Treatments on enumerator compensation

- a) Piecemeal rate (PHP 20 per questionnaire), maybe up to a max per day;
- b) Distance variable rate (PHP 15 per questionnaire within certain distance to barangay center, PHP 30 per questionnaire outside)

Incentives for Enumerators

Question: *Are monetary incentives a substitute for supervision?*

Treatments on surveyor incentives

- a) Incentives upon accuracy of the data collected;
- b) No incentives / control;
- c) No incentives / closer field supervision;

Incentives for Barangay Captains

Problem: Barangay captains may mislead enumerators about the number and location of households, especially about households from a different political party.

Potential Solution: Design an accountability mechanism for barangay captains

Treatments on Auditing Threat

- a) Newspaper/radio publicity: announce to barangay captains that the coverage (and accuracy) of targeting will be publicized.
- b) No publicity / Control.

Redress System

Question: Are community redress systems a substitute for the threat of auditing?

Treatments on Redress System

- a) Redress System: Post list of enumerated households with poverty status for community to verify.
- b) No redress system / Control.

Outcome Measures

How do you measure “coverage” and “accuracy”?

1. Audit Survey by an independent survey team after the PMT enumeration (a sub-sample of the households)
2. Compare the audit data and the PMT data

Outcome Measures

- a) Reach rate: Proportion of the households in the audit survey but not in the PMT
- b) Inclusion error rate: Proportion of the households that are below poverty line in the PMT data and above poverty line in the audit data
- c) Exclusion error rate: Proportion of the households that are above poverty line in the PMT data and below poverty line in the audit data

Evaluation Flow

