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Reaching for the
Demographic
Dividend

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In support of the pillar of increasing growth potential, the Philippine Development Plan (PDP) 2017-2022 has stipulated strategies that aim to accelerate the demographic transition and maximize the gains from the demographic dividend. The priority measures are on addressing the unmet need for modern family planning, reducing mortality due to preventable causes,¹ improving the quality of the human capital of the youth, and encouraging savings build-up.

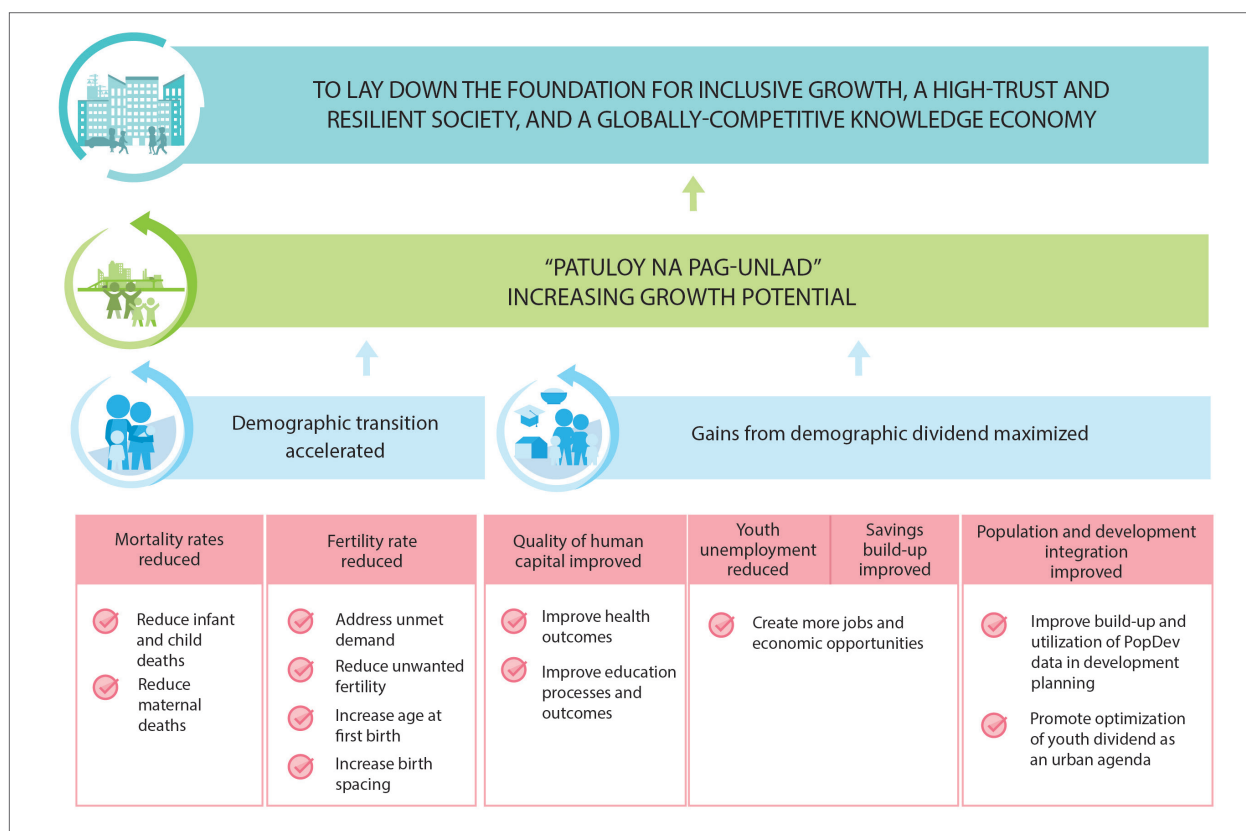
However, supply and demand concerns on family planning and health services continue to impede the attainment of the desired objectives despite the gains from instituting appropriate policies, plans, and programs. Human capital development through improved health and education outcomes were likewise accorded utmost priority by the government, but mixed results were reported.

Furthermore, while there were less youth with unutilized potential, more needs to be done to reduce their unemployment, considering that graduating senior high school (SHS) students may put further pressure on the youth labor market.

Lastly, innovations were also introduced to encourage savings build-up among Filipino families. These efforts need to be sustained and expanded (See *Figure 13.1*).

¹ Shift from the first phase of the demographic transition characterized by a large proportion of the population in the under-15 years age bracket and with households having a large dependency burden to the second phase; a bigger proportion of the working age population vis-à-vis dependents (Chapter 13 of the PDP 2017-2022)

Figure 13.1 Strategic Framework to Maximize the Demographic Dividend



Accomplishments

Reducing fertility rates by addressing unmet need for modern family planning

Total fertility decreased but teenage pregnancy remains high. The recent National Demographic and Health Survey (NDHS) shows that total fertility rate decreased from 3.0 births per woman in 2013 to 2.7 in 2017. Moreover, the proportion of women of reproductive age who are using modern contraceptives remains low at 40.4 percent, though higher than the 37.6 percent registered in 2013. In terms of teenage pregnancies, the 2017 NDHS also revealed that 9 percent of women aged 15 to 19 have already begun childbearing. However, data from the Civil Registration and Vital Statistics showed that there are girls who are giving birth as early as 10 years old. Trends in pregnancies among these younger group of girls (under 15 years old) have decreased from 1,986 cases in 2015 to 1,903 in 2016 but continues to be disturbing and a persistent issue that needs to be addressed.

Several issuances were enacted to address unmet need for modern family planning. To intensify and accelerate the implementation of the critical steps needed to attain and sustain “zero unmet need for modern family planning (FP)”, the President issued Executive Order (EO) No. 12 on January 9, 2017, in line with the Responsible Parenthood and Reproductive Health (RPRH) Law. The EO 12, s. 2017 specified the mechanisms and roles of concerned agencies and local government units (LGUs) in the implementation of key strategies such as: (a) mapping of couples and individuals with unmet need for modern FP; (b) capacitating and mobilizing local structures; (c) conduct of community-based FP demand generation activities; and (d) collaborating with civil society organizations (CSOs) and the private sector.

Subsequently, the Department of Health (DOH) on March 30, 2017 issued Administrative Order No. 2017-0005 providing the “Guidelines in Achieving the Desired Family Size through Accelerated and Sustained Reduction in Unmet Need for Modern Family Planning Methods,” which provided guidance in the operationalization of the EO 12, s. 2017.

The temporary restraining orders which hampered the full implementation of the RPRH Law were lifted. Another major development is the lifting of the Supreme Court temporary restraining order (TRO) on the procurement and distribution of Implanon and Implanon NXT and registration and recertification of contraceptive commodities and devices. This is after the Food and Drug Authority issued resolution 2017-302 in November 2017, which certified all 51 contraceptives as non-abortionifacient and their fulfillment of required amendments in the RPRH Law’s Implementing Rules and Regulations. The TROs have significantly affected the FP program implementation in the country, since their issuance² resulted in: confusion and hesitation among LGUs in the delivery of FP services;³ and unavailability of a number of FP commodities⁴, particularly Implanon and those with expired certificates of product registration.

Efforts on family planning logistics, monitoring, and advocacy were established to improve RPRH Law implementation. The DOH made efforts to improve commodity logistics, while the Commission on Population (POPCOM) pursued FP demand generation initiatives by establishing a monitoring system to track individuals and couples with unmet FP needs. However, the link between FP supply and demand remains a problem, as stockouts and overstocking of commodities in rural health units/health centers persist. In addition, inequality in the provision of services remains a challenge.

Another critical aspect is the implementation of an age-appropriate comprehensive sexuality education (CSE) in schools in view of the increasing incidence of teenage pregnancy in the country⁵. While the Department of Education (DepEd) has already initiated the development of the CSE curriculum, there is a need to ensure that it captures the essence of the RPRH Law.

Reducing mortality rates and improving quality of human capital

There was an increase in the country’s number of deaths, but under-five mortality decreased. The number of reported deaths in 2016 reached 582,183, with an average of 1,591 persons who died daily. This represents a 3.8 percent increase from the 560,605 deaths in 2015. However, this rate of increase is lower compared

² DOH. (2016). 3rd Annual Report of the RPRH Law

³ Includes provision of the following 1) appropriate information on full range of modern family planning methods, both natural and artificial; skilled birth attendance; child nutrition, including breastfeeding; prenatal and postnatal care; adolescent health and reproductive/fertility awareness; male responsibility and reproductive health; responsible parenthood and values formation; maternal and newborn care; and health financing (e.g., PhilHealth maternal and newborn care packages); 2) interpersonal communication and counseling; and 3) dispensing of health products by trained skilled health professional, among others.

⁴ Family planning commodities include: condoms, sub-dermal implant, intra-urine device, oral contraceptive pill, and cycle beads.

⁵ Reported to have risen to 13.6 percent in 2013 from only 6 percent in 2002 (aged 15-19) based on the Young Adult Fertility and Sexuality Survey.

to the 4.4 percent from 2014 to 2015. On the other hand, crude death rate⁶ remained the same from 2014 to 2016 at six persons per 1,000 population. On a positive note, under-five mortality rate declined from 31 deaths per 1,000 livebirths in 2013 to 27 in 2017⁷ based on the 2017 NDHS.

Interventions on health and education were intensified to improve the quality of human capital. The government laid down several health sector plans and guidelines along with new programs to accelerate the demographic transition by reducing mortality rates and harnessing the dividend through improved health status. In addition, education processes were also improved, among which is the expansion of inclusion programs, especially for indigenous peoples and for persons with disabilities through the Special Education curriculum. There were also revisions to the Alternative Learning System to align it to the competencies set in the new K to 12 curriculum. (See also Chapter 10)

Reducing youth unemployment and encouraging savings build-up

There were less youth with unutilized potential in 2017⁸. The workforce in the Philippines will remain relatively young for some time. Overall, population is expected to reach 108,274,300 in 2019, with an estimated 69.4 percent comprised of aged 15 years and above. Notably, there were less youth with unutilized potential in 2017, with the share of unemployed youth and those not in schools declining to 22.4 percent from 22.7 in 2015⁹ (See also Chapter 10).

Innovations were introduced to encourage savings build-up. The *Bangko Sentral ng Pilipinas* (BSP) continued to provide an enabling policy and regulatory environment for financial inclusion through regulation and supervision, advocacy, financial education, consumer protection, and data and measurement. The BSP also launched the no-frills basic deposit account, which features simpler requirements for opening an account and no maintaining balance. Other initiatives include the Development Bank of the Philippines (DBP) program that improves financial inclusion through the Pag-IBIG-DBP prepaid card (See also Chapter 15).

Population and development integration

To strengthen integration of population in all development initiatives, the POPCOM spearheaded the formulation of the Philippine Population Management Program Directional Plan for 2017-2022 which spelled out the key strategies of Responsible Parenthood and Family Planning, Adolescent Health and Development, and Population and Development. POPCOM also introduced the Local Internal Migration System at the barangay level, which aims to gather data and information on population movement at the barangay level that may be used to project service requirements and to serve as inputs for policy and program formulation – e.g., housing, disaster risk reduction and mitigation, environmental planning, and security and order.

⁶ It is the ratio of the number of deaths occurring within one year to the mid-year population expressed per 1,000 population. It is "crude" in the sense that all ages are represented in the rate and does not take into account the variations in risks of dying at particular ages. (PSA Board Resolution No 01, Series of 2017 – 122)

⁷ These mortality rates cover a three-year period, for 2017 rates cover 2013 to 2016.

⁸ Economically unutilized youths (age 15 to 24) are categorically different from child laborers (below the age of 18). The former pertains to out-of-school-youths and economically idle persons and are encouraged to engage in legitimate work while the latter is engaged in hazardous occupation. Child labor refers to any work or economic activity performed by a child that subjects him/her to any form of exploitation or is harmful to his/her health and safety or physical, mental or psychosocial development. (See Chapter 11)

⁹ This is in line with the modest target range set (20.5-22.5 percent) for youth not in employment nor in education (NEE) in 2017.

The Philippine Statistics Authority (PSA) will be conducting the first National Migration Survey in 2018. The survey's broad objective is to generate baseline data on internal and international migration. Its specific objective includes: (a) estimate migration stock and flows at the regional level; (b) examine different types of migration (e.g., return migration, seasonal, displaced population due to environmental disasters, and peace and order); (c) collect and analyze factors that determine levels and patterns of migration; and (d) study the migration process (e.g., decision-making, facilitating factors).

Moving Forward

There are three challenges that should be focused on to reach and eventually harvest the demographic dividend namely, high fertility especially among women in low-income households, the increasing incidence of teenage pregnancy, and the low quality of human capital among the youth.¹⁰ Specific challenges that contribute to these are the following:

- **Translation of policies into action at the local level.** The issuance of EO 12, s. 2017 reflects the government's commitment to address unmet need for modern family planning. However, the challenge is to ensure that these are adopted and implemented, not only by concerned national government agencies, but also by the LGUs who are at the forefront in providing the needed FP services in their localities. Issues on conflicting political/moral stance on FP, priority accorded to it, and capacity to provide quality services, among others, result to varying levels of outcome across localities in the country.
- **Lack of dedicated trained FP/RPRH focals in health facilities.** According to a World Health Organization (WHO) study¹¹ in 2017, a number of women who desired to delay or limit childbearing had "missed opportunities" or did not receive appropriate counseling on their visit to a health facility. This shows the lack of skilled FP focal points that could provide proper counselling to mitigate fears and provide information on the various FP methods.
- **Need for improvement in the FP supply and logistics.** While the lifting of the TRO may help improve the supply of FP commodities, perennial concern on the availability of adequate number and appropriate type of FP commodities at service delivery points persist.
- **Need for an intensified communications campaign on modern FP.** There is a need to address fears on the side-effects and misconceptions on modern FP methods through proper communication and education on FPs to increase their usage and the demand for FPs.
- **Increasing incidence of teenage pregnancy.** The RPRH Law mandates the implementation of age-appropriate CSE to adolescents to address the impact of early pregnancy. Early pregnancy increases the risk of maternal death and affects school completion of teenage women which contributes to poverty. However, CSE has yet to be fully integrated to the country's basic education curriculum.

¹⁰ Dr. Dennis Mapa presentation during the 2017 National Consultative Workshop on Increasing Growth Potential through the Demographic Dividend

¹¹ WHO Philippines and Western Pacific Region (2017). Preliminary Findings: Underlying causes of unmet need in the Philippines. Agenda item presented at a Responsible Parenthood and Reproductive Health National Implementation Team Meeting.

- **Inequities in health and education outcomes.** Both the health and education sectors, while accorded high priority by the government, continue to experience critical issues and challenges in terms of access and quality (*See also Chapter 10*). Shortages in human resources (teachers and health personnel) and facilities (classrooms and health centers) persist, affecting the country's objective to reach the second phase of the demographic transition and reap the dividend.
- **High youth NEET.** To reap the dividend, efforts should be strengthened to increase the opportunities for the youth to gain quality education and training and to be productively employed.
- **Low saving rate among households.** BSP reports that in 2015, less than 45 percent of Filipino adults were saving; of these, less than a third saved in a formal financial institution. As the country enters the next phase of the demographic transition, there will be cost savings from having lower dependency burden. It is important, however, for the savings to be channeled to investments, and before that, to be funneled into formal financial institutions. Efforts to educate Filipinos on economic and financial literacy and to increase their access to formal financial institutions should be aggressively pursued.

Recommendations

The following supplemental strategies are recommended to be considered to address the challenges mentioned above.

Table 13.1 Supplemental Strategies to Reach for the Demographic Dividend

CHALLENGES	RECOMMENDED STRATEGIES	IMPLEMENTING AGENCIES
<ul style="list-style-type: none"> • Translation of policies into action at the local level, especially of new issuances; lack of dedicated trained FP/RPRH focal points (i.e., nurses and midwives) in health facilities; and perennial concern on the availability of adequate number and appropriate type of FP commodities to service delivery points 	<ul style="list-style-type: none"> • Intensify provision of FP commodities and services: <ul style="list-style-type: none"> » Enhance DOH capacity to improve commodity logistics, by providing guidance and assistance to LGUs and harnessing support among FP players. » Ensure the presence of dedicated and trained FP/RPRH focal points (i.e., nurses and midwives) to improve supply and quality of FP services in health center and rural health units. » Establish and operationalize Service Delivery Networks (SDNs) for FP at the local level to ensure that individuals and couples seeking care and/or counselling are provided with the needed services. » Apply incentive mechanisms and provide technical assistance to LGUs, particularly in areas with high unmet need for modern FP. • Strengthen private sector and CSO engagement: <ul style="list-style-type: none"> » Engage private service providers and CSOs under the SDNs systems. » Sustain engagement with CSOs in policy and program implementation, especially under the RPRH Law National Implementation Team. • Revitalize the RPRH Regional Implementation Teams to ensure better coordination and improve monitoring of the implementation of the law. 	DOH, LGUs
<ul style="list-style-type: none"> • Weak FP demand as there are continuous fears of side-effects and misconceptions on FP commodities 	<ul style="list-style-type: none"> • Enhance demand generation interventions: <ul style="list-style-type: none"> » Establish a coordinated FP communication strategy among implementers, both at the national and local levels. » Use appropriate media and approaches and engage communication experts, including sociologists, to ensure that key FP information are properly delivered to target population. 	DOH, POPCOM, LGUs

CHALLENGES	RECOMMENDED STRATEGIES	IMPLEMENTING AGENCIES
	<ul style="list-style-type: none"> » Institutionalize a monitoring system to track individuals and couples with unmet need at the LGU level. 	DOH, POPCOM, LGUs
<ul style="list-style-type: none"> • Increasing incidence of teenage pregnancy 	<ul style="list-style-type: none"> • Improve efforts to address teenage pregnancy: <ul style="list-style-type: none"> » Fast-track integration of the CSE in the K to 12 Curriculum. » Develop appropriate instructional materials and conduct training for teachers. » Strengthen provision of comprehensive adolescent sexual and reproductive health services, especially at the local level. 	DOH, DepEd, NYC, LGUs
<ul style="list-style-type: none"> • Inequities in health and education outcomes (See Chapter 10) 	<ul style="list-style-type: none"> • Accelerate human capital development: <ul style="list-style-type: none"> » Improve health advocacy campaigns. » Intensify provision of quality nutrition and health care interventions. » Improve coordination within the health system. » Increase investment and alignment in eHealth and data collection mechanisms. » Strengthen monitoring of SHS. » Continue improving financial management systems. » Review and update current policies on inclusive education. » Implement Republic Act No. 10931 or the Universal Access to Quality Tertiary Education Act. » Strengthen monitoring and regulation of tuition and other school fees of state universities and challenges. » Establish a learner information system to improve monitoring of higher education and Technical Vocational Education and Training students and graduates. » Implement a New General Education Curriculum. » Improve implementation of the K to 12 Transition Program. » Implement/Operationalize the Philippine Qualifications Framework. » Create a Government-Industry-Education Council. » Integrate life skills training component in the SHS program to teach the values of professionalism and work appreciation among students. » Refine Work Immersion Program design to build confidence and cultivate sound work ethics of students. 	DOH, DepEd, CHED, TESDA, LGUs
<ul style="list-style-type: none"> • Improve population and development integration, especially at the local level 	<ul style="list-style-type: none"> • Integrate population factors in development initiatives <ul style="list-style-type: none"> » Recognize population and development needs and apply it at the national and local level planning and programming. » Use different mediums in localizing or teaching population and development concepts and utilize them in development planning and programming at the national and local level. 	POPCOM, LGUs
<ul style="list-style-type: none"> • Continued high unemployment rate among the youth (See Chapter 10) 	<ul style="list-style-type: none"> • Introduce reforms in the basic education curriculum and program to improve the employability of the youth. • Scale up target beneficiaries and expand reach of the JobStart Program. • Refine work immersion programs designed to build confidence and cultivate sound work ethics of students. 	DepEd, DOLE, CHED, TESDA
<ul style="list-style-type: none"> • Low saving rate among households (See Chapter 15) 	<ul style="list-style-type: none"> • Scale up the implementation of economic and financial literacy programs. • Improve access to different financial products or schemes. 	BSP and other government financial institutions