


The 2015 Challenge

Can We Win the War vs Poverty?



Half of the country's poor will have better lives in 2015 based on the 2nd Philippine Progress Report on the Millennium Development Goals (MDGs) prepared by the Philippine government in close collaboration with the United Nations (UN) Country Team. The report revealed that the first MDG target that of halving poverty in 2015, is attainable.

What is the status of the government's war against poverty?

THE POVERTY SITUATION

Poverty declined in 2003, according to the National Statistical Coordination Board (NSCB). From 28 poor families out of 100 in 2000, there are now 24. Poor families are those who do not earn enough to satisfy their basic food and nonfood requirements. This translates to a 3.1 percent decrease in poverty incidence or around 124,000 number of families trying to make ends meet in 2003.

In terms of population, 30 out of 100 Filipinos in 2003 had income short of the minimum cost of satisfying the basic requirements. This is an improvement from that in 2000 wherein 33 out of 100 Filipinos had income below the poverty threshold. This translates to a 1.6 million decrease in the magnitude of Filipinos living below the poverty line.

Poverty in the Philippines is predominantly rural and, although variable by region, is pervasive in southern

Philippines. The causes include: poor productivity growth in agriculture, under-investment in rural infrastructure, unequal land and income distribution, high population growth and the low quality of social services. Natural disasters, the risks associated with variable markets, and the persistence of armed conflict in Mindanao, also threaten to deepen existing disparities by disrupting growth and exacerbating poverty.

There is a good news, however. Seven of the poorest provinces in 2000 in the rural areas, namely, Sulu, Ifugao, Lanao del Sur, Camiguin, Camarines Norte, Tawi Tawi, and Romblon have been removed from the list of ten poorest provinces in 2003. This means they registered double-digit declines in their poverty incidences except for Camarines Norte which registered a 6.5 percent decrease. Masbate remained in the list of the ten poorest since 1997 with Maguindanao and Agusan del Sur. (Table 1)



Table 1: 1997-2003 poverty incidences of the ten poorest provinces in 2000

Province	1997		2000 Revised		2003 Final		Inc/Dec 2000 to 2003
	Poverty Incidence	Rank	Poverty Incidence	Rank	Poverty Incidence	Rank	
Masbate	61.4	2	61.3	1	55.9	3	(5.4)
Maguindanao	41.6	27	59.3	2	60.4	2	1.1
Sulu	67.1	1	58.9	3	45.1	13	(13.8)
Iligao	57.7	4	55.7	4	28.1	54	(27.6)
Lanao del Sur	55.6	7	54.7	5	37.6	25	(17.1)
Camiguin	32.5	49	54.2	6	34.5	33	(19.7)
Comarines Norte	49.7	10	52.7	7	46.1	11	(6.6)
Tawi-tawi	35.0	40	52.4	8	34.6	31	(17.8)
Agusan del Sur	45.3	15	52.3	9	52.8	5	0.5
Romblon	52.8	6	52.2	10	37.5	26	(14.8)

The provinces that comprised the ten poorest for 2003 were Zamboanga del Norte, Maguindanao, Masbate, Surigao del Norte, Agusan del Sur, Surigao del Sur, Misamis Occidental, Mt. Province, Biliran, and Lanao del Norte. (Table 2)

Table 2: 1997-2003 poverty incidences of the ten poorest provinces in 2003

Province	1997		2000 Revised		2003 Final		Inc/Dec 2000 to 2003
	Poverty Incidence	Rank	Poverty Incidence	Rank	Poverty Incidence	Rank	
Zamboanga del Norte	42.4	25	47.0	17	64.6	1	17.5
Maguindanao	41.6	27	59.3	2	60.4	2	1.1
Masbate	61.4	2	61.3	1	55.9	3	(5.4)
Surigao del Norte	46.9	12	42.6	23	54.5	4	11.9
Agusan del Sur	45.3	15	52.3	9	52.8	5	0.5
Surigao del Sur	45.2	17	38.4	35	48.6	6	10.2
Misamis Occidental	43.3	21	46.8	18	48.1	7	1.2
Mt. Province	56.6	5	48.4	15	45.7	8	(1.7)
Biliran	39.6	51	33.3	44	46.5	9	13.3
Lanao del Norte	45.2	16	49.3	12	46.5	10	(2.9)

Note: The 1997 estimates have yet to be revised based on the refinements done on the 2000 figures.

The ten least poorest provinces in 2003, on the other hand, are found in Luzon. It's worthwhile mentioning that the richest provinces are those situated just outside the Metro Manila area. This include Rizal which recorded the lowest incidence with only 3.4 percent of families living in poverty. Laguna, Bulacan, and Cavite are also included in the least poorest. (Table 3)

GOVERNMENT EFFORTS

The Philippine poverty reduction strategy, as outlined in the Medium-Term Philippine Development Plan (MTPDP), 2004-10, has identified *Kapit Bisig Laban sa Kahirapan* (KALAHI) as the country's overall poverty strategy. The antipoverty thrusts under the KALAHI include providing livelihood and employment, human



Table 3: Ten least poor provinces/areas in 2003

Province/District	Poverty Incidence Among Families								
	Estimates (%)		Inc/Dec	Coefficient of Variation		90% Confidence Interval			
	2000 Revised	2003 Final		2000 Revised	2003 Final	2000 Revised Lower Limit	2000 Revised Upper Limit	2003 Final Lower Limit	2003 Final Upper Limit
	Rizal	5.6	3.4	(2.3)	21.3	19.0	3.7	7.6	2.3
1st District - NCR	5.8	3.8	(2.1)	21.6	25.9	3.8	7.9	2.2	5.4
4th District - NCR	4.9	4.5	(0.5)	15.6	15.1	3.7	6.2	3.3	5.6
3rd District - NCR	9.4	5.0	(4.4)	13.6	17.2	7.3	11.6	3.6	6.4
2nd District - NCR	4.1	5.8	1.8	16.5	16.9	3.0	5.3	4.2	7.4
Batanes	10.4	6.3	(4.2)	36.5	a	4.2	16.7	a	a
Laguna	8.1	8.4	0.3	14.4	14.6	6.2	10.0	6.4	10.4
Bulacan	5.4	8.5	3.2	15.7	14.7	4.0	6.8	6.5	10.6
Cavite	10.2	8.8	(1.6)	16.0	15.8	7.5	12.9	6.4	10.9
Nueva Vizcaya	16.5	9.2	(7.3)	28.8	27.4	8.7	24.3	5.0	13.3

development and social services; asset reform; protecting and empowering the vulnerable; and participatory governance. Based on the 2005 Socioeconomic Report, strides have been made in order to help improve the lives of the poor.

In providing livelihood and employment, A key strategy for job generation is the development of two million hectares of land for agribusiness which is expected to generate two million new jobs and enhance the productivity and incomes of Filipino farmers who comprise a large portion of the country's poor. Thus, from January to October 2005 a total of PhP8.4 billion loans have been released that benefited around 577,671 new microfinance borrowers. Poverty Free Zones (PFZ) were also established in all regions except for Region IV-B that led to the creation of core community enterprises and jobs. Moreover, 20,009 families in 2005 were given employment through the 935 Self-Employment Assistance-Kaunlaran (SEA-K) projects, among others.

The government is also speeding up asset reform for the landless through the land tenure improvement strategy under the Comprehensive Agrarian Reform Program (CARP). So far, a total of 147,199 hectares were awarded and distributed to 81,792 agrarian reform beneficiaries (ARBs). From 1972 to 2005, 3.7 million hectares with land titles were distributed to more than two million ARBs. A total of 24,749 hectares were also placed under leasehold. This programs and projects mark 93 percent accomplishment from the 26,549-hectare target for distribution.





In providing human development and social services, the government aims to make essential services more accessible and affordable for the poor. One of its program is to reduce cost of essential medicines through the Half-Priced Medicines Programs of the Philippine International Trading Corporation (PITC). In 2005, PITC supplied low cost medicines to 72 Department of Health (DOH) hospitals, 110 local government units, and 3,500 *Botika ng Barangay*. Beneficiaries of PhilHealth insurance increased by 64 percent based on the estimated population of 85 million in 2005. Health programs were put in place to address malnutrition and prevention of diseases such as Food for Work, Food for School Program, programs to prevent tuberculosis, malaria and HIV/AIDS, among others.

To protect the vulnerable, programs and projects implemented in 2005 include: for children, the Bright Child Program; and Brighter Children, Wealthier Farmers Program; for youth, the Government Internship Program (GIP); and the Youth Entrepreneurship Program; for women, the Crisis Intervention Units under the Department of Social Welfare and Development; implementation of the National Action Plan to Eliminate Violence Against Women (NAP-EVAW); for persons with disabilities (PWDs), trainings, seminars, rehabilitation services are being provided. For older persons, provision of residential and day care facilities and services; and for indigenous peoples (IPs), educational and legal assistance, among others.

To empower the poor, one of the government's main project is the *Kapit Bisig Laban sa Kahirapan* - Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS). With the participation of the masses in this project, it help lift people up from poverty and deprivation, expand their choices, and increase the opportunities available to them as well as their capabilities to respond. In 2005, 42 provinces, 101 municipalities and 2,367 barangays have institutionalized the program, and counting. As of April 2006, a total of 1,178 community sub-projects have been completed. These are projects on water, road, classroom, health center, among others.



ARE WE READY FOR 2015

At the launching of the Stand Up Against Poverty campaign, National Economic and Development Authority (NEDA) Deputy Director-General Margarita Songco said that aside from the target of halving poverty by 2015, other targets that can also be attained include the provision of access to safe drinking water, dietary energy requirement, preventing HIV/AIDS and malaria, gender equality in education, and child mortality. However, efforts should be exerted to meet the targets for nutrition, maternal health, participation and cohort survival rates in primary education, and access to reproductive health services.

Deputy Director-General Songco said the Philippines cannot afford to be complacent based on Rosario Manasan's (Philippine Institute for Development Studies) updated estimates of the financing requirements of the MDGs. She said that while the policy thrusts embodied in the MTPDP are supportive of the attainment of the MDGs, it is not likely that the MDGs will be achieved unless additional resources will come from sectors other than the government (national and local).

Table 4: Estimation of the MDG Resource Gaps*, in current prices

	Under high-cost assumption	Under low-cost assumption
Total resource gap, 2007	PhP 91.9B (1.4% of GDP)	PhP 84.6B (1.2% by GDP)
Cumulative resource gap of all MDGs combined, 2007-2010	PhP 394.7B (1.2% of GDP)	PhP 343.2B (1% of GDP)

*MTPDP growth path used

Source: 2006 Financing the MDGs: The Philippines, draft report by Dr. Rosario Manasan (PIDS)

Among the programs and projects being implemented by the government to support the MDG financial requirements include: raising tax collection efficiency through improved tax administration and new tax measures; pursuing a stronger population management program and the use of more cost-effective modes of delivering social services; ensuring efficient and effective use of resources; and promoting a policy environment that allows participation of the poor.



MDG Goals and Targets

Goal : Eradicate Extreme Hunger and Poverty



Target 1. Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day

Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Goal : Achieve Universal Primary Education



Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Goal : Promote Gender Equality and Empower Women



Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Goal : Reduce Child Mortality



Target 5. Reduce by two-thirds, between 1990 and 2015, the under five mortality rate

Goal : Improve Maternal Health



Target 6. Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Goal : Combat HIV/AIDS, Malaria and other diseases



Target 7. Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Target 8. Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Goal : Ensure Environmental Sustainability



Target 9. Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources

Target 10. Halve, by 2015, the proportion of people without sustainable

access to safe drinking water and basic sanitation

Target 11. Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers

Goal : Develop a Global Partnership for Development



Target 12. Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction both nationally and internationally)

Target 13. Address the special needs of the Least Developed Countries (includes tariff- and quota-free access for Least Developed Countries? exports, enhanced program of debt relief for heavily indebted poor countries [HIPC] and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction)

Target 14. Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions)

Target 15. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Target 16. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

Target 17. In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Target 18. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies