

Project Implementation Plan

Project title

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Overview of activities

This DIV Stage 1 funding will be used to conduct a pilot test offering the EduPay product to a sample of Filipino migrant workers in Rome. Baseline surveys will assess average demand as well as heterogeneity along migrant and Philippine origin-household characteristics. Administrative data of the partner institutions will assess the extent to which educational financing is channeled through this facility.

Confirmation of the level of demand via this Stage 1 activity will set the stage for a Stage 2 proposal for evaluation of the facility with a larger sample size. Stage 2 funding will be necessary to pay for follow-up surveys of migrants and Philippine households that can comprehensively measure impacts on outcomes in the migrant's origin household, and (importantly) assess whether total educational financing in the household has risen (as opposed to simply being shifted from other channels).

Collaborators

The "research team" comprises the four principal investigators (de Arcangelis, McKenzie, Tiongson, and Yang). The "partner institutions" are Bank of the Philippine Islands (BPI) and the Fund for Assistance to Private Education (FAPE).

Timeline and deliverables

Activities funded under this DIV Stage 1 proposal will occur from March 1, 2012 to March 30, 2013, according to the following timeline.

March – April 2012

Activities: Definition of study design and creation of project protocol manual.

- detailed design of EduPay product
- details of randomized interventions to be implemented
- intervention and survey protocols
- division of responsibility across research team and partner institutions
- baseline survey instrument
- estimation of EduPay project costs

Responsible: Research team (in coordination with partner institutions)

Milestone: April 30, 2012

Deliverables:

1. Study design and project protocol manual.
2. Progress report that includes a summary of start-up costs required to roll out EduPay.

May 2012

Activities: Pilot testing and finalization of EduPay system.

Responsible: BPI and FAPE (in consultation with research team)

Milestone: May 31, 2012

Deliverable: System to collect student information (grades, attendance sheets, etc.) and system to handle remittance funds transfers is established and running.

June – August 2012

Activities:

Administer baseline surveys and interventions among Filipino migrants in Italy.
Implementation of EduPay facility for study participants who take up the product.

Responsible:

- Research team implements surveys and interventions.
- BPI channels funds from Italy to FAPE.
- FAPE channels payments to schools in Philippines.

Milestone: August 31, 2012

Deliverables:

1. Progress Report including a summary of running costs for EduPay.
2. Preliminary version of baseline survey data in electronic format, including codebook, documentation, and summary statistics.

September – November 2012

Activities:

Complete administration of baseline surveys and interventions among Filipino migrants in Italy. Implementation of EduPay facility for study participants who take up the product.

Responsible:

- Research team implements surveys and interventions.
- BPI channels funds from Italy to FAPE.
- FAPE channels payments to schools in Philippines.
- FAPE handles informational flow of grades and attendance
 - a. Collect grades and attendance sheets from schools
 - b. Upload academic data to monitoring website

Milestone: November 30, 2012

Deliverables: Progress Report including a summary of running costs for EduPay.

December 2012 – January 2013

Activities:

No further enrollment of study participants.
Implementation of EduPay facility for study participants who take up the product.
Possible re-surveys of study participants to determine overall impacts on remittances and educational financing sent to Philippines.

Responsible:

- Research team to (possibly) administer follow-up surveys.
- BPI channels funds from Italy to FAPE.
- FAPE channels payments to schools in Philippines.
- FAPE handles informational flow of grades and attendance
 - a. Collect grades and attendance sheets from schools
 - b. Upload academic data to monitoring website

Milestone: January 31, 2013

Deliverables: Progress Report including a summary of running costs for EduPay.

February – March 2013

Activities:

Continued implementation of EduPay facility for study participants who take up the product.

Analysis of take-up and impacts on remittance flows using administrative data.

Responsible:

- Research team to conduct take-up and impact analysis.
- BPI channels funds from Italy to FAPE.
- FAPE channels payments to schools in Philippines.
- FAPE handles informational flow of grades and attendance
 - a. Collect grades and attendance sheets from schools
 - b. Upload academic data to monitoring website

Milestone: March 30, 2013

Deliverables: Final Report with final dataset (including baseline and administrative data).

April 30, 2012

Progress Report for “Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers”

The first key activity during this reporting period (covering April 1 to 30, 2012) involved the University of Michigan executing a subcontract with Innovations for Poverty Action (IPA) for implementation of fieldwork. The principal investigators (de Arcangelis, McKenzie, Tiongson, and Yang) then conducted a comprehensive search and selected a highly-qualified individual, Majlinda Joxhe, as IPA’s Project Associate who will be in charge of the day-to-day fieldwork operations. Co-PI de Arcangelis will be her direct supervisor in Rome, and the other co-PIs will assist in her supervision.

We then turned to in-depth discussions with our project partners in Manila, BPI and FAPE. The main objective was to define the study and EduPay product design, create the project protocol manual that would cover the following topics:

- detailed design of EduPay product
- details of randomized interventions to be implemented
- intervention and survey protocols
- division of responsibility across research team and partner institutions
- baseline survey instrument
- estimation of EduPay project costs

The following deliverables for the April 30, 2012 milestone are attached here:

1. Detailed draft of project protocols
2. A summary of the likely costs of the EduPay service
3. Updated budget for roll-out of EduPay project

Please don’t hesitate to let me know if there is anything in this report that we can clarify.

Sincerely,



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Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Study Design and Project Protocols

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1. Project Summary

Innovations for Poverty Action (**IPA**), with funding from the U.S. Agency for International Development (**USAID**), will carry on with the project “Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers” using a randomized controlled trial (**RCT**) methodology.

The goal of the project is to test the impact of providing migrant workers with a better ability to control the use of remittances for education, and to monitor the educational performance of sponsored students.

This study will focus on Overseas Filipino Workers in Rome, Italy where IPA in collaboration with “La Sapienza” University will lead fieldwork efforts. A sample of 700 Filipino migrants will be screened, in order to yield an experimental sample of 350.

Migrants will be recruited to take part in the study at a variety of locations around Rome, Italy area, beginning in May 2012. Interviews will continue through December of 2012.

2. Partners and Research Team

Innovations for Poverty Action (IPA) and the University of Michigan, will partner on this project in collaboration with the following based partners; i) Bank of the Philippine Islands (BPI); ii) Fund for Assistance to Private Education (FAPE).

IPA will also work closely with DDD (Digital Divide Data) a data entry Company based in Cambodia for the data entry purposes.

The “research team” comprises the four principal investigators (Giuseppe de Arcangelis, David McKenzie, Erwin Tiongson, and Dean Yang-Principal Investigator). The “Rome project associate (PA)” is Majlinda Joxhe and the “Philippine project associate (PA)” is Froland Tajale a staff member of Innovations for Poverty Action (IPA).

3. Adherence to Study Design

All parties will adhere to project protocols as laid out in this manual and otherwise agreed upon over the course of project implementation. In particular, protocols relating to the experimental component of the project must be followed closely. Importantly, no party should discuss the randomized components of the project with participants, including the existence or details of other treatment groups than the one to which they were assigned.

4. Recruitment

Surveys will be administered on dates to be determined by IPA and PI –Giuseppe De Arcangelis (University of Rome “La Sapienza”). Piloting will start at beginning of May 2012. If practical, IPA will be allowed to recruit subjects from different location, events, fairs, and classes.

Recruitment Process: IPA will be responsible for the hiring and training of surveyors.

Partner staff and/or IPA survey staff will intermittently announce the presence and purpose of IPA surveyors to migrants in their waiting areas. Members of the IPA survey team will then approach individuals in order to invite them to participate and ask screening questions. Survey staff will maintain a log of every interaction they have, regardless of whether or not the individual participates in the survey.

The inclusion criteria for screening are: i) Interested in participating in a survey; ii) Migrant born in Philippines, iii) Family or relatives eligible to study in a private or public (tertiary) school in Batangas or in the near regions.

Those who meet screening criteria (those who answer “Yes” to all three questions) will be invited to participate. Verbal consent will be solicited before administering the baseline survey.

5. Rome Baseline Survey

Description: IPA surveyors will administer a paper-based baseline survey after obtaining verbal consent from the migrant. The survey will be approximately 35 minutes in length. The baseline survey will be conducted entirely in English. The final version of the baseline survey is TBD.

Use of project phone during baseline: IPA will provide each of its surveyors with a project cell phone. These cell phones will be used throughout the baseline for the following purposes:

- *To verify migrant contact information (always):* For end-line survey purposes, migrants will be asked to provide their contact information at the beginning of the survey. The IPA surveyor will make a test call to the number provided in order to ensure that it works.
- *Obtain student contact information (when necessary):* Migrants will be asked to provide the name and contact information of the school of the sponsored student in Philippines. In the event that a migrant does not have this information but is aware of someone who does, the surveyor will offer the use of the project phone so that they might call to obtain this information. Migrants will be allowed to call nationally or internationally at this time.
- *Alert household in Philippines of upcoming baseline:* The migrant will be informed that a corresponding telephone survey will be conducted with the Filipinos household of the student named by them. They will be offered the use of the project phone in order to call and inform this household of the upcoming survey.

Surveyor submission of completed questionnaires:

Surveys will not be considered complete (and cannot be submitted) until contact information for the primary student has been collected. The surveyor will keep surveys for four consecutive work days in order to attempt to contact the migrant to obtain the missing information. Calls may be used using project phones and each attempt should be logged on the last page of the survey itself. After four unsuccessful attempts, a reminder e-mail will be sent to the migrant (if they provided an e-mail address), and the IPA surveyor will turn the physical survey in to the IPA PA. However, in the event that a surveyor believes a fifth attempt would be effective, they will be allowed to keep the survey *only after informing the IPA PA*.

Ensuring data quality during surveying:

- *Initial PA presence in the field:* The IPA Project Associate based in Rome, Italy will spend up to 50% of her time in the field with surveyors towards the beginning of the survey, in order to accompany surveyors during questionnaires, answer questions, and ensure all logistics are in place.
- *Random Spot Checks.* Throughout the course of the baseline surveys, the PA will make frequent unannounced visits to survey sites. During these visits the PA will look through completed surveys, ensuring accuracy and that all have been given a date, time, and unique ID. Surveyors will be told to expect these visits.
- *Field auditing/back-checks.* Approximately 10% of submitted questionnaires will be back checked by IPA. This will include verifying that the individual participated in the survey and re-administering a small subset of 5 questions. The back check individual/team will work autonomously from the rest of survey staff. At the beginning of the project this role may be assumed by the PA and may complete some or all of

this work throughout project implementation.

- *Office scrutiny:* Every completed survey will be scrutinized by the IPA PA after submission and prior to submission for data entry. Surveys will be scanned for blank fields, inconsistent or inappropriate answers, mis-categorized responses, etc. Error rates of each surveyor will be tracked to hold them accountable for the quality of their work. Each surveyor will be eligible to receive a bonus of up to \$100? after the submission of 50 complete surveys. This amount will decrease depending on the error rate of back checks for each surveyor.

Sharing of the household contact information: The IPA PA in Manila and the IPA intern will digitize contact information for the migrants' household in Philippines after collecting surveys from surveyors on each week. The households of the students supported will be administered a baseline survey covering a variety of topics, including socio-economic information, remittance receipt and use, and academic performance.

Information to be digitized will include the name of the student and/or their guardian, the phone number of the student and/or their guardian, as well as the migrants' name, contact information, and unique ID.

Submission of surveys for data entry: Every Monday the IPA Project Manager and/or the IPA intern will scan completed surveys – collected during the previous week – and send to Digital Divide Data (DDD). In addition the following will be immediately digitized :i) family contact information in Philippines ; ii) the Initial Application (to be shared FAPE).

Sections of the survey containing identifying information for the migrant will be sent separately to DDD and digitized separately by DDD in order to ensure privacy of subject participants

6. Treatment

The research team in collaboration with BPI and FAPE will developed a new product – dubbed “**EduPay**” – that will provide Filipinos migrant workers with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student.

Migrants will be randomly assigned to a control group or one of two treatment groups:

- *Group 1: Control Group* – This group will not receive any product offer.
- *Group 2: Payment Only* – Migrants will be offered the ability to pay an educational institution directly, but will not be offered the service of receiving students' grades.
- *Group 3: Payment and Grade Report* – Migrants will be offered both the ability to pay an educational institution directly and access to students' grades.

Preventing Spillover between Control and Treatment Groups: Under no circumstances should not discuss anything related to the **EduPay** product, FAPE or BPI with migrants in the control group. It is thus important that all materials provided to the control group contain no reference to FAPE and BPI.

7. Randomization Processes and Treatment Protocols

Treatments will be randomized by day and stratified by location and week; that is, all migrants surveyed on the same day in the same place will be extended the same treatment. The randomization will be conducted in this way in order to mitigate problems with spillovers which can occur if people recruited in the same place on the same day discuss the survey and product offer with one another. In this way, the IPA Project Associate will have a list from the beginning of the project of exactly which treatments will be offered where on which days.

Every week the IPA PA will print out marketing materials and surveys corresponding to the estimated number of

each treatment to be offered in the following week, plus an extra 30%. Marketing materials will be *pre-printed* with a unique ID. This first number of this unique ID will reflect the treatment group to which the migrant belongs. Baseline surveys will be printed *without* a unique ID.

The IPA PA will make weekly packets for each surveyor. Within each weekly packet will be daily bundles containing marketing materials appropriate for the days which the surveyor will be working. In addition, each daily packet will contain baseline surveys equal in number to the market materials. The packets will be sealed and marked on the outside with the day of the week on which they are to be utilized. The surveyors will open these packets the night before they are to begin surveying.

During the survey process, surveyors will be responsible for filling in a unique ID on baseline surveys corresponding to the marketing materials they distribute. For instance, if they distribute marketing materials 1-1234, the surveyor should manually write in 1-1234 on every page of a blank survey.

The IPA PA will keep track of all marketing materials sent out. Surveyors will be held responsible for returning an appropriate number of marketing materials and baseline surveys every week.

During back checks, IPA will ensure that the surveyors offered the appropriate treatment by inquiring of the migrant which day they were surveyed, which treatment they were offered, and what their unique ID is.

The treatment will be offered to study participants immediately following the conclusion of the Rome baseline survey. The treatment offer will include the following steps:

- *Introduction:* All study participants will receive information regarding the importance of education for children in Philippines, and will be given suggestions for maximizing the impact of remittances they send for education (e.g., channeling funds to the school directly, and paying other support like computer fees or uniform fees for student, over the school year).
- *Description of the treatment:* The IPA surveyor will describe the following to the migrants in the treatment groups:
 - 1) **Treatment 1: Payment Only** – Migrants will be offered the ability to pay an educational institution directly, but will not be offered the service of receiving students' grades
IPA will give information regarding the importance of sending money to the school other than relying of the family member or other. IPA will support the participants with the call option directly to FAPE for more information.
 - 2) **Treatment 2: Payment and Grade Report** – Migrants will be offered both the ability to pay an educational institution directly and access to students' grades.
IPA will give information on the importance of monitoring the students during the academic school year.
- *Initial Application:* Following the description of the treatment, migrants will be asked to fill out an initial application as an indication of their interest. This initial application will serve as the primary application by the migrant. This initial application will contain all information FAPE would need in order to contact a student after receiving funds from the migrant. Specifically, it will include the name, surname of the sponsored student and contact information for the school.

FAPE will review and approve this application to ensure that it requests all the information they need to move forward with processing for the EduPay for funds to be received.

IPA PA will keep a copy of this application and one will be given to the migrant. However, this information will only be shared with FAPE and *does not obligate* them to take up the treatment.

- *After presenting the treatment,* IPA surveyors will briefly describe the remaining steps necessary to complete treatment take up, including;

- How to contact BPI in order to remit funds;
- How to get in touch with IPA in the event that they need to finish the Initial Application or ask questions.

At this point, the surveyor will also suggest to the migrant that, should they be interested in the treatment, they could expedite the process by making contact with the student they intend to fund in Philippines.

- *Optional call to FAPE:*

Once the treatment services have been described in full, the migrant will be offered the use of the IPA project phone in order to call FAPE with any questions or doubts that they might have and which the IPA surveyor is unable to adequately address. The e-mail address of FAPE will be also provided.

- *Follow up:* IPA project staff will follow up with migrants who indicated their interest in the treatment by filling out an Initial Application (assuming that they have not already completed the money transfer). Based on interest, IPA will follow up with each migrant 3 times. Additionally, migrants will have been provided with an IPA contact number.

- **Data coordination and Use of Unique ID:** In order to facilitate the data sharing process, each migrant will be connected to their unique IDs (assigned during the baseline). Data shared with IPA will utilize these IDs. In addition, the initial application/indication of interest to be filled out by migrants during the interview will contain a space where migrants enter their unique ID.

8. Philippines Baseline Survey

The households of the students supported by migrant workers will be administered a baseline survey covering a variety of topics, including socio-economic information, remittance receipt and use, and academic performance. Field work by the survey firm will adhere to the following protocols.

- *Survey and sample size:* The survey will be approximately 25 minutes in length. The IPA PA in Manila will hire interviewers to conduct interviews in the households of the student as specified by the migrant, All logistics during the surveying and data collection stage should be managed solely by the PA in Manila subject the budget agreed upon.

- *Training and supervision:* Surveyors will be fully trained by the IPA PA. Data will be entered through direct capture (ie directly into a computer program). Quality control will be assured through logical checks built into the survey program, supervisor listening-in, survey audits through recalls and checks of data consistency.

- *Re-calls and no responses:* A survey firm will make six failed attempts to contact the student or guardian before declaring the participant unreachable. An attempt will be classified as failed if i) the participant is unavailable at the time of the call; ii) there is no answer; iii) the respondent wished to verify the legitimacy of the survey.

In all instances possible, the IPA PA in Manila will arrange with the individual who answers the phone an appropriate time to call back. If after 2 attempts the target subject cannot be reached, the surveyor may interview another available member of the household, with preference for someone who has knowledge of the student in question.

In all instances possible, the IPA PA in Manila will arrange direct visit to the household of the sponsored student based on the subject the budget agreed upon.

- *Reporting:* The IPA PA will produce a report every week to inform IPA of the data collection process. Problems encountered should all be included here, including non-responses.

9. FAPE- Administration of channeling the funds and Grades Collection

FAPE's primary responsibilities shall be as follows:

- Receive applications from migrants from IPA-EduPay services (after IPA provide the initial application)
- Contact school of migrant beneficiary and enter into agreement for provision of the following necessary documents:
 - a) certified copy of school assessment of student tuition and other fees
 - b) a certified copy of official receipt of full payment of item "a"
 - c) a certified copy of per subject grades of the student on a quarterly basis (for elementary and secondary) and per semester (for college level)
 - d) a certified copy of attendance records (for elementary and secondary only)

FAPE will be responsible for the following:

- Send a scanned copy of item "a" to the migrant through email and text him/her to alert him/her of the email sent.
- Receive from the remittance Institution the payment from the migrant for the beneficiary
- Achieve payment received for the beneficiary to the school.
- The information on item "b", will be scanned and send the same to migrant through email and text him/her to alert him/her of the email sent.
- FAPE will obtain from the school on a quarterly and semestral basis items "c" and "d" scan these and send to through email and text the participant to alert for the email sent.
- FAPE will give to each migrant the call option: Entertain questions of migrants on the service through email or phone calls.

Unique Project Identifiers: In order to coordinate the sharing of information between all project partners and efficiently process migrant applications, a unique five digit code will be assigned to each migrant. *Any information shared with IPA by BPI, FAPE and the survey firm must include this unique identifying code.* This code is essential to the project data sharing process and must be used by all partners whenever possible. This code will serve as an impersonal identifier for the entire project cycle, and will also reflect which treatment group the migrant is in. The unique code will be issued to the migrant during the first Rome baseline survey. A migrant must use this code in order to remit funds through BPI. This unique code will also be used within FAPE's internal systems to identify students funded by a particular migrant.

10. Data to be shared

Study partners will agree to share relevant data with IPA in a format agreed upon by both parties.

11. Data Ownership

Ownership and use of project data will adhere to guidelines set forth in project institutions respective MOUs with IPA

12. Confidentiality

Any identifying information regarding study participants, including migrants and families/friends involved in Philippines, will be maintained with the strictest of confidence and security and will be deleted from data sets except as necessary for the matching of clients across data sets in adherence to the Human Subjects Protocol as dictated by the Institutional Review Board (IRB) of IPA and/or the IRB of any governing universities at which professors are employed and conducting the research as part of their duties as a professor.

Appendix A: Rome baseline survey schedule “TBD”

Appendix B: Philippine baseline survey schedule “TBD”

Summary of the start-up costs to roll out EduPay

The research team in collaboration with BPI and FAPE will develop this new financial product – dubbed “EduPay” – that will provide Filipinos migrant workers with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student.

Initial Application: Following the description of the product, migrants will be asked to fill out an initial application as an indication of their interest. This initial application will serve as the primary application by the migrant. This initial application will contain all information that the partner FAPE would need in order to contact a student before receiving funds from the migrant. Specifically, it will include the name, surname of the sponsored student and contact information for the school such as the address or the phone number of the student in the Philippines. Funds will be used to recruit field officers that will assist migrants in providing this information.

Transmitting the remittances from Rome: FAPE will review and approve the initial application to ensure that it requests all the information they need to move forward with processing. FAPE will provide every migrant with this information through e-mail and text message, including the tuition fees of the school to be paid based on quarterly or yearly payments. In order to facilitate the data sharing process, each migrant will be connected to their unique IDs (assigned during the baseline). Data shared with IPA will utilize these IDs. In addition, the initial application/indication of interest to be filled out by migrants during the interview will contain a space where migrants enter their unique ID. Payment facilities will be offered to treatment group 1.

BPI branch in Rome: IPA in collaboration with BPI branch in Rome will assist every migrant interested in EduPay in order to remit funds to FAPE. The cost associated with every amount to be remitted will not be different from a simple remitting operation. This cost is a fixed cost and will be included in the EduPay final cost.

The transaction cost for a normal remittance operation from Rome, Italy to the Philippines is 7€ (euros)= 394.42 PH (pesos)

Payments to the schools of the sponsored students: FAPE has a new on-line account with BPI where all the funds transmitted will be reviewed by the FAPE staff. Funds remitted by the Filipino migrant will be managed and administered by FAPE. FAPE will disburse these funds into the schools’ accounts based on quarterly or yearly installments during the course of the school year (June-March 2012). A designated FAPE employee will be responsible for overseeing disbursement processes.

A confirmation of the payment with the enrollment certificate will be sent to the migrant via e-mail or text message. FAPE will cover a transaction cost for every payment to the school to be included in the EduPay final cost.

Grade collection: Information on academic performance will only be collected from those students in treatment group 2. A designated FEPE employee will be responsible for coordinating the collection of grades for each cycle of the academic year. The sponsored schools will be required to scan or fax official grade reports to FAPE. These reports will include overall averages as well as grades for the sponsored student. To facilitate this, FAPE will collect information on the schedule of each student’s school quarterly or every semester. A scanned copy of the grade collection and the attendance performance will be sent to the migrant by mail or text message.

FAPE administration cost to be covered: Based on the amount of the tuition fees to be remitted to

every school FAPE will cover a fixed administrative cost to be included in the EduPay final cost.

Every payment will have a projected cost to FAPE: $100 \text{ PH} = 1.77\text{€}$

All the other administrative cost (send scan documents, contact school and provide information through mail) will have a projected cost of: $150 \text{ PH pesos} = 2.66\text{€}$

Text message: $25\text{ph pesos} = 0.44\text{€}$

Based on the treatment group, the EduPay product will have different projected costs:

Treatment group 1: Payment facilities (e.g a yearly payment):

BPI transaction costs + FAPE administrative costs = $394.42 \text{ PH (pesos)} + 275\text{PH (pesos)} = 699.42 \text{ PH(pesos)} = 11.88\text{€}$

Treatment group 2:

Payment facilities (a yearly payment) + Grade collection = BPI transaction costs + FAPE administrative costs = $394.42 \text{ PH (pesos)} + 300\text{PH (pesos)} = 694.42 \text{ PH(pesos)} = 12.32\text{€}$

Option Web EduPay link: FAPE proposed a creation of a EduPay link in order to provide more secure and efficient information to the migrant through a EduPay Link. This operation will have a fixed cost of 500 pesos (a membership card) to be included in the EduPay final cost.

May 31, 2012

Progress Report for “Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers”

The main deliverable for this period (since April 30, 2012) was establishment of a system to collect student information (grades, attendance sheets, etc.) and a system to handle remittance funds transfers.

A number of elements of a working system are in place. The main delay we have faced is in obtaining the official approval of the governing board of one of our partners, FAPE. Prior to approval of the project and its protocols, the board in a meeting last week requested further clarification on a number of questions. The questions are mostly straightforward and we are currently preparing a communication with the board and hope to have official approval soon. In the event it is necessary, we will attend the board’s next meeting in the 3rd week of June.

Notwithstanding this delay, several components of the pilot test of the EduPay system are now in place:

- Rome baseline survey questionnaire
- Initial application form
- Drafts of marketing materials
- Scouting of locations for intervention and surveys

Further details can be found in the attached report from IPA.

Please don’t hesitate to let me know if there is anything in this report that we can clarify.

Sincerely,



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Progress report:

Pilot testing and finalization of EduPay system

May 31, 2012

Project Title:

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Research team:

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal investigators:

Giuseppe De Arcangelis (Sapienza University of Rome, Italy)

David McKenzie (World Bank)

Erwin Tiongson (Asian Institute of Management, Philippines and World Bank)

Partners:

Bank of the Philippine Islands (**BPI**)

Fund for Assistance to Private Education (**FAPE**)

Funding from U.S. Agency for International Development (**U.S.AID**)

Appendix A: Rome baseline survey questionnaire

Appendix B: Initial Application Example

Appendix C: Marketing Materials: All participants

Appendix D: Marketing Materials: Treatment Group 1

Appendix E: Marketing Materials: Treatment Group 2

Appendix F: Photos of the main locations where the survey will take place, Rome Italy

Summary of the "pilot test" to roll out EduPay

Deliverable: System to collect student information (grades, attendance sheets, etc.) and system to handle remittance funds transfers is established and running.

Responsible: BPI and FAPE (in consultation with research team)

Status report:

As described in previous documents submitted to USAID, a new financial product, EduPay, will provide Filipino migrant workers with the ability to pay educational institutions in the Philippines directly from Rome—through BPI and FAPE—without channeling the funds through a relative or other “trustee” and providing some migrant workers with information on the performance (attendance, grades) of the sponsored student.

In May 2012, the research team, in collaboration with BPI and FAPE, put in place a number of elements of EduPay though there is some delay in the opening of the FAPE’s BPI bank account that will facilitate the transfer of tuition payments. Any legal agreement signed by FAPE with its partners has to be submitted to its Board of Trustees for approval. In addition, any new bank account opened by FAPE requires the approval of the Board. The Private Education Assistance Committee (PEAC) is a five-member committee that serves as FAPE’s Trustee. In a meeting held last week, PEAC raised a few questions and asked for further clarification regarding selected features of the EduPay system. The research team is preparing to respond to those questions fully. The team has also been invited to attend the Board’s next meeting on the 3rd week of June.

Notwithstanding this delay, several components of the pilot test of the EduPay system are now in place, including the following:

Rome baseline survey questionnaire: IPA surveyors will administer a paper-based baseline survey after obtaining verbal consent from the migrant. The survey will be approximately 35 minutes in length. The baseline survey will be conducted entirely in English. The final version of the baseline survey is included in Appendix A.

Initial application: Migrants were asked to fill an initial application form as an indication of their interest in EduPay. The form asks for all the basic information that FAPE needs to contact a school prior to receiving funds from the migrant, including the name and surname of the sponsored student and the name and contact information of the school. Appendix B shows an example of the initial application. IPA staff assisted migrants in completing the application. During the month of May, IPA staff members were present at locations where migrants gather regularly for various community events (especially on Thursdays and Sundays) to answer questions about EduPay.

Developing marketing materials: BPI is taking the lead in developing the marketing materials in collaboration with IPA and the research team. They will provide three types of brochures: 1) EduPay general handouts for all the applicants; 2) EduPay Brochure for the treatment group 1; 3) EduPay Brochure for the treatment group 2. Appendices C, D, E provide the draft versions of the marketing materials.

Scouting of locations for intervention and surveys: IPA has identified locations where study participants will be surveyed and offered the EduPay facility. Photos are in Appendix F.

Appendix A. Rome Baseline Survey Questionnaire

Oral Consent

During the survey I will ask you for information about your current work and financial situation, and about support you provide to family and friends in the Philippines. We would like to contact you and your family in your home country at least one or two more times before the end of 2012 in order to collect additional information. The interview will take approximately **35 minutes**. Your participation is completely voluntary and all of your responses will be kept confidential and used for research purposes only. Your name and contact information will not be shared and will be used only for the purpose of contacting you. It is possible that someone from the study will contact by text message or mail. You have the right to not answer any question and to stop the interview at any time. Please contact Majlinda Joxhe (mjoxhe@poverty-action.org; +39/3477073405) with any questions or concerns.

Do you have any questions? If all of your questions have been answered, may we continue?

“ORAL CONSENT OF RESEARCH SUBJECT”

Oral Consent Given? (**CIRCLE ONE**)

YES - *(continue survey)* NO - *(thank participant and stop survey)*

SIGNATURE OF ENUMERATOR

In my judgment the subject is voluntarily and knowingly giving informed consent to participate in this research study.

Signature of Enumerator _____ Date _____

WORK RECORD

Interviewer Code: |__|__|
Survey Location Code: |__|__| _____ (See Codebook)
Date of Interview: Day |__|__| Month |__|__| Year |__|__|__|__|
Time Started: |__|__| : |__|__| AM/PM

SUBJECT CONTACT INFORMATION

****READ THE FOLLOWING ALOUD TO THE INTERVIEWEE BEFORE CONTINUING.**

**By means of this survey we would like to obtain some useful research information on the general attitude of the OFW community in Rome as they use their remittances to finance the education of relatives in the Philippines. We hope you will participate in this short survey because your views can help improve the lives of the Filipinos back home.*

“Because this is a longitudinal study about the well-being of migrants and their families in the Philippines we would like to collect your contact information so that we can call you to perform future waves of the survey over the next 12 months. Your information will be kept completely confidential and will be used only for the purposes of contacting you for this study.”

Name of Subject: _____
(First Name) (Second Name) (First Last Name) (Second Last Name)

Rome (Italy) Address: Address Line 1: _____
Address Line 2: _____
City: _____ Località: _____ CAP: _____

Primary Phone Number: _____
Phone Type (circle): Cell/Landline
Primary Phone Test Call: Successful Unsuccessful Not done (Why?) _____

Secondary Phone Number: _____
Phone Type (circle): Cell/Landline
Whose is this number? _____

Other Phone Number: _____
Phone Type (circle): Cell/Landline
Whose is this number? _____

E-mail Address: _____

**** READ THE BELOW TO THE INTERVIEWEE BEFORE CONTINUING.**

“If before the end of 2012 we would like to contact you and have been unable to do so using the above information, who should we call in order to figure out how to contact you?”

Name of that person _____

Telephone of that person _____ Type (circle): Cell/Landline

Lottery

As part of thanking you for participating in this study we would like to enter you into a lottery. This aware for this lottery is a sum of money for an individual of your choosing in the Philippines which can be used for that individual's education. This individual must be enrolled in the academic year 2012. If you win, they will receive a three monthly payment of the tuition fee for the 2012. We will need their contact information to verify their participation and administer a short survey. If this student is a minor, we will need contact information for their guardian in the Philippines. Would you like to enter into the lottery?

A1	What is the student's name?	_____	_____	_____	
		(First Name)	(Second Name)	(First Last Name)	(Second Last Name)
A2	Does <i>name of selected student</i> attend school currently?	No skip to a A5		0	
		Yes		1	
		Don't know		-8	
A3	At what level does <i>name of selected student</i> study?	Primary Level		1	
		Secondary Level		3	
		Superior (College)		4	
		Superior (University)		5	
		Other		6	
A4	In what grade or level do they study?	_ _ o grade SKIP TO A7 "Doesn't Know" = (-)/(8)			
A5	What level did <i>name of selected student</i> reach in their studies?	Didn't study Skip to A6		1	
		Primary (1° a 3°)		2	
		Secondary (1° a 9°)		3	
		College (10° a 13°)		4	
		Superior university (1° a 15°)		5	
		Superior non-university (1° a 15°)		6	
		Special education		7	
A6	What grade or year did they reach?	_ _ th "Doesn't know" = (-)/(8)			
A7	What is the name and the address of the school where <i>the selected student</i> studies in?				
A8	What region does <i>name of selected student</i> live in? (SEE CODEBOOK)	_ _ _ _			
A9	Contact number of the student? MARK IF IT IS CELL (C) OR LANDLINE (L)				C L
A10	Whose is this number?				
A11	Is there another contact number for the student?				
A12	Does the student have an e-mail address?				
A13	Is the student under 18 years old?	No SKIP TO OFFER THE CALL		0	
		Yes		1	

Please provide contact information for the primary guardian of the student. The primary guardian is the person who is principally responsible for the care of name of student.

A14	What is the Guardian's name?	(First Name)	(Second Name)	(First Last Name)
A15	Contact number of the guardian? MARK IF IT IS CELL OR LANDLINE			C L
A16	Does the guardian have an e-mail address?			
A17	Does the guardian live with the student?	No	0	
		Yes	1	
<p><i>"Would you like to call the student or their guardian to let them know that we will be calling them within the next few days in order to confirm their participation in the lottery and administer a short survey? The call is free of charge, you may use my phone."</i></p> <p><i>Result:</i> Successful -- household answered Unsuccessful – household did not answer Unsuccessful -- Migrant declined to call Unsuccessful – Other (specify) _____</p>				
B. Individual Questionnaire (General Information)				
<p><i>Thank you for sharing information about <u>NAME OF SELECTED STUDENT</u>. I will ask a bit more about him/her later, but right now I would like to ask a little more about yourself.</i></p>				
B1. Demographics				
B1.1	What is your date of birth?	Month/Day/Year	<input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
B1.2	Are you a male or female?	Male	0	
		Female	1	
B1.3	What is your marital status?	Married	1	
		Living together	2	
		Widowed	3	
		Divorced	4	
		Separated	5	
		Single	6	
B1.4	How many children do you have?	<input type="text"/>		
B1.5	Where do your children live? <i>Indicate the number of children living in each country.</i>	Philippines		
		Italy		
		Other country		
B1.6	How many total people (including yourself), live with you in Italy?	<input type="text"/> <ul style="list-style-type: none"> IF = 01 SKIP TO B1.6.2 		
		B1.6.1 What is your relationship to the people that you live within the household? <i>Indicate the number of people in each category.</i> [Before marking the answer, repeat:] <i>The people that live with him/her are his/her:</i>	B1.6.2 Do you have close relatives 22 years old or younger currently living in the Philippines? <i>Indicate the number of people in each category.</i> [Before marking the answer, repeat:] <i>His/her young relatives living in the Philippines are his/her:</i>	
1	Spouse			
2	Son			
3	Daughter			
4	Father			
5	Mother			

6	Brother		
7	Sister		
8	Grandfather		
9	Grandmother		
10	Grandson		
11	Granddaughter		
12	Male first cousin		
13	Female first cousin		
14	Uncle		
15	Aunt		
16	Niece		
17	Nephew		
18	Son-in-law		
19	Daughter-in-law		
20	Father-in-law		
21	Mother-in-law		
22	Brother-in-law		
23	Sister-in-law		
24	Other, family member (<i>specify</i>)		
25	Other, not family member (<i>specify</i>)		
-99	Don't know		
-88	No Response		
B2. Initial Conditions			
B2.1	In which region of the Philippines were you born?	_ _ _ (SEE CODEBOOK)	
B2.2	What year did you come to live in the Italy for the first time?	_ _ _ _	
B2.3	Are you an Italian citizen, a citizen of your country of birth or a citizen of another country? If you have citizenship of more than one country please tell me all of them.	Italian citizen	0
		Citizen of country of birth	1
		Citizen of other country	2
B3. Education Background			
B3.1	What level did you reach in your studies?	Doesn't study SKIP TO B4	1
		Kinder (1° a 3°)	2
		Elementary (1° a 9°)	3
		High school (10° a 13°)	4
		Superior university (1° a 15°)	5
		Superior non-university (1° a 3°)	6
		Special education	7
B3.2	What is the highest grade or year you reached at this level?	_ _ th	
B3.3	How old were you when you left school?	_ _	
B3.4	What is the main reason you might not go on to further education?	Having school qualification is enough	1
		Have decided on a specific career	2
		Want to work and earn money	3
		Cost of education too high	4
		Depends on grades	5
		Just don't want to go	6
		Other	7

B4. Language

B4.1	Do you have any difficulty speaking Italian to people for day to day activities such as shopping or taking the bus?	No	0
		Yes	1
B4.2	And do you have any difficulty filling in official forms in Italian?	No	0
		Yes	1
B4.3	How difficult do you find speaking Italian for day to day activities?	A little difficult	1
		Fairly difficult	2
		Very difficult	3
		Cannot speak Italian at all	4

B5. Employment Status History

B5.1	Have you worked, even for a short time, either for yourself or for someone else, within the last 12 months?	No SKIP TO B6		0	
		Yes		1	
B5.2	Was your main activity as an employee or for your own business (self-employed)	Employee		0	
		Self-employed SKIP TO B5.4		1	
B5.3	What was your principal occupation over the last 12 months? CIRCLE ONE, THEN SKIP TO B5	Domestic	01	Mechanic	17
		Day laborer	02	Painter	18
		Construction	03	Hotel and related work	19
		House cleaning	04	Machine operator-factories	20
		Office cleaning	05	Bakery	21
		Nanny (childcare)	06	Laundromat- dry clean	22
		Gardner	07	Delivery	23
		Secretary	08	Carwash	24
		Chauffer	09	Repair or painting vehicles	25
		Vendor	10	Fireman, police, security	26
		Waiter or cook	11	Student	27
		Technician or professional	12	Moving services	28
		Cashier	13	Housewife (of own home)	29
		Carpenter	14	Other (<i>specify</i>)	30
		Electrician	15	Don't know	-88
		Maintenance	16	No response	-99
B5.4	What type of business do you have?	Restaurant		01	
		Hair salon		02	
		Food Shop		03	
		Internet caffè service		04	
		Housekeeping		05	
		Commercial cleaning		06	
		Whole sale distributor		07	
		Supermarket		08	
		Heavy machinery		09	
		Professional services		10	
		Others (specify)		11	
		Don't know		-88	
No response		-99			

B5.5	What was the first job you had when you started working in. Please tell me the exact job title.		
B6. Individual Income			
B6.1	In which of the following ranges does the net income of you and your spouse fall? <i>*Do not include income of spouse if separated. **Include income of partner if "Living together"</i>	Less than €600/month	1
		€600- €800/month	2
		€800-€1100/month	3
		Over €1400	4
		Don't know	-88
		No response	-99
B6.2	Please imagine a six step ladder where the people with the least money among Philippines migrants in Italy and on the bottom (the first step) and the people with the most money among Philippines migrants in Italy stand on the highest step (the sixth step). On which step are you today?	_ _ _ th step	
C. Student and their Household Questionnaire			
C1	What is name of target student's gender?	Male	0
		Female	1
C2	How is name of target student related to you? [Before marking the answer, repeat:] : Name of target student is his/her:	Child	1
		Sibling	2
		Grandchild	3
		Niece/nephew	4
		Cousin	5
		Aunt/uncle	6
		Child-in-law	7
		Sibling-in-law	8
		Friend	9
		Other (specify)	10
C3	Is name of target student a member of your household in the Philippines?	No	0
		Yes	1
C4	How old is name of target student ? • IF OLDER THAN 18, SKIP TO C8	_ _ _ years "DON'T KNOW" = (-)(8)	
C5	What is name of guardian's gender?	Male	0
		Female	1
C6	What is name of target student's relation to name of guardian ? [Before marking the answer, repeat:] : : NAME OF STUDENT is the _____ of NAME OF GUARDIAN :	Child	1
		Sibling	2
		Grandchild	3
		Niece/nephew	4
		Cousin	5
		Aunt/uncle	6
		Child-in-law	7
		Sibling-in-law	8
		Friend	9
		Other (specify)	10
C7	What is your relation to name of guardian ? [Before marking the answer, repeat:] : The guardian is his/her _____:	Spouse	1
		Parent	2
		Child	3
		Sibling	4
		Grandparent	5

		Grandchild	6
		Niece/nephew	7
		Cousin	8
		Aunt/uncle	9
		Parent-in-law	10
		Child-in-law	11
		Sibling-in-law	12
		Friend	13
		Other (specify)	14
C8	Overall, how would you rate name of target student 's physical health these days: poor, fair, good, or very good?	Poor	1
		Fair	2
		Good	3
		Very good	4
		Don't know	-88
ONLY ASK C9-C10 IF THE SELECTED STUDENT CURRENTLY ATTENDS SCHOOL. THAT IS, THE MIGRANT RESPONDED "YES" IN A1.2. IF THE MIGRANT RESPONDED "NO", SKIP TO SECTION D.			
C9	In what range is name of target student 's most recent (of the last cycle or trimester) grade point average?	0.00-2.00	1
		2.01-4.00	2
		4.01-6.00	3
		6.01-8.00	4
		8.01-10.00	5
		Don't know	-88
C10	How does name of target student usually get to school?	By foot	1
		Public transportation (paid)	2
		Bicycle	3
		Motor bike	4
		Moto taxi	5
		Private car	6
		Microbus	7
		Other (specify)	8
		Don't know	-88
D. REMITTANCES			
INTERVIEWER READ ALOUD: "Now think about remittances that you have sent in the Philippines in the past 12 months. Regular remittances are remittances that you send (or try to send) to a person or household in the Philippines or on a regular basis to help pay for recurring, day-to-day expenses. I am now going to ask you some questions about the regular remittances that you send to people in the Philippines."			
D1	In the last 12 months have you sent 'regular' remittances to NAME OF TARGET STUDENT'S household ?	No SKIP TO D4	0
		Yes	1
D2	With what frequency do you send "regular" remittances to NAME OF TARGET STUDENT'S household?	Weekly	1
		2 times per month	2
		Monthly	3
		Every other month	4
		4 times per year	5
		3 times per year	6
		2 times per year	7
		Yearly	8
		Other (specify): _ _ times per year	9
D3	How much money did you send, on average, each time?	\$ _____	
**READ ALOUD: In addition to these regular remittances just mentioned, have you sent other amounts of money to the household of name of target student in the last 12 months for the following occasions? If this was an additional remittances for one of these following occasions, could you tell us what the amount that you sent was? Or if you sent an amount larger than what you normally sent, could you tell us what the difference was between this larger amount			

and the amount that you normally send?			
D4	Event Code	Event	How much was sent (or what was the value of the remittances sent) for this occasion, in total?
	1	Christmas	
	2	Birthday	
	3	Other Religious Fest	
	4	Health	
	5	Other (specify)	
	6	Other (specify)	
**READ ALOUD: Now I have similar questions regarding remittances you have sent to all other households in the Philippines (that is, not to the household of <u>NAME OF TARGET STUDENT</u>).			
D5	In the last twelve months how many other households in the Philippines have you sent remittances to (of any type)?		<div style="text-align: center;"> <u> </u><u> </u><u> </u> IF = 00, SKIP TO D9 </div>
**FOR EACH ONE OF THE HOUSEHOLD MENTIONED, FILL IN ONE COLUMN FOR E6-E7. ANSWER E6-E7 FOR ONE HOUSEHOLD BEFORE ASKING ABOUT THE NEXT.			
		a. Household 1	b. Household 2
		c. Household 3	d. Household 4
D6	With what frequency do you send "regular" remittances to each one of the households mentioned? (SEE CODEBOOK)	<div style="text-align: center;"> <u> </u><u> </u><u> </u> _____ </div>	<div style="text-align: center;"> <u> </u><u> </u><u> </u> _____ </div>
D7	How much money did you send, on average, each time?		
**READ ALOUD: In addition to these regular remittances just mentioned, have you sent other amounts of money other households (not of the <u>TARGET STUDENT</u>) in the last 12 months for each of the occasions listed. If this was an additional remittances for one of these following occasions, could you tell us what the amount that you sent was? Or if you sent an amount larger than what you normally sent, could you tell us what the difference was between this larger amount and the amount that you normally send?			
D8	Event Code	Event	How much was sent (or what was the value of the remittances sent) for this occasion, in total?
	1	Christmas	
	2	Birthday	
	3	Other Religious Fest	
	4	Health	
	5	Other (specify)	
	6	Other (specify)	
D9	Do you have a preference over how the money that you send to the Philippines should be spent?	No	0
		Yes	1
D10.1	In the last 12 months how much money have you sent to the Philippines with the specific intention that the money was meant to finance the education of <u>name of target student</u> ?	<div style="text-align: center;"> \$ _____ IF = \$0, SKIP TO D10.3 </div>	
D10.2	Are these remittances included in any of the remittances that you have already reported?	No	0
		Yes	1
D10.3	In the last 12 months, was some fraction of any of the other remittances you sent in the	No	0

	Philippines used to support the costs associated with the education of <i>name of target student</i> ?	Yes	1
D10.4	For students other than <i>name of target student</i> , in the last 12 months how much money have you sent in the Philippines with the specific intention that the money was meant to finance the education of a specific student?	\$ _____ IF = \$0, SKIP TO D11	
D10.5	Are these remittances included in any of the remittances that you have already reported?	No	0
		Yes	1
D10.6	<i>Not</i> including <i>name of target student</i> , was some fraction of any of the other remittances you sent in the Philippines used to support the costs associated with the education of other students?	No SKIP TO SECTION E.	0
		Yes	1
D11	How many other students?	_ _ _ students	
E. RELATIONSHIP WITH & KNOWLEDGE OF TARGET STUDENT'S HOUSEHOLD			
E1	How frequently do you communicate with individuals living in <i>name of target student's</i> household?	More than once a day	1
		Daily	2
		More than once a week	3
		Weekly	4
		More than once a month	5
		Monthly	6
		Every 2-3 months	7
		Annually	8
		Other (specify)	9
		Never	10
E2	By what methods do you communicate with individuals in <i>name of student's</i> household? (MARK ALL THAT APPLY)	Writing letters (traditional letters, on paper)	1
		By telephone	2
		E-mail	3
		Text messages	4
		Instant messages on the computer (Chat)	5
		Other methods (specify)	6
		We do not communicate	7
		Don't know	-88
E3	How well informed are you about what is going on in <i>name of target student's</i> household: very well informed, well informed, not well informed, or not informed? (READ OPTIONS)	Very well informed	1
		Well informed	2
		Not well informed	3
		Not informed	4
		Other (specify)	5
E4	Have you had any disagreements with anyone in <i>name of student's</i> household regarding remittances in the last twelve months?	No	0
		Yes	1
E5	Have you had any disagreements with anyone in <i>name of student's</i> household which weren't related to the use of remittances in the last twelve months?	No	0
		Yes	1
IF THE MIGRANT DOES NOT SEND REMITTANCES TO THE TARGET STUDENT'S HOUSEHOLD, THAT IS, THEY ANSWERED "NO" TO QUESTION E1, PASS DIRECTLY TO E9.			
E6	Who within <i>name of student's</i> household primarily determines how remittance money is spent?	Student	1
		Guardian	2
		The interviewee SKIP TO F8	3
		Other adult (<i>Specify the relationship</i>) (SEE CODEBOOK)	4
			_ _ _

		[Before marking the answer, repeat] <i>This adult is the student's _____:</i>	
		Don't know	-88
		No response	-99
E7	Do you participate in the decisions regarding how remittances sent to <u>name of student's</u> household is spent?	No	0
		Yes	1
E8	Do you wish you had more influence over how <u>name of student's</u> household spends your remittance money?	No	0
		Yes	1
E9	Do you wish you had more influence over the <i>overall</i> budget in <u>name of student's</u> household?	No	0
		Yes	1
E10	When considering the budget in <u>name of student's</u> household, what <u>three</u> of the following do you feel are the most important to spend money on: food and other basic expenditures, health, education, savings, entertainment, household improvements, or transportation? READ THE OPTIONS AND MARK THE THREE THAT SUBJECT INDICATES.	Food and other basic expenditures	1
		Health	2
		Education	3
		Savings	4
		Entertainment	5
		Household improvements	6
		Transportation	7
Doesn't know	-88		

F. NEED FOR PROJECT			
<i>INTERVIEWER SAY ALOUD: For the below statements, please indicate yes or no:"</i>			
F1	There is a school-age student in the Philippines who you would like to support but who you are not.	No	0
		Yes	1
F2	If you were supporting a student in the Philippines, you would find it attractive to send money directly to students instead of the student's parents/guardians.	No	0
		Yes	1
F3	If you were supporting a student in the Philippines, you would like some way of monitoring the performance of the student.	No	0
		Yes	1
F4	If you were supporting a student in the Philippines, you would find it attractive to send a lump-sum at the beginning of the year that is gradually disbursed.	No	0
		Yes	1
F5	There are people you would like to send remittances to whom I don't because I don't trust them.	No	0

G. SURVEYOR OBSERVATIONS

Time Survey Ended: |_|_|_|_| : |_|_|_|_|

Time Marketing Ended: |_|_|_|_| : |_|_|_|_|

Result of Survey: COMPLETE
 INCOMPLETE – Did not have contact info of student
 INCOMPLETE – Did not have a student of appropriate age
 INCOMPLETE – Survey interrupted and migrant never returned
 INCOMPLETE – Migrant stopped the survey
 INCOMPLETE – Other (*specify*)

Treatment Offered?: YES
 NO _____

Observations: _____

DID THE MIGRANT PROVIDE ALL OF THE BELOW:

H. QUESTION A9

I. QUESTION A15 (WHEN APPLICABLE)

- YES Turn the survey into the IPA Project director.
- NO Keep the application in order to call the migrant and collect the remaining information. Record every call attempt in the table below.

.....

Log of Attempts			
	Migrant answered? (YES/NO)	Obtained contact information? (YES/NO)	Comments
Attempt 1			
Attempt 2			
Attempt 3			
Attempt 4*			

**Turn in the survey after the fourth failed attempt.*

Attachment B: Initial Application FAPE



FAPE

Fund for Assistance to Private Education

EduPay ID

Initial Application: EduPay

This application will provide an initial assessment for FAPE.
If you are willing to sponsor a student with EduPay, FAPE needs this
information in order to process your request.

THIS APPLICATION WILL NOT OBLIGATE YOU TO SPONSOR A STUDENT WITH EDUPAY

Applicant Information

1. Name _____
(first name) (second name) (first surname) (second surname)
2. Full Address in Italy: Via _____
Cap _____ Località _____
3. Number of Identification Document (Philippines or Italian)

4. Telephone _____ E-mail: _____

Student Information

1. Name of the sponsored student

(first name) (second name) (first surname) (second surname)
2. Name of the Guardian

(first name) (second name) (first surname) (second surname)
3. Full Address of the school in the Philippines: Name _____
Street _____
City _____
4. Contact Information: Telephone1: _____ (Mobile? ___ Landline? ___)
Telephone2: _____ (Mobile? ___ Landline? ___)
5. What Level of Study will be enrolled for the academic year 2012?
a) Primary level _____ b) Secondary level _____
c) High School _____ d) University _____

Please send an e-mail to Rodrick Malonzo: rodrick.malonzo@gmail.com for any request you may have for the initial application of EduPay.

Attachment C : Marketing Materials: All participants



Promoting Education in the Philippines

EduPay

A Study on Educational Attainment Financed by Migrant Workers

The Philippines rank as the **Seventh Poor Country** among nine Southeast Asian Nations in the area of education.

There is a **Sharp Decline** in the preliminary and secondary enrollment during the last school years .

Every Year the Overseas Filipino Migrant are sending money home to support the education attainment of their children and their relatives.

In many cases these money are spent in non-schooling items and every year a lot of students are not enrolled in the school.

EduPay can help to overcome this situation

HOW?

Every year you can send a **Part of your Remittances** directly to pay the education attainment of your child or your relatives in the Philippines. In this way you will be sure that your student is enrolled in the school for all the year.

EDUPAY will permit your money to go directly to the school of your child without laying on the others.



You can sponsor until 10 candidates through **EduPay**.

Every semester, with EduPay you will have a report on the grades and the attendance performance of your sponsored student.

This will serve as a motivation for your child to attend and perform better during the school year.

If you are interested contact us:
tel: 0039/3477073405
Info: mjoxhe@poverty-action.org

Appendix D: Marketing Materials: Treatment Group1

EduPay is a new product that will help you and your remittances to go directly to the school of your child.



Pay for schooling in the Philippines with more safety, confidence, and feedback



Facilities	Standard Remittance Transfer	EduPay
Money goes directly to the school without laying on family or middleman	X	✓
Money is not at risk of being spend at non schooling items	X	✓
Payment Confirmation and secure enrollment of the student in school	X	✓

EduPay is a collaboration of:



Innovations for Poverty Action (IPA) is a US-based non-profit research organization which applies rigorous research techniques to develop and test solutions to real-world problems faced by the poor in developing countries. IPA consists of a group of leading academic researchers in development economics, behavioral economics, and psychology, along with researchers based in the U.S. and in developing countries.



Fund for Assistance to Private Education is an organization which was established on November 5, 1968 to promote the development of private education in the Philippines. It purports this mission by helping private schools in their quest for academic excellence, managerial competence and financial stability, through the extension of logistic and technical support.



OFW Rome



Please keep your ID number



Promoting Education in the Philippines



EduPay

What is EduPay?

EduPay is a new financial product, offering the possibility to all the Filipino migrants paying for the education attainment of their children

Who can be sponsored?

Every student enrolled or to be enrolled in a private or tertiary public school in the Philippines.

What are the advantages of EduPay?

- Money goes directly to the school without laying on family or middleman
- Money not at risk of being spend on non-schooling item
- Payment confirmation and secure enrollment in the school

Details and FAQ

How much does EduPay cost?

Only 15% of the EduPay will be used to cover the administrative cost of FAPE for transmitting your money to the school.

For a limit period of time, USAID will cover the cost of for the participants of the EduPay study. This means that you will pay only a cost to FAPE.

The cost depend on when your sponsored child is enrolled or will be enrolled and on the amount of the tuition fees of the school.

How EduPay works?

- You can send your remittance to FAPE through the Bank of the Philippine Islands branch in Rome. Before sending your money you need to have:
 1. Your EduPay unique ID number.
 2. Name, surname of the sponsored student
 3. Name and the address of the school
 4. Telephone number of the student .
- After receiving your initial application, FAPE will confirm the status of the sponsored student.
- After receiving your money FAPE will send an text message and an e-mail conforming your payment.
- FAPE will provide you with the enrollment certificate of your student.



When can you use EduPay?

Beginning of the school year 2012 you may pay for the tuition fees of your sponsored child.

Many schools will require to pay the tuition fees every semester, EduPay will do this.

Any questions?

Please contact:

FAPE: 0039/3477073405

Email: mjoxhe@poverty-action.org

Appendix E: Marketing Materials: Treatment Group2

EduPay is a new product that will help you and your remittances to go directly to the school of your child.



Pay for schooling in the Philippines with more safety, confidence, and feedback



Facilities	Standard Remittance Transfer	EduPaY
Money goes directly to the school without laying on family or middleman	X	✓
Money is not at risk of being spend at non schooling items	X	✓
Information on the School attendance and School Achievements directly form the school	X	✓

EduPay is a collaboration of:



IPA
Innovations for Poverty Action (IPA) is a US-based non-profit research organization which applies rigorous research techniques to develop and test solutions to real-world problems faced by the poor in developing countries. IPA consists of a group of leading academic researchers in development economics, behavioral economics, and psychology, along with researchers based in the U.S. and in developing countries.



FAPE
Fund for Assistance to Private Education is an organization which was established on November 5, 1968 to promote the development of private education in the Philippines. It pursues this mission by helping private schools in their quest for academic excellence, managerial competence and financial viability, through the



OFW Rome



Please keep your ID number



Promoting Education in the Philippines



EduPay

What is EduPay?

EduPay is a new financial product, offering the possibility to all the Filipino migrants paying for the education attainment of their children

Who can be sponsored?

Every student enrolled or to be enrolled in a private or tertiary public school in the Philippines.

What are the advantages of EduPay?

- Money goes directly to the school without laying on family or middleman
- Money not at risk of being spend on non-schooling item
- Payment confirmation and secure enrollment in the school

Details and FAQ

How much does EduPay cost?

Only 20% of the EduPay will be used to cover the administrative cost of FAPE for transmitting your money to the school. For a limit period of time, USAID will cover the cost of for the participants of the EduPay study. This means that you will pay only a cost to FAPE.

The cost depend on when your sponsored child is enrolled or will be enrolled and on the amount of the tuition fees of the school.

How EduPay works?

- You can send your remittance to FAPE through the Bank of the Philippine Islands branch in Rome. Before sending your money you need to have:
 1. Your EduPay unique ID number.
 2. Name, surname of the sponsored student
 3. Name and the address of the school
 4. Telephone number of the student .
- After receiving your initial application, FAPE will confirm the status of the sponsored student.
- After receiving your money FAPE will send a text message and an e-mail conforming your payment.
- FAPE will provide you with the enrollment certificate of your student..

FAPE will send every semester a copy of the grades and the attendance sheet of your sponsored child



When can you use EduPay?

Beginning of the school year 2012 you may pay for the tuition fees of your sponsored child. Many schools will require to pay the tuition fees every semester EduPay will do this.

Any questions ?

Please contact :

Appendix F: Photos of the main locations where the survey will take place, Rome Italy

- **BPI (Europe) in Rome**



Survey Help Desk



Survey Help Desk and the Waiting Hall



BPI Front Office

b) Embassy of the Philippines (Rome) Italy



Consular Office



Survey Location1



Survey Location2

c) The church of Santa Pudenziana (Rome) Italy-the main church of the Filipino Community



Survey Location 1



Survey Location2



Outside the church

Progress report

August 31, 2012

Project Title:

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Research team:

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal investigators:

Giuseppe De Arcangelis (Sapienza University of Rome, Italy)

David McKenzie (World Bank)

Erwin Tiongson (Asian Institute of Management, Philippines and World Bank)

Appendix A: Memoranda of Agreement (MOU's) between IPA and Partners (PAPSCU and FAPE, PEAC-FAPE¹)

Appendix B: EduPay Work-Flow

1. Update on progress in establishing EduPay product

Responsibilities:

- Research team implements surveys and interventions.
- BPI channels funds from Italy to schools.
- PAPSCU, with FAPE endorsement/assistance, channels student information from schools in the Philippines to the OFW in Italy.

Between June and August 2012, the research team, in collaboration with IPA and the other partners, established the essential steps to run the new financial product “EduPay”.

As mentioned in the previous report, there was a delay in opening a BPI bank account by the partner FAPE, which was originally designated to facilitate the financial transfer of tuition payments. In collaboration with the IPA office Manila, the research team joined the PEAC-FAPE Board of Trustees meeting and made themselves available to respond to various questions raised by PEAC-FAPE about EduPay. In the end, the Board did not approve the financial involvement of FAPE in the project. In particular, they did not approve the opening of a BPI bank account in FAPE's name.

¹ The Private Education Assistance Committee or PEAC is the 5-member committee that serves as FAPE's Trustee.

However, another NGO – the Philippine Association of Private Schools, Colleges and Universities, (PAPSCU) – was present at the PEAC Board of Trustees meeting and offered to collaborate with IPA in the implementation of EduPay. PIs Tiongson and Yang visited Manila in July and August 2012 to meet with PAPSCU and negotiate the terms of collaboration to implement EduPay. Following following these discussions, PAPSCU agreed to participate in the EduPay project by performing the following activities: (i) invite all the schools that are PAPSCU members to be part of the project; (ii) for schools that are not already PAPSCU members, contact and invite them to be part of the EduPay project; (iii) obtain bank account information for the EduPay transactions with BPI; (iv) obtain the grades and attendance reports of the students to be monitored via EduPay. Meanwhile, FAPE agreed to remain engaged in the EduPay project, mainly by helping PAPSCU obtain essential information from the schools, without participating in any of the financial transactions. The MOU with Bank of the Philippine Islands (BPI) has also been finalized and awaits the signature of Senior Vice President Raul Dimayuga upon his return from overseas on September 10, 2012. (*See Appendix A: Memoranda of Understanding (MOU's) between IPA, PAPSCU and FAPE/PEAC.*)

With respect to the financial transactions under EduPay, the team decided along with BPI to set up a mechanism for sending payments directly to the school's bank accounts without going through any partner's bank accounts. For the educational institutions registered as BPI merchants, this becomes a simple intra-BPI transfer of funds. For educational institutions that own accounts at other banks, the financial transaction under EduPay requires an interbank transfer. For schools without any bank account, PAPSCU will help establish direct contact between IPA/BPI and schools to facilitate the transmission of funds via other options available through BPI (like the “door-to-door” option, essentially a courier service with physical delivery of funds). (*See Appendix B: EduPay Work-Flow*)

We expect that EduPay will be “live” within the first two weeks of September and hope that the first successful transactions will happen in that time frame. During the month of September, OFWs who have already been surveyed and who have expressed interest in EduPay will be invited to use it to pay for the second-semester tuition (the second semester begins in November).

2. Baseline survey update and modifications

The research team has started the Baseline survey in Rome after pilot-testing the questionnaire. The team added an experimental section in the survey to study the following: 1) the factors underlying demand for EduPay, and 2) the barriers hindering demand for EduPay. The experimental section is based on a modified dictator game, in which the migrant determines the allocation of an endowment between himself/herself and others; in particular, the migrant is offered an endowment of €1000 that she can divide between herself and the family back home, corresponding to alternative budget allocations.

The Study Coordinator (the IPA-PA Majlinda Joxhe) has hired and has been deploying survey staff throughout various locations in Rome where Filipinos can usually be found in large numbers. The survey staff in Rome is now composed of IPA employees that have received IPA training in the protection of human subjects and training in survey implementation. Survey staff approach Filipinos in enrollment locations and invite them to participate in the study following the enrollment and screening protocol. Individuals who agree to participate have the option of completing the survey on the spot, or they can arrange a different time and place to complete the survey.

The interview includes three parts: 1) the demographic section in the survey, 2) the experimental section in the survey with incentivized budget allocation choices, and 3) an invitation to use the EduPay product.

1) The demographic survey covers a range of demographic and socioeconomic information, such as household structure, migration history, and remittances.

2) In the section of the incentivized budget allocation choice, each individual is asked to split 1,000 Euros between themselves and one or more individuals in the Philippines under three different scenarios. In one scenario, the respondent is given the simple option of sharing the amount with individuals in the Philippines; in another scenario, the respondent can provide an “education label” for the funds she sends; in the third scenario, she can pay directly for school tuition in the Philippines by means of EduPay (with or without the possibility of obtaining information on the performance of the student).

Respondents are entered into a lottery where one to three subjects (out of 350) will actually win 1,000 Euros that will be allocated according to the choices made during the interview. The lottery draw will be performed around the end of the project. Each migrant is randomly assigned to one of three treatment groups that vary in whether the household in the Philippines knows or does not know about the migrant’s allocation decisions regarding the incentivized budget choice:

- Treatment 1: The household in the Philippines will not be informed about the migrant’s choices.
- Treatment 2: The household in the Philippines will be informed about the migrant’s choices.
- Treatment 3: The household in the Philippines will be informed about the migrant’s choices and if she chooses the EduPay option, the survey team will inform the household back home that we made a small donation to a Filipino community organization in Rome because the migrant has chosen the EduPay option.

These treatments will be randomized at the individual respondent level.

Comparison of mean responses across randomized treatment conditions will establish the causal impact of the randomized conditions. In particular, whether information provided to family members in the Philippines regarding the Rome respondents’ choices in the incentivized budget allocation (section D.1-D.4) affects those choices. This will involve comparison of mean responses in these questions across treatment conditions 1, 2, and 3. There is also interest to investigate whether the respondents allocate higher shares when they either attach an “education label” or are offered EduPay. This will involve comparison of amounts shared across questions D.1 through D.4 of the survey.

3) After the survey is completed, the survey staff will explain the EduPay product to the migrant. If she shows interest, she is asked to complete an application form. Using contact details provided by the respondent in the form, staff will be in touch with the respondent in the next two weeks, when EduPay is ready to be offered “live”.



MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING** is by and between:

INNOVATIONS FOR POVERTY ACTION (hereinafter referred to as "IPA"), a New Jersey Nonprofit Corporation, located at 101 Whitney Avenue, New Haven, Connecticut 06510, USA, herein represented by **IPA Country Director – MS. FAITH MCCOLLISTER**

and

The **Philippine Association of Private Schools, Colleges and Universities (PAPSCU)**, a member committee created by E.O. No. with principal office at the composed of Dr. Jose Paulo Campos as the President,

.....
all herein represented by **PAPSCU President - DR. JOSE PAULO CAMPOS** hereinafter referred to as **PAPSCU**,

WHEREAS the above mentioned parties have the objective of collaborating on the research project "Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers" based on Rome, Italy and Philippines."

WHEREAS the collaboration will bring an evaluation expertise and research from IPA, World Bank, University of Michigan and University of Rome "La Sapienza".

WHEREAS the above mentioned parties will collaborate to implement the agreed upon research project, as detailed in Attachment A "Statement of Proposal EduPay".

NOW THEREFORE: for the purposes hereof, the above mentioned parties agree as follows:

ARTICLE I: TERM

This Agreement shall commence on the date that this instrument is signed by both parties on _____ and continue until March 31, 2013, unless terminated sooner as provided in Section 9 hereof.

ARTICLE 2: Areas of Collaboration and Responsibilities:

- **IPA:** IPA responsibilities shall include but not be limited to the following:
 - **Coordination:** IPA will administer the project funds and will implement the parts of the project to be executed in Rome, Italy. Investigators, Giuseppe De Arcangelis (University of Rome), Dean Yang (University of Michigan), David McKenzie (World Bank) and Erwin Tiongson (Asian Institute of Management, Philippines and World Bank), will be in charge in the design of the product. An IPA PA based in Rome will coordinate the logistics of the project from Rome, (Italy) and will service as a liaison between IPA, PAPSCU, FAPE and other participating organizations.
 - **Rome Baseline Survey:** IPA will execute baseline surveys with migrants in Rome, Italy.
 - **Randomization:** IPA will randomize participants in different groups.
 - **Promotion:** Following the surveys with migrant in Rome, IPA will describe the treatment to the migrants (which will be previously assigned through randomization) and will share the information necessary for participating in the study.
 - **Contact:** IPA will contact the migrants in Rome, Italy. IPA will be responsible for sharing the contact information of the student and their performance with the appropriate migrants.
 - **Data Maintenance:** IPA will maintain data related to the project and will share this data with PAPSCU in a form to be agreed.
- **PAPSCU:** PAPSCU's primary responsibilities shall include but not be limited to the following:
 - Receive applications from migrants from IPA-EduPay services (after IPA provides the initial application).
 - Contact school of migrant beneficiary and enter into agreement for provision of the following:
 - a. a copy of school assessment of student tuition and other fees

[Handwritten signature]

[Handwritten signature]

- b. a copy of official receipt of full payment of item "a"
 - c. a copy of per subject grades of the student for every term for which EduPay was used for tuition payments
 - d. a copy of attendance records (for elementary and secondary only)
- Send a scanned copy of item "a" to the migrant through email and text him/her to alert him/her of the email sent.
 - Obtain item "b", scan and send the same to migrant through email and text him/her to alert him/her of the email sent. An e-mail will be sent also to IPA.
 - Obtain from the school on a quarterly and semester basis items "c" and "d" scan these and send to through email and text him/her to alert him/her of the email sent, an e-mail will be sent to IPA.
 - Entertain questions of migrants on the service through email or phone calls.
 - For further details, see attached EduPay Workflow.



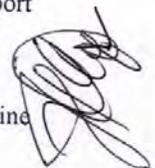
ARTICLE 3: COSTS

The services provided by each party are negotiated. The parties further acknowledge that this MOU is not an obligation of funds, nor does it constitute legally binding commitment by any party or create any rights in any third party. All expenses borne by each party shall be based on mutual agreement.

ARTICLE 4: OWNERSHIP OF MATERIAL /DATA

IPA and PAPSCU shall have both independent and joint rights to any data/training material developed and reports produced from this collaboration. IPA will use any outputs from this collaboration for academic or professional purposes such as publishing academic professional journals and will acknowledge the support provided by any other party in a format agreed upon below:

This research was made possible with the support of the Innovations for Poverty Action (IPA) and Philippine Association of Private Schools, Colleges and Universities (PAPSCU).



ARTICLE 5: INTELLECTUAL PROPERTY

- 5.1 "IPA Intellectual Property" will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice solely by one or more employees of IPA directly pursuant to this agreement. All rights and title to IPA Intellectual Property will belong to IPA and will be subject to the terms and conditions of this Agreement.
- 5.2 "PAPSCU Intellectual Property" will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice solely by one or more employees of PAPSCU pursuant to this agreement. All rights and title to PAPSCU Intellectual Property will belong to PAPSCU and will be subject to the terms and conditions of this Agreement.
- 5.3 "JOINT Intellectual property will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice by the collaboration of one or more employees of IPA and one or more employees of PAPSCU, and shall be jointly owned by IPA and PAPSCU and both shall have all rights to use and license others to use any such developed intellectual property without accounting to the other party.
- 

ARTICLE 6: CONFIDENTIAL INFORMATION

During the course of this agreement, the parties may make available to each other certain confidential or proprietary information or one party may otherwise learn of confidential or proprietary information belonging to the other party. Both parties shall respect the confidentiality of information expressly provided by each of them as "confidential", "restricted", or "in confidence" and identified as such in writing. The parties shall hold in strictest confidence any of the other party's confidential or proprietary information and not disclose such information to any third party without first obtaining the written consent of the other party.

Any identifying information on survey respondents will be maintained with the strictest of confidence and security and will be deleted from data sets except as necessary for the matching of clients across data sets in adherence to the Human Subjects Protocol as dictated by the Institutional Review Board (IRB) of IPA.

ARTICLE 7: USE OF NAMES

Neither party hereto shall employ or use the name of the other party in any promotional materials or advertising without the prior express permission of the other party



ARTICLE 8: INDEMNIFICATION

Each party agrees to defend, indemnify and hold harmless the other from and against and to reimburse it for any and all claims, obligations and damages, any and all taxes and any and all claims and liabilities directly or indirectly arising out of or in connection with any breach of this Agreement or resulting or arising out of the activities or the work undertaken by it as relates to this agreement.

ARTICLE 9: TERMINATION AND AMMENDMENT

This agreement may be amended in writing, at any time by mutual agreement of the parties. The parties agree that they may withdraw from this Agreement by mutual consent confirmed in writing, in which case the parties shall agree upon termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

ARTICLE 10: FORCE MAJEURE

Neither party shall be liable to the other party for any delay or non-performance of its obligations under this Memorandum arising from any cause beyond its reasonable control, including but not limited to any of the following acts of God, war, fire, explosion, civil commotion or industrial or other disputes of a third party or impossibility of obtaining requisite materials.

ARTICLE 11: REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other that it has the full right and authority to enter into and perform this Agreement and is not party to any agreement or understanding in conflict with this Agreement.

ARTICLES 12: GOVERNING LAW

This Agreement shall be construed in accordance with the substantive laws of the Republic of the Philippines.

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive name.

ARTICLE 13: NOTICES

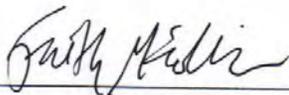
All notices and all other documentation required to be given under the terms of this Agreement, or which either party may desire to give to the other, shall be in writing and shall be sent by mail or email to the following addresses:

IPA: Address: 101 Whitney Avenue, New Haven, Connecticut 06510, USA

e-mail: m.joxhe@poverty-action.org or fmccollister@poverty-action.org

PAPSCU: Address:

IN WITNESS WHEREOF all parties have set their hands the day and year herein before mentioned.



Ms. Faith McCollister

Country Director

Innovations for Poverty Action (IPA)



Dr. Jose Paulo Campos

President

Philippine Association of Private Schools,
Colleges and Universities (PAPSCU)

Attachment A: Statement of Proposal EduPay

Project Title:

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Project Justification:

Migrant remittances are one of the largest international financial flows to developing countries. In 2008, migrant remittances sent to developing countries amounted to US\$338 billion, roughly three times larger than foreign aid flows. However, very little is known about how the development impact of these funds can be maximized. The hypothesis driving this research is that remittances may have greater long-run development impact when migrants sending these remittances are given more control and monitoring over how the funds are used by recipients.

Surveys of migrants consistently find that education is among the most important categories of expenditures that migrants seek to fund in the home country. This project tests the impact of providing migrant workers with a better ability to control the use of remittances for education, and to monitor the educational performance of sponsored students. We will focus on overseas Filipino workers in Rome. In 2007, 5 million Filipino migrant workers globally remitted an estimated \$16.4 billion, of which \$1.25 billion came from Italy's 106,000 Filipino migrants. \$233.5 million of the amounts sent by Filipinos in Italy were sent with the expectation that it would finance the education of a relative.

The project brings together academic, nonprofit, and for-profit institutions in an attempt to produce and pilot a financial innovation that is both beneficial to Philippine families with migrants and also sustainably profitable. In collaboration with a major Philippine bank remittance channel and a respected Philippine NGO with expertise in managing privately-funded educational scholarships, the principal investigators have designed a randomized control trial to evaluate demand for and the impact of a new educational payment and monitoring facility.

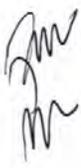
This facility – dubbed *EduPay* – will provide overseas Filipinos with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student. A sample of Filipino migrants in Rome will be randomly chosen to be offered this product during the pilot phase, with other similar migrants serving as a comparison group. The project will then be able to study which migrants use the new product when offered it. If further funding is available, follow-up surveys will be used to compare changes in remitting behavior for those offered the product to those in the comparison group and to assess the impacts of this new innovative facility on remitting behavior and on educational attainment in

the migrant origin households.

Overview of Activities:

Stage 1 sets a series of activities to test a new financial product and the impact of the product on migrant workers and their households. Stage 1 will conduct a pilot test offering the "EduPay" product (described in more detail below) to a sample of Filipino migrant workers in Rome. Baseline surveys will assess average demand as well as heterogeneity along migrant and Philippine origin-household characteristics. Administrative data of the partner institutions will assess the extent to which educational financing is channeled through this facility.

Confirmation of the level of demand through this Stage 1 activity will set the stage for a Stage 2 proposal for evaluation of the facility with a larger sample size. Stage 2 activities will include follow-up surveys of migrants and Philippine households that can comprehensively measure impacts on outcomes in the migrant's origin household, and assess whether total educational financing in the household has risen, more than simply being shifted from other channels.



Collaborators:

The "research team" comprises the four principal investigators (de Arcangelis, McKenzie, Tiongson, and Yang). The "partner institutions" are Innovations for Poverty Action (IPA), Bank of the Philippine Islands (BPI), Philippine Association of Private Schools, Colleges and Universities (PAPSCU) and the Fund for Assistance to Private Education (FAPE). The "Rome project associate (PA)" is Majlinda Joxhe and the "Philippine project associate (PA)" is a staff member of Innovations for Poverty Action (IPA)

Target Population:

Filipino migrant workers will be recruited to take part in the study. To participate, a migrant must have the following characteristics:

- The migrant must have been born in the Philippines.
- The migrant must have family or close friends who are eligible to study in a *private* grade school, a *private* high school, or a *public or private* university in the Philippines during the June 2012 to March 2013 school year.

Baseline Survey:

There are two baseline surveys.

Rome baseline Survey: After agreeing to participate in the study, migrants will be administered a baseline survey



covering a variety of topics, including socio-economic information, remittance behavior, and ties to family members in the Philippines.

Philippine baseline survey: The households of the students supported by migrant workers will be administered a baseline survey covering a variety of topics, including socio-economic information, remittance receipt and use, and academic performance.

Treatment:

The research team in collaboration with BPI, PAPSCU and FAPE will develop a new product – dubbed “EduPay” – that will provide Filipinos migrant workers with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student.

Migrants will be randomly assigned to a control group or one of two treatment groups:

- *Group 1: Control Group* – This group will not receive any product offer.
- *Group 2: Payment Only* – Migrants will be offered the ability to pay an educational institution directly, but will not be offered the service of receiving students’ grades.
- *Group 3: Payment and Grade Reports* – Migrants will be offered both the ability to pay an educational institution directly and access to students’ grades.

Timeline:

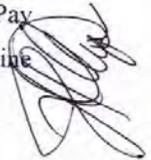
March – April 2012: Definition of study design and creation of project protocol manual.

May 2012: Pilot testing and finalization of EduPay system.

June – August 2012: Administer baseline surveys and interventions among Filipino migrants in Italy. Implementation of EduPay facility for study participants who take up the product

September – November 2012: Complete administration of baseline surveys and interventions among Filipino migrants in Italy. Implementation of EduPay facility for study participants who take up the product.

December 2012 – January 2013: No further enrollment of study participants. Implementation of EduPay facility for study participants who take up the product. Possible re-surveys of study participants to determine overall impacts on remittances and educational financing sent to Philippines.





MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is by and between:

INNOVATIONS FOR POVERTY ACTION (hereinafter referred to as "IPA"), a New Jersey Nonprofit Corporation, located at 101 Whitney Avenue, New Haven, Connecticut 06510, USA, herein represented by **IPA Country Director – MS. FAITH MCCOLLISTER**

and

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The **PRIVATE EDUCATION ASSISTANCE COMMITTEE (PEAC)**, a five (5)-member Committee that serves as Trustee of the Fund for Assistance to Private Education (FAPE) that was created by E.O. No. 156 S. 1968 and amended by E.O. 150 S. 1994, with principal office at the 7th floor, Concorde Condominium, Salcedo corner Benavides Street, Legaspi Village, Makati City, Philippines composed of **BR. ARMIN A. LUISTRO** FSC, Secretary of the Department of Education as chairman, **HON. MARGARITA R. SONGCO** representing the National Economic Development Agency (NEDA) as member, **FR. GREGG L. BANAGA, JR., CM** representing the Catholic Educational Association of the Philippines (CEAP) as member, **DR. AMELOU B. REYES** representing Philippine Association of Colleges and Universities (PACU) as member, and **DR. JOSEFINA SUMAYA**, representing the Association of Christian Schools, Colleges and Universities (ACSCU) as member, all herein represented by **FAPE Executive Director - DR. CAROL C. PORIO** hereinafter referred to as **FAPE**,

and

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The **Philippine Association of Private Schools, Colleges and Universities (PAPSCU)**, a member committee created by E.O. No. with principal office at the composed of **Dr. Jose Paulo Campos** as the President,

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all herein represented by **PAPSCU President - DR. JOSE PAULO CAMPOS** hereinafter referred to as **PAPSCU**,

WHEREAS the above mentioned parties have the objective of collaborating on the research project "Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers" based on Rome, Italy and Philippines."

WHEREAS the collaboration will bring an evaluation expertise and research from IPA, World Bank, University of Michigan and University of Rome "La Sapienza".

WHEREAS the above mentioned parties will collaborate to implement the agreed upon research project, as detailed in Attachment A "Statement of Proposal EduPay".

NOW THEREFORE: for the purposes hereof, the above mentioned parties agree as follows:

ARTICLE I: TERM

This Agreement shall commence on the date that this instrument is signed by both parties on _____ and continue until March 31, 2013, unless terminated sooner as provided in Section 9 hereof.



ARTICLE 2: Areas of Collaboration and Responsibilities:

- **IPA:** IPA responsibilities shall include but not be limited to the following:
 - **Coordination:** IPA will administer the project funds and will implement the parts of the project to be executed in Rome, Italy. Investigators, Giuseppe De Arcangelis (University of Rome), Dean Yang (University of Michigan), David McKenzie (World Bank) and Erwin Tiongson (Asian Institute of Management, Philippines and World Bank), will be in charge in the design of the product. An IPA PA based in Rome will coordinate the logistics of the project from Rome, (Italy) and will service as a liaison between IPA, PAPSCU, FAPE and other participating organizations.
 - **Rome Baseline Survey:** IPA will execute baseline surveys with migrants in Rome, Italy.
 - **Randomization:** IPA will randomize participants in different groups.
 - **Promotion:** Following the surveys with migrant in Rome, IPA will describe the treatment to the migrants (which will be previously assigned through randomization) and will share the
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information necessary for participating in the study.

- **Contact:** IPA will contact the migrants in Rome, Italy. IPA will be responsible for sharing the contact information of the student and their performance with the appropriate migrants.
- **Data Maintenance:** IPA will maintain data related to the project and will share this data with FAPE in a form to be agreed.
- **PAPSCU:** PAPSCU's primary responsibilities shall include but not be limited to the following:
 - Receive applications from migrants from IPA-EduPay services (after IPA provides the initial application).
 - Contact school of migrant beneficiary and enter into agreement for provision of the following:
 - a. a copy of school assessment of student tuition and other fees
 - b. a copy of official receipt of full payment of item "a"
 - c. a copy of per subject grades of the student on a quarterly basis (for elementary and secondary) and per semester (for college level)
 - d. a copy of attendance records (for elementary and secondary only)
 - Send a scanned copy of item "a" to the migrant through email and text him/her to alert him/her of the email sent.
 - Obtain item "b", scan and send the same to migrant through email and text him/her to alert him/her of the email sent. An e-mail will be sent also to IPA.
 - Obtain from the school on a quarterly and semester basis items "c" and "d" scan these and send to through email and text him/her to alert him/her of the email sent, an e-mail will be sent to IPA.
 - Entertain questions of migrants on the service through email or phone calls.
 - For further details, see attached EduPay Workflow.
- **FAPE:** FAPE's primary responsibilities shall include but not be limited to the following:
 - Support and facilitate IPA's partner – Philippine Association of Private Schools, Colleges and Universities (PAPSCU) – in contacting the schools of migrant beneficiaries and assist with obtaining the information required for the EduPay project.



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ARTICLE 3: COSTS

The services provided by each party are negotiated. The parties further acknowledge that this MOU is not an obligation of funds, nor does it constitute legally binding commitment by any party or create any rights in any third party. All expenses borne by each party shall be based on mutual agreement.

ARTICLE 4: OWNERSHIP OF MATERIAL /DATA

IPA, PAPSCU and FAPE shall have both independent and joint rights to any data/training material developed and reports produced from this collaboration.

IPA will use any outputs from this collaboration for academic or professional purposes such as publishing academic professional journals and will acknowledge the support provided by any other party in a format agreed upon below:

This research was made possible with the support of the Innovations for Poverty Action (IPA), Philippine Association of Private Schools, Colleges and Universities (PAPSCU) and Fund for Assistance to Private Education (FAPE).



ARTICLE 5: INTELLECTUAL PROPERTY



5.1 "IPA Intellectual Property" will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice solely by one or more employees of IPA directly pursuant to this agreement. All rights and title to IPA Intellectual Property will belong to IPA and will be subject to the terms and conditions of this Agreement.

5.2 "FAPE Intellectual Property" will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice solely by one or more employees of FAPE pursuant to this agreement. All rights and title to FAPE Intellectual Property will belong to FAPE and will be subject to the terms and conditions of this Agreement.



5.3 "PAPSCU Intellectual Property" will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice solely by one or more employees of PAPSCU pursuant to this agreement. All rights and title to PAPSCU Intellectual Property will belong to PAPSCU and will be subject to the terms and conditions of this Agreement.

5.4 "JOINT Intellectual property will mean individually and collectively all products and processes of inventions, improvements and discoveries which are conceived and reduced to practice by the collaboration of one or more employees of IPA and one or more employees of FAPE and/or PAPSCU, and shall be jointly owned by IPA and FAPE and/or PAPSCU and all/both shall have all rights to use and license others to use any such developed intellectual property without accounting to the other party.

ARTICLE 6: CONFIDENTIAL INFORMATION

During the course of this agreement, the parties may make available to each other certain confidential or proprietary information or one party may otherwise learn of confidential or proprietary information belonging to the other party. Both parties shall respect the confidentiality of information expressly provided by each of them as "confidential", "restricted", or "in confidence" and identified as such in writing. The parties shall hold in strictest confidence any of the other party's confidential or proprietary information and not disclose such information to any third party without first obtaining the written consent of the other party.

Any identifying information on survey respondents will be maintained with the strictest of confidence and security and will be deleted from data sets except as necessary for the matching of clients across data sets in adherence to the Human Subjects Protocol as dictated by the Institutional Review Board (IRB) of IPA.



ARTICLE 7: USE OF NAMES

Neither party hereto shall employ or use the name of the other party in any promotional materials or advertising without the prior express permission of the other party



ARTICLE 8: INDEMNIFICATION

Each party agrees to defend, indemnify and hold harmless the other from and against and to reimburse it for any and all claims, obligations and damages, any and all taxes and any and all claims and liabilities directly or indirectly arising out of or in connection with any breach of this Agreement or resulting or arising out of the activities or the work undertaken by it as relates to this agreement.



ARTICLE 9: TERMINATION AND AMMENDMENT

This agreement may be amended in writing, at any time by mutual agreement of the parties. The parties agree that they may withdraw from this Agreement by mutual consent confirmed in writing, in which case the parties shall agree upon termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

ARTICLE 10: FORCE MAJEURE

Neither party shall be liable to the other party for any delay or non-performance of its obligations under this Memorandum arising from any cause beyond its reasonable control, including but not limited to any of the following acts of God, war, fire, explosion, civil commotion or industrial or other disputes of a third party or impossibility of obtaining requisite materials.

ARTICLE 11: REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other that it has the full right and authority to enter into and perform this Agreement and is not party to any agreement or understanding in conflict with this Agreement.



ARTICLES 12: GOVERNING LAW

This Agreement shall be construed in accordance with the substantive laws of the Republic of the Philippines.



ARTICLE 13: NOTICES

All notices and all other documentation required to be given under the terms of this Agreement, or which either party may desire to give to the other, shall be in writing and shall be sent by mail or email to the following addresses:

IPA: Address: 101 Whitney Avenue, New Haven, Connecticut 06510, USA

e-mail: m.joxhe@poverty-action.org or fmccollister@poverty-action.org

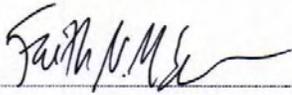


PAPSCU: Address:

FAPE: Address: 7th Floor Concorde Condominium, corner Salcedo and Benavidez Street, Legasapi Village,
Makaty City, Phlippines

e-mail: carolp195@gmail.com or gdelapaz@yahoo.com

IN WITNESS WHEREOF all parties have set their hands the day and year herein before mentioned.



Ms. Faith McCollister

Country Director

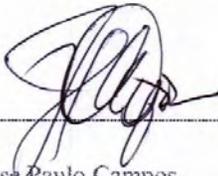
Innovations for Poverty Action (IPA)



Dr. Carol C. Porio

Executive Director

Fund for Assistance to Private Education (FAPE)



Dr. Jose Paulo Campos

President

Philippine Association of Private Schools, Colleges and Universities (PAPSCU)

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Attachment A: Statement of Proposal EduPay

Project Title:

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

Project Justification:

Migrant remittances are one of the largest international financial flows to developing countries. In 2008, migrant remittances sent to developing countries amounted to US\$338 billion, roughly three times larger than foreign aid flows. However, very little is known about how the development impact of these funds can be maximized. The hypothesis driving this research is that remittances may have greater long-run development impact when migrants sending these remittances are given more control and monitoring over how the funds are used by recipients.

Surveys of migrants consistently find that education is among the most important categories of expenditures that migrants seek to fund in the home country. This project tests the impact of providing migrant workers with a better ability to control the use of remittances for education, and to monitor the educational performance of sponsored students. We will focus on overseas Filipino workers in Rome. In 2007, 5 million Filipino migrant workers globally remitted an estimated \$16.4 billion, of which \$1.25 billion came from Italy's 106,000 Filipino migrants. \$233.5 million of the amounts sent by Filipinos in Italy were sent with the expectation that it would finance the education of a relative.

The project brings together academic, nonprofit, and for-profit institutions in an attempt to produce and pilot a financial innovation that is both beneficial to Philippine families with migrants and also sustainably profitable. In collaboration with a major Philippine bank remittance channel and a respected Philippine NGO with expertise in managing privately-funded educational scholarships, the principal investigators have designed a randomized control trial to evaluate demand for and the impact of a new educational payment and monitoring facility.

This facility – dubbed *EduPay* – will provide overseas Filipinos with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student. A sample of Filipino migrants in Rome will be randomly chosen to be offered this product during the pilot phase, with other similar migrants serving as a comparison group. The project will then be able to study which migrants use the new product when offered it. If further funding is available, follow-up surveys will be used to compare changes in remitting behavior for those offered the product to those in the comparison group and to assess the impacts of this new innovative facility on remitting behavior and on educational attainment in

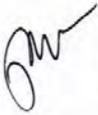
the migrant origin households.

Overview of Activities:

Stage 1 sets a series of activities to test a new financial product and the impact of the product on migrant workers and their households. Stage 1 will conduct a pilot test offering the "EduPay" product (described in more detail below) to a sample of Filipino migrant workers in Rome. Baseline surveys will assess average demand as well as heterogeneity along migrant and Philippine origin-household characteristics. Administrative data of the partner institutions will assess the extent to which educational financing is channeled through this facility.

Confirmation of the level of demand through this Stage 1 activity will set the stage for a Stage 2 proposal for evaluation of the facility with a larger sample size. Stage 2 activities will include follow-up surveys of migrants and Philippine households that can comprehensively measure impacts on outcomes in the migrant's origin household, and assess whether total educational financing in the household has risen, more than simply being shifted from other channels.

Collaborators:



The "research team" comprises the four principal investigators (de Arcangelis, McKenzie, Tiongson, and Yang). The "partner institutions" are Innovations for Poverty Action (IPA), Bank of the Philippine Islands (BPI), Philippine Association of Private Schools, Colleges and Universities (PAPSCU) and the Fund for Assistance to Private Education (FAPE). The "Rome project associate (PA)" is Majlinda Joxhe and the "Philippine project associate (PA)" is a staff member of Innovations for Poverty Action (IPA)

Target Population:



Filipino migrant workers will be recruited to take part in the study. To participate, a migrant must have the following characteristics:

- The migrant must have been born in the Philippines.
- The migrant must have family or close friends who are eligible to study in a *private* grade school, a *private* high school, or a *public or private* university in the Philippines during the June 2012 to March 2013 school year.

Baseline Survey:

There are two baseline surveys.

Rome baseline Survey: After agreeing to participate in the study, migrants will be administered a baseline survey

covering a variety of topics, including socio-economic information, remittance behavior, and ties to family members in the Philippines.

Philippine baseline survey: The households of the students supported by migrant workers will be administered a baseline survey covering a variety of topics, including socio-economic information, remittance receipt and use, and academic performance.

Treatment:

The research team in collaboration with BPI, PAPSCU and FAPE will develop a new product – dubbed “EduPay” – that will provide Filipinos migrant workers with the ability to pay educational institutions in the Philippines directly from overseas, without channeling the funds through a relative or other “trustee”, and also provide information to the overseas migrant on the performance (attendance, grades) of the sponsored student.

Migrants will be randomly assigned to a control group or one of two treatment groups:

- *Group 1:* Control Group – This group will not receive any product offer.
- *Group 2:* Payment Only – Migrants will be offered the ability to pay an educational institution directly, but will not be offered the service of receiving students’ grades.
- *Group 3:* Payment and Grade Report – Migrants will be offered both the ability to pay an educational institution directly and access to students’ grades.

Timeline:

March – April 2012: Definition of study design and creation of project protocol manual.

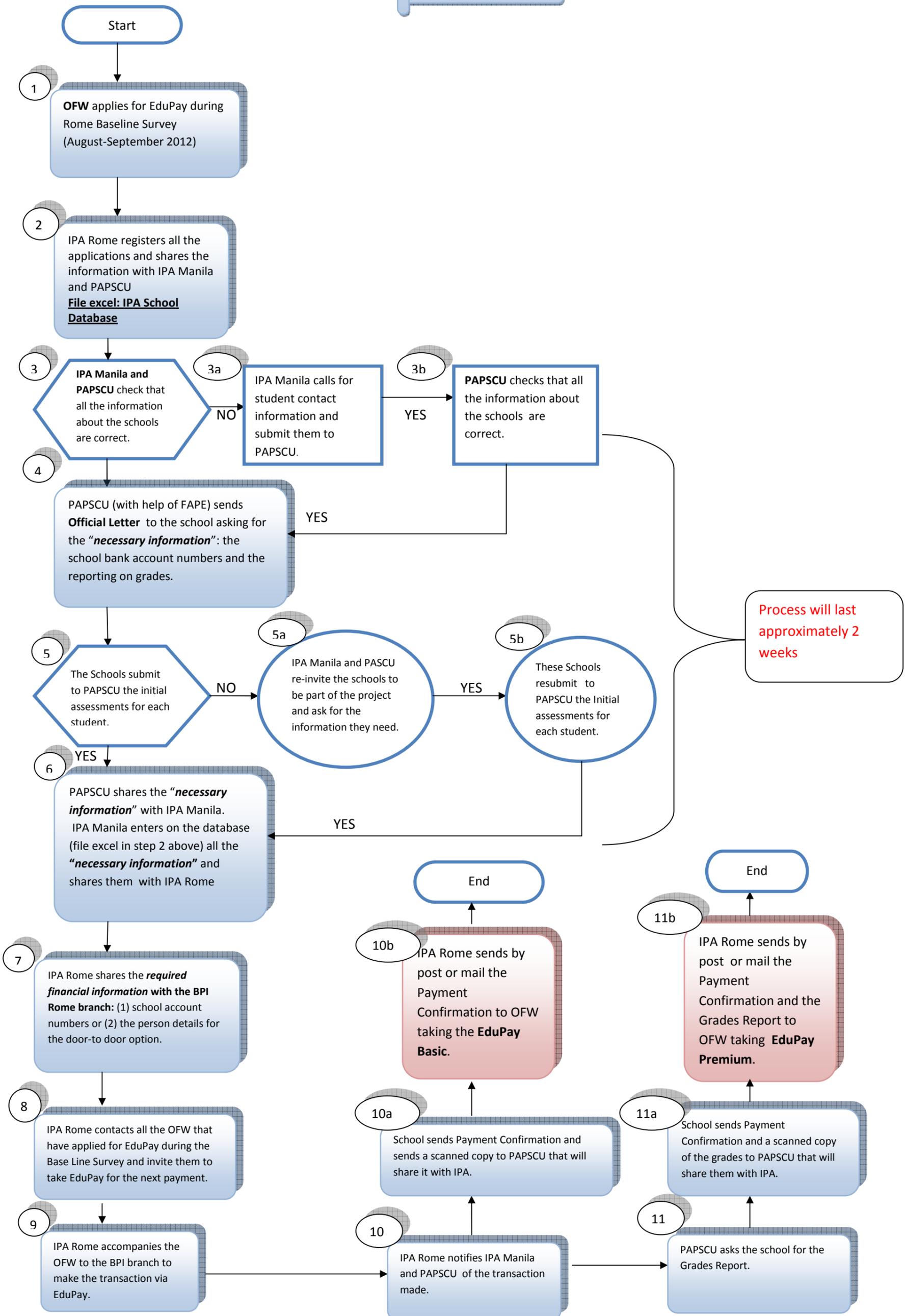
May 2012: Pilot testing and finalization of EduPay system.

June – August 2012: Administer baseline surveys and interventions among Filipino migrants in Italy. Implementation of EduPay facility for study participants who take up the product

September – November 2012: Complete administration of baseline surveys and interventions among Filipino migrants in Italy. Implementation of EduPay facility for study participants who take up the product.

December 2012 – January 2013: No further enrollment of study participants. Implementation of EduPay facility for study participants who take up the product. Possible re-surveys of study participants to determine overall impacts on remittances and educational financing sent to Philippines.

EduPay Work-Flow





Progress report for the Project:

“Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers”

November 30, 2012

Research team:

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal Investigators:

Giuseppe De Arcangelis (“La Sapienza”University of Rome, Italy)

David McKenzie (World Bank)

Erwin R. Tiongson (Asian Institute of Management, Philippines and World Bank)

Appendix A: Letter sent by PAPSCU to Philippine schools inviting them to participate in EduPay

Appendix B: Stage 1 Reply Form received from one of the schools participating in EduPay

Appendix C: EduPay handout and marketing material prepared by BPI Marketing Office

Appendix D: Summary statistics from the EduPay baseline survey and EduPay transactions

Appendix E: BPI official receipt for one of the EduPay transaction

1. Implementation of “EduPay” among Filipino Migrants in Rome, Italy

During September-November 2012, the research team, in collaboration with IPA and the partners—Bank of the Philippine Islands (BPI) and the Philippine Association of Private Schools, Colleges and Universities (PAPSCU)—successfully launched the “EduPay” facility among Filipino migrants in Rome, Italy.

All the parties implemented the respective tasks previously agreed upon.

In particular:

PAPSCU performed the following tasks, as agreed:

- ✓ Invited all the schools that are PAPSCU members to be part of the project¹;
- ✓ For schools that are not already PAPSCU members, contacted and invited them to be part of the EduPay project;
- ✓ Obtained bank account information or other alternative financial references for the EduPay transactions with BPI²- “Stage 1 Reply Form”

BPI carried out the following activities, as agreed:

- ✓ Transmitted the funds remitted by the Filipino migrants to the beneficiaries’ schools/colleges/universities by following their guidelines.
- ✓ Set up a “help desk” for the USAID project at the BPI branch of Rome (Italy) where the IPA team received and processed the applications.
- ✓ Assisted IPA in developing marketing materials—“EduPay General Handout”³ -- used during the baseline survey to explain the EduPay procedure to OFWs.

2. Baseline survey and summary statistics about EduPay

The survey instrument was administered to OFWs that were randomly intercepted at times and dates that vary by location beginning from August 2012. After completing the survey IPA Staff invited each participant to apply for EduPay.

The initial sample size was set to 350. The research team subsequently raised the sample size to 500 to increase the statistical reliability of the study. IPA staff successfully met the initial target sample size (350)

¹ See Appendix A.

² See Appendix B.

³ See Appendix C.

in the three months as scheduled (August through October 2012). The rest of the survey covering additional respondents will be carried out during the period November-December 2012.⁴

There are 6 successfully completed EduPay transactions to date out of 44 OFWs invited to participate (of whom 10 paid the tuition fee for the entire year, at the beginning of the school year, making them ineligible to participate) – yielding a take-up rate of 18 percent.⁵

Some important issues emerged during the implementation of EduPay:

1. EduPay is feasible only among private schools at the elementary and secondary education level and among both private and public schools at the tertiary level. Most public elementary and secondary schools do not charge any tuition. This may reduce the number of potential EduPay remitters among the interviewed OFWs.
2. PAPSCU's geographic area of coverage is currently limited to three main regions (Regions 3, 4 and NCR). Potential EduPay remitters are screened to meet this geographic condition.
3. All EduPay applicants are invited to use EduPay once the school provides IPA with all the necessary information for a successful EduPay transaction. As indicated above, because EduPay transactions cover only payments for the second semester, OFWs that paid in full at the beginning of the school year the tuition fee for the entire school year (2012-2013) cannot participate, although some may have wanted to use EduPay.
4. Some schools experienced some delay in transmitting the "Stage 1 Reply Form" and slowed down the implementation of EduPay. The delays have been due to the following:
 - a) The cashier, finance department, and treasury were very busy during the enrolment period.
 - b) Some schools, particularly smaller schools, prefer being paid in cash. Some schools have never been paid via bank transfers and are hesitant to provide their bank account number.
 - c) Some schools forwarded the request to multiple departments, leading to some delay.
5. The uncertain economic environment in Europe and, in particular, Italy may be restricting the ability of some OFWs to pay tuition fees in any form, including EduPay.

All these suggest that the number of EduPay transactions to date may not reflect the true potential take-up rate, which may be much higher, adjusted for elements listed above. Our adjusted calculations suggest that the potential take-up rate could be as high as 33 percent.⁶

IPA and PAPSCU are working to improve links with the schools and promote closer collaboration with them to ensure that EduPay is a successful financial product. The team expects more EduPay transaction in December.

⁴ See Appendix D.

⁵ See Appendix D.

⁶ See Appendix D.



USAID
FROM THE AMERICAN PEOPLE

September 3, 2012

MEMO FOR: PAPSCU Member Schools

RE: Request for the Provision of Information for EduPay Project

Greetings from the Philippine Association of Private Schools, Colleges, and Universities!

The Philippine Association of Private Schools, Colleges, and Universities (PAPSCU) is continuing its commitment to continually improve academic standards and facilities, and advocate on issues and concerns to policy makers that affect delivery of service excellence which work towards progress of the country.

PAPSCU has partnered with the Bank of the Philippine Islands (BPI) and Innovations for Poverty Action (IPA), a US-based non-profit organization, on a pilot project channeling overseas Filipino worker (OFW) remittances for education from Italy, called EduPay. The project is funded by the U.S. Agency for International Development (USAID).

EduPay is a remittance payment mechanism that allows OFWs to pay tuition fees to schools in the Philippines via a direct money transfer. An OFW would choose a student to sponsor (typically a relative), make the payment at a BPI remittance location overseas, and BPI would channel the payment to the school for the student's account. The student or his/her guardian would authorize release to the OFW of the student's school performance (grade report and attendance information, if available) during the school term paid for by EduPay. PAPSCU and IPA would convey the student performance information to the OFW via the OFW's chosen method (email, SMS, postal mail, etc.).

EduPay is currently a pilot project. A marketing staff in Rome, Italy is in the process of offering EduPay to a target of 350 OFWs there.

An OFW in Rome has expressed interest in making a 2nd semester tuition payment for one or more students enrolled in your school. We would like to request your assistance in processing an EduPay transaction for the student(s). A list of student(s) for whom EduPay transactions have been requested is attached for your reference.

We would request your assistance in two stages:

Stage 1: Tuition Payment. Please fill out the attached form to allow tuition payments to be made. Please note that there is no charge to the school for receiving EduPay tuition payments.

- a) Please inform us of the amount of the required tuition payment and tuition payment deadline(s) for the coming 2nd semester.
- b) Please confirm the ID number(s) of the students in the attached.
- c) Please inform us of the method through which you prefer to receive tuition payments. BPI can provide the following payment methods.
 - i. Intra-BPI transfer of funds, for institutions registered as BPI merchants
 - ii. Inter-Bank transfer, for educational institutions with non-BPI bank accounts



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- iii. Door-to-door remittance (delivery of payment directly to the school by messenger) for schools without a bank account
- d) Please provide payment details for your chosen method of payment.
 - i. If you prefer options c)i. or c)ii. above, please also provide your bank name, account holder name, and bank account number.
 - ii. If you prefer option c)iii. above, please provide details of the person to whom the payment should be delivered.

Once the Stage 1 Tuition Payment is made via EduPay, we will request an official receipt for the payment, and copies will be conveyed to the student or student's guardian and also to the OFW in Rome.

Stage 2: Student performance reporting. Subject to the student or his/her guardian authorizing release to the OFW, at the end of this coming 2nd semester we will request a report of the student's school performance (grade report and attendance information, if available). We will request grades in all cases, plus attendance records for elementary and secondary levels only. Please find attached a sample of the grades release form which will be filled out and conveyed to you later in the semester.

We hope to enjoy your cooperation in facilitating EduPay transfers for your enrolled student(s). If this pilot project is successful, we will request for additional funding from USAID to expand this project to larger numbers of OFWs. We hope EduPay can increase the amount of resources contributed from overseas for education in the Philippines and contribute to the development of the country.

We would hope to receive the Stage 1 information from you at your earliest convenience, ideally before Sept. 5, 2012. Please contact Dr. Mayla T. Sampa at PAPSCU via email (papscu2005@yahoo.com or maylatsampa@gmail.com) or via phone (02) 522-0097.

You may also contact the EduPay Project Assistant at IPA, Isabel Hernando, via email (ihernando@poverty-action.org) or telefax (02) 478-9279.

Thank you for being a part of this commitment for delivery of service excellence.

Very truly yours,

DR. JOSE PAULO E. CAMPOS
PAPSCU-President
President, Emilio Aguinaldo College



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EduPay Stage 1: Information Required for Tuition Payments

School Name: UNIVERSITY OF SANTO TOMAS

Address: Espana Street, Sampaloc, Manila
Philippines

Student Name: DARLA KEEN SABADO DOMINGO

Student ID Number: 2011-31273

Level and Section: II-YR., FACULTY OF ENGINEERING, MAJOR IN COMPUTER SCIENCE

Payment Processing Information: **NOTE: If Paid in CASH**

Next tuition payment due (in pesos): Fifty Thousand Nine Hundred Twenty Four (P50,924.00)

What term is next tuition payment for? Second Semester, Academic Year 2012-2013

Next tuition payment deadline: on or before October 30, 2012

Is it permissible to pay tuition in installments? If so, please specify amounts and schedule:

Yes, due enrollment - P26,500.00; due prelims - P13,700.00
due finals - P11,324.00

Please choose and fill out preferred payment option (either A, B, C, or D).

- A. If requesting payment via bills payment:
Student ID number: _____
School name: _____
Note: Please indicate complete school name as listed in the Bill Pay enrolled merchants provided to BPI Europe PLC at Rome, Italy.
- B. If requesting payment via credit to a BPI or BPI Family Savings bank account:
Complete Accountholder's Name: UNIVERSITY OF SANTO TOMAS
Account Number: 0151-0209-09 (PESO SAVINGS ACCOUNT)
- C. If requesting payment via credit to other bank's account (must be a member of PCHC):
Bank's Name : _____
Complete Accountholder's Name: _____

The information required is only for allowing interested OFW to make the payments directly to the school and every information will be used only for research purpose.



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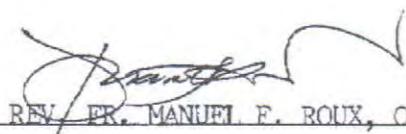
EduPay Stage 1: Acknowledgement of Tuition Payments

To: IPA

This is to confirm that the payment of Fifty Thousand Nine Hundred and Twenty Four Pesos Only (P50,924.00)
(Amount in numbers and in letters)

on the behalf of DARLA KEEN SABADO DOMINGO with ID number 2011-31273
(Student's Name) (Student ID Number)

has been acquired as tuition and fees for the period Second Semester, Academic Year 2012-13
(Semester or School Year)

Official signature of the school: 
REV. FR. MANUEL F. ROUX, O.P.

Official stamp of the school:

The information required is only for allowing interested OFW to make the payments directly to the school and every information will be used only for research purpose.



Ensure that your educational remittance goes directly to your child's school with no worries using EduPay!



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What is EduPay?

EduPay is a new facility that allows Filipino migrants based in Rome to pay educational institutions in the Philippines directly without coursing the funds through a relative or other trustees. This ensures that money sent to the Philippines is directly paid to the school for the education of their child or sponsored student. EduPay also provides feedback to the Filipino migrant on the school performance of the student.

What are the advantages of EduPay?

- ☑ Money goes directly to the school without relying on relatives or middleman.
- ☑ Money is not at risk of being spent on non-school related expenses.
- ☑ You get to monitor the school performance of your child.

Who can avail of EduPay?

Filipino migrants who send remittance to the Philippines for educational purposes may avail of EduPay. Pre-registration with IPA-Rome is required.

When can you use EduPay?

EduPay may be used during School Year 2012-2013. Students may be in elementary, high school or college. Tuition payments can be monthly, quarterly or semestral depending on the arrangement with the school. EduPay however, is offered for a limited period of time only.

How much does EduPay cost?

For a limited period of time, USAID's support allows us to offer EduPay without charge. USAID will shoulder the remittance fees for every EduPay availment you make (offer expires March 2013).

For more information:

Log on to www.poverty-action.org
or email mjoxhe@poverty-action.org

EduPay product is a project of Innovations for Poverty Action (IPA) in collaboration with the Philippine Association of Private Schools, Colleges and Universities (PAPSCU). BPI Europe PLC is only the bank of choice of IPA and PAPSCU for the remittance of payment to the school in connection with the project. Subject to BPI's rules and policies on remittance and applicable law, BPI's sole responsibility is the remittance of the money to the school in accordance with the participant-remitter's instructions. BPI shall have no responsibility whatsoever relative to the disposition of the money remitted by the participant-remitter to the school.

EduPay is available to selected Filipino Migrants who reside in Rome, Italy only.

How does it work?

A. Registration

1. Register with IPA-Rome by filling out the EduPay Application form. The following information will be required from you:

- Full name of the Student
- Name and telephone number of the guardian
- Name and address of the school
- Grade Level and Section or Course

During the registration, you will also be asked to sign an authorization form to allow PAPSCU to coordinate with the school with regard to your child's school information.

2. IPA and PAPSCU will verify the information you have provided with the school. Once confirmed, IPA-Rome shall inform you when to send your remittance and the preferred mode of payment of the school.

B. Sending the Remittance

1. Go to BPI Europe PLC at Via dei Mille, 32, 00185, Rome, Italy
2. One-time registration to the Bank's remittance service is required. This can be done on your first visit.

3. Fill out a remittance form. Be sure to have the following information:

- Student ID Number
 - Name of School
 - Bank's name, accountholder's name, account number (for credit to other bank's account)
 - Person who will receive the demand draft (for door-to-door)
4. Remit the required amount and pay the corresponding fees (US AID will pay the remittance fee)
5. An Official Receipt will be issued to you and be sure to keep this for future reference.

C. Payment Confirmation

1. IPA Rome accompanies migrant to the BPI branch to make the transaction and notifies IPA Manila and PAPSCU.
2. The school sends the Acknowledgment of Tuition Payment form to PAPSCU.
3. IPA Rome will send the Acknowledgement of Tuition Payment to the OFW in Rome.

Your child's educational success lies in your hands. It's time to make sure your hard work gets paid off. It's time to reach your goals and ensure your child's educational success!

Promoting Education in the Philippines



Table 1: Summary Statistic for EduPay implementation

EduPay- Summary Statistics-Baseline Survey 2012					
	Total	Remarks			
Complete surveys	406	Total Number of Subject participating in the Survey- August-November 2012			
EduPay Applications	254	146 applications are out of the three regions 3, 4 or NCR or the sponsor student is going to a public school			
EduPay Stage 1 PAPSCU Letters	103	11 Schools are public (Elementary-Secondary Level)			
Stage 1 School Replies	54	93 Letters submitted to Private (Elementary.Secondary-University Level) or Public (Tertiary Level)			
OFW invited for EduPay	44	10 sponsor student have their Acc. Year 2012-2013 fully paid			
OFW paid the Acc. year 2012-2013	10				
OFW rejected EduPay	7	OFW do not trust D2D; or OFW do not want to register with BPI			
OFW follow up for EduPay	19	OFW need time to decide ; OFW need to discuss with the family in the Philippines			
OFW took appointment for EduPay	2	****			
OFW made EduPay	6	6 successful EduPay Transactions			
Real Take up EduPay Rate	0,18				
Potential Take up EduPay rate	0,33				

Note: The Real take-up rate is calculated as the fraction of the two numbers = Total Successful EduPay/(Total Invitation for EduPay-Total Acc. Year fully Paid)

Note: The Potential take-up rate is calculated as the fraction of two number=(Total Successful EduPay+Appointment for EduPay+Total Acc.Year fully Paid)/Total Invitation for EduPay)

Table 2: Summary Statistics for the full EduPay transactions

EduPay Stage1 Transaction Process										
Nr	ID	Date EduPay Transaction	Remitter	Beneficiary School	Amount (PH)	Amount (Euros)	Remittance fee /E	Type of Operation	Relation with the student	EduPay confirmation
1	1130	10/28/2012	New BPI Client	College	36693	686,51	6,78	Bank-to-Bank	Parent	10/31/2012
2	1135	11/25/2012	BPI client	University	4868,12	92,2	5	Intra-BPI Transfer	Parent	11/26/2012
3	1197	10/28/2012	BPI client	University	26500	495, 79	5	Intra-BPI Transfer	Parent	10/31/2012
4	1346	11/02/2012	New BPI Client	Elementary Private	2500, 48	47,09	5	Intra-BPI Transfer	Parent	11/05/2012
5	1354	10/28/2012	BPI Client	College	1988,34	37,2	10	Door-to-Door	Parent	11/05/2012
6	1379	11/07/2012	BPI client	Elementary Private	3750,38	71,3	10	Door-to-Door	Grandparent	11/12/2012

**BANK OF THE PHILIPPINE ISLANDS (EUROPE) PLC -ROME**

A subsidiary of Bank of the Philippine Islands
R.E.A. Roma n. 1269860 Via Dei Mille 32,00185 Rome Italy-PIVA 10983901009
Tel No. (0039) 06.4452641 Fax No. (0039) 06.4456310

OFFICIAL RECEIPT

O.R. No. OR852120025843
Transaction Reference No 852120025963
Remitter No. / Name 85200014516-DOMINGO, MERLYN SABADO
Remitter Address 16 VIA GRAN SASSO, ROME, RM, ITALY, 00141
Beneficiary No. / Name 8520001451604-UNIVERSITY OF SANTO TOMAS

CLIENT'S Copy
Date: 28/10/2012

PAYMENT / SETTLEMENT DETAILS

Principal:	EUR	495.79 Amt. Recd:	CASH EUR	495.79 Change:	0.00
Total Charges:		5.00	CASH EUR	5.00 Change:	0.00
Total Amt Due:	EUR	500.79 Settlement Mode:	CTA 0151020909		
Exchange Rate:		53.4500 Settlement Proceeds:	PHP	26,500.00	
Source of Funds:	SALARY	Purpose of Remittance:	TUITION FEE / SECOND SEMESTER YEAR 2012-2013		

SPECIAL INSTRUCTIONS : DARLA KEEN SABADO DOMINGO / 20 11-31273 / UNIVERSITY OF SANTO TOMAS, ESPANA ST SAMPALOC MANILA / II YR FACULTY OF ENGINEERING MAJOR IN COMPUTER SCIENCE / SECOND SEMESTER ACADEMIC YEAR 2012-2013 / EDUPAY ID 1197

THIS IS A COMPUTER-GENERATED FORM AND DOES NOT REQUIRE A SIGNATURE. ANY ALTERATION WILL INVALIDATE THIS FORM.

User ID: BPIE005

Approver ID:



Progress Report for the Project:

“Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers”

January 31, 2013

Research team:

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal Investigators:

Giuseppe De Arcangelis (“La Sapienza” University of Rome, Italy)

David McKenzie (World Bank)

Erwin R. Tiongson (Asian Institute of Management, Philippines and World Bank)

Appendix A: Summary statistics from the EduPay total transactions

Appendix B: Stage 2 EduPay Monitoring Performance-Example of Authorization Form

Appendix C: New version of the survey instrument for the implementation of EduPay during February-June 2013

1. Continuing the implementation of EduPay among Filipino Migrants in Rome, Italy

During November 2012-January 2013, the research team, in collaboration with IPA and the partners—Bank of the Philippine Islands (BPI) and the Philippine Association of Private Schools, Colleges and Universities (PAPSCU)—continued the implementation of the EduPay facility among surveyed Filipino migrants in Rome, Italy.

There are 17 successfully completed EduPay transactions to date. There are 11 EduPay remitters out of 67 OFWs who were invited to participate. The take-up rate is then 18 percent¹. Tables 1 and 2 report some summary statistics from the baseline survey and the EduPay transactions.

As previously reported, some schools experienced delay in transmitting the “Stage 1 Reply Form” and slowed down the implementation of EduPay. As a consequence, some potential EduPay remitters could not make use of the EduPay facility during this round but may possibly use it in a future round. In some cases, the method of payment proposed by the school was not acceptable to the OFW. For instance, many primary and secondary level schools in the Philippines do not hold a bank account and prefer to receive tuition payments through a Door-to-Door transaction (the courier service). Some of the invited OFWs turned down the opportunity to use EduPay (though they expressed interest during the survey), as this particular transaction charges the highest transaction fee (10 €) and takes longer to process (3-5 working days) compared to alternative modes of transfer.

IPA and PAPSCU are working to improve links with schools, promote closer collaboration, and ensure that EduPay becomes a successful financial product. IPA is negotiating with BPI to open a special IPA- EduPay Account as an alternative way to send money from Rome to schools that currently do not hold a bank account. All these elements suggest that the actual number of EduPay transactions to date may not reflect the true potential take-up rate, which may be higher. Our adjusted calculations suggest that the potential take-up rate could be as high as 25 percent².

During the months of February-March IPA staff will continue to invite all potential EduPay remitters to complete their tuition payments for the school year 2012-2013 using this facility

IPA staff members in Manila have begun to take the first steps in implementing the Stage 2 of the EduPay product.³ To every EduPay remitter IPA will give access to the “Monitoring Performance” of their sponsored student.

¹ See Appendix A.

² See Appendix A.

³ See Appendix B.

2. Boosting the Baseline Survey (February- June 2013)

IPA field Staff successfully met the target of 500 survey respondents for the full baseline during the months of August-December 2012.

The last batches of survey forms are now being processed by the data entry company toward a Stata format ready for statistical analysis. IPA and the research team will produce preliminary summary statistics using the full baseline data in the coming weeks and report them in the next deliverable.

With the extension of the EduPay project granted, the research team has decided to administer a shorter version of the survey from February to June 2013 and use the time to extend the implementation of the EduPay product⁴ through the beginning of the 2013-2014 schoolyear.

3. Summary of the start-up costs of EduPay

As previously reported, the research team continues to estimate the cost related to the full implementation of the EduPay facility among Filipino migrants in Rome, Italy. The EduPay flow involves two stages. In Stage 1, the OFW in Italy pays directly the education institutions of their sponsored students in the Philippines. In Stage 2, the OFW has access to information on the sponsored student's performance (grades). According to the project timeline, IPA has piloted Stage 1 of EduPay successfully to date and Stage 2 has begun to be implemented during the January-March 2013 period. The start-up costs reported here should therefore be understood as the *partial* costs of EduPay, pending the completion of Stage 2. All these cost are in addition to the cost related with the baseline and IPA staff:

Summary Start-up Costs for EduPay^a (In current US dollars; includes activities through '12-'13)

	IPA Philippines	IPA Italy	Total
FixedCost^b			
MonthlyAdministrativeCost	240	512	752
Total Fixed Cost (Sept'12-January '13) ^c	1200	2560	3760
VariableCost^d			
EquipmentExpenses	348	897	1245
Treatment Costs ^e		130	130
Total VariableCost	348	1027	1016
<i>Total Fixed and Variable Cost</i>	1548	3587	5135

⁴ See Appendix C.

- a: The amounts are reported in dollars at the current exchange rate.
- b: The fixed cost does not include the cost of the baseline survey.
- c: Monthly administrative cost x 5 months.
- d: The variable cost may change during the of Stage 2.
- e: The treatment cost includes only EduPay transactions through January 2012.

Table 1: Summary Statistic for EduPay implementation

EduPay- Summary Statistics-Baseline Survey 2012					
	Total	Remarks			
Complete surveys	501	Total Number of Subject participating in the Survey- August-December 2012			
EduPay Applications	265	236 applications are out of the three regions 3, 4 or NCR or the sponsor student is going to a public school			
EduPay Stage 1 PAPSCU Letters	118	Total Number of Invitation Letters sent from PAPSCU to the schools			
Stage 1 School Replies	73	73 Stage 1 submitted from Private (Elementary, Secondary-University Level) or Public (Tertiary Level)			
OFW paid the Acc. year 2012-2013	6	OFW already paid School- Year 2012			
OFW invited for EduPay	67	Total Number OFW invited to make EduPay			
OFW rejected EduPay	22	OFW do not trust D2D; or OFW do not want to register with BPI			
OFW follow up for EduPay	40	OFW need time to decide ; OFW need to discuss with the family in the Philippines			
OFW took appointment for EduPay	0	****			
OFW made EduPay	11	11 successful EduPay Transactions			
Real Take up EduPay Rate	0,18				
Potential Take up EduPay rate	0,25				

Note: The Real take-up rate is calculated as the fraction of the two numbers = Total Successful EduPay/(Total Invitation for EduPay-Total Acc. Year fully Paid)

Note: The Potential take-up rate is calculated as the fraction of two number= (Total Successful EduPay+Appointment for EduPay+Total Acc.Year fully Paid)/Total Invitation for EduPay)

Table 2: Summary Statistics for the full EduPay transactions

EduPay Stage1 Transaction Process										
Nr	ID	Date EduPay Transaction	Remitter	Beneficiary School	Amount (PH)	Amount (Euros)	Remittance fee /E	Type of Operation	Relation with the student	EduPay confirmation
1	1130	10/28/2012	New BPI Client	College	36693	686,51	6,78	Bank-to-Bank	Parent	10/31/2012
2	1135	11/25/2012	BPI client	University	4868,12	92,2	5	Intra-BPI Transfer	Parent	11/26/2012
3	1197	10/28/2012	BPI client	University	26500	495,79	5	Intra-BPI Transfer	Parent	10/31/2012
4	1346	11/02/2012	New BPI Client	Elementary Private	2500,48	47,09	5	Intra-BPI Transfer	Parent	11/05/2012
5	1354	10/28/2012	BPI Client	College	1988,34	37,2	10	Door-to-Door	Parent	11/05/2012
6	1379	11/07/2012	BPI client	Elementary Private	3750,38	71,3	10	Door-to-Door	Grandparent	11/12/2012
7	1346	12/03/2012	BPI Client	Elementary Private	2500,48	46,95	5	Intra-BPI Transfer	Parent	****
8	1354	12/03/2012	BPI Client	College	1988,89	37,5	10	Door-to-Door	Parent	***
9	1311	12/06/2012	BPI Client	University	4980	93,1	5	Intra-BPI Transfer SB	Parent	***
10	1198	12/11/2012	BPI Client	College	5415	104,14	6,78	Bank-to-Bank	Parent	****
11	1447	12/16/2016	New BPI Client	High School					Parent	
12	1213	12/17/2012	BPI Client	College	4629	86,8	6,78	Bank-to-Bank	Parent	
13	1135	12/20/2012	BPI Client	University	4867,88	89,65	5	Intra-BPI Transfer	Parent	
14	1197	12/20/2012	BPI Client	University	25032,3	461	5	Intra-BPI Transfer	Parent	
15	1346	01/06/2012	BPI Client	Elementary Private	2500,4	47	5	Intra-BPI Transfer	Parent	
16	1354	01/06/2012	BPI Client	College	1987,02	37,35	10	Door-to-Door	Parent	
17	1564	01/14/2012	BPI Client	College	5133	104,62	10	Door-to-Door	Parent	



USAID
FROM THE AMERICAN PEOPLE

EduPay Stage 2: Information Required for Monitoring Performance

Please fill out either section A or B, but NOT both.

A. If student is younger than 18 years old:

I, SOTERA MANABAT authorize COLEGIO DE SAN JUAN DE LETRAN
(Name of Parent/ Guardian) (Name of the School)

to release the grades and school attendance records of AIRA MKE MANABAT
(Name of Student)

to PAPSCU/IPA.

I acknowledge that PAPSCU/IPA will then convey the student performance information to

_____ as part of the EduPay service.

(Name of OFW)

Printed Name: SOTERA MANABAT

Signature: Soteramanabat

Date: JANUARY 25, 2013

B. If student is older than 18 years old:

I, _____ authorize _____
(Name of Student) (Name of the School)

to release my grades and school attendance records to PAPSCU/IPA.

I acknowledge that PAPSCU/IPA will then convey my performance information to

_____ as part of the EduPay service.

(Name of OFW)

Printed Name: _____

Signature: _____

Date: _____

The information required is only for allowing interested OFW to make the payments directly to the school and every information will be used only for research purpose.

Increasing the Development Impact of Migrant Remittances
Consent to Participate in a Research Study

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal investigators:

Giuseppe De Arcangelis (Sapienza University of Rome, Italy)

David McKenzie (World Bank)

Erwin Tiongson (World Bank)

We invite you to participate in a research study about the lives and financial decisions of OFWs in Rome, and about the remittances they send home to the Philippines. The study is funded by USAID (U.S. Agency for International Development) and is being conducted by researchers from University of Michigan, Sapienza University of Rome, and the World Bank.

The field work for this study is being conducted by Innovations for Poverty Action (IPA), a nonprofit research organization based in the U.S.

If you agree to be part of the research study, you will be asked about your current work and financial situation, and about support you provide to family and friends in the Philippines. Your participation in the study can help improve the lives of Filipinos back home by possibly influencing policies of institutions like USAID. The researchers have taken steps to minimize the risks of this study. The main risks that remain are minimal; in rare cases you may be uncomfortable answering some questions in the survey, and there is minimal risk that the confidentiality of your responses to the survey may be violated. You have the right to not answer any question and to stop the interview at any time. The interview will take approximately **10 minutes**.

If you have questions about your rights as a research participant, or wish to obtain information, ask questions or discuss any concerns about this study with someone other than the researcher(s), please contact the University of Michigan Health Sciences and Behavioral Sciences Institutional Review Board, 540 E Liberty St., Ste 202, Ann Arbor, MI 48104-2210, +39/734-9360933, irbhsbs@umich.edu.

Your participation is completely voluntary and all of your responses will be kept confidential and used for research purposes only. Your name and contact information will not be shared and will be used only for the purpose of contacting you. It is possible that someone from the study will contact by text message or mail.

We will also be offering you a new product related to education and remittances at the end of the survey, and you may benefit from using this product.

ORAL CONSENT OF RESEARCH SUBJECT

****Oral Consent Given? (CIRCLE ONE)**

YES - *(continue survey)*

NO - *(thank participant and stop survey)*

WORK RECORD

Interviewer Code:

Survey Location Code: _____ (See Codebook)

Date of Interview: Day | Month | Year

Time Started: : AM/PM

SUBJECT CONTACT INFORMATION

Name of Subject: _____
(First Name) (Middle Name) (Last Name)

Rome (Italy) Address: **Address Line 1:** _____
Address Line 2: _____
City: _____ **Località:** _____ **CAP:** _____

Primary Phone Number: _____
Phone Type (circle): Cell/Landline
Primary Phone Test Call: Successful Unsuccessful Not done (Why?) _____

E-mail Address: _____

**** READ THE BELOW TO THE INTERVIEWEE BEFORE CONTINUING.**

“If before September 2013 we would like to contact you and have been unable to do so using the above information, who should we call in order to figure out how to contact you?”

Name of that person _____

Telephone of that person _____

Type (circle): Cell/Landline

ID1

EduPay ID

GENERAL INFORMATION

Q.1	What is your date of birth?	Month/Day/Year	<input type="text"/> / <input type="text"/> / <input type="text"/>		
Q.2	Are you a male or female?	Male	0		
		Female	1		
Q.3	What is your marital status?	Married	1		
		Living together	2		
		Widowed	3		
		Divorced	4		
		Separated	5		
		Single	6		
Q.4	How many children do you have?	<input type="text"/> <input type="text"/>			
Q.5	How many total people (excluding yourself), live with you in the same household in Italy? <i>*Specify the number for each category</i>	Q.5.1 Relatives	Q.5.2 Non-Relatives (<i>not including employer's family</i>)	Q.5.3 Employer's family	
		<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	
Q.6	What year did you come to live in the Italy for the first time?	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			
Q.7	What is the highest education level you completed?	No education	1		
		Kinder	2		
		Primary level	3		
		Secondary level	4		
		College or University	5		
		Superior non-university	6		
		Special education	7		
Q.8	Have you worked, even for a short time, either for yourself or for someone else, within the last 12 months?	No SKIP TO Q 12	0		
		Yes	1		
Q.9	Was your main activity as an employee or for your own business (self-employed)	Employee	0		
		Self-employed SKIP TO Q11	1		
Q.10	What was your principal occupation over the last 12 months?	Domestic	01	Mechanic	17
		Daylaborer	02	Painter	18
		Construction	03	Hotel and related work	19
		House cleaning	04	Machine operator-factories	20
		Office cleaning	05	Bakery	21
		Nanny (childcare)	06	Laundromat - dry clean	22
		Gardner	07	Delivery	23
		Secretary	08	Carwash	24
		Chauffer	09	Repair or painting vehicles	25
		Vendor	10	Fireman,	26

		police, security	
	Waiter or cook	11	Student 27
	Technician or professional	12	Movingserv ices 28
	Cashier	13	Housewife (of own home) 29
	Carpenter	14	Other (<i>specify</i>) 30
	Electrician	15	Don'tknow -88
	Maintenance	16	No response -99
Q.11	What type of business do you have?	Restaurant	01
		Hairsalon	02
		Food Shop	03
		Internet caffè service	04
		Housekeeping	05
		Commercial cleaning	06
		Whole sale distributor	07
		Supermarket	08
		Heavymachinery	09
		Professional services	10
		Others (specify)	11
		Don'tknow	-88
		No response	-99
Q.12	In which of the following ranges does the total income per month of you fall?	Less than €600/month	1
		€600- €800/month	2
		€800-€1100/month	3
		Over €1400	4
		Don'tknow	-88
		No response	-99
Q.13	How many paid hours do you work per week?	□□□	"Doesn'tknow" = (-)(88)
Q.14	In the last 12 months have you sent „regular“ remittances to anyone in the Philippines?	No	0
		Yes	1
Q.15	With what frequency do you send “regular” remittances?	Weekly	1
		2 times per month	2
		Monthly	3
		Everyothermonth	4
		4 times per year	5
		3 times per year	6
		2 times per year	7
		Yearly	8
		Other (<i>specify</i>): □□□ times per year	9
Q.16	How much money did you send, on average, each time?	€ _____	
Q.17	In the last 12 months how much money have you sent to the Philippines with the specific intention that the money was meant to finance the education of someone?	€ _____	
Q.18	How much do you usually pay for remittance transfer?	€ _____	

SURVEY OBSERVATIONS

Time Survey Ended: :

Result of Survey: COMPLETE
INCOMPLETE – Survey interrupted and migrant never returned
INCOMPLETE – Migrant stopped the survey
INCOMPLETE – Other (*specify*)

MARKETING EDUPAY

- 1- Show the brochure and explain how EduPay works.
- 2- To thank you for your participation I am going to give also a voucher that will allow you to pay the remittance fee in case you want to use the EduPay. The voucher is valid only in case you want to make an EduPay transaction. For all the information please see the **EduPay brochure**
- 3- At the end of this round of surveys (in about four months before the beginning of the school year 2013), we will hold a lottery among survey respondents, including you. At least one (and possibly up to three) respondents in the study will win a **€ 300 prize**. If you are among those chosen to win the prize, we will then pay the school tuition fee for one of the sponsored student that you will indicate. In order to implement the EduPay chain we need to get first the student information:
- 4- Fill the EduPay Application and make sign the Authorization Form

MARKETING OBSERVATIONS

Time Marketing Ended: :

Result of the Marketing :
COMPLETE
INCOMPLETE – Did not get the student information
INCOMPLETE – Migrant stopped the marketing and did not signed
INCOMPLETE – Other (*specify*)



Progress Report for the Project:

“Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers”

April 30, 2013

Research team:

Lead principal investigator: Dean Yang (University of Michigan)

Co-principal Investigators:

Giuseppe De Arcangelis (La Sapienza”University of Rome, Italy)

David McKenzie (World Bank)

Erwin R. Tiongson (Asian Institute of Management, Philippines and World Bank)

Appendix A: Summary statistics from the EduPay total transactions.

Appendix B: Stage 2 EduPay Monitoring Performance

Appendix C: Summary Statistics for the EduPay Baseline Sample

➤ **Concluding the total pilot implementation of “EduPay” among Filipino Migrants in Rome, Italy**

From January to April 2013, the research team, in collaboration with IPA and the partners—Bank of the Philippine Islands (BPI) and the Philippine Association of Private Schools, Colleges and Universities (PAPSCU)—continued to pilot the total implementation of the “EduPay” facility among surveyed Filipino migrants in Rome, Italy.

As previously reported, the EduPay flow involves two stages:

In Stage 1, the OFW in Italy pays directly the education institutions of their sponsored students in the Philippines.

In Stage 2, the OFW has access to information on the sponsored student’s performance (grades).

IPA concluded the Stage 2 and successfully pilot all the EduPay chain during January-April 2013

*Stage 1 and Stage 2 of the product*¹

The school year 2012-2103 finished in March 2013 and enabled IPA to fully pilot also the Stage 2 of the product in collaboration with our main partner PAPSCU. As described in the brochure of the product, IPA staff collected the grades and the other performance indexes of the sponsored students and delivered them to the OFW through e-mail and regular mail.

There were 20 **successfully** completed “EduPay” transactions out of 67 invited OFWs who could actually use EduPay – i.e. given the collected information from the schools, and who were invited to participate. Table 1 & 2 describe some summary statistics from the baseline survey and the total number of “EduPay” transactions.

We calculate two take up rates for the EduPay product:

1. Real EduPay take up rate = The total of EduPay transactions/(The total School Replies-The total tuition fees paid)

The real take up reflects the percentage of the OFW currently using the product given the total School Replies for Stage1. According to the data, the real take up rate is 33%. As reported, this take up rate may not reflect the potential take up of the product because of the difficulties in the EduPay flow, mainly due to the delay in school replies and due to some schools being geographically difficult to reach.

¹ Attached is the diagram of the EduPay flow.

2. **Potential EduPay take up rate**=(The total of EduPay transactions+ The total tuition fees paid)/The total school Replies

The potential take up rate reflects the percentage of the OFW willing to use the EduPay given the total School Replies. According to the data this rate is 39%.

➤ **Boosting the Baseline Survey and continuing the EduPay Implementation for the New School Year 2013-2014.**

IPA field Staff successfully met the target of 500 survey respondents for the full baseline during the months of August-December 2012. In Appendix C some summary statistics for the baseline survey are reported. With the extension of the –EduPay” project, the research team has decided to administer a shorter version of the survey during the period February-June 2013 and give more time for the implementation of the EduPay product to include the beginning of new school year in the Philippines.

➤ **Summary of the start-up costs of EduPay**

The research team continues to estimate the cost related to the full implementation of the EduPay facility among Filipino migrants in Rome, Italy. The –EduPay” flow involves two stages. In Stage 1, the OFW in Italy pays directly the education institutions of their sponsored students in the Philippines. In Stage 2, the OFW has access to information on the sponsored student’s performance (grades). According to the project timeline, IPA has piloted Stage 1 of EduPay successfully to date and Stage 2 has begun to be implemented during the January-March 2013 period. All these cost are in addition to the cost related with the baseline and IPA staff:

Summary Start-up Costs for “EduPay”

(In current US dollars; includes activities through 2012-2013)

	IPA Philippines	IPA Italy	Total
Fixed Cost^b			
Monthly Administrative Cost	240	512	752
Total Fixed Cost (Sept'12-April '13) ^c	1920	4096	6016
Variable Cost^d			
Equipment Expenses	348	897	1245
Treatment Costs ^e		210	130
Total Variable Cost	348	1107	1016
<i>Total Fixed and Variable Cost</i>	2268	5203	7471

a: The amounts are reported in dollars at the current exchange rate.

b: The fixed cost does not include the cost of the baseline survey.

c: Monthly administrative cost x 8 months.

d: The variable cost may change during Stage 2.

e: The treatment cost includes EduPay transactions from Sept 2012-April 2013.

Table 1: Summary Statistic for EduPay implementation

EduPay- Summary Statistics-Baseline Survey 2012		
	Total	Remarks
Complete surveys	501	Total Number of Subject participating in the Survey- August-December 2012
EduPay Applications	265	236 respondents are out of the three regions 3, 4 or NCR or the sponsor student is going to a public school
OFW not applying for EduPay	147	53 respondents declare to have already paid for the school year and 93 OFW do not show interest to participate in EduPay
EduPay Stage 1 PAPSCU Letters	118	Total Number of Invitation Letters sent from PAPSCU to the schools, This number reflect the number of OFW interest in EduPay
Stage 1 School Replies	73	73 Stage 1 submitted from Private (Elementary, Secondary-University Level) or Public (Tertiary Level)
OFW paid the Acc. year 2012-2013	6	OFW already paid School- Year 2012
OFW invited for EduPay	67	Total Number OFW invited to make EduPay
OFW rejected EduPay	22	OFW do not trust D2D; or OFW do not want to register with BPI
OFW follow up for EduPay	40	OFW need time to decide ; OFW need to discuss with the family in the Philippines
OFW took appointment for EduPay	0	****
EduPay Transactions	20	20 successful EduPay Transactions
OFW made EduPay	11	11 OFW take up EduPay
Real Take up EduPay Rate	0,18	
Potential Take up EduPay rate	0,39	

Note: The Real take-up rate is calculated as the fraction of the two numbers = Total Successful EduPay/(Total Invitation for EduPay-Total Acc. Year fully Paid)

Note: The Potential take-up rate is calculated as the fraction of two number= (Total Successful EduPay+Appointment for EduPay+Total Acc.Year fully Paid)/Total Invitation for EduPay)

Table 2: Summary Statistics for the full EduPay transactions

EduPay Stage1 Transaction Process									
Nr	ID	Date EduPay Transaction	Remitter	Beneficiary School	Amount (PH)	Amount (Euros)	Remittance fee /E	Type of Operation	Relation with the student
1	1130	10/28/2012	New BPI Client	College	36693	686,51	6,78	Bank-to-Bank	Parent
2	1135	11/25/2012	BPI client	University	4868,12	92,2	5	Intra-BPI Transfer	Parent
3	1197	10/28/2012	BPI client	University	26500	495,79	5	Intra-BPI Transfer	Parent
4	1346	11/02/2012	New BPI Client	Elementary Private	2500,48	47,09	5	Intra-BPI Transfer	Parent
5	1354	10/28/2012	BPI Client	College	1988,34	37,2	10	Door-to-Door	Parent
6	1379	11/07/2012	BPI client	Elementary Private	3750,38	71,3	10	Door-to-Door	Grandparent
7	1346	12/03/2012	BPI Client	Elementary Private	2500,48	46,95	5	Intra-BPI Transfer	Parent
8	1354	12/03/2012	BPI Client	College	1988,89	37,5	10	Door-to-Door	Parent
9	1311	12/06/2012	BPI Client	University	4980	93,1	5	Intra-BPI Transfer SBA	Parent
10	1198	12/11/2012	BPI Client	College	5415	104,14	6,78	Bank-to-Bank	Parent
11	1447	12/16/2016	New BPI Client	High School					Parent
12	1213	12/17/2012	BPI Client	College	4629	86,8	6,78	Bank-to-Bank	Parent
13	1135	12/20/2012	BPI Client	University	4867,88	89,65	5	Intra-BPI Transfer	Parent
14	1197	12/20/2012	BPI Client	University	25032,3	461	5	Intra-BPI Transfer	Parent
15	1346	01/06/2013	BPI Client	Elementary Private	2500,4	47	5	Intra-BPI Transfer	Parent
16	1354	01/06/2013	BPI Client	College	1987,02	37,35	10	Door-to-Door	Parent
17	1564	01/14/2013	BPI Client	College	5133	104,62	10	Door-to-Door	Parent
18	1346	02/10/2013	BPI Client	Elementary Private	2500,48	45,88	5	Intra-BPI Transfer	Parent
19	1135	02/10/2013	BPI Client	University	4867,88	89,32	5	Intra-BPI Transfer	Parent
20	1311	02/10/2013	BPI Client	University	5081,01	91,5	5	Bank-to-Bank	Parent



Colegio de San Juan de Letran-Calamba
City of Calamba, Laguna

COMPUTERIZED GRADE CARD (COMPCARD)

STUDENT'S COPY

2ND SEMESTER A.Y. 2012-2013

STUDENT NO : 3121324
STUDENT NAME : MANABAT, AIRA MAE A

YEAR LEVEL :1
PROGRAM: BAMKM

Date :4/8/2013

COURSE CODE	DESCRIPTIVE TITLE	SECTION	FINAL GRADE	UNITS	CREDIT	PROFESSOR
COBA001L	INTRODUCTION TO INFORMATION TECHNOLOGY LAB	1MKM3	91	1	1	Silverio, Valerie G.
COBA002	INTRODUCTION TO INFORMATION TECHNOLOGY	1MKM3	85	2	2	Silverio, Valerie G.
ENG013	COMMUNICATION ARTS I	1MKM3	86	3	3	Mirabueno, Elisa P.
FIL063	PAGBASA AT PAGSULAT TUNGO SA PANANALIKSIK	2BSA2	88	3	3	Paunlagui, Julieta R.
MKM003B	PERSONALITY DEV FOR MARKETING PROFESSIONALS	1MKM3	88	3	3	Cid, Alma Grace Y.
MKT013	PRINCIPLES OF MARKETING	1MKM3	83	3	3	Satur, Nicanor C.
MTH093	MATH OF INVESTMENT	1MKM1	77	3	3	Jacob, Cynthia S.M.
NSTP2-12	NATIONAL SERVICE TRAINING PROGRAM 2	CWTS11	PASSED	3	3	Maloles, Aimee B.
PE022	RHYTHMIC ACTIVITIES	1MKM1	87	2	2	Borromeo, Conrado M.
PHL053	ART APPRECIATION	1MKM3	86	3	3	Pesigan, Laarni A.
RELED023	CHRIST AND THE CHURCH	1MKM3	90	3	3	Atienza, Emiliano O.

Credited Units:	29.00	Total Program Units:	216.00
Units Failed:	0.00	Accumulated Units:	
Units Passed but without Credit:	0.00	Credited	27.00 (12.50%)
Total Units Enrolled:	29.00	Failed	0.00 (0.00%)
Gen. Weighted Average:	85.73	Passed but without Credit:	0.00

NOTE: GOH - Grade On Hold GNE - Grade Not Encoded

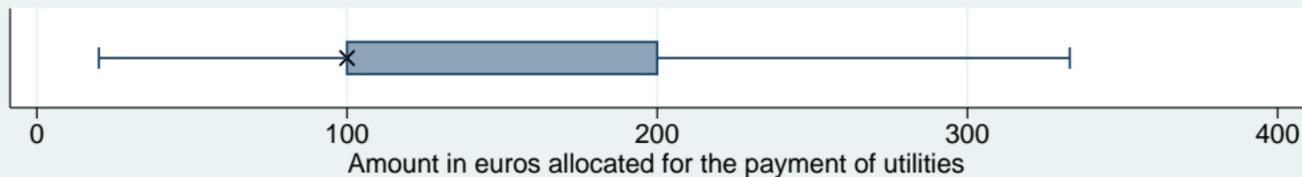
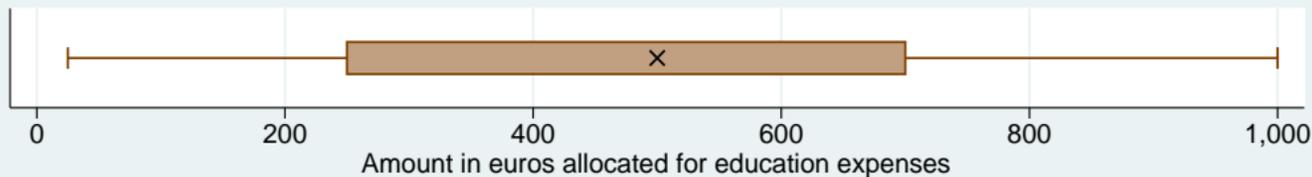
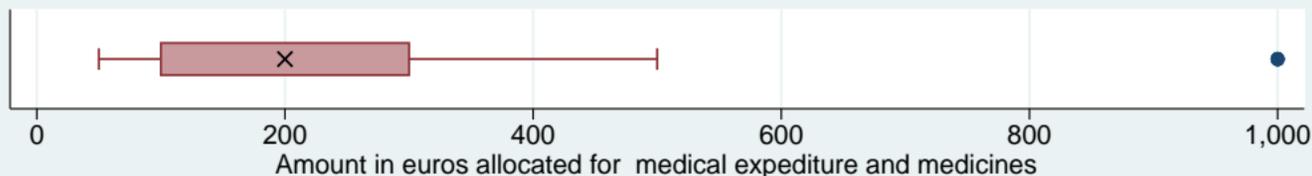

ELOISA ALVAREZ-GENOTA
 Registrar

Table 1: Summary Statistics--Baseline "In Kind Allocation 1000 Euros"

Variable	Mean	Sd	Min	Median	Max	Observations
Food	254.11	142.18	20.00	200.00	1000.00	230
Clothes	145.39	113.30	10.00	100.00	600.00	79
Rent Payment	221.67	218.29	50.00	150.00	1000.00	30
Down-payment (House)	397.69	312.49	20.00	350.00	1000.00	13
Mortgage	410.00	302.49	100.00	300.00	1000.00	15
Repair the House	467.35	353.78	50.00	300.00	1000.00	88
Medical Expenditure	226.56	174.81	50.00	200.00	1000.00	151
Education Expenses	507.20	306.55	25.00	500.00	1000.00	309
Utilities	129.97	72.89	20.00	100.00	333.00	115
Phone Payment	80.22	56.90	10.00	50.00	250.00	37
Agricultural Inputs	353.85	314.01	50.00	200.00	1000.00	39
Business Expenses	537.60	353.95	50.00	500.00	1000.00	35
Save-to buy a House	433.75	305.79	50.00	385.00	1000.00	16
Save-to buy a Land	369.23	335.74	0.00	200.00	1000.00	13
Save-to a Vehicle	422.77	346.44	0.00	300.00	1000.00	26
Save-for Marriage	470.00	496.99	0.00	300.00	1000.00	5
Save-Other	644.03	367.09	0.00	600.00	1000.00	76
Long-term Investment	487.10	351.69	0.00	400.00	1000.00	62
Durables	192.31	262.08	0.00	100.00	1000.00	13
Car or vehicle	475.71	418.48	0.00	300.00	1000.00	7
Emigration Expenditure	285.71	303.75	0.00	150.00	800.00	7
Insurance	305.73	321.04	0.00	200.00	1000.00	41
Marriage Expenses	266.67	251.66	0.00	300.00	500.00	3
Other	358.85	378.40	0.00	200.00	1000.00	13

Notes: Baseline Sample 501 Observations; Variables denominated in money terms are in Euros

The box-and-whisker plots



Box-whisker plots for Savings

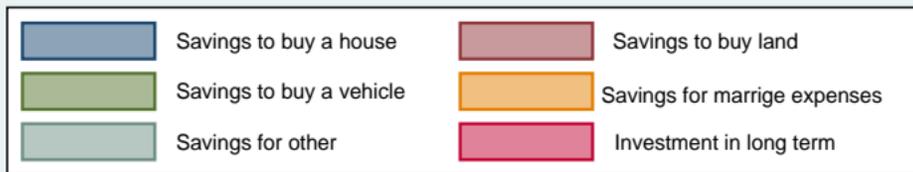
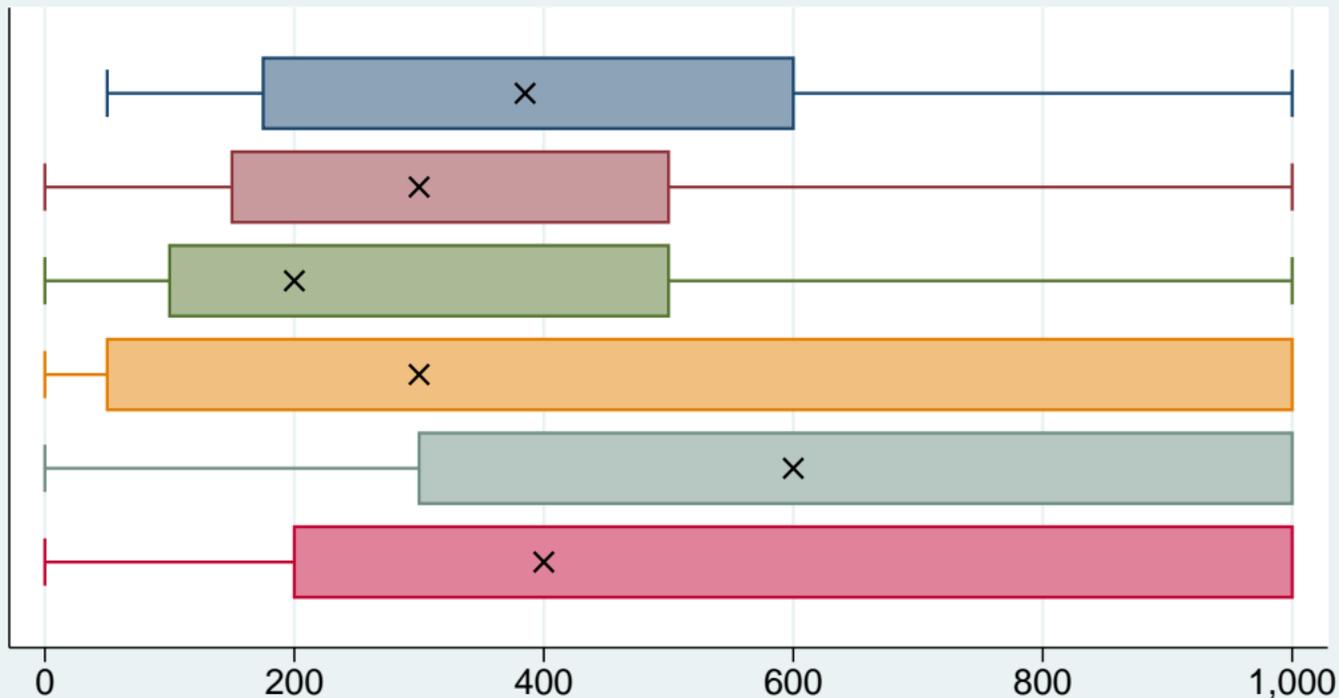


Table 2: "Relationship Migrant-MCCH"

	Frequency	Percent	Cum.
Spouse	113.00	22.55	22.55
Son	31.00	6.19	28.74
Daughter	44.00	8.78	37.52
Parents	148.00	29.54	67.07
Grandparent	9.00	1.80	68.86
Grandchildren	2.00	0.40	69.26
Sister or Brother	86.00	17.17	86.43
First Cousin	2.00	0.40	86.83
Aunt Uncle	11.00	2.20	89.02
In-law	37.00	7.39	96.41
Other	18.00	3.59	100.00
Total	501.00	100.00	

Notes: Baseline Sample 501 Observations

Distribution Relationship Migrant -- Head MCCH

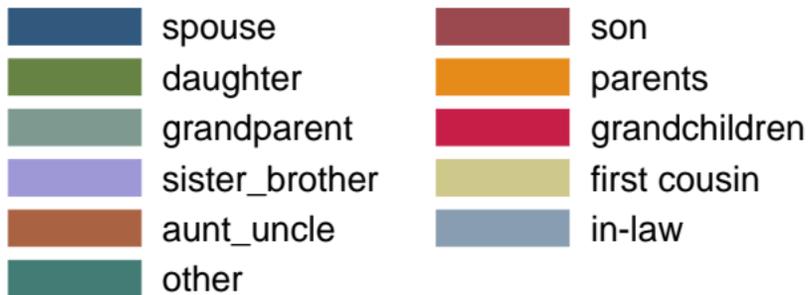
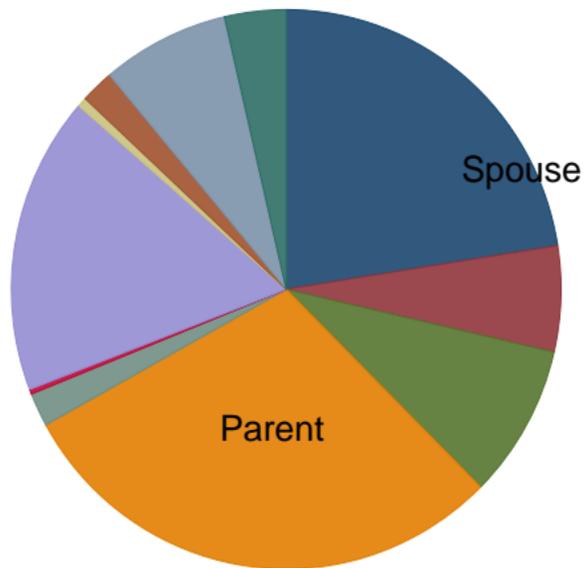


Table 3: Baseline Summary Statistics

Variable	Mean	sd	Min	Median	Max	Observations	sd/mean
Migrant is a female	0.73	0.44	0.00	1.00	1.00	501.00	0.61
Migrant age	42.25	10.32	19.00	42.00	71.00	499.00	0.24
Migrant has finished College	0.43	0.50	0.00	1.00	1.00	501.00	1.14
Migrant is married	0.68	0.47	0.00	1.00	1.00	501.00	0.69
Migrant N° Children	1.95	1.47	0.00	2.00	8.00	501.00	0.75
Migrant N° Household	4.51	2.24	1.00	4.00	15.00	498.00	0.50
Migrant years in Italy	9.68	8.56	0.00	7.00	38.00	499.00	0.88
Migrant has Phil. Citiz.	0.99	0.10	0.00	1.00	1.00	500.00	0.10
Migrant is employed	0.98	0.15	0.00	1.00	1.00	499.00	0.15
Migrant is self-employed	0.02	0.15	0.00	0.00	1.00	488.00	6.59
Migrant Household Income	1045.18	566.42	0.00	900.00	7000.00	481.00	0.54
Migrant weekly work hrs	42.66	18.87	0.00	40.00	88.00	499.00	0.44
Migrant average remit.	412.54	299.17	0.00	380.00	3000.00	499.00	0.73
Migrant Education remit.	1383.72	1724.83	0.00	970.00	12000.00	500.00	1.25
Average cost of remit.	5.64	1.97	0.00	5.00	15.00	498.00	0.35
Migrant is remitting monthly	0.75	0.43	0.00	1.00	1.00	479.00	0.58
The sponsor student is female	0.51	0.50	0.00	1.00	1.00	490.00	0.97
Age of the student	14.35	4.72	2.00	15.00	28.00	488.00	0.33

Notes: All variables are from 2012 baseline survey of migrant. Migrants were all located in Rome, Italy

Table 4: Distribution by Education Level

	Observations	Mean	sd
Primary level	3.00	0.01	0.08
Secondary level	85.00	0.17	0.38
Other secondary	26.00	0.05	0.22
Professional School	20.00	0.04	0.20
Some-College	136.00	0.27	0.45
College or university	217.00	0.43	0.50
Observations	501		

Notes: Baseline Sample 501 Observations

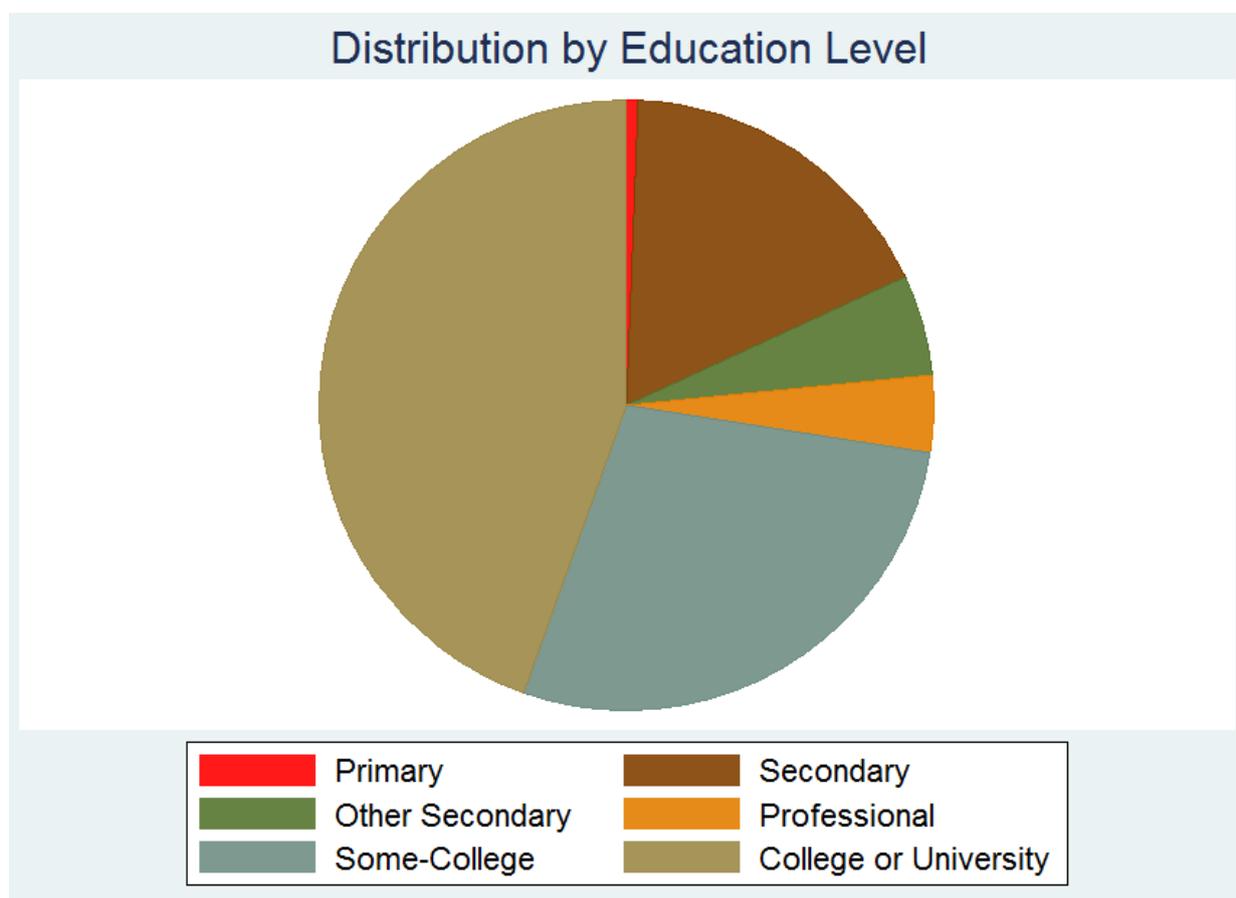


Table 5: Occupation Distribution

Variable	Frequency	Percent	Cumm.
Domestic	327.00	68.27	68.27
↳ Live with the Employer	107.00	32.72	
↳ Don't Live with the Emp.	220.00	67.28	
Construction	1.00	0.21	68.48
House cleaning	39.00	8.14	76.62
Office cleaning	4.00	0.84	77.45
Nanny(childcare)	30.00	6.26	83.72
Gardner	2.00	0.42	84.13
Secretary	3.00	0.63	84.76
Chauffer	4.00	0.84	85.59
Vendor	1.00	0.21	85.80
Waiter or cook	5.00	1.04	86.85
Technician	2.00	0.42	87.27
Maintenance	8.00	1.67	88.94
Painter	1.00	0.21	89.14
Hotel and related work	12.00	2.51	91.65
Machine operator	1.00	0.21	91.86
Carwash	1.00	0.21	92.07
Moving services	1.00	0.21	92.28
Housewife	1.00	0.21	92.48
Other	36.00	7.52	100.00
Total	479.00	100.00	

Notes: Baseline Sample 501 Observations;
Migrants were located all in Rome

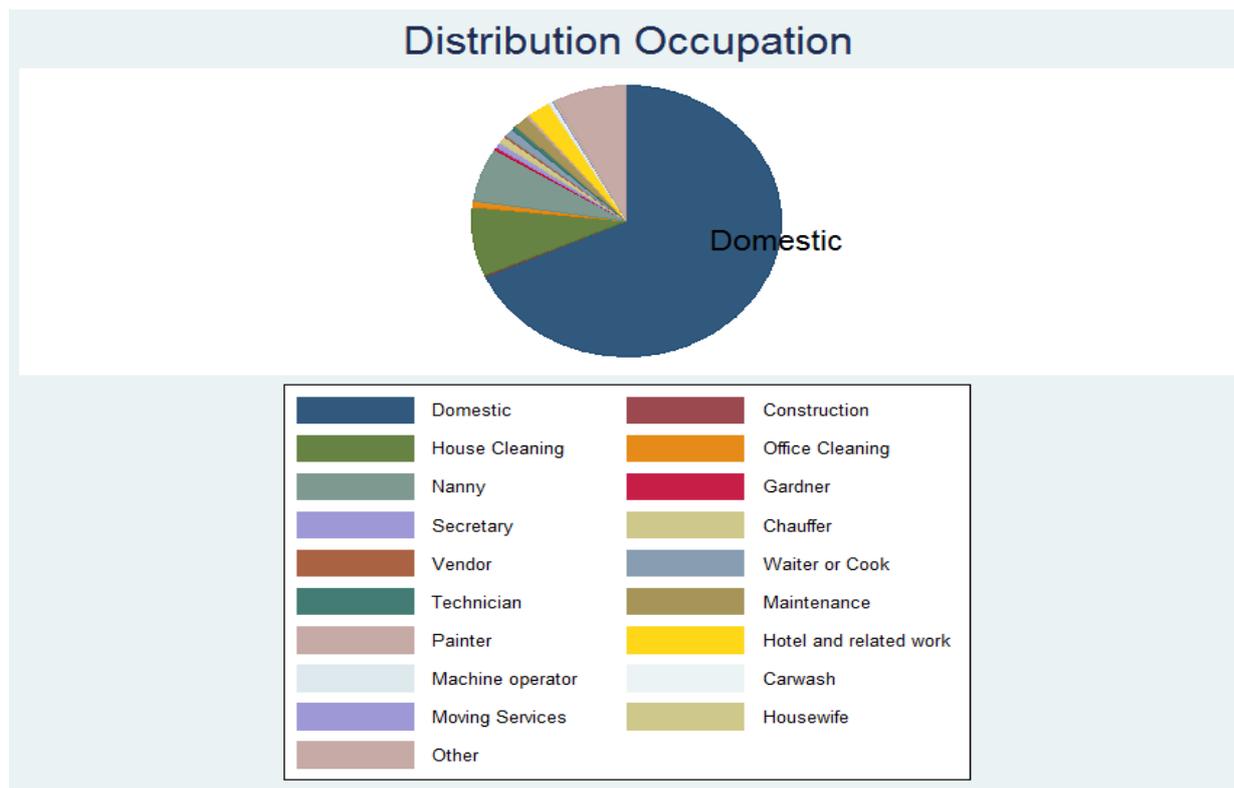
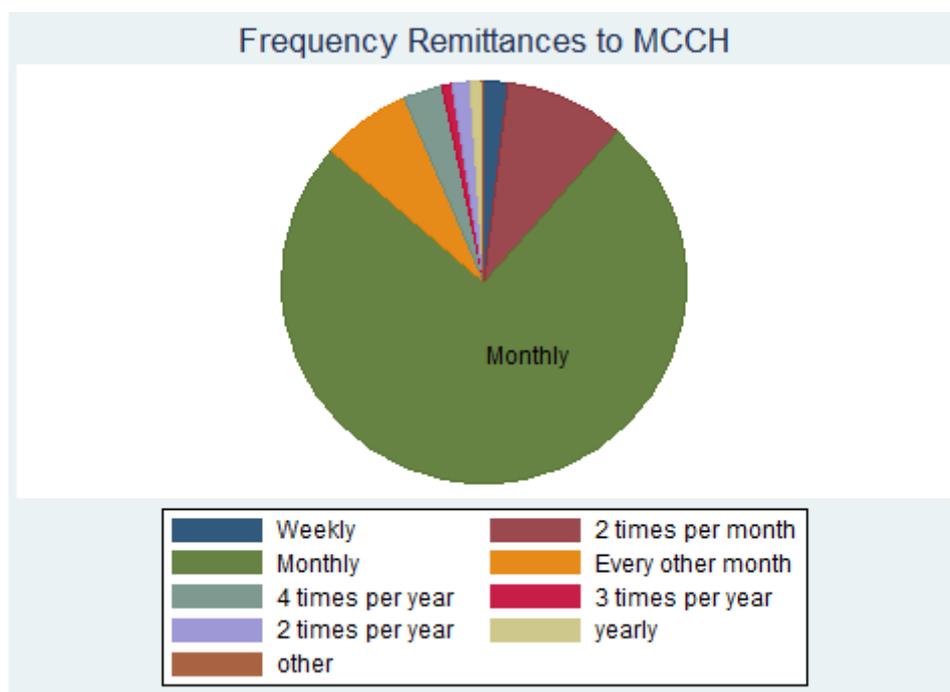


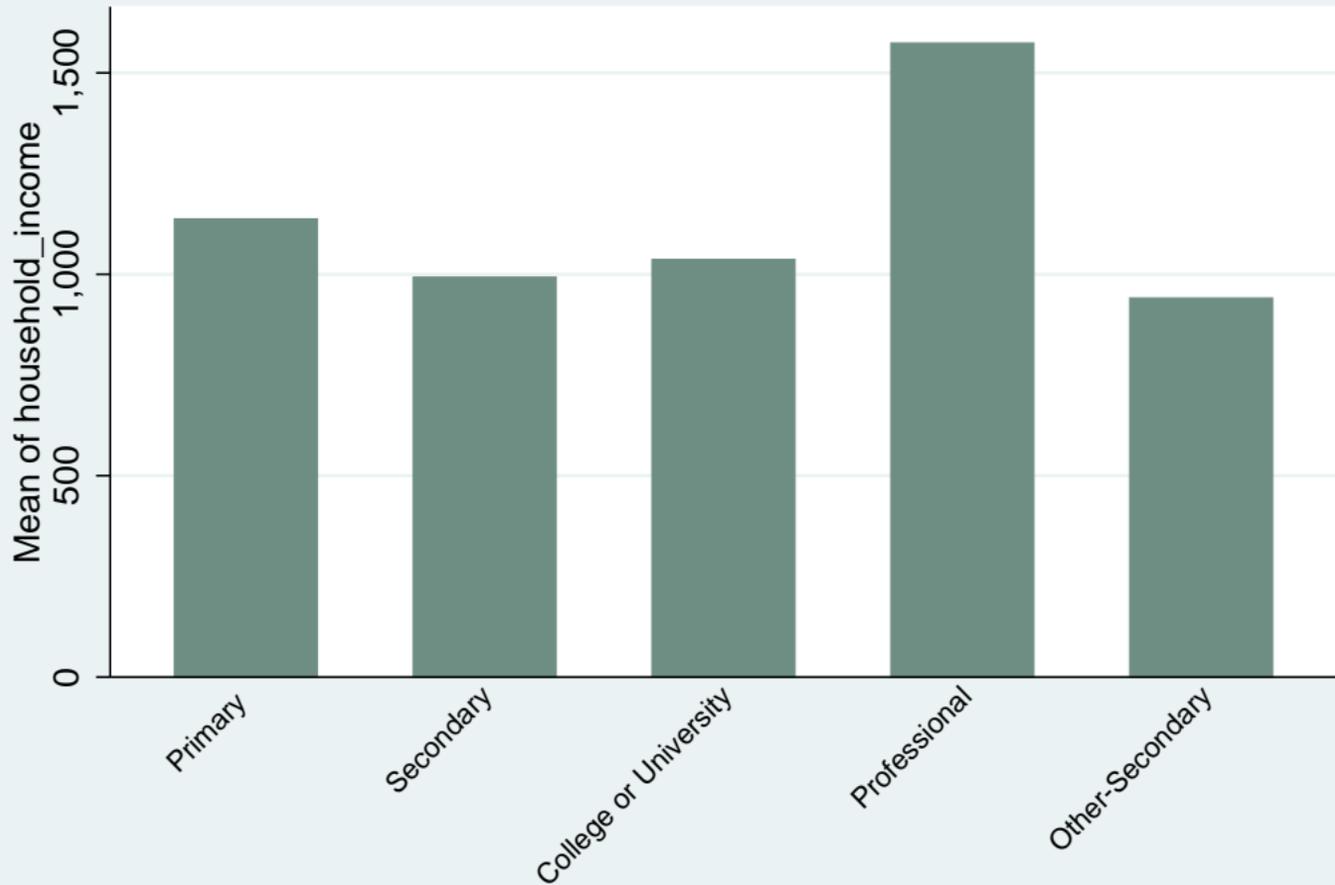
Table 6: Baseline- Remittances to MCCH

	Frequency	Percentage	Cumm.
Weekly	9.00	1.88	1.88
2 times per month	46.00	9.60	11.48
Monthly	359.00	74.95	86.43
Every other month	34.00	7.10	93.53
4 times per year	15.00	3.13	96.66
3 times per year	4.00	0.84	97.49
2 times per year	7.00	1.46	98.96
Yearly	4.00	0.84	99.79
Other	1.00	0.21	100.00
Total	479.00	100.00	

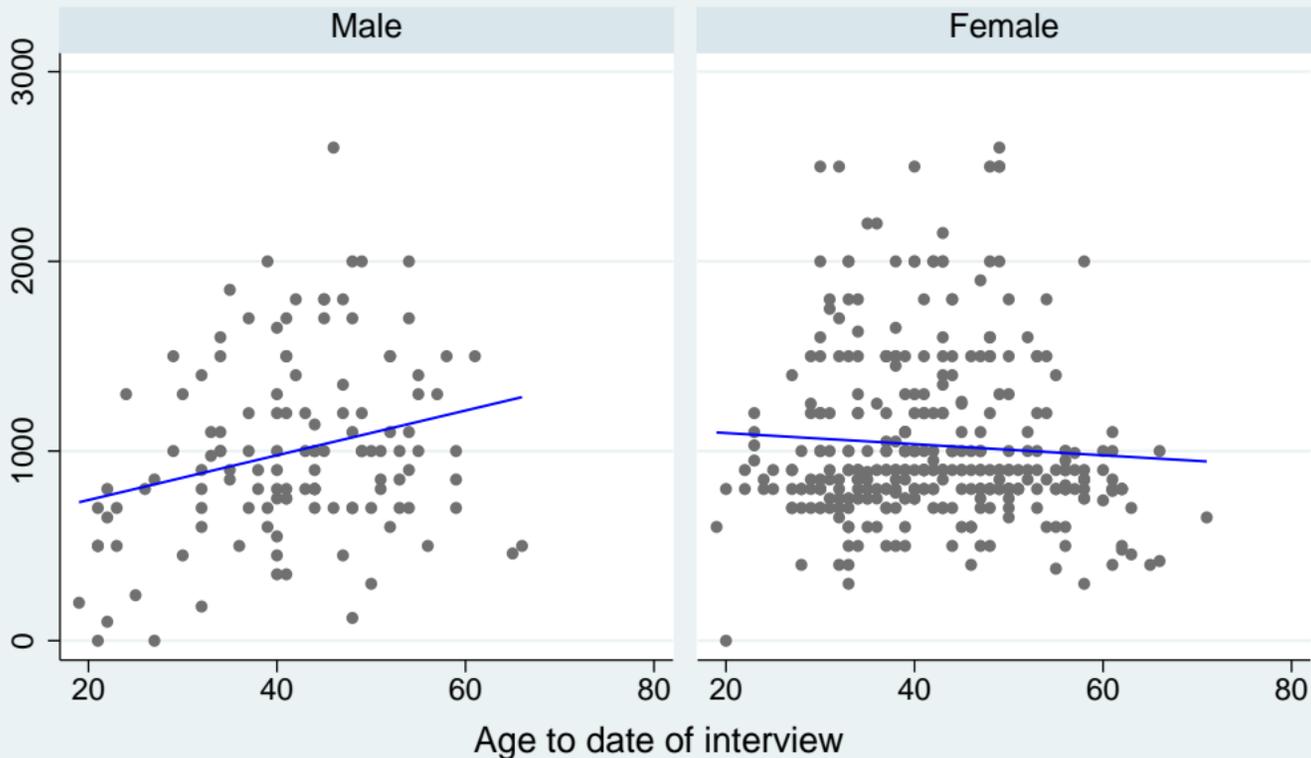
Notes: Baseline Sample 501 Observations; Migrants were located all in Rome



Income by Education Level



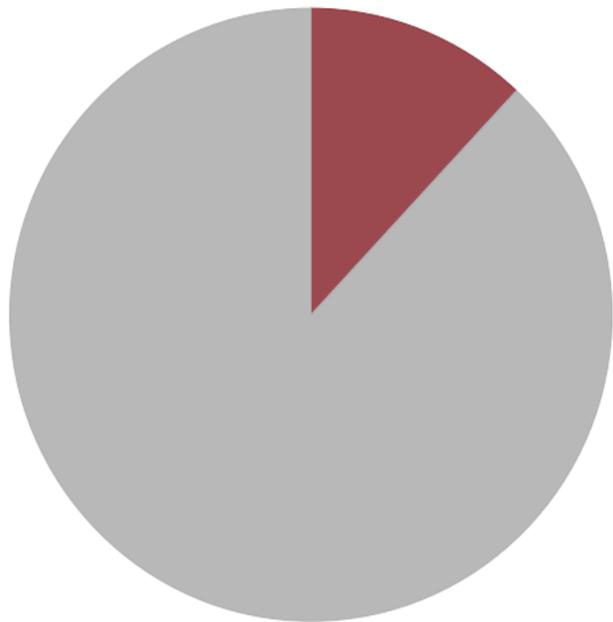
Income Distribution by Gender



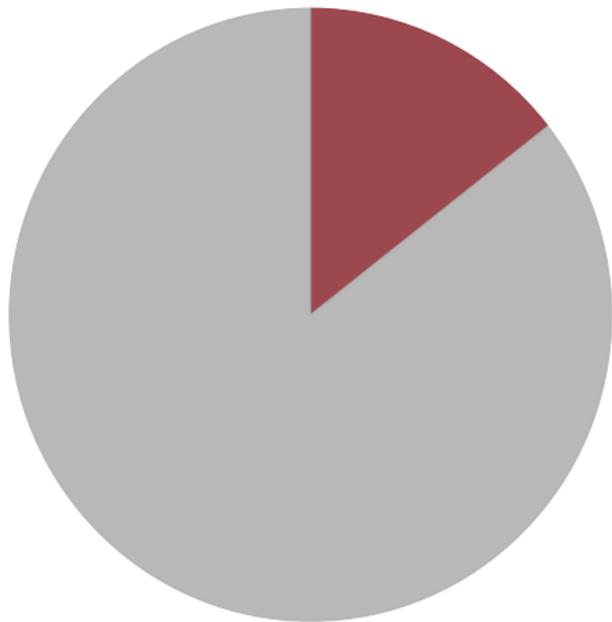
Graphs by gender

Trust-MCCH

Male



Female



Graphs by gender



Progress Report for the Project:

*Increasing the Development Impact of Migrant Remittances:
A Field Experiment on Educational Finance by Migrant Workers*

July 31, 2013

Research Team:

Lead Principal Investigator: Dean Yang (University of Michigan)

Co-Principal Investigators:

Giuseppe De Arcangelis (“La Sapienza”University of Rome, Italy)

David McKenzie (World Bank)

Erwin R. Tiongson (World Bank)

Appendix A: EduPay Start-Up Cost

Appendix B: Summary statistics from the EduPay total transactions.

Appendix C: Pre-Analysis and EduPay first Results

➤ **Extension Phase for the implementation of EduPay among Filipino Migrants in Rome, Italy**

From April to July 2013, the research team, in collaboration with Innovations for Poverty Action (IPA) and the partners—Bank of the Philippine Islands (BPI) and the Philippine Association of Private Schools, Colleges and Universities (PAPSCU)—continued to pilot the implementation of the EduPay facility among surveyed Filipino migrants in Rome, Italy. This is the extension phase of EduPay. Prior to the beginning of the new school year in the Philippines in June, IPA (Rome and Manila) conducted the field work, enabling the team to collect more applications for the product.

To date, the team has implemented Stage 1 of the product, with the OFW in Italy paying schools directly in the Philippines. Stage 2, during which the OFW receives information on the sponsored student's performance (grades), is going to start the second week of August. During this extension phase, IPA staff contacted all the OFWs who participated in the baseline period, August-December 2012, and randomly recruited other applications for the product at different locations around Rome (including the Philippine Embassy, selected churches, the BPI desk, selected Filipino Events, etc).

These efforts generated a total of 160 new EduPay applications (note that the team did not screen for Geographical Area), each application corresponding to the sponsorship of one or more students. Out of 160 applications, 101 Stage 1 Reply Forms were completed, that is, complete information was obtained from respective schools. Of the 101 reply forms, there are **68 successfully completed EduPay transactions** to date. Because some arrangements involve multiple payments for the same student (i.e., installments), the 68 transactions represent 42 unique students. A total of 46 OFWs have participated throughout the two phases of EduPay (last year's baseline phase and this year's extension phase). Because migrants can sponsor more than one student in the Philippines, the 46 OFWs correspond to a total of 53 students sponsored via EduPay (11 from the first period and 42 during the extension phase).

Most of the transactions were Door-to-Door transactions because most of the schools do not hold a bank account. The cost of each transaction is 10 Euros, which is double the cost of a bank-to-bank or intra-BPI transfer. There were 44 Door-to-Door transactions, (representing 63% of all transactions) and the rest were conducted via bank transfers. Though all transactions were successfully completed, there was some delay on the school side in the confirmation of payments.

Table 3, 4, 5 and 6 report some summary statistics for the Extension Phase and the total number of EduPay transactions to date.

➤ **Take-up Rate**

We calculate two take up rates for EduPay:

1. **Real EduPay take up rate**= Total number of students sponsored by EduPay/(All school replies-The total number of paid tuition fees) (see Tables 3 and 4)

The real take up reflects the percentage of the OFW currently using the product out of all the total school replies for Stage 1. This yields a take up rate of 42% during this latter extension phase. As previously discussed, this rate may not reflect the potential take up of the product because of the difficulties in the EduPay flow, mainly due to the delay in school replies and due to some schools being geographically difficult to reach. As such, we also calculate the potential take up rate.

2. **Potential EduPay take up rate**=(All EduPay transactions (students)+ number of OFWs who took an appointment for EduPay)/All school replies (see Tables 3 and 4)

The potential take up rate reflects the percentage of the OFW willing to use the EduPay given all school replies. According to the data this rate has increased to 50% during this latter extension phase.

➤ **Summary of the start-up costs of EduPay First and Extension Phase**

The research team continues to monitor the cost related to the full implementation of the EduPay facility among Filipino migrants in Rome. In Table 1, we report the costs associated with Stage 1 (all these costs are in addition to the costs of the baseline survey and IPA staff). In Table 2, we report the costs associated with the Extension Phase. The total start-up cost for EduPay will be calculated once Stage 2 (Student Performance Monitoring) is fully implemented by August-September 2013.

To date (31 of July) the total start-up cost for Edupay is approximately \$12,822.

Table1: Summary Start-up Costs for EduPay
(In current US dollars; includes activities through 2012-2013)

	IPA Philippines	IPA Italy	Total
FixedCost^b			
MonthlyAdministrativeCost	240	512	752
Total Fixed Cost (Sept'12-April '13) ^c	1920	4096	6016
VariableCost^d			
EquipmentExpenses	348	897	1245
Treatment Costs ^e		210	130
Total VariableCost	348	1107	1016
<i>Total Fixed and Variable Cost</i>	2268	5203	7471

a: The amounts are reported in dollars at the current exchange rate.

b: The fixed cost does not include the cost of the baseline survey.

c: Monthly administrative cost x 8 months.

d: The variable cost may change during Stage 2.

e: The treatment cost includes EduPay transactions from Sept 2012-April 2013.

Summary Start-up Costs for EduPay^a Extension Phase
(In current US dollars; includes activities through April -July 2013)

	IPA Philippines	IPA Italy	Total
FixedCost^b			
MonthlyAdministrativeCost	240	512	752
Total Fixed Cost (April '12-July '13) ^c	960	2048	3008
VariableCost^d			
EquipmentExpenses	1323	279	1602
Treatment Costs ^e		741	130
Total VariableCost		1020	1016
<i>Total Fixed and Variable Cost</i>	2283	3068	5351

a: The amounts are reported in dollars at the current exchange rate.

b: The fixed cost does not include the cost of the survey.

c: Monthly administrative cost x 4 months.

d: The variable cost may change during Stage 2.

e: The treatment cost includes only EduPay transactions April- July 2013.

Table 3: Summary Statistics for EduPay implementation

EduPay- Summary Statistics-Baseline Survey 2012			
		Total	Remarks
1	Complete surveys	501	Total Number of Subject participating in the Survey- August-December 2012
2	Potential EduPay Applications	296	296 Sample Of Potential EduPay Applications
3	EduPay Applications	265	236 respondents are out of the three regions 3, 4 or NCR or the sponsor student is going to a public school
4	OFW not applying for EduPay	147	53 respondents declare to have already paid for the school year and 93 OFW do not show interest to participate in EduPay
5	EduPay Stage 1 PAPSCU Letters	118	Total Number of Invitation Letters sent from PAPSCU to the schools, This number reflect the number of OFW interest in EduPay
6	Stage 1 School Replies	73	73 Stage 1 submitted from Private (Elementary, Secondary-University Level) or Public (Tertiary Level)
7	OFW paid the Acc. year 2012-2013	6	OFW already paid School- Year 2012
8	OFW invited for EduPay	67	Total Number OFW invited to make EduPay
9	OFW rejected EduPay	22	OFW do not trust D2D; or OFW do not want to register with BPI
10	OFW follow up for EduPay	40	OFW need time to decide ; OFW need to discuss with the family in the Philippines
11	OFW took appointment for EduPay	0	****
12	EduPay Transactions	20	20 successful EduPay Transactions
13	OFW made EduPay	11	11 OFW take up EduPay
14	Total sponsored Students	11	11 Students sponsored via EduPay
15	Real Take up EduPay Rate	0,18	
16	Potential Take up EduPay rate	0,25	

Note: The Real take-up rate is calculated as the fraction of the two numbers = Total Successful EduPay (Sponsored Students)/(Total Invitation for EduPay-Total Acc. Year fully Paid) =(line14/line8-line7)

Note: The Potential take-up rate is calculated as the fraction of two number= (Total Successful EduPay+ Appointment for EduPay+T otal Acc.Year fully Paid)/Total Invitation for EduPay)=(line14+line7)/line8

Table 4: Summary Statistics for EduPay implementation Extension Phase

EduPay- Summary Statistics-Extension Phase			
		Total	Remarks
1	Complete surveys	160	Total Number of Subject participating in the Extension Phase- April-September 2013
2	EduPay Applications	160	We gave the possibility to apply for more than one student. There are one-to-some student match
3	EduPay applications not eligible	40	OFW already paid or public school fees very low, no incentive on making EduPay
4	EduPay Stage 1 PAPSCU Letters	101	Total Number of Invitation Letters sent from PAPSCU to the schools
5	Stage 1 School Replies	101	101 Stage 1 submitted from Private (Elementary, Secondary-University Level) or Public (Tertiary Level)
6	OFW invited for EduPay	101	Total Number OFW invited to make EduPay
7	OFW follow up for EduPay	49	OFW need time to decide ; OFW need to discuss with the family in the Philippines
8	OFW took appointment for EduPay	10	****
9	EduPay Transactions	68	68 Full Transactions
10	Total Sponsored Students	42	Number of the Sponsored Students, reflects the number of interest on EduPay
11	OFW made EduPay	35	35 OFW used EduPay
13	Real Take Up	0,42	
14	Potential Take up	0,5	

Note: The Real take-up rate is calculated as the fraction of the two numbers = (Total Successful EduPay(Students)/Total Invitation for EduPay)= **line10/line6**

Note: The Potential take-up rate is calculated as the fraction of two number= (Total Successful EduPay+Appointemnt for EduPay)/Total Invitation for EduPay)= **(line10+line8)/line6**

Table 5: EduPay Extension Stage April-July 2013

EduPay Transaction Process												
Nr	ID	Date EduPay Transaction	Remitter	Beneficiary School	Amount (PIH)	Amount (Euros)	Remittance fee /Euros)	Type of Operation	Relation with the student	EduPay confirmation	Acknowledgment signed	Old Database
1	1010	29/04/2013	BPI client	College	2.500,44	56,50	10	Door-to-door	Parent	Yes	Yes	No
2	1052	03/05/2013	BPI client	High School	14.761,06	278,1	6,78	Bank-to-Bank	Parent	Yes	Yes	No
3	1005	05/05/2013	BPI client	Primary School	366,18	78,5	10	Door-to-door	Parent	Yes	Yes	No
4	1053	09/05/2013	New Bpi Client	High School	7.351,00	142,15	6,78	Bank-to-Bank	Parent	Yes	Yes	No
5	1054	09/05/2013	New Bpi Client	Primary School	5.745,92	117,2	10	Door-to-door	Parent	Yes	yes	No
6	1050	15/05/2013	BPI client	College	5.850,14	120,38	10	Door-to-door	Parent	Yes	Yes	No
7	1050	15/05/2013	BPI client	College	5300	110	10	Door-to-door	Parent	Yes	Yes	No
8	1018	25/05/2013	BPI client	High School	4.316,30	90,6	10	Door-to-door	Parent	Yes	Yes	No
9	1036	25/05/2013	BPI client	University	5.100,58	100,16	5	BPI Intrabank	Parent	Yes	Yes	No
10	1160	26/05/2013	BPI client	University	10.760	205	5	BPI Intrabank	Parent	Yes	Yes	No
11	1007	26/05/2013	New Bpi Client	Secondary Level	3.100,49	67,63	10	Door-to-door	Parent	Yes	Yes	No
12	1009	26/05/2013	BPI client	University	32.400,51	670,24	5	BPI Intrabank	Parent	Yes	Yes	Yes
13	1017	26/05/2013	BPI client	Primary School	3.269,43	70,77	10	Door-to-door	Parent	Yes	Yes	No
14	1051	26/05/2013	BPI client	University	7.505,10	144,5	5	BPI Intrabank	Parent	Yes	Yes	No
15	1054	30/05/2013	BPI client	Primary School	8.115,00	157,95	10	Door-to-door	Parent	Yes	Yes	No
16	1015	03/06/2013	BPI client	Primary School	1675	39,7	10	Door-to-door	Parent	Yes	Yes	No
17	1077	02/06/2013	BPI client	College	4.000,36	77,8	5	BPI Intrabank	Parent	Yes	Yes	No
18	1105	02/06/2013	BPI client	Primary School	4.568,00	93,13	10	Door-to-door	Parent	Yes	Yes	Yes
19	1101	06/06/2013	BPI client	Primary School	5.000	100,58	10	Door-to-door	Granparent	Yes	Yes	Yes
20	1103	06/06/2013	BPI client	Primary School	5.000	100,58	10	Door-to-door	Granparent	Yes	Yes	Yes
21	1104	07/06/2013	BPI client	Primary School	5.000	100,58	10	Door-to-door	Granparent	Yes	Yes	Yes
22	1115	07/06/2013	BPI client	Primary School	776,75	24,07	10	Door-to-door	Parent	Yes	Yes	No
23	1050	07/06/2013	BPI client	College	6.200,47	121,02	10	Door-to-door	Parent	Yes	Yes	Yes
24	1081	13/06/2013	BPI client	High School	2.075,00	41,09	5	BPI Intrabank	Parent	Yes	Yes	No
25	1082	13/06/2013	BPI client	Primary School	1.817,00	36,6	5	BPI Intrabank	Parent	Yes	Yes	No
26	1098	13/06/2013	BPI client	Secondary Level	3.577,20	71,87	10	Door-to-door	Parent	Yes	Yes	Yes

27	1114	16/06/2013	BPI client	Primary School	2.050,00	45,95	10	Door-to-door	Parent	Yes	Yes	No
28	1115	17/06/2013	BPI client	Primary School	776,75	23,65	10	Door-to-door	Parent	Yes	Yes	No
29	1048	20/06/2013	New Bpi Client	University	4.523,68	83,4	5	BPI Intrabank	Parent	Yes	Yes	Yes
30	1042	23/06/2013	New Bpi Client	College	2.887,30	54,95	5	BPI Intrabank	Parent	Yes	Yes	No
31	1005	30/06/2013	BPI client	Primary School	2.018,55	45,82	10	Door-to-door	Parent	yes	Yes	No
32	1013	30/06/2013	BPI client	University	4.461,79	89,19	10	Door-to-door	Parent	Yes	Yes	Yes
33	1014	30/06/2013	BPI client	Primary School	795	24,11	10	Door-to-door	Parent	Yes	Yes	Yes
34	1077	30/06/2013	BPI client	University	9.182,00	167,95	5	BPI Intrabank	Parent	Yes	Yes	No
35	1137	30/06/2013	BPI client	University	2.700	57,91	10	Door-to-door	Parent	Yes	Yes	Yes
36	1145	03/07/2013	New Bpi Client	Primary School	3.855	78,84	10	Door-to-door	Parent	Yes	Yes	Yes
37	1145	03/07/2013	BPI client	Primary School	1.940	44,65	10	Door-to-door	Parent	Yes	Yes	Yes
38	1092	04/07/2013	BPI client	University	6.855,56	126,56	6,78	Bank-to-Bank	Parent	Yes	Yes	Yes
39	1050	07/07/2013	BPI client	Primary School	2.298	51,11	10	Door-to-door	Parent	Yes	Yes	Yes
40	1090	07/07/2013	BPI client	Secondary Level	3.179,30	61,87	5	BPI Intrabank	Parent	Yes	Yes	No
41	1091	07/07/2013	New Bpi Client	University	2.686,67	53,08	5	BPI Intrabank	Parent	Yes	Yes	No
42	1099	08/07/2013	BPI client	University	1348,17	34,12	10	Door-to-door	Parent	Yes	Yes	Yes
43	1150	07/07/2013	BPI client	University	7.332,00	141,16	10	Door-to-door	Parent	Yes	Yes	No
44	1134	11/07/2013	BPI client	University	6.955,90	128,11	6,78	Bank-to-Bank	Parent	Yes	Yes	No
45	1007	14/07/2013	BPI client	College	2.700,14	57,79	10	Door-to-door	Parent	Yes	Yes	Yes
46	1017	14/07/2013	BPI client	College	3.440,29	70,89	10	Door-to-door	Parent	Yes	Yes	Yes
47	1054	14/07/2013	BPI client	Primary School	1.732,72	40,67	10	Door-to-door	Parent	Yes	Yes	No
48	1101	15/07/2013	New Bpi Client	Primary School	1.000	27,7	10	Door-to-door	Granparent	Yes	Yes	Yes
49	1103	15/07/2013	BPI client	Primary School	1.000	27,7	10	Door-to-door	Granparent	Yes	Yes	Yes
50	1104	15/07/2013	BPI client	Primary School	1.000	27,7	10	Door-to-door	Granparent	Yes	Yes	Yes
51	1113	15/07/2013	BPI client	University	2.825	55	5	BPI Intrabank	Parent	Yes	Yes	No
52	1124	15/07/2013	BPI client	University	13.570,72	245,19	5	BPI Intrabank	Parent	Yes	Yes	No
53	1125	15/07/2013	BPI client	University	12.512,47	226,46	5	BPI Intrabank	Parent	Yes	Yes	No
54	1013	15/07/2013	BPI client	University	4.461,50	88,41	10	Door-to-door	Parent	Yes	Yes	Yes
55	1014	15/07/2013	BPI client	University	795	23,97	10	Door-to-door	Parent	Yes	Yes	No
56	1050	15/07/2013	BPI client	Primary School	2298	50,39	10	Door-to-door	Parent	Yes	Yes	No
57	1114	15/07/2013	BPI client	Primary School	2.050,00	46,03	10	Door-to-door	Parent	Yes	Yes	Yes

58	1115	15/07/2013	BPI client	Primary School	776,75	23,65	10	Door-to-door	Parent	Yes	Yes	Yes
59	1048	25/07/2013	BPI client	University	4.522,82	84,14	5	BPI Intrabank	Parent	Yes	Yes	Yes
60	1051	25/07/2013	BPI client	University	9.459,30	170,52	5	BPI Intrabank	Parent	Yes	Yes	Yes
61	1004	19/06/2013	Wester Union	Primary School	1150			Western Union	Parent	Yes	Yes	No
62	1015	28/07/2013	New Bpi Client	Primary School	1.475,32	35,68	10	Door-to-door	Parent	Yes	Yes	No
63	1018	28/07/2013	BPI client	University	2.950	61,35	10	Door-to-door	Parent	Yes	Yes	No
64	1042	28/07/2013	New Bpi Client	College	1.993	39,69	6,78	Bank-to-Bank	Parent	Yes	No	No
65	1077	28/07/2013	BPI client	University	9.182	164,83	5	BPI Intrabank	Parent	Yes	No	No
66	1137	28/07/2013	New Bpi Client	University	6.870	129,58	10	Door-to-door	Parent	Yes	No	Yes
67	1143	28/07/2013	BPI client	College	4.559	84,36	5	BPI Intrabank	Parent	Yes	No	No
68	1144	28/07/2013	BPI client	Primary School	1.630	38,37	10	Door-to-door	Parent	Yes	No	No

Total EduPay Takers Extension Phase: 37

Total EduPay Sponsored Student Extension Phase: 42

Total Transactions Extension Phase: 68

Table 6: EduPay First Stage August 2012- April 2013

EduPay Stage1 Transaction Process												
Nr	ID	Date EduPay Transaction	Remitter	Beneficiary School	Amount (PH)	Amount (Euros)	Remittance fee /Euros)	Type of Operation	Relation with the student	EduPay confirmation	Acknowledgment signed	Old Database
1	1130	10/28/2012	New BPI Client	College	36693	686,51	6,78	Bank-to-Bank	Parent	Yes	Yes	Yes
2	1135	11/25/2012	BPI client	University	4868,12	92,2	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
3	1197	10/28/2012	BPI client	University	26500	495,79	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
4	1346	11/02/2012	New BPI Client	Elementary Private	2500,48	47,09	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
5	1354	10/28/2012	BPI Client	College	1988,34	37,2	10	Door-to-Door	Parent	Yes	Yes	Yes
6	1379	11/07/2012	BPI client	Elementary Private	3750,38	71,3	10	Door-to-Door	Grandparent	Yes	Yes	Yes
7	1346	12/03/2012	BPI Client	Elementary Private	2500,48	46,95	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
8	1354	12/03/2012	BPI Client	College	1988,89	37,5	10	Door-to-Door	Parent	Yes	Yes	Yes
9	1311	12/06/2012	BPI Client	University	4980	93,1	5	Intra-BPI Transfer SBA	Parent	Yes	Yes	Yes
10	1198	12/11/2012	BPI Client	College	5415	104,14	6,78	Bank-to-Bank	Parent	Yes	Yes	Yes
11	1447	12/16/2016	New BPI Client	High School					Parent	Yes	Yes	Yes
12	1213	12/17/2012	BPI Client	College	4629	86,8	6,78	Bank-to-Bank	Parent	Yes	Yes	Yes
13	1135	12/20/2012	BPI Client	University	4867,88	89,65	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
14	1197	12/20/2012	BPI Client	University	25032,3	461	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
15	1346	01/06/2013	BPI Client	Elementary Private	2500,4	47	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
16	1354	01/06/2013	BPI Client	College	1987,02	37,35	10	Door-to-Door	Parent	Yes	Yes	Yes
17	1564	01/14/2013	BPI Client	College	5133	104,62	10	Door-to-Door	Parent	Yes	Yes	Yes
18	1346	02/10/2013	BPI Client	Elementary Private	2500,48	45,88	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
19	1135	02/10/2013	BPI Client	University	4867,88	89,32	5	Intra-BPI Transfer	Parent	Yes	Yes	Yes
20	1311	02/10/2013	BPI Client	University	5081,01	91,5	5	Bank-to-Bank	Parent	Yes	Yes	Yes

Total EduPay Takers First Stage: 11

Total EduPay Student Sponsored First Stage: 11

Total Transactions First Phase: 20

Project Final Report

Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers

January 31, 2014

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1. Executive Summary

We report here the main findings of the USAID-DIV Stage 1 project “Increasing the Development Impact of Migrant Remittances: A Field Experiment on Educational Finance by Migrant Workers,” which was carried out from February 2012 to January 2014. The goal of the project was to pilot a new financial product, called *EduPay*, that provided migrant workers with greater ability to control the use of remittances for education.

This study focused on overseas Filipino workers (OFWs) in Rome, Italy. Under the direction of the principal investigators, implementation of the project in Rome and the Philippines was subcontracted to Innovations for Poverty Action (IPA),¹ in collaboration with two key partners in the Philippines: 1) the Bank of the Philippine Islands (BPI), which implemented the payments to schools, and 2) the Philippine Association of Private Schools, Colleges and Universities (PAPSCU), which facilitated collaboration of Philippine educational institutions in the study.

The *EduPay* product allowed migrants overseas to channel tuition payments for particular students directly to those students’ educational institutions in the Philippines from a BPI remittance branch in Rome. This mechanism allowed migrants to avoid sending tuition payments via family members or others in the Philippines who might not be completely trusted to make such payments reliably.

This pilot study consisted of two components: 1) the pilot implementation of new remittance product, to provide proof of concept and estimate the level of demand, and 2) a survey to better understand how enhanced control over education expenditures in the home country might affect the volume of remittances sent home by migrants.

The key results and findings of the study are as follows:

- The study successfully implemented the *EduPay* product for substantial numbers of customers and transactions. A total of 178 *EduPay* payments were made for 55 students in the Philippines. These payments were made by a total of 44 overseas Filipino workers in Rome, who typically each made multiple *EduPay* transactions. All *EduPay* transactions were executed successfully.
- Substantial shares of migrants offered *EduPay* were interested in the product. In a relatively population-representative sample (not screened for interest or suitability in any way), 6.6% of those approached went as far as to fill out an authorization form allowing our study to contact the Philippine student and school and to make payment arrangements. In another sample screened for suitability and who were willing to respond to an extensive research survey, 43.9% filled out said authorization form.
- Experimental responses indicate that migrants are willing to remit more to beneficiaries in the Philippines when their transfers can be “labeled” as intended for educational expenses. The impact of allowing labeling is to increase transfers by 15.3%. On top of

¹ For excellent management of this complex international project, we are indebted to our IPA Project Associate, Majlinda Joxhe (based in Rome). We also thank our IPA Project Assistant, Isabel Hernando (based in Manila), PAPSCU’s Mayla Sampa (who was seconded to IPA in Manila for this project) and IPA staff member Marilou Santos (in Rome) for their hard work and dedication.

this “labeling”, the impact of actually channeling funds to educational institutions is relatively modest (only a 1.9% increase on top of the labeling). These results indicate that a remittance product that simply allowed senders to attach a label to remittances as intended for education could have nearly as much impact on remittance sending as a product that actually channeled payments to schools. It would be important to investigate the relative impacts of education-labeled vs. education-channeled remittance products in follow-up work, to ascertain whether the experimental responses we found hold up in a real-world setting.

2. Usage Statistics and Take-up Rate

Project staff in Rome intercepted Filipino migrants at several locations where members of the Filipino community tend to congregate and offered them the opportunity to use the *EduPay* product. Recruitment of potential *EduPay* users was conducted in two rounds, which we refer to as Round 1 and Round 2. Round 1 occurred in August through December 2012, and was oriented towards usage of *EduPay* for making 2nd semester educational payments. (The Philippine school year runs from June through March.) Round 2 ran from January through June 2013, and was oriented towards usage of *EduPay* for making educational payments at the start of the 2014 school year.

It is important to note additional differences between Rounds 1 and 2.

- Individuals offered *EduPay* in Round 1 were likely to have been more inclined to cooperate with survey staff, because those offered *EduPay* in Round 1 were a subset of those included in the survey (described in more detail in Section 3 below). In Round 1, individuals were first asked if they would like to participate in a survey on Filipino migrants and remittances, and were then screened for possibly having a “sponsorable” relative in the Philippines (on the basis of age), were only afterwards offered the *EduPay* product. In Round 2, on the other hand, unlike individuals approached in Round 1, those approached were not fielded an extensive survey up-front, nor were they screened for having a “sponsorable” student. Rather, they were simply offered the *EduPay* product outright. This leads (as shown below) take-up rates to be higher in Round 1 than in Round 2.
- In Round 1, at the request of our Philippine partner PAPSCU, we only offered *EduPay* to migrants whose families were located in three regions in which PAPSCU operated: Region 3, Region 4, and the National Capital Region (NCR). Individuals in Round 1 were screened for having relatives in those regions before they were offered *EduPay*. In Round 2, on the other hand, PAPSCU partnered with another organization to be able to extend *EduPay* to migrants from all regions of the Philippines.
- In Round 1, there was no general advertising support for *EduPay*. In Round 2, some amount of general advertising of *EduPay* was conducted within the Filipino community, mainly via posters at the BPI branches and marketing at public events.²

² In addition, IPA and Sapienza University of Rome organized an event based at University of Rome. A news report (in Filipino) by a Philippine news channel on the event can be found here: <http://www.youtube.com/watch?v=9U7VuVRMNg&feature=youtu.be>

Table 1 below provides usage statistics for *EduPay* in Round 1. 2,291 individuals were intercepted, of which 501 had a sponsorable student (a relative who was of school age) and agreed to answer the survey. Of these, 296 had sponsorable students in Region 3, Region 4, or the NCR. Of these, 130 were interested in using *EduPay*, and filled out a Letter of Authorization giving contact information for a beneficiary student in the Philippines and authorizing our project to contact the student’s school to arrange *EduPay* payments for the student.

We view these 130 out of 296 and providing our first measure of take-up for *EduPay*: 43.9% (or 130 out of 296) of those offered *EduPay* took a meaningful action representing interest in the product. As mentioned above, this is take-up among a selected group of individuals who had agreed to answer an extensive research survey, and so are potentially more socially-minded, oriented towards education, and otherwise more amenable to the *EduPay* product. In addition, the experience of answering the survey may have increased respondents’ trust in the project, further increasing interest in *EduPay*.

For reasons out of our hands, not all the 130 individuals interested in *EduPay* were able to execute an *EduPay* transaction. The schools and universities receiving the Letter of Authorization via our project then had to actually release the information in a timely manner. The typical delay was about 2-3 weeks. Many migrants who had filled out Letters of Authorization were not willing to wait so long, and found other means of paying tuition, so as to meet payment deadlines. In the end, only 82 schools provided complete payment information (amounts required, and information on how to make the payment, such as bank account information for direct deposit of the funds), and 11 individuals actually made *EduPay* payments.

In a larger-scale rollout of an *EduPay*-like product, it should be possible to eliminate the delays that were due to tardy school responses to our Letters of Authorization (for example, by signing up schools for the *EduPay* program in advance). We therefore believe that the 43.9% figure (130/239) represents the more accurate measure of take-up in this sample.

Table 1. EduPay Usage Statistics, Round 1 (Aug – Dec 2012)

	Sample Size	Notes
Intercepted individuals	2,291	
Survey sample	501	Screened for having a sponsorable student and willingness to participate in survey.
Offered <i>EduPay</i>	296	Subset of survey sample whose families live in Region 3, 4, or NCR
Interested in <i>EduPay</i>	130	Subset of those offered <i>EduPay</i> who signed a Letter of Authorization to contact a student’s educational institution
Potential <i>EduPay</i> users	82	Subset of those interested in <i>EduPay</i> for whom replies from schools were received
Actual <i>EduPay</i> users	11	Subset of potential <i>EduPay</i> users who actually executed a transaction

Table 2 below provides usage statistics for *EduPay* in Round 2. We intercepted 1,887 individuals, and offered *EduPay* to all of them without screening for the existence of sponsorable students in the Philippines (and without limiting to origin location in the Philippines, since we had enabled payments to all parts of the Philippines in Round 2.) Of these, 125 filled out Letters of Authorization.

We view these 125 out of 1,887 and providing our second measure of take-up for *EduPay*: **6.6%** (or 125 out of 1,887) of those offered *EduPay* took a meaningful action representing interest in the product. Compared to the take-up rate reported for Round 1 (43.9%), this is clearly lower, but is likely to be more population-representative. It does not restrict the sample population (1,887) on the basis of willingness to cooperate with a research study, nor does it restrict attention to those who might have sponsorable relatives in the Philippines. As such, it is likely to be closer to the take-up rate that a financial institution might experience when offering a product like *EduPay* widely in a new population.

Of these 125 “interested in *EduPay*,” we obtained timely responses from schools in 101 cases, and in the end 33 individuals actually executed one or more *EduPay* transactions. Delays between submission of the Letter of Authorization and school responses were similar to those experienced in Round 1, which likely accounts for usage (33) being lower than interest (125).

Table 2. EduPay Usage Statistics, Round 2 (Jan – Jun 2013)

	Sample Size	Notes
Intercepted individuals	1,887	All intercepted individuals were offered <i>EduPay</i> , without screening for location (all locations were eligible) or existence of sponsorable students.
Interested in <i>EduPay</i>	125	Subset of intercepted individuals who signed a Letter of Authorization to contact a student’s educational institution
Potential <i>EduPay</i> users	101	Subset of those interested in <i>EduPay</i> for whom replies from schools were received
Actual <i>EduPay</i> users	33	Subset of potential <i>EduPay</i> users who actually made a transaction

Those actually using *EduPay* did so multiple times, and often for multiple students. Across the two rounds, 44 Filipino migrants used *EduPay* to execute a total of 178 *EduPay* transactions for the benefit of a total of 55 students in the Philippines. All *EduPay* transactions were executed successfully (in that funds were correctly credited to student accounts at schools.)

3. Survey Statistics and Experimental Results

The other major component of this study was the fielding and analysis of a comprehensive survey of migrants. The purpose of this survey was to understand demographics and remittance behavior of Filipinos in Rome, and to gauge the extent to which their remittance behavior might change when offered different ways to channel remittances towards education.

The survey was administered to respondents who were approached at various times and locations in Rome. Multiple locations were used to achieve a better coverage of the total Filipino

immigrant population. In addition to five fixed locations,³ enumerators were present at several events of the Filipino community in Rome. Enumerators were assigned to different locations during specified time spans to conduct the interviews. A total sample of 501 respondents was surveyed between August and December 2012. (As described in the previous section, a subset of 296 of these individuals was offered the *EduPay* product due to their origin location in the Philippines and the existence of a sponsorable relative.)

The first part of the survey questionnaire included general questions on the socio-economic situation of the respondent, indicators of remitting behavior, and the relationship with the family of origin in the Philippines. The second part of the survey questionnaire included a series of survey-based experiments (in other words, a “lab-in-field” experiment). Respondents were asked to imagine a windfall gain of 1000 Euros. They were then asked how they would prefer to distribute their windfall between themselves vs. as a remittance to one or more beneficiaries in the Philippines (more on this below).

3.1 Summary Statistics

The sample is 73% female and the average (and median) age of the respondents is 42. Most (70%) of the migrants have a college or a university degree and have been living in Italy for about 7 years (median). Nearly 68% of the respondents are employed as domestic workers. The median wage is 900 euro/month and the median amount of remittances is 380 euro/month, whereas 970 euro/year (median) are allocated toward education purposes in the Philippines. Table 3 also includes additional summary statistics for the sample, and Figure 1 displays the distribution of occupations of the 501 individuals in the survey.

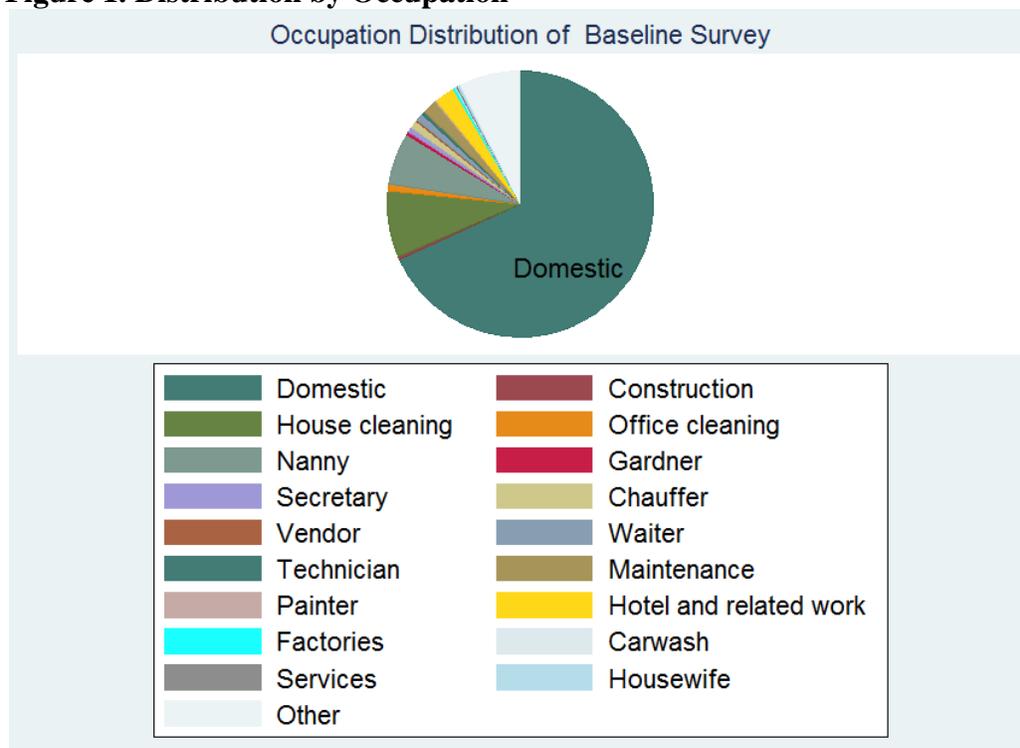
Table 3: Baseline Summary Statistics

	Mean	SD	Min	Median	Max	Observations
Migrant is a female	0.73	0.44	0.00	1.00	1.00	501
Migrant's age	42.25	10.32	19.00	42.00	71.00	499
Migrant is married	0.68	0.47	0.00	1.00	1.00	501
Migrant's number of children	1.95	1.47	0.00	2.00	8.00	501
Migrant's year in Italy	9.68	8.56	0.00	7.00	38.00	499
Migrant's Phil. Citizenship	0.99	0.10	0.00	1.00	1.00	500
Migrant is employed	0.98	0.15	0.00	1.00	1.00	499
Migrant is self-employed	0.02	0.15	0.00	0.00	1.00	488
Migrant's monthly Income	1045.18	566.42	0.00	900.00	7000.00	481
Migrant's Hours working	42.66	18.87	0.00	40.00	88.00	499
Migrant is remitting monthly	0.72	0.45	0.00	1.00	1.00	501
Remittances monthly	412.54	299.17	0.00	380.00	3000.00	499
Migrant's education	1383.72	1724.83	0.00	970.00	12000.00	500
Remittances						
Average cost of remittance	5.64	1.97	0.00	5.00	15.00	498
Sponsor student is a female	0.51	0.50	0.00	1.00	1.00	490
Age of the sponsored student	14.35	4.72	2.00	15.00	28.00	488

Notes: All variables are from 2012 survey of migrants. Migrants were all located in Rome.

³ The five fixed locations were the Santa Pudenziana Filipino community church, the Bank of the Philippine Islands Rome branch, the Embassy of the Philippines, the headquarters of an important Filipino NGO (OFSPES), and the central train station in Rome (Termini Station.)

Figure 1. Distribution by Occupation



3.2 Impact on Remittances of Different Approaches to Channeling Funds to Education

In the context of the survey, we conducted a “lab-in-the-field” experiment for the 501 study participants. The objective of the experiment was to quantify the potential impact of a product like *EduPay* on migrants’ willingness to transfer resources to beneficiaries in the Philippines. At the same time, we were interested in understanding whether any positive responsiveness to *EduPay* was driven by the ability to channel funds directly to schools, or whether *EduPay* simply provided a way for migrants to label that a transfer was intended for education. If labeling had a large enough effect in practice, it could be possible to achieve similar effects on educational financing in the home country by simply providing migrants an ability to label their remittances, instead of having to channel funds directly to education institutions.

In the experiment (which consisted simply of questions in the last part of the survey), each migrant was told they were entered into a lottery to win a 1000 euro prize. They were asked how they would like to allocate the funds between themselves and one or more beneficiaries in the Philippines if they were to win the prize. Respondents were told to report their desired allocations in each of four cases, described below. In each case, respondents could keep the entire amount, or they could use the funds for the benefit of one more individuals in the Philippines. The cases were as follows:

(a) Basic. Funds given to beneficiaries in the Philippines would be provided to them directly in cash.

(b) Education label. Funds given to beneficiaries in the Philippines could be provided to them directly in cash, or with a “label” (a simple statement) indicating that the money was to be spent on education. This case nests case (a) (the Basic case), but adds the possibility that some funds could be labeled for education.

(c) EduPay. Funds given to beneficiaries in the Philippines could be provided to them directly in cash, with a “label” (a simple statement) indicating that the money was to be spent on education, or paid directly to schools (as in an *EduPay* transaction). This case nests cases (a) and (b), and simply adds the possibility of an *EduPay*-style payment.

(d) EduPay with performance monitoring. This case is identical to (c), but in this case the migrant could also opt, if using *EduPay*, to receive reports from the school on the performance of any sponsored students.

Respondents were told that one respondent in the study would actually win the 1000 euro prize, and for that winner one of their four choices (a, b, c, or d) would be chosen to be implemented as specified in the survey. Funds that migrants allocated to beneficiaries in the Philippines would be sent as specified (e.g., a basic remittance, a remittance labeled for education, or as an *EduPay* transaction.) Migrants were told that they would not be allowed to change their allocation decision if they later learned that they had won the lottery, so they should take the allocation decision seriously. The lottery was actually implemented on 28 March 2013.

The experimental results are presented in Table 4. In the Basic case, which serves as a baseline for comparison, respondents sent 614 euros (61.4%) of their 1000 euro windfall to beneficiaries in the Philippines. In the Education Label case, amounts provided to Philippine beneficiaries are substantially larger, at 714 euros. This figure is statistically significantly larger than in the Basic case, and represents a 15,3% increase over the Basic case. In the *EduPay* case, amounts provided to Philippine beneficiaries are 722 euros, statistically significantly larger than in the Basic case (by 106 euros) and in the Education Label case (by 14 euros). The magnitude of the increase (in euros and in percentage terms) vis-à-vis the Education Label case is relatively small, however. It is clear that most of the effect of *EduPay* vis-à-vis the Basic case is accounted for by Education Labeling, rather than *EduPay per se*.

Finally, the *EduPay* with Performance Monitoring case yields no increase over *EduPay*. The amount given to Philippine beneficiaries is actually lower than in the *EduPay* case, and the difference vs. the *EduPay* allocation is not statistically significantly different from zero.

Table 4: Allocations to Philippine Beneficiaries across Experimental Cases

<u>Case</u>	<u>Amount Allocated to Philippine Beneficiaries (Euros)</u>	<u>Difference vs. Basic case</u>	<u>P-value of t-test of equality vs. Basic case</u>	<u>P-value of t-test of equality vs. previous case</u>
(a) Basic	614	n.a.	n.a.	n.a.
(b) Education Label	708	96	0.000	n.a.

(c) <i>EduPay</i>	722	108	0.000	0.048
(d) <i>EduPay</i> with Performance Monitoring	718	104	0.000	0.477

4. Potential for Future Project Improvement

Some important issues emerged during the implementation of *EduPay* that need to be taken into account in implementation of this kind of product in the future.

1. *EduPay* was feasible only among private schools at the elementary and secondary education level, and among both private and public schools at the tertiary level. Most Philippine public elementary and secondary schools do not charge any tuition, or the tuition fees are set so low that the use of *EduPay* is not attractive. This fact limited the appeal of *EduPay* for remitters with children or relatives attending public primary and secondary schools. However, if future mechanisms such as *EduPay* could be used for other services offered by the public schools (for instance, to buy books and uniforms, etc.), then it could attract such remitters.

2. PAPSCU's geographic area of coverage was limited to three main regions (Regions 3, 4 and the National Capital Region, NCR). Potential *EduPay* remitters were screened to meet this geographic condition, thus excluding OFWs coming from other areas of the Philippines that may have been interested in the product. Future implementations of a product like *EduPay* should collaborate with other NGOs and/or the Department of Education to increase the geographic coverage.

3. All *EduPay* applicants were invited to use *EduPay* once the school provided IPA with all necessary information for a successful *EduPay* transaction (such as the necessary banking information and references, or the person in charge of receiving the money in case the schools did not hold a bank account). In some cases the relevant information arrived too late, forcing OFWs to find some other way to pay tuition fees. Reasons for delay included the following: a) the school finance department staff being very busy during the enrolment period; b) some schools, particularly smaller schools, preferring to be paid in cash; c) lack of experience on the part of some schools in being paid via bank transfers, leading to hesitancy in providing their bank account information. In future efforts similar to *EduPay*, it would be useful to sign up schools in advance and get their agreement to participate in the *EduPay* payment system, so that information facilitating the transaction would not have to be collected each time a new *EduPay* transaction were to be made (leading to delays for OFWs). In getting schools to sign up for the *EduPay* system in advance, an endorsement on the part of the Department of Education would be helpful.

4. The implementation of a fully electronic procedure to exchange information between the bank, the school and the OFW based on a web resource would increase the rapidity of the flow of information and avoid crucial delays. Again, in this case collaboration with the Department of Education would also be helpful.

5. Most universities involved in this pilot project showed high interest on *EduPay* and some of them had already opened a Special Bank Account(SBA) with BPI Europe, into which OFWs could remit school payments directly. The availability of many SBAs with universities and private schools would make *EduPay* very effective and certainly an appealing product.

5. Cost-Effectiveness for the Private and Public Sector

We outline here the implications of our findings for cost-effectiveness of the *EduPay* product from both customer/private and public sector standpoints.

1. *Customers and the Private Sector*

Our pilot study found clear evidence of interest in *EduPay* on the part of overseas Filipino workers in Rome. The take-up rate of the *EduPay* product is relatively high, particularly for a new financial product. As discussed above, for several reasons this is likely to be an underestimate of the true take-up rate; take-up could be expected to be higher in a scaled-up implementation of the product. If one is willing to presume customers using *EduPay* are engaged in rational and forward-looking decision-making, with relatively full information, then it can be concluded that the total benefits of *EduPay* for customers exceeded the costs of usage. Customer costs in our pilot were primarily effort and hassle costs associated with using a new product with less-than-streamlined systems (in particular the delay between expressing interest in *EduPay* and the ability to actually execute the transaction due to the need to solicit payment information from schools.)

These findings suggest, indirectly, that *EduPay* is likely to be an attractive product for financial institutions engaged in international remittance transactions to offer on private (for-profit) basis. First, our partner, Bank of the Philippine Islands, is a private institution with a strong focus on profitability, and remains highly enthused about *EduPay* in light of the pilot project results. Second, we have learned of at least two other private sector efforts to replicate the *EduPay* model. The Nepali remittance operator IME has started an essentially identical service (even named “*EduPay*”) for channeling of domestic (within-Nepal) remittances towards school fees, and has plans to expand the service to Nepalis abroad sending remittances back to Nepal (see article reproduced in Appendix C). Separately, a new start-up service called PhilSmile is seeking to channel remittances of overseas Filipinos to education in the Philippines along the lines of the *EduPay* model. This service is in the last phases of start-up and aims to go live in February 2014. (We have provided feedback and descriptions of our *EduPay* project to the founder of PhilSmile, but have had no direct communication with the IME-*EduPay* project in Nepal.) The fact that others in the private sector are seeking to replicate our model – with no prodding on our part – provides independent confirmation that *EduPay*-like products are perceived as potentially profitable.

2. *Public Sector*

From the public sector standpoint, the key question is whether there are market failures or externalities involved in the introduction of a product such as *EduPay* which justify public intervention.

Private benefits of the *EduPay* product to the migrant customer (reduced transaction costs, increased ability to monitor remittances, utility from children sponsored) should be captured in the price of the product and provide a benefit to the remittance company in the form of fees. We can then think of several forms of externalities. The first is the possibility of a non-unitary household, in which the migrant does not fully consider the private benefits to the children being sponsored when making the decision of how much to remit, and as a result, the price of the product is unlikely to fully capture the private educational benefits to children in the Philippines. More broadly, there is a long-standing belief that the social benefits of education exceed the private benefits, providing one justification for government funding of

education. The same would apply here, and potentially provide a rationale for a partial subsidy.

Measurement of any social benefits (over and above private benefits) would require a larger-scale randomized controlled trial, with detailed survey-based measurement of the impacts of offering the *EduPay* mechanism on both the overseas workers themselves as well as individuals in the Philippines benefiting from *EduPay*.

A second case for public intervention is the presence of market failures which inhibit the provision of this product. We believe there are a number of market failures which may support the need for the public sector or development institutions in helping develop the market for such a product. As we have seen, there are *coordination failures* in launching such a product: it would be beneficial for a given school to participate if a large number of its migrant parents participated, but any particular migrant parent is not going to want to participate if schools are slow to enroll. Removing regulatory barriers, and encouraging schools to participate could help overcome these failures. A second market failure in developing a new market can be information failures: private companies and potential customers may be unaware of the benefits of such a product. In the latter case, the role of the public sector or development institutions would be to publicize the private benefits of *EduPay* for customers and financial institutions (perhaps by funding a scaled-up impact evaluation and publicizing the results). We view these market failures as primarily inhibiting the development of a new market, and once such a market is established, would see the role of the public sector reducing to its traditional role of providing the supporting regulatory and institutional environment, without the need for direct assistance.

6. Scaling and Financial Sustainability

The findings of this pilot project provide positive indications that a mechanism like *EduPay* could be scalable and financially sustainable. As discussed above, the take-up rate we found is relatively high, and is likely to be an underestimate. In addition, other private-sector financial institutions (e.g., IME and PhilSmile) are already seeking to establish similar services on a for-profit basis. That said, these results can only be taken as indicative; a full evaluation of financial sustainability would require a larger study and the resolution of issues (such as the delays related to the need for school cooperation with payment requests) that were likely to have depressed take-up in our pilot study.

Our findings provide justification for conducting an expanded study of the *EduPay* mechanism, so as to get a better assessment of take-up, and to quantify its impacts on outcomes of interest on the part of migrants and their families remaining in the Philippines. Such a study would do the following:

- Expand the sample size, so as to achieve sufficient statistical power for identification of impacts.
- Pre-register schools and universities in the *EduPay* payment mechanism *in advance*, to eliminate delays between migrants' expression of interest in the product and their ability to actually execute the transaction. As discussed above, this could be facilitated by the endorsement of an institution such as the Philippines' Department of Education. A larger

sample size, with more schools and pupils involved, and increased attention to overcoming these coordination failures *ex ante* can then help provide the conditions necessary for a self-sustaining market to develop as a result of such a study.

- Set up Philippine collaborations in such a way as to be able to offer *EduPay* for educational institutions in an expanded set of locations in the Philippines (ideally, all localities.) This could require partnering with additional associations of schools and universities (beyond our current partner, PAPSCU.)
- Set up the study as a randomized controlled trial, so that only a randomly-selected subset of migrants would be offered the *EduPay* product. Impacts of getting access to the *EduPay* product would be established via multiple rounds of surveys of migrants and their families remaining behind in the Philippines. Outcomes that could potentially be affected by the *EduPay* treatment include: remittances sent by migrants to Philippine families, migrant financing of education in the Philippines via *EduPay*, schooling outcomes for beneficiary students, and the composition of expenditures in the households of beneficiary students in the Philippines.
- Design multiple treatment conditions so as to answer important subsidiary questions of interest. 1) Would simple labeling of the remittance as intended for education have a similar effect (on the migrant's provision of educational funding, on remittances, and on schooling outcomes in the Philippines) as offering the *EduPay* product? This question is motivated by our experimental finding in the pilot study that simply allowing labeling of a remittance as intended for education had a substantial impact on migrants' willingness to share windfall income with family members in the Philippines. 2) How would demand for and impact of *EduPay* be affected by provision to migrants of information on the school performance (e.g., grades, attendance) of sponsored students?

Appendix A: Collaborating institutions and key individuals

Bank of the Philippine Islands (Manila, Philippines)

Roy Emil S. Yu (Vice President)
Anne A. Delos Reyes (Assistant Vice President)
Raul D. Dimayuga (Senior Vice President)

Bank of the Philippine Islands Europe (Rome branch)

Carmelo Calzado (Vice President)
Doris Alcantara (General Manager)

Philippine Association of Private Schools, Colleges and Universities (PAPSCU)

Jose Paulo Campos (President)
Joseph Estrada (Executive Director)

Fund for Assistance to Private Education (FAPE)

Carol Porio (Executive Director)

Embassy of Philippines, Rome, Italy

Ambassador H.E. Virgilio A. Reyes

Overseas Filipinos Society for the Promotion of Economic Security (OFSPES)

Cristina Liamzon (President)

Appendix B: Summary of EduPay start-up costs

The research team monitored all the cost related to the full implementation of the *EduPay* facility among Filipino migrants in Rome. In Table A1, we report the costs associated with Round 1 (all these costs are in addition to the costs of the baseline survey and IPA staff). In Table A2, we report the costs associated with the Extension Phase (Round 2).

The total start-up cost for EduPay for the full implementation across rounds 1 and 2 is \$16,115. The start-up cost includes, in addition to the costs associated with the baseline survey, fixed and variable costs associated with Round 1 and Round 2 of EduPay as follows, by location:

Manila (Philippines):

Administrative cost of PAPSCU's participation

As agreed, PAPSCU shares the contact details of all the schools involved in the project and work with IPA to obtain from these schools the required information (like student IDs, bank account numbers, etc.) to implement EduPay. A PAPSCU employee (Ms. Mayla Sampa) allocated some of her working time to support the EduPay project. PAPSCU and IPA agreed on a monthly amount of PhP10,000 (approximately US\$240) to cover the cost of her involvement.

IPA staff expenses

IPA and PAPSCU processed every EduPay application as follows: they (i) confirmed the information related to the sponsor student by calling each family in the Philippines; (ii) scanned Round 1 Reply Forms from the schools and send them to IPA staff in Rome; (iii) reconfirmed with the schools every payment made through EduPay; and (iv) scanned the official receipts of each payment and send them IPA staff in Rome.

Rome (Italy):

Administrative costs

An IPA staff member conducted the baseline survey and provided detailed information about EduPay to all the interested OFWs. Each Round 1 Reply Form (i.e. the schools' replies) was processed by the IPA PA in Rome. The OFW was then invited to pay the respective tuition fees using EduPay. Once the transaction was completed, the IPA staff sent a text message to the OFWs and mailed the official receipts (in some cases, the payment confirmation was left with the BPI branch in Rome, for pick up by the OFW).

Fixed monthly expenses

A fixed monthly payment is given to one of the enumerators for her continued involvement in the project and for serving as the intermediary between the EduPay team and the Filipino community. The monthly payment was 400€(around US\$512).

Other expenses

These included: (i) the mobile phones used during the survey and the calling cards to phone the OFW families and the schools in the Philippines and to invite OFWs to use EduPay when all the necessary information was acquired; (ii) printing costs of the EduPay fliers; and (iii) the cost of scanning receipts of EduPay transactions carried out at the BPI branch in Rome, which were then sent to IPA staff in the Philippines.

Treatment costs

During this pilot phase, the project funds covered the remittance fees of every EduPay transaction. The cost varied, depending on the kind of financial transaction required to wire the funds to the schools: (i) for educational institutions registered as BPI merchants, the wire transfer was an intra-BPI transfer and the remittance fee was 5€ (around US\$6.40); (ii) for educational institutions holding non-BPI bank accounts, the transaction was an interbank transfer and the remittance fee was approximately 6.78€ (US\$8.70); (iii) for schools without any bank account, PAPSCU helped establish direct contact between IPA/BPI and the schools to facilitate the transmission of funds via other options, such as the “door-to-door” option; in this case the remittance fee was 10€ (\$12.80).

Table A1: Summary Start-up Costs for EduPay Stage 1^a
(In current US dollars; includes activities through '12-'13)

	IPA Philippines	IPA Italy	Total
FixedCost^b			
MonthlyAdministrativeCost	240	512	752
Total Fixed Cost (Sept'12-April '13) ^c	1920	4096	6016
VariableCost^d			
EquipmentExpenses	348	897	1245
Treatment Costs ^e		210	210
Total VariableCost	348	1107	1455
<i>Total Fixed and Variable Cost</i>	2268	5203	7471

a: The amounts are reported in dollars at the current exchange rate.

b: The fixed cost does not include the cost of the baseline survey.

c: Monthly administrative cost x 8 months.

e: The treatment cost includes only EduPay transactions through October-November 2012.

TableA2: Summary Start-up Costs for EduPay Stage 2^a
(In current US dollars; includes activities through April -November 2013)

	IPA Philippines	IPA Italy	Total
FixedCost^b			
MonthlyAdministrativeCost	240	512	752
Total Fixed Cost (April '12-November '13) ^c	1440	4096	5536
VariableCost^d			
EquipmentExpenses	1323	279	1602
Treatment Costs ^e		1506	1506
Total VariableCost	1323	1785	3108
<i>Total Fixed and Variable Cost</i>	2763	5881	8644

a: The amounts are reported in dollars at the current exchange rate.

b: The fixed cost does not include the cost of the survey.

c: Monthly administrative cost x 6 months (only of 4 months in the Philippines) .

e: The treatment cost includes EduPay transactions April- November 2013.

Appendix C: Article on IME EduPay product, Nepal

Source: <http://www.imeremit.com/news.php?id=88>



News

Dated: 18th September 2013

IME launches new remittance product 'edupay'



International Money Express Pvt. Ltd. (IME) has launched its new service product Edupay, a remittance based education fees payment service, the first service of its kind in Nepal, from 18 September 2013. This service aims to replace the traditional fees payment pattern and ease parents/guardians of the students by giving them opportunities to make the fees payment from any of IME's 2600 plus agent network in Nepal.

IME in association with Higher Secondary Schools' Association of Nepal (HISSAN) had organized an interaction program on Edupay to get the feedback from the member institutions of HISSAN as well as Private and Boarding Schools' Organization Nepal (PABSON). With a great support and positive response from HISSAN and PABSON members, Edupay service has been launched.



We believe that Edupay will ease the guardians/parents of the students to pay the tuition fees from the most accessible IME agent in the most convenient way without any hassle. This will ultimately save time and resources for the parents/students. Furthermore, this service will also benefit educational institutions to receive the payment of students' fees through alternative channel quickly from any parts of Nepal and thereby improving their cash flows. Plans are afoot to launch this service overseas for Nepalese residing and working in foreign countries too, making it possible for them to remit school/college fees of their children in Nepal through IME's international agent network.

Edupay is indeed IME's introduction of its Consumer -to- Business (C2B) model of non-traditional, alternative payment solution for educational institutions through remittance. IME is committed to keep its legacy of fast, reliable and secure remittance services to its valued customers by bringing diversity in its service products.