

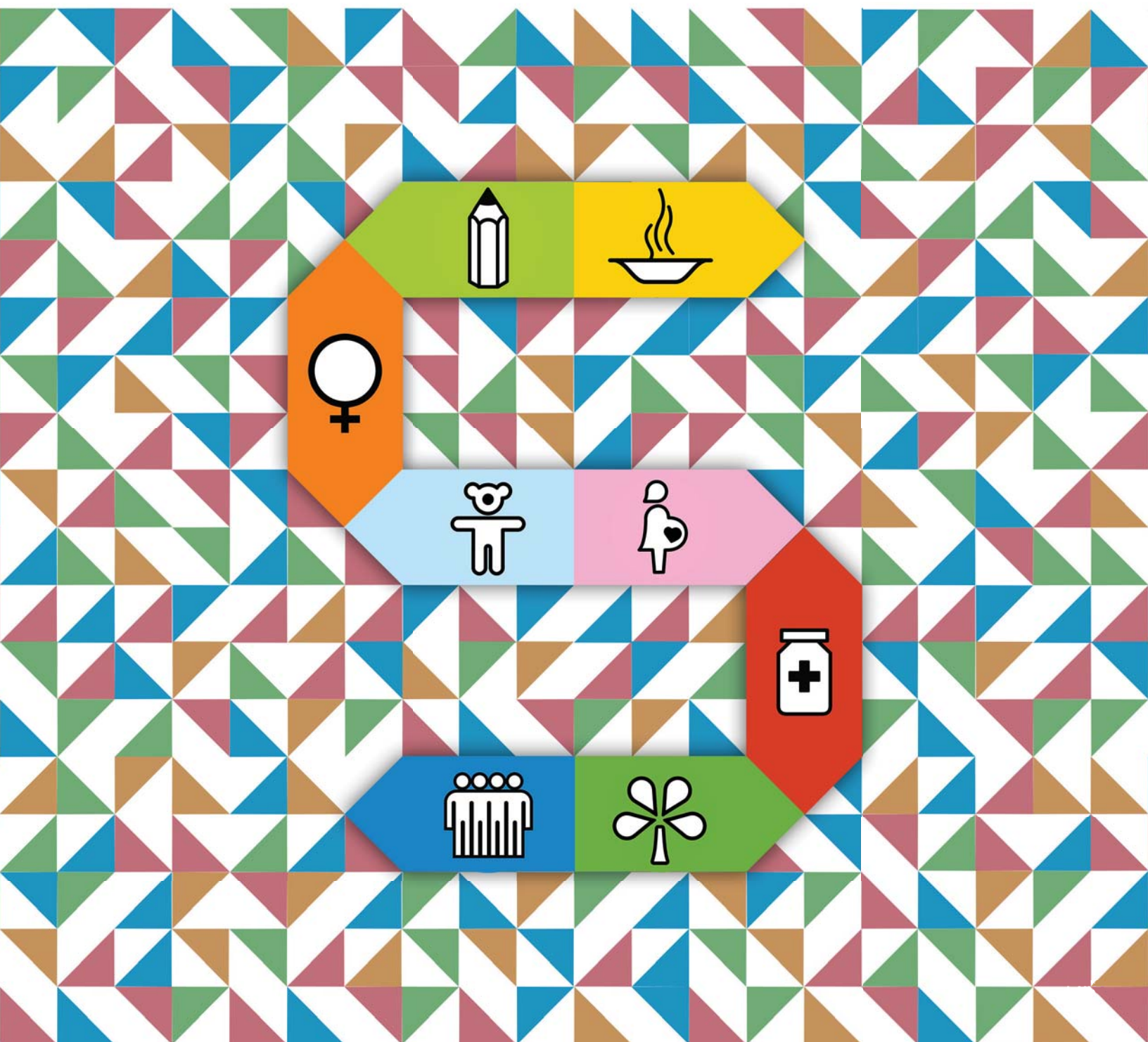


Empowered lives.
Resilient nations.

The Philippines

Fifth Progress Report

Millennium Development Goals



© 2014 by the National Economic and Development Authority and
United Nations Development Programme

All rights reserved. Any part of this publication may be used and reproduced,
provided proper acknowledgement is made.

The Philippines
Fifth Progress Report - Millennium Development Goals

Published by:
National Economic and Development Authority
12 Escrivá Drive, Ortigas Center, Pasig City
Tel: (+632) 631 0945 to 56
Email: info@neda.gov.ph
www.neda.gov.ph

Printed in the Philippines



The Philippines

Fifth Progress Report

Millennium Development Goals

Foreword



The attainment of the United Nations' Millennium Development Goals remains a priority of the Philippine Government. Since its adoption in 2000, the MDGs have become a guide in the preparation of our development strategies and implementation of policies and programs.

We continue to take action towards accelerating progress. For instance, the Kapit-Bisig Laban sa Kahirapan–Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) Program has covered 8,435 barangays, 364 municipalities, 49 provinces in 12 regions since 2003. Moreover, as of May 28, 2014, registered households of the Pantawid Pamilyang Pilipino Program has reached 3,995,027 or 89.94% of this year's target of 4,441,732 households in 41,344 barangays in all 144 cities and 1,483 municipalities in 80 provinces.

The Philippines reached its target on access to safe water and is on track in achieving the MDGs on education, empowering women, reducing infant and under-five mortality, reversing incidences of malaria, and increasing the proportion of households with access to sanitary toilet facilities.

Despite our headway, we must not forget that our gains can be negated by external factors such as natural disasters. Typhoon Yolanda was a reminder that climate risk remains a challenge, and this document highlights that calamities further intensify poverty and increase the vulnerability of those in marginalized sectors.

This penultimate report before the MDG deadline in 2015 is a cue for us to act on the recommendations herein and double our implementation efforts in the remaining period. I exhort all stakeholders to heed this call to action and prove to the global community that the Philippines can “build back better.”

A handwritten signature in black ink, appearing to be 'B. Aquino III'.

BENIGNO S. AQUINO III
President, Republic of the Philippines

Preface



UN Secretary General Ban Ki-Moon has cited the MDGs as “the most successful global anti-poverty push in history.” From the development planning perspective, the MDGs have evidently helped us in setting priorities and attaining desired results. The Philippines has adopted the MDG targets and ensured that the indicators would be relevant to our national situation and context.

The MDG Country Reports now stand among the best instruments to monitor our efforts and gains from the ground. From these reports, we are able to extract lessons in order to continuously improve and maintain the momentum towards the attainment of the MDGs.

The “**Philippines Fifth Progress Report on the MDGs**” is the penultimate report before 2015. With inputs from consultations with government agencies, the academe, research institutions, civil society organizations, and the UN Country Team, this publication intends to provide the status, trends, emerging challenges, lessons learned, best practices, and recommendations to meet the MDGs.

This Report shows that the Philippines is on track to meet the following MDG targets: (1) providing universal access to primary education; (2) providing educational opportunities for girls; (3) reducing infant and under-five mortality; (4) reversing the incidence of malaria; (5) increasing tuberculosis detection and cure rates; and (6) increasing the proportion of households with access to safe water supply. Furthermore, the target of halving the proportion of people with no access to basic sanitation has already been achieved.

On the other hand, there is a need to exert greater effort to accelerate progress on the following areas where we are lagging behind: (1) elementary education in terms of completion rate; (2) maternal mortality; (3) access to reproductive health; and (4) HIV/AIDS.

On education, the participation rate has significantly improved but the completion rate at the elementary level has declined.

On health, the increase in maternal mortality ratio indicates that the target of 52 deaths per 100,000 live births has a low probability of being met. The contraceptive prevalence rate decreased from 50.1 percent in 2008 to 48.9 percent in 2011, still far from the country’s CPR target for 2015 which is at 63 percent, which indicates that the target for universal access to reproductive health is also unlikely to be achieved. Fast-tracking the implementation of the Responsible Parenthood and Reproductive Health Law is crucial, not just in improving the performance of the MDG 5 targets, but also in empowering women to make informed choices. Efforts must be also intensified in halting the increasing number of HIV/AIDS cases.

It has to be noted that on gender, boys are at a disadvantage in terms of elementary and secondary education participation, cohort survival rate, and completion rate. The Report also shows that more females enrol in tertiary education and that there is a wide disparity in terms of functional literacy between males and females, with the latter having the advantage.

Inequality at the national level has remained high, despite a slight decrease of the Gini coefficient from 0.48 in 1991 to 0.47 in 2012. Uneven progress across regions also remains a pressing issue. Regional assessments of MDG progress show that Bicol and most regions in Mindanao performed poorly in most of the goals, implying a high unmet need for social services, economic opportunities and social safety nets. The signing of the Comprehensive Agreement on the Bangsamoro, however, is a milestone that hopes to trigger genuine development in conflict-torn areas in the South.

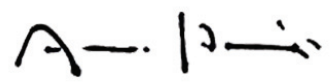
Poverty incidence has been decreasing from 34.4 percent in 1991 to 25.2 in 2012. Poverty incidence in the first semester of 2013 was estimated at 24.9 percent which shows a 3 percentage point reduction from the 27.9 percent poverty incidence recorded for the first semester of 2012.

The devastation caused by typhoon Yolanda is seen to negate the progress for the MDGs, particularly in poverty reduction. The Report stresses that natural disasters and man-made shocks impede the sustainability of poverty reduction efforts and consequently increase poverty incidence, if no appropriate social safety nets are established to empower and protect the most disadvantaged and vulnerable sectors from further risks. With extreme changes in weather patterns becoming the new norm, we need to intensify the institutionalization of climate change adaptation and mitigation measures, particularly at the local levels.

The challenges ahead and the urgency to achieve the MDGs reinforce the role of every stakeholder in the development process: the national government as the enabling body for policy formulation and budget allocation; the local government units as the frontline planners, resource programmers and implementers of policies and programs at the grassroots level; the private sector as the government's partner in providing investments and service delivery; and the civil society as active advocates and monitors.

We are also starting to define our post-2015 agenda by involving stakeholders in crafting our future direction. This will require us to aggressively recalibrate and strategically re-think our programs, projects and activities. The **Philippine Development Plan (PDP) 2011-2016 Midterm Update** is paving the way for our post-MDG initiatives by putting in place spatial and sector-focused strategies for the Plan period. In terms of development goals, the Updated PDP introduces the multidimensional poverty index (MPI) as a performance indicator that complements the traditional income poverty data. These initiatives will hopefully help us in attaining our vision of inclusive growth, where no Filipino is left behind.

With only less than 500 days to the MDG deadline, "business as usual" is no longer the practice. What we need is a strong and unified determination from all sectors, at the national and local levels, for our country to make good on our Millennium promise.



ARSENIO M. BALISACAN
Economic Planning Secretary

Message



With this *Philippines Fifth Progress Report on the Millennium Development Goals*, the Philippines examines itself and invites the scrutiny of civil society on how efforts have fared towards pre-determined MDG targets and how it plans to utilize the remaining months before the global reckoning at the end of 2015.

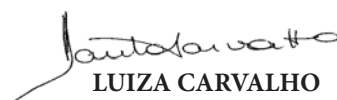
It is a comprehensive and transparent report. It summarizes the status of 35 MDG indicators in Table 1 where we see that 14 indicators have a high probability of being attained (pace of progress is greater than 90 percent), 14 indicators have a low chance of being attained (pace of progress is less than 50 percent), and 7 indicators have a medium or fair chance (pace of progress is between 50 and 90 percent). It reports significant achievements in reducing infant and under-five mortality, empowering girls and women, increasing the proportion of

households with access to safe water and sanitary toilet facilities, reversing the incidence of malaria, and increasing tuberculosis detection and cure rates, alongside disappointing misses in improving maternal health, combatting HIV/AIDS, and addressing the underperformance of boys relative to girls in all levels of education. High scores with respect to universal access to primary education are described in the same breath as internal inefficiencies in the sector, which are reflected in low cohort survival rates and completion rates.

It is also a forthright report. It questions the nature of the economic growth recorded in recent years, asking whether and how that growth has been inclusive, and offers an inequality analysis and a reflection on key bottlenecks for each goal. It takes note of striking disparities between regions and across income groups and admits shortcomings in both access to employment and the quality of employment, observing how the latter is intimately linked with both income poverty and education achievements. It examines the dynamic between transient poverty and natural hazard so relevant for Philippines.

Above all, it is a hopeful report, signifying the resolve of the Filipino Government and people to pursue the inclusive and sustainable development embodied in the MDGs despite having just a little more than a year to go. Nowhere else has this resolve been demonstrated than in the fight to eradicate poverty, where recent data suggests a reduction in poverty incidence by 3 percentage points year-on-year, from the first semester of 2012 to the first semester of 2013, a substantial change in pace from the 9.2 percentage point reduction observed over the 20 years between 1991 to 2012. This result shows the power of public and social policies, when they are well-designed and targeted, to reverse the intergenerational cycle of poverty that has perpetuated exclusions and vulnerabilities thus far. The 'priorities for action' in this Report will be the object of the same collective and concentrated effort by national government, local governments, civil society and the private sector over the next year – and beyond, as the post-2015 Development Agenda is finalized and adopted. Indeed, there is no better basis for optimism.

Mabuhay Philippines!


LUIZA CARVALHO
UN Resident Coordinator and
UNDP Resident Representative

Acknowledgements

This Report was prepared through the collaborative efforts of the National Economic and Development Authority, under the leadership and guidance of Secretary Arsenio M. Balisacan, and the United Nations Country Team, led by Dr. Luiza Carvalho, UN Resident Coordinator.

The NEDA would like to thank the consultant, Dr. Celia Reyes of the Philippine Institute for Development Studies (PIDS) for her invaluable expertise in assessing MDG progress, consolidating and analyzing relevant data, integrating outputs of various stakeholders consulted during the report's formulation, and providing evidence-based recommendations for the achievement of the MDGs in 2015.

Sincerest appreciation is also due to the United Nations Country Team (UNCT), members of the Multisectoral Committee on International Human Development Commitments (MC-IHDC), NEDA-Social Development Committee (SDC), nongovernment organizations, private sector, and academe/research institutions who participated during the Technical Workshop on the Philippines Fifth Progress Report on the MDGs held last June 18, 2013.

We would also like to thank the members of the Human Development and Poverty Reduction Cluster (HDPR) for their valuable inputs/recommendations. We also acknowledge the technical inputs shared by the Deputy Director-General Emmanuel F. Esguerra, Assistant Deputy Director-General Rosemarie G. Edillon, and other NEDA Staffs, namely: Agriculture, Natural Resources and Environment Staff; Trade, Services and Industry Staff; National Policy and Planning Staff; Monitoring and Evaluation Staff; Regional Development Staff; Governance Staff, and Information and Communications Technology Staff.

Recognition is also due to the NEDA-Social Development Staff for their technical contributions and the Accelerating Progress on the MDGs Project Unit for the full coordination of activities from the conceptualization of the project to publication.

Lastly, the NEDA would like to thank the United Nations Development Programme for funding support and technical assistance.

Table of Contents

Foreword <i>President Benigno S. Aquino III</i>	iii
Preface <i>Secretary Arsenio M. Balisacan</i>	v
Message <i>UN Resident Coordinator Dr. Luiza Carvalho</i>	vii
Acknowledgements	viii
List of Acronyms	x
List of Tables	xvi
List of Figures	xvii
Philippines Fifth Progress Report on the MDGs, 2013	
Executive Summary	1
Goal 1: Eradicate extreme poverty and hunger	15
Goal 2: Achieve universal primary education.....	35
Goal 3: Promote gender equality and empower women	49
Goal 4: Reduce child mortality	65
Goal 5: Improve maternal health	73
Goal 6: Combat HIV/AIDS, malaria and other diseases	87
Goal 7: Ensure environmental sustainability	99
Goal 8: Develop a global partnership for development.....	119
Financing the MDGs	139
Advocating, localizing and Monitoring the MDGs	147
References.....	152
Key Contributors	154

List of Acronyms

ACS	Antenatal Aorticosteroid
ACT	Area Coordination Team
ADB	Asian Development Bank
AHYDP	Adolescent Health and Youth Development Program
AITECH	Accreditation of Innovative Technologies
ALL	Acute Lymphocytic Leukemia
ALLMAP	ALL Medicine Access Program
AMDGO	Albay MDG Office
ANC	antenatal care check-ups
APIS	Annual Poverty Indicator Survey
ARB	Agrarian Reform Beneficiary
ARMM	Autonomous Region of Muslim Mindanao
ART	Antiretroviral Therapy
ARV	Antiretroviral
ASEAN	Association of South East Asian Countries
ASP	Adopt-A-School Program
BCMAP	Breast Cancer Medicine Access Program
BEmONC	Basic Emergency Obstetric and Neo-natal Care
BESF	Budget of Expenditures and Sources of Financing
BHS	Barangay Health Station
BHW	Barangay Health Workers
BIR	Bureau of Internal Revenue
BLES	Bureau of Labor and Employment Statistics
BnB	Botika ng Barangay
BNB	Botika ng Bayan
BNS	Barangay Nutrition Scholars
BOC	Bureau of Customs
BOD	biological oxygen demand
BSP	Bangko Sentral ng Pilipinas
BUB	Bottom-Up Planning and Budgeting
Calabarzon	Cavite, Laguna, Batangas, Rizal, and Quezon (Region IV-A)
CARP	Comprehensive Agrarian Reform Program
CARPER	CARP Extension with Reforms
CBA	Collective Bargaining Agreements
CBMS	Community-Based Monitoring System
CCT	Conditional Cash Transfer
CDD	Community-driven Development
CDR	Case Detection Rate
CEAC	Community Empowerment and Activity Cycle
CeC	Community eCenter
CELA	Certificates of Eligibility for Lot Award
CEmONC	Comprehensive Emergency Obstetric and Neo-natal Care
CFCs	Chlorofluorocarbons
CFWCI	Caraga Family Welfare Council, Incorporated
CHD	Centers for Health Development
CHED	Commission on Higher Education
CITES	Convention on the International Trade in Endangered Species
CLPIMS	Core Local Poverty Indicator Monitoring System
CLUPs	Comprehensive Land Use Plans
CMP	Community Mortgage Program

CMTS	Cellular Mobile Telephone Subscribers
CompR	Completion Rate
CPH	Census of Population and Housing
CPR	Contraceptive Prevalence Rate
CR	Cure Rate
CROWN	Consistent Regional Outstanding Winner in Nutrition
CSC	Civil Service Commission
CSOs	Civil Society Organizations
CSR	Cohort Survival Rate
CSR	Corporate Social Responsibility
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DFA	Department of Foreign Affairs
DHO	District Health Officers
DHUD	Department of Housing and Urban Development
DICT	Department of Information and Communications Technology
DILG	Department of the Interior and Local Government
DOH	Department of Health
DOLE	Department of Labor and Employment
DORP	Drop-out Reduction Program
DOTS	Directly Observed Short-course
DPWH	Department of Public Works and Highways
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
EINC	Essential Intrapartum and Newborn Care
EU	European Union
FAPs	Foreign Assisted Projects
FDIs	Foreign Direct Investments
FHS	Family Health Survey
FHSIS	Field Health Services Information System
FIES	Family Income and Expenditure Survey
FLEMMS	Functional Literacy, Education and Mass Media Survey
FMB	Forest Management Bureau
FNRI	Food and Nutrition Research and Institute
FP	Family Planning
FSSP	Food Staples Sufficiency Program
FSWs	Female Sex Workers
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
GFI	Government Financial Institutions
GK	Gawad Kalinga
GOCCs	Government-owned and Controlled Corporations
GO-FAR	Good Practices in Local Governance: Facility for Adaptation and Replication
GP	Garantisadong Pambata
HGC	Home Guaranty Corporation
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
HLURB	Housing and Land Use Regulatory Board
HMTDF	Home Mutual Development Fund
HRPTA	Homeroom Parent-Teachers Association
HUDCC	Housing and Urban Development Coordinating Council
ICT	Information and Communications Technology
IEC	Information, Education and Communication

IHBSS	Integrated HIV Behavioral and Serologic Surveillance
ILO	International Labour Organization
IPs	Indigenous Peoples
IRPs	International Reference Prices
ISFs	Informal Settler Families
ISPs	Internet Service Providers
IYCF	Infant and Young Child Feeding
JICA	Japan International Cooperation Agency
JMC	Joint Memorandum Circular
KALAH-I-CIDDS	Kapit-Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services
KGMC	Kahugpungan sa Gagmay'ng Mangingisda sa Concepcion
KP	Kalusugan Pangkalahatan
KSAs	Key Shelter Agencies
LAD	Land Acquisition and Distribution
LCEs	Local Chief Executives
LCMP	Localized Community Mortgage Program
LFPR	Labor Force Participation Rate
LFS	Labor Force Survey
LGPMP	Local Governance Performance Management Program
LGU	Local Government Units
LPPED	Learning Package on Parent Education on Adolescent Health and Development
LPRAP	Local Poverty Reduction Action Plan
LWUA	Local Water Utilities Administration
MARP	Most-at-Risk Population
MBFHI	Mother-Baby-Friendly Hospital Initiative
MCH	Maternal and Child Health
MC-IHDC	Multisectoral Committee on International Development Commitments
MCW	Magna Carta of Women
MDGs	Millennium Development Goals
MDRP	Mandatory Drug Retail Price
MDR-TB	Multi-drug Resistant Tuberculosis
MFIs	Microfinance Institutions
MIRH	Male Involvement on Reproductive Health
MIMAROPA	Mindoro, Marinduque, Romblon, and Palawan (Region IV-B)
MMR	Maternal Mortality Ratio
MNC	Municipal Nutrition Committee
MNCHN	Maternal, Newborn, Child Health and Nutrition
MPS	Mean Percentage Score
MRBs	Medium-rise Buildings
MRGAD	Men's Responsibilities on Gender and Development
MSMs	Males who have Sex with Males
MTEF	Medium-term Expenditure Framework
MTPDP	Medium-Term Philippine Development Plan
MTPM	Medium Term Plan for Malaria
MYCNSIA	Maternal and Young Child Nutrition Security Initiative in Asia
NAPC	National Anti-Poverty Commission
NAT	National Achievement Test
NBI	National Bureau of Investigation
NCDDP	National Community-Driven Development Project
NCDPC	National Center for Disease Prevention and Control
NCDs	Non-communicable Diseases
NCGT	National Core Group of Trainers/Validators
NDA	National Dairy Authority
NEC	National Epidemiology Center

NEDA	National Economic and Development Authority
NEP	National Expenditure Program
NER	Net Enrolment Ratio
NGP	National Greening Program
NHA	Nutrition Honor Award
NHA	National Housing Authority
NHCP	National Center for Health Promotion
NHMFC	National Home Mortgage Finance Corporation
NHMFC	National Home Mortgage Finance Corporation
NHTS-PR	National Household Targeting System for Poverty Reduction
NIPAS	National Integrated Protected Area System
NIR	Net Intake Rate
NISUS	National Informal Settlements Upgrading Strategy
NMCEP	National Malaria Control and Eradication Program
NNC	National Nutrition Council
NOH	National Objectives for Health
NPPS	National Policy and Planning Staff
NRDF	National Resettlement Development Framework
NSCB	National Statistical Coordination Board
NSF	Nutritional Status of Filipinos
NSO	National Statistics Office
NSP	New Smear-Positive
NSSMP	National Sewerage and Septage Program
NTC	National Telecommunications Commission
NTP	National Tuberculosis Control Program
NTRL	National TB Reference Laboratory
NUDHF	National Urban Development and Housing Framework
NWRB	National Water Resources Board
ODA	Official Development Assistance
ODS	Ozone Depleting Substances
OFW	Overseas Filipino Worker
OPIF	Organizational performance Indicator Framework
OSG	Office of the Solicitor General
PAO	Public Assistance Office
Pas	protected areas
PBSP	Philippine Business for Social Progress
PCF	Performance Challenge Fund
PCFC	People's Credit and Finance Corporation
PCP	Pawikan Conservation Project
PCW	Philippine Commission on Women
PD	Presidential Decree
PDF	Philippine Development Forum
PDP	Philippine Development Plan
PDS	Philippine Digital Strategy
PHAP	Pharmaceutical and Health Association of the Philippines
PHIC	Philippine Health Insurance Corporation
PIP	Philippine Investment Plan
PITC	Philippine International Trading Corporation
PLEP	Philippine Labor and Employment Plan
PLHIV	Persons Living with HIV
PLUC	Provincial Land Use Committee
PMDGO	Provincial Millennium Development Goals Office
PNC	Provincial Nutrition Committee
PNP	Philippine National Police
PNR	Philippine National Railways

POGS	Philippine Obstetrical and Gynecological Society
POPCOM	Commission on Population
POs	People's Organizations
PPAN	Philippine Plan of Action for Nutrition
PPGRD	Philippine Plan for Gender-Responsive Development
PPMP	Philippine Population Management Program
PPP	Public-private Partnership
PRCP	Philippine Raptors Conservation Project
PSA	Philippine Statistics Authority
PSFI	Pilipinas Shell Foundation, Inc.
PSSR	Philippine Sustainable Sanitation Roadmap
PWID	persons who inject drugs
PWRCC	Palawan Wildlife Rescue and Conservation Center
PWSSR	Philippine Water Supply Sector Roadmap
QAS	quality assurance systems
RA	Republic Act
RAATs	Regional AIDS Assistance Teams
RAC	Regional Advisory Council
RATES	Run After Tax Evaders
RATS	Run After the Smugglers
RAY	Reconstruction Assistance on Yolanda
RDC	Regional Development Council
RHUs	Rural Health Units
RITM-NRL	Research Institute for Tropical Medicine – National Reference Laboratory
RLUC	Regional Land Use Committee
RNHEALS	Registered Nurses for Health Enhancement and Local Services
RPO	Regional Population Office
RSS	Remote Smearing Stations
SAE	Small Area Estimates
SALINTUBIG	Sagana at Ligtas na Tubig sa Lahat
SARDO	Students-at-Risk of Dropping Out
SDC	Social Development Committee
SEF	Special Education Fund
SER	Socio-Economic Report
SHC	Social Hygiene Clinic
SHFC	Social Housing Finance Corporation
SLR	School-leaver Rate
SMEs	Small and Medium Enterprises
SOCCSKSARGEN	South Cotabato, Cotabato (North), Sultan Kudarat, Sarangani, and General Santos City
SOF	Survey on Overseas Filipinos
SP	Sangguniang Panlalawigan
SSC	Skin-to-Skin Contact
STIs	Sexually Transmitted Infections
SUF	Spectrum User Fees
SWP	Social Watch Philippines
TB	Tuberculosis
TCP	Tamaraw Conservation Project
TEIs	Teacher Education Institutions
TFR	Total Fertility Rates
TSR	Treatment Success Rate
TWG	Technical Working Group
UASF	Universal Access and Service Fund
UHC	Universal Health Care
UN	United Nations

UNEP	United Nations Environment Programme
UNICEF	United Nations Children Fund
UNSIAP	United Nations Statistical Institute for Asia and the Pacific
USAID	United States Agency for International Development
VAW	Violence Against Women
WEF	World Economic Forum
WHO	World Health Organization
WHO-CGS	World Health Organization - Child Growth Standard

List of Tables

Table 1.	Philippines' pace of progress in terms of attaining the MDG targets
Table 2.	Poverty incidence for the basic sectors
Table 3.	Percentage of families who experienced hunger and how often it happened, by poor and non-poor, Philippines: 2011
Table 4.	Elementary education school-leaver (drop-out) rate per grade level (%), SY 2012-2013, (public and private)
Table 5.	Public schools resources: shortage (2010), accomplishment (2010-2012), target (2013)
Table 6.	Department of Education budget, annual growth rate and percentage share to national budget, 2000-2013
Table 7.	Basic and functional literacy rates by sex and age group: 2008
Table 8.	Deployment of OFWs by type of hiring, 2004-2012
Table 9.	Number of registered Filipino emigrants, 2004-2009
Table 10.	Proportion of deaths among Filipino children under-five years of age, 2012
Table 11.	Births delivered in a health facility and attended by a health professional (%), 2006-2011,
Table 12.	Births delivered in a health facility (%), by region
Table 13.	Births attended by a health professional/ skilled provider (%), by region, 2006-2011
Table 14.	Age-specific and total fertility rates, 1993-2011
Table 15.	Total fertility rate, 2011
Table 16.	Projected HIV population, prevalence, and new infections, 2005-2015
Table 17.	Malaria morbidity and mortality rates, 1990-2012
Table 18.	Tuberculosis: incidence, prevalence and mortality rates (per 100,000) 1990-2011
Table 19.	Tuberculosis: case detection rate, treatment success rate and cure rate 1995-2011
Table 20.	Tuberculosis: case detection rate, treatment success rate and cure rate by region, 2011
Table 21.	Change in BOD levels of 19 priority rivers from 2010 to 2011
Table 22.	National program targets for ISFs and slum dwellers
Table 23.	Magnitude of ISFs in danger areas in Metro Manila
Table 24.	Housing program for ISFs in Metro Manila sites
Table 25.	MDRP of selected medicines, Philippines vs. other countries (in Php)
Table 26.	List of insulin products under the DOH Insulin Access Program
Table 27.	Price monitoring chart of basic and essential medicines (in Php)
Table 28.	Mean availability of essential drugs in public hospitals and primary care facilities (Targets vs. Actual), 2009-2016
Table 29.	Installed and subscribed telephone line per 100 population, by region
Table 30.	Cellular mobile telephone subscriptions and density
Table 31.	Estimated no. of subscribers and broadband connection per 100 population
Table 32.	Number of CeCs per region from 2007-2011

List of Figures

- Figure 1. Gross domestic product growth rate, 1990-2013
- Figure 2. Poverty incidence among population, 1991-2012
- Figure 3. GINI coefficient, Philippines, by Areas, 1985-2012
- Figure 4. Share of bottom 20% to total income, Philippines, 1991-2012
- Figure 5. Decile dispersion ratio, Philippines, 1985-2012
- Figure 6. Unemployment rate, Philippines, 2006-2013
- Figure 7. Underemployment rate, Philippines, 2006-2013
- Figure 8. Proportion of employed population living below the national poverty threshold, 2003-2009
- Figure 9. Proportion of children attending school, by income group and by age group, 2011
- Figure 10. Percentage distribution of workers (aged 25 and over) by highest educational attainment and by income quintile, 2009
- Figure 11. Average daily wage of wage/salary workers, by educational attainment, 2011
- Figure 12. Movements in and out of poverty, 2003-2009
- Figure 13. Subsistence incidence among population (%), 1991-2013
- Figure 14. Proportion of population living below the food threshold (%), by region, 1991 and 2012
- Figure 15. Poverty incidence among population (%), 1991-2013
- Figure 16. Proportion of population living below the poverty threshold (%), by region, 1991 and 2012
- Figure 17. Poverty gap by region, 2006 and 2012
- Figure 18. Share of poorest quintile in national consumption, by region, 1991 and 2012
- Figure 19. GDP Growth Rate and Employment Growth Rate, 1990-2013
- Figure 20. Growth Rate of GDP per Person Employed, 1990-2013
- Figure 21. Employment to Population Ratio, 1990-2013
- Figure 22. Working Population (%), 2003-2006
- Figure 23. Own-account Workers and Unpaid Family Workers (%) in Total Employment, 1990-2012
- Figure 24. Proportion of households with per capita intake below 100% dietary energy requirement (%), 1993-2008.
- Figure 25. Trend (%) in the Prevalence of Underweight-for-Age Among Children, Under-Five Years Old, for Monitoring of MDG 1 using World Health Organization - Child Growth Standard (WHO-CGS): 1990-2011
- Figure 26. Prevalence (%) of Underweight-for-Age Children, Zero to Five Years Old by Region Using WHO-CGS: 2008 and 2011
- Figure 27. Number of enrolled in elementary education, 1990-2012
- Figure 28: Elementary education NER and GER (%), SY 1991-1992 to SY 2012-2013 (public and private)
- Figure 29: Elementary education CSR and CompR (%), SY 1991-1992 to SY 2012-2013 (public and private)
- Figure 30: K to 12 Basic Education Cycle
- Figure 31: Grade 1 net intake rate (%), public and private, SY 2002-2003 to 2012-2013
- Figure 32: Grade 6 Achievement Rate (%) (NAT MPS), SY 2007-2008 to SY 2012-2013, (public and private)
- Figure 33: Elementary education NER (%), by region, SY 2002-2003 and SY 2012-2013, (public and private)
- Figure 34: Elementary education CSR (%), by region, SY 2002-2003 and SY 2012-2013, (public and private)
- Figure 35: Elementary education CompR (%), by region, SY 2002-2003 and SY 2012-2013-, (public and private)

- Figure 36: Elementary education school-leaver rate (%), by region, SY 2011-2012 (public and private)
- Figure 37: Grade 6 Achievement Rate (%) (NAT MPS), by region, SY-2009-2010 and SY 2012-2013, (public only)
- Figure 38: Elementary education teacher-pupil ratio, by region, SY 2012-2013, (public only)
- Figure 39: Elementary education classroom-pupil ratio, by region, SY 2012-2013 (public only)
- Figure 40: Elementary education achievement rate, teacher-pupil ratio and classroom-pupil ratio, by region, SY 2012-2013 (public only)
- Figure 41: Elementary education net enrolment rate (%), by sex, 1996-2012
- Figure 42: Secondary education net enrolment rate (%), by sex, 1996-2012
- Figure 43: Elementary education cohort survival rate (%) by sex, 1996-2012
- Figure 44: Secondary education cohort survival rate (%) by sex, 1996-2012
- Figure 45: Elementary education completion rate (%) by sex, 1996-2012
- Figure 46: Secondary education completion rate (%) by sex, 1996-2012
- Figure 47: Ratio of girls to boys in elementary education, 1996-2012
- Figure 48: Ratio of girls to boys in elementary education participation rates, by region, SY 2002-2003 and SY 2012-2013
- Figure 49: Ratio of girls to boys in elementary education cohort survival rates, by region, SY 2002-2003 and SY 2011-2012-2013
- Figure 50: Ratio of girls to boys in elementary education completion rates, by region, SY 2002-2003 and SY 2011-2012
- Figure 51: Ratio of girls to boys in secondary education, 1996-2012
- Figure 52: Ratio of girls to boys in tertiary education, 2000-2011
- Figure 53: Distribution of tertiary education enrolment by discipline group, SY 2011-2012
- Figure 54: Basic and functional literacy rates, by sex, 2008
- Figure 55: Basic literacy rates by sex and region, 2008
- Figure 56: Functional literacy rates by sex and region: 2008
- Figure 57: Women in extremely difficult circumstances (WEDC) cases served by DSWD, 1998-2011
- Figure 58: Number of violence against women cases reported to the Philippine National Police, 1997-2011
- Figure 59: Labor Force Participation Rate (LFPR), Philippines, 2003-2012
- Figure 60: Share of women in wage employment in non-agricultural sector, 1991-2011
- Figure 61: Overseas Filipino workers (OFW): 2006-2011 (in thousands)
- Figure 62: Under-five, infant and neonatal mortality, 1990-2011
- Figure 63: IMR & U5MR, by sex and place of residence, 2011
- Figure 64: Infant mortality rate (deaths per 1,000 live births), by region, 1990 and 2011
- Figure 65: Under-five mortality rate (deaths per 1,000 live births), by region, 2003 and 2011
- Figure 66: Maternal mortality ratio
- Figure 67: Maternal mortality ratio (deaths per 100,000 live births) based on FHSIS, 1995-2011
- Figure 68: Births delivered in a health facility (%), by region
- Figure 69: Births attended by a health professional/ skilled provider (%), by region, 2006-2011
- Figure 70: Trends in contraceptive prevalence rate (%), by contraceptive method, 1993-2011
- Figure 71: Total fertility rate, 2011
- Figure 72: Number of HIV/AIDS cases reported in the Philippines, 1990 to 2013 December
- Figure 73: Proportion of Types of Sexual Transmission, 1990- 2013 December
- Figure 74: Geographic distribution (1984-2013 December)
- Figure 75: Philippine forest cover, 1990-2010
- Figure 76: Consumption of ozone depleting CFCs (ODP tons)
- Figure 77: Number of threatened wildlife species
- Figure 78: Ratio of area protected to maintain biological diversity to surface area (terrestrial and marine protected areas)
- Figure 79: Access to safe drinking water and sanitary toilet facilities
- Figure 80: Proportion of population with access to safe water (%), by region, 1998 and 2011

- Figure 81. Proportion of population with access to sanitary toilet facility (%), by region, 1998 and 2011
- Figure 82. Families by main source of water supply (% Distribution), 2011
- Figure 83. Families by type of toilet facility they use (% Distribution), 2011
- Figure 84. Proportion of population with access to safe water by quintile, 2011
- Figure 85. Proportion of population with access to sanitary toilet facility by quintile, 2011
- Figure 86. Proportion of urban population living in slum areas (%), 1990-2009
- Figure 87. Urban slum population in the Philippines, 1990-2009
- Figure 88. Net FDI flows and growth rate, 2003-2012
- Figure 89. Total goods exports and goods exports growth rate, 1991-2012
- Figure 90. NG outstanding debt and debt to GDP ratio, 1990-2012
- Figure 91. Debt service as a percentage of exports of goods and services, 1990-2010
- Figure 92. Active ODA loans by sector, 2001-2012
- Figure 93. Cumulative number of Botika ng Barangays (BnBs) established from 2003-2013
- Figure 94. Telephone line subscribers per 100 population
- Figure 95. Cellular phone subscribers per 100 Population
- Figure 96. Broadband connection per 100 population
- Figure 97. National government sectoral expenditures (obligation basis) as percentage of total expenditures, 2000-2012
- Figure 98. National government sectoral expenditures (obligation basis) as percentage of GDP, 2000-2012
- Figure 99. Revenue effort, tax effort and deficit-to-GDP Ratio, 2000-2012
- Figure 100. National government social expenditures as percentage of total expenditures, 2000-2012
- Figure 101. National government social expenditures as percentage of GDP, 2000-2012
- Figure 102. Sectoral distribution of LGU expenditure as percentage of total productive expenditures, 2000-2012
- Figure 103. Sectoral distribution of LGU expenditure as percentage of GDP, 2000-2012



Executive Summary

Introduction

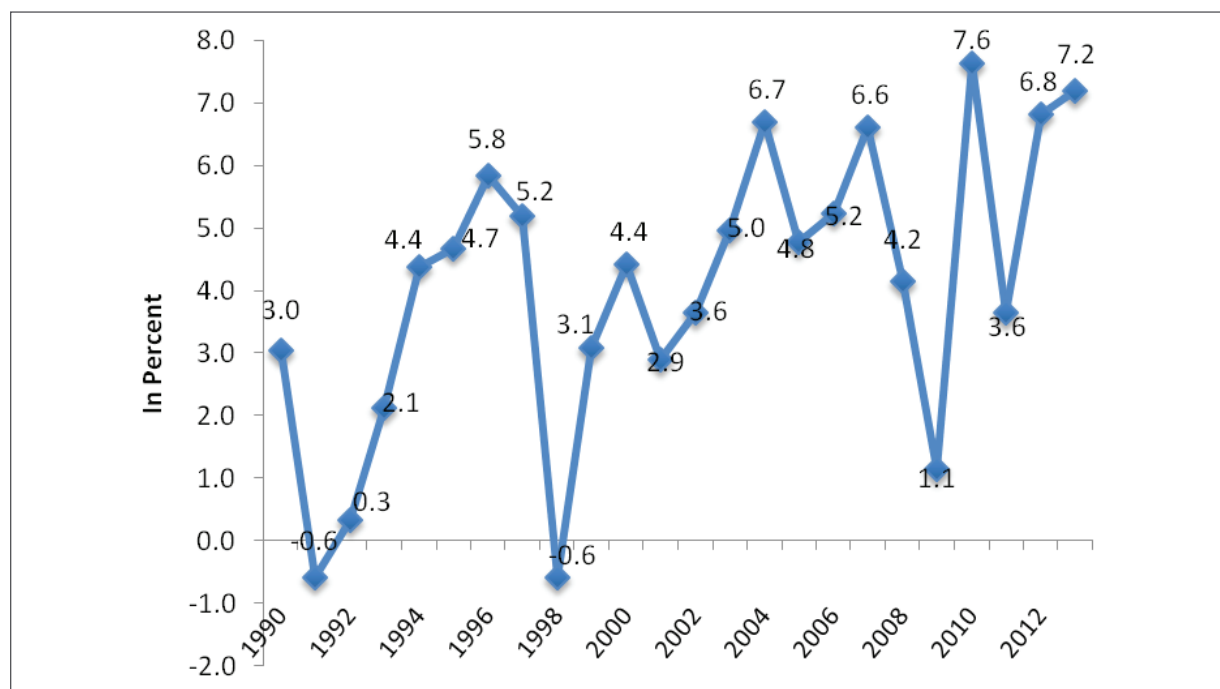
It is less than 500 days before the 2015 target date of achieving the MDG targets. This report is the penultimate before 2015 and is very important in assessing where the Philippines is vis-à-vis the targets. Moreover, this report can be the basis for action to achieve accelerated progress within the next two years.

Has growth been inclusive?

Recent economic growth has been remarkable. GDP grew by an average of 5.2 percent over

the last 10 years. It grew by 7.2 percent in 2013, making the Philippines one of the fastest growing economies in Asia. The industry sector grew by 9.5 percent, the services sector by 7.1 percent, and the agriculture sector by 1.1 percent. Construction led the industry sector by expanding at 11.1 percent, while the manufacturing sector rose by 10.5 percent. On the other hand, mining contracted by 2.5 percent. The growth in services was led by financial intermediation which expanded by 12.4 percent. In agriculture, where the bulk of the poor are, growth was much slower, with agriculture and forestry expanding by 1.2 percent and fishing expanding by 0.7 percent.

Figure 1. Gross domestic product (GDP) growth rate, 1990-2013



Source: National Income Accounts, Philippine Statistics Authority

Slow progress in poverty reduction

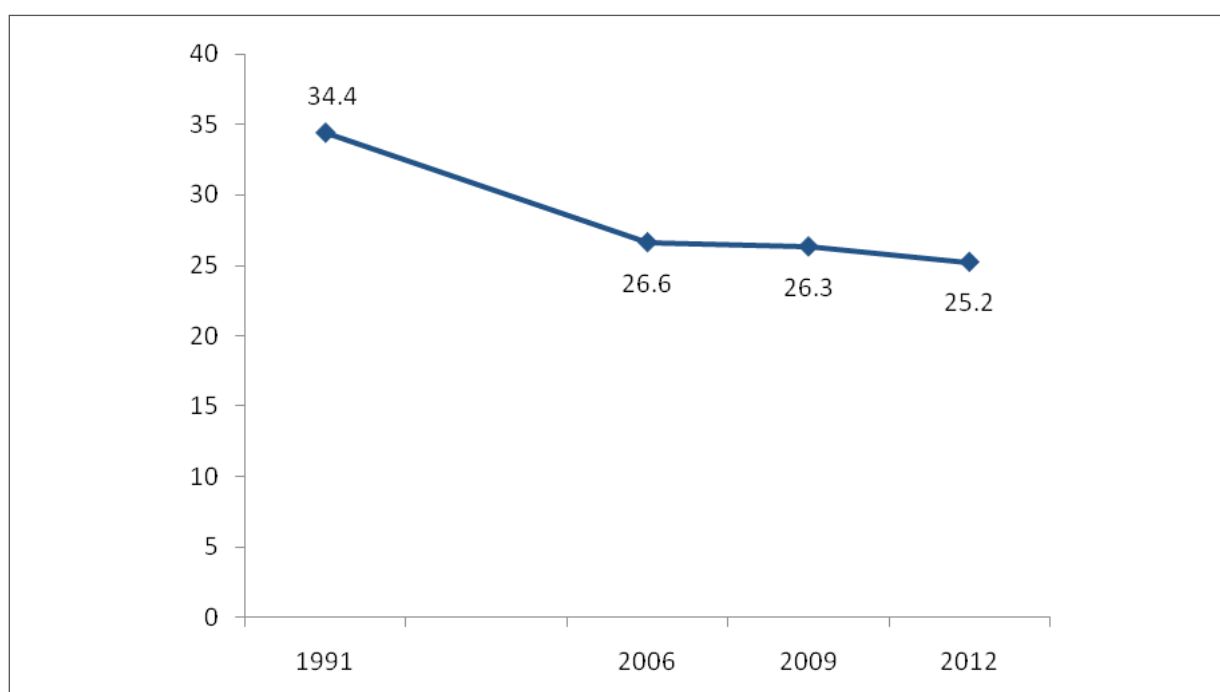
Despite the high economic growth in recent years, progress in reducing poverty has been slow. While income poverty, based on the official poverty thresholds, has declined from 34.4 percent in 1991 to 25.2 percent in 2012, this is still far from the MDG target of 17.2 percent by 2015. Natural calamities and economic shocks within the past few years have affected the rate of poverty reduction. However, recent economic growth has translated to faster reduction in poverty. The first semester data for 2013 shows a 3 percentage point reduction compared to the data for the first semester of 2012.

Inequality falls in the urban areas but rises in the rural areas

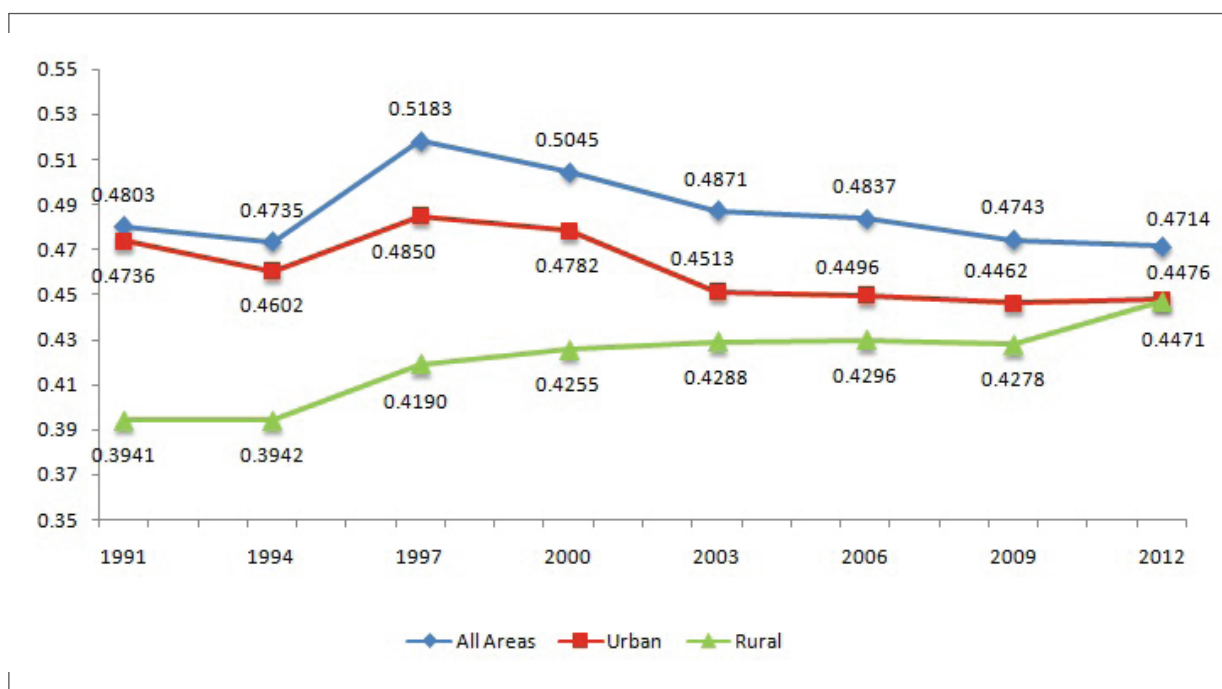
There has been little improvement in the distribution of income. Inequality, as measured by the Gini coefficient, has gone down slightly at the national level but remains high. The Gini went down from 0.48 in 1991 to 0.47 in 2012. The same pattern is observed for the urban areas. It went down from 0.47 to 0.45 during the same period. In contrast, inequality has risen in the rural areas, from 0.39 to 0.45.

The high inequality is manifested also in the share of the bottom quintile to total income. In 2012, only 5 percent of total income accrues to the poorest 20 percent of the population whose share has increased very little over time.

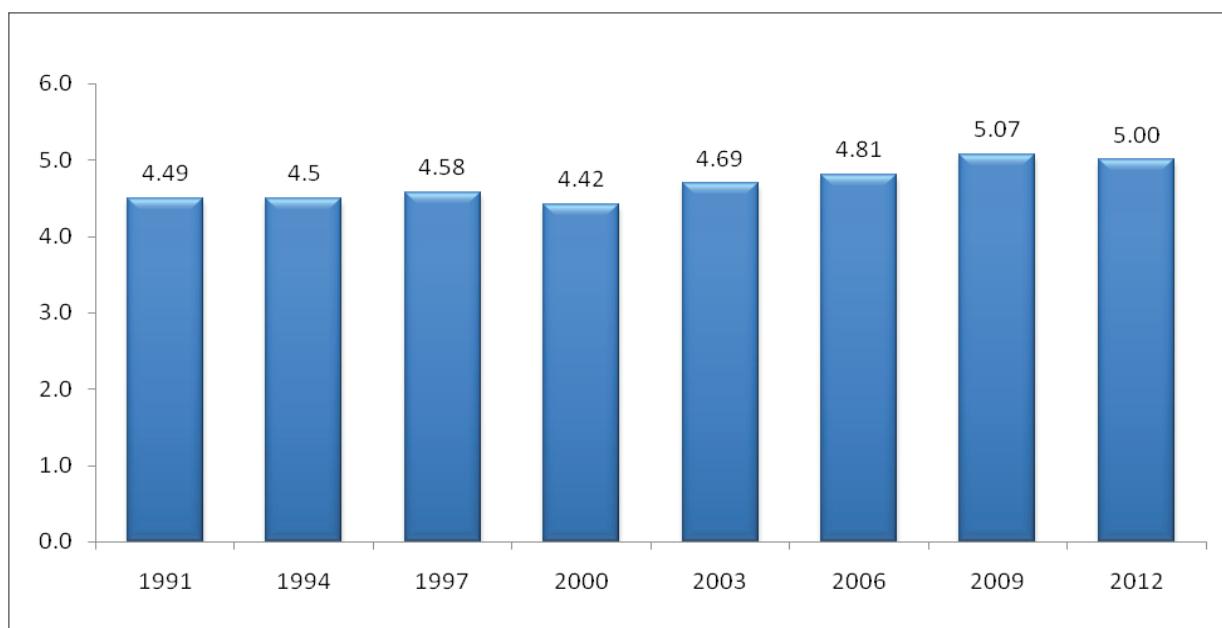
Figure 2. Poverty incidence among population, 1991-2012



Source: Philippine Statistics Authority – National Statistical Coordination Board

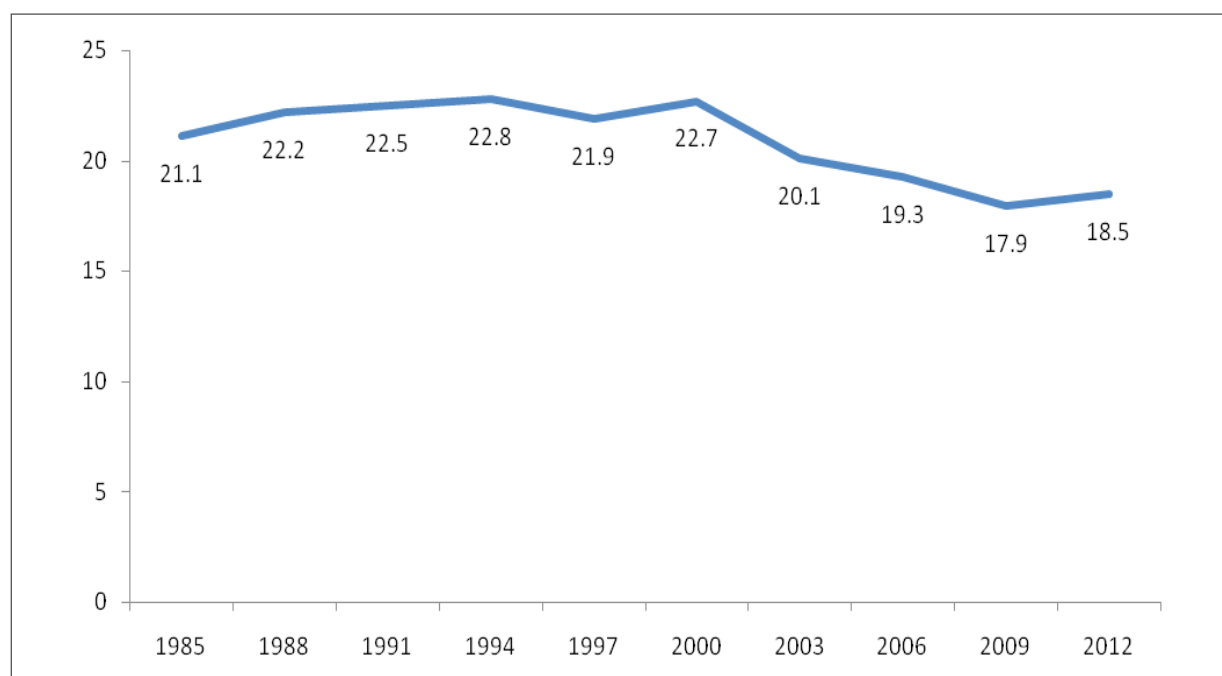
Figure 3. Gini coefficient, Philippines, by areas, 1985-2012

Source: Celia M. Reyes, Aubrey D. Tabuga, Ronina D. Asis and Maria Blessila G. Datu, 2012, Poverty and Agriculture in the Philippines: Trends in Income Poverty and Distribution (PIDS DP 2012-09); and 2012 Family Income and Expenditure Survey.

Figure 4. Share of bottom 20% to total income, Philippines, 1991-2012

Source: Celia M. Reyes, Aubrey D. Tabuga, Ronina D. Asis and Maria Blessila G. Datu, 2012, Poverty and Agriculture in the Philippines: Trends in Income Poverty and Distribution (PIDS DP 2012-09); and 2012 Family Income and Expenditure Survey.

Figure 5. Decile dispersion ratio, Philippines, 1985-2012

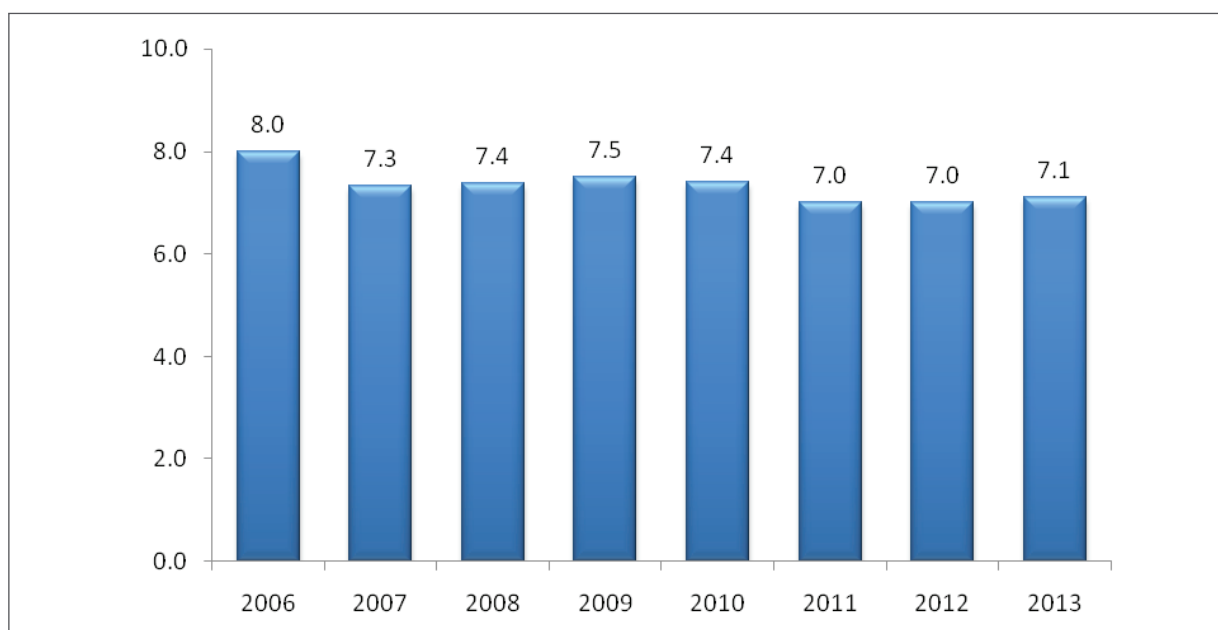


Source: Celia M. Reyes, Aubrey D. Tabuga, Ronina D. Asis and Maria Blessila G. Datu, 2012, Poverty and Agriculture in the Philippines: Trends in Income Poverty and Distribution (PIDS DP 2012-09); and 2012 Family Income and Expenditure Survey.

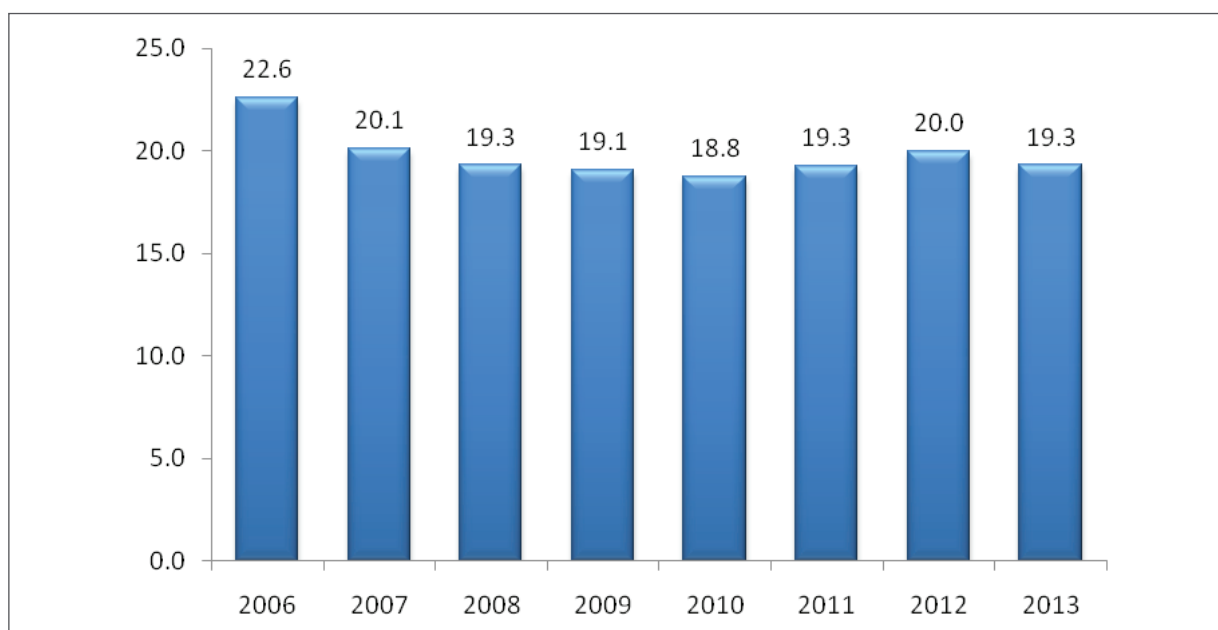
The small improvement in income distribution over time is observed in the decile dispersion ratio. The average income of the households belonging to the richest decile is now about 18 times that of the average income of the households belonging to the poorest decile. This reflects a small decline since 1985 when the ratio was 21. Nevertheless, the ratio remains high.



The recent economic growth has not translated to lower unemployment. In fact, the unemployment rate has been flat at around 7 percent since 2011, prompting many to regard the economic phenomenon as “jobless growth”. The 7.1 percent unemployment rate in 2013 translates to 2.9 million unemployed persons. On a more positive note, the proportion of employed persons seeking additional work has declined slightly from 20 percent to 19.3 percent. Nevertheless, the underemployment rate still remains high with 19 out of every 100 employed seeking additional work.

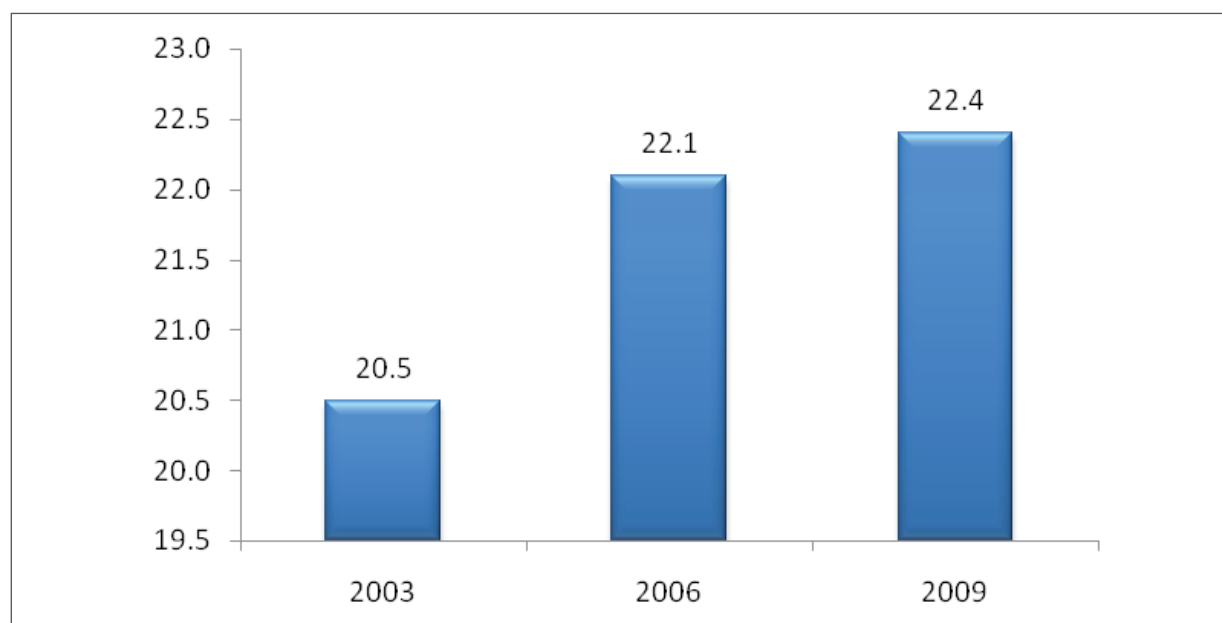
Figure 6. Unemployment rate, Philippines, 2006-2013

Source: Yearbook of Labor and Statistics: <http://www.bles.dole.gov.ph/> (downloaded 13June2013)

Figure 7. Underemployment rate, Philippines, 2006-2013

Source: Yearbook of Labor and Statistics: <http://www.bles.dole.gov.ph/> (downloaded 13June2013)

Figure 8. Proportion of employed population living below the national poverty threshold, 2003-2009

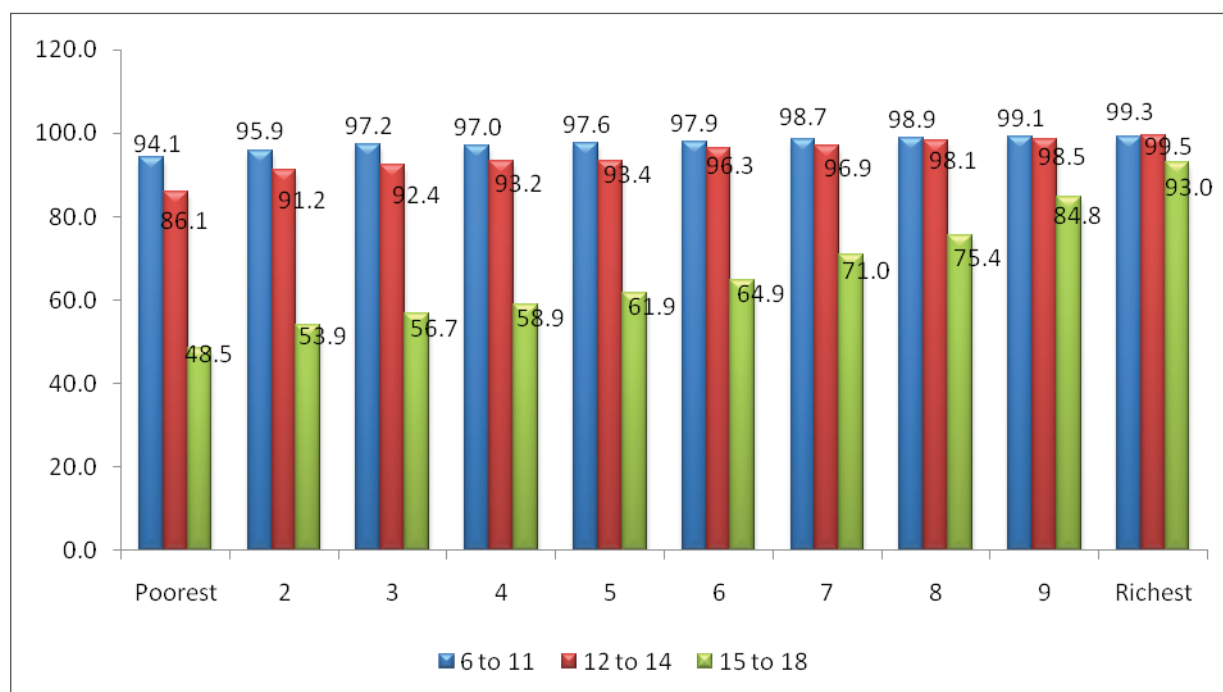


Source of basic data: Family Income and Expenditure Survey and Labor Force Survey, Philippine Statistics Authority (PSA) - National Statistics Office (NSO) and PSA - National Statistics Coordination Board (NSCB).

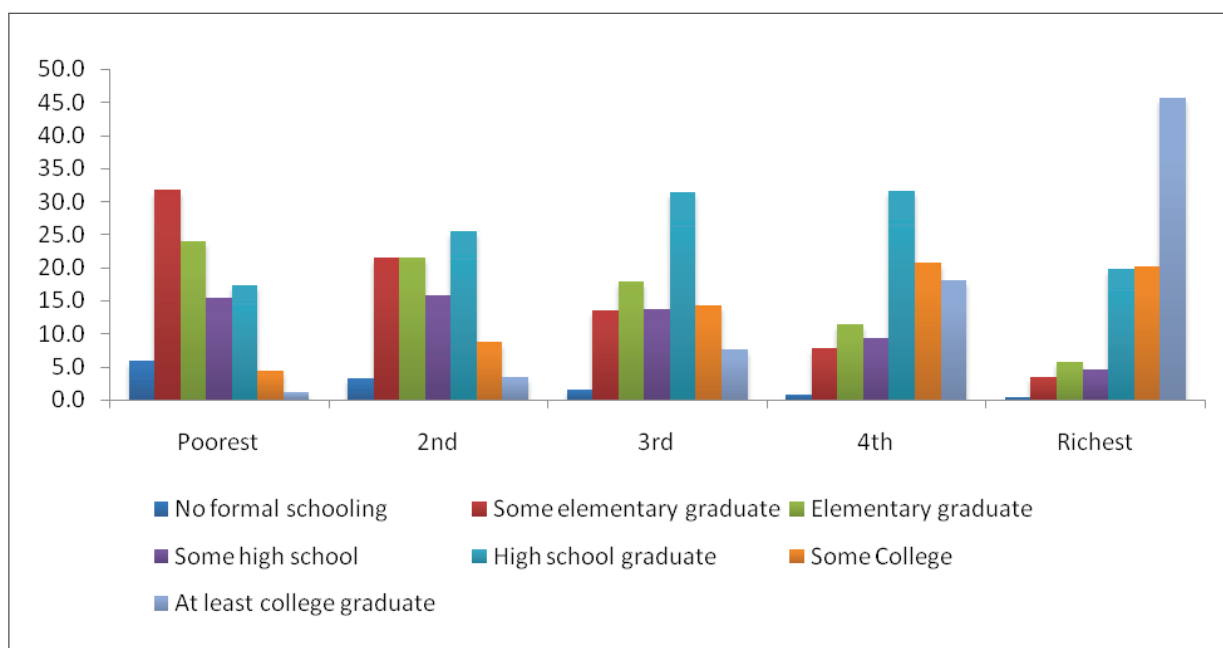
In addition to access to jobs, the quality of available jobs has not been adequate to address the poverty situation. Having a job does not guarantee living above the poverty line. In 2009, about 22 percent of those employed are living below the national poverty threshold. The data for the period 2003-2009 indicate an increasing trend in the proportion of the employed population living below the poverty line.

This relationship between employment and income poverty may be partly attributable to the skills, proxied by the educational attainment, of the workforce. The lower income groups generally have lower educational attainment. The disparity is most evident among the older age groups of children. For instance, the proportion of children aged 6-11 attending school among the poorest decile is 94 percent, while the proportion among the richest decile is 99 percent. Looking

at the 12-14 age group, 84 percent of the children in the poorest decile attend school while 99 percent of the children in the richest decile attend school. For the 15-18 age group, less than half of the children in the poorest decile (48.5%) attend school, much lower than the 93 percent in the richest decile. The large disparities in access to education translates to significant variation in the educational attainment of the workforce. Only 1 percent of the poorest quintile has finished college while 46 percent of the richest quintile have finished tertiary education. About 62 percent of the poorest quintile have reached at most elementary graduate and 23 percent have finished at least high school. In contrast, only 10 percent of the richest quintile have not reached high school while 86 percent have finished at least high school.

Figure 9. Proportion of children attending school, by income group and by age group, 2011

Source: Celia Reyes, Aubrey Tabuga, Christian Mina and Ronina Asis, 2013, Promoting Inclusive Growth through the 4Ps (PIDS DP 2013-10)

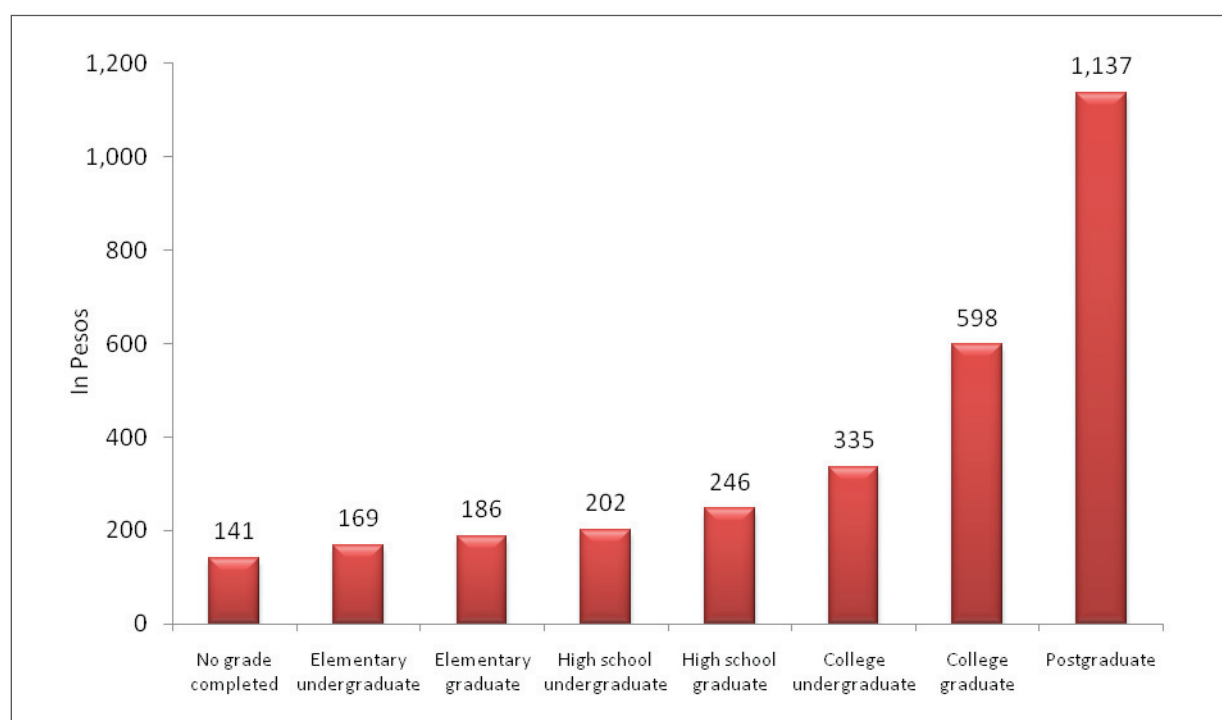
Figure 10. Percentage distribution of workers (aged 25 and over) by highest educational attainment and by income quintile, 2009

Workers with lower education attainment tend to be employed more in the agriculture sector. More than four fifths of those with no schooling are working in the agriculture sector. More than half of the workers with some schooling but mostly with elementary education are employed in the agriculture sector as well. Among workers with high school education, 53 percent are engaged in the services sector, and only 28 percent are working in the agriculture sector. The remaining 19 percent are employed in the industry sector, with more than half in the manufacturing sector. Among those with college education, 78 percent are in the services sector, 13 percent in the industry sector and 9 percent in the agriculture sector. More than half of those who are in the services sector are working in the wholesale and retail trade, public administration and education.

The less educated workers would dominate certain subsectors such as cultivation of coconut and copra making, seaweeds farming, inland fishing, and cultivation of fruits and nuts. They would not be working in the more productive, higher paying jobs such as in business process outsourcing (BPO), manufacture of electrical equipment, or in the financial sector.

The average daily wage of a worker who has a college degree is more than three times the daily wage of one who is an elementary graduate and more than double that of a high school graduate. Thus, the less educated workers find themselves in low paying jobs, which in turn limits their capacity to send their children to school, thereby perpetuating the intergenerational cycle of poverty.

Figure 11. Average daily wage of wage/salary workers, by educational attainment, 2011



Source: Celia Reyes, Aubrey Tabuga, Christian Mina and Ronina Asis, 2013, Regional Integration, Inclusive Growth and Poverty: Enhancing Employment Opportunities for the Poor (PIDS DP 2013-10)

Impact of natural and man-made shocks

Based on the number of events, the Philippines is the third most disaster prone country in the world after Tonga and Vanuatu, according to the World Disasters Report 2012. Moreover, the Philippines topped the list of countries with the most number of people killed by natural disasters in 2012. According to the EM-DAT: The OFDA/CRED International Disaster Database, 2,360 people died in the Philippines due to natural disasters, of which 1901 were attributed to Typhoon Pablo (international name Bopha) by CRED. According to the Citizens Disaster Response Center¹, a total of 471 natural and human-induced disasters were reported in the Philippines in 2012. These led to loss of 1,615 lives, and affected about 12 million people, and caused over PhP 39.9 billion in economic damages. The number of disaster events recorded was 9 percent higher than in 2011.

Typhoon Pablo struck the Philippines in December 2012 and has been regarded as the typhoon with the greatest economic damage to the country up to that time. Earlier years also saw strong typhoons that resulted to significant losses in human lives, income and assets. In September 2009, Typhoon Ondoy (Ketsana) in 2009 brought the heaviest rainfall in Metro Manila and caused 464 deaths and PhP 11 billion in economic losses according to the National Disaster Risk Reduction and Management Council (NDRRMC). A few days after, Typhoon Pepeng (Parma) hit the country resulting to 465 deaths and more than PhP 27 billion in damages to infrastructure and agriculture. In October 2010, Typhoon Juan (Megi) claimed 26 lives and over PhP 8 billion in damages. Typhoon Pedring in September 2011 claimed 85 lives and almost PhP 16 billion worth of damages in infrastructure and agriculture. But it was Typhoon Sendong in December 2011 that proved to be one of the worst disasters to hit the country. It brought heavy rains that caused flash floods in Cagayan de Oro and nearby provinces that led to 1,257 deaths and more than PhP 1 billion in damages.

On November 8, 2013, Supertyphoon Yolanda (Haiyan) caused massive storm surges that devastated parts of the country affecting about 16.1 million persons in 12,139 barangays in 591



Regions IV-A, IV-B, V, VI, VII, VIII, X, XI and CARAGA. Of this, 4.1 million persons were displaced. The National Disaster Risk Reduction and Management Council reported that the provinces of Leyte, Eastern and Western Samar, Cebu, Capiz, Iloilo, Aklan and Palawan were badly hit. It estimated 6,293 fatalities, 28,689 injured and 1,061 still missing as of April 3, 2014. Damages to agriculture and infrastructure and private properties reached almost PhP 40 billion. ADB estimated that it would have increased the national poverty incidence by 1.9 percentage points.

The National Economic and Development Authority (NEDA) has formulated the Reconstruction Assistance on Yolanda (RAY) to guide the recovery and reconstruction of the economy, lives, and livelihoods of people and communities in the areas affected by Yolanda. The plan aims to restore the economic and social conditions of the said areas at the very least to their pre-typhoon levels and to a higher level of disaster resilience. An estimated PhP 361 billion is required for shelter and resettlement, public infrastructure, education and health services, agriculture, livelihoods and enterprises and services, local government and social protection.

With climate change, it is expected that extreme weather events will be more frequent and more severe. Coupled with man-made shocks, these could push people into poverty and poor people into deeper poverty.

¹ <http://www.cdrc-phil.com/wp-content/uploads/2009/08/PDR-2012.pdf> - accessed on April 14, 2014.

Implications on the MDGs

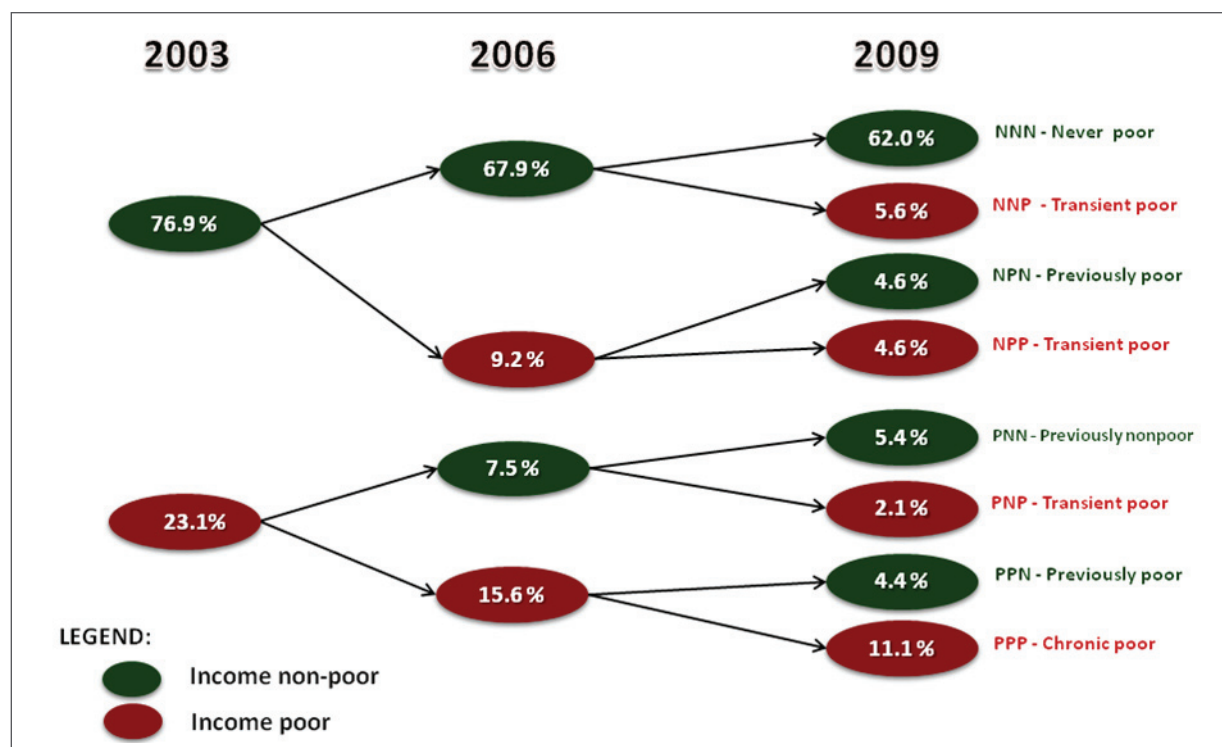
The disasters would affect the pace of progress towards the achievement of the MDGs and may even push back progress in some target areas. For instance, damages to crops and assets may lead people to lesser income and consequently, move them into poverty. Aside from bringing about hunger and malnutrition, disasters interrupt children's schooling, especially when schools are used as evacuation centers. Moreover, families whose houses are damaged may lose access to safe water and sanitation and may force them to live in informal settlements.

Moreover, the physical damages brought about by these disasters increase current infrastructure shortages such as housing, schools and health facilities. In the case of Yolanda, the private sector and the international community have been working with the Philippine government to address these shortages.

Unless recovery efforts are accelerated, the short-term impacts could extend over the long term as households adopt various coping mechanisms that may have lasting detrimental effects. Households may sell productive assets to address their consumption needs which consequently affects their capacity to earn in the future. Households may also forego seeking medical attention or children may permanently drop out of school, thereby adversely affecting future human capital.

The natural calamities and other man-made shocks would tend to move the non-poor into poverty and the poor into deeper poverty, thereby undermining poverty reduction efforts. Reyes et. al. (2011) show that during the period 2003-2009, some families were able to move out of poverty but the slots they vacated have been filled up by the new poor. Thus, it would seem that there has been no change in the poverty incidence. Based on a panel dataset, 23.4 percent of the families in 2009 are classified as poor. Of

Figure 12. Movements in and out of poverty, 2003-2009



Source: Celia Reyes, Aubrey Tabuga, Christian Mina, Ronina Asis, and Maria Blesila Datu. Dynamics of Poverty in the Philippines: Distinguishing the Chronic from the Transient Poor (PIDS DP 2011-31)

these families, 47 percent are chronically poor or consistently poor all throughout 2003-2009. The rest were previously non-poor. The over-all poverty incidence in 2009 of 23.4 percent is not very different from the poverty incidence in 2003 of 23.1 percent. Yet, Figure 12 shows that there have been considerable movements in and out of poverty. This analysis highlights the importance of appropriate safety nets to help families from falling into poverty in times of shocks. With well-established safety nets that can be rolled out immediately after a shock, the non-poor need not fall into poverty and the poor will not fall deeper into poverty. Fewer transient poor would translate to a much lower poverty incidence, consisting mainly of the chronic poor.

Achievements towards the MDG targets

Some progress has been made in reducing extreme poverty but not fast enough to achieve the targeted rate of reduction. Sustained economic growth and more focused poverty reduction efforts are necessary to achieve the target of halving extreme poverty by 2015. Similarly, the prevalence of malnutrition has significantly declined since 1990 but the malnutrition rate of 20.2 percent in 2011 remains far from the target rate of 13.6 percent in 2015.

The Philippines is likely to meet its target of universal access to primary education. With greater resources being allocated to the education sector, the backlogs in classrooms, teachers and books are being addressed. However, the cohort survival and completion rates are still low and the quality of education still needs to be improved.

Gender disparities in education of political participation continue to be noted. Significant gains have been achieved in empowering girls and women. Girls consistently have higher rates in school participation, cohort survival and completion. There has also been an increase in the proportion of elective seats held by women, although still far from the desired 50 percent.

Infant and under-five mortality rates have been considerably reduced and the targets will likely be achieved by 2015. It is important to note, however, that neonatal mortality has only been reduced slightly and is very much linked with the low rate of delivery in facilities.



Data on maternal mortality ratio (MMR), based on either the NSO surveys or the Field Health Services Information System (FHSIS), do not show progress in recent years. It is unlikely that the target of reducing the MMR by three quarters, between 1990 and 2015, would be achieved. While the probability that a woman will die is low if she gives birth in a facility, only 55 percent of the births are delivered in facilities. Moreover, the total fertility rate has been going down but, a rising trend in teenage pregnancy and delivery has been observed.

Improvements in morbidity and mortality rates associated with malaria have been noted. In fact, 27 provinces have been declared as malaria-free in 2012 from only 13 provinces in 2004. Similarly, the incidence, prevalence and mortality rates associated with tuberculosis (TB) have declined considerably, although TB is still one of the leading causes of morbidity and mortality in the country. On the other hand, the number of new HIV cases has been increasing, although the HIV prevalence is estimated to still be less than one percent.

The country has already surpassed its target of halving the proportion of people with no access to basic sanitation. It is very likely to meet its target with regards access to safe water by 2015.

Recent developments indicate that the country will sustain its higher growth trajectory. This would mean faster progress as the people and the government would have more resources to meet its needs.

Table 1. Philippines' pace of progress in terms of attaining the MDG targets

MDG goals, targets and indicators	Probability of attaining the target
Goal 1: Eradicate extreme poverty and hunger	
<i>Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than the poverty threshold</i>	
Proportion of population below poverty threshold	MEDIUM
Proportion of population below food threshold	MEDIUM
<i>Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger</i>	
Prevalence of underweight children under-five years of age	MEDIUM
Proportion of households with per capita intake below 100% dietary energy requirement	MEDIUM
Goal 2: Achieve universal primary education	
<i>Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling</i>	
Elementary education net enrolment rate	HIGH
Elementary education cohort survival rate	MEDIUM
Elementary education completion rate	LOW
Goal 3: Promote gender equality and empower women	
<i>Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015*</i>	
Ratio of girls to boys in elementary education participation rate	HIGH
Ratio of girls to boys in secondary education participation rate	HIGH
Ratio of girls to boys in elementary education cohort survival rate	HIGH
Ratio of girls to boys in secondary education cohort survival rate	HIGH
Ratio of girls to boys in elementary education completion rate	HIGH
Ratio of girls to boys in secondary education completion rate	HIGH
Proportion of elective seats held by women	LOW
Goal 4: Reduce child mortality	
<i>Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate</i>	
Infant mortality rate	HIGH
Under-five mortality rate	HIGH

MDG goals, targets and indicators	Probability of attaining the target
Goal 5: Improve maternal health	
<i>Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio</i>	
Maternal mortality ratio	LOW
<i>Target 5.B: Achieve, by 2015, universal access to reproductive health</i>	
Contraceptive prevalence rate	LOW
Goal 6: Combat HIV/AIDS, malaria and other diseases	
<i>Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS</i>	
Number of new HIV/AIDS reported cases	LOW
Number of population aged 15-24 with HIV	MEDIUM
HIV prevalence among population aged 15-49	LOW
HIV prevalence among MARPs	LOW
Proportion of population aged 15-24 with comprehensive correct knowledge of HIV/AIDS	LOW
Proportion of population with advanced HIV infection with access to anti-retroviral drugs	MEDIUM
<i>Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases</i>	
Malaria morbidity rate	HIGH
Malaria mortality rate	HIGH
Tuberculosis treatment success rate	HIGH
Goal 7: Ensure environmental sustainability	
<i>Target 7.C: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation</i>	
Proportion of population with access to safe water	HIGH
Proportion of population with access to sanitary toilet facilities	HIGH

Notes:

Computation of pace of progress is based on UNSIAP methodology;

Probability of attaining the target: LOW - pace progress is less than 0.5; MEDIUM - pace of progress is between 0.5 and 0.9;

HIGH - pace of progress is greater than 0.9





Goal 1: ERADICATE EXTREME POVERTY AND HUNGER

Target 1.A: Halve between 1990 and 2015, the proportion of people whose income is less than the poverty threshold

Status and Trends

Poverty in the Philippines has been declining from 1991 to 2012. The reduction in the poverty incidence² (or the proportion of individuals whose annual income falls below the annual poverty threshold) during the period 2006-2012 has been slower, perhaps owing to the effects of food and fuel price hikes, the global financial crisis, the El Nino phenomenon and natural calamities such as typhoons Ondoy, Pepeng and Pablo. In 2012, the poverty incidence registered at 25.2 percent. Faster economic growth in recent years appear to be translated to faster reduction in poverty. The first semester data for 2013 shows a 3 percentage point reduction compared to the data for the first semester of 2012.

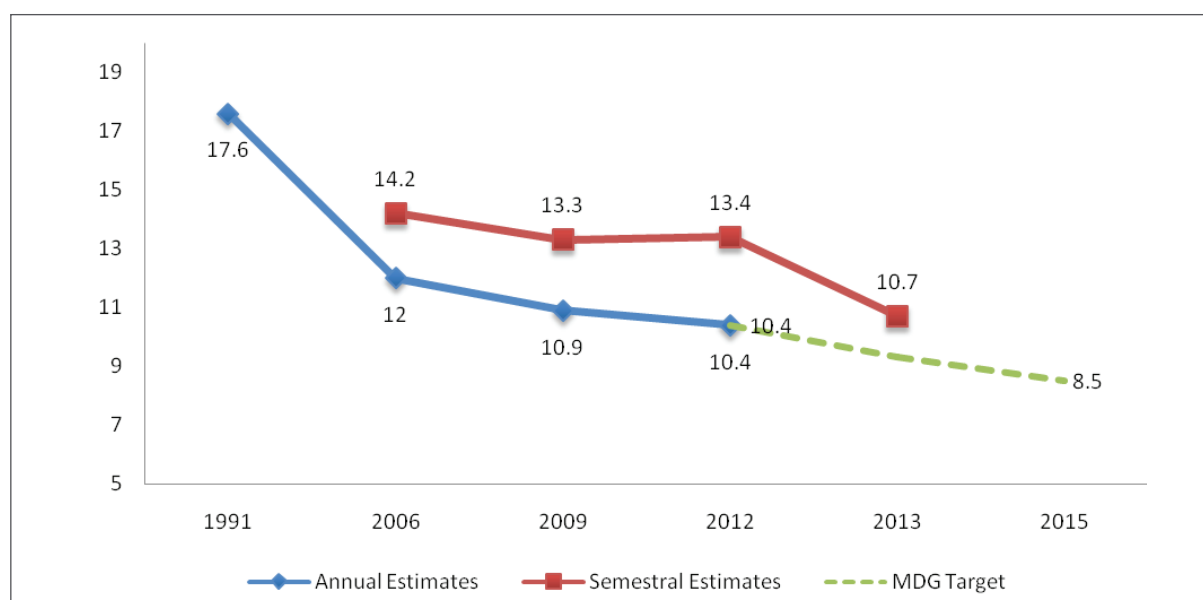
Extreme poverty (subsistence incidence)

The food threshold is the minimum income required by an individual to meet his/her basic food needs and satisfy the nutritional requirements set by the Food and Nutrition Research Institute (FNRI), while remaining economically and socially productive. In a similar way, the food threshold helps measure food poverty or subsistence, which may also be described as extreme poverty.

Figure 13 shows an improvement on the subsistence incidence among population from 12 percent in 2006 to 10.4 percent in 2012, which means that 1 out of every 10 Filipinos do not have income adequate enough to meet basic food needs. Income data from the Annual Poverty Indicators Survey show that the subsistence incidence was estimated at 10.7 percent in the first semester of 2013, lower than the 13.4 percent estimate in the first half of 2012.

² Estimates generated were based on the refinements in the official poverty estimation methodology approved by the NSCB Executive Board on February 1, 2011. The trends of the poverty estimates from 2003-2006 and 2006-2009 using the refined methodology are consistent with the trends in the estimates generated using the old methodology. In terms of levels, estimates based on the old methodology were higher than those of the refined methodology as the latter has better reflected the actual situation and unique condition in the provinces.

Figure 13. Subsistence incidence among population (%), 1991-2013

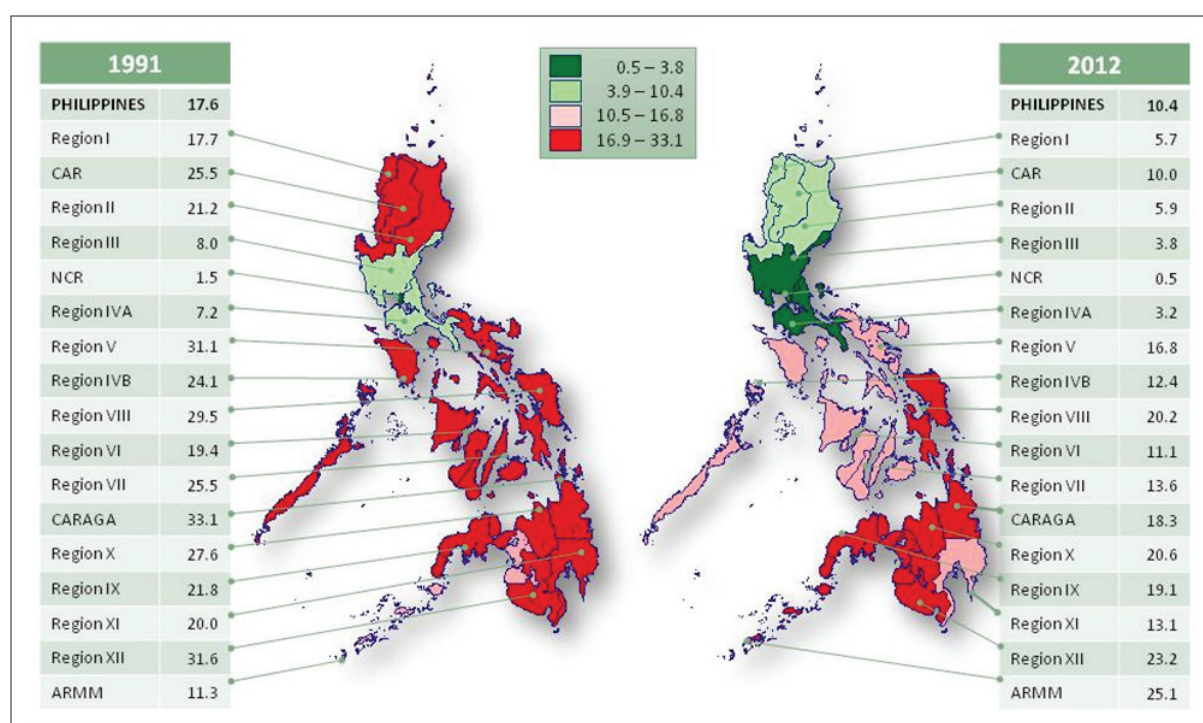


Source: PSA-NSCB

With regard to regional performance, Figure 14 shows a map of the proportion of population living below the food threshold by region. The National Capital Region (NCR), Regions III and IV-A recorded the lowest incidence of extreme

poverty considering the volume of agricultural production within and around the region. In contrast, among the regions with the highest subsistence incidence were Caraga, Regions IX, X, VIII, V and VII.

Figure 14. Proportion of population living below the food threshold (%), by region, 1991 and 2012



Source of basic data: PSA-NSCB

Income poverty

Income poverty is measured by poverty incidence, which is defined as the proportion of individuals whose annual per capita income falls below the poverty threshold. In terms of poverty incidence among population, there was a small decrease from 26.3 percent in 2009 to 25.2 percent in 2012. Poverty Incidence in the first semester of 2013 was estimated at 24.9 percent based on the 2013 APIS conducted in July 2013, this shows a 3 percentage point reduction compared to the data for the first semester of 2012.

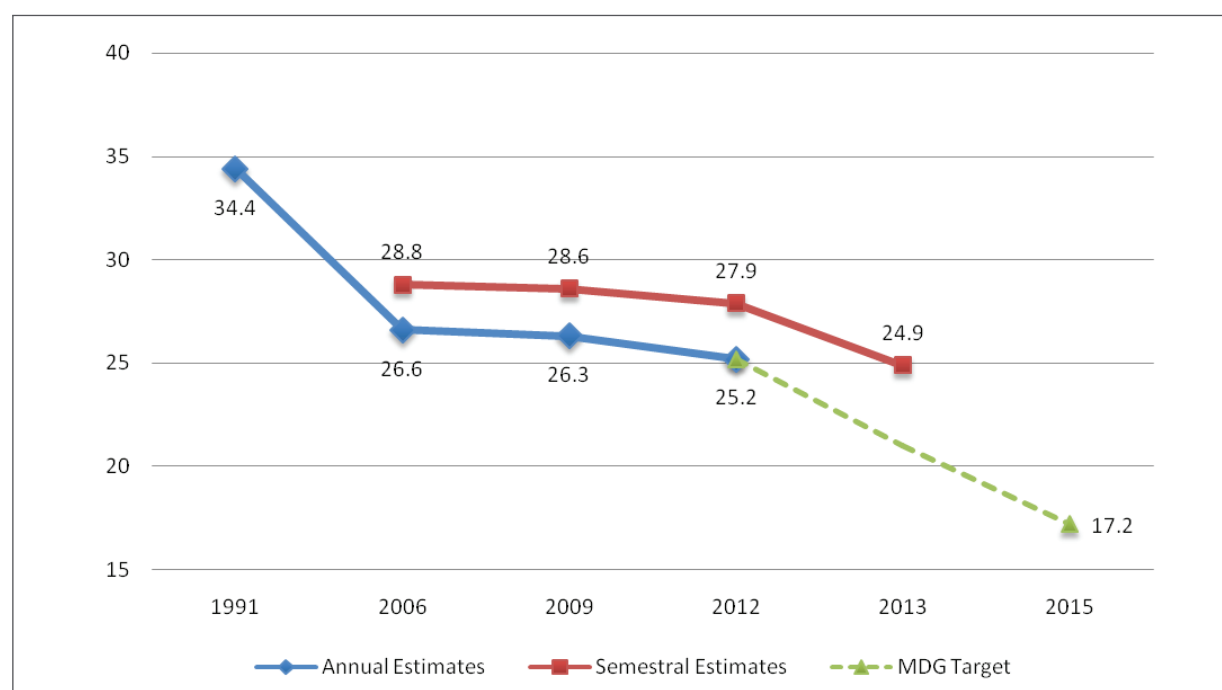
Compared with the 1991 data, the poverty situation in the regions has improved in 2012 where less regions registered poverty incidence within the range of 35.8 percent to 54.6 percent (see Figure 16). Most of the regions in the northern part of the country had relatively low poverty incidence, even lower than the national average, which may be due to generally higher standards of living as manifested through higher

access to employment opportunities and basic social services. These regions are the following: NCR, Regions IV-A, III, II, I and CAR.

Meanwhile, the Bicol Region and most regions in Mindanao have a higher proportion of their population living below the poverty threshold. The conflicts and peace order problems have contributed to this situation in Mindanao.

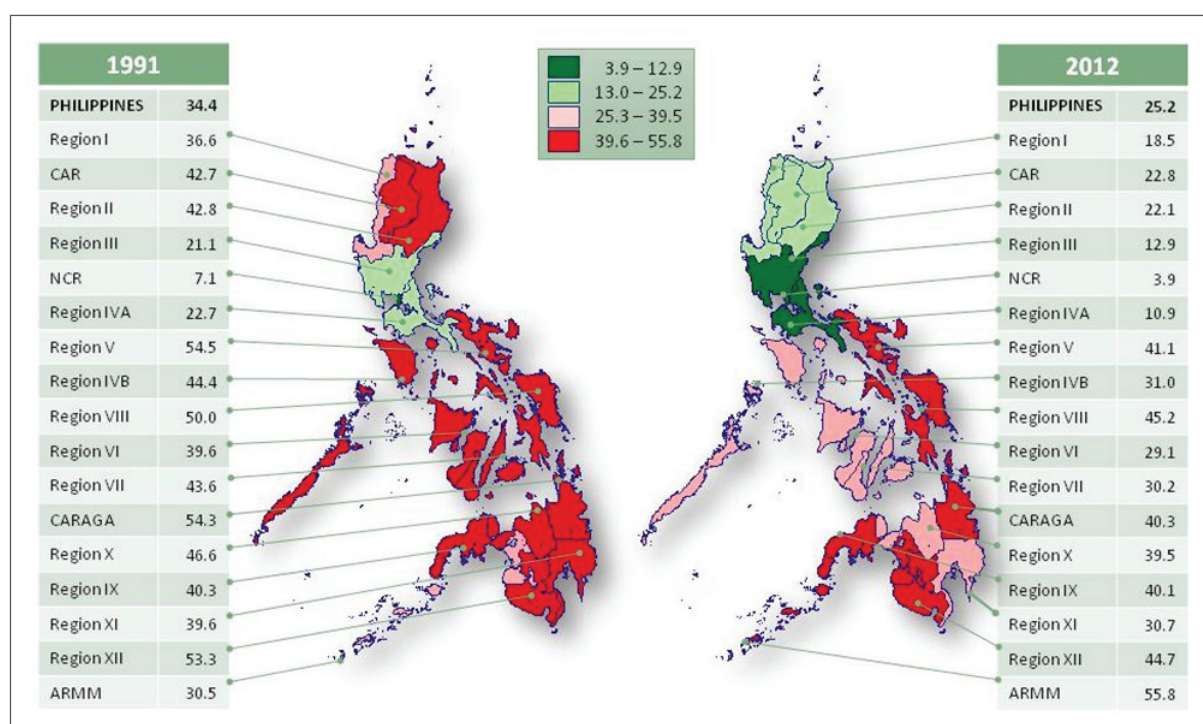
Based on the 2009 official poverty statistics for the basic sectors, fishermen posted the highest poverty incidence among the nine basic sectors in the Philippines at 41.4 percent, the same level in 2006. This is followed by farmers and children with poverty incidences of 36.7 percent and 35.1 percent in 2009, respectively. Poverty incidence for four basic sectors increased between 2006 and 2009: youth and migrant and formal sector workers with 1.0 percentage point increases; and children and individuals residing in urban areas, both with 0.3 percentage point increases (Table 2).

Figure 15. Poverty incidence among population (%), 1991-2013



Source: PSA-NSCB

Figure 16. Proportion of population living below the poverty threshold (%), by region, 1991 and 2012



Source of basic data: PSA-NSCB.

Table 2. Poverty Incidence for the Basic Sectors

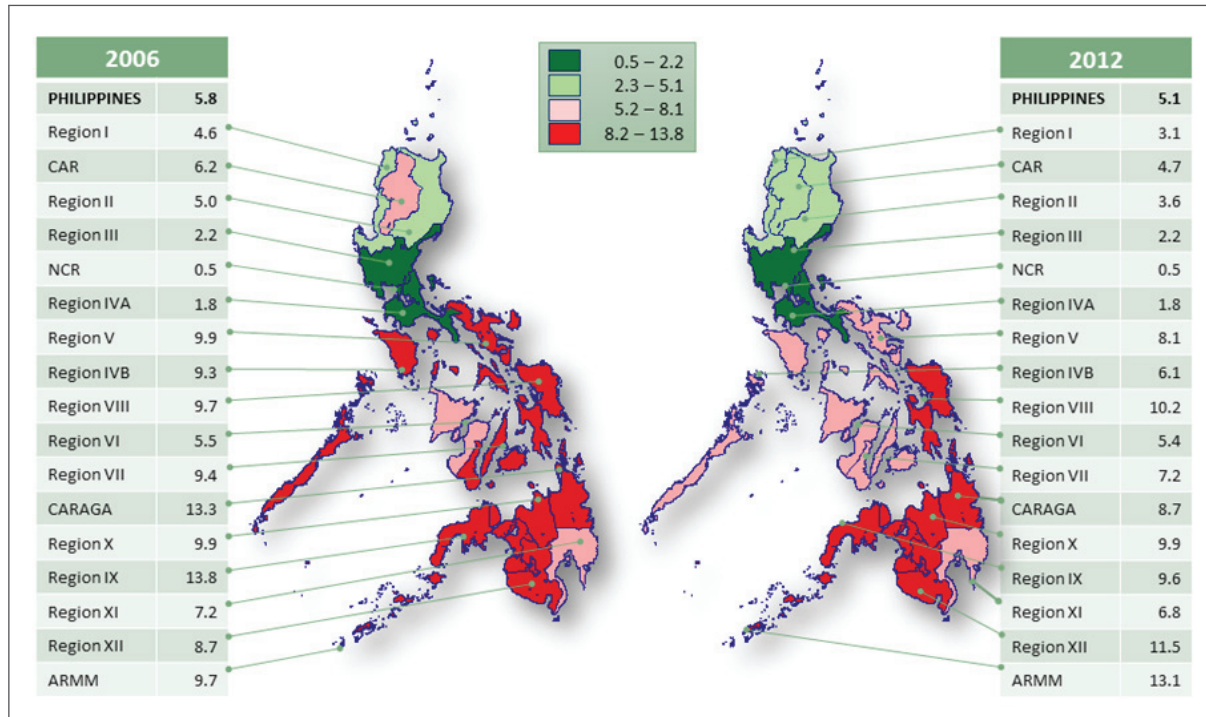
Basic Sector	Poverty Incidence			Magnitude (In Millions)		
	2003	2006	2009	2003	2006	2009
Women	24.0	25.1	25.1	9.6	10.7	11.2
Youth	19.0	20.8	21.8	4.3	4.8	5.4
Children	32.7	34.8	35.1	11.4	12.3	12.4
Senior Citizens	15.1	16.2	15.8	0.8	1.0	1.2
Individuals Residing in Urban Areas	11.1	12.5	12.8	4.4	5.3	5.7
Migrant and Formal Sector Workers	14.6	15.7	16.7	2.3	2.6	3.1
Informal Sector Workers	28.0	29.4	29.0	3.6	4.1	4.2
Farmers	37.0	37.2	36.7	1.8	1.8	1.7
Fishermen	35.0	41.4	41.4	0.3	0.4	0.3

Source: PSA-NSCB

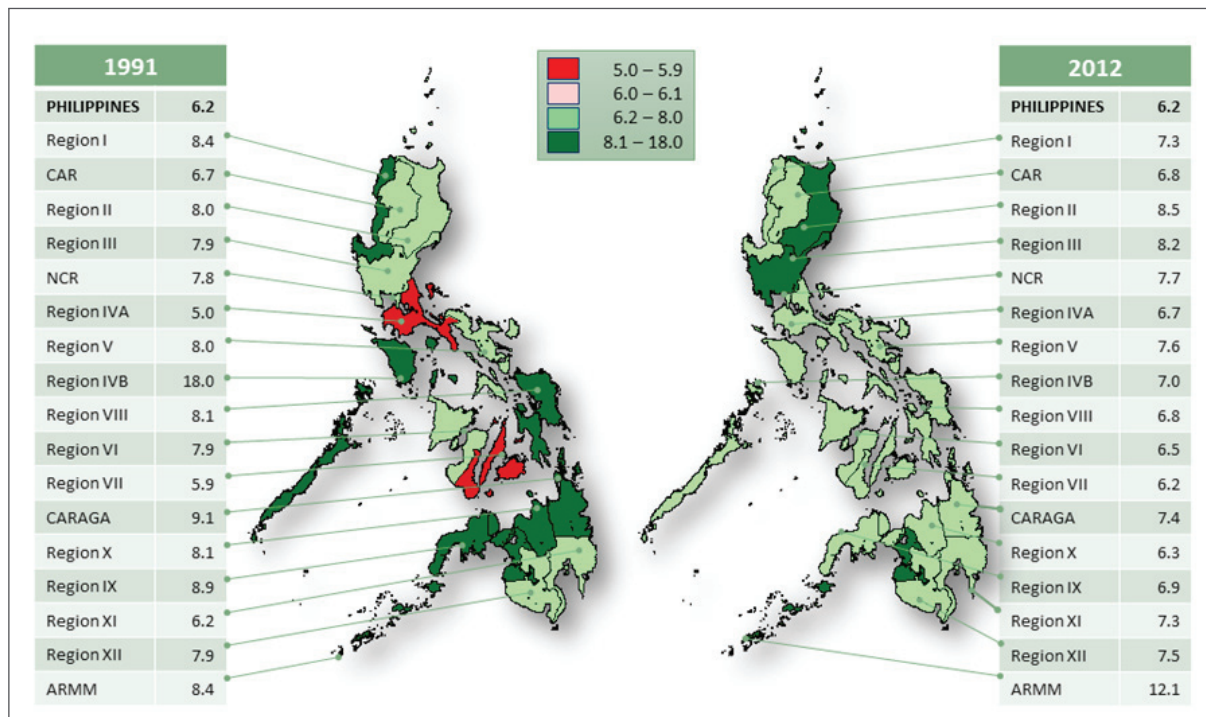
Poverty gap ratio and share of poorest quintile to national income

Poverty gap ratio measures the distance of the average incomes of the poor to the poverty threshold. Data on the poverty gap in

the country reflects small decline from 2006 to 2012 as illustrated in Figure 17, indicating decreasing depth of poverty. Meanwhile, the share of poorest quintile to national income remained the same at 6.2 percent in 1991 and 2012. (Figure 18).

Figure 17. Poverty gap by region, 2006 and 2012

Source of basic data: Family Income and Expenditure Survey (FIES), PSA-NSO.

Figure 18. Share of poorest quintile in national consumption, by region, 1991 and 2012

Source of basic data: Family Income and Expenditure Survey, PSA-NSO.

Priority policies and programs

Poverty reduction remains the main goal of the Philippine government as evidenced by the following policies and programs:

Philippine Development Plan (PDP), 2011-2016

The PDP 2011-2016 is the country's socio-economic development blueprint. Under the PDP, strategies have been formulated to attain inclusive growth, which means a high growth that is sustained, massively creates jobs and reduces poverty. To reduce poverty and empower the poor and vulnerable, the PDP vows to develop human resources through improved social services and protection.

Chapter 1 of the PDP introduces Category 1, Category 2, and Category 3 priority provinces which list the provinces with the highest magnitude of poverty, highest incidence of poverty and most exposed to multiple natural hazards respectively. Poor individuals in the different category provinces face different constraints and therefore require different interventions. These categories provide guidance on where and what sort of interventions need to be introduced in order to make a significant impact on poverty.

Chapter 6 of the PDP covers the social development sector. Social development pursues the provision of quality health, nutrition and population management services; quality education, training and culture; shelter security; social protection and asset reform services. The sector's efforts are guided by Social Contract of the President with the Filipino People as well as the country's pursuit of the MDGs.

Bottom-up planning and budgeting process

The government's commitment to empower people through its anti-poverty programs, as well as building capacities and opportunities among the poor and marginalized has led to the government's adoption of the Bottom-up planning and budgeting (BUB) process. The BUB is a collaborative initiative between government and civil society organizations (CSOs) to ensure good governance in the budget process. As affirmed in Joint Memorandum Circular (JMC) Nos. 1 and 2 signed by the Secretaries of the Departments of Budget and Management (DBM), Interior and Local Government (DILG),

social work and development (DSWD) and the National Anti-Poverty Commission (NAPC) in 2012, the BUB seeks to "...make the planning and budgeting processes of both local and national governments more participatory through the genuine involvement of grassroots organizations and communities. It shall also strengthen the convergence of the delivery of national services in the community".

For 2013, the BUB covered 609 poor municipalities, and programmed approximately PhP 10 billion for local level development activities as confirmed by the Local poverty reduction action plans (LPRAPs) prepared by the local government units (LGUs). Of these 609 poor municipalities, 208 were KALAHÍ-CIDSS areas where the KALAHÍ-CIDSS staffs have been designated to coordinate the preparation of the LPRAPs. The proposed program/project investments identified for possible financing under the BUB in these 208 municipalities were based on participatory activities undertaken under KALAHÍ-CIDSS using the community empowerment and activity cycle (CEAC) process.

Kapit-Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services (KALAHÍ-CIDSS)

The *Kapit-Bisig Laban sa Kahirapan* (Linking Arms Against Poverty) – Comprehensive and Integrated Delivery of Social Services (KALAHÍ-CIDSS) Program is a community-driven development (CDD) approach that seeks to reduce poverty and empower communities by enhancing community members' income, participation in local governance and decision-making, and access to basic services.

In the KALAHÍ-CIDSS Program, the participating barangays and municipalities undergo the CEAC process with its four major stages: (a) social preparation; (b) project development; (c) project selection; and (d) project implementation. An area coordination team (ACT) – composed of an area coordinator, engineer, financial analyst and community facilitators -- is deployed in each target municipality to lead project implementation and assist participating barangays. The barangays plan, select and implement their priority sub-projects (maximum of four sub-projects) per barangay with each sub-project receiving a block grant of about PhP 300,000.



From 2002 to June 2012, the KALAHI-CIDSS funded 5,949 community sub-projects in 6,167 barangays with a total cost of PhP 6.4 billion (US\$ 156 million). Since 2003, the Program has covered 8,435 barangays, 364 municipalities, 49 provinces in 12 regions. Basic community infrastructure facilities (water systems, school buildings, day care centers, health centers) were the most commonly financed (53%). This is followed by access infrastructures like roads and bridges (25%). Based on the KALAHI-CIDSS Impact Evaluation, the implemented sub-projects have an overall expected economic internal rate of return³ of 20.6 percent which indicates the sub-projects economic viability and sustainability. More specifically, the expected rates of return ranged from 16 percent for day care centers, 16 percent for school buildings, 21 percent for access roads, 20 percent for health centers, to 65 percent for water systems.

The KALAHI-CIDSS has demonstrated that empowered communities can mobilize resources to address their pressing problems through solutions that they themselves discuss, prioritize, implement, maintain and claim ownership for. In September 2011, the World Bank prepared *The KALAHI-CIDSS Impact Evaluation: A Synthesis Report* which presented the following results: (a)

available data indicate that participation rates in project activities are relatively high, suggesting that households and local elected officials in targeted municipalities see value in the KALAHI-CIDSS approach; (b) KALAHI-CIDSS was designed to minimize the risk of elite capture and it appears to have been successful in doing so; (c) the project had a positive impact on household consumption; (d) the project led to improvements in basic service delivery; (e) consistent with the project development objective, KALAHI-CIDSS led to an increase in participation in barangay assemblies, associated with greater knowledge about the barangay's income and expenses; and (f) the project also had positive impacts on a number of social capital outcomes, which have been shown to be more important determinants of household welfare.

Pantawid Pamilya Program

Launched in 2008, the *Pantawid Pamilyang Pilipino Program* is a poverty reduction program using conditional cash transfer (CCT) as the cornerstone of the government's strategy to fight poverty and attain the Millennium Development Goals (MDGs). It has the twin objectives of providing social assistance for immediate needs of the family and social development to break

3 Economic Internal Rate of Return (EIRR) is the indicator for estimating the economic desirability of programs/projects wherein programs/projects with an EIRR of at least 15 percent are considered economically desirable or viable.

the inter-generational poverty through human capital investments. The beneficiary households are selected through the National Household Targeting System for Poverty Reduction (NHTS-PR) conducted by the DSWD, the Family Income and Expenditure Survey (FIES) and Small Area Estimates (SAE) of the NSCB. As of May 28, 2014, registered households of the Pantawid Pamilyang Pilipino Program has reached 3,995,027 or 89.94% of this year's target of 4,441,732 households in 41,344 barangays in all 144 cities and 1,483 municipalities in 80 provinces.



Microfinance

This program is being led by the People's Credit and Finance Corporation (PCFC) tasked to mobilize resources for microfinance services for the exclusive use of the poor. The PCFC offers wholesale short, medium and long term investment loans to accredited microfinance institutions (MFIs), such as rural or cooperative banks, thrift banks, non-government organizations (NGOs) and cooperatives. These MFIs implement credit assistance programs using any proven microfinance lending methodology to finance livelihood projects that can augment the income of targeted poor clients. As of March 2013, the corporation has been serving 2,639,796 active clients through 114 partner MFIs with a total of PhP 3.52 billion outstanding loans from clients.

Asset Reform

As provided by the Comprehensive Agrarian Reform Program (CARP) Law and the CARP

Extension with Reforms Law (CARPER), the Departments of Agrarian Reform (DAR) and Environment and Natural Resources (DENR) have continued their land acquisition and distribution (LAD) initiatives. For 2011-2012, the total land area distributed was 422,743 hectares which is about 74 percent of the combined targets of the two agencies. These were distributed to 345,185 beneficiaries.

To strengthen the tenurial status of the agrarian reform beneficiaries (ARBs), minimize boundary disputes, and facilitate the payment of taxes and individual amortization, DAR has likewise subdivided 77,353 hectares of agricultural lands previously covered by collective certificate of land ownership awards (CLOAs).

Challenges and Priorities for Action

The efforts to reduce poverty have been challenged by various factors as indicated in the Philippine Country Report on the Post-2015 Agenda. These factors are:

- Pursuing inclusive growth and employment generation

The key challenge facing the country is the pursuit of inclusive growth through decent and productive work. With the working age population projected to grow by 1.5 million annually between 2010 and 2020, generating new productive employment opportunities to ease the problems of unemployment, underemployment, vulnerable employment and poverty will remain as critical challenges.

- Accelerating asset reform

As mandated by the CARPER or Republic Act (RA) 9700 which directs the completion of the land acquisition and distribution (LAD) component by June 30, 2014, there is a need to fast-track the LAD efforts. For lands that have been awarded to agrarian reform beneficiaries (ARBs), the challenge is how to effectively provide support services to sustain the gains of land distribution. Moreover, the country's commitment to the Convention Eliminating All Forms of Discrimination Against Women (CEDAW) necessitates the realization of rights of rural women especially their rights to equal

access to asset reform including access to land, credit and other resources.

- Providing equitable and adequate access to basic services

Notwithstanding the gains and achievements, the interrelated issues of poverty and human development will continue to pose a challenge to the country especially in terms of providing the poor and vulnerable with equitable and adequate access to basic services in health, food security and nutrition, water and sanitation, basic education, socialized housing, social protection and sustainable energy. The large and critical gaps in health care and basic education will need to be closed. Addressing hunger through food security and adequate nutrition through food sufficiency must be ensured and sustained. Access to safe water and sanitation must be assured especially by addressing the challenges arising from a largely fragmented and uncoordinated water and sanitation sector. Providing decent and affordable shelter to the country's informal settler families (ISFs) and upgrading its slum settlements continues to be formidable challenges. Social protection programs must be well-targeted to reduce unnecessary leakages to the non-poor especially in the case of the CCT program. Finally, whether it is reducing poverty or expanding basic services, universal access to sustainable energy cuts across all the MDGs and should continue to be among the country's priorities in the run-up to 2015 and even beyond.

Recognizing the value of the communities in ensuring high impact of anti-poverty programs, the government pushes for the implementation of the National Community-Driven Development Project (NCDDP). It is a nationwide anti-poverty program that draws on the successful experiences of the government's community-driven development (CDD) programs, particularly the KALAH-CIDSS project implemented by the DSWD. The NCDDP will build on these gains as it scales up the coverage to 847 poorest municipalities (364 existing/old KALAH-CIDSS municipalities and 483 new municipalities) in 58 poor provinces in 14 regions. As a scaled-up approach, the NCDDP will cost a total of PhP 43.89 billion and will be implemented for the next six years (2014-2019). The program will be co-financed by the World Bank (US\$479 million),

the Asian Development Bank (US\$372 million), and the national government (US\$231 million).

The NCDDP features the following components as implemented in the KALAH-CIDSS: (a) Barangay sub-grants which provide the seed fund for community development sub-projects; (b) local capacity building and implementation support which involve social preparation and training activities; and (c) program management, monitoring and evaluation.

While the design of the NCDDP is firmly based on the proven principles and operational procedures of Kalahi-CIDSS, a number of enhancements have been incorporated into the NCDDP. These enhancements are:

- 1) NCDDP will enhance its poverty targeting to include national coverage of all "poor" municipalities, and block grant allocations based on population and poverty levels, with an increasing allocation as the poverty incidence increases. This is based on the Kalahi-CIDSS finding that the greatest gains in poverty reduction were realized in the poorest areas and when social preparation was combined with capital investments;
- 2) NCDDP will broaden its outreach at community level. This is in recognition that a number of gains in local level knowledge and skills (particularly of volunteers) were not extended beyond the project participants to the community members in general. A revision of the CEAC process will adjust the participatory situation analysis to allow a greater focus on including vulnerable and marginalized groups such as indigenous peoples (IPs) in project identification and implementation;
- 3) NCDDP will modify some aspects of the CEAC process as these were found to be too complex or time consuming for communities to effectively fulfil their intended roles and responsibilities as local development partners; and
- 4) NCDDP will be closely integrated with the BUB process which is expected to enhance impacts on civil society participation and empowerment.

Target 1.B: Achieve full and productive employment and decent work for all, including women and young people

The Philippine Development Plan (PDP) 2011-2016, premised on inclusive growth, also highlights employment generation by exploring all legitimate channels for all forms of employment whether as formal wage or self-employment in firms, homes or local communities, and whether in the country or abroad. The Philippine Labor and Employment Plan (PLEP) 2011-2016 further emphasizes that employment growth should embody decent work elements which includes the protection of the rights of workers, improvement in access to social protection mechanisms, better working conditions and advancements in social dialogue processes among others.

Three years after the formulation of the PDP and with less than two years left to the MDG 2015 deadline, it is high time to revisit how the Philippines is faring in translating economic growth into productive and decent employment. The progress on labor productivity, employment-to-population, working poor and vulnerable employment will be used to examine this.

Trends and Inequalities

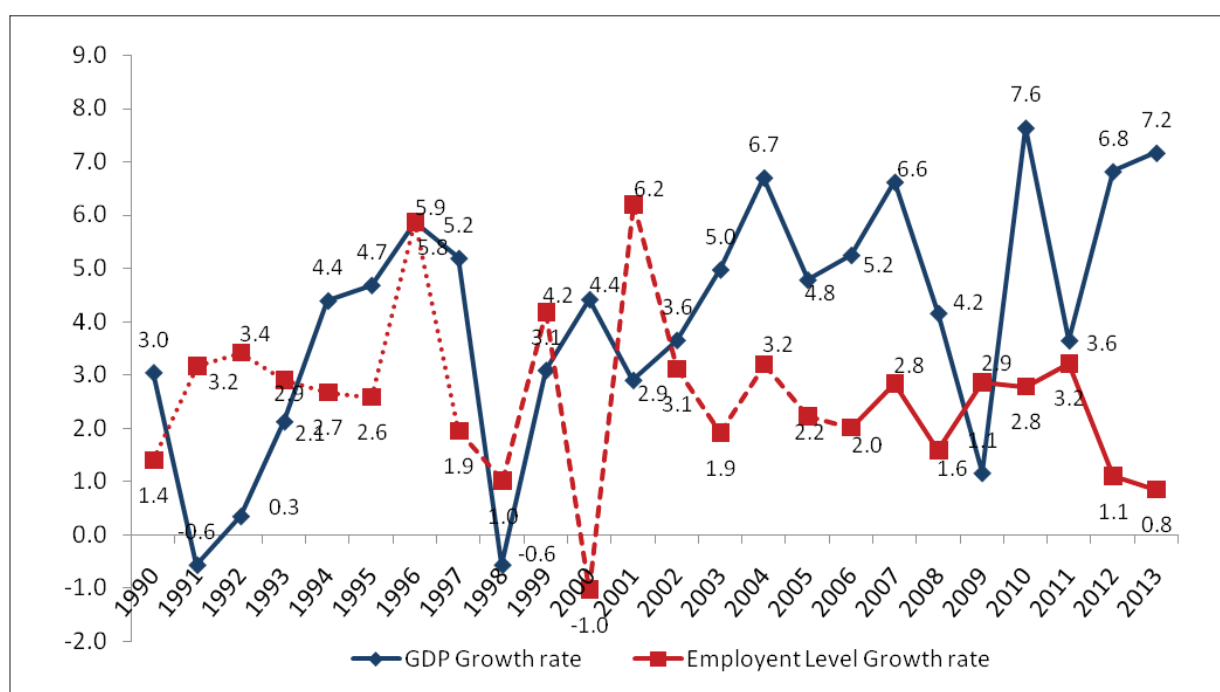
GDP and Employment

The GDP grew by 3.9% on the average over the 22 year period from 1990 to 2013. In the same period, the employment level grew at a slower pace of 2.8% on the average. In general, the growth in output was not in sync with the growth in employment. For instance, while the GDP had a steady growth from 1991 to 1994 and from 2001 to 2004, the employment level surges and declines (see Figure 19). Correspondingly, when the economy rebounded strongly posting a 6.6% GDP growth rate in 2012, employment actually fell by 2.1% from 2011. This relationship can be attributed largely to the difference in the structure of the economy and the labor market. The agriculture, forestry and fishing sector which accounted for the smallest contribution in GDP due to droughts and destructive typhoons absorb one-third of the country's total labor force.

Labor Productivity

Labor productivity, or the ratio of GDP over the number of employed persons, experienced a

Figure 19. GDP Growth Rate and Employment Growth Rate, 1990-2013



Note: Total Employed data for 1990 to 1997, based on 1980CPH; 1998 to 2006, based on 1995CPH; 2007 up to present, based on 2000CPH.

Sources: PSA-NSO and PSA-NSCB

boom and bust pattern from 1990 to 2012 with a modest average growth rate of 1.1 percent. Figure 20 shows that during this cycle, labor productivity posted high growth rates in 2000, 2010, 2012 and 2013 with 5.5 percent and 4.7 percent, 5.7 percent and 6.3 percent, respectively. These were also the years when the economy experienced relatively high growth in output. However, it dipped negatively seven times and posted less than one percent growth rate three times for the same period. These declines may be attributed to the global and domestic shocks in the past two decades that affected the country namely: the collapse of the Soviet Union (1991); European currency crisis (1992-1993); effect of the 1997 Asian Financial crisis and El Niño (1998-1999); Dot-com bubble burst (2001); and Typhoons Ondoy and Pepeng (2009), and Typhoon Sendong (2011).

Employment-to-Population Ratio

The employment-to-population ratio demonstrates the ability of an economy to provide employment to its population. From 1990 to 2013, the movement has been stagnant between 59% and 60% as indicated in Figure 21. The highest

proportion at 61% was reached in 1996 while the lowest at 56.5% occurred in 2000. The low employment-to-population ratio for the past two decades may be due to the unresolved skills mismatch, low quality employment and lack of employment opportunities.

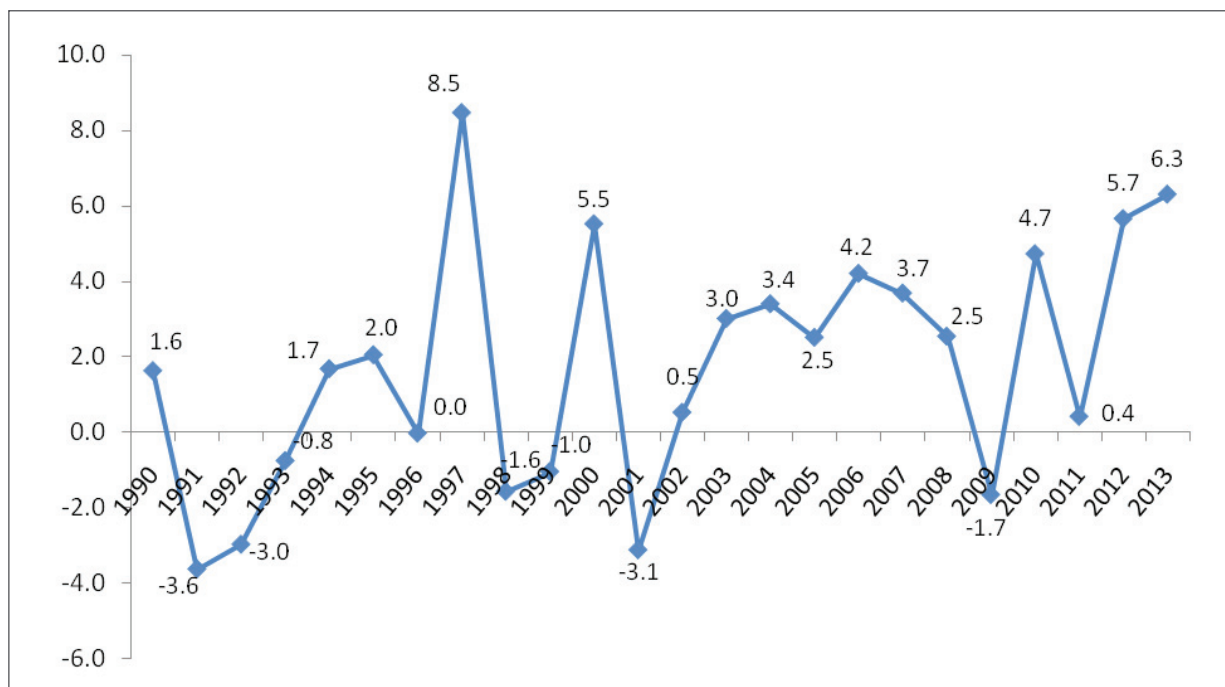
Working Poor

In terms of the working poor population, Figure 22 illustrates that there is a modest increase in the proportion from 2003 (20.5%) to 2006 (22.4%). This suggests that there are growing number of individuals who have jobs that do not provide them incomes high enough to lift them and their families out of poverty.

Vulnerable Employment

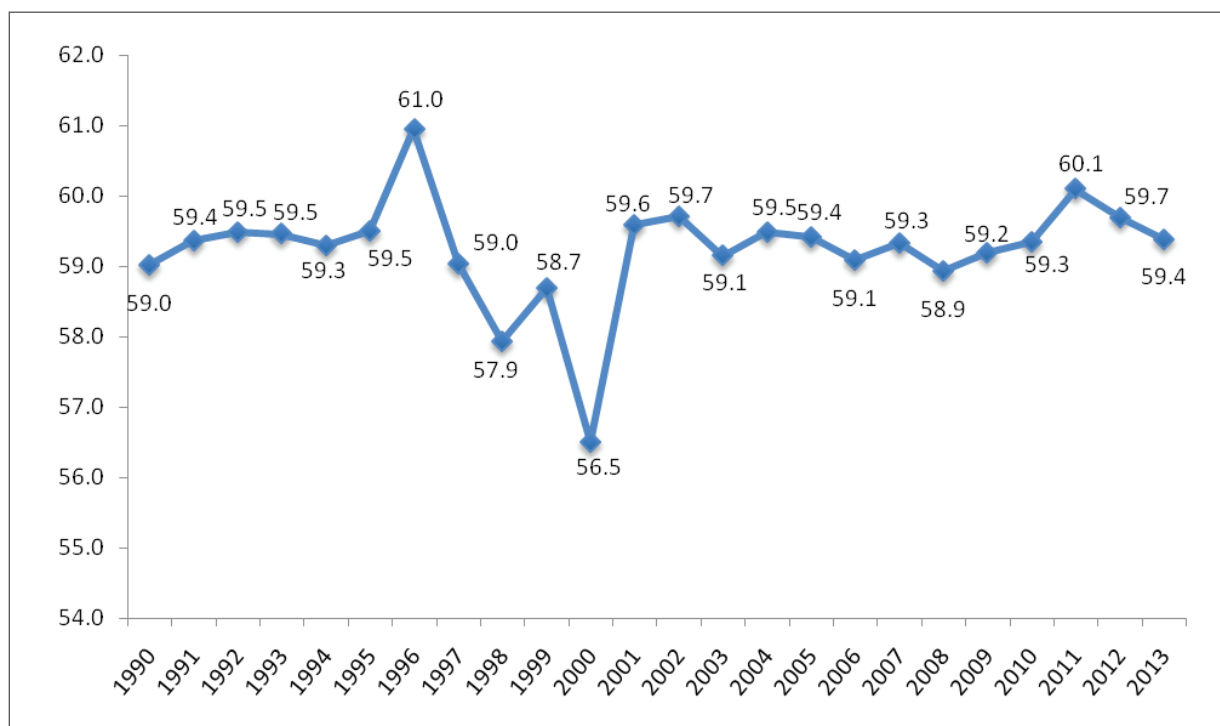
Own account workers and unpaid family workers constitute vulnerable employment. Individuals under these types of employment have the highest probability of falling into poverty because they are usually deprived of benefits, social protection that could protect them from risks and are less likely to have formal work arrangements. As shown in Figure 23, the

Figure 20. Growth Rate of GDP per Person Employed, 1990-2013



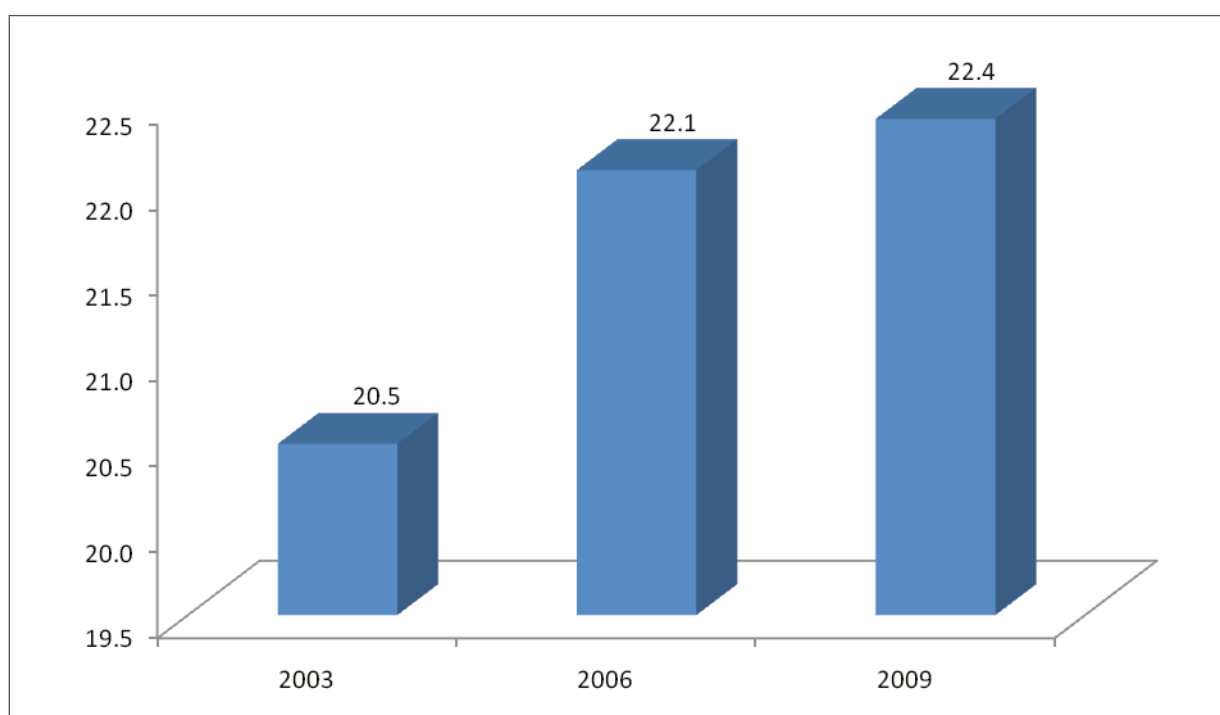
Source: PSA-Bureau of Labor and Employment Statistics (BLES)

Figure 21. Employment to Population Ratio, 1990-2013



Source: PSA-BLES

Figure 22. Working Population (%), 2003-2006



Source of basic data: PSA-NSO

proportion of workers under these categories has been continuously decreasing. From 51.3 percent in 1990, the sum of own-account and unpaid family workers has gone down by 12 percentage points (39.3%) in 2012. Of these, own-account workers dropped from 35.6 percent in 1990 to 28.3 percent in 2012 while unpaid family workers went down from 15.7 percent in 1990 to 11.0 percent in 2012.

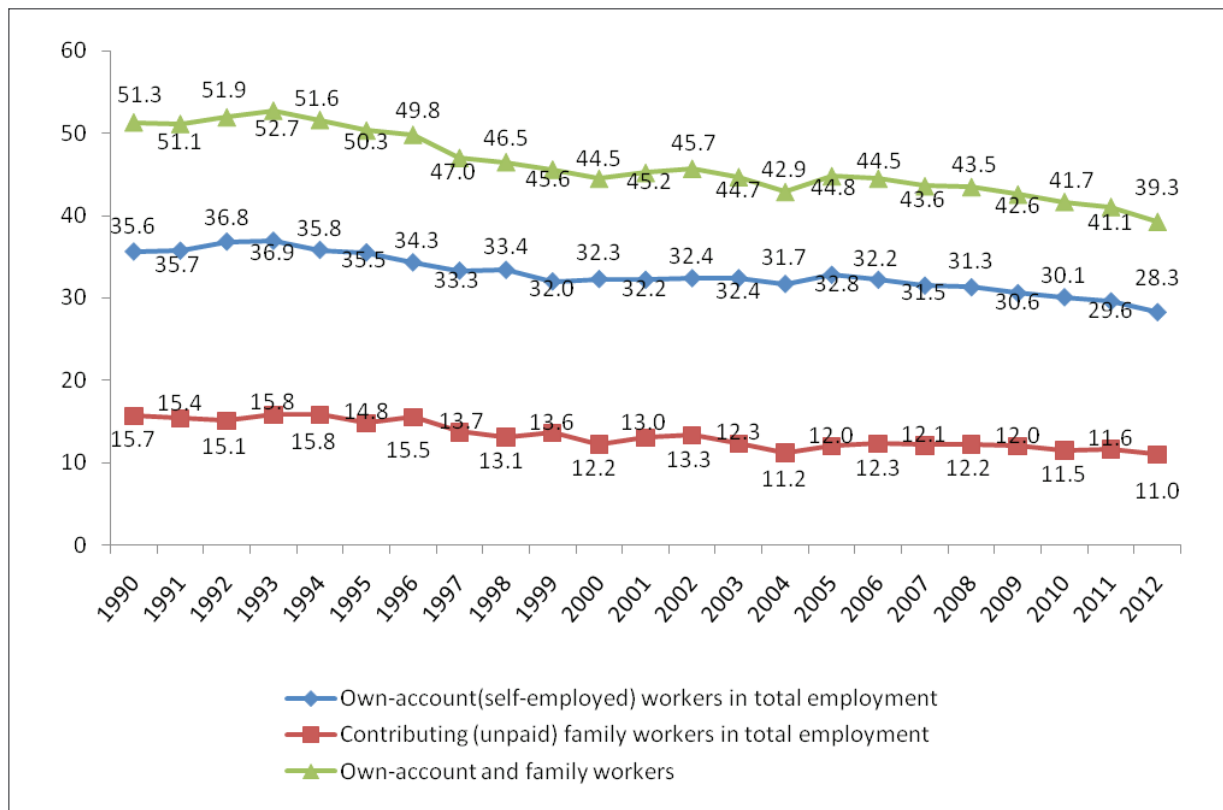
Key Bottlenecks

It is apparent that there is much to be done to ensure the provision of decent work, high productivity rates and reduction in the magnitude of working poor in the country. Based on the latest Socio-Economic Report (SER), underemployment is a growing concern. This signals that there are not enough jobs with acceptable quality. According

to the Department of Labor and Employment (DOLE), the working age population is expected to grow by one and a half million annually in the next 10 years and economic expansion must be large enough to absorb this surge in the labor force. Otherwise, the high rates of unemployment or underemployment, at almost one in 10 persons in the labor force or 7.1 percent unemployment and one in five of the employed or 20.9 percent underemployment in January 2013 will persist, if not increase.

Another bottleneck is that the share of industry to employment has not been increasing significantly. This is evident in the high percentage of own-account workers and unpaid family workers. Also, skills mismatches have not been resolved fully despite the efforts of the government to provide training and jobs placement.

Figure 23. Own-account Workers and Unpaid Family Workers (%) in Total Employment, 1990-2012



Source: PSA-BLES

New Challenges

Green jobs and the promotion of a green economy are essential in achieving environmentally sustainable economic and social development. With the current problems associated with climate change, countries are highly encouraged to promote and develop green jobs. According to the International Labour Organization (ILO), jobs are green when they help reduce negative environmental impact ultimately leading to environmentally, economically and socially sustainable enterprises and economies. DOLE and other government agencies and trade unions have signed the Green Call to Action in 2011. They have made 14 commitments which include, among others, to: (a) create awareness among youth leaders on initiatives that contribute to the creation of green jobs; (b) encourage greater

environmental stewardship among communities, LGUs and stakeholders; (c) establish a mechanism for government employers and workers to discuss opportunities and constraints in the promotion of green jobs; and (d) explore eco-friendly production processes at work and the delivery of services of enterprises. As of 2013, 15 headline accomplishments were achieved, such as the Green our DOLE Program, promotion of eco-towns, green productivity seminars, promotion of green provisions in the collective bargaining agreements (CBA), training advocacy for greener technologies, Green Industries Program, Green Financing, etc. For the post-2015 agenda, the challenge now is for the Philippines to institutionalize and commit to advocate green jobs and implement policies and strategies. The commitments made by DOLE and other agencies can be a good starting point towards this goal.



Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Trends and Inequality Analysis

The percent of Filipino households with inadequate calorie intake decreased between 1990 at 74.2 percent and 2008 at 66.9 percent (see Figure 24). However, the rate of decline is slower (0.17 percentage point per year) when compared to the targeted decline of 1.5 percentage points per year to reach one of the targets of the MDG 1. Thus, to reach the MDG on halving levels of hunger in 1990 by 2015, efforts should be geared toward achieving an annual reduction of 4 percentage points per year (PPAN 2011-2016, NNC 2012).

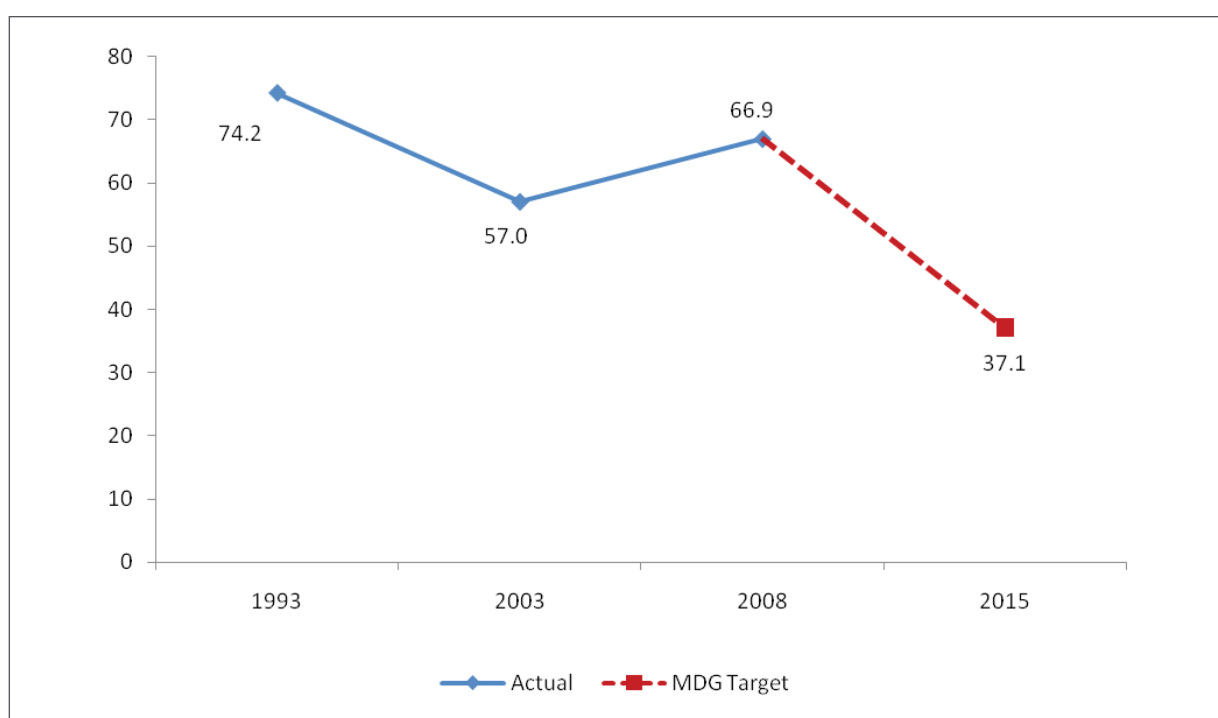
The 2011 Nutritional Status of Filipinos (NSF) showed a significant decline in the prevalence of underweight-for-age under-five children since 1990 (Figure 25). However, the overall decline was not fast enough and the 20.2 percent prevalence in 2011 was equivalent to an average annual percentage point decrease of 0.34, lower than the

targeted 0.55 annual percentage point reduction from 2000 to achieve one of the targets of MDG 1 (NNC 2012). More crucial is that the country will need a 6.6 percentage point reduction or about 1.65 percentage points per year from 2011 until 2015 to meet the MDG target of halving the number of underweight children (FNRI 2011).

As shown in Figure 25, the prevalence of underweight children under-five years old may have decreased by 0.4 percentage points from 2008 to 2011, but there are still regions with very high prevalence of underweight-for-age. These are the Autonomous Region of Muslim Mindanao (ARMM) with 26.2 percent; Eastern Visayas, 25.7 percent; Bicol, 25.3 percent; Zamboanga Peninsula, 25.2 percent and SOCCSKSARGEN, 25.1 percent (Figure 26). It seems that on the national average, there are two in every 10 Filipino children aged zero to five years old who are underweight-for-age (FNRI 2011). However, the five regions earlier mentioned have almost one out of four children who are malnourished.

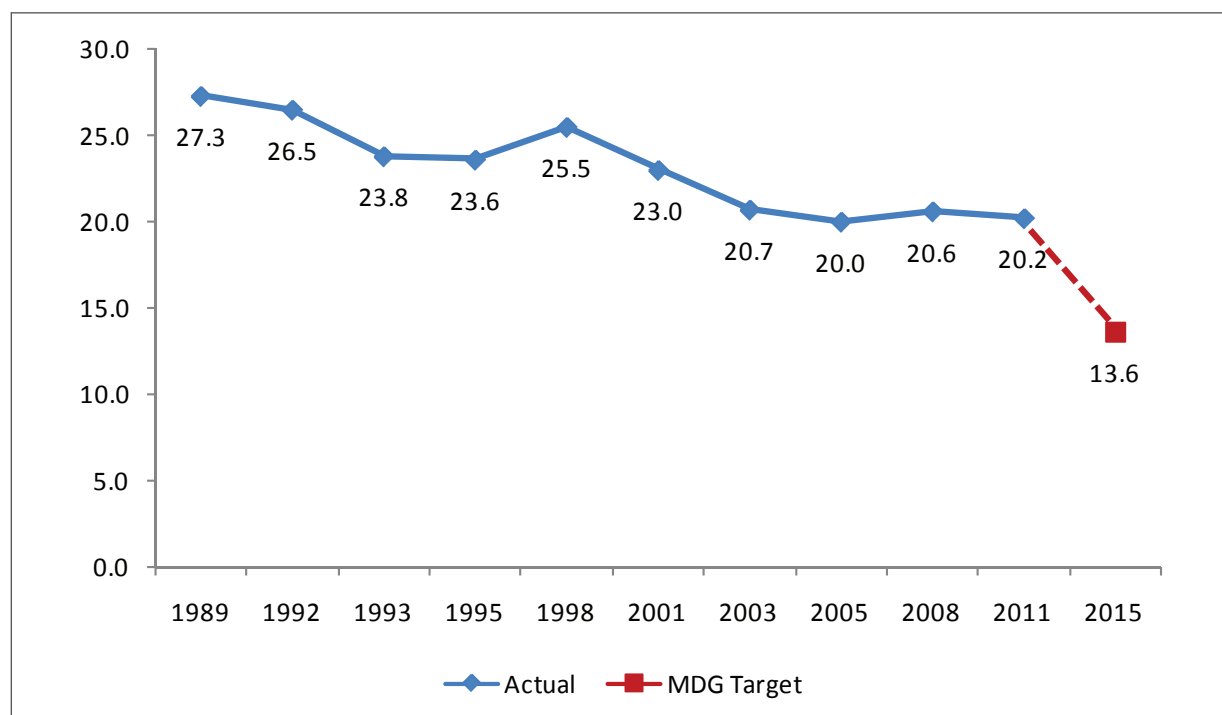
According to the results of the 2011 Annual Poverty Indicator Survey (APIS) which covered around 51,000 sample households all over the

Figure 24. Proportion of households with per capita intake below 100% dietary energy requirement (%), 1993-2008



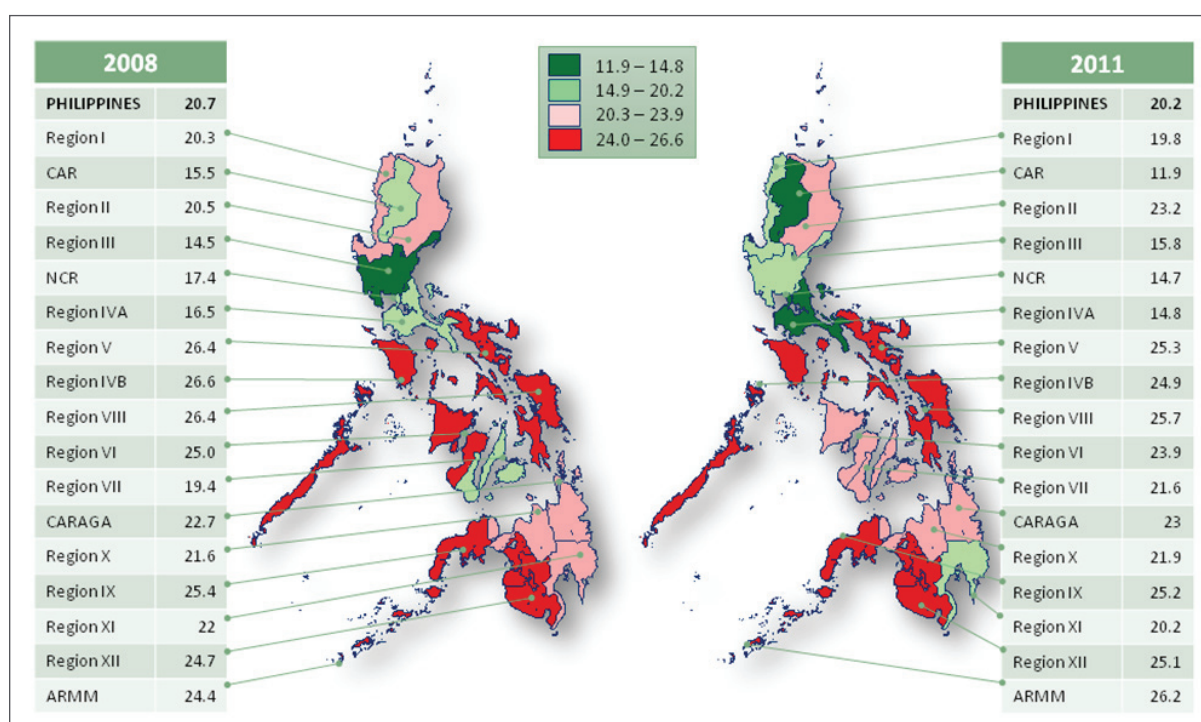
Source: NNS, FNRI

Figure 25. Trend (%) in the prevalence of underweight-for-age among children, under-five years old, for monitoring of MDG 1 using World Health Organization - Child Growth Standard (WHO-CGS): 1990-2011



Source of basic data: 2011 Updating of Nutritional Status of Filipino Children and other Population Groups

Figure 26. Prevalence (%) of underweight-for-age children, zero to five years old by region using WHO-CGS: 2008 and 2011



Source of basic data: 2011 Updating of Nutritional Status of Filipino Children and other Population Groups

Table 3. Percentage of families who experienced hunger and how often it happened, by poor and nonpoor, Philippines: 2011

Per Capita Income Stratum	Number of Families Who Experienced Hunger	How Often It Happened		
		At Least Once in Each Week	At Least Once in Each Month	At Least Once in Three Months
Philippines	1,210,000	30.60%	38.60%	30.80%
Poor	835,000	30.60%	39.70%	29.70%
Non-Poor	376,000	30.60%	36.10%	33.30%

Source of basic data: Annual Poverty Indicator Survey, PSA-NSO

Philippines, families who experienced hunger during the reference period, which is the three months prior to the survey, made up six percent of all families in the country. Table 3 shows that of these families who experienced hunger, about 30 percent experienced it at least once in each week during the reference period, 39 percent experienced it at least once in each month, and 31 percent experienced it at least once in three months. Survey findings show that 15 percent of the poor families in the entire country experienced hunger. Among the nonpoor families, three percent experienced it (PSA-NSO 2013).

Through the PDP 2011-2016 which aims to attain poverty reduction and inclusive growth, the country remains committed to the MDG of halving extreme poverty and hunger by 2015.

Key Bottlenecks and Priorities for Action

As reported in the 2010 Philippine Progress Report on the MDG, hunger and malnutrition have underlying causes like poverty, rising food prices, poor dietary diversity, lack of access to potable drinking water and sanitation, poor health status, among others. By causing poor health, low levels of energy, and even mental impairment, hunger can lead to even greater poverty by reducing people's ability to work and learn due to micronutrient deficiencies, thus leading to even greater hunger or even death (World Hunger 2012).

As a continuing response against hunger and malnutrition, the Philippine government, thru the National Nutrition Council (NNC) and other stakeholders, seeks to implement certain programs to address malnutrition. Some more

renowned programs or strategies consist of the following (PPAN 2011-2016):

- 1) **Promotion of optimum Infant and Young Child Feeding (IYCF) practices in various settings to reduce the prevalence of underweight.** The strategy will be anchored on the promotion of exclusive breastfeeding for the first six months of life and the introduction and use of calorie- and nutrient-dense and safe solid and semi-solid foods (complementary foods);
- 2) **Adoption and implementation of appropriate guidelines for the community-based management of acute malnutrition.** Some actions include active identification of cases of acute malnutrition particularly in protracted disaster situations, and building capacities of health care facilities and human resources for health and the community as well;
- 3) **Integration and strengthening of nutrition services in ante-natal care services.** Some services include counselling mothers on the appropriate dietary intake, as well as preparing her physically and psychologically for breastfeeding and provision of iron-folic acid supplementation;
- 4) **Delivery of an integrated package of nutrition services in the school and alternative school system.** Some services include supplementary feeding for thin children and sustained implementation of the essential health care program like the promotion of sanitary practices and personal hygiene;

- 5) **Increasing the supply and consumption of micronutrients.** This includes food fortification thru the continued implementation of RA 8976, micronutrient supplementation like the provision of Vitamin A for preschool children, and the strict implementation of the ASIN Law or RA 8172;
- 6) **Increasing food supply at the community level and economic access to available food supply.** Some strategies include increasing food supply at the community and household levels through food production facilities and programs that allow improved distribution of food, and build capacities for rural development; and
- 7) **Promote healthy lifestyle.** Promotion of healthy lifestyle will be anchored on healthy eating, increased physical activity, managing stress, no smoking, etc.



With regards to food production and supply, food security is a priority strategy under the PDP 2011-2016. The strategy calls for the provision of basic support services and infrastructure as well as critical governance reforms that are responsive to the challenge of ensuring food security for Filipinos across generations. It entails programs that aims to raise productivity and incomes of agriculture and fishery-based households and enterprises and increase investments and employment in high value-adding activities that take advantage of agro-industrial linkages across supply chains. It also calls for completing the implementation of agrarian reform to resolve long-standing property rights issues that have led to underinvestment in agriculture to the detriment of productivity and incomes in the food-producing sector.

The Department of Agriculture (DA), as the lead agency in food production, has launched the Food Staples Sufficiency Program (FSSP) 2011-2016 under the Agrikulturang Pilipino framework. The FSSP covers rice and other staples, including white corn, banana, and root crops such as cassava and sweet potato. These are also increasingly recognized as healthy alternatives to rice. Anchored on a vision of a food-secure society where farmers enjoy decent and rising standards of living, the FSSP 2011-2016 aims to achieve self-sufficiency in food staples. Self-sufficiency means satisfying domestic requirement for food, seeds, processing, and feeds through domestic production. Moreover, the program also seeks to strengthen national resilience in staples production and address the impacts of climate change and dependency on importation. Linking agricultural workers to the supply chain increases effective demand for agricultural output and may increase returns to their labor. While the government can provide the needed policies to facilitate this linkage, the business or private sector could support this undertaking, through sharing of technology, conduct of additional training, and provision of equipment, among others.

However, the availability of a sufficient supply of food, whether through higher domestic production or importation, does not automatically guarantee food security especially for the low income segment of the Philippine population. Even when food is abundant, it may not be economically accessible. From a long-term strategic perspective, the pursuit of rapid, sustained, job-creating and poverty-reducing growth holds the key to the nation's food security. The government and other stakeholders are acutely aware that short-term fluctuations in price, especially in the market for staples, can pose a threat to the nutritional wellbeing and general health of Filipinos. Stability in food prices is particularly critical for preventing any disruption in consumption, especially among those who are at risk of malnutrition – infants, young children and pregnant mothers. The risk is higher for low income households. Thus, maintaining price stability constitutes the other and equally important component of food security. In this light, the Philippine government, through the Bangko Sentral ng Pilipinas (BSP), continues to carefully manage domestic liquidity to ensure a low and stable inflation regime that is conducive to the growth of output and employment. Other

measures to achieve a measure of price stability, particularly in the national staple rice, have taken the form of direct market interventions – government control of importation, accumulation of emergency stocks, state purchases of domestic rice, and subsidized retail sales ostensibly to reduce vulnerability to climate-related risks or to lessen dependence on foreign supplies. Unfortunately, such interventions have also resulted in less than desirable, albeit unintended effects that invite a re-assessment of existing policy to deal with food specifically rice-price stabilization (PAN, Inc. 2013).

Furthermore, to provide additional aid in fighting hunger and malnutrition, the European Union (EU) partnered with the United Nations Children Fund (UNICEF) to allocate 20 million Euros through the Maternal and Young Child Nutrition Security Initiative in Asia (MYCNSIA) to boost nutrition security in five focus countries: the Philippines, Bangladesh, Indonesia, Lao PDR

and Nepal. The MYCNSIA program transforms nutrition security into a multisectoral issue in the region. It also positions nutrition security in the policy agenda of each of the five countries, strengthens capacities and communication lines, and replicates best practices and successful innovations. The MYCNSIA in the Philippines thus focuses on nutrition-specific interventions and nutrition-sensitive development. Nutrition-specific interventions include educational programs about the use of available foods and resources, the promotion of exclusive breastfeeding, distribution of micronutrient powder packs and other vitamin and mineral supplements, and the fortification of staple foods, such as the fortification of rice with iron. Nutrition-sensitive development, on the other hand, involves making nutrition a goal of national development policies. Interventions in food security, public health and social protection are being integrated to respond optimally to malnutrition at the local level.

Best Practices

Conquering food and nutrition adversities through multifaceted strategies

Known for its rich, fresh and flavourful seafood, particularly oysters, and its rich Subanen culture, Kabasalan, a second-class municipality in the province of Zamboanga Sibugay, is a thriving community, where agriculture and fisheries are its most important resources.

The Kabasalan Municipal Nutrition Committee (MNC), led by Mayor George C. Cainglet, staunchly believes that in order to achieve and maintain a healthy and well-nourished community, an intensified nutrition program should combine the innovations of the new and the resiliency of the old. He thus pursued a comprehensive strategy and effective programs that would not only address food insecurity and malnutrition in the locality, but can also ensure a more progressive local economy.

Breastfeeding advocacy for and by the community. Pursuant to RA 10028 or the Expanded Breastfeeding Promotion Act and following the completion of the training on Infant and Young Child Feeding (IYCF) and Promote Good Nutrition (PGN) in all its 29 barangays, Kabasalan immediately conducted measures to promote and protect breastfeeding. A Breastfeeding Covenant signature drive was conducted on August 4, 2011, where mothers and fathers, as well as support groups in the community voluntarily signed the covenant to indicate their commitment to uphold the principles of good nutrition and proper infant and young child feeding, in particular, exclusive breastfeeding, in their own households. Copies of the signed covenant are now posted at the municipality's nutrition office. The Kabasalan MNC also established breastfeeding stations in the community bus terminal and in the Kabasalan Pathfinder Hospital. In order to further promote exclusive breastfeeding and elicit support from the community, all the 29 barangays created their respective Breastfeeding Support Group, composed of mothers who have successfully breastfed their infants and other individual volunteers. Members of the support group are trained on the effective conduct of breastfeeding counselling, encouraging would-be mothers to exclusively breastfeed their infants, while giving practical support during breastfeeding. These community volunteers with the help of nurses of the Registered Nurses

continued next page

Best Practices

Conquering food and nutrition adversities through multifaceted strategies

(continued)

for Health Enhancement and Local Services (RNHEALS) program of the DOH, midwives, Barangay Nutrition Scholars (BNSs) and Barangay Health Workers (BHWs), were especially helpful during the conduct of buntis (pregnant) classes. Pregnant mothers were provided with information on exclusive breastfeeding, conduct pre-natal activities and in coming up with birth and emergency plans.

Food-based approach. The Kabasalan MNC, in coordination with the Zamboanga Sibugay provincial nutrition committee (PNC) and the National Dairy Authority (NDA) conducted milk feeding in some barangays. Everyday, for a period of six months, 54 most nutritionally at-risk preschool children aged 36 to 71 months old (three years old to less than six years old), including the identified severely underweight preschool children, were given chocolate milk from NDA and fortified bread and biscuits. Nutrition education classes were also conducted among the children's mothers and caretakers. Thirty of the targeted beneficiaries were successfully rehabilitated as shown by the strict monitoring system of the program. At the same time, the Kabasalan municipal government, with the help of the Zamboanga Sibugay Provincial Nutrition Office (PNO), established and operated the Nutri-Pan sa *Paaralan at Pamayanan* (School and Community) Project. The bakery caters primarily to school children and underweight preschool children, baking breads fortified with iron and vitamin A and sold at affordable prices. This project was established mainly with funding support from the provincial and municipal governments, the barangay and from the cash prize earned from the municipality's Consistent Regional Outstanding Winner in Nutrition (CROWN) award in 2009.

Environment-Responsible Livelihood. The allotment and maintenance of 50 hectares of intertidal zone for oyster and lapu-lapu (fish) culture and processing proved to be a valuable initiative by the local government, continuously providing the much needed livelihood to some 1,000 nutritionally at-risk and poor households in the community. Currently managed by the local fisherfolk organization, the Kahugpungan sa Gagmay'ng Mangingisda sa Concepcion (KGMC) and assisted by the Municipal Agriculture Office (MAO), Bureau of Fisheries and Aquatic Resources (BFAR) of the Department of Agriculture (DA), and the Western Mindanao Community Initiatives Project (WMCIP) of the Department of Agrarian Reform (DAR), the project not only provided livelihood, but also successfully reduced pressure on the municipal waters and eliminated destructive fishing activities.

Conservation of Natural Resources for Food Security. The efforts of local fisherfolk organizations led to successful and sustained implementation of *Pagkain sa Basura* (Food in Exchange of Collected Garbage/Trash) Project. This activity provided households the chance to win baskets of grocery items or rice for every sack of garbage turned over to the garbage collectors. Ever since, the community embraced this strategy, which has been expanded to the rest of the municipality, Kabasalan's mangrove is now fully rehabilitated and has received praises for its cleanliness, while households continue receiving food incentives and enjoying food security for their cooperation and participation.

With such a comprehensive approach in addressing food insecurity and malnutrition, the prevalence of underweight among preschool children in Kabasalan improved from 4.11 percent in 2010 to 3.38 percent in 2011, and the prevalence of wasted school children decreased from 11.37 percent in 2010 to 6.69 percent in 2011.

While the Kabasalan MNC's unwavering commitment towards improved nutrition may have been the compelling force, it is the community's participation and involvement that made all these efforts more sustained and effective, worthy of recognition – the Nutrition Honor Award (NHA). (NNC 2012)



Goal 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

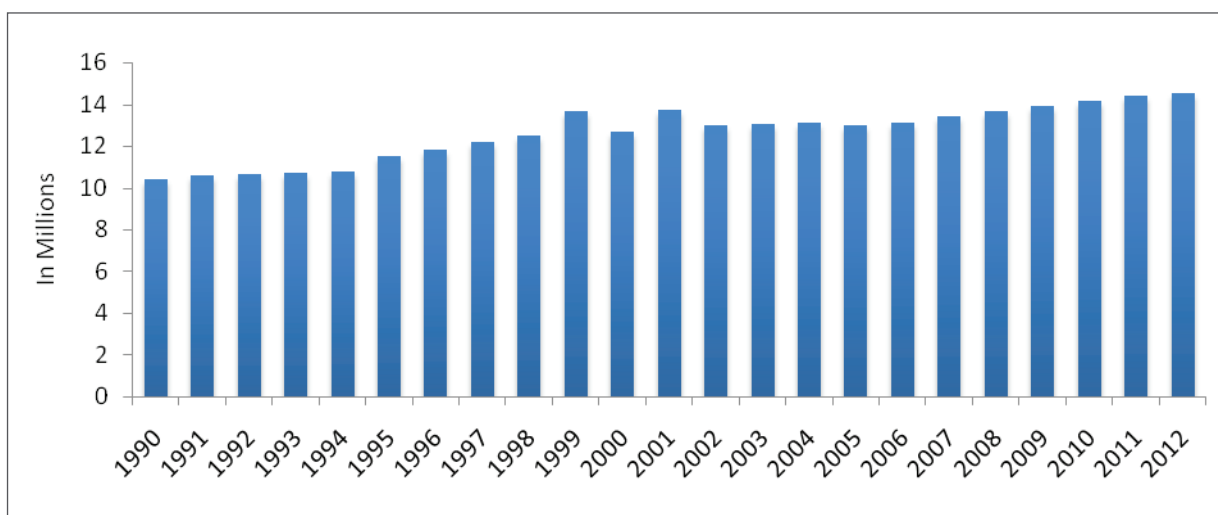
Status and trends

Access to elementary education in the Philippines has improved in recent years with a

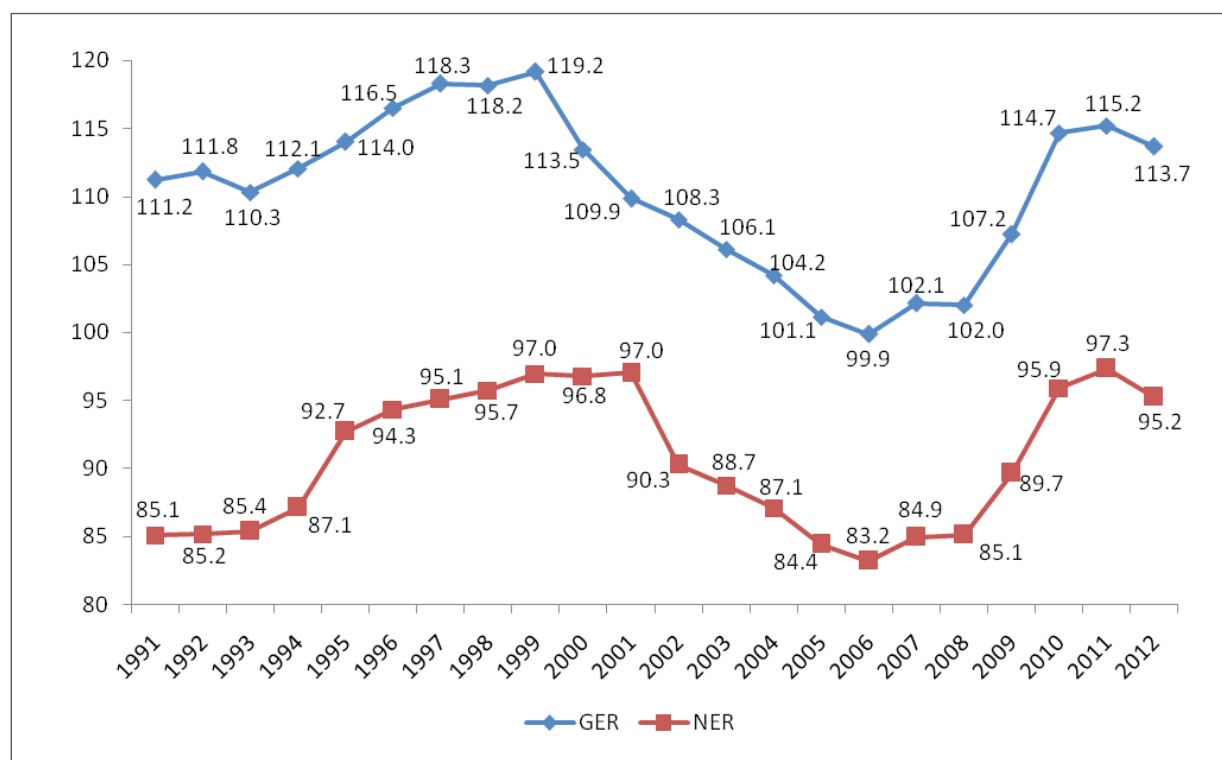
total enrolment of 14.5 million in school year (SY) 2012-2013. Of this number of enrollees, around 91 percent are in public schools, courtesy of the State policy of providing free and compulsory elementary education.

After a steep decline from 2001 to 2006, elementary participation rate or net enrolment ratio (NER), which measures school-age children's

Figure 27. Number of enrolled in elementary education, 1990-2012



Source: Research & Statistics Division Office of Planning Service, DepED

Figure 28: Elementary education NER and GER (%), SY 1991-1992 to SY 2012-2013 (public and private)

Note: For SY 2002-2003 to SY 2009-2010, the population used in computing the gross and net enrolment rates is based on the revised population projection based on 2.04 percent annual growth rate between 2000 and 2007 Censuses. For SY 2010-2011 to SY 2012-2013 population is based on 2010 CPH provided by NSO

Source: Research & Statistics Division Office of Planning Service, Department of Education

access to school, has steadily improved from a low of 83.2 percent in SY 2006-2007 to 95.2 percent in SY 2012-2013 (Figure 28). This is a significant achievement as the country draws near the NER target of 100 percent by 2015. Following a similar trend is the gross enrolment rate (GER) which reached 113.7 percent in SY 2012-2013, from a low of 99.9 percent in SY 2006-2007. The gap between the GER and NER remains high in SY 2012-2013 which reflects the magnitude of over-aged pupils in elementary education.

The country's performance in terms of elementary NER, which is a key indicator of universal access to primary education, was elevated from a low probability of attaining the 2015 target of 100 percent in the previous years. This is due to the revision of the NER (and GER) data with the use of school-age population estimates based on the 2000 and 2010 Census of Population and Housing (CPH). In the 2010 MDG

Progress Report, a low probability of achieving the target was noted as the NER for SY 2008-2009 was only 85.1 percent based on school-age population estimates from the 2000 CPH. With the release of the 2010 CPH, the NER starting SY 2010-2011 was revised using actual school age population growth rate between census years 2000 and 2010.

Despite improvement in access, a total of 549,000 elementary school-age children (6-11 years old) were not attending elementary education based on the 2010 Annual Poverty Indicators Survey (APIS)⁴. The main reasons cited are: lack of personal interest (44.4%); too young to go to school (16.1%); illness/disability (10.7%); and high cost of education (10.5%). Studies reveal that low participation rates in the country are partly due to late school entry which, in turn, are attributed to parents' or teachers' (or both) lack of knowledge about the official elementary school-

⁴ This also include elementary school-age children who are still in pre-school, mostly 6-year olds.

age entry and lack of school readiness (Albert et al, 2011; David and Albert, 2012). This is seen as one of the reasons why a large percentage of APIS respondents cited “too young to go to school” as a reason for not attending school. Parents’ level of education, particularly of mothers, is also considered as a major factor for children’s lack of interest in schooling (Maligalig et al, 2010; David and Albert, 2012). “The lack of a child’s interest is a capacity issue on the part of the parent, especially the mother, which ultimately affects the child’s interest in schooling” (David and Albert, 2012: 5). Still, the most predominant “demand-side” concern that hinders children from attending school is poverty. Directly or indirectly, the above issues and concerns can be traced to poverty conditions, particularly with regard to the ability of families or parents to finance the cost of education, provide proper health and nutrition for children, among others.

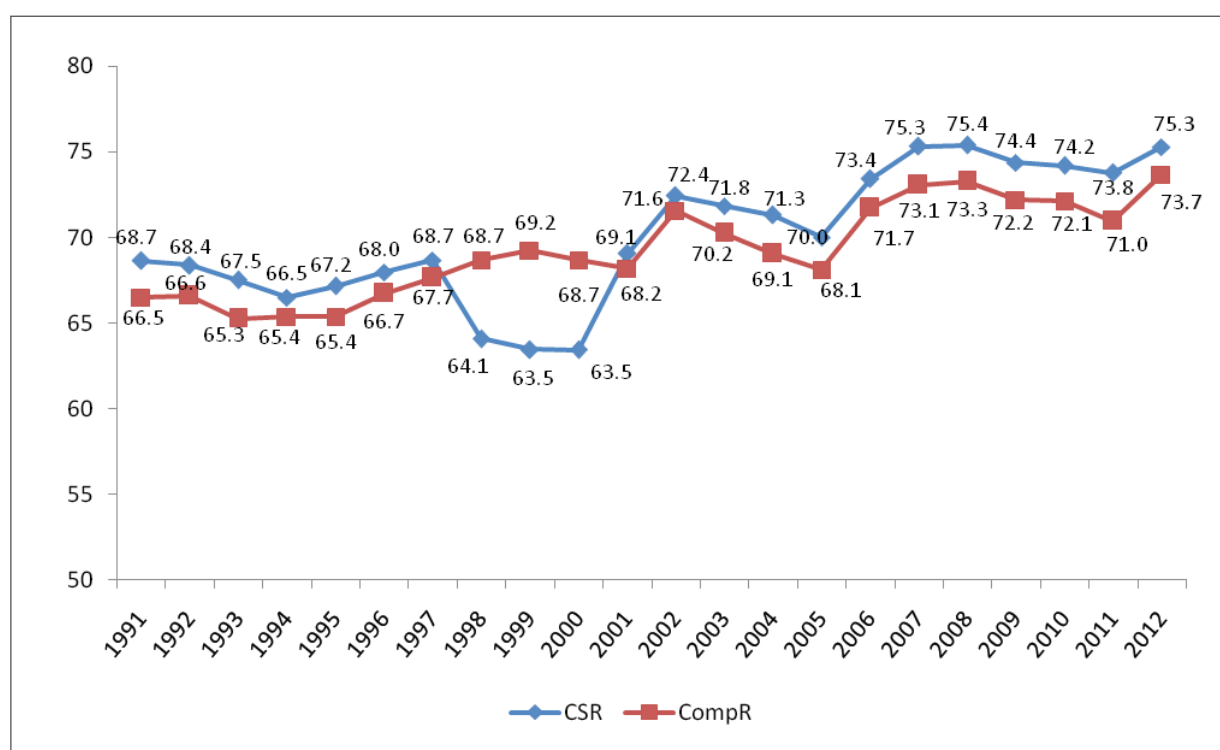
These concerns affect not only school enrolment but also the retention and completion of children already attending school. Based on data from the Department of Education (DepEd), the country in recent years has performed poorly in ensuring that all pupils stay in school and finish

the full course of elementary education. It should be noted, however, that both the cohort survival rate (CSR) and completion rate (CompR) have generally improved since SY 1991-1992, though characterized by fluctuations. Boys continue to underperform compared to girls in all the key indicators, but more so in terms of CSR and CompR.

The current trend in key basic education indicators suggests that while participation rate has indeed improved, enhancing internal efficiency in elementary education, as reflected by the CSR and CompR, remains a big challenge. Nevertheless, recent developments and crucial reforms in Philippine basic education are expected to advance the achievement of the MDG education target in the long run.

As the government puts emphasis on education as the central strategy for reducing poverty and building national competitiveness, DepEd started implementing the K to 12 Basic Education Program. This program entails massive reform in the curriculum and structure of basic education, from a 10-year cycle to a 12-year basic education cycle with compulsory

Figure 29: Elementary education CSR and CompR (%), SY 1991-1992 to SY 2012-2013 (public and private)



Source: Research & Statistics Division Office of Planning Service, Department of Education

kindergarten. By decongesting the curriculum with the addition of 2 years Senior High School, the DepEd intends to improve the quality of basic education thereby producing holistically developed learners that are better prepared for higher education, middle-level skills development, employment, and entrepreneurship. Kindergarten was institutionalized in January 2012 with the enactment of RA 10157 or Kindergarten Act of 2012. Another landmark legislation – RA 10533 known as the “Enhanced Basic Education Act of 2013” on May 15, 2013 – institutionalized the implementation of the K to 12 Program thereby aligning the Philippines’ basic education system with international standards.

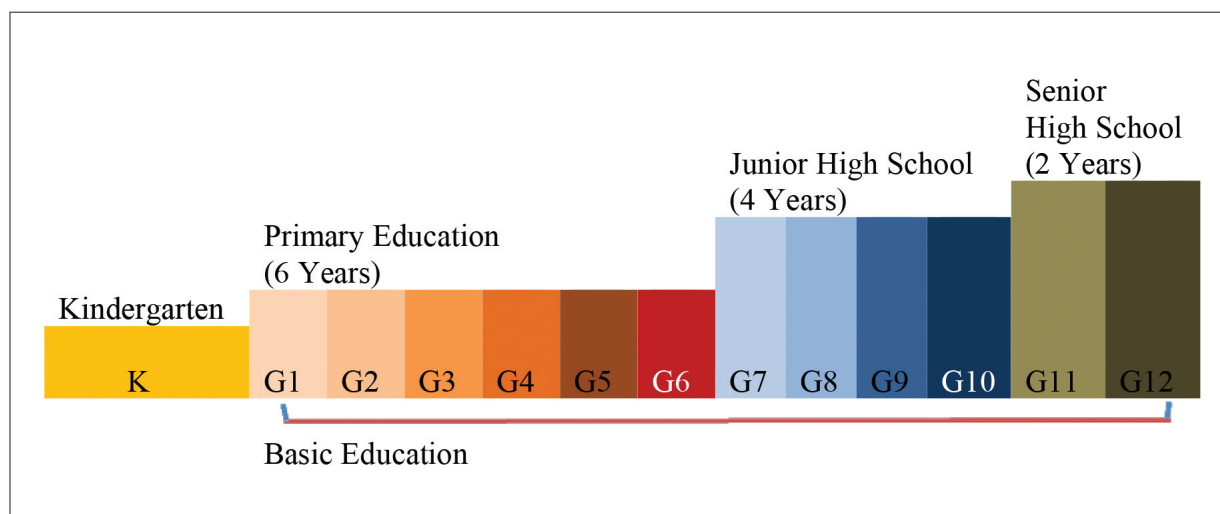
The K to 12 Program, which covers kindergarten and 12 years of basic education (6 years of primary education, 4 years of junior high school and 2 years of Senior High School) is being implemented in phases to ensure smooth transition from the 10 year cycle (Figure 30). The mandatory implementation of universal kindergarten started in SY 2011-2012 while the K to 12 curricula for Grade 1⁵ and Grade 7 (1st Year Junior High School)⁶ was implemented in SY 2012-2013. The DepEd is currently preparing the necessary infrastructure like classrooms and other arrangements needed for the provision of Senior High School education, Grade 11 (High School Year 5) will be introduced in SY 2016-2017 while Grade 12 (High School Year 6) in

SY 2017-2018. There will be a continuum from Kindergarten to Grade 12 with the enhancement in the curriculum allowing mastery of learning for the duration of basic education.

The policy to make kindergarten a prerequisite to Grade 1 is a crucial step in the country’s pursuit of achieving universal primary education. Studies show the importance of early childhood education which lays the foundation for lifelong learning and the proper development of children. Children who underwent kindergarten are considered better prepared for elementary education. Because learning process is dynamic, it is effective when it starts at an early stage and continues through adulthood. While the DepEd is mandated to implement Kindergarten for 5-year olds, ensuring the provision of early childhood development for children 3-4 years old through the day care centers is taken care of by the Department of Social Welfare and Development (DSWD). Local Government Units (LGUs), on the other hand, provide free day care services, particularly at the barangay level which is mandated to have at least one day care center. Based on DSWD data, around 89 percent of barangays have day care centers in 2011.

The need to strengthen early childhood education is underscored by the high drop-out rate in the early years of elementary education which suggests that many elementary education

Figure 30: K to 12 Basic Education Cycle



⁵ The first batch to fully undergo the K to 12 program.

⁶ The first batch to undergo the enhanced secondary education program

Table 4. Elementary education school-leaver (drop-out) rate per grade level (%), SY 2012-2013, (public and private)

	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Average
TOTAL	12.51	5.02	3.80	3.96	4.95	2.27	6.81
Male (M)	13.84	5.66	4.48	4.80	6.19	2.92	7.91
Female (F)	10.94	4.32	3.08	3.08	3.69	1.63	5.60

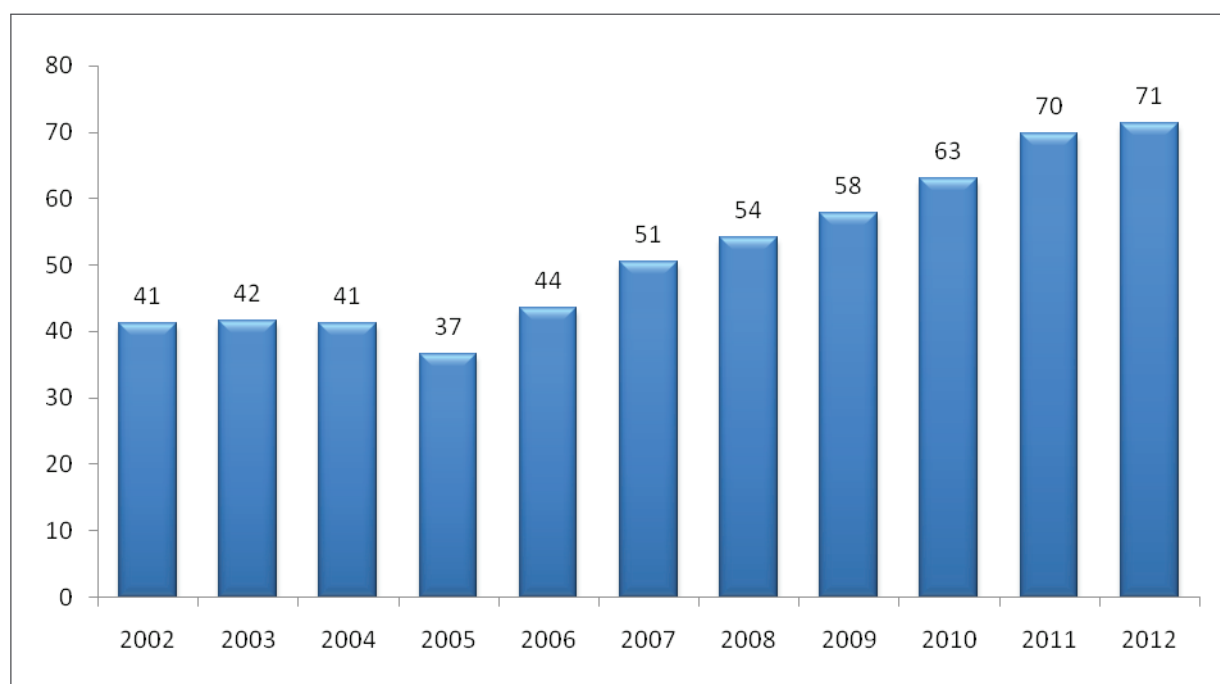
Source: Research & Statistics Division Office of Planning Service, Department of Education

entrants may not be ready for formal schooling. Based on DepEd data, 13 out of 100 Grade 1 pupils and around 5 out of 100 Grade 2 pupils dropped out of school in SY 2011-2012 (Table 4).

The mandatory implementation of universal kindergarten is expected to significantly increase the enrolment rate of 5-year olds in the next three years. In its first year of implementation, the kindergarten net enrolment rate jumped from 54.6 percent in 2010 to 77.5 percent in 2011. This is also expected to have positive effects on the timely entrance of children to elementary education as reflected by the Grade 1 net intake rate (NIR) for 6-year olds. In SY 2005-2006, less than half of 6-year olds enrolled in Grade 1.

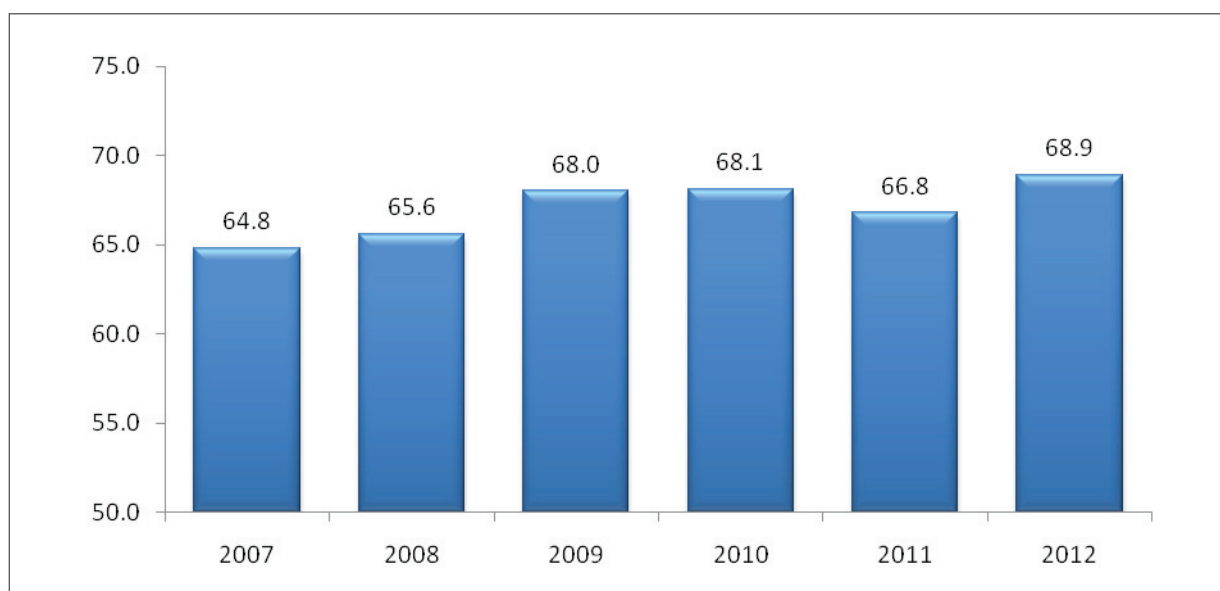
Since then, the NIR steadily improved over the years reaching a high of 71 percent in SY 2012-2013 (Figure 31). With the institutionalization of kindergarten, Grade 1 intake rate is expected to further improve. The drop-out rate in the early grades is also expected to decline as children would be better prepared for formal schooling. Consequently, the elementary NER, CSR and CompR, the main indicators of universal primary education, should improve in the long run.

Improving the quality of education in elementary remains a challenge based on the achievement rate of Grade VI takers of the National Achievement Test (NAT). In the past five years, from 2007 to 2012, the elementary NAT

Figure 31: Grade 1 net intake rate (%), public and private, SY 2002-2003 to 2012-2013

Source: Research & Statistics Division Office of Planning Service, Department of Education

Figure 32: Grade 6 Achievement Rate (%) (NAT MPS), SY 2007-2008 to SY 2012-2013, (public and private)



Source: National Education Testing and Research Center, Department of Education

Mean Percentage Score (MPS) has been erratic, recording a low of 64.8 percent in 2007, a high of 68.1 percent in 2010, before dipping again to 66.8 percent in 2011 and then rebounding to 68.9 in 2012 (Figure 32). Said figures are below the desired level of at least 75 percent achievement rate, thus indicating poor learning outcome in elementary education.

Inequality analysis

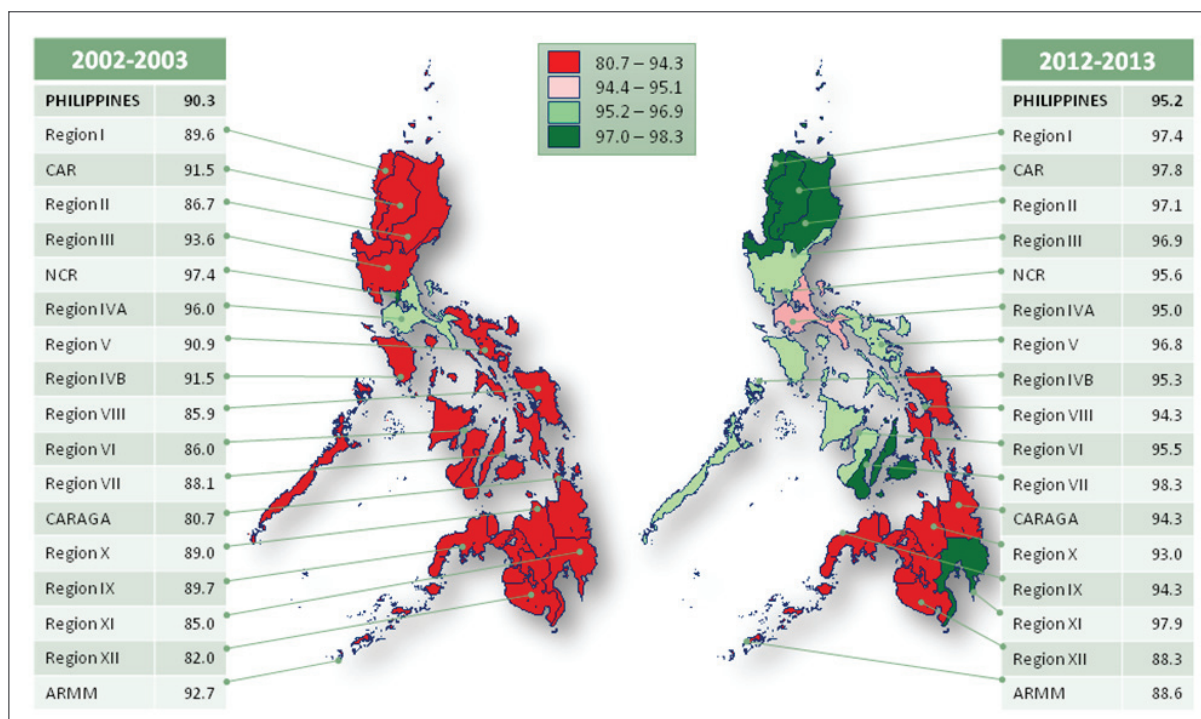
Significant disparities in education outcomes persist across regions despite government efforts to achieve equitable access to schooling. Topping the regions in terms of NER in SY 2012-2013 are Region VII and Region XI with 98.3 percent and 97.9 percent, respectively (Figure 33). Far behind are the ARMM with 88.6 percent and Region XII with 88.3 percent.

Region IV-A and Region 1 topped the regions in both CSR and CompR in SY 2012-2013 (Figure 34 and 35). ARMM continues to be at the tail-end with significantly low CSR and CompR of 27.5 percent and 26.5 percent, respectively. This region also lagged behind in terms of drop-out rate or school-leaver rate (SLR) with a considerably high rate of 24.9 percent, compared with the frontrunners, Region IV-A and Region 1, with only 4.2 and 3.0 percent, respectively (Figure

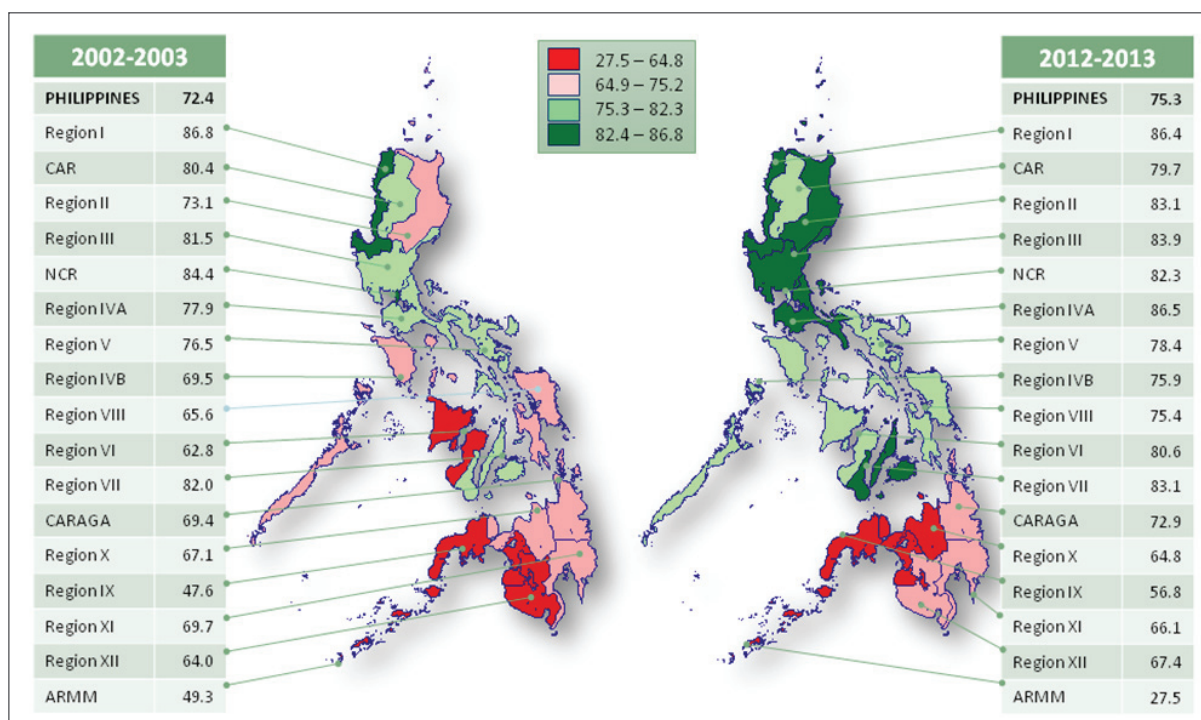
36). This is alarming as it appears that aside from poor enrolment turn-out, a significant number of pupils in ARMM drops out of school or do not complete elementary education.

Inequality likewise exists across regions in terms of learning outcomes in public schools as measured by the achievement rate (NAT MPS). While ARMM continues to lag behind with 56.5 percent NAT MPS rate in SY 2012-2013, it is notable that the highly urbanized NCR likewise performed poorly – second to the lowest with 60.1 percent (Figure 37). The highest achievement rate was recorded in Caraga with 79.5 percent followed by Regions VIII and IV-B with 77.7 and 74.5 percent, respectively.

The poor performance of most regions in NAT results can partly be attributed to gaps in resources in public schools. In SY 2012-2013, the regions with the least teacher-pupil ratio and classroom-pupil ratio are CAR, Region I and Region II. On the other hand, the regions with the highest number of pupils per classroom and teachers are ARMM, NCR and Region IV-A. These regions, particularly NCR and ARMM, are also at the tail-end in terms of performance in achievement rate or NAT results in public schools. This underscores the impact of overcrowding or poor learning environment on children's learning outcome due to inadequate resources. Figure 40

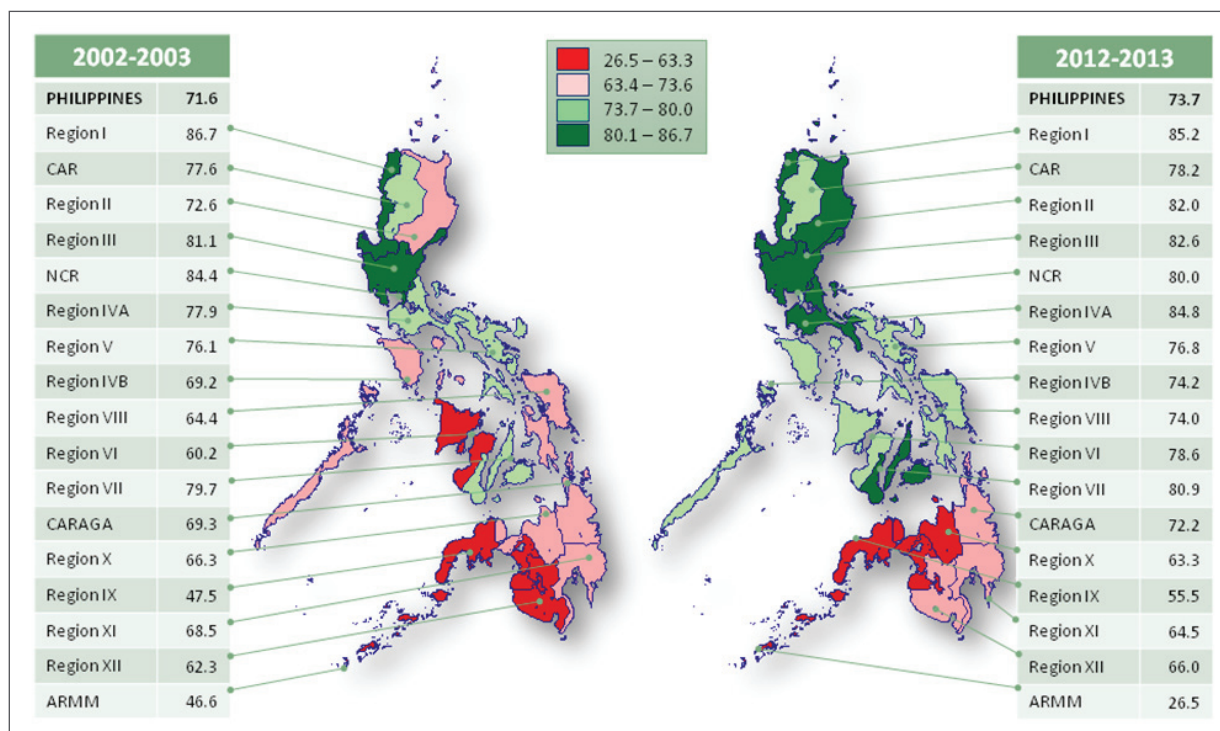
Figure 33: Elementary education NER (%), by region, SY 2002-2003 and SY 2012-2013, (public and private)

Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 34: Elementary education CSR (%), by region, SY 2002-2003 and SY 2012-2013, (public and private)

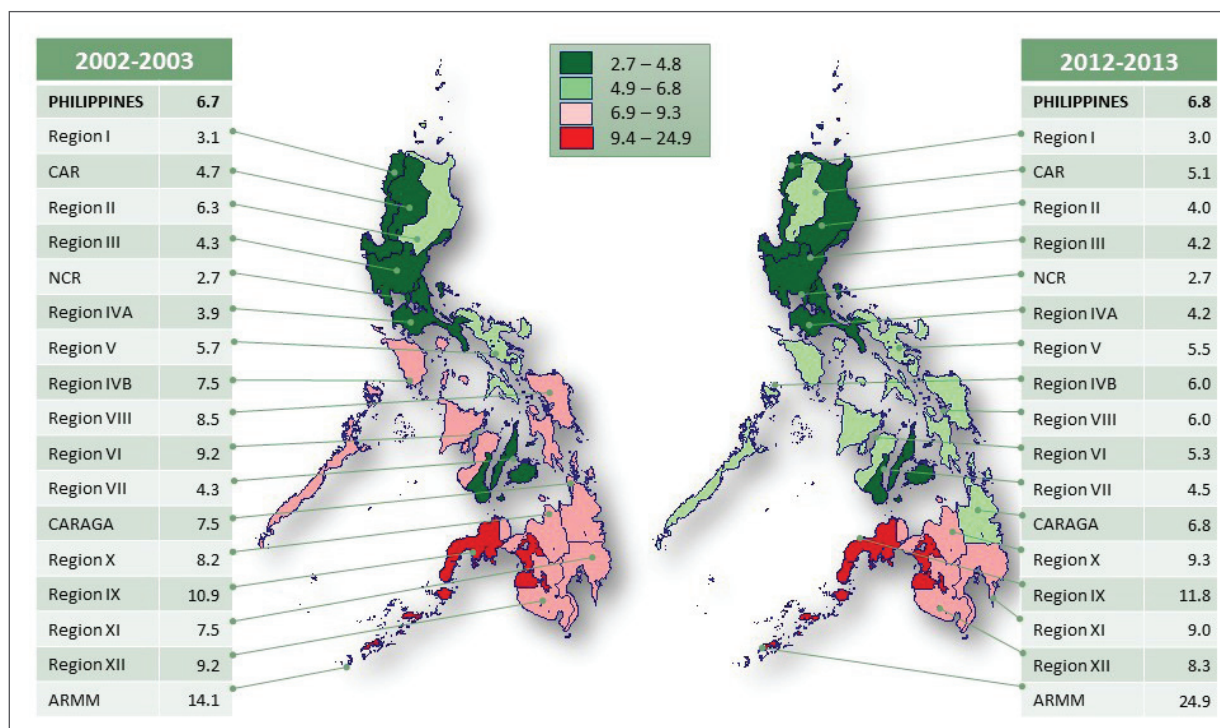
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 35: Elementary education CompR (%), by region, SY 2002-2003 and SY 2012-2013, (public and private)



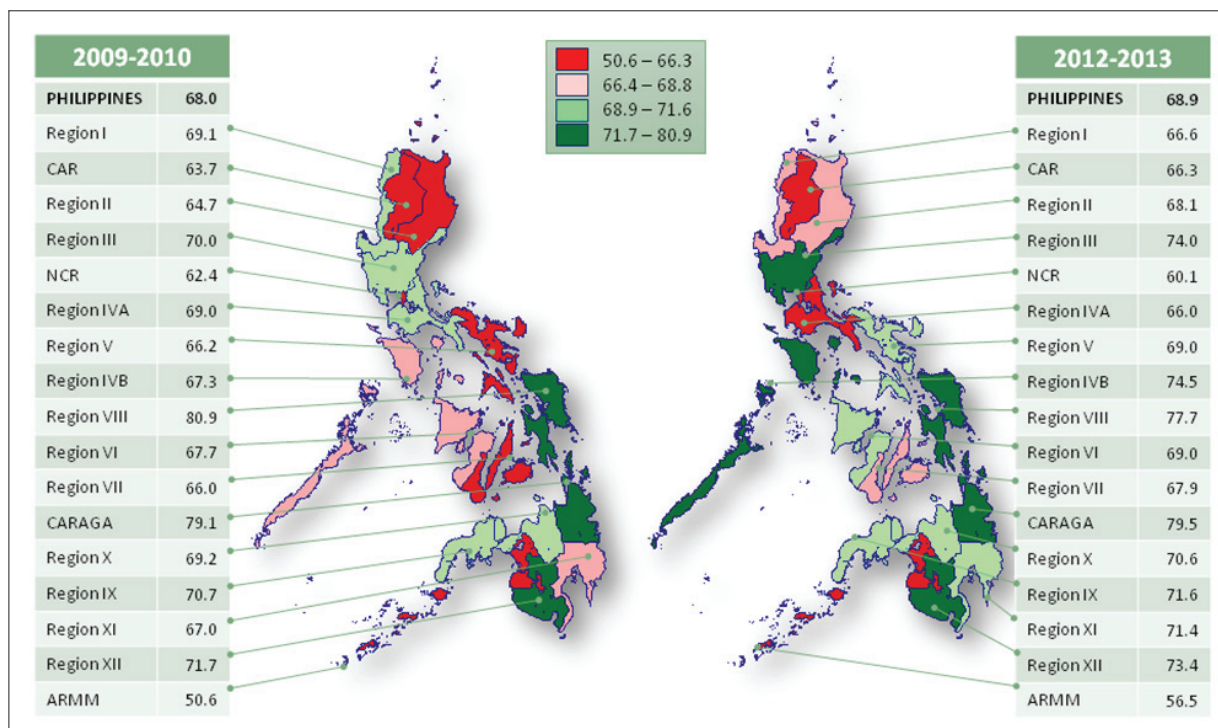
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 36: Elementary education school-leaver rate (%), by region, SY 2011-2012 (public and private)



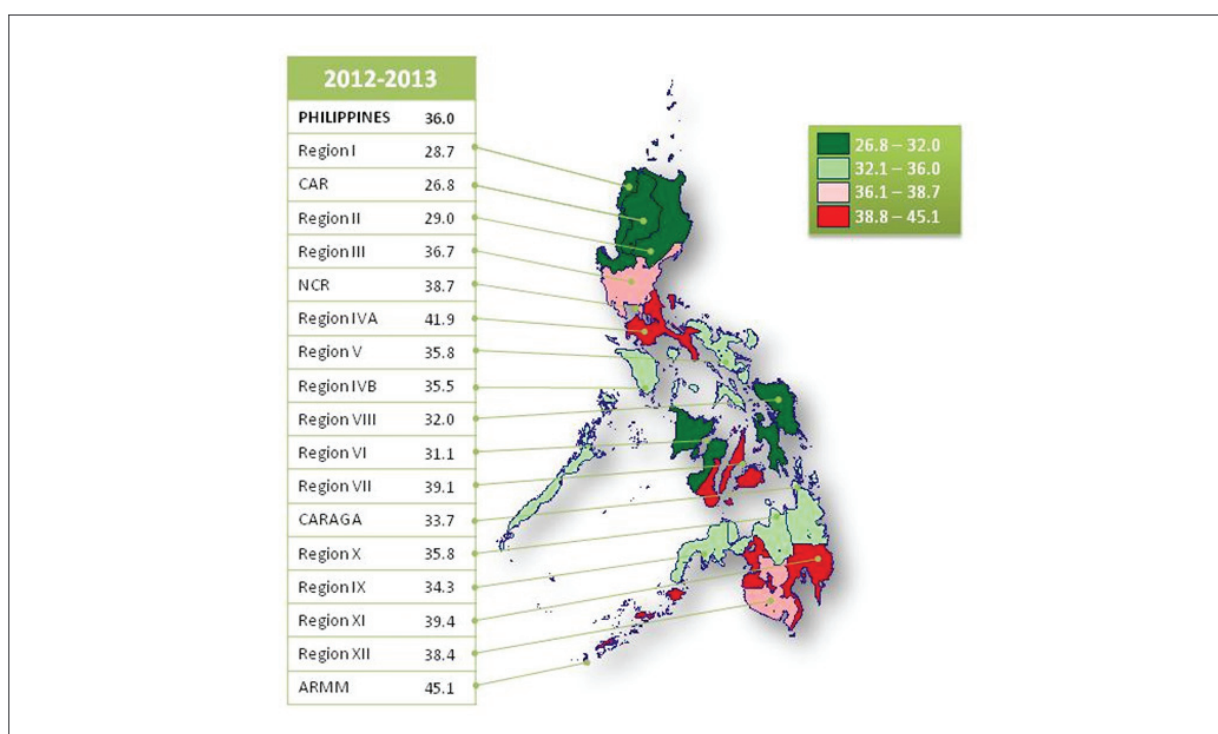
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 37: Grade 6 Achievement Rate (%) (NAT MPS), by region, SY-2009-2010 and SY 2012-2013, (public only)



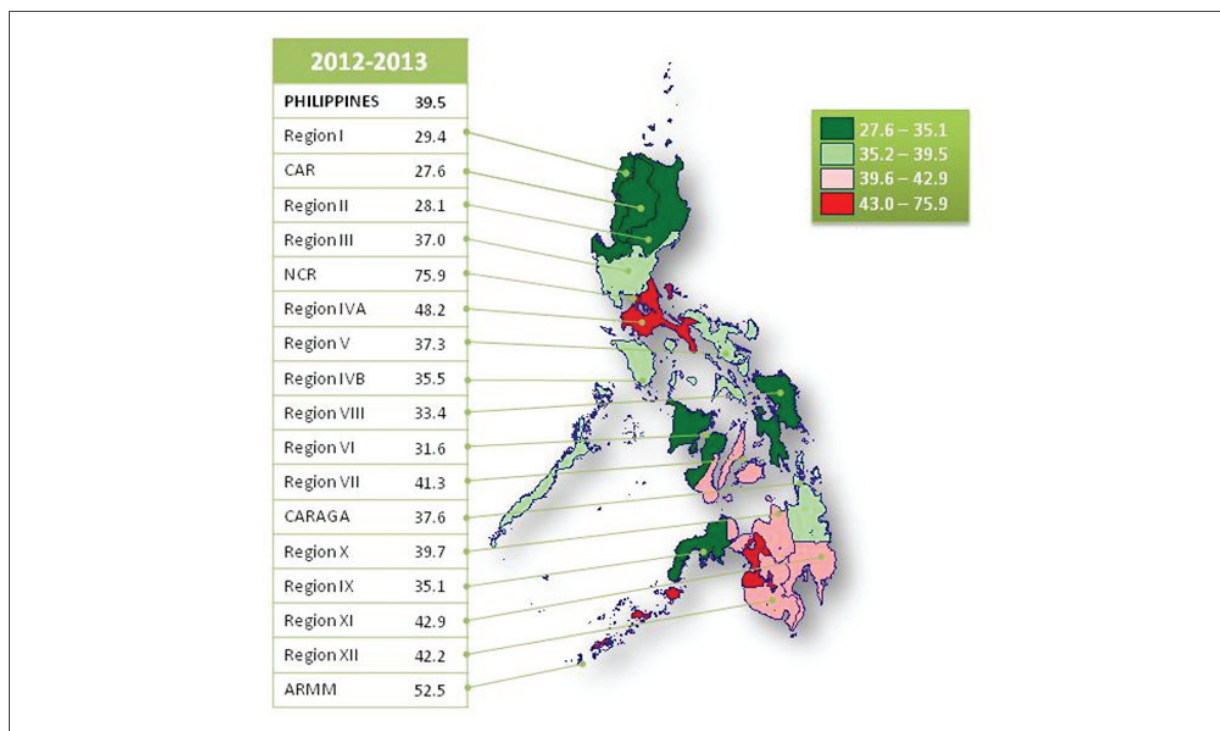
Source of basic data: National Education Testing and Research Center, Department of Education

Figure 38. Elementary education teacher-pupil ratio, by region, SY 2012-2013, (public only)



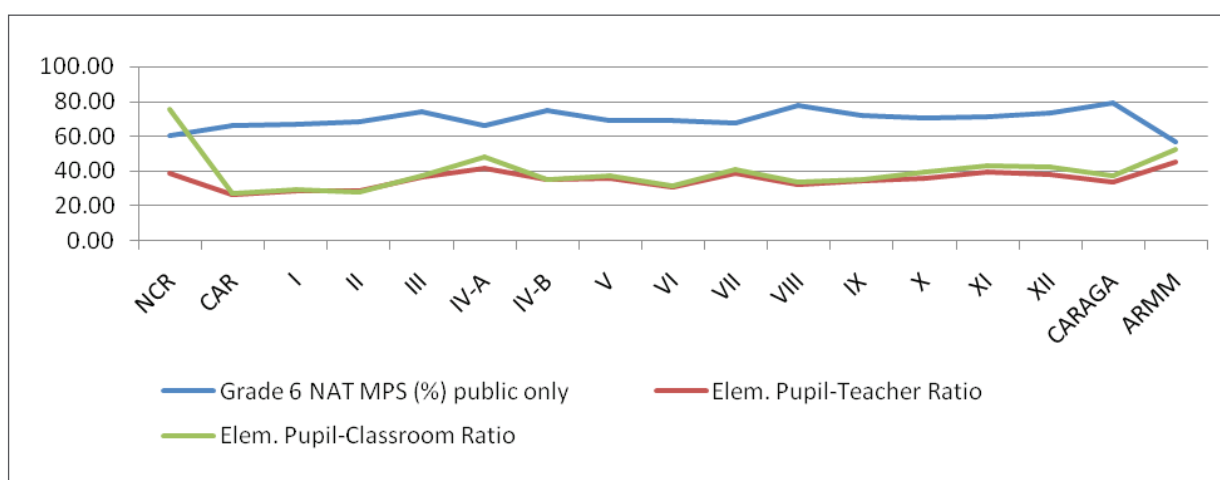
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 39. Elementary education classroom- pupil ratio, by region, SY 2012-2013 (public only)



Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 40. Elementary education achievement rate, teacher-pupil ratio and classroom-pupil ratio, by region, SY 2012-2013 (public only)



Source: Research & Statistics Division Office of Planning Service and National Education Testing and Research Center, Department of Education

reflects the relationship between the NAT results and the teacher-pupil and classroom-pupil ratios in the regions.

The disparity in education outcomes across regions still masks the even wider disparities at the sub-regional level (provincial/division, municipal/city/district, and school level). In general, the disparity in education outcomes underscores inequality in terms of poverty conditions and adequacy of school resources, such as that between urban and rural areas, generally favoring the former. As school attendance is highly associated with economic conditions, rural areas, particularly those in the poorest quintile have the highest incidence of out-of-school children and drop-outs (Albert et al, 2012b). However, urban areas, such as the NCR, also have their unique problems such as the limited sites in which to build public schools and classrooms which lead to overcrowding, and eventually, to poor learning outcomes as reflected by the low achievement rate in the region.

Females have outperformed the males in elementary education indicators (e.g., NER, CSR, CompR, etc.) from 2000 to 2011. Data show that since 2009, gender parity in elementary participation has been to the females' advantage in all regions of the country. The disparity is more evident in CSR and CompR as more boys drop out or do not complete elementary education. Boys appear to be more vulnerable to a wide range of hazards or risks. Based on the APIS 2010, boys

are more likely to drop-out of school due to lack of personal interest. They are also more likely to be engaged in child labor as boys are expected to contribute to livelihood (e.g., farming) to augment family income especially in rural communities thus resulting to absenteeism and eventually dropping out of school (Albert et al, 2012).

Key Bottlenecks and Priorities for Action

Ensuring that all children gain access and complete the full course of elementary education requires sufficient and equitable provision of resources to public schools and stronger efforts to provide basic education services to diverse clientele, as well as the adoption of appropriate learning modality particularly to those with special needs. The implementation of the K to 12 Basic Education Program is among the major challenges that the education sector will be facing in the coming years. Amidst the goal of achieving universal elementary education, the K to 12 entails massive reforms in the curriculum and requires substantial funding with the addition of compulsory kindergarten and two years of senior high school in the basic education cycle.

Shortages in school resources have been a perennial concern in public basic education. The government has thus intensified its efforts to eliminate backlogs in critical resources (i.e., classrooms, teachers, textbooks, seats and toilets)

Table 5. Public schools resources: Backlogs (2010) and accomplishment

Resource	2010 Backlog	Accomplishment
Classrooms	66,800	66,813 classrooms constructed (as of December 31, 2013)
Teachers	145,827	102,623 new teaching positions created 43,204 Kinder volunteers and LGU-hired teachers
Textbooks	61.7 million	1:1 student to textbook ratio (as of 2012)
Seats	2.5 million	1:1 student to school seat (as of 2012)
Toilets	135,847	52,590 completed 5,747 on-going construction 70,532 on-going procurement (as of September 2013)

Source: Department of Education

at least for the present 10-year basic education system. The goal is to eliminate the said shortages and gear up for the full implementation of K to 12 with the start of Senior High School education in 2016. While accomplishments in addressing the 2010 backlogs at the national level have been encouraging (see Table 5), wide disparities across regions, divisions and school level still persist due to the increasing demand for public school education and poor allocation of resources. NCR, ARMM and Region IV-A appear to be the most congested as indicated by the high teacher-pupil and classroom-pupil ratios.

With the State policy to provide free and compulsory basic education through the public school system, the government continuously assigns the highest budgetary priority to education as DepEd receives the biggest budget among government agencies. From 2000 to 2013, the budget of DepEd grew by an annual average of 9.7 percent. Over the same period, the average

share of DepEd budget to the national budget is around 13 percent. The Department's budget in 2013 recorded the biggest jump from previous years' budget with a 22.81 percent growth and its 14.62 percent share of the national budget. It appears, however, that said allocation is not enough to support the goal of universal primary education. It should be noted that the share of education budget to GDP is only 2.2 percent⁷, way below the global standard of 6 percent. It is thus important that the government further increase its allocation to the sector to address shortages, respond to the continuous growth in student population and to adequately fund the full implementation of the K to 12 program. This should be accompanied by effective and efficient budget execution, ensuring that the appropriate programs and projects are implemented and producing the desired outputs and outcomes.

Recognizing the enormity of funding requirements for basic education, it is important that the

Table 6. Department of Education budget, annual growth rate and percentage share to national budget, 2000-2013

Fiscal Year	NEP National Budget ('000)	DepEd Budget ('000)	DepEd % to National Budget	DepEd Budget Growth Rate
2000	651,000,000	91,362,601	14.03%	
2001	651,000,000	89,613,443	13.77%	-1.91%
2002	780,790,170	105,296,919	13.49%	17.50%
2003	804,200,000	106,481,148	13.24%	1.12%
2004	804,200,000	109,519,969	13.62%	2.85%
2005	907,589,726	112,042,542	12.35%	2.30%
2006	954,016,250	121,559,917	12.74%	8.49%
2007	1,126,339,000	137,329,498	12.19%	12.97%
2008	1,227,000,000	145,975,097	11.90%	6.30%
2009	1,415,000,000	174,468,462	12.33%	19.52%
2010	1,541,000,000	174,965,517	11.35%	0.28%
2011	1,645,000,000	207,271,018	12.60%	18.46%
2012	1,816,000,000	238,766,395	13.15%	15.20%
2013	2,006,000,000	293,227,259	14.62%	22.81%

Source: Department of Education Q&A, as of September 2012

7 Based on the FY 2012 GAA budget of DepEd (including the school-building program), CHED, TESDA and SUCs

government encourage the support of various stakeholders such as the LGUs and the private sector. At present, LGU contribution to the delivery of basic education services through the Special Education Fund (SEF), as a means to augment the national government funding for public schools, has not yet been fully optimized. In terms of private sector participation, various initiatives such as the Adopt-A-School Program (ASP) and the public-private partnership (PPP) for School Infrastructure Program or the PSIP is being implemented by the DepEd. The ASP, which was established under RA 8525 or the Adopt-a-School Act of 1998, encourages private entities and other stakeholders to become active partners in addressing the needs of the education sector. For 2012, the contributions through the ASP amounted to a total of PhP6 billion (proposed and implemented projects), of which around PhP1.675 billion paved the way to the construction of 1,990 classrooms. The PSIP, on the other hand, encourages private investors to partner with the government in the construction of classrooms under a “build-lease-transfer” or “build-transfer” modality. It was developed to introduce new technology in the construction of classrooms in public schools and provide better quality facilities at faster implementation timetables than the traditional construction program of DepEd. The first implementation of the PSIP which started in 2012 involves the construction of 9,623 classrooms in three regions while the second phase is targeting the construction of 10,680 classrooms in 14 regions.

While addressing the resource shortages in basic education is crucial in achieving the desired education outcomes, this alone is not sufficient. For instance, poverty is still one of the factors hindering children to enrol or stay in school. Hence, the *Pantawid Pamilyang Pilipino Program* was initiated by the government to address the problem of social inequality across income groups and regions, specifically in terms of education and health. The said program uses a cash transfer scheme for poor households, conditional upon investments in child education and health services. Income was deemed an important factor in encouraging and maintaining school participation, attested by studies indicating that a big chunk of school-aged children not in school come from the lowest income quintile (Manasan, 2012; Albert et al, 2012b). The program's objective,



therefore, is to help poor households with their short-term consumption needs so that children will be healthy, kept in school and be able to receive the benefits of basic education. Results of an impact evaluation conducted in 2012 show that the program is, in fact, successful in achieving its objective of increasing enrolment among younger children in poor households (Chaudhury et al, 2012). Higher rates of enrolment have been noted among children in the 3-11 age bracket in beneficiary households compared with poor households not benefiting from the program. In particular, the study found an increase in enrolment of primary-aged children (6-11 years old) by 4.5 percentage points, thus helping to achieve the target of universal enrolment in the age group.

While the mandatory kindergarten is expected to address the high drop-out rate in the early grades, strong advocacy efforts among the communities and parents about kindergarten education should be pursued. Furthermore, the government, in line with the K to 12 program should ensure the development of an enhanced learner-centered curriculum, along with the provision of adequate instructional materials and improvement of quality of instruction and professional development of teachers. With the curriculum reforms under the K to 12, the DepEd should maintain strong collaboration with the Commission on Higher Education (CHED) and Teacher Education Institutions (TEIs) to ensure the relevance and effectiveness of preservice teacher education.



Lastly, to achieve the desired outcomes for the sector, particularly the goal of universal primary education, the DepEd should enhance the delivery of basic education services. Towards promoting good governance, it is important that the DepEd improve internal systems and processes while strengthening education leadership and management. It is crucial that

capacities be strengthened, not only of teachers, but also principals or school heads and other education managers and staff both at the field and in the central office. Enhancing the network of stakeholders and their participation in the delivery of basic education should likewise be strongly pursued by the Department.



Goal 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Trends and inequality analysis

Education and Literacy

Education indicators continue to lean towards girls as basic education data show that girls nearly surpass boys in formal basic education.

National education data shows a reversal in terms of elementary school participation rate where girls had consistently maintained a higher proportion relative to boys enrolled in the elementary level from 1999 to 2011 and in secondary level from 1996 to 2012 (Figures 41 and 42).

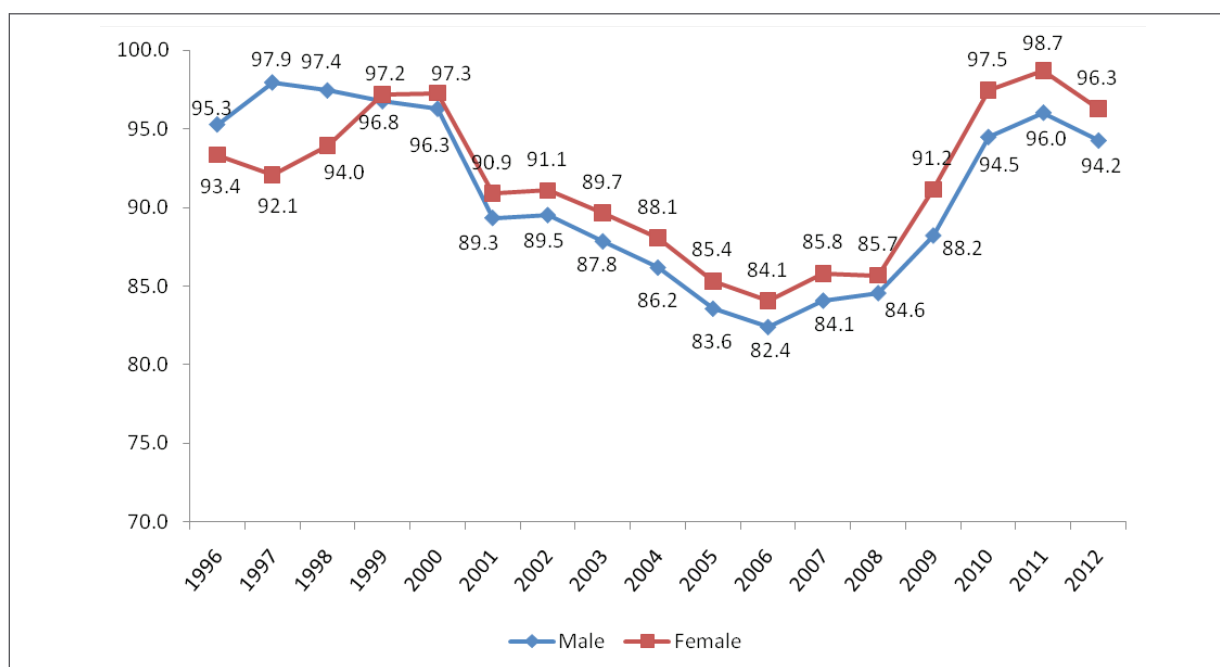
In terms of cohort survival rate, 1996-2011 data show that there have been no improvement as boys had been lagging behind girls in the elementary level, and that girls are more likely to stay in school and finish schooling, and having

higher cohort survival and completion rates than boys (Figures 43, 44, 45 and 46).

In terms of absolute numbers, the ratio of girls to boys in elementary education is consistently at less than 1.0 from 1996 to 2012. In the secondary education, on the other hand, girls had consistently outnumbered boys.



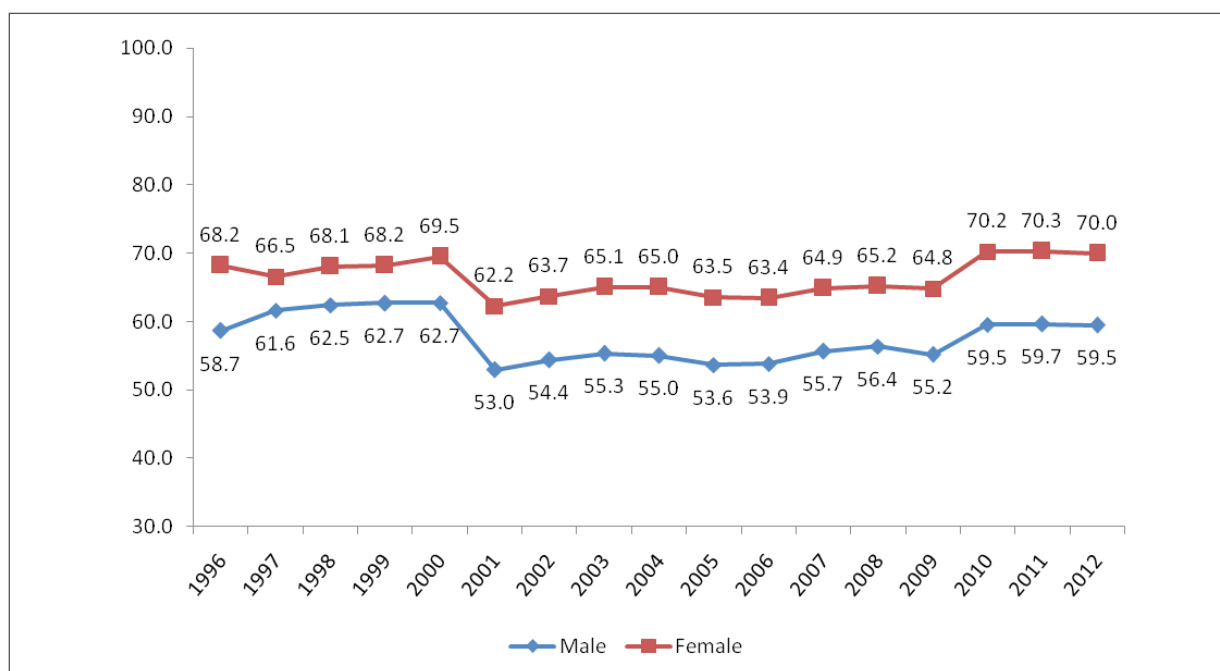
Figure 41. Elementary education net enrolment rate (%), by sex, 1996-2012



Note: For SY 2002-2003 to SY 2009-2010, the population used in computing the gross and net enrolment rates is based on the revised population projection based on 2.04 percent annual growth rate between 2000 and 2007 Censuses. For SY 2010-2011 to SY 2012-2013 population is based on 2010 CPH provided by PSA-NSO

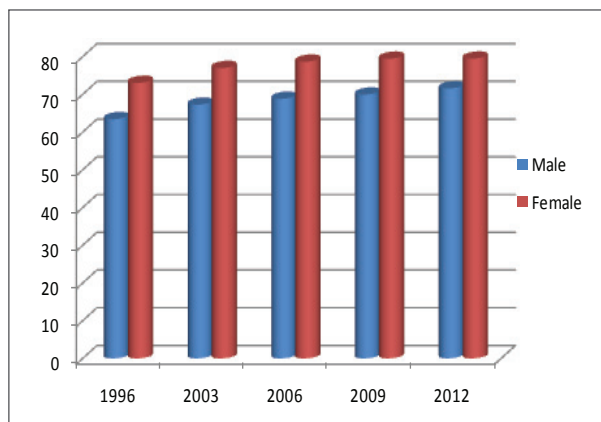
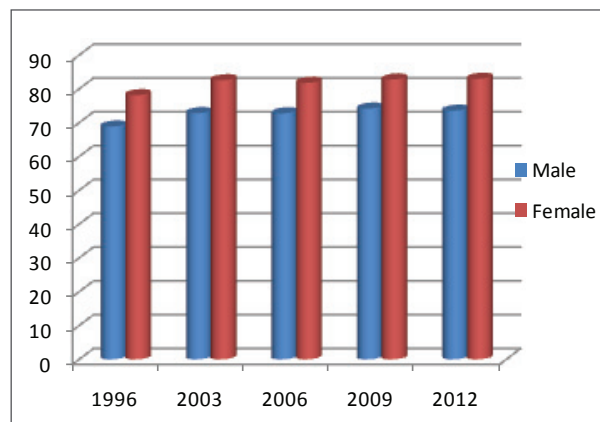
Source: Research & Statistics Division Office of Planning Service, Department of Education

Figure 42. Secondary education net enrolment rate (%), by sex, 1996-2012

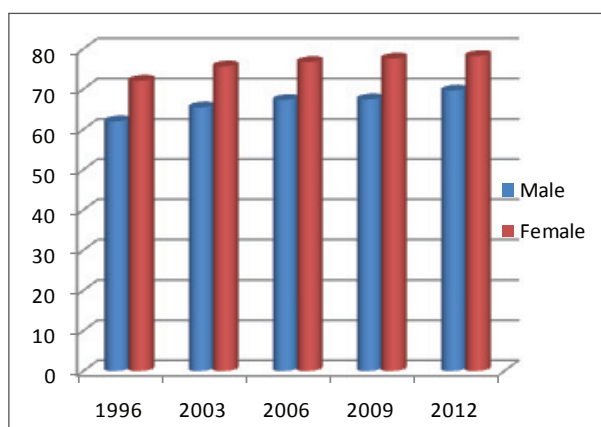
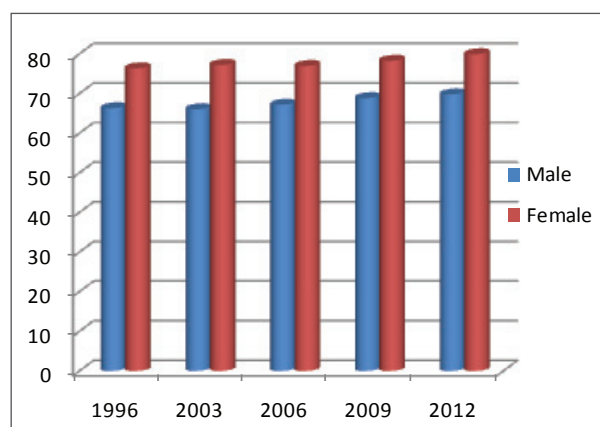


Note: For SY 2002-2003 to SY 2009-2010, the population used in computing the gross and net enrolment rates is based on the revised population projection based on 2.04 percent annual growth rate between 2000 and 2007 Censuses. For SY 2010-2011 to SY 2012-2013 population is based on 2010 CPH provided by PSA-NSO

Source: Research & Statistics Division Office of Planning Service, Department of Education

Figure 43. Elementary education cohort survival rate (%) by sex, 1996-2012**Figure 44. Secondary education cohort survival rate (%) by sex, 1996-2012**

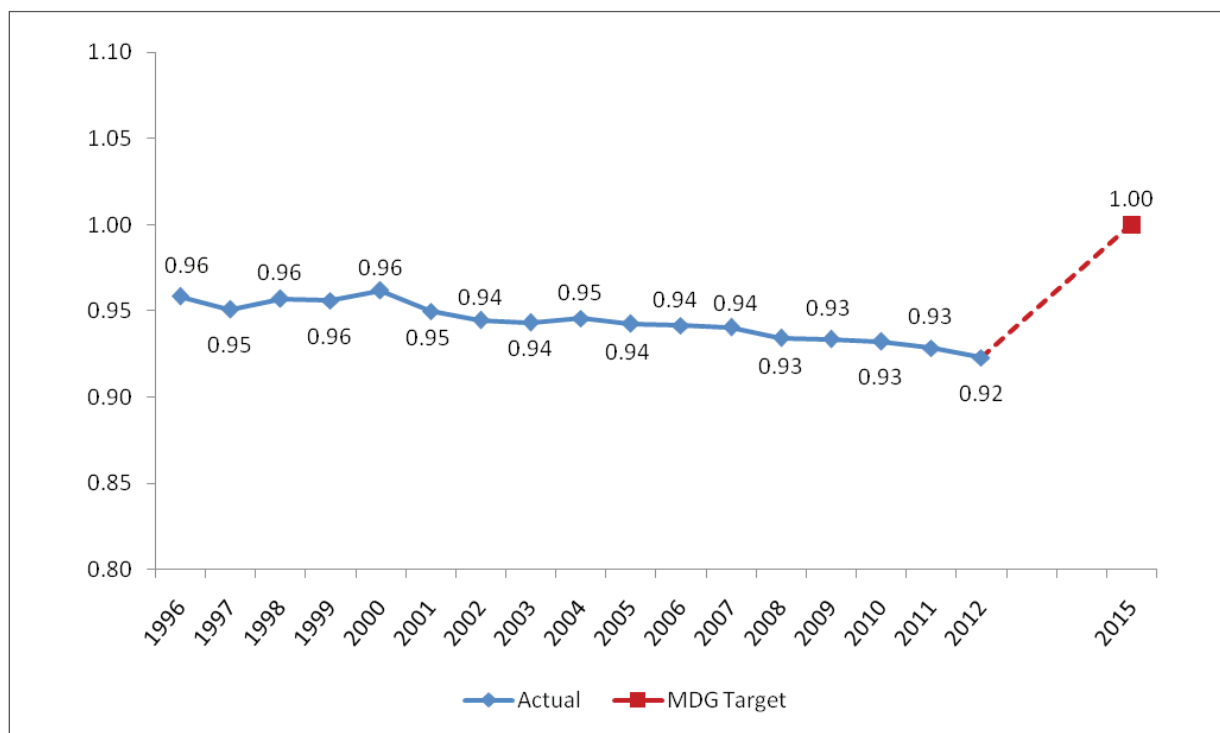
Source: Research & Statistics Division Office of Planning Service, Department of Education

Figure 45. Elementary education completion rate (%) by sex, 1996-2012**Figure 46. Secondary education completion rate (%) by sex, 1996-2012**

Source: Research & Statistics Division Office of Planning Service, Department of Education

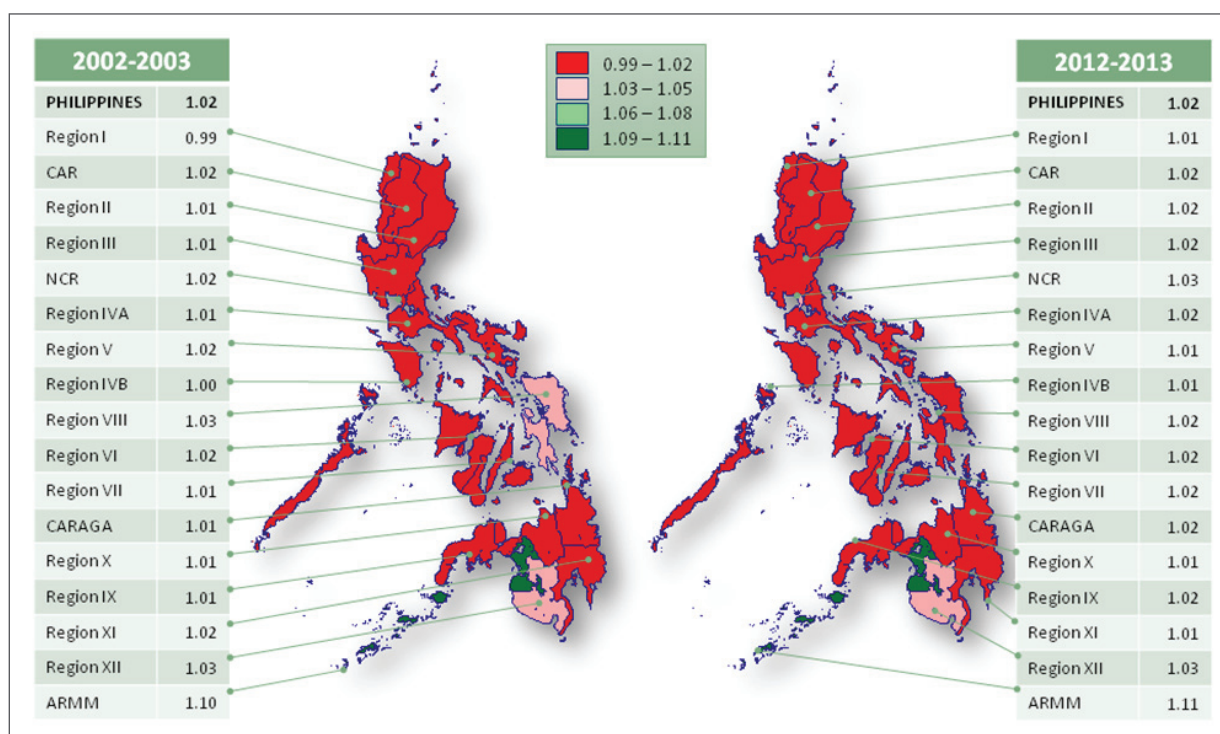


Figure 47. Ratio of girls to boys in elementary education, 1996-2012



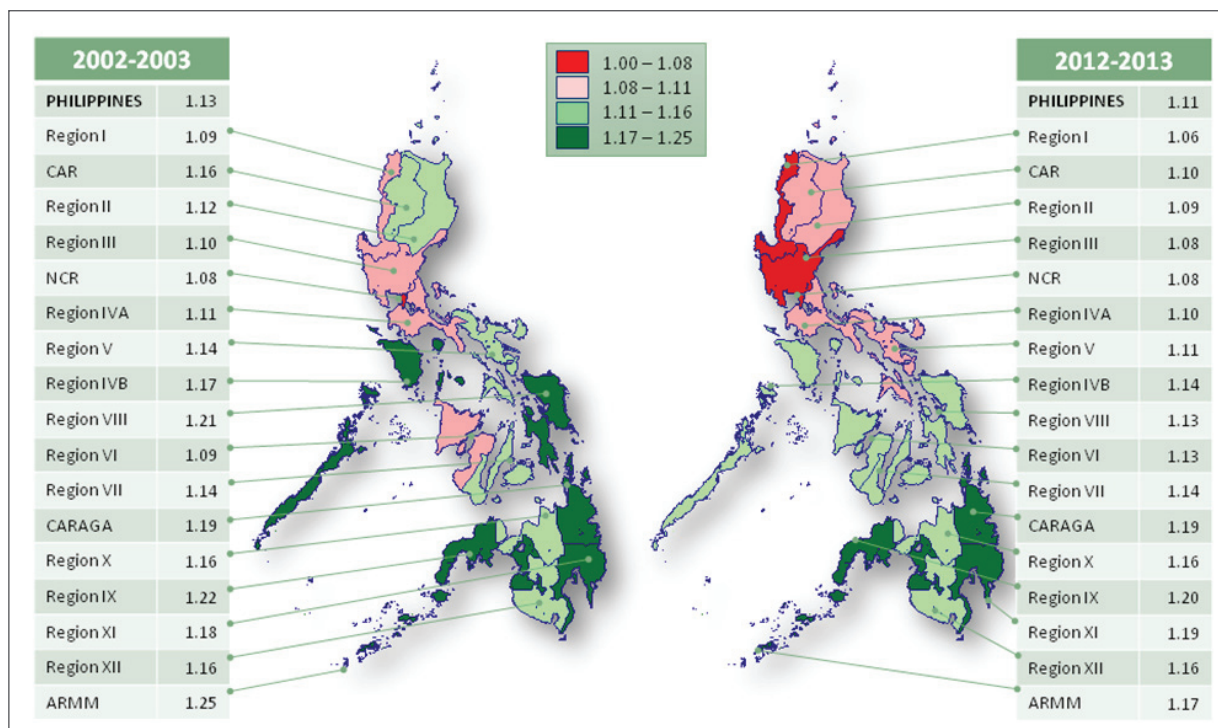
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 48. Ratio of girls to boys in elementary education participation rates, by region, SY 2002-2003 and SY 2012-2013



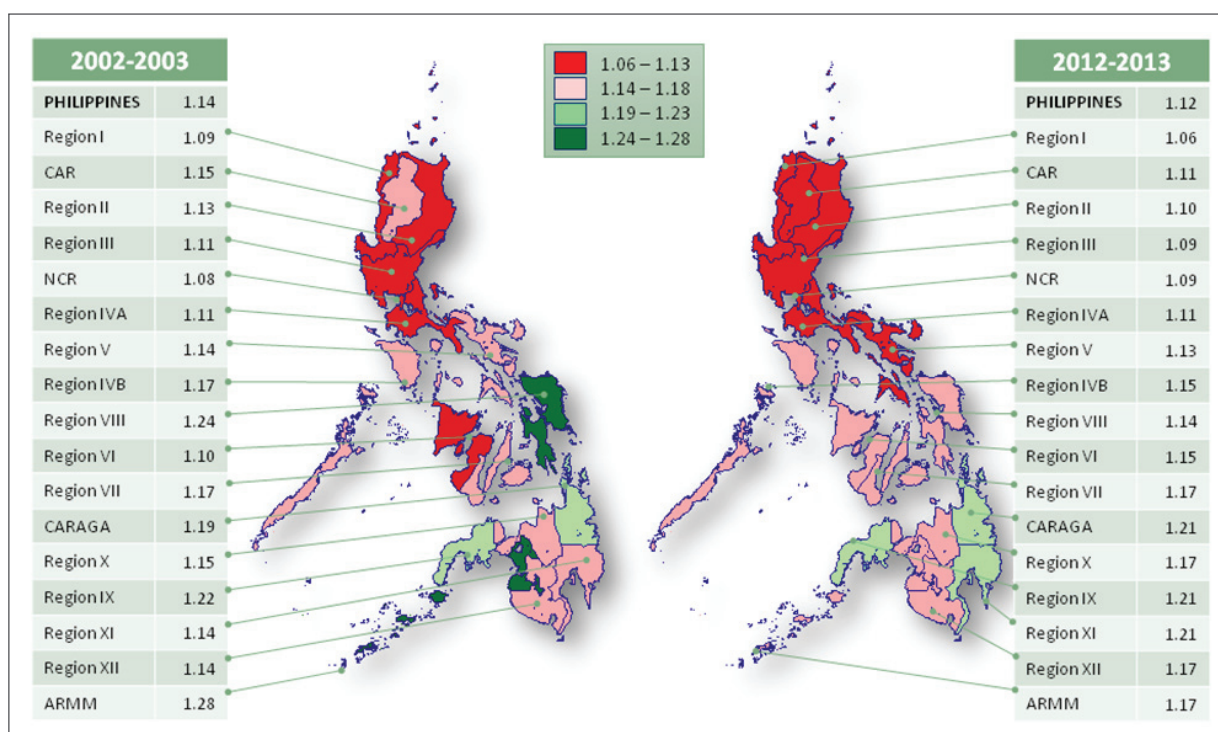
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 49. Ratio of girls to boys in elementary education cohort survival rates, by region, SY 2002-2003 and SY 2011-2012-2013



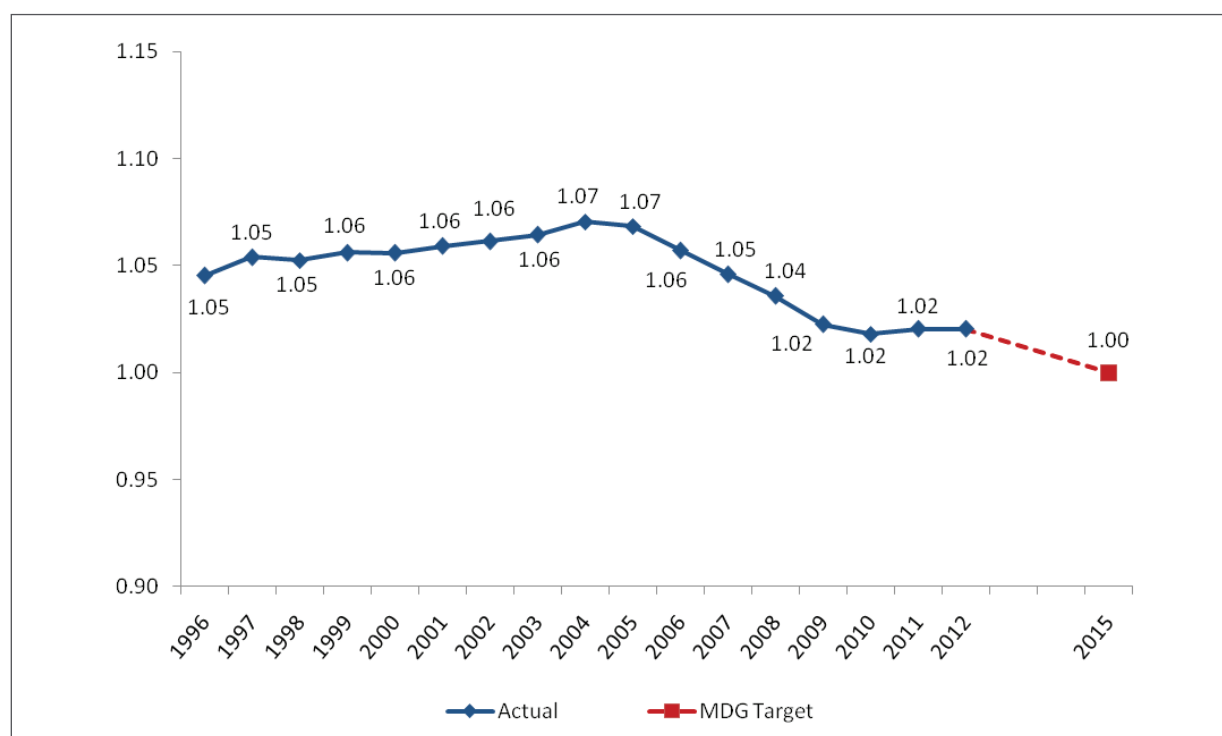
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 50. Ratio of girls to boys in elementary education completion rates, by region, SY 2002-2003 and SY 2011-2012



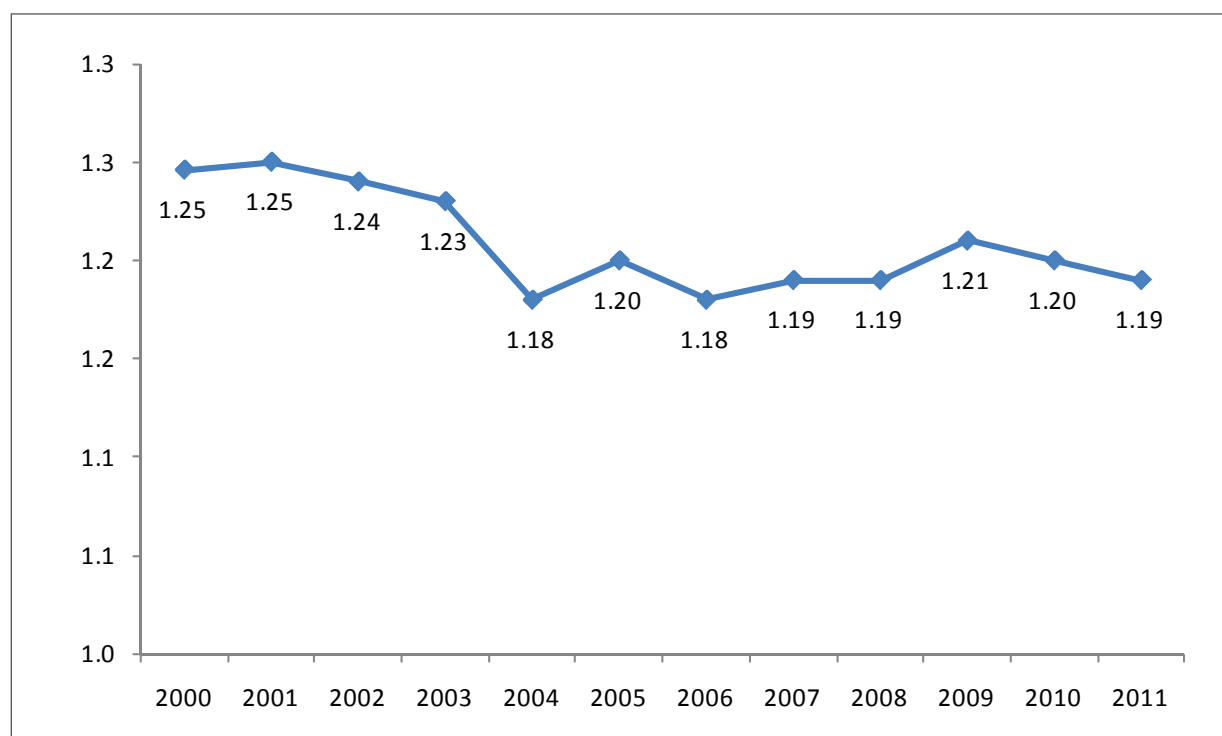
Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 51. Ratio of girls to boys in secondary education, 1996-2012



Source of basic data: Research & Statistics Division Office of Planning Service, Department of Education

Figure 52. Ratio of girls to boys in tertiary education, 2000-2011



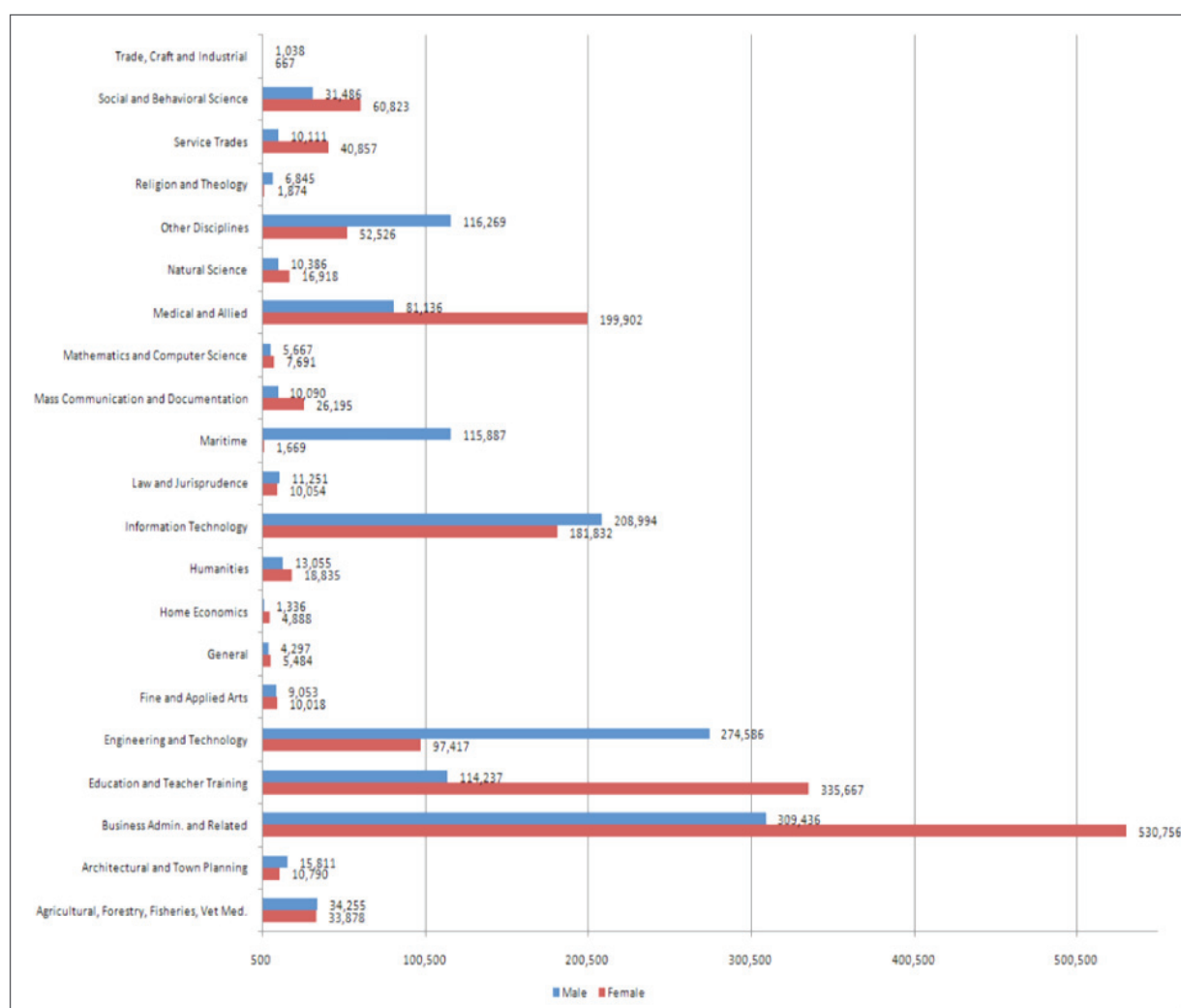
Source: Commission on Higher Education

Data shows that more females enrol in tertiary education over males consistently for the past 12 years, from AY 2000-2001 to AY 2011-2012. The ratio of females to males participating in tertiary education consistently ranges around 1.18 to 1.25 (Figure 52). In terms of tertiary education enrolment by discipline group, women dominated enrolment in 12 out of 21 discipline groups in AY 2011-2012. Most women enrolled in Business Administration and Related courses and comprised more than 500,000 enrolees followed by Education and Teacher Training courses with 335,667 enrolees. Other courses dominated by women are Social and Behavioural Sciences, Service Trades, Medical and Allied, Mathematics and Computer Science, Natural Science, Mass Communication and Documentation, Humanities, Home Economics, Documentation, Humanities, Home Economics,

General, and Fine and Applied Arts. On the other hand, very few women enrol in Maritime, and Engineering and Technology. Such fields have been continuously dominated by men since AY 2005-06 (Figure 53).

In terms of simple and functional literacy, national trends show that females not only consistently fared better than males, they have also improved more in both. In 2003, the year where the widest gap was recorded, females were 1.7 percentage points higher than males in functional literacy. Data from 1989 to 2008 show that females improved with a 6.3 percentage point increase for simple literacy rate and a 12.5 percentage point increase for functional literacy rate, while males garnered 5.3 and 8.8 percentage point increases, respectively.

Figure 53. Distribution of tertiary education enrolment by discipline group, SY 2011-2012

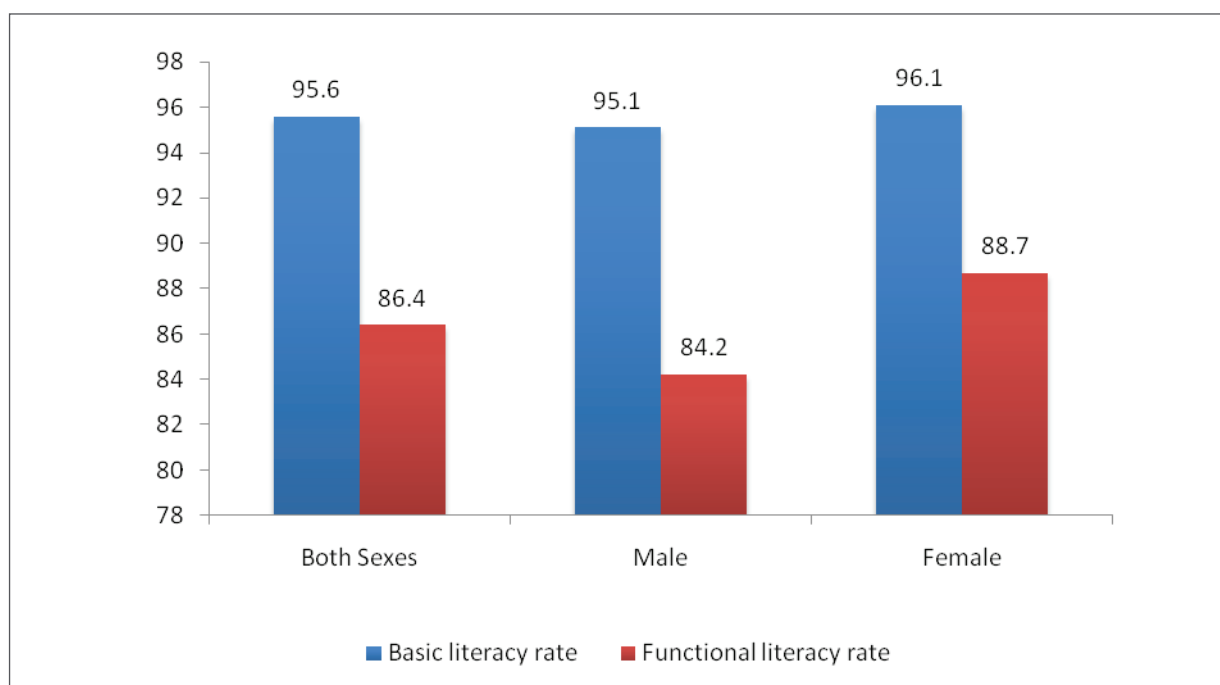


Source: Commission on Higher Education

Results from the 2008 Functional Literacy, Education and Mass Media Survey (FLEMMS) reveal that there is lesser disparity between two genders in terms of basic literacy, with females only one percent higher than males (Figure 54). On the other hand, there is a wide disparity between the two in terms of functional literacy, to the advantage of the female population.

In the *Analysis of the Results of the 2008 FLEMMS* prepared by the NEDA Study Team in 2011, the disparity is attributed to the poor performance of the male population in basic education indicators compared with the performance of their female counterparts. This ascription was drawn from the wider disparity in the 10-14 age group which is composed of school

Figure 54. Basic and functional literacy rates, by sex, 2008



Source: Department of Education

Table 7. Basic and Functional Literacy Rates by Sex and Age Group: 2008

Age Group	Basic literacy rate			Functional literacy rate		
	Both Sexes	Male	Female	Both Sexes	Male	Female
Philippines	95.6	95.1	96.1	86.4	84.2	88.7
10-14	96.6	95.7	97.5	80.8	77.7	84
15-19	97.8	96.9	98.6	90.3	87.2	93.4
20-24	97.7	97.2	98.3	92.8	90.7	94.9
25-29	97.2	97	97.3	91.2	89.5	93
30-39	95.9	95.4	96.4	87.7	85.7	89.8
40-49	94.9	94.4	95.4	84.6	82.7	86.6
50-59	93.6	93.4	93.8	91.1	79.8	82.5
60 and over	87.6	87.4	87.7	74	72.9	75.2

Source: Department of Education

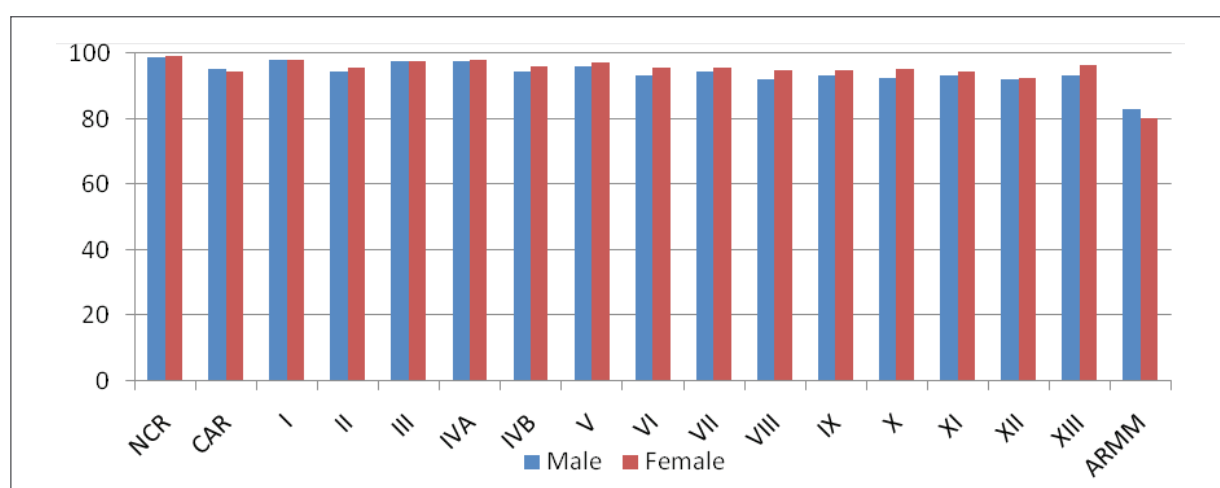
attendees in either elementary or secondary education (Table 7).

Data also show that females have higher basic literacy rates across the country (17 out of 19 regions), except for CAR and ARMM (Figure 55). The male population in the CAR and ARMM is approximately 0.9 and 2.5 percent higher than the female population, respectively, in terms of basic literacy. On the other hand, Region XIII (Caraga) has the highest gender disparity with its female population having a

3.1 percentage point advantage over its male counterpart.

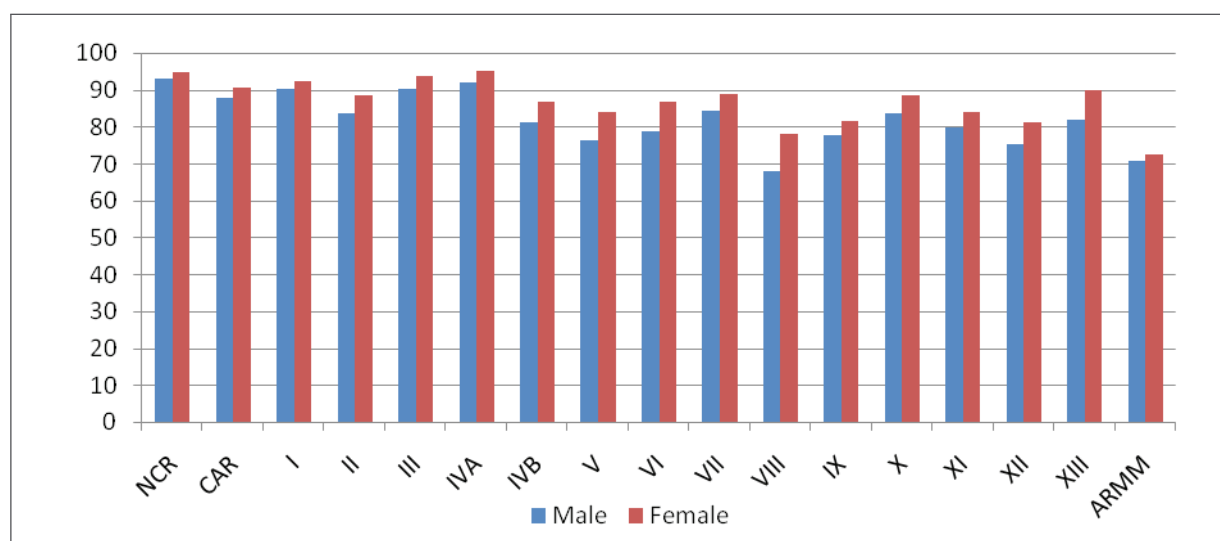
In terms of functional literacy levels, females have higher rates in all regions across the country. The widest disparity is in Region VIII (Eastern Visayas) where the female population's functional literacy rate is approximately 10.4 percent higher than the male population. Gender disparity in functional literacy is higher in all 19 regions, compared with gender disparity in basic literacy (Figure 56).

Figure 55. Basic Literacy Rates by Sex and Region, 2008



Source: Department of Education

Figure 56. Functional Literacy Rates by Sex and Region: 2008



Source: Department of Education

Political Participation

Women have become more visible in terms of political participation with a steady increase of women elected in the legislative seats and local government positions.

The Senate is currently dominated by men, with only three incumbent women senators. Under the 15th Congress, three significant legislations that promote gender equality and women empowerment were signed, namely: RA 10151 or An Act Allowing the Employment of Night Workers in 2011; RA 10354 or the Responsible Parenthood and Reproductive Health Act of 2012; and RA 10361 or An Act Instituting Policies for the Protection and Welfare of Domestic Workers of 2012. It is noted that there are eight women out of 33 senatorial candidates in the 2013 national elections. Five of whom won and were included among the 12 winning senators. There is also an increasing trend on the number of women in the House of Representatives from 21 in 1995 to 45 in 2007 election.

As in the 2010 MDG Report, there was also a steady increase in the number of women elected for the city and municipal governments, particularly as governors, mayors, vice mayors and councilors. While these are positive developments, data shows that electoral positions are still dominated by men and in some cases, elected women are extensions of men, either as the wife, daughter or mother.

Gender-based violence

Gender-based violence is a complex social problem that remains prevalent in the country. Data show a sudden increase in the number of cases of women in extremely difficult circumstances (WEDC) served by DSWD from 2010 to 2011 (Figure 57). Compared with the 14,761 reported cases in 2009, there are about 40,962 cases in 2010 and 50,186 cases in 2011.

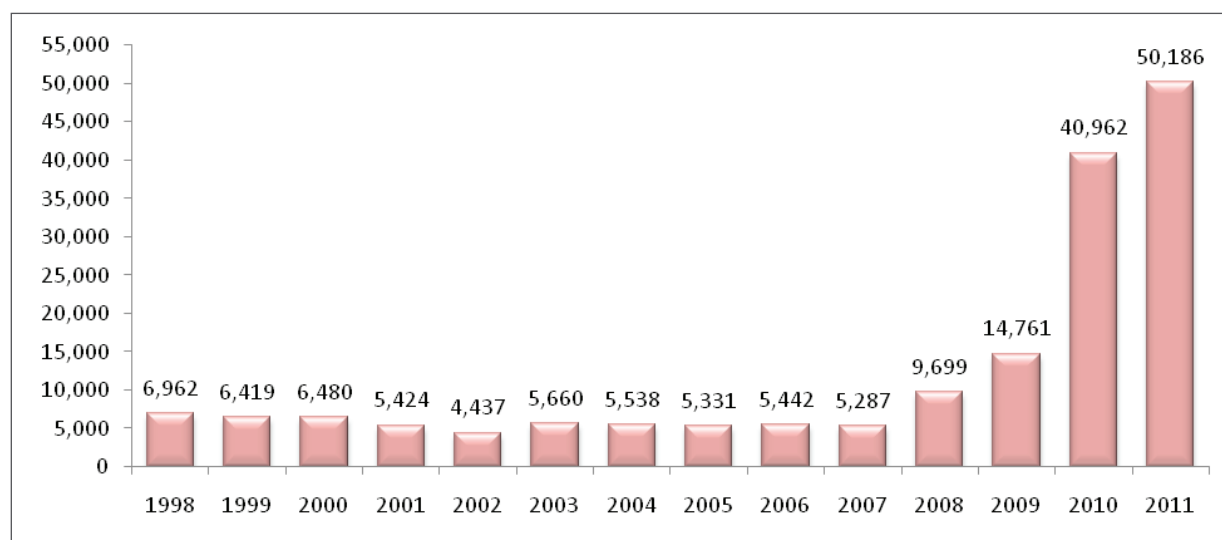
There was also an increase in the number of violence against women (VAW) cases reported to the Philippine National Police (PNP) for the same periods from 9,485 cases in 2009 to 15,169 in 2010, then a slight decrease in 2011 with 13,033 cases (Figure 58).

The National VAW Documentation System was pilot-tested by the Philippine Commission on Women (PCW) from 2010 to 2011 in 10 cities and provinces. Furthermore, the government-issued guidelines on establishing VAW Desks facilitated the establishment of 27,000 VAW Desks at the barangay level by 2012. This is over and above the 1,868 women and children protection desks situated in police stations nationwide staffed by 3,240 female police personnel.

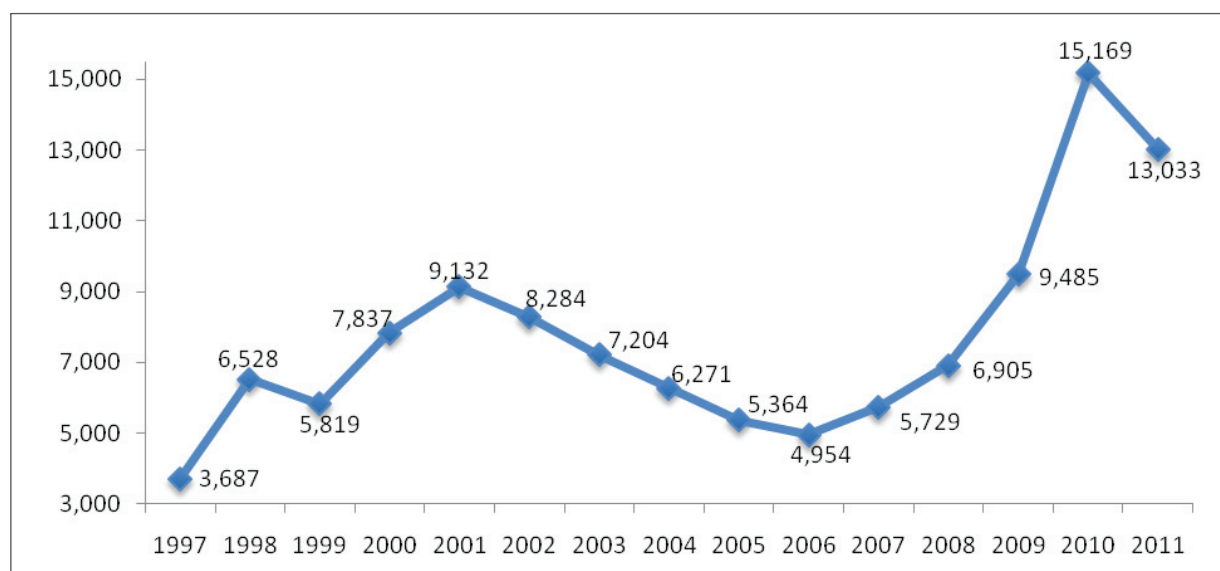
Labor and employment

The result of the October 2010 Labor Force Survey (LFS) showed an increase in the Labor Force Participation Rate (LFPR) for females at

Figure 57. Women in extremely difficult circumstances (WEDC) cases served by DSWD, 1998-2011



Source: Philippine Statistical Authority (formerly National Statistical Coordination Board)

Figure 58. Number of violence against women cases reported to the Philippine National Police, 1997-2011

Source: PSA-NSCB

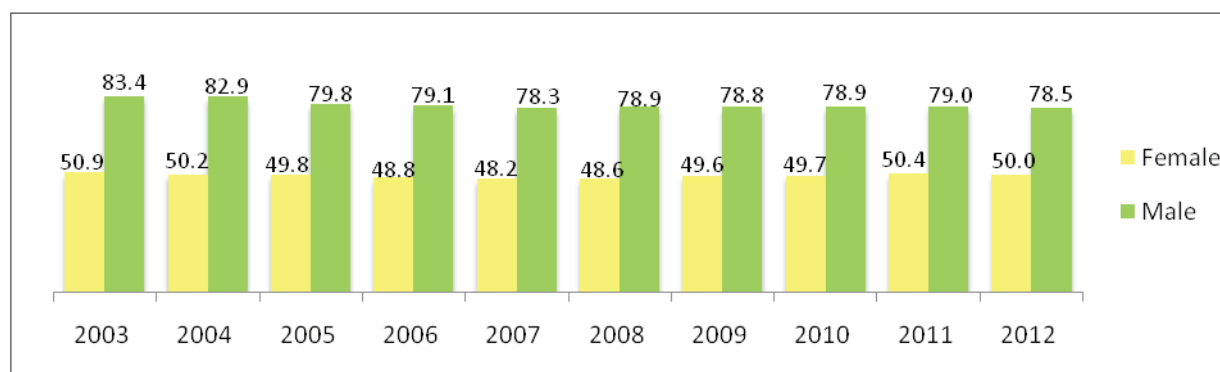
49.7 percent from 49.3 percent in 2009, and a very slight increase for males at 78.9 percent from 78.8 percent in 2009 (*pcw.gov.ph*). From 2003 to 2010, the labor force participation gap between female and male has slightly narrowed by 3.3 percent from 32.5 percent in 2003 to 29.2 percent in 2010.

On employment, the male population continue to outnumber female population which is estimated at 61 percent of the total 38 million as of October 2012 (Gender Quickstat First Quarter 2013). In 2010, employed male population was estimated at 22.3 million (61% of the total 36.5 million) while female employment was estimated at 14.2 million (39% of the employed population) (*pcw.gov.ph*).

Meanwhile, female unemployment rate in 2010 was relatively lower at 6.7 percent which is equivalent to 1.03 million compared with male unemployment at 7.4 percent which is estimated at 1.8 million (*Ibid*).

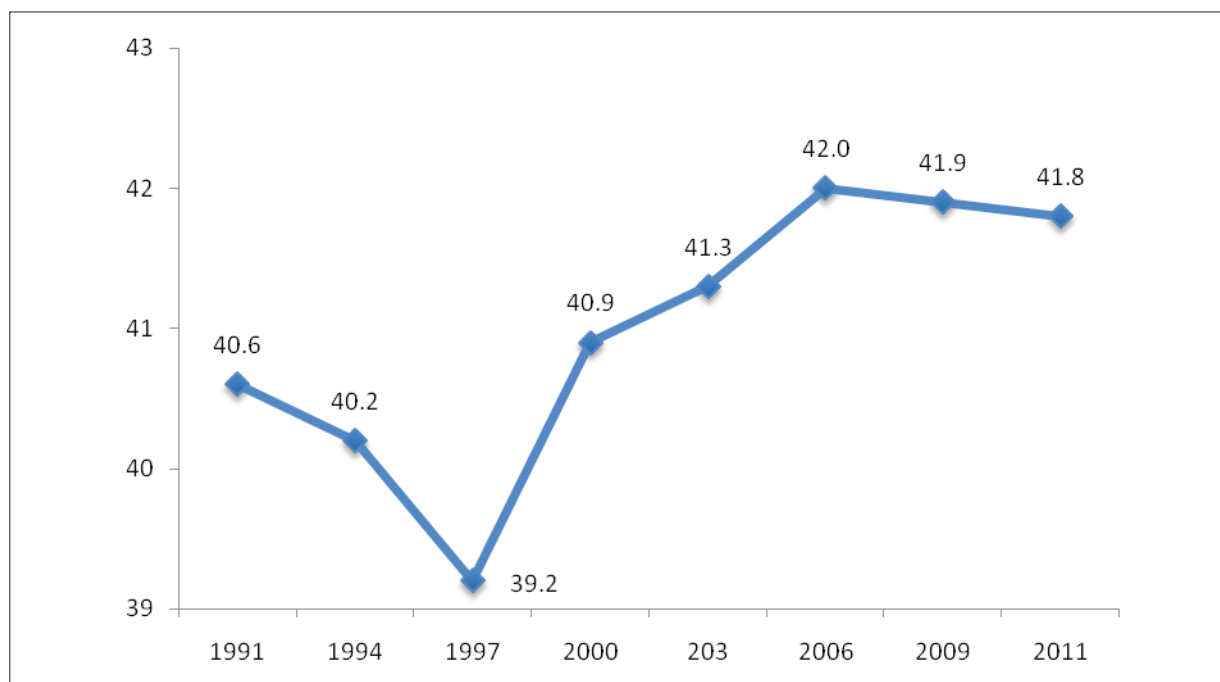
The October 2010 LFS also showed that employed males who completed high school or elementary were estimated at 26.7 percent and 15.9 percent respectively, higher than that of employed females at 25.2 percent and 14.4 percent respectively. Among employed females, 21.5 percent finished college which is higher compared with employed males at 10.6 percent (*Ibid*).

Women laborers and unskilled workers were estimated at 5 million while their male counter-

Figure 59. Labor Force Participation Rate (LFPR), Philippines, 2003-2012

Source: PSA-BLES

Figure 60. Share of women in wage employment in non-agricultural sector, 1991-2011



Source: PSA-NSO

part was at 6.7 million. Women farmers, forestry workers, and fisherfolks were estimated at 839 thousand compared with 5.1 million men in the same occupation group. Women, however, posted a slightly higher percentage among government officials, corporate executives, managing proprietors, managers and supervisors at an estimated 2.5 million with men in the same group estimated at 2.4 million (*Ibid*).

Of the total 14.2 million employed women in October 2010, around 7.5 million (53.0%) were wage and salary workers; 3.9 million (27.7%) were self-employed without any paid employee; and around 327 thousand (2.3%) were employers in own family-operated farm or business. As to the 22.3 million employed men, 12.3 million (55.0%) were wage and salary workers; 7.1 million (31.8%) were self employed without any paid employee; and 1.1 million (4.8%) were employers in own family-operated farm or business (*Ibid*).

Contrary to the standard, not all employed women and men were paid. There is, in fact, a considerable number of unpaid family workers. In October 2010, unpaid family workers in own family-operated farm or business were estimated at 4.3 million. Of the total figures, 2.4 million

(56.7%) were women while only 1.8 million (43.3%) were men (*Ibid*).

The share of women in wage employment in the non-agriculture sector was placed at 41.9 percent in 2009 and 41.8 percent in 2011. This hardly shows any change from the 1991 data which is placed only at 40.6 percent.

In terms of labor migration, the Philippine Labour and Employment Plan 2011-2016 noted that the presence of a large number of Overseas Filipino Workers (OFWs) is a key feature in the Philippine labor market. Statistics from the past years (2004-2011) consistently show an increasing trend in the number of Filipinos working abroad.

According to the World Migration Report 2010, there are around 8.7 million Filipinos in 239 host countries. In 2011 alone, a total of 1,687,831 overseas Filipino workers was deployed abroad, which is an increase of 15 percent from that in 2010 (IOM – World Migration Report 2010).

The 2011 Survey on Overseas Filipinos (SOF) conducted by the PSA - National Statistics Office (NSO) estimated a total of 2.2 million overseas Filipinos which increased from the previous year's estimate of 2.0 million OFWs. Of the 2.2 million

Table 8. Deployment of OFWs by Type of Hiring, 2004-2012

Year	Landbased	Seabased	Total
2004	704,586	229,002	933,588
2005	740,632	247,983	988,615
2006	788,070	274,497	1,062,567
2007	811,070	266,553	1,077,623
2008	974,399	261,614	1,236,013
2009	1,092,162	330,424	1,422,586
2010	1,123,676	347,150	1,470,826
2011	1,318,727	369,104	1,687,831
2012	1,435,166	366,865	1,802,031

Source: Website (www.poea.gov.ph)

OFWs in 2011, female OFWs were estimated at 1.03 million (47.8%) or an increase of 5.8 percent from the 975 thousand estimated female OFWs in 2010. Male OFWs accounted for 52.2 percent or around 1.13 million of the total OFWs in 2011, an increase of 5.4 percent from the estimated 1.07 million male OFWs in 2010.

Female OFWs in 2011 were generally younger than males. Around 63.1 percent female OFWs were 15 to 34 years old while only 48.5 percent male OFWs are of the same age group. There was a slight decrease of younger female OFWs because in 2010, an estimated 64.5 percent of the total female OFWs belonged to the 15 to 34 years old group.

The top five regions with the most of OFWs in 2011 are Region IV-A or Calabarzon (16.5%),

Region III or Central Luzon (14.3%), National Capital Region (12.5%), Ilocos Region (9.2%) and Region VI or Western Visayas (8.5%). Meanwhile, Caraga had the smallest percent share of total OFWs at 1.6 percent. In 2010, the Ilocos Region topped the list followed by Central Luzon and Calabarzon (Region IVA - Cavite, Laguna, Batangas, Rizal and Quezon). Likewise, Calabarzon, Central Luzon and the National Capital Region were the source of around 52.1 percent male OFWs in 2011, lower than the 53.6 percent male OFWs from the same regions in 2010.

The top five countries of destination of OFWs are Saudi Arabia (22.6%), United Arab Emirates (14.6%), Qatar (6.9%), Singapore (6.3%), and Hong Kong (5.3%) (NSO, 2011 Survey of Overseas Filipinos). Of the estimated 1.03 million female

Figure 61. Overseas Filipino Workers (OFW): 2006-2011 (in thousands)

Source: Philippine Commission on Women (www.pcw.gov.ph)

OFWs, 18.1 percent were in United Arab Emirates, 14.1 percent in Saudi Arabia and 10.5 percent in Hongkong. In the 2010, the 975 thousand female OFWs were distributed in the United Arab Emirates which accounted for 18.4 percent; Saudi Arabia with 13.5 percent; and Hongkong with 11.4 percent. As to male OFWs, Saudi Arabia continues to dominate with 30.5 percent in 2011 and 30.0 percent in 2010, followed by the United Arab Emirates with around 11.3 percent and 12.2 percent of the total male OFWs in 2011 and 2010, respectively.

Remittances from female OFWs worldwide were relatively lower than that of their male counterpart. Of the total PhP156.3 billion estimated OFW remittances in 2011, around 30.6 percent (PhP47.8 billion) came from female OFWs. In 2010, around 32.2 percent (PhP45.5 billion) of the PhP141.2 billion OFW remittances were from female OFWs.

Over the 2001-2009 period, women were dominant in three major occupation groups: services, e.g. domestic workers and caregivers (55.7%); professional and technical workers, e.g. nurses and teachers (27.7%); and production, e.g. factory workers (11.2%) (Philippine Labor and Employment Plan 2011-2016).

Data on Filipino emigrants likewise show that female emigrants consistently outnumber male emigrants for the past seven years. In 2011 alone, 59 percent of registered Filipino emigrants are female. Women tend to migrate more independently and, in most cases, considered the primary wage earners of their families ("WAGI Gender Fact Sheet on Migration. Prepared by Miriam College-WAGI, 2013).

Implementation bottlenecks and priorities for action

To respond to the high drop-out rate of boys in the elementary and secondary education, the Philippine government through the DepEd is implementing the drop-out reduction program (DORP) to reduce the high dropout rate and improve learning outcomes in public and private schools of the country, using formal, non-formal and informal approaches. The program aims to facilitate access of every Filipino to quality basic education which equips them with the basic literacy tools and content that are essential for the individual's growth and development as a person and as a citizen of a democratic society. Specifically, the DORP aims to achieve the following objectives: (a) reduce, if not totally eliminate school dropout; (b) increase retention rate; (c) increase significantly the achievement level of the Students-at-Risk of Dropping Out (SARDO); (d) retrieve learners who are out of school; (e) increase the capability of schools to establish, implement, monitor, evaluate and continuously improve the DORP; and (f) design and continuously improve DORP practices and learning materials.

The Philippine government has instituted reforms to make its governance institutions accessible to women. The passage of the Magna Carta of Women (MCW) opened the opportunity for women's representation and participation given that the State is tasked to accelerate the participation and equitable representation of women as agents and beneficiaries of development, in decision-making and policy-making processes in government and private entities. However, there is still a need to accelerate

Table 9. Number of Registered Filipino Emigrants, 2004-2009

	2005	2006	2007	2008	2009	2010	2011
Female	41,695	50,708	49,722	42,961	47,925	49,788	48,847
Male	27,333	32,259	30,877	27,839	31,793	36,287	34,563
Total	69,028	82,967	80,599	70,800	79,718	86,075	83,410

Source: Commission of Filipino Overseas Website (www.cfo.gov.ph)

the implementation of the law to ensure that all its provisions are observed and mainstreamed by government.

The increase of VAWC and WEDC cases handled may be attributed to the continuous advocacy efforts and information campaign in support of the Anti-Violence Against Women and their Children Act of 2004 (or RA 9262). Another factor is the presence of structures for reporting, such as the women's and children's desk in the PNP precincts. Furthermore, in order to strengthen the capacity of involved agencies in handling VAW cases, the Department of Justice (DOJ), National Bureau of Investigation (NBI), Public Assistance Office (PAO) and Office of the Solicitor General (OSG) regularly conduct training programs for judges, court personnel, prosecutors, public defenders, investigators and lawyers and other duty bearers in the justice system in handling gender-sensitive cases, especially those involving women and children. These are either part of capacity-building activities or dedicated specialized trainings, through the general or gender and development funds. Services for WEDC are also continuously provided through community-based and residential-care services to women that enable them to resolve conflicts and prepare women for eventual reunion with their families and return to their communities. In order to further empower women, there is a need to strengthen the implementation of RA 9262 by intensifying information campaigns at the barangay level and establishing a strong

monitoring mechanism. There is also a need to amend and repeal discriminatory laws on women and those related to VAWC such as on adultery and concubinage under the Revised Penal Code, the Family Code, and the law on sexual harassment and rape.

RA 9710 (Magna Carta of Women) states that all possible assistance shall be provided to women, including returning women migrants in their pursuit of owning, operating and managing business enterprises towards the promotion of their economic rights and independence. Assistance shall focus on the availability of the following: credit, training and technology, information, packaging and marketing, and social protection. The law mandates the Departments of Foreign Affairs (DFA) and Trade and Industry (DTI), BSP, PCFC, government financial institutions (GFIs), and Microfinance Institutions (MFIs) to formulate and implement policies, plans and programs to give women easy and preferential access to capital and credit for business enterprises. DOLE and its attached agencies is also mandated under RA 9710 to ensure the integration of returning women migrant workers into the labor force through the provision of incentives to companies who will provide employment to returning OFWs, the elimination of any barriers to employment qualifications of migrant women workers, and the establishment of benchmark on the number of training hours to enhance knowledge and skills of OFWs (Magna Carta of Women, Section 26).

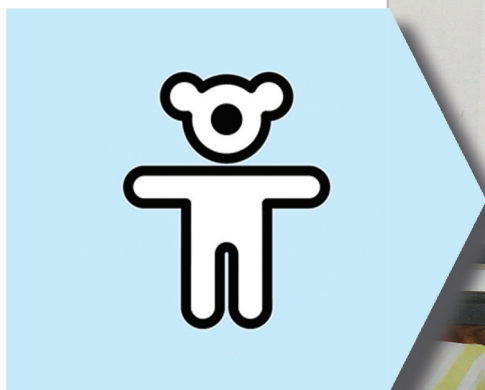


Best Practices

To facilitate the implementation of the Magna Carta of Women, the Women's Empowerment and Development toward Gender Equality Plan 2013-2016, or simply Women's EDGE Plan, has been formulated. The Plan is the gender equality guiding plan of the Philippine Development Plan 2011 - 2016. It is the second Framework Plan for Women and the second time-slice plan for the Philippine Plan for Gender-Responsive Development (PPGD 1995-2025). The Plan defines the goals, objectives, strategies and programs for the next five years (2012-2016) including monitoring mechanisms to ensure its implementation.

On February 6, 2013, President Benigno S. Aquino signed the RA 10364 or the Expanded Anti-Trafficking in Persons Act of 2012 which amends the list of acts considered as promoting human trafficking to include: destroying or tampering with evidence, influencing witnesses in an investigation, and using public office to impede an investigation or execute lawful orders. RA 10364 also increases funding for government agencies involved in the fight against human trafficking. RA 10364 has also been hoped to improve the Philippines's standing in the anti-human trafficking watchlist.





Goal 4: REDUCE CHILD MORTALITY

Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Status and trends

Targets for infant and under-five mortality rates remain to be achievable by 2015. Latest data reveal that the number of infant and under-five deaths continued to decrease from 2006 to 2011. In 2006, the number of infant deaths was at 24 per 1,000 live births and under-five deaths at 32 per 1,000 live births. In 2011, deaths decreased to 22 and 30 per 1,000 live births, respectively.

It is also important to look at neonatal deaths that account for most of the infant and under-five child deaths. In 2011, neonatal deaths accounted for 64 percent of all infant deaths.

Trends show that from 1993 to 2011, there was a slow decline in the reduction of newborn deaths from 18 to 14 per 1,000 live births. Most neonatal deaths happen in the first week of life, most especially in the first 2-3 days of life when the infants are in health facilities or at homes.

In 2012, neonatal causes of death account for 46 percent of under-five deaths (Table 10). Leading

causes of neonatal deaths include complications of prematurity, intrapartum-related deaths (birth asphyxia) and neonatal infections (sepsis and pneumonia). To achieve the MDG 4 targets in the reduction of under-five mortality, interventions in the neonatal period are crucial to further reduce neonatal mortality rates and thus bring down the other indicators.

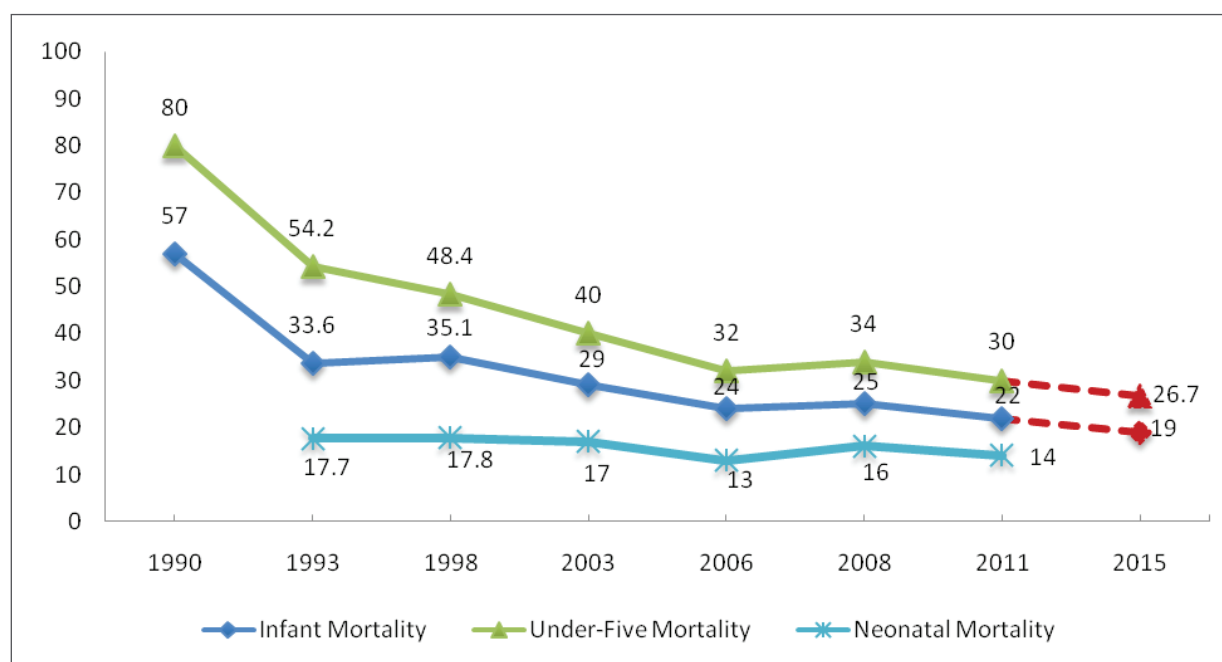
From the 10-year period (2001-2011) covered by the 2011 Family Health Survey (FHS), there is still the trend that more male and rural-located infants die compared with their female and urban counterparts.

Table 10. Proportion of Deaths among Filipino Children Under-Five Years of Age, 2012

Cause of Death	% of all Under Five Deaths
Neonatal causes	46
Pneumonia	16
Diarrhea	6
Injuries	8
Others	24

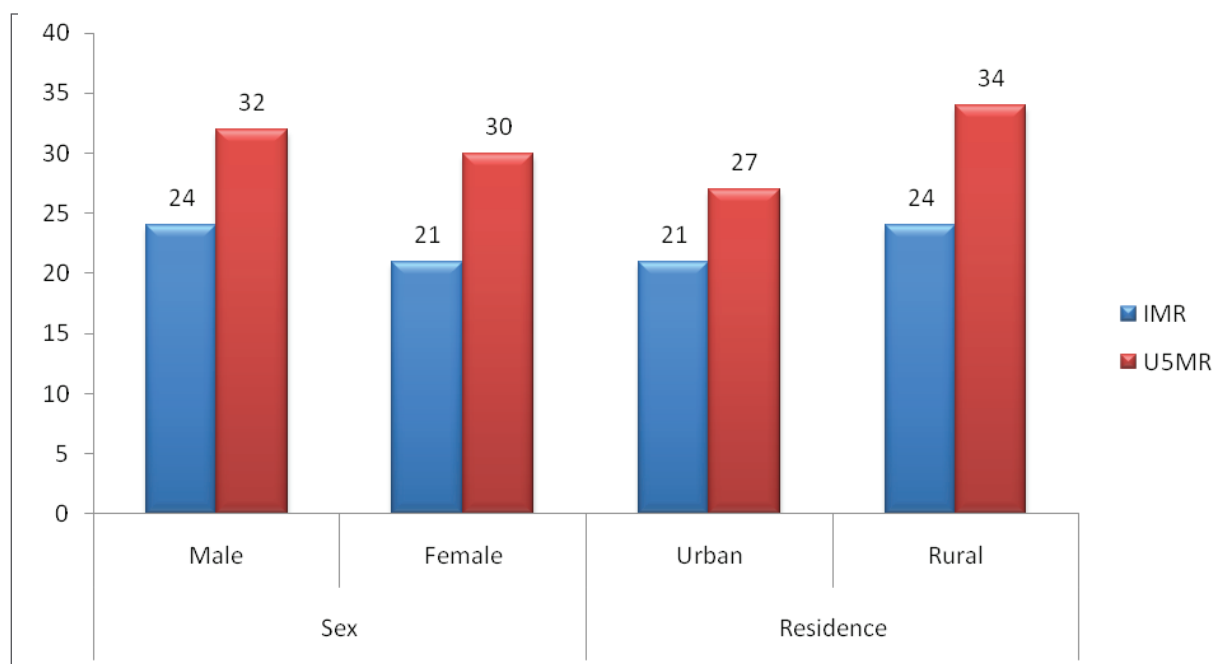
Source: A Promise Renewed – Commitment to Child Survival, UNICEF-USAID 2012

Figure 62. Under-Five, Infant and Neonatal Mortality, 1990-2011



Source: 1990 Technical Working Group on Maternal and Child Mortality, PSA-NSCB; National Demographic and Health Survey (NDHS) (1993, 1998, 2003 & 2008), NSO; Family Planning Survey (FPS) 2006, Family Health Survey 2011

Figure 63. IMR & U5MR, by sex and place of residence, 2011



Source: Family Health Survey (FHS), 2011

From the survey, there were 24 male infant deaths per 1,000 live births compared with the 21 deaths among female infants. Similarly, there were 32 under-five deaths among males against 30 deaths among under-five females. Place of residence also affect the survival of the country's young children with more rural infants and under-five children dying. Twenty four infants and 34 under-five deaths per 1,000 live births occur among rural areas compared with the 21 infant and 24 under-five deaths per 1,000 live births in urban areas. Access to facilities and services continue to be an issue in the achievement of the goal with far-flung areas still having a hard time receiving the appropriate child health interventions.

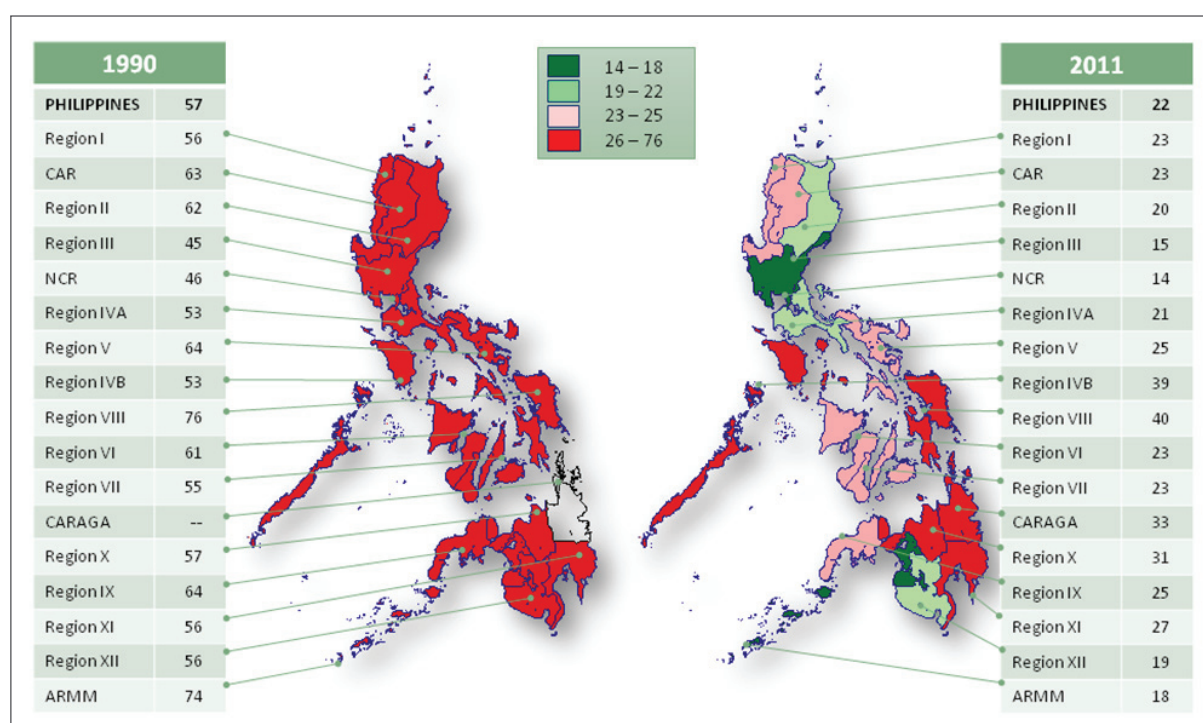
Regional data from the FHS showed that in the same time period, six regions were below the national IMR average of 22 deaths per 1,000 livebirths and seven regions below the U5MR average of 30 deaths per 1,000 livebirths. For both indicators, the NCR, Cagayan Valley, Central Luzon, Calabarzon, and the SOCCSKSARGEN were among the regions with lower IMRs and U5MRs compared with the national average. On the other hand, Eastern Visayas, Mimaropa and

Caraga registered the highest incidence of infant and under-five deaths (Figures 64 and 65).

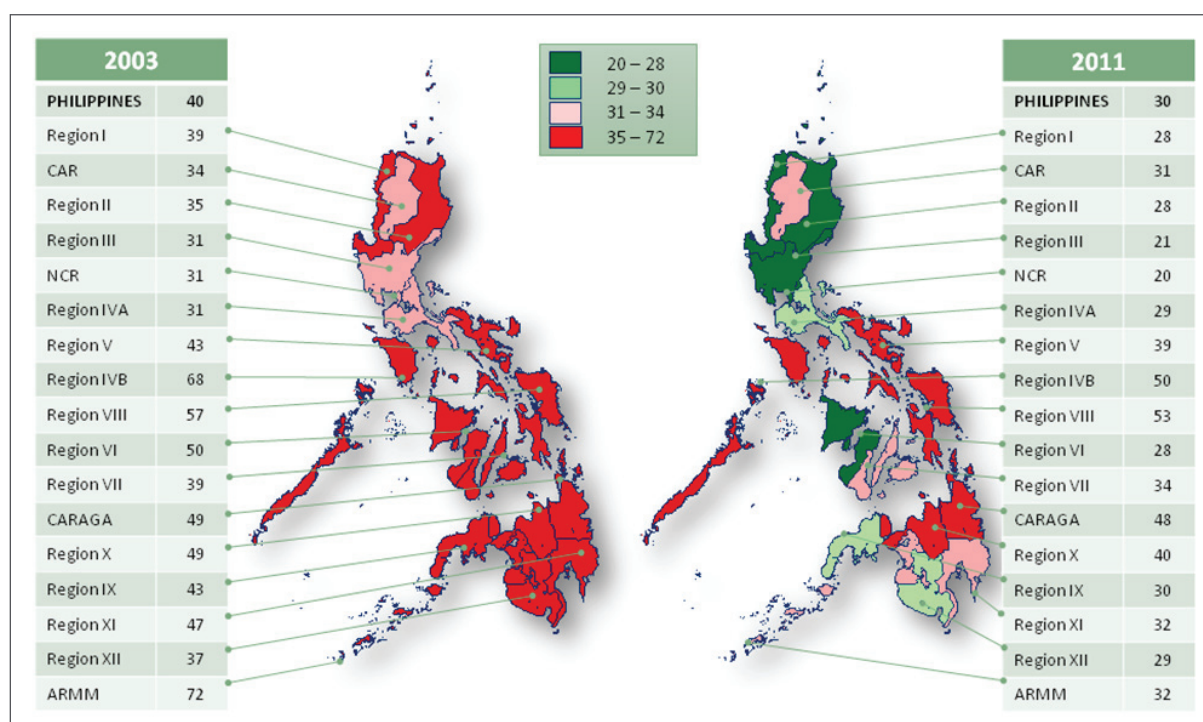
Developments in Child Health Programs and Interventions

For this administration, the country's health program is anchored to the Universal Health Care (UHC) Program with attaining the MDGs as one of its strategic thrusts. The National Objectives for Health (NOH) 2011-2016, that provides the policy direction for the program identified the specific strategies to sustain progress and ensure achievement of Goal 4. These include promoting universal access to standard child survival (CS) package, which includes the essential CS interventions, namely: (a) skilled birth attendance during pregnancy, delivery and immediate postpartum; (b) care of newborn; (c) breastfeeding and complementary feeding; (d) micronutrient supplementation and deworming; (e) immunization of children and mothers; (f) integrated management of sick children; (g) child injury prevention and control; (h) birth spacing; and (i) proper personal hygiene (including but not limited to proper hand washing, proper tooth brushing and wearing

Figure 64. Infant mortality rate (deaths per 1,000 live births), by region, 1990 and 2011



Source of basic data: NDHS, PSA-NSO; FHSIS, Department of Health

Figure 65. Under-five mortality rate (deaths per 1,000 live births), by region, 2003 and 2011

Source of basic data: NDHS, PSA-NSO; FHSIS, Department of Health

of footwear). The *Garantisadong Pambata* (GP) campaign covers all these CS interventions and advocates the LGUs to adopt and implement the CS strategy.

In recognition of the importance of strengthening health interventions for the newborn, Administrative Order 2009-0025 on Adopting Policies and Guidelines on Essential Newborn Care (ENC) was issued on December 1, 2009. It provided for four time-bound evidence-based interventions in the immediate newborn care period, namely: immediate and thorough drying; skin-to-skin contact; properly timed cord clamping and cutting; and non-separation of the newborn from the mother for early breastfeeding initiation. These are the core practices needed to be implemented in health facilities to reduce neonatal mortality occurring in the first 2-3 days of life.

As newborn outcomes are highly dependent and intertwined with maternal care, evidence-based clinical practice guidelines on intrapartum and immediate postpartum care were developed by DOH and the Philippine Obstetrical and Gynecological Society (POGS) with technical

support from the World Health Organization (WHO) and the Australian Agency for International Development (AusAid) under the Joint Program of Maternal and Neonatal Health. Thus, the ENC been transformed to Essential Intrapartum and Newborn Care (EINC).

The 2011 Family Health Survey of NSO findings on skin-to-skin contact (SSC) showed that 60 percent of mothers recalled that their newborns were placed on their abdomen or chest during their last delivery. The Western Visayas Region posted a higher proportion of SSC being practiced in their area at 66 percent.

In the implementation of immunization among children, 2011 data revealed that 90.9 percent of children were already fully immunized. Trends have been increasing with the intensification of campaigns for children specifically with the door-to-door strategy of the DOH. Measles immunization, also a key indicator for the goal, was also done through the door-to-door strategy. Coverage for this has been fluctuating through the years. In 1993, 81.4 percent of infants aged 12 to 23 months have been immunized against measles. Between 1998 and 2003 it was around

79 to 80 percent and in 2008 it reached 84.5 percent. Data from the FHS showed that in 2011, 93.6 percent of children were already immunized against measles.

Last year (2013), the country highlighted its commitment of eliminating measles as a public health problem and that all children are protected from the disease. A door-to-door activity was held with the theme of “*Iligtas sa Tigdas ang Pinas*” (Save the Philippines from Measles). DOH also started measles-free certifications to provinces and cities that meet national standards with barangays passing the rapid coverage assessment with no missed child and more than 95 percent house marking accuracy. Moreover, to be certified there should be no measles case for the next three months after the campaign and that measles surveillance indicators have been met. Surveillance indicators include that at least 80 percent of suspected measles cases are reported and investigated within the 48 hours of rash onset (Health Beat, Issue No. 63 Mar-April 2011, Article entitled *Iligtas and Pilipinas sa Tigdas*, pps 9-12).

Also in 2011, the Mandatory Infants and Children Health Immunization Act (RA 10152) was also passed repealing Presidential Decree (PD) 996 that provides for compulsory basic immunization for infants and children below eight years of age. The new law stipulates that infants up to children five years of age should be given basic immunization for free at any government hospital or health center. Immunization include vaccine-preventable diseases stipulated in PD 996 plus immunization against Hepatitis B virus and *Hemophilus influenza* Type B (HiB). The new law also mandates the Philippine Health Insurance Corporation (PHIC) to include basic immunization services in its benefit package.

Breastfeeding has also been heavily advocated by the DOH. The number of women who have breastfed have increased to 91.6 percent in 2011. NDHS reported that from 1993 to 2008 this was only at the 86 to 88-percent range. To encourage more mothers to breastfeed, the Breastfeeding TSEK – *Tama, Sapat at EKsklusibo* (Proper breastfeeding initiation, Enough amount of breastmilk and Exclusive breastfeeding) campaign was launched in 2011 with the aim of increasing the number of mothers engaging in exclusive breastfeeding. Aside from reducing chances for infection and certain diseases, breastfeeding can also contribute to cognitive development of a child.

The National Infant and Young Child Feeding (IYCF) Strategy, 2011-2016, was also crafted with different areas or stakeholders to ensure proper feeding practices for infants and young children. Health facilities, families or communities, work places, industry and schools have been enjoined to implement and enforce RA 10028 (Provision of Incentives for Health Institutions with Rooming-In and Breastfeeding Practices) and the Milk Code. The identified outcomes for this strategy include: 90 percent of newborns are initiated to breastfeeding within one hour of birth; and 70 percent of infants are exclusively breastfed for the first six months of life.

To intensify these child health programs, the DOH already drafted the Maternal, Newborn, Child Health and Nutrition (MNCHN) Strategic Plan for 2013 to 2017. Its goal is to rapidly reduce maternal and neonatal mortality through local implementation of a MNCHN strategy with the objective of reducing maternal and neonatal mortality. Neonatal mortality according to the plan will be reduced to 12 deaths per 1,000 live births by 2016. The specific objectives related to the goal are as follows: (a) increase percentage of newborns initiated to breastfeeding within one hour of life from; (b) increase percentage of exclusively breastfed infants for the first 6 months of life; and (c) increase percentage of fully immunized children.

Key Bottlenecks and Priorities for Action

Although the country is making good progress in achieving the goal, the following bottlenecks need to be addressed:

Regional disparities among infant and under-five deaths

In Figure 3, Regions IV-B (Mimaropa), VIII (Eastern Visayas), and Caraga registered the highest number of both infant and under-five deaths in 2011. To ensure that the country will meet the goal of 27 under-five and 19 infant deaths per 1,000 live births, there is a need to identify the regions' gaps in terms of achieving the goal. It was observed, for example, that these regions also have high total fertility rates (TFR) or the number of births a woman would have on average at the end of her reproductive life throughout her reproductive years. Regions IV-

B, VIII and Caraga have TFRs of 4.1, 3.9 and 3.8 respectively which are considered high compared with the national TFR of 3.1. There may be a need to provide mothers in these regions intensified reproductive health care programs.

To ensure that child health interventions reach each region, current initiatives should be scaled up and advocated among the different local chief executives (LCEs). DOH can also provide supplemental support in term of facilities, human resource and budget for areas that have high infant and under-five deaths.

Slow progress in decreasing neonatal and perinatal deaths

Newborn health outcomes emanate from preconceptional (or prepregnancy) and prenatal care practices. Nutrition during adolescence and in the nonpregnant state among women of reproductive age group will be able to address maternal nutrition that is linked to low birth weight. Micronutrient supplementation on iron sulphate and folic acid is highly proven to reduce neural tube defect congenital anomalies in children.



Furthermore, prenatal care visits during the first trimester should also be emphasized. Only 58 percent of women have started their prenatal care visit in the first trimester. High risk and complicated pregnancies will be earlier identified, therefore maximizing opportunities to improve pregnancy outcomes. Hopefully, this will reduce fetal and neonatal deaths due to unrecognized and undiagnosed complications during the prenatal period.

The implementation of EINC at all levels in both government and private health facilities needs to be scaled-up. The Centers for Health Development (CHDs), in partnership with LGUs, play a pivotal role in its full implementation. Adherence and implementation among health facilities of the EINC will provide them with a sustainable approach in their quest to become a certified Mother-Baby-Friendly Health Facility (Mother-Baby-Friendly Hospital Initiative, MBFHI). Efforts to integrate and harmonize EINC with MBFHI have already begun in June 2013 to maximize opportunities, health human resources and integrate health programs. The implementation of both the EINC and MBFHI will be a double-edged advantage towards achieving reduction of neonatal deaths. EINC is part of the PhilHealth's newborn care package (NCP). The implementation of EINC needs to be monitored especially at the LGU level to ensure that there will be less infants dying in the first few days of life.

As preterm complications lead the cause of neonatal deaths, the use of (ACS) among health professionals for women expected to deliver a preterm birth is being emphasized during various capacity building activities on essential and emergency obstetric and newborn care. ACS promotes early fetal lung maturity while inside the mother's womb. This minimizes respiratory distress syndrome during the newborn period. Clinical practice guidelines on common causes of mortality and morbidity will be developed to address wide variations of standards and quality of care for term and preterm newborns. The availability and use of surfactant, a life-saving commodity, however is very expensive to be purchased by government hospitals for preterm newborns born to poor families. A good number

of vials have been purchased by DOH to be given to these select group of preterm newborns.

Progress of labor using the partograph has increased awareness on the need for early referral of women with obstructed labor. This has improved detection capability of midwives, nurses and other general practitioners of pregnant women in identifying women in need of higher level of care. Intrapartum-related events (birth asphyxia) will be prevented and reduced with prompt referral of obstructed labor.

Health seeking behaviour of mothers

The 2011 FHS revealed that among those children who showed symptoms of Acute Respiratory Infection (ARI) and diarrhea, only a handful were given treatment for the said diseases. There were 10,032 under five children covered by the FHS and 9.3 percent (933 children) of them presented symptoms of ARI while 8.3 percent (833 children) had diarrhea two weeks before the survey. Of these totals, only 46.7 percent (436 children) of those children with symptoms of ARI received antibiotic drugs and 18.7 percent (156 children) of those with diarrhea sought advice or treatment from a health facility or health provider. Although the total population of children covered by the survey was very low, it is alarming that mothers delay or do not seek treatment for these two diseases that can be causes of child mortality. To improve health seeking behaviour of mothers, it is suggested that community health teams be mobilized to promote and inform mothers of programs available to address these diseases. They can also be informed of their entitlements to PhilHealth so that they will not be afraid to go to health facilities because of treatment costs.

Disruption of maternal and child health services during disasters

To ensure that the country continues its progress in further decreasing the number of infants dying, external factors such as disasters should be mitigated and contingency plans put in place. In different studies, it was found that children especially infants and under five children are most vulnerable during disasters. Children under five are more likely to be injured, lost, and without access to health care or are exposed to greater danger through separation from families or caregivers during disasters. This kind of separation has severe impact especially for infants who are unable to have access to breast milk thus increasing chances for diseases and malnutrition. Disasters also increase exposure of infants and under five children to the different diseases that cause infant deaths such as diarrhea, acute respiratory infection and cholera especially during flooding (Disaster Risk Management for Health: Child Health, Disaster Risk Management for Health Fact Sheets, May 2011).

Aside from these, access to health interventions is also threatened during disasters because of possible destruction of health infrastructure and equipment that make it more difficult to treat disaster-related diseases. Other diseases control efforts such as immunization programs are also adversely affected. To ensure that health interventions continue to be given during and after the disasters, health facilities need to be hazard resistant and primary health workers should be trained in disaster preparedness (Disaster Risk Reduction: An Instrument for Achieving the Millennium Development Goals, United Nations International Strategy for Disaster Reduction, 2010).

Best Practices

Pasayenos grabs “Garantisadong Pambata” Award for the National Capital Region (NCR) in 2012

The Garantisadong Pambata (GP) Award is given to different LGUs in every region with 16 local government units awarded as GP Champions. The award is given by the DOH through the National Center for Disease Prevention and Control (NCDPC) and the National Center for Health Promotion (NCHP).

NCR as one of the regions which had already achieved the goal with Pasay City as its awardee for 2012. It won over the other 17 LGUs in the region. To be awarded as a GP champion, an LGU must comply with the following: 90 percent coverage in Vitamin A supplementation; 85 percent coverage in deworming; and budget allocation for the child health programs and the different child health services.. For 2011-2012, some 12,328 infants in Pasay city were fully-immunized. Around 90 percent of all preschool-aged children were also provided with vitamin A supplementation while 88 percent were dewormed.



Goal 5: IMPROVE MATERNAL HEALTH

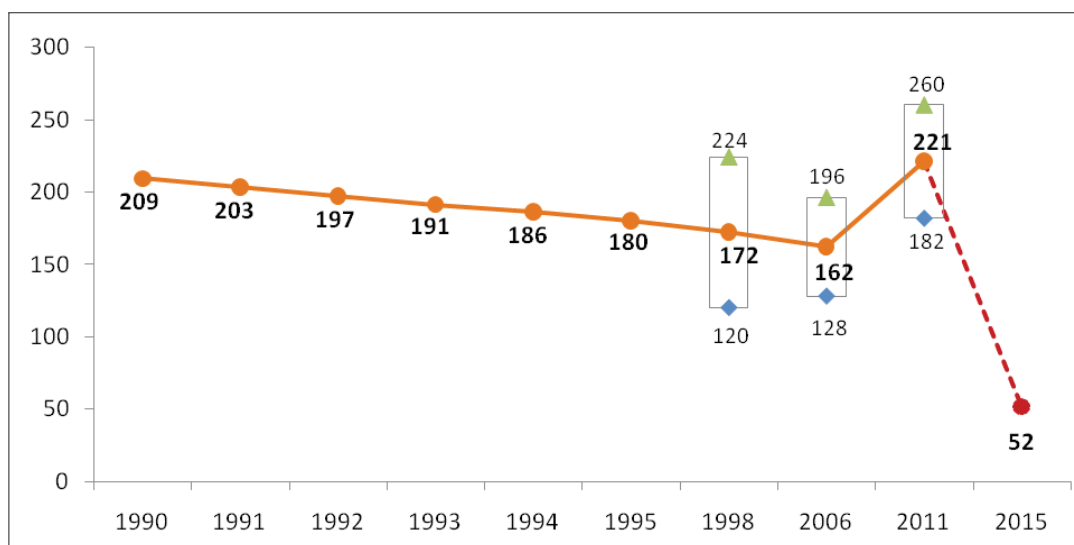
Target 5A: Reduce by three quarters, between 1990 and 2015 the maternal mortality ratio

Trends

The country's maternal mortality ratio (MMR) decreased from 209 per 100,000 livebirths in 1990

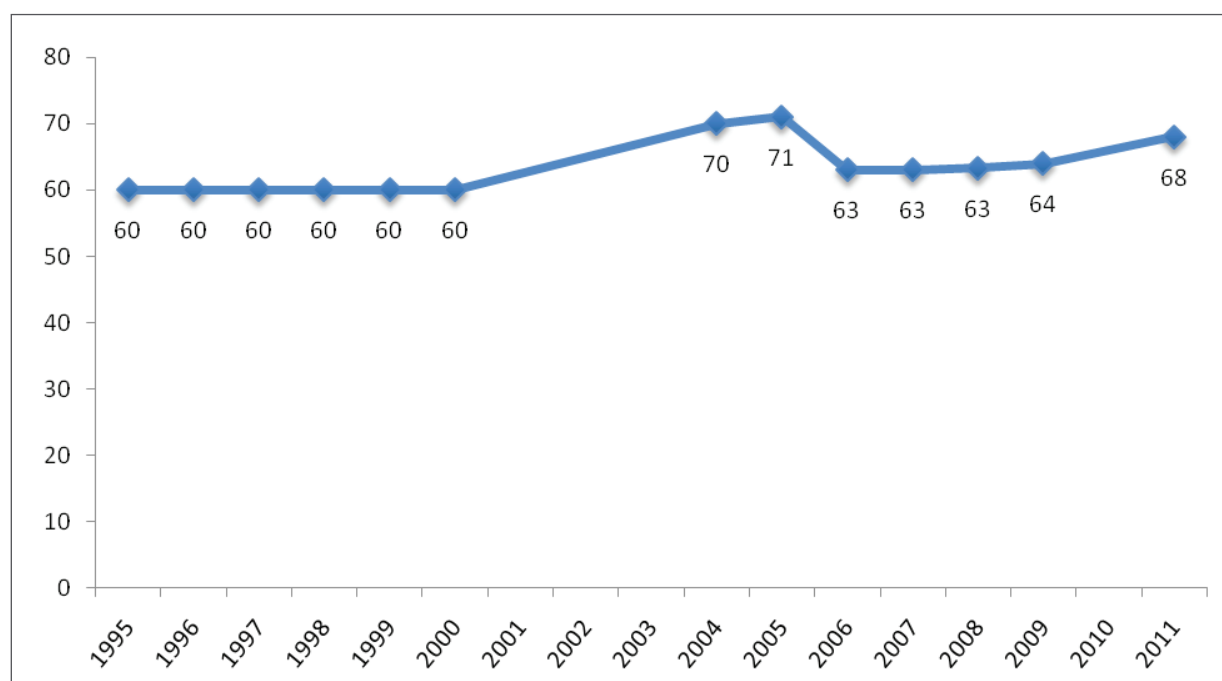
to 172 per 100,000 livebirths in 1998 and to 162 per 100,000 livebirths in 2006. However, based on the 2011 Family Health Survey, the MMR increased to 221 per 100,000 livebirths (Figure 66). While the difference between the 2006 and 2011 figures may not be statistically significant, the previous observation that the country is not on track in meeting MDG5 still holds.

Figure 66. Maternal Mortality Ratio



Sources: NSCB (1990-1995); NDS, NDHS, FPS, FHS, PSA-NSO (1998-2011)

Figure 67. Maternal Mortality Ratio (deaths per 100,000 live births) based on FHSIS, 1995-2011



Source: Division of Public Health Surveillance and Informatics Division, National Epidemiology Center, Department of Health and <http://www.doh.gov.ph/publication.html>

Data from the Field Health Services Information System (FHSIS) of the Department of Health also indicate the same trend. There has been very little improvement from 2004 to 2011. In fact, there is an increasing trend since 2006 and it is unlikely that the MMR will be reduced by three quarters by 2015, using either 1995 or 2004 as the starting point.

As of 2009, the main causes of maternal mortality include complications related to pregnancy occurring in the course of labor and puerperium, hypertension complicating pregnancy, childbirth and puerperium, postpartum hemorrhage, pregnancy with abortive outcome and hemorrhage in early pregnancy.

In terms of related indicators such as place of delivery and assistance at birth, an increase in the percentage of births delivered in a health facility and births assisted by health professionals has been noted for the period 2006-2008 (Table 11). Based on the 2011 FHS, 55.2 percent of births were delivered in a health facility or an increase from the previous figures of 44.2 in 2008 and 42.4 percent in 2006. Similarly, the percentage of births attended by a health professional increased from 62.3 percent in 2006 to 72.2 percent in 2011.

Table 11. Births delivered in a health facility and attended by a health professional (%), 2006-2011

	2006	2008	2011
Delivered in a Health Facility	42.4	44.2	55.2
Attended by a Health Professional	62.3	62.2	72.2

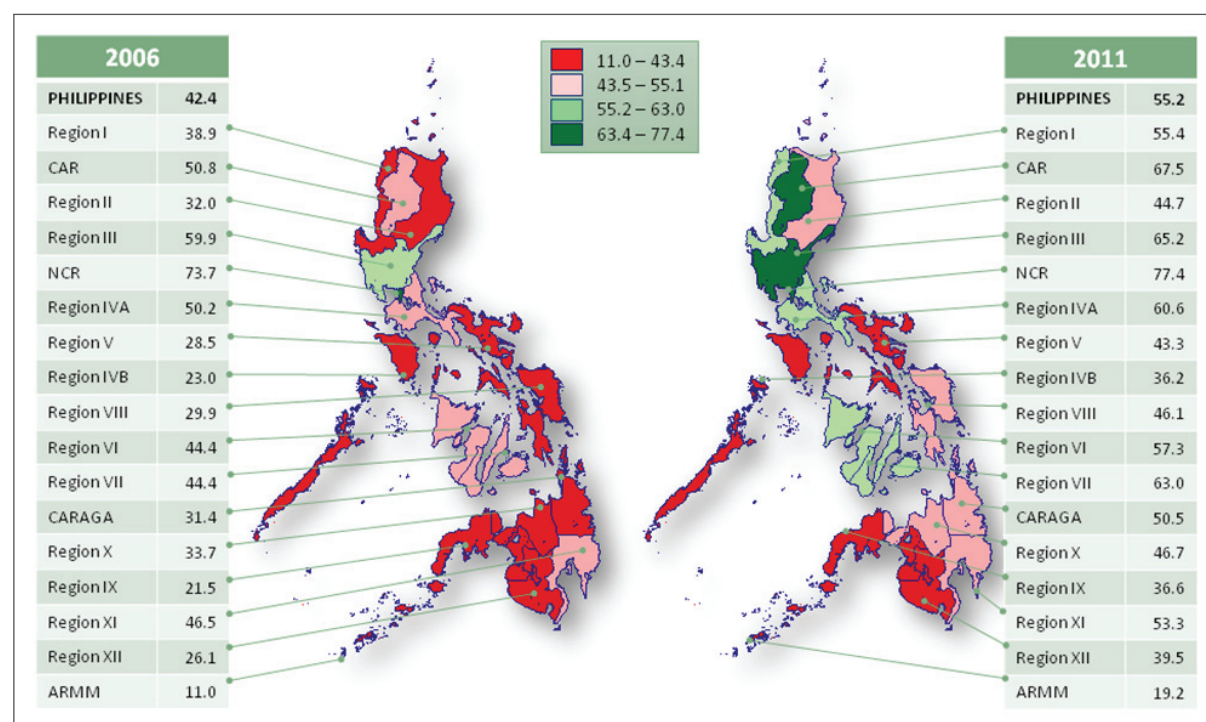
Source: Family Planning Survey (2006), National Demographic Household Survey (2008), Family Health Survey (2011)

For 2011, 36.2 percent of the births were delivered in public facilities, 9 percent in private sector facilities, and 44.8 percent at home. Deliveries in health facilities were most common in NCR (77.4%), CAR (67.5%) Central Luzon (65.2%) and least common in ARMM at 19.2 percent (Table 12). In all regions, there was an increase in the percentage of health facility deliveries for the period 2006-2008. FHS data also indicate that women are more likely to deliver at home if they are over 44 years old (54.6%) and if they have five or more living children (67.6%), have no education (87.1%) and belong to poor households (68.4%).

Table 12. Births delivered in a health facility (%), by region

Region	2006	2008	2011
NCR	73.7	69.3	77.4
CAR	50.8	51.1	67.5
I - Ilocos	38.9	42.1	55.4
II - Cagayan Valley	32	28.9	44.7
III - Central Luzon	59.9	56.3	65.2
IV - A CALABARZON	50.2	53.2	60.6
IV - B MMAROPA	23	26.9	36.2
V - Bicol	28.5	32.4	43.3
VI - Western Visayas	44.4	46.3	57.3
VII - Central Visayas	44.4	45.7	63
VIII - Eastern Visayas	29.9	33.7	46.1
IX - Zamboanga Peninsula	21.5	28.5	36.6
X - Northern Mindanao	33.7	33.3	46.7
XI - Davao	46.5	42.4	53.3
XII - SOCCSKARGEN	26.1	23.5	39.5
XIII - CARAGA	31.4	30.1	50.5
ARMM	11	14.7	19.2

Source: National Demographic Household Survey and Family Health Survey, Department of Health

Figure 68. Births delivered in a health facility (%), by region

Source of basic data: National Demographic Household Survey and Family Health Survey, National Statistics Office

On assistance at birth delivery, 2011 FHS data indicate that the proportion of births attended by health professional was 72.2 percent. Of these, 40.7 percent of the births were delivered by a doctor, 28.6 percent by a midwife and 2.9 percent by a nurse. As shown in Table 13, more than 90 percent of deliveries in NCR and Central Luzon were assisted by a health professional as compared with Region IX (48.4%) and ARMM (31.9%). Most of the deliveries in Region IX and ARMM were assisted by a hilot (49.6% and 67.3%, respectively). It was also observed that assistance at birth by a health professional increased with the mother's level of education and decreased with increasing birth order. In non-poor households, more than 80 percent of births were attended by health professionals in contrast to only 48 percent in poor households.

The 2011 FHS also showed that 84 percent of mothers received postnatal care within the first week of delivery. Specifically, 26 percent had one checkup; 20 percent, two checkups; 17 percent, 3 checkups; and 21 percent with four or more. Postnatal checkups are necessary to assess whether there are complications arising

from delivery. It is recommended that postnatal checkups be done within two days after delivery to prevent maternal and neonatal deaths which usually occur during this period.

The rapid reduction of maternal and neonatal mortality is anchored on the implementation of the Maternal Neonatal Child Health and Nutrition (MNCHN) Strategy which was adopted by the DOH in 2008. The MNCHN adopts a unified framework for maternal and newborn health that is linked with child survival strategies that maximizes the delivery of service packages and ensures the continuum of care across life cycle stages. The approach for maternal mortality reduction focuses on a facility-based delivery, i.e., delivery in a primary level institution (BEmONC), and assisted by skilled health professional backed up by access to referral facilities (CEmONC). For this to happen, access to these facilities has to be ensured. Thus, the DoH in coordination with the LGUs identified 1598 facilities to provide BEmONC of which 1015 are staffed by a team of health professionals trained in Basic Emergency Obstetrics and Newborn Care. They have also identified 270 facilities, mostly provincial and

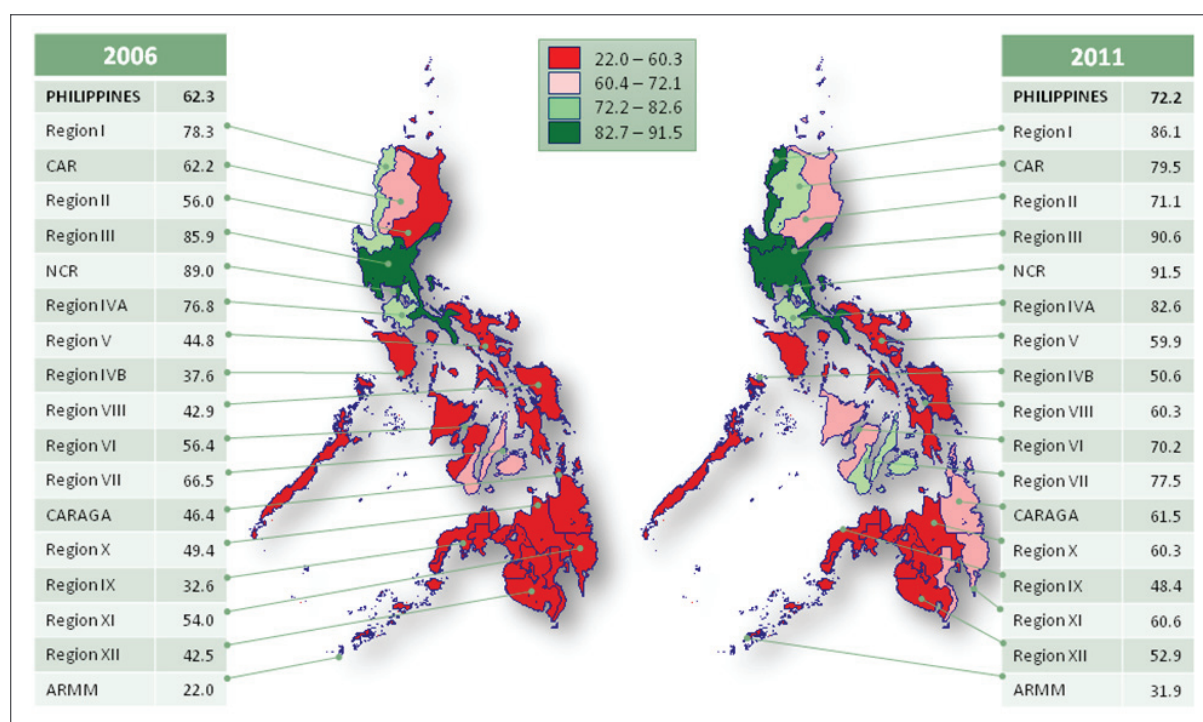
Table 13. Births attended by a Health Professional/ Skilled Provider (%), by region, 2006-2011

Region	2006*	2008**	2011**
NCR	89	86.8	91.5
CAR	62.2	67.4	79.5
I - Ilocos	78.3	81.9	86.1
II - Cagayan Valley	56	59.2	71.1
III - Central Luzon	85.9	81.9	90.6
IV - A CALABARZON	76.8	74.5	82.6
IV - B MMAROPA	37.6	39.1	50.6
V - Bicol	44.8	49.9	59.9
VI - Western Visayas	56.4	60.4	70.2
VII - Central Visayas	66.5	66.8	77.5
VIII - Eastern Visayas	42.9	43.1	60.3
IX - Zamboanga Peninsula	32.6	38.4	48.4
X - Northern Mindanao	49.4	47.8	60.3
XI - Davao	54	51.4	60.6
XII - SOCCSKARGEN	42.5	35.6	52.9
XIII - CARAGA	46.4	49.9	61.5
ARMM	22	19.2	31.9

Source: National Demographic Household Survey and Family Health Survey, Department of Health

* doctor and midwife only

** doctor, midwife and nurse

Figure 69. Births attended by a health professional/skilled provider (%), by region, 2006-2011

Source of basic data: National Demographic Household Survey and Family Health Survey, PSA-NSO

regional hospitals and medical centers, to provide CEmONC. With the enactment of RA 10354 the DOH is optimistic that the implementation of their Safe Motherhood Program and Family Planning program including the other reproductive health (RH)-related program will be supported to ensure an improved performance in meeting the targets.

Key Bottlenecks and Priorities for Action

Despite the efforts to improve maternal health, a lot remains to be undertaken to achieve the target of decreasing the maternal mortality ratio to 52 deaths per 100,000 livebirths in 2015. It has been observed that maternal mortality can be attributed to three delays: (a) delay in deciding to seek medical care; (b) delay in reaching appropriate care; and (c) delay in receiving care at health facilities. Moreover, even with a shift in policy from home-based to facility-based deliveries, mothers still decide not to seek care from health facilities because of the following reasons: (a) unaffordability; (b) lack of transportation; (c) lack of information

on the benefits of PhilHealth insurance; and (d) unavailability or inaccessibility of health facilities that render BEmONC and CEmONC. In addition, there are still implementation gaps that need to be addressed and these include, among others, the following: (a) variations in access across geographical locations which may be due to lack of health facilities and services as well as other socioeconomic factors; (b) significant proportion of births were still delivered at home; (c) inadequacies of the referral system; and (d) non-utilization of health facilities due to lack of awareness and other barriers. These concerns have been reflected in the National Agenda to Accelerate the Achievement of MDG 5 (NAAAM5). Moreover, the gains from ongoing efforts also need to be sustained to achieve the target. To address these concerns, efforts should focus on the strategies listed below:

Accelerating Efforts to Improve Access and Delivery of Quality Services

In accelerating efforts to improve access and service delivery, the following should be given priority attention: (a) provision/upgrading of facilities and services; (b) ensuring a good referral

system (c) addressing socio-economic and cultural barriers; and d) full implementation of the RPRH Law.

On the provision and upgrading of facilities and services, the DOH in coordination with the LGUs have already identified facilities to provide BEmONC and CEmONC staffed by a team of health professionals. However, it may be necessary to assess if these facilities are functional and are accessible to the intended users so that changes can be instituted if and when these are needed. Moreover, the services rendered by these facilities should adhere to standards and are of quality. In addition, these facilities should be manned by trained staff and backed by a good referral system.

The importance of a good referral system should not be overlooked. The DOH has undertaken local health zoning to enable local health systems to function efficiently through resource sharing and referrals. It has also published a Referral Manual in 2000 to define protocol for each level of the delivery system. The MNCHN Manual of Operations likewise defines the referral protocol for mothers and children. However, not all local health systems are functioning as planned and the referral manuals may not be followed at the local level. Thus, the DOH may want to assess and determine how the referral system could function efficiently as soon as possible.

Improving the provision of services also entails meeting the requirements for drugs, medicine and other supplies. In maternal care, it is important to make safe blood available. In this regard, it is necessary to fully implement the National Voluntary Blood Program; establish a

safe blood supply network in every province ; and make blood easily accessible to clients in need.

One of the socio-economic barriers in the utilization of health services is cost of services. This could be addressed through PhilHealth enrolment. Alternative sources of financing like collection of user fees for non-poor clients could be looked into.

Strengthening LGU Capacities

The provision of maternal health services has been devolved to LGUs. Capacities of local governments should continue to be strengthened and honed particularly on managerial and technical aspects in handling MNCHN concerns. Specifically, technical capacities in the conduct of regular maternal and neonatal death reviews should be upgraded. Strengthening the vital registration system at the local level is necessary to ensure timely and reliable reporting of maternal deaths. In addition, efforts should focus on making the LGUs responsible for sustained operation of the local health system.

Communication/ Advocacy for Behaviour change

The 2011 FHS indicated that women/mothers still prefer home delivery (although there was progress of 11 percentage points from the 2008 NDHS). This was also reflected in the NAAAM5. The non-utilization of health facilities was attributed to the lack of awareness of the availability of services. In this regard, an effective communication and advocacy plan is necessary to encourage behaviour change particularly on the health seeking behaviour of women and mothers.



Best Practices

The Ifugao AYOD Community Health Teams: A Culturally Friendly Structure for Male Participation Toward the Improvement of Maternal Health

The province of Ifugao is a recipient of grants from funding institutions for the improvement of health services. In 2006, the Japan International Cooperation Agency (JICA) started implementing the Maternal and Child Health (MCH) Project in the municipalities of Mayoyao, Aguinaldo, and Alfonso Lista. One of the core activities of the project was the formation of women's health teams based on the experience gained from the Woman's Health and Safe Motherhood Project of DOH/World Bank and the Safe Motherhood Policy of the DOH in strengthening health care delivery at the grassroots level. As a result, deliveries attended by skilled birth attendants and facility-based deliveries showed marked increases (24.35%) for MMR and 80.76 percent of births attended by skilled birth attendants in 2011. Moreover, the activities strengthened the support of local officials and the community.

Inspired by the success stories of the JICA-MCH Project, then Governor now Congressman Teddy B. Baguilat, Jr. issued Executive Orders (Eos) No. 19 and 22 mandating the organization of community health teams in each barangay throughout the province. Motivated by the province's cultural preservation thrust, these teams were called Ifugao AYOD (hammock) community health teams.

AYOD refers to the hammock used to carry patients or persons who are unable to walk. It is usually carried by two men at a time, accompanied by other men as alternates. The dominance of males in operating the *ayod* also represents a paradigm shift in health care. Males should be responsible for the health care concerns of the family and the community. Carrying an *ayod* requires synergy and teamwork, thus, the word "team." It also signifies the concept of "health in the hands of the community."

The AYOD community health teams were conceived as partners of the province at the grassroots level to achieve better health outcomes and ultimately contribute to the realization of the MDGs, specifically MDG 5 or the reduction of maternal mortality ratio. Being community-based, the AYOD community health teams are envisioned to evolve into do-it-all community health organizations with expanded health-related tasks and functions. Aside from maternal and child health concerns, the AYOD community health teams shall assume other tasks such as community health education and promotion, malaria prevention, and reproductive health advocacy. Cognizant of the shared responsibility between men and women, the province has committed itself to developing the AYOD community health teams into truly dynamic groups. LGUs at all levels and development partners have committed to strengthen the AYOD community health teams all over the province.

The Provincial Health Office and all municipal health offices were tasked to train the officers and members of the AYOD CHTs on their functions and to devise a monitoring and evaluation system to track the impact of the teams in improving the health status of their respective barangays. In the last quarter of 2012, an assessment of AYOD CHT functionality showed that all 185 barangays in the province have organized AYOD CHTs and 150 teams were fully functional (i.e., conducted meetings, passed resolutions, have clear objectives, used barangay health information, and have action plans). In 2012, there was only one case of maternal death in the province, down from two cases in 2011. "No woman should die giving life" remains a goal the Ifugao Provincial Government has aimed for.

Source: Status Report on the Millennium Development Goals – Ifugao

Target 5.b: Achieve by 2015, universal access to reproductive health

Trends and inequality analysis

Based on National Statistics Office (NSO) data, the target for universal access to reproductive health is unlikely to be achieved, as determined by the contraceptive prevalence rate (CPR), and other proxy variables: total fertility rate (TFR), antenatal care check-ups (ANC), unmet need for family planning (FP), and adolescent fertility rate.

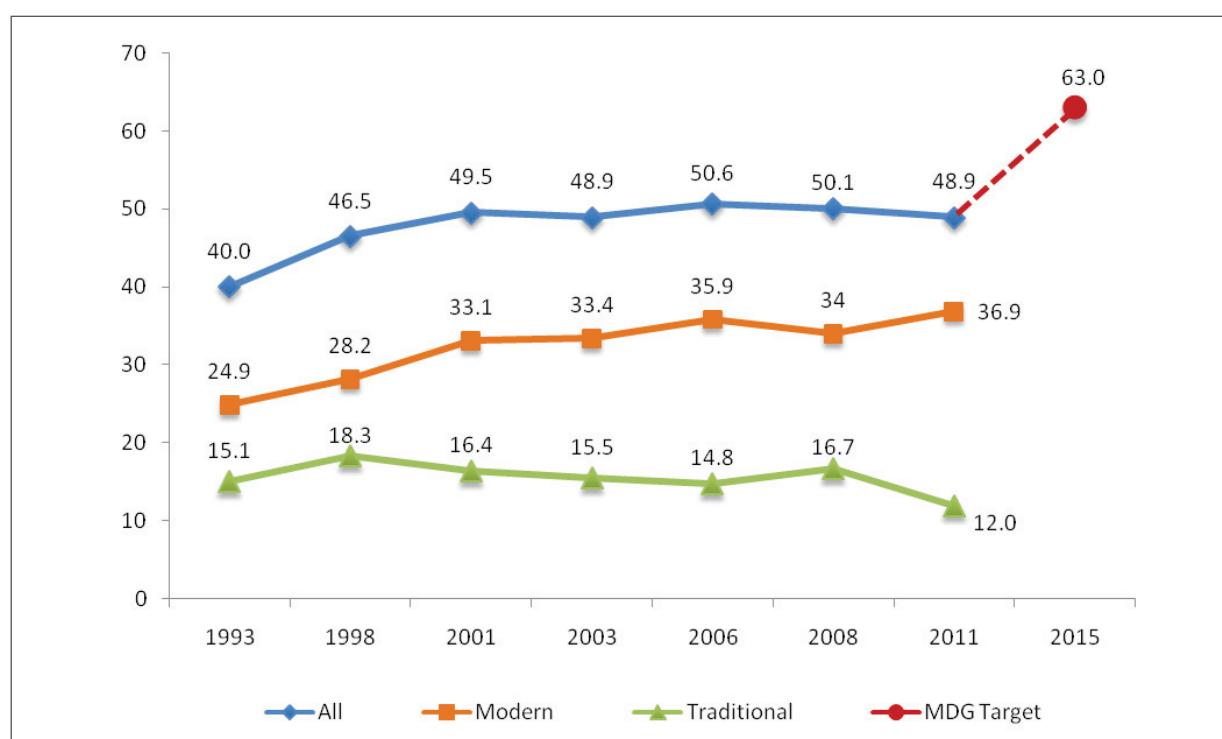
The CPR among currently married women (15-49 years) remains stagnant at almost 50 percent (from 1998 to 2011). The country's CPR target for 2015 is at 63 percent. From 2006 to 2011, the CPR even decreased from 50.6 percent to 48.9 percent. For the same period, the prevalence rate for modern methods was roughly constant, while the traditional methods decreased by 2.8 percentage points. In all regions, modern methods were more widely used than traditional methods regardless of educational attainment, and the socioeconomic status of women. The three most popular methods of contraception are: oral contraceptives, ligation or female sterilization,

and withdrawal. ARMM had the lowest CPR at 23.5 percent, and the Davao Region had the highest at 56.3 percent.

In terms of adolescent fertility, about 54 births occurred among women aged 15-19 years in 2011 (Table 14). It can be observed that fertility peaks at age 25-29 and tapers off sharply after age 34. Overall, adolescent fertility contributed to about 33 percent of the total fertility in 2011. Young women in rural areas (11%) are more likely to have begun childbearing than those in urban areas (8.2%). Likewise, women with less education are more likely to have started childbearing than women with better education.

Women who intend to space or limit births but are not using family planning methods are considered to have an "unmet need" for family planning. The 2011 FHS showed that unmet need for family planning was 19.3 percent, with 10.5 percent for spacing births and 8.8 percent for limiting births. The unmet need for FP has increased by 3.6 percentage points compared with the 2006 FPS estimate of 15.7 percent. Unmet need is greater for women in poor households and among women having no education. ARMM has the highest unmet need

Figure 70. Trends in contraceptive prevalence rate (%), by contraceptive method, 1993-2011



Source: National Demographic Household Survey and Family Health Survey, PSA-NSO

Table 14. Age-Specific and Total Fertility Rates, 1993-2011

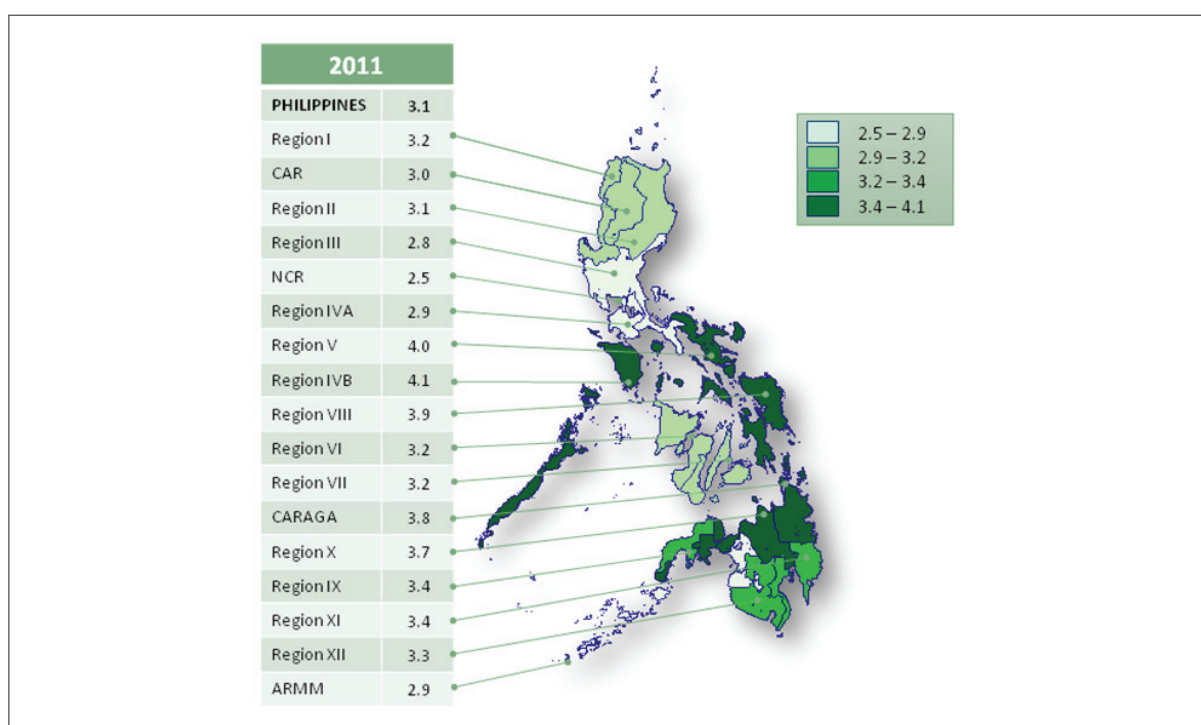
Age Group	1993 NDS	1998 NDHS	2003 NDHS	2006 FPS	2008 NDHS	2011 FHS
15-19	50	46	53	38	54	54
20-24	190	177	178	149	163	159
25-29	217	210	191	171	172	161
30-34	181	155	142	137	136	131
35-39	120	111	95	93	84	80
40-44	51	40	43	37	38	35
45-49	8	7	5	6	6	5
TFR	4.1	3.7	3.5	3.2	3.3	3.1

Source: NSO:NDHS, FPS, FHSThe total fertility rate (TFR) in the Philippines showed a gradual decline since the 1990s. But fertility has remained unchanged since 2001—about 3 children per woman. Table 15 shows TFR is higher in rural areas (3.6) than in urban areas (2.7), and this rural-urban difference is the same as observed in the results of the 2006 FPS. TFR does not vary much across regions. NCR has the lowest fertility at 2.5, while Bicol and Mimaropa have the highest at 4.0 and 4.1 respectively. The 2011 FHS also showed that women with less education generally have higher fertility (Table 15).

at 35.8 percent, while Cagayan Valley has the lowest at 14.3 percent.

In terms of antenatal care, four in five women had the recommended number (at least four) of ANC visits. The proportion of women who had four or more ANC was higher in urban areas (83.7%) than in rural areas (72.8%). In terms of ANC providers, more than half (55.2%) of

women received antenatal care from a midwife; 37.2 percent from a doctor; and 2.1 percent from a nurse. A small percentage received antenatal care from a traditional birth attendant or hilot (2.3%), while 3.1 percent did not receive any antenatal care. The proportion of births attended by health professional increased from 91.1 percent in 2008 to 94.5 percent in 2011, while that of births attended by traditional

Figure 71. Total fertility rate, 2011

Source: Family Health Survey, PSA-NSO

Table 15. Total fertility rate, 2011

Background characteristic	Total fertility rate
<i>Residence</i>	
Urban	2.7
Rural	3.6
<i>Region</i>	
National Capital Region	2.5
Cordilera Admin Region	3
I-Ilocos Region	3.2
II-Cagayan Valley	3.1
III-Central Luzon	2.8
IVA-Calabarzon	2.9
IVB-Mimaropa	4.1
V-Bicol	4
VI-Western Visayas	3.2
VII-Central Visayas	3.2
VIII-Eastern Visayas	3.9
IX-Zamboanga Peninsula	3.4
X-Northern Mindanao	3.7
XI-Davao	3.4
XII-SOCSSKARGEN	3.3
XIII-Caraga	3.8
ARMM	2.9
<i>Education</i>	
No grade completed	4
Elementary	4.3
High School	3.4
College or higher	2.2
Total	3.1

Source: Family Health Survey, PSA-NSO

birth attendants decreased from 5.0 percent in 2008 to 2.3 percent in 2011. Women in almost all regions, except ARMM received ANC from a health professional (ranges from 90.6% to 97.8%). In ARMM, only 64.6 percent of women consulted a health professional for ANC, which is higher than the recorded 2008 NDHS data of 46.7 percent.

Key bottlenecks and priorities for action

Dealing with issues on high adolescent fertility

Adolescents face many threats to their health and wellbeing. The rising trend in teenage pregnancy and fertility which poses a number of negative socioeconomic and health consequences has raised concerns. Adolescent mothers have an increased risk of premature labor and complications during and after delivery, which may lead to high morbidity and mortality among them and their children. Furthermore, early childbearing for young women can severely affect their education and employment opportunities that could likely have a long-term impact on their quality of life. The demographic implications of early teenage pregnancies include higher fertility (as a result of longer sexual exposure), which in turn leads to a larger number of young dependents and the need for more health and nutrition interventions for these young mothers.

Given the situation that adolescents are facing, there is a need to strengthen the Adolescent Health and Youth Development Program (AHYDP) of the government. Some of the remaining gaps and challenges in the AHYDP interventions as identified in the Philippine Population Management Program (PPMP) Directional Plan 2011-2016 are: (a) the sexual and reproductive health needs of adolescents as a group are still largely ignored, where availability and access to information and services are not being fully provided; (b) there is a need for a specific reproductive health packages for special groups of young people (e.g. out-of-school youth, youth in conflict of law, etc.) that will promote behavior change and encourage the improvement in their health-seeking behavior; (c) there is a need for a continuing initiative to involve the parents in adolescent health and development concerns; and (d) there is a need for more comprehensive, timely and relevant sex-disaggregated data, researches and databases on adolescent health and development that will facilitate the development of evidence-based interventions and policies for the youth.



Addressing high unmet need for family planning

The high unmet need for family planning was brought about by the largely high cost associated with practicing contraception. Women are discouraged from availing family planning methods not only because of costs but also health, social, and emotional factors that deter them from having access to FP services. These factors include the following: (a) perceived effects on the health of husbands and wives; (b) husband's fertility preference; (c) strength of fertility preference; and (d) couple's acceptance of family planning. The perceived effects of contraception on health have indeed resulted to low contraceptive use. One of the reasons for high unmet need cited by the 2011 Family Health Survey is related to exposure to contraceptives, such as the fear of side effects.

To address the above issues, the government should: (a) increase demand of FP services especially for Quintile 1 (Q1); (b) ensure availability of FP procurement commodities for the poor; (c) expand coverage and strengthen and improve quality of FP services; and (d) strengthen capacity of national and local health systems to deliver FP/RH information and services.

Full/proper implementation of the Responsible Parenthood Reproductive Health (RPRH) Law

After 14 years of pushing for a national policy on reproductive health, the RA 10354 also known as the Responsible Parenthood and Reproductive Health Act of 2012 was approved by President of the Philippines in December 2012, while its Implementing Rules and Regulations (IRR) was signed in March 2013. In April 2014, the Supreme Court upheld the constitutionality of the RPRH Law, with the exception of eight provisions that were declared unconstitutional. With this significant development, the DOH is set to take the lead in collaborating with other agencies and partners to ensure that all government health facilities are able to provide reproductive health services, including modern family planning methods.

The urgent implementation of the RPRH Law is crucial given the following reproductive health issues that the country is facing: (a) high fertility among poor and less educated women; (b) low contraceptive use and high unmet need for family planning; (c) high unintended and unplanned pregnancies; and (d) high rate of maternal deaths.



The RPRH Law aims to empower women, through informed choice, improved access to information, facilities and services, increased stability and sustainability of health policy across national and local governments, institutionalized partnerships between national and local governments, and recognized important roles and contribution of civil society organizations, basic sectors, the academe and private sector.

The highlights of the IRR include the implementation of improved access to family planning services such as the enhancement of health service delivery, improvement of PhilHealth coverage on reproductive health services especially for the poor, provision of mobile health clinics in remote and depressed areas, hiring and training of skilled health professionals, and continuous monitoring and review of reproductive health programs.

Best Practices

Mobilizing Parents in Educating Adolescents: A Strategy in LPPED Implementation

As with other young people in the Philippines, adolescents in Caraga share the same challenges and experience various vulnerabilities particularly those related to sexuality and reproductive health. But this issue is more pronounced in Caraga being one among the regions with the highest percentage of women aged 15-24 years (40%) who begun childbearing, based on the 2008 National Demographic and Health Survey.

Although several factors that brought about this situation among young women in Caraga have been identified, the role of parents at this stage of development is very critical. Adolescence is the time when understanding, guidance and support from parents are needed most. Ironically, not all parents have been able to perform these functions because they either lacked knowledge on sexuality issues and concerns or they don't know how to adequately communicate these concerns with their growing children.

To effectively address this and related concerns, the Regional Population Office (RPO)–Caraga heightened its advocacy for adolescent health and youth development. In July 2010, RPO-Caraga launched the Learning Package on Parent Education on Adolescent Health and Development (LPPED). After its regional launching, advocacy activities were initiated at different levels to include the Regional Development Council (RDC), Regional Advisory Council (RAC) of the National Youth Commission, Caraga Family Welfare Council through the Department of Labor and Employment (DoLE), and the local government units.

In close coordination with the Department of Education, RPO-Caraga trained a pool of teachers and educators in all divisions of the region in conducting parenting classes using the learning package, with an action plan as one of the outputs. The LPPED-trained teachers and educators echoed their learnings and skills among their coteachers in their respective schools. These classroom teachers are responsible for conducting parenting classes by making use of the regular Homeroom Parent-Teachers Association (HRPTA) meetings.

RPO-Caraga had only funded the initial training of trainers at the division level. Succeeding trainings at the school level were funded either by the schools or LGU through the initiative of the population offices. Actual parenting classes are now regular activities in the schools. These classes are closely monitored by the population officers to ensure that the process and contents observe standards.

Similarly, this strategy has been applied in major private companies in coordination with the Caraga Family Welfare Council, Incorporated (CFWCI) of the DOLE. The Council funded the training of core groups from the different private companies of the region and POPCOM providing the necessary technical assistance..

Initial trainings on reproductive health and family planning concerns have been organized by the private companies in the region and facilitated by RPO-Caraga technical staff. The succeeding sessions were handled by the trained employees, resulting in a multiplier effect in terms of reaching out parents with adolescents given the minimal budget.

Monitoring conducted by the local population officers reveal that those parents who attended the parenting classes on adolescent health and development claim to have a better understanding of the needs of their growing children, and found time talking and being with them, and generally improved their relationships with them.

Best Practices

Promoting Free Access to No-Scalpel Vasectomy in Davao

Responsible Parenthood-Family Planning in Region XI

Upholding reproductive health principles adopted in the 1994 International Conference on Population and Development and the 1995 Fourth World Conference on Women, the local government of Davao City has been implementing a free access to No-Scalpel Vasectomy as a fulfillment of its commitment to make comprehensive Reproductive Health services available since 2008.

The general objective is to promote and effectively implement comprehensive reproductive health services in the city. Specifically, the objectives are: (a) to provide a free access to No-Scalpel Vasectomy among men who are economically marginalized; (b) to popularize No-Scalpel Vasectomy as an alternative permanent sterilization process and (c) to gather quantitative and qualitative data concerning No-Scalpel Vasectomy for program development and policy advocacy.

To attain these objectives the following were accomplished: (a) training of selected male District Health Officers (DHOs); (b) provision of equipment, supplies and materials; (c) initiation of Male Involvement on Reproductive Health (MIRH) program to make it an entry point for popularizing NSV in the communities; (d) tri-media approach to extensively catch a wider audience; (e) development of localized information, education and communication (IEC) materials to protract the reach of the program; (f) FP counseling at the barangay level; (g) pre and post operation counselling; (h) free NSV service provision on a regular basis; (i) implementation of public-private partnership (PPP); and (j) monitoring and evaluation.

The results show that a total of 313 males availed of the NSV services from 2008 to present. The initial profiles of the new acceptors show that: (a) their mean age is 36 years old, (b) half of the acceptors surveyed did not have apply any FP method in the last six months prior to the procedure (c) among those who used FP method prior to the procedure, the most popular FP methods used are pills and condom; (d) the mean number of children of the acceptors is within the range of 2-9; (e) majority of acceptors are from rural areas while the those from urban areas belong to depressed communities; and (f) two-thirds of the acceptors surveyed are Roman Catholics. Among the most common reasons of the new acceptors in availing NSV services are: (a) to limit number of children; (b) spouses are not suited for BTL; and (c) the provision is for free and opportunity costs are given to the acceptors to cover their loss of income while recuperating from the procedure. Post-counselling of clients indicates that both the husband and the wife felt contentment as they have no fear of the wife getting pregnant.

The key factors that contributed greatly to the success and sustainability of the NSV program are: (a) an extensive IEC is vital to the success of the initial phase of the program; (b) community involvement is important in the campaign and popularization of the programs, such as MIRH and Men's Responsibilities on Gender and Development (MRGAD); (c) providing the right information is key to the program's overall success; (d) proper media utilization can be of great advantage in every program campaign; (e) providing alternative FP services to couples who decide to limit their children is very acceptable for the community; (f) strong support of local chief executives; (g) active promotion and advocacy for NSV by the regional population office (RPO) staff during orientation, forum and training (h) passion and commitment of population workers and officers and barangay health workers (BHWs) in constant advocacy and IEC activities in communities regardless of geographical locations; and (i) addressing the issue of poverty as a vital aspect in the implementation ensures the sustainability of the program.



Goal 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Trend Analysis

Based on the Philippine HIV and AIDS Registry of the National Epidemiology Center (NEC), the increase in the number of new HIV infections is rapidly changing. The number of cases doubled if the 2011 cases (2,349) is compared with the 2013 cases (4,814). From 1984 to December 2013, there were 16,516 HIV Ab sero-positive cases reported to the Philippine HIV and AIDS Registry. Of the total, 1,507 (9%) were AIDS cases while 15,009 (91%) were asymptomatic. Furthermore, about 89 percent (or 14,659) of the cumulative total were males. The age groups with the most number of cases were 20-24 years (22%), 25-29 (30%), and 30-34 years (19%). Clearly, HIV infection is highest among the productive age group.

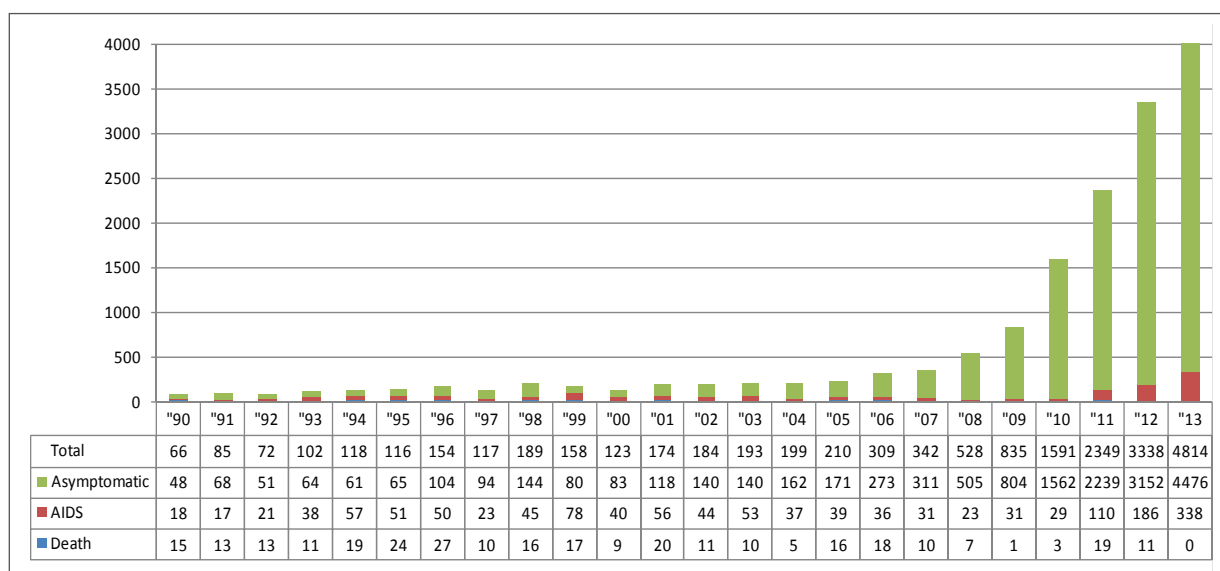
In terms of transmission, 93 percent (15,345) of the 16,516 HIV positive cases were infected through sexual contact; 4.0 percent (711) through needle sharing among injecting drug users and less than 1.0 percent through mother to child transmission (62), through blood transfusion

(20) and through needle prick injury (3). No data is available for 2.0 percent (375) of the cases. Of the infections through sexual contact (15,345), cumulative data shows 27 percent (4,073) were infected through heterosexual contact, 45 percent (6,879) through homosexual contact, and 29 percent (4,393) through bisexual contact. Notably, from 2007 the predominant trend of sexual transmission shifted from heterosexual contact to males having sex with males.

Based on the 2011 Most-at-Risk Population (MARP) and Persons Living with HIV (PLHIV) Estimate, HIV prevalence is projected at 0.048 percent in 2013 or 48 cases per 100,000 adult Filipinos and it will remain less than one percent by 2015, or 0.062 percent or 62 per 100,000. It should be noted, however, that the projections show that the total HIV population may be higher compared with the cases reported in the Philippine HIV and AIDS Registry of the NEC which is a passive surveillance system.

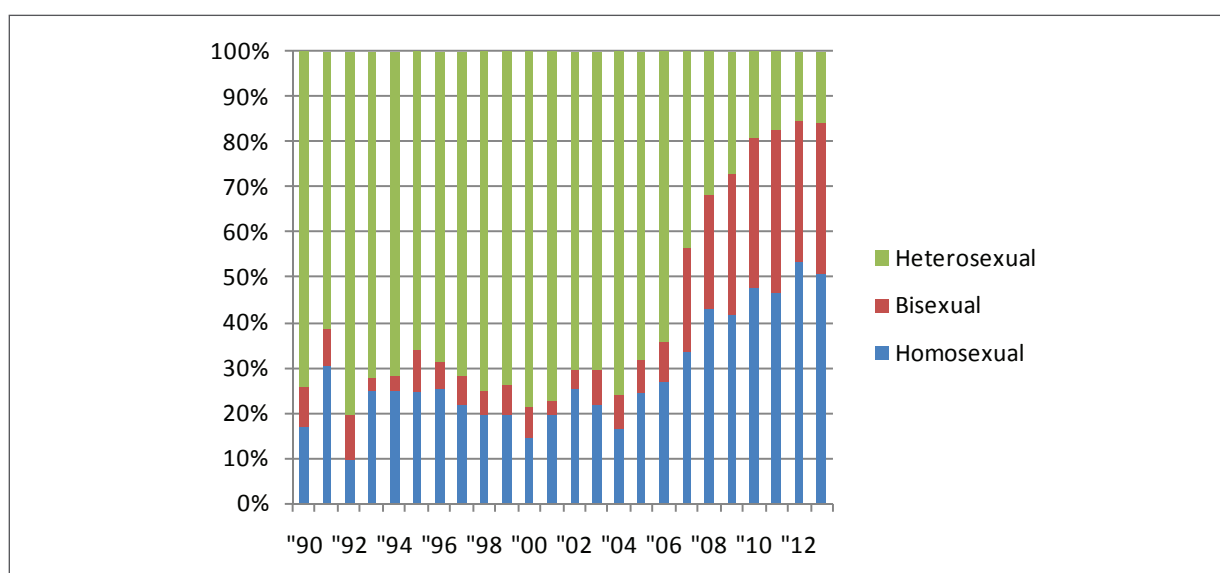
In terms of geographical distribution, about half (50%) of the reported cases came from NCR. This is followed by Region IVA (13%), Region VII (9%), Region III (8%), and Region XI (6%).

Figure 72. Number of HIV/AIDS Cases Reported in the Philippines, 1990 to 2013 December



Source: Philippine HIV and AIDS Registry, National Epidemiology Center

Figure 73. Proportion of types of sexual transmission, 1990- 2013 December



Source: Philippine HIV/AIDS Registry, National Epidemiology Center

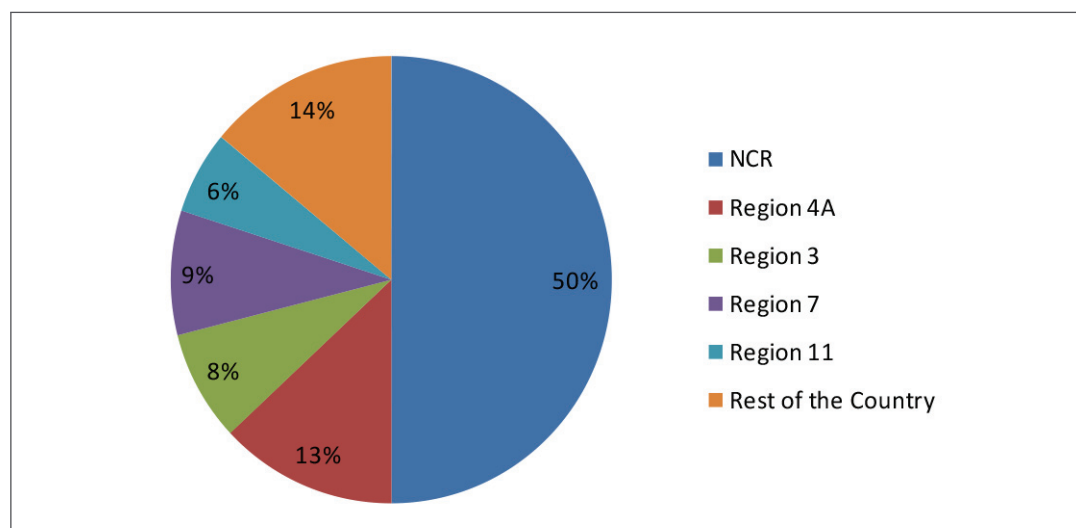
Table 16. Projected HIV Population, Prevalence, and New Infections, 2005-2015

All ages	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Philippines											
HIV population											
Total	5,577	6,749	8,166	9,877	11,981	14,967	19,022	22,837	26,907	31,180	35,941
Male	4,481	5,430	6,577	7,961	9,668	12,132	15,509	18,617	21,914	25,369	29,218
Female	1,096	1,319	1,589	1,916	2,313	2,834	3,513	4,221	4,993	5,811	6,723
Prevalence (15-49)	0.012	0.014	0.017	0.02	0.023	0.029	0.036	0.042	0.048	0.055	0.062
New HIV infections											
Total	1,242	1,493	1,776	2,118	2,574	3,530	4,625	4,383	4,617	4,919	5,526
Male	1,004	1,208	1,437	1,714	2,087	2,906	3,843	3,577	3,749	3,990	4,484
Female	237	285	339	404	486	624	781	806	867	929	1,042
Annual AIDS deaths											
Total	248	288	319	360	415	482	495	477	441	523	625
Male	199	231	257	290	335	390	404	394	364	433	517
Female	50	57	62	70	80	92	90	84	77	91	107

Source: 2011 MARP and PLHIV Estimate, PNAC

Antiretroviral (ARV) drugs continue to be provided to persons living with HIV (PLHIV) free of charge through the DOH and its treatment hubs. As of December 2013, there are 5,564 people living with HIV presently on antiretroviral therapy (ART). This is estimated to be 82 percent of projected PLHIV needing ART (6,779 based on the 2011 MARP and PLHIV Estimate). There are now 17 HIV treatment hubs in DOH-retained regional hospitals, two private hospitals, and three satellite treatment hubs in selected LGUs. Outpatient care (e.g. laboratory requirements) of PLHIVs is now covered by PhilHealth. From October 2010 to date around 40 percent of PLHIVs needing treatment were enrolled with the Philhealth outpatient benefit package.

Prevention interventions in the country primarily focus on targeted education and risk-reduction counselling delivered through trained peers in high-risk cities. The target populations include female sex workers (FSWs), males who have sex with males (MSMs), persons who inject drugs (PWIDs), and other social hygiene clinic (SHC) clients for sexually transmitted infections (STIs). Medicines for the treatment of STIs as well as preventive commodities (condoms) were distributed to key populations at risk while counselling and testing were performed in social hygiene clinics (SHCs) and other health facilities. Prevention activities for the general population were mainly institution-based (provided through the educational system

Figure 74. Geographic distribution (1984-2013 December)

Source: Philippine HIV/AIDS Registry, National Epidemiology Center

or the workplace) or through social media and consisted mainly of increasing awareness and knowledge, and referrals. It should also be noted that administrative guidelines were issued in the collaborative approach of TB and HIV prevention and control in order to decrease the burden of TB among PLHIVs and the burden of HIV among TB patients.

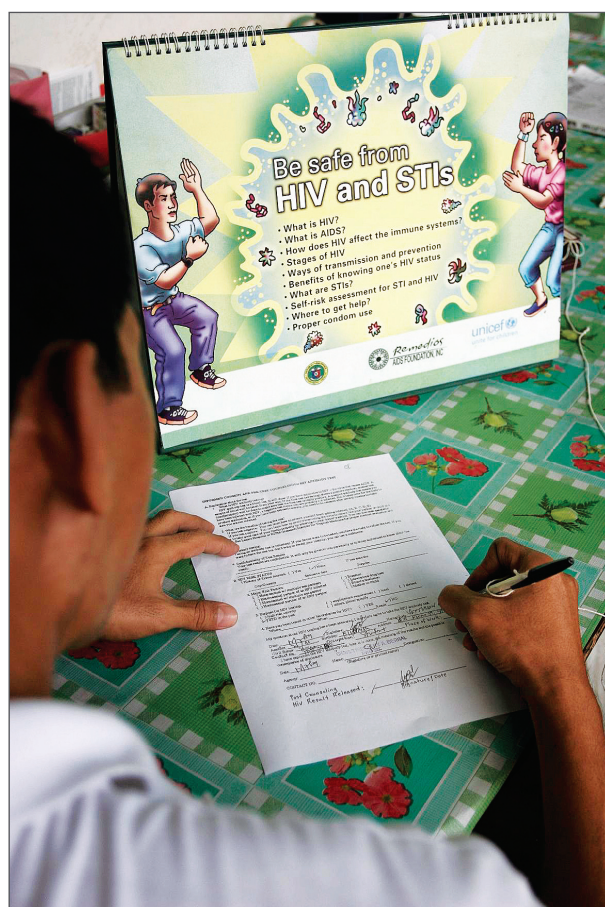
The DSWD's referral mechanism paved the way for PLHIVs to gain access to social services and other economic opportunities. Regional AIDS Assistance Teams (RAATs) were established to assist LGUs in formulating local response. Furthermore, the Civil Service Commission (CSC) and the Department of Labor and Employment (DoLE) issued guidelines in the implementation of workplace policy and education program on HIV among government agencies including the private sector. In 2013, the "Getting to Zero" initiative was started in the National Capital Region. The overall goal of this initiative is to have zero new HIV infection, zero AIDS-related discrimination, and zero AIDS-related deaths.

Key bottlenecks and recommendations

Program coverage specifically for prevention remains low. Based on the results of the *2011 Integrated HIV Behavioral and Serologic Surveillance (IHBSS)* only 22.73 percent of MSMs were reached with prevention interventions. Further, only 36 percent of MSMs reported condom use and only five percent have received an HIV test in the past 12 months and know their result. Coverage indicators for PWIDs are also low. Only 15 percent of PWIDs reported condom use during their last sexual intercourse, while only 24 percent of PWIDs reported using sterile injecting equipment. Notably, about 63 percent of sex workers were reached with prevention interventions. Stigma in the community persists and policy barriers restrict the implementation of effective interventions, particularly for PWIDs. In addition, service provision may not be youth/MSM-friendly; clinic and hospital staff is inadequate in certain areas, and funding at the local level remains limited in most areas.

In recent years it can be observed that the spending on HIV by the DoH has been increasing but total spending including external assistance is actually declining (from US\$8.3 million in 2010 to US\$7.9 million in 2011 based on the *2012 Global AIDS Response Progress Report*). It is therefore crucial that financing of programs and projects be sustained especially in light of rapidly increasing new HIV cases. Furthermore, financing of HIV prevention programs need to be supplemented by increased investment by LGUs. In addition, there may be a need to enhance the Philhealth benefit package in relation to ART monitoring and treatment in view of increasing medical costs.

In order to improve service coverage, there is a need to intensify outreach services and community mobilization. There is also a need to reorient service provision and ensure that it is accessible and acceptable to youth and MSMs. Targeting needs to be focused on areas where most infections are coming from, both geographically (National Capital Region, Metro Cebu, and Davao) and in terms of key affected populations (MSMs among youth group). Advocacy activities geared towards increasing investments of LGUs need to be scaled-up especially in terms of funding for prevention activities (health promotion,



diagnostic/medical/commodity supplies), human resource augmentation (medical technologists, counsellors, peer educators), and health facility enhancement (refurbishment of social hygiene clinics). There is also a need for continuous engagement of community-based organizations

to ensure wider coverage of programs as well as collaboration with the private sector with regard to HIV counselling and testing strategy. Lastly, efforts to fast-track the amendments to RA 8504 (AIDS Prevention Law) need to be strengthened in order to ensure responsive policies and programs.

Best Practices

Klinika Bernardo, the first “sundown” clinic in Quezon City

The clinic is under the Quezon City Health Department, operating beyond the usual office hours and days to accommodate the varying work hours of the young male population. It opened in December 2012 with clinic hours starting 8:00 am until 11:00 pm from Monday to Friday. It is also open on the 2nd and 4th Sunday of the month from 2:00 pm until 7:00 pm.

The outcome expected to be generated by the “sundown” clinic is to reach out to more individuals at risk of contracting sexually transmitted infections (STI) and ensure that health services are readily available. These services include: HIV counselling and testing; STI diagnosis, treatment and management; and referral, among others. It has been reported that the number of HIV cases among MSMs in Quezon City is very high. Given the “extended clinic hours”, it is expected that more clients will be catered to, thereby increasing access to prevention services. By providing diagnostic services, early treatment and appropriate referral and support can be given to clients thereby improving their quality of lives.

To date, the clinic has 125 clients per month on the average. It is also working closely with other NGOs such as *Take the Test Project*; AIDS Society of the Philippines; Pinoy Plus; Positive Action Foundation Philippines, Inc.; St. Camellus; Action for Health Initiatives, Inc.; and Love Yourself; among others. The establishment of the first sundown clinic for males also shows the commitment of the local government in addressing sexually-transmitted infections, including HIV, and in providing health services that is also gender-responsive/friendly.

Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Trends and Inequality Analysis

Malaria

Malaria data show that for the period 1990-2010, malaria morbidity rate declined from 123 cases per 100,000 population in 1990 to 21 cases per 100,000 population in 2010. As of 2011, malaria morbidity rate was posted at 9.5 cases per 100,000 population representing a 52 percent decrease from the 2010 figure. By the end of 2012, the malaria morbidity rate was at 8.3 cases per 100,000 population. The mortality rate due to malaria likewise declined from 1.5 deaths per 100,000 population in 1990 to .03 per 100,000 in 2010. This further declined to .01 per 100,000 population in 2011 and remained at that level in 2012 (Table 17). A total of 27 provinces were declared malaria-free

Table 17. Malaria Morbidity and Mortality Rates, 1990-2012

Year	Morbidity rate (per 100,000)	Mortality Rate (per 100,00)
1990	123	1.50
1995	86	0.90
2000	48	0.40
2005	55	0.17
2007	41	0.08
2008	26	0.06
2009	22	0.03
2010	21	0.03
2011	9.5	0.01
2012	8.3	0.01

Source: Department of Health (DOH)

in 2012 from only 13 provinces in 2004. The 27 malaria-free provinces include Cavite, Batangas, Marinduque, Catanduanes, Albay, Masbate, Sorsogon, Camarines Sur, Iloilo, Aklan, Capiz, Guimaras, Bohol, Cebu, Siquijor, Western Samar, Eastern Samar, Northern Samar, Northern Leyte, Southern Leyte, Biliran, Benguet, Camiguin,

Surigao del Norte, Batanes, Dinagat Islands and Romblon.

Based on program data the provinces with most number of malaria cases in 2011 include Palawan, Tawi-tawi, Sulu, Occidental Mindoro, Zambales and Maguindanao.

The improvements in malaria morbidity and mortality rates may be attributed to the vigorous implementation of the National Malaria Control and Eradication Program (NMCEP) by the DoH. The program adopted seven strategies namely: stratification; early diagnosis and treatment; strengthening vector control; strengthening surveillance and epidemic management; ensuring quality of services; intensifying health promotion; and building local capacity to manage and sustain the program. Program initiatives include: (a) forging a strong political commitment both at the national and local government levels; (b) using proven efficacious technologies for diagnosis and treatment; (c) strong and sustained cooperation/collaboration among stakeholders; and (d) having sufficient knowledge on the epidemiological aspects of the disease, e.g., patterns of malaria transmission, susceptibility of malaria parasites to anti-malarial drugs, susceptibility of vectors to insecticides that are going to be used, eco-epidemiological types of malaria, local malaria and vector species, etc. Moreover, needed logistics were made available through the assistance of development partners like the Global Fund and AusAID as well as NGOs and the private sector.

Tuberculosis

Tuberculosis is still one of the top causes of morbidity and mortality in the country. Table 18 shows the burden of disease caused by TB as measured in terms of incidence, prevalence and mortality. Data indicate that for the period 1990-2010 the incidence rate due to tuberculosis decreased from 393 cases per 100,000 population in 1990 to 275 cases per 100,000 population in 2010. This further dropped to 270 per 100,000 cases in 2011. Prevalence rate also declined from 1,000 cases per 100,000 in 1990 to 502 cases per 100,000 population in 2010. In 2011, it was posted at 484 cases per 100,000 population. The TB mortality rate likewise declined from 58 deaths per 100,000 population in 1990 to 30 deaths in 2010. Further reduction was observed in 2011

Table 18. Tuberculosis: Incidence, Prevalence and Mortality Rates (per 100,000) 1990-2011

Year	Incidence Rate	Prevalence Rate	Mortality Rate
1990	393	1000	58
1995	360	904	49
2000	329	775	41
2005	301	633	35
2009	280	520	31
2010	275	502	30
2011	270	484	29

Source: Global Tuberculosis Report 2012, WHO

when the TB mortality rate dropped to 29 deaths per 100,000 population.

As regards multi-drug resistant tuberculosis (MDR-TB), the Global Tuberculosis Report for 2012 showed that the estimated percentage of new TB cases with MDR-TB was at 4 percent in 2011 while that of retreatment cases was at 21 percent.

Table 19 shows the progress in terms of program indicators namely, case detection rate (CDR) which represents the proportion of TB cases detected out of the estimated incident cases, treatment success rate (TSR) which represents the proportion of those who got cured and those who completed treatment, and cure rate (CR) which measures the number of TB cases who completed treatment and with two smear negative results at the end of treatment. For the period 1995- 2010, the CDR increased from 48 percent to 65 percent.

The CR likewise increased from 73 percent to 85 percent and the TFR increased from 60 percent in 1995 to 91 percent in 2010. As of 2011, the CDR was posted at 76 percent, TSR at 91 percent and CR at 85 percent.

Table 20 shows the CDR, TSR and CR by region, based on program data.

The National Tuberculosis Control Program (NTP) continued to adopt the DOTS strategy as the overarching framework for TB control. Initiatives that are being pursued at present include the engagement of private and other health related sectors; community participation for TB care and support; addressing the needs of high risk groups (e.g. children, inmates) ; addressing difficult conditions (TB-HIV, drug resistant TB); and quality and systems improvement, e.g., Gen-Expert, integrated TB information, DOTS certification.

Table 19. Tuberculosis: Case Detection Rate, Treatment Success Rate and Cure Rate 1995-2011

Year	Case Detection Rate	Treatment Success Rate	Cure Rate
1995	48	60	73
2000	47	88	82
2005	53	89	80
2009	57	89	82
2010	65	91	85
2011	76	91	85

Source: Global Tuberculosis Report 2012, WHO

Table 20. Tuberculosis: case detection rate, treatment success rate and cure rate by region, 2011

Region	Case Detection Rate	Treatment Success Rate	Cure Rate
I-Ilocos Region	81	95	87
II-Cagayan Valley	62	94	86
III-Central Luzon	67	89	77
IVA-Calabarzon	57	89	80
IVB-Mimaropa	70	89	83
V-Bicol	104	92	85
VI-Western Visayas	93	95	92
VII-Central Visayas	67	91	88
VIII-Eastern Visayas	60	91	84
IX-Zamboanga Peninsula	76	90	86
X-Northern Mindanao	65	93	88
XI-Davao	66	91	82
XII-SOCCKSARGEN	68	92	85
XIII-Caraga	93	93	90
Cordilera Admin Region	61	92	83
ARMM	40	87	64
National Capital Region	104	87	83

Source: Department of Health



Key Bottlenecks and Priorities for Action

Various initiatives have been implemented and significant strides have been achieved in the area of malaria and tuberculosis prevention and control. However, issues and concerns that need to be addressed to further strengthen and sustain program initiatives remain as indicated below:

Improving Service Delivery and Access to Quality Services

Significant reduction of TB and malaria cases can only happen if the population at risk and those who are affected have ready access to quality services. Thus, it is necessary that appropriate policies are adopted and improvements in service delivery are undertaken. For instance in malaria control, the plan is to move from control to elimination of the disease. This necessitates the review and updating of the Manual of Operations and treatment guidelines, existing



malaria policies, protocols and other guidelines to make it consistent with the elimination strategy. It is also necessary to orient the Centers for Health Development, Provincial Health Offices and the LGUs on the Medium Term Plan for Malaria (MTPM) and to ensure that malaria activities are according to stratification and in line with the MTPM. The establishment of malaria elimination hubs and collaborating centers would also be necessary to maintain malaria epidemic preparedness and sustain a quick response system. Furthermore, this will strengthen the local health systems and upgrade capability to facilitate malaria elimination.

For the NTP, priority interventions include the following: (a) intensified case finding in vulnerable/high risk population, e.g. urban poor, children, elderly, TB-HIV co-morbidities; (b) expansion of the DOTS strategy to other health service providing facilities, e.g., hospital scale-up to catch the other forms of TB cases, workplace and schools; (c) scaling up of rapid detection and treatment of DR-TB/MDR TB using newer technologies to speed up the diagnosis and to broaden the referral network; and (d) provide better access to services.

For both programs, the timely and continuous supply of quality drugs and medicines will have to be assured. In this regard, strengthening the

procurement/logistics system is necessary. In addition, it is important that program support services such as monitoring and evaluation are strengthened with priority given to low performing LGUs. Steps to ensure that program policies and guidelines are that strictly adhered to at the local level need to be undertaken. Advocacy activities are also needed to improve the health-seeking behavior of the population and to heighten awareness on the various initiatives of these two programs.

Adequate and Sustainable Financing

For the NMCEP, financing is needed for continued case detection and management in control and pre-elimination areas and most especially for continued surveillance in areas where the disease has already been eliminated. The program has been dependent on external assistance (e.g., The Global Fund) and advocating for enough funds is necessary to sustain the operations after the termination of assistance. It is also necessary to ensure facility accreditation on the NMCEP benefit package. Moreover, guidelines may need to be drawn up for a more rationale use of external funds and to establish a reasonable cost-sharing mechanism between the national and local government in support of the NMCEP and the NTP.

Best Practices

USAID-TB LINC (linking initiatives and networking to control tuberculosis): Increasing access to tuberculosis (TB) diagnostic services through the establishment of Remote Smearing Stations (RSS)

TB case finding in the country rely on sputum microscopy as the primary diagnostic tool. TB microscopy services are provided by laboratories in government Rural Health Units (RHUs)/health centers and hospitals and in some private (including NGO) laboratories and hospitals located mainly in towns or cities. Microscopy services are generally provided free of charge in the public sector as well as in some laboratories run by non-profit organizations. However, for many TB patients residing outside town centers specifically in island and mountain barangays (villages), access to microscopy services is made difficult by barriers like distance, poor roads, unavailability and cost of transportation, and related direct and opportunity costs.

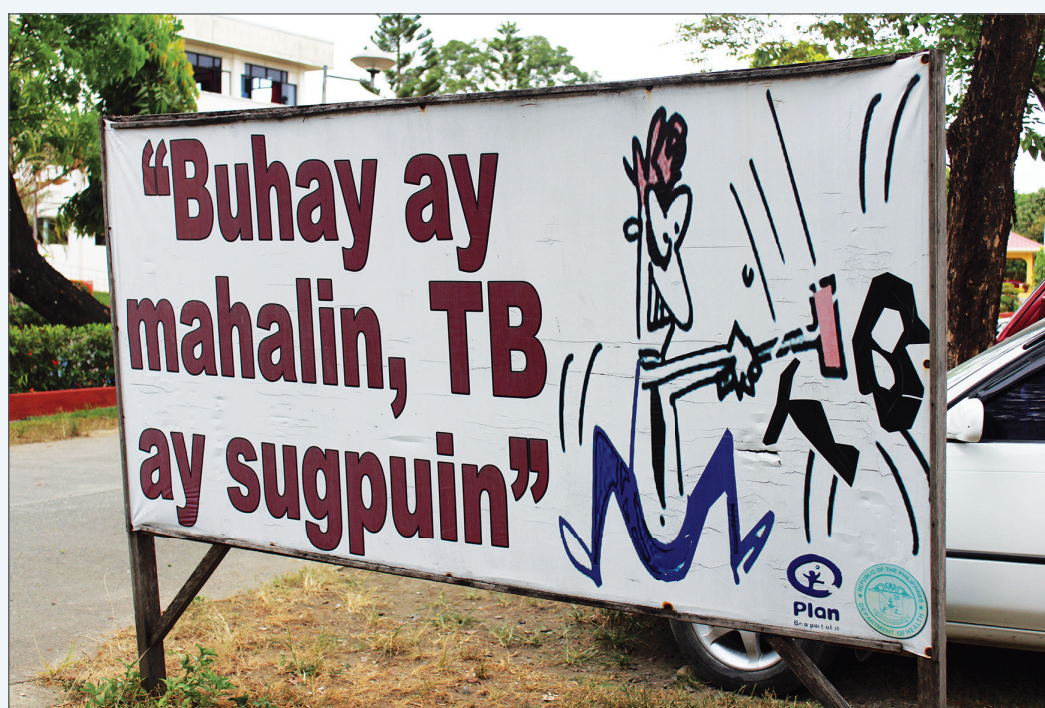
Difficult access to laboratories contributes to low case detection and inadequate treatment follow-up of smear-positive TB patients. To address this challenge the USAID-assisted TB LINC project built on and strengthened the existing practice of: (a) using the barangay health station (BHS) as a smear preparation area; and (b) engaging barangay health workers (BHWs) to do sputum collection and smear preparation. The project added value to this practice by introducing a systems approach that consisted of: (a) the conduct of a situational analysis to determine the areas in which the RSS is needed and ascertain whether the initiative is feasible and acceptable to the community; (b) advocacy to secure the local government units commitment to provide the necessary administrative, financial, logistical, technical and community support; (c) training BHWs as well as other willing and able health staff in sputum collection and smearing using an enhanced training curriculum; (d) developing the support system for RSS operations, including logistics information, technical support and financial assistance; and (e) establishing a mechanism for monitoring and evaluation. The RSS was implemented in Zamboanga City, Zamboanga Sibugay, Sarangani and Compostella Valley.

The establishment of the RSS addressed many of the barriers to laboratory access that confronted the patients. With the sputum collection and smearing conducted at the BHS located right in the community, patient need not go to the RHU-based laboratory at the poblacion (town proper) to submit sputum specimens. This significantly cuts down the patient's direct and indirect costs of travel. In addition, the RSS helps reduce turnaround time and degradation of specimen quality. Collected sputum specimens are processed within a shorter time, that is on the same day of submission, thus avoiding the loss of specimen quality due to prolonged storage and other unfavorable conditions. The trained "smearers" also contribute to reducing the number of smear preparations that the microscopist has to perform, although the microscopist still has to stain and read the slides. To a certain extent, this frees up the time of the microscopist and enables him or her to attend to the laboratory procedures for other health programs such as the Malaria Control Program.

At the TB control program level, the RSS contributed to the detection of smear-positive cases. For instance, in Zamboanga City, it was shown that in 2011, 18 RSS contributed 86 (7%) of the new smear-positive cases (NSP). These NSP cases might not have been identified if there was no RSS in the barangays with access problems.

In terms of replicability, the RSS can be easily replicated at minimal cost using the National TB Reference Laboratory (NTRL) guidelines. The RSS does not require a new structure. A BHS or barangay health post with the necessary facilities to enable sputum collection and sputum smear preparation may be used. One RSS may be tapped to serve not only the barangay where it is located but may also cover contiguous barangays as well. An essential and critical factor in its successful replication is the commitment of the key players – the DoH – National Center for Disease Prevention and Control, NTRL, the Centers for Health Development, the concerned Provincial Health Office, RHU/City Health Office, the barangay, and the “smearers” – to take on their roles and responsibilities.

To sum up, RSS draws from an existing practice with a systems approach added to ensure effective and efficient implementation of the initiative. The systems approach will ensure that the elements necessary to make RSS work are in place – barangay support (e.g., mechanism for transporting slides to the RHU-based laboratory, incentives for BHWs), training of BHWs in sputum collection and smearing, recording and reporting, facilities and logistics, monitoring and supervision, external quality assessment, among others things.



Best Practices

Mobilization of Volunteer Barangay Malaria Microscopist to Provide Quality Health Services in Hard-to-Reach Areas.

Malaria is a rural disease and is commonly found in remote areas where regular health services are wanting. Keenly aware of this situation and of the ensuing need to make malaria services more accessible, the National Malaria Control and Eradication Program (NMCEP) initiated the mobilization of volunteer barangay malaria microscopists. These volunteers provide malaria services in hard-to-reach areas. The services they offer include early diagnosis of malaria through microscopy, followed by treatment within 24 hours, following the national treatment guidelines. At the same time, they educate individuals and families on ways to prevent and control malaria.

To ensure accuracy and reliability of malaria microscopy, quality assurance systems (QAS) have been put in place. As the first level of the QAS, microscopists must first undergo the Basic Malaria Microscopy Training, which lasts for five weeks. The training is conducted by the National Core Group of Trainers/Validators (NCGT), composed of National Reference Laboratory staff and microscopy validators from the Regional and Provincial Health Offices. Trainees who obtain the passing mark of at least 80 percent in the training can be designated as malaria microscopists. To maintain proficiency, microscopists are to undergo a regular refresher course every three years, also provided by the NCGT.

The second level of QAS is done through validation/cross-checking of blood films read by the microscopist, with on-site supervision, feedback and remedial interventions. The purpose of the validation is not to find fault and look for deficiencies but rather to further enhance the skills of the microscopists and help improve the support system for delivering microscopy services e.g., checking the functionality of the microscope, adequacy of laboratory reagents/supplies, recording system, etc. This quality assessment covers the proficiency of microscopists especially on accuracy, specificity, sensitivity, species identification and parasite quantification.

The third level of QAS requires that all provincial and regional microscopy validators undergo proficiency assessment every two years. This assessment is done by the Research Institute for Tropical Medicine – National Reference Laboratory (RITM-NRL). This level also requires the accreditation of the NCGT through the World Health Organization (WHO) Regional Accreditation and External Quality Assurance Program every 2-3 years.

A sustainability mechanism for barangay microscopists has been established in the form of financial incentives. This incentive scheme is implemented in the 40 malaria project-covered provinces, where the incentives are provided partly by the LGUs, as well as by the malaria Global Fund Project through the Pilipinas Shell Foundation, Inc. (PSFI). In addition, the project also trained barangay microscopists in these sites to run various livelihood programs (e.g., making of soaps, candles and rugs from used insecticidal nets) to help in their financial sustenance.



Goal 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

Target 7.A: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Status and Trends

Forest resources

The latest forestry data released by the Department of Environment and Natural Resources-Forest Management Bureau (DENR-FMB) based on the 2010 satellite imageries shows that the forest cover shrunk from 23.9 percent of the country's total land area (7,162,560 ha) in 2003 to 22.8 percent (6,839,718) in 2010. This indicates that the remaining forest covers are about 4.59 percent, or 328,682 hectares, less than the 2003 estimate.

This can be attributed to the rate of consumption of forest products, through slash-and burn agriculture, charcoal making, and logging activities, far exceeding the rate of reforestation from 2003 to 2010⁸. Executive Order

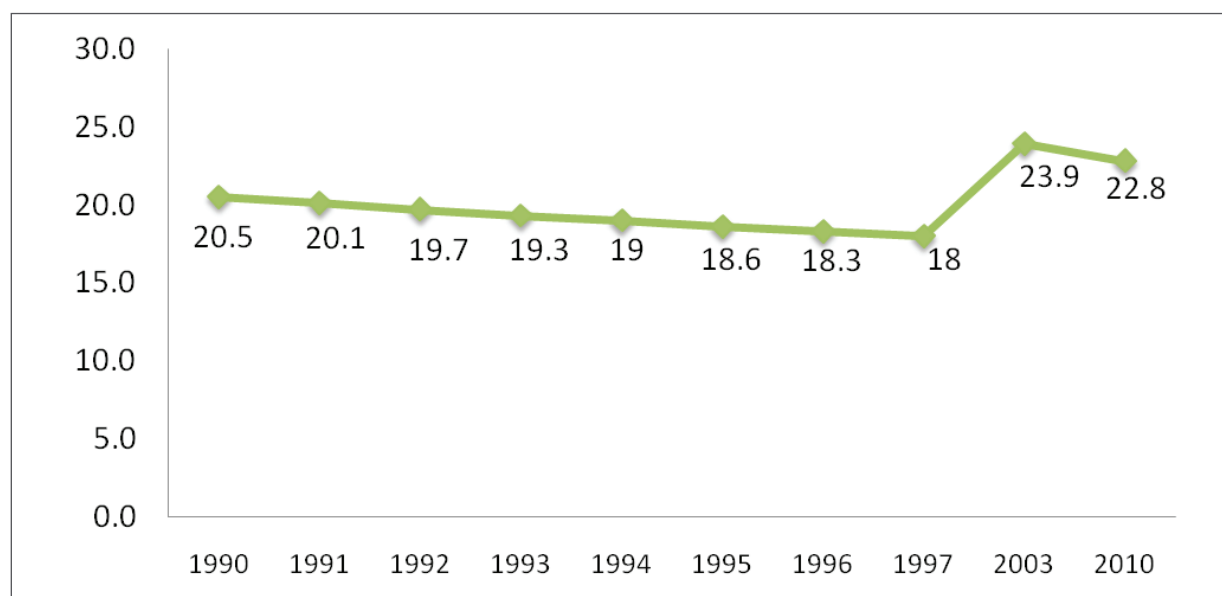
(EO) 23 entitled "Declaring a Moratorium on the Cutting and Harvesting of Timber in the Natural and Residual Forest and Creating the Anti-Illegal Logging Task Force" issued in February 2011 is expected to curb further degradation of the country's remaining forests. Furthermore, EO 26 or "The National Greening Program" (NGP) has been issued to eventually constitute the biggest reforestation program in the history of the country which aims to plant 1.5 billion trees in 1.5 million hectares in six years (from 2011-2016).

Coastal and marine resources

Advocacy and development of guidelines and integrated coastal management plans are some of the initiatives to enhance the management of coastal and marine resources. The Coral Triangle Initiative National Plan of Action was implemented. Also, the guidelines on mangrove rehabilitation and reversion of abandoned, unproductive and unutilized Fishpond Lease Agreements into mangrove forests through Convergence Initiative were developed. Preliminary delineation of

⁸ Mayuga, Jonathan L. (2014, February 18). Latest Forestry Data Show Palawan, Mindoro's Forests Shrinking. *Business Mirror*. Retrieved from <http://www.businessmirror.com.ph/index.php/en/news/regions/27766-latest-forestry-data-show-palawan-mindoro-s-forests-shrinking>

Figure 75. Philippine Forest Cover, 1990-2010



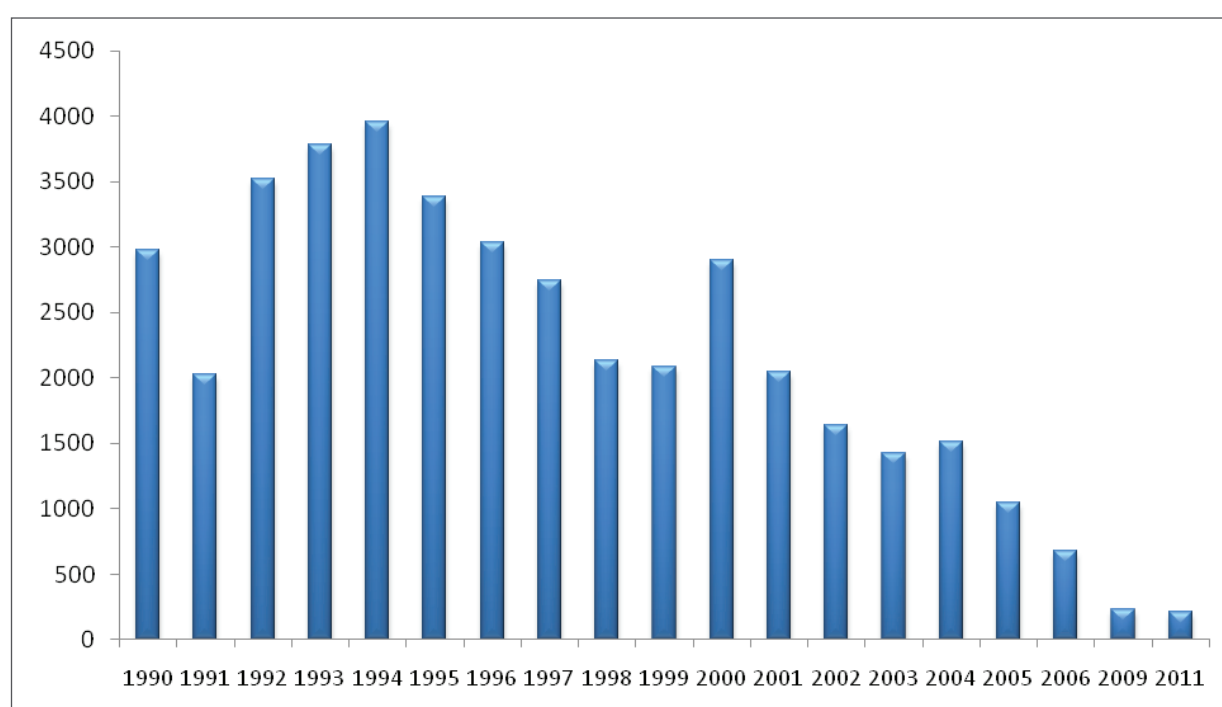
Source: PSA-NSCB MDG Database; DENR-Forest Management Bureau (FMB)

municipal waters for 927 coastal LGUs was completed. From 2010 to 2011, maps of municipal water boundaries of 25 LGUs have been certified by NAMRIA involving a total of 275 coastal municipalities.

Air quality

When the Philippines ratified the Montreal Protocol in 1991, the country committed itself to phase-out the importation and consumption of chlorofluorocarbons (CFCs) in all sectors.

Figure 76. Consumption of ozone depleting CFCs (ODP tons)



Source: PSA-NSCB MDG Database

Since the Philippines is neither a producer nor an exporter of CFCs and other ozone depleting substances (ODS), compliance with the treaty is through the gradual decrease in importation. The remarkable performance in decreased consumption of ODS can be attributed to number of regulations and policies on improving the air quality in the country. The National State of the Brown Environment Report (2005-2007) prepared by DENR-EMB, discusses the government's efforts on management of various sources of air pollution.

On September 16, 2012, the Philippines was awarded by the Ozone Secretariat and United Nations Environment Programme (UNEP) a plaque "recognizing and appreciating the Philippines for the vital role in protecting the ozone layer for generations to come" in celebration of the 25th anniversary of the Montreal Protocol.

Water quality

Nineteen Priority Rivers have been identified for clean-up, rehabilitation and maintenance under the *Sagip-Ilog* program. In terms of priority rivers with biological oxygen demand (BOD) level not within the water criteria in 2010, significant reductions have been registered in Parañaque (-23.26%), Meycauayan (-23.56%), Marilao (-23.83%), Bocaue (-38.91%) and Iloilo (-41.75%). Meanwhile, Pasig River, San Juan River, Calapan River and Balili River registered an increase in BOD levels by 9.31 percent, 37.08 percent, 12.12 percent and 18.92 percent, respectively.

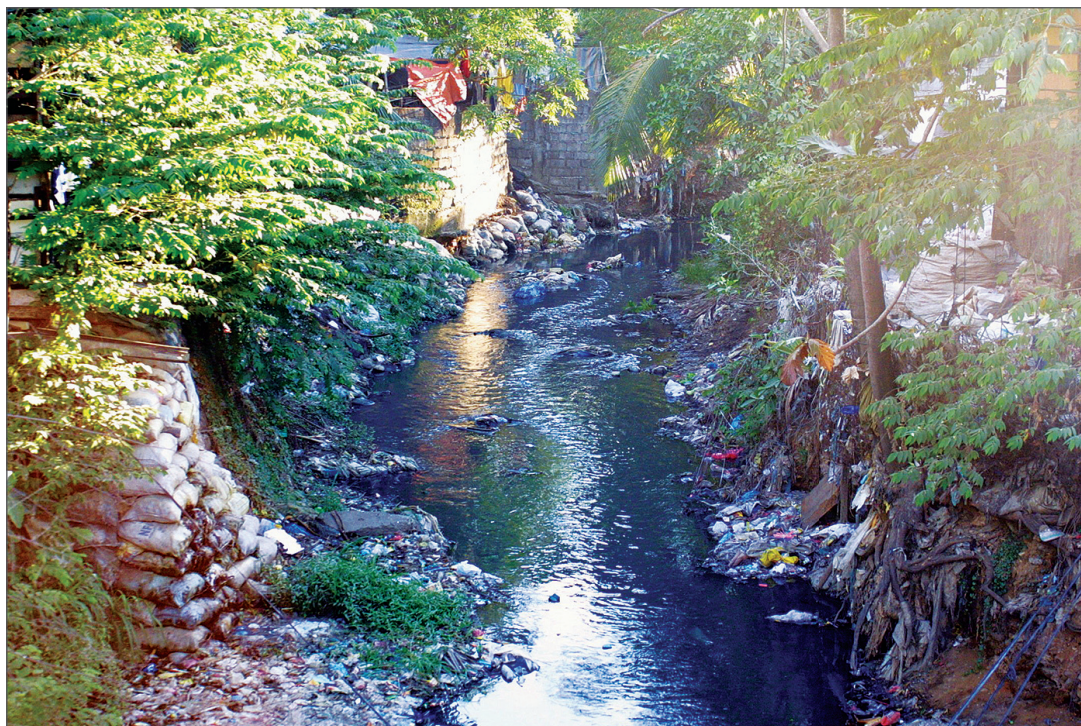
The *Adopt-An-Estero/River* program was initiated to undertake the massive clean-up of esteros and polluted rivers nationwide through public-private partnership. In 2012, there were 314 Memoranda of Agreement signed adopting 193 water bodies nationwide.

Table 21. Change in BOD levels of 19 priority rivers from 2010 to 2011

Region	Water Bodies	Class	Annual Average BOD (mg/L)		Percentage Change
			CY 2010	CY 2011	
NCR	Parañaque River	C	38.00	29.16	-23.26
	Pasig River	C	29.01	31.71	9.31
	Marikina River	C	10.29	9.89	-3.89
	San Juan River	C	35.38	48.50	37.08
III	Meycauayan River	C	59.00	45.10	-23.56
	Marilao River	C	24.00	18.28	-23.83
	Bocaue River*	C	11.00	6.72	-38.91
IV-A	Imus River	C	12.00	11.57	-3.58
	Ylang-ylang River	C	119.00	ND	-
IV-B	Calapan River	C	14.00	15.71	12.21
	Mogpog River	C	ND	ND	-
V	Anayan River*	C	4.28	ND	-
	Malaguit River*	C	4.00	ND	-
	Paniqui River	C	ND	ND	-
VI	Iloilo River*	C	12.00	6.99	-41.75
VII	Luyang River*	C	4.00	4.00	0
	Sapangdaku River*	C	6.00	3.00	-50
X	Cagayan de Oro River	A	ND	4.48	-
CAR	Balili River	C	37.00	44.00	18.92

* Rivers with BOD level within WQ standard <7mg/L for Class C and <5mg/L for Class A waters

Source: Environmental Management Bureau



In view of the continuing mandamus by the Supreme Court to clean, rehabilitate and restore Manila Bay and maintain its waters to “SB” level that is fit for swimming, skin diving and other forms of contact recreation, the regular and sustained clean-up of Manila Bay has been conducted. Also, a harmonized system for water quality monitoring among various agencies (Pasig River Rehabilitation Commission, Laguna Lake Development Authority, Manila Bay Coordinating Office and Environmental Management Bureau) was developed.

Waste and toxic chemicals

In 2011, the diversion rate of solid wastes in Metro Manila is at 34 percent or approximately 2,850 tons a day of the 8,400 tons a day in total waste generated. Waste diversion refers to activities which reduce or eliminate the amount of potentially recyclable material or solid wastes diverted from the waste disposal stream and therefore not disposed in landfills.

While compliance rate under RA 9003 is only at 25 percent, overall compliance is still low mainly due to the increasing annual volume of solid wastes in Metro Manila. Several LGUs do not have any Solid Waste Management Plan (SWMP), with only 414 LGUs having completed their SWMPs, or 25.71 percent of the 1,610 cities and municipalities as of May 2012. In Metro Manila, only nine out of 16 cities and one municipality (52.94%) have submitted complete plans.

Of the existing 990 disposal facilities in the country, 946 are open and controlled dumpsites, and only 44 are sanitary landfills serving 86 LGUs nationwide, or a compliance rate of only 5.3 percent. Only 8,843 out of 42,000 barangays are covered by materials recovery facilities (MRFs) or a compliance rate of 21.05 percent. In Metro Manila, 956 out of 1,705 barangays are covered by MRFs or a compliance rate of 56 percent.

Target 7.B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss

Biodiversity resources

On biodiversity conservation, extinction of threatened flora and fauna has been continuously prevented as reported by the DENR. The noted reduction of fauna species from 221 to 207 was due to the deletion from the Convention on the International Trade in Endangered Species (CITES) of some listed species which has been taxonomically re-classified (e.g., Philippine Serpent Eagle, Western Marsh Harrier, Luzon Hornbill and Mindanao Hornbill)

Substantial improvement was also noted in the population of threatened species of tamaraw and Philippine cockatoo. Specifically, there was a marked increase of Philippine cockatoo population at the Rasa Island Wildlife Sanctuary while surveys undertaken revealed additional populations in Dumaran, Culasian and Balabac Islands.

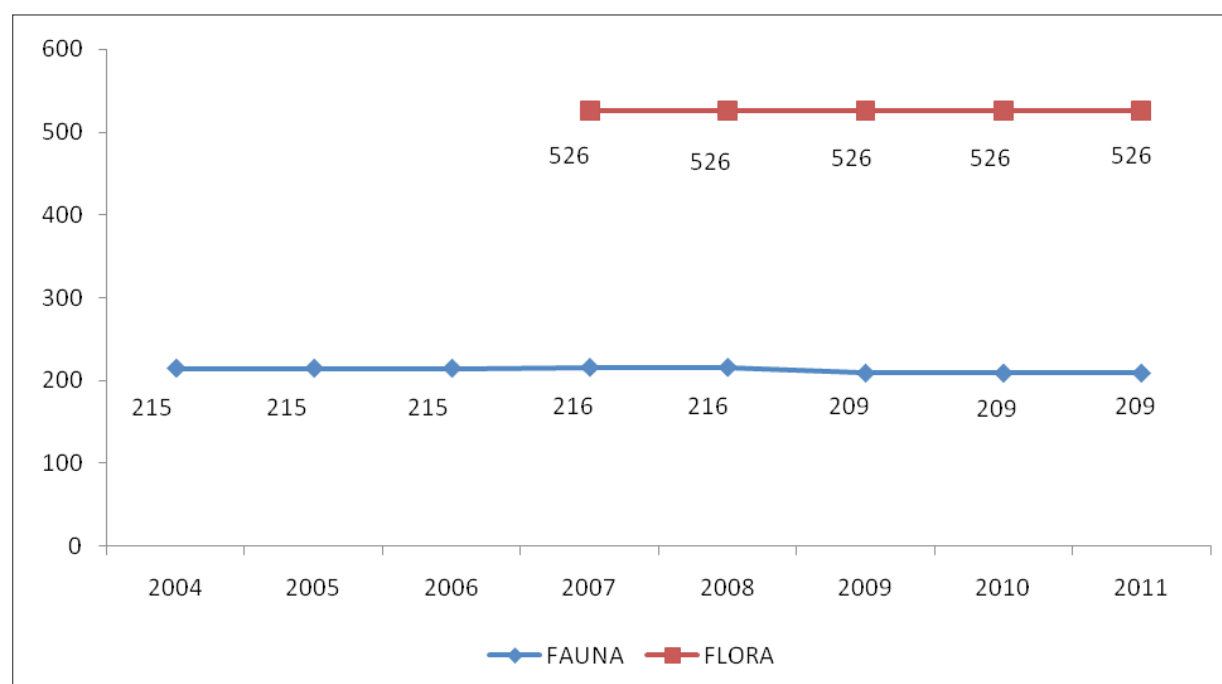
For 2013, the PAWB-DENR was set to review the conservation status of wildlife species based on available data. It is expected that any changes in the collective number of threatened species would

reflect the trends in the conservation status of the species, e.g. in terms of estimated population or condition of habitats. The challenge however, is for the government to invest more resources in wildlife survey and research to generate data to be used in the assessment of each species, especially those which are already included in the threatened list.

Protected areas

The number of areas under the National Integrated Protected Area System Act (NIPAS) has been continuously expanding, thus contributing to conservation of biodiversity. From 143 terrestrial protected areas covering 2.49 million hectares or 8.5 percent of the total surface area of the country in 1990, it increased to 170 PAs covering 4.07 million hectares or 13.5 percent in 2010. As of 2010, the ratio of protected areas to maintain biological diversity to surface area (both terrestrial and marine protected areas) increased by 0.69 percent from 2005 with a corresponding increase in area by 263 thousand hectares. Protected areas are classified into natural park, protected landscape/seascape, natural monument/landmark, resource reserve, wildlife sanctuary, natural biotic areas and marine reserve.

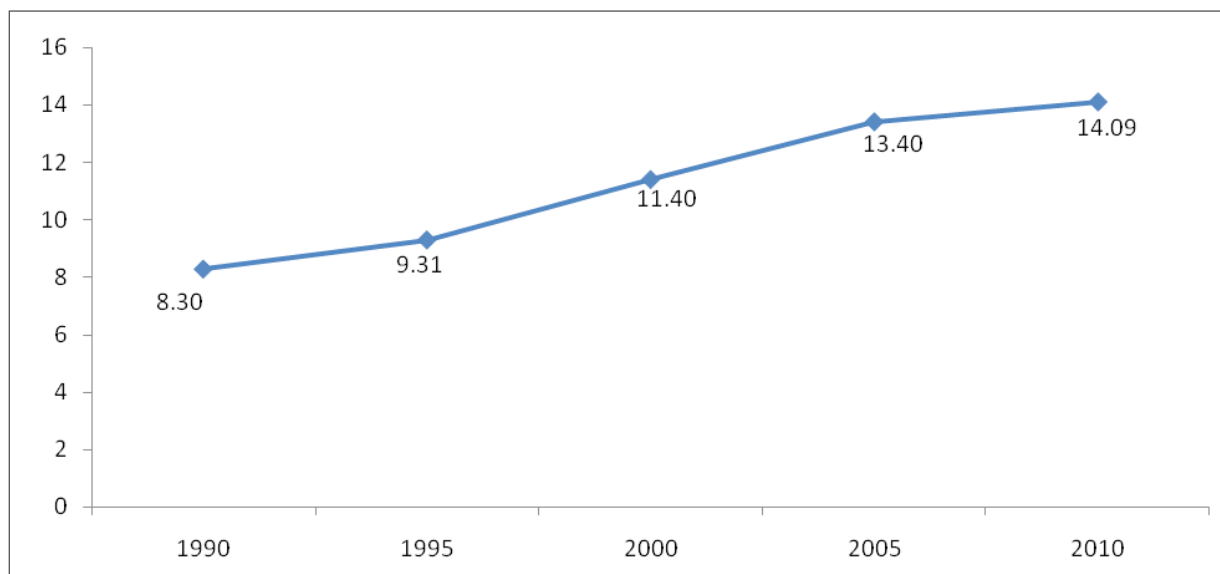
Figure 77. Number of Threatened Wildlife Species



* Based on DENR Administrative Order No. 2004-15 re National List of Threatened Fauna and 2011 CITES listed species

** Based on DENR Administrative Order No. 2007-01 re National List of Threatened Philippine Plants

Figure 78. Ratio of area protected to maintain biological diversity to surface area (terrestrial and marine protected areas)



Source: Protected Areas and Wildlife Bureau, Department of Environment and Natural Resources

To protect and prevent further loss of biodiversity, the government is undertaking the following interventions:

- 1) Continued management of existing 113 proclaimed protected areas (PAs) covering 3.57 million hectares, and additional proclaimed two Pas;
- 2) Establishment of three critical habitats: (a) San Vicente, Baungon, Bukidnon; (b) Cabusao, Camarines Sur; and (c) Brgy. San Antonio, Cabagan, Isabela;
- 3) Designation of two priority seascapes (Sulu-Sulawesi Marine Ecoregion and West Philippine Seas);
- 4) Implementation of Wildlife Conservation Programs - Philippine Raptors Conservation Project (PRCP), Pawikan Conservation Project (PCP), Tamaraw Conservation Project (TCP) and the Palawan Wildlife Rescue and Conservation Center (PWRCC); and
- 5) Management of nine conservation areas by IPs and communities - (a) Balbalan-Balbalasang, Kalinga and Mt. Province; (b) Zambales Mountain, Zambales and Tarlac; (c) Mt. Irid Angelo and Binuang, Quezon; (d) Polilio Group of Island, Quezon; (e) Mt. Iglit-Baco, Or. Mindoro and Occ. Mindoro;

(f) Mt. Nug-as and Lantoy, Cebu; (g) Mt. Nacolod, Southern Leyte; (h) Mt. Hilong-hilong, Agusan del Sur, Agusan del Norte, Surigao del Sur and Surigao del Norte; and (i) Tawi-Tawi Island.

Key Bottlenecks

The performance of the country in meeting the targets under this goal has been challenged by the following key bottlenecks:

Harmonization of policies. Pending the passage of the National Land Use Act that will provide a rationalized land use planning in the country, conflicting provisions of various policies on land use and natural resource utilization and management continue to exist. Efforts to harmonize several policies should be continued. Also, there is a need to pass appropriate policy instruments to ensure effective governance of the country's natural resources. On the other hand, while environment management sector is replete with environmental management laws (i.e., Clean Air Act, Clean Water Act and ESWM Act), their effective enforcement is very much constrained by institutional, financial and technological capacity limitations;

Timely, accurate and updated science-based information. The availability of timely, accurate and updated science-based information on the status of the natural resources is critical to policy and plan formulation as well as in financial resource allocation. There is a need to expedite the updating of information in the natural resource sector such as forest cover, biodiversity and coastal and marine resource status, among others;

Improve capacity for natural resource management. Continuing capacity development of implementing agencies and LGUs is needed to ensure timely and effective implementation of plans and activities as well as its sustainability; and

Changing leadership at the local level. Natural resource management has been one of the functions devolved to the LGUs, placing them at the forefront of conservation, protection and rehabilitation of the country's natural resources. Ensuring continuity of efforts beyond leadership change at the local level is a challenge to natural resource management given that leadership change is often accompanied by change in development priorities.

Priorities for Action

To support the various efforts on attaining the targets on environment and natural resources, the following priorities for action may be considered:

- 1) Full and effective implementation of environmental laws, policies and programs continues to be a challenge. There is a need to review and harmonize a number of conflicting and overlapping policies. These conflicts, overlaps, or divergent interpretations have led to the delay or suspension of some projects;
- 2) A better system for gathering, processing, storing, and sharing of environment and natural resources information needs to be put in place;
- 3) Environment and natural resources management requires a skilled and competent workforce to implement professional standards of operation on environment concerns, but technical experts and trained personnel at the national and local levels are in short supply.
- 4) There is a need to develop the competence, particularly of the LGUs, to implement their mandated tasks and to properly assume environment and natural resources functions.



Target 7.C: Halve the proportion of people with no access to safe drinking water and basic sanitation or those who cannot afford it by 2015.

Trends and inequality analysis

The 2011 Annual Poverty Indicators Survey (APIS) conducted by NSO shows the continuously increasing number of families that have access to safe drinking water and sanitary toilets facilities.

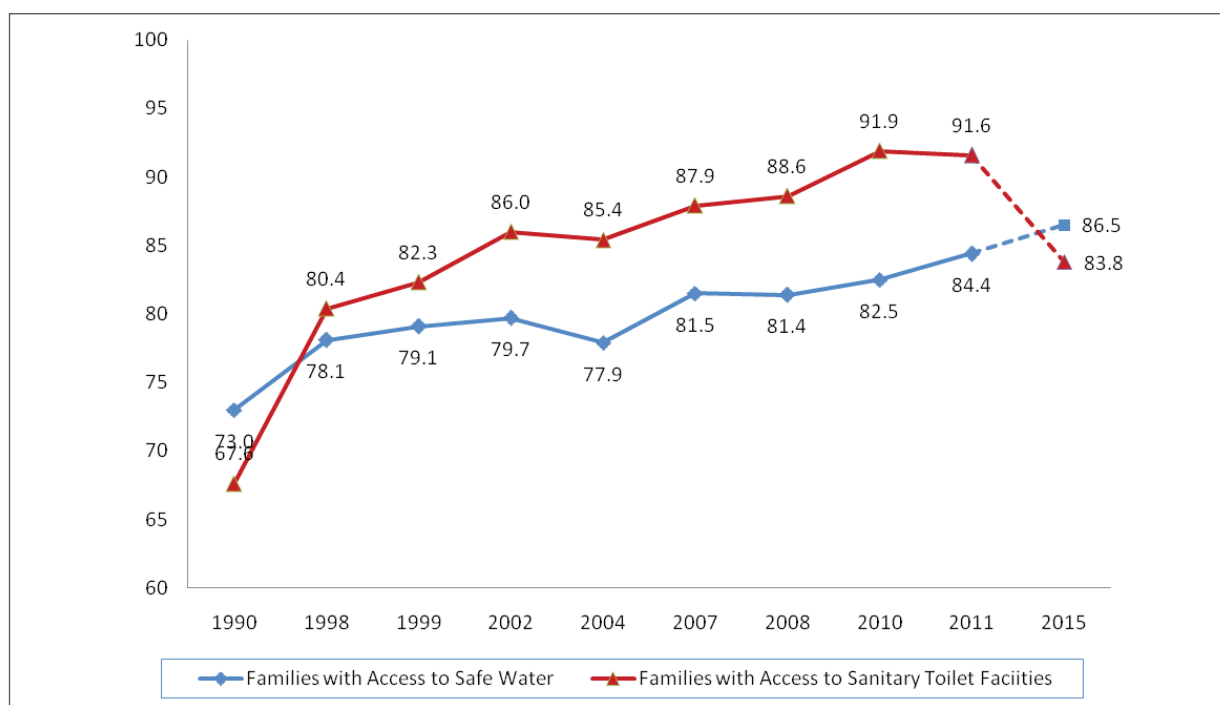
The proportion of families with access to safe water supply has consistently increased from 78.1 percent in 1998 to 84.4 percent in 2011. This covers community water systems and protected wells. Other sources of water that are considered unsafe are unprotected well, developed spring, undeveloped spring, river, stream, pond, lake or dam, rainwater, tanker truck or peddler and other sources.

The proportion of families with access to sanitary toilets has significantly increased from 80.4 percent in 1998 to 91.6 percent in 2010. Own toilets, shared toilets and closed pits are considered sanitary, in contrast to open pits, drop/overhang, pail system and absence of access to a toilet facility.

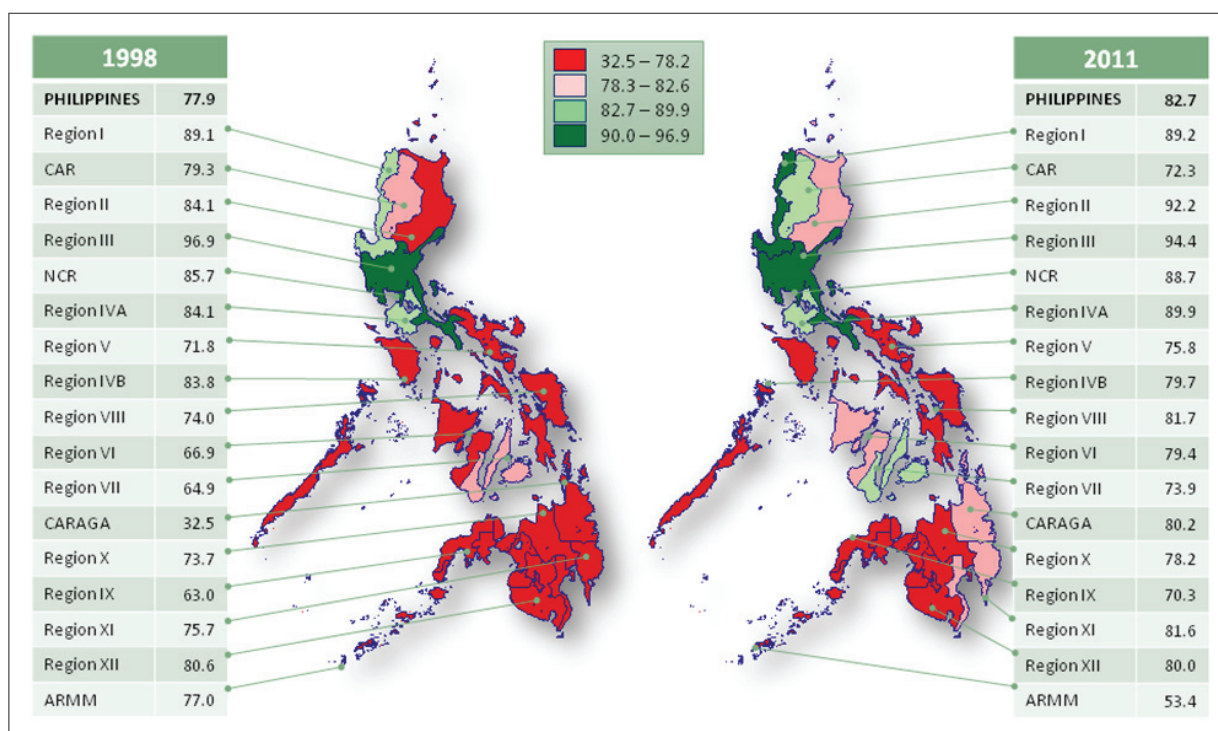
The current trend illustrates that the probability of attaining the 2015 MDG target to ensure that 86.8 percent of the population will have access to safe water is high. Furthermore, the 83.8 percent target for access to sanitary toilet facility has already been achieved. However, this also translates to about 2.8 million families without access to safe drinking water and 1.3 families without sanitary toilets. This is not consistent with Resolution 64/292 of the United Nations General Assembly which explicitly recognized the human right to water and sanitation and acknowledged that clean drinking water and sanitation are essential to the realisation of all human rights. The Resolution calls upon States and international organizations to provide financial resources, help capacity-building and ensure technology transfer to help countries, in particular developing countries, to provide safe, clean, accessible and affordable drinking water and sanitation for all.

Moreover, the level of access to water and sanitation at the national level does not reflect the disparities, particularly among income groups. Figure 84 shows that families that fall under the highest quintile in terms of income is 26 percentage points more likely (96.7%) to have

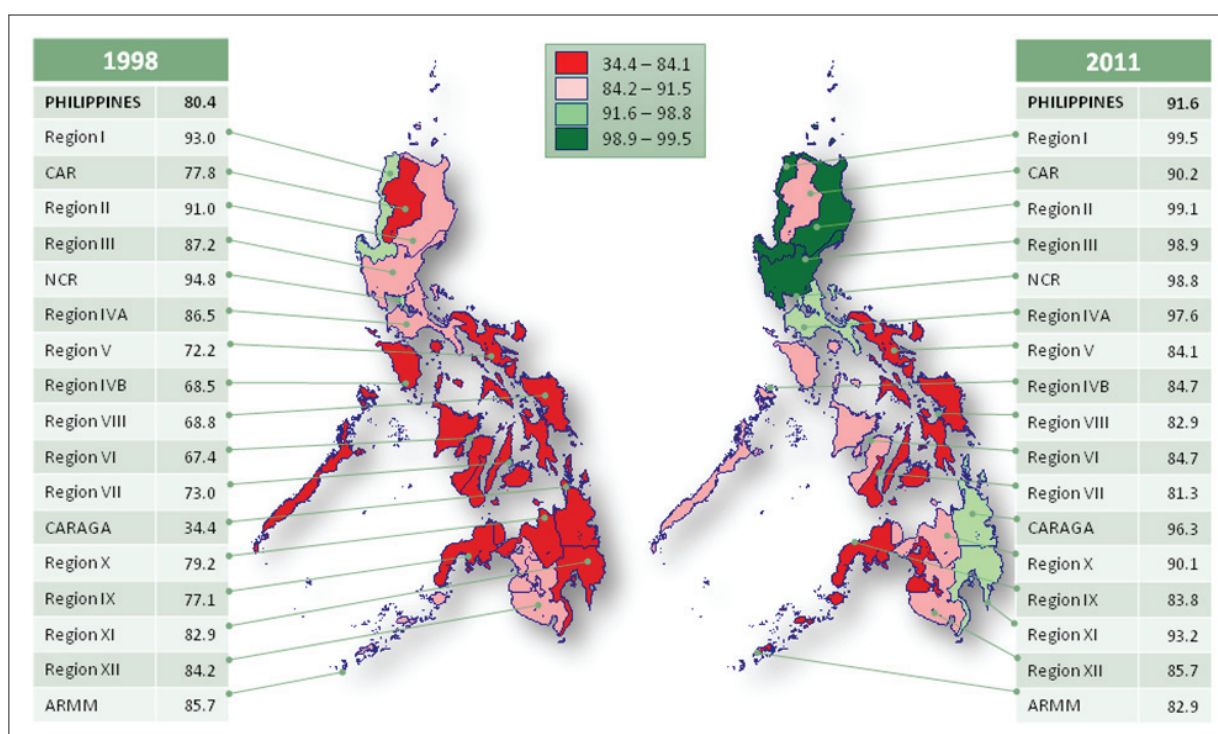
Figure 79. Access to safe drinking water and sanitary toilet facilities



Sources: Census of Population and Housing and APIS, PSA-NSO

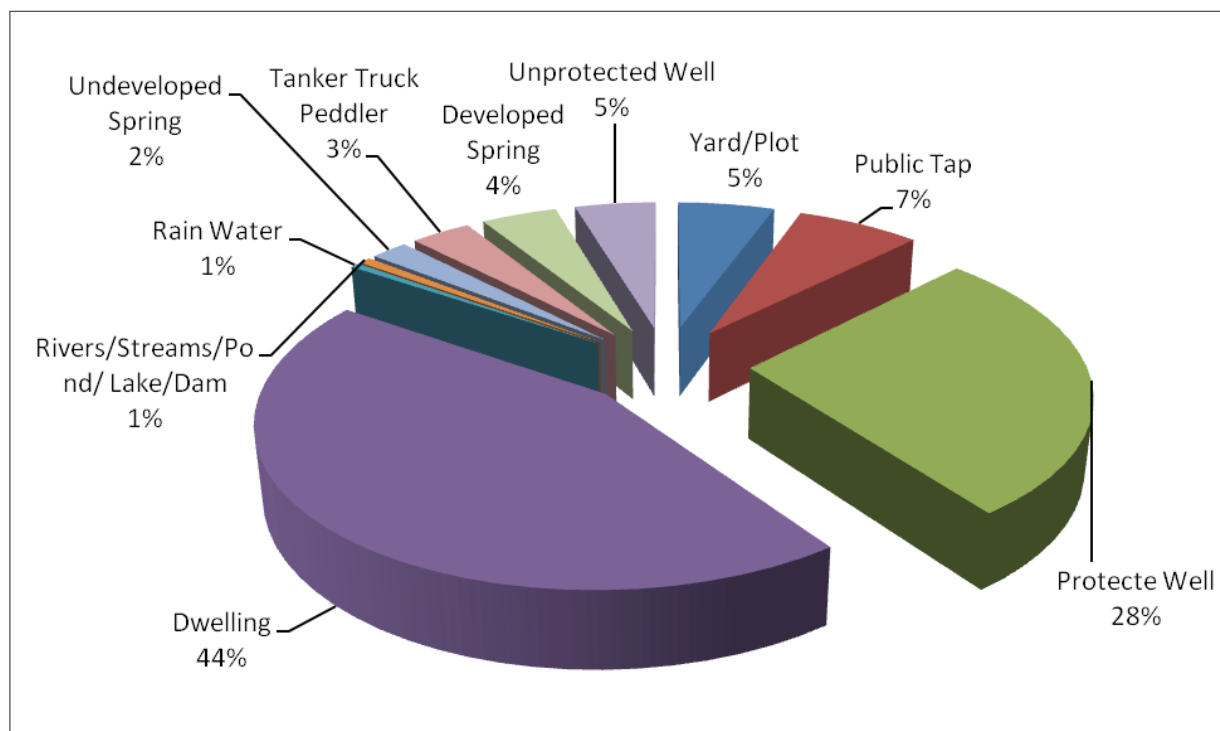
Figure 80. Proportion of population with access to safe water (%), by region, 1998 and 2011

Source of basic data: APIS, PSA-NSO

Figure 81. Proportion of population with access to sanitary toilet facility (%), by region, 1998 and 2011

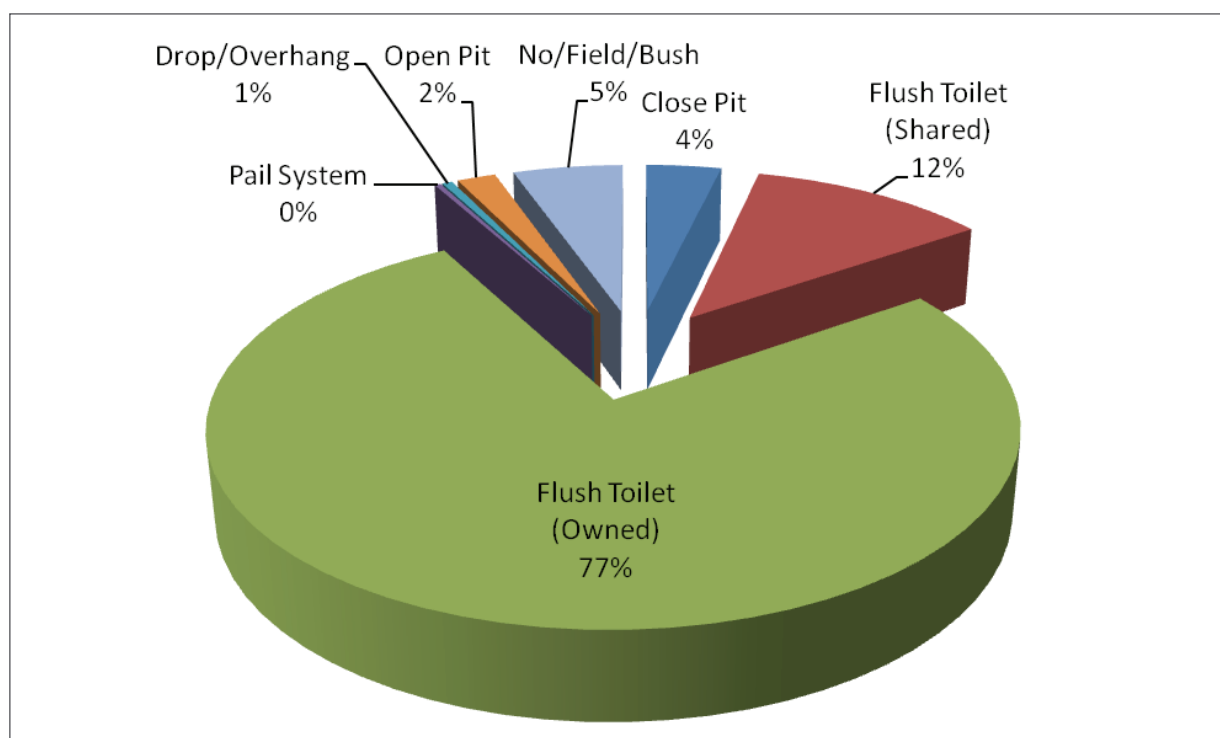
Source of basic data: APIS, PSA-NSO

Figure 82. Families by main source of water supply (% distribution), 2011

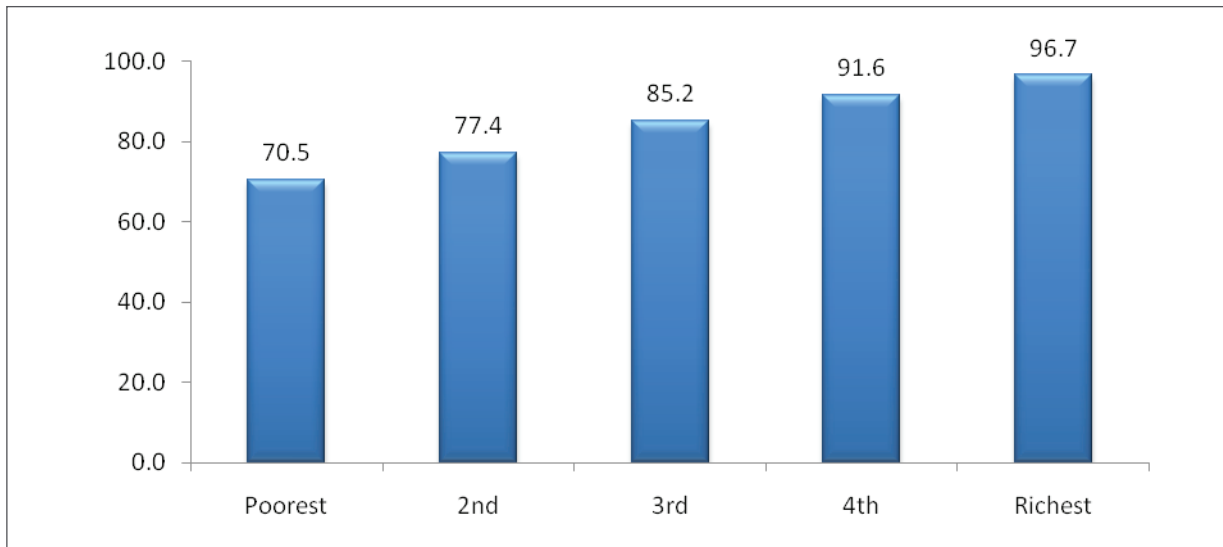


Source of basic data: APIS, PSA-NSO

Figure 83. Families by type of toilet facility they use (% distribution), 2011



Source of basic data: APIS, PSA-NSO

Figure 84. Proportion of population with access to safe water by quintile, 2011

Source of basic data: APIS, PSA-NSO

access to safe water compared to the poorest quintile (70.5%).

It is similar when it comes to sanitation. Figure 85 reveals that among the poorest income quintile, 1 out of 5 (79.0%) does not have any form of access to a sanitary toilet facility. On the other hand, practically all the people belonging to the richest income quintile have access to sanitary toilet facility.

Various laws have been enacted in the past to address problems pertaining to water and sanitation. RA 9275 (Clean Water Act) and EO 279 (Instituting Reforms in the Financing Policies in Water Supply and Sewerage Sector and for Water Supply Services) were considered milestones in pushing for the protection and development of water and sanitation sector. The Clean Water not only aims to protect the bodies of water from pollution but also mandates urban communities to be connected to a sewerage system within 5 years. EO 279 on the other hand called for the establishment of an independent economic regulator for the water supply and sewerage sector.

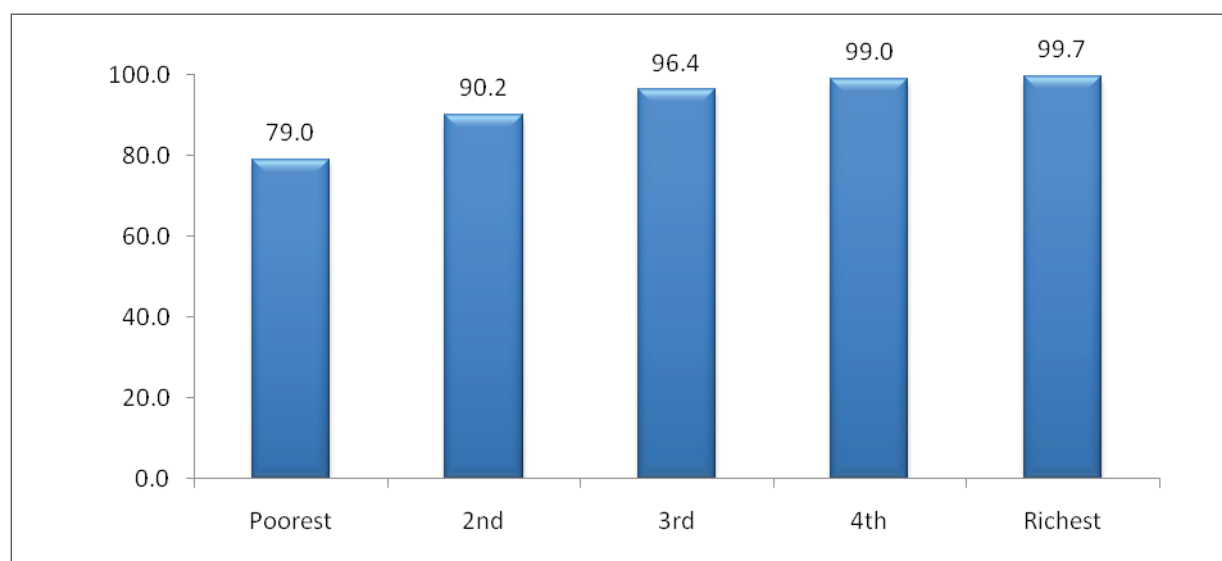
To address the problems in water and sanitation with a more holistic approach, the government drafted the Philippine Water Supply Sector Roadmap (PWSSR) and the Philippine Sustainable Sanitation Roadmap (PSSR). Both documents were products of a multi-stakeholder

and inter-agency process that seeks to engage policy makers, decision makers, program implementers, knowledge managers and water/sanitation service providers at national and local levels.

The vision, goals, outcomes, outputs, activities and inputs required that were presented in the PWSSR and PSSR have been embodied in the Philippine Development Plan (PDP) 2011-2016. The PDP recognizes that everyone has the right



Figure 85. Proportion of population with access to sanitary toilet facility by quintile, 2011



Source of basic data: APIS, PSA-NSO

to be provided access to basic services related to water; therefore, access and opportunity must be ensured for all. In addition, economic growth itself must be supported, specifically in terms of meeting the needs of priority growth and production centers for water supply, sewerage, sanitation, irrigation and flood management (PDP, Infra Chapter).

On water access, the Sagana at Ligtas na Tubig sa Lahat Program (SALINTUBIG) is one of the government's main actions in addressing the plight of Filipino households in waterless areas. The program aims to contribute to the attainment of the goal of providing potable water to the entire country and the targets defined in the PDP. To attain this objective, One Billion and Five Hundred Million Pesos (Php 1,500,000,000) were appropriated to the DOH through the 2011 General Appropriations Act (GAA). The appropriation is a grant facility for LGU to develop infrastructure for the provision of potable water supply.

In terms of water quality, Chapter II (Water Supply), Section 9 of the Code on Sanitation of the Philippines mandates the Department of Health (DOH) to set standards for the establishment of threshold limits for different impurities found in drinking water. These limits are intended to minimize risk and therefore prevent deleterious health repercussions that result from lifelong exposure to these impurities through

consumption of water. The latest is the 2007 Philippine National Standards for Safe Drinking Water which sets the criteria for standards for drinking water and their microbiological and chemical examinations.

On sanitation, the National Sewerage and Septage Program (NSSMP) serves as the framework plan to address various national issues on sanitation and treatment and disposal of wastewater, focusing on, among others, objectives, strategies, targets, institutional mechanism, financing mechanism, technology implementation, programming, monitoring and evaluation and other key national concerns. The objectives of the NSSMP is to 1) enhance the ability of local implementers to build and operate wastewater treatment systems and 2) promote the behavior change and supporting environment needed for systems to be effective and sustainable.

Key bottlenecks and priorities for action

Massive investment requirement for the sector

The inadequate allocation for water and sanitation has been established by the PWSSR and the PSSR. Of the Php442.3 billion total national expenditure for infrastructure in 1997, Php93.7 billion (22%) was allocated to water-related infrastructures. Of the total water infrastructure

budget, only 3.8 percent or PhP3.7 billion was allocated to water supply with the rest going to irrigation and flood control. Priority to sanitation is even lower. Since 1970, while public investment in water supply and sanitation infrastructure went mostly to the water sector (97%), only 3 percent went to sanitation. The convergence of various institutions and mechanisms associated with foreign donors and internal funds of financing may have expanded the amount of water supply projects of the LGUs and water districts but more needs to be done to realize the goal of universal coverage and upgrading of those with Level 1 access to Levels 2 and 3. This is why the government must provide a more conducive environment for the private sector to attract them in financing, construction, operation, maintenance, and rehabilitation of water and sanitation facilities.

Weak institutional and regulatory environment

The lack of a singular lead agency for water and sanitation has not only resulted in significant gaps in policy implementation and enforcement but also caused overlaps in resource and economic regulation. For water, LWUA and NWRB are the only sector agencies that are completely dedicated to addressing water concerns. The involvement of other national government agencies (Neda, DPWH, DENR, DoH, etc.) merely forms part of their overall mandates. For sanitation, the involvement of national agencies (DoH, Neda, etc.) and LGUs

cannot hide the need for a regular implementing government agency with budgets and personnel to oversee implementation and fast tracking of sector priorities. The fragmented institutional arrangements have led to an unresponsive regulatory environment. The government needs to ensure the separation of operation and regulatory functions of agencies to remove conflicts of interest that arise naturally when such functions are performed by a single entity.

Limited and varying sources of data

Data on access to safe water and sanitation have been available from various sources such as national agency data (PSA-NSO, DoH, DILG, NWRB, LWUA,) as well as LGUs (provincial water supply and sanitation plans), water districts and private WSPs. The lack of consensus among national agencies on the data to use in monitoring the MDGs has hampered planning and monitoring at the national and local level. Additionally, historical data on pertinent indicators like open defecation and sewerage system coverage has not been collected on a regular basis. The absence of such information raises issues on whether available data really captures the water and sanitation situation in the country. Government agencies that collect and analyze data on water and sanitation should come up with a framework how their data can complement each other while maintaining their intended purpose (e.g. FHSIS of DOH, APIS of PSA-NSO).



Target 7.D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers

The National Urban Development and Housing Framework (NUDHF) 2009-2016 serves as the overall framework for the strategic planning and programming of the urban environment and human settlements. It focuses on the thematic thrusts of: (a) urban competitiveness; (b) poverty reduction; (c) housing affordability and delivery; (d) sustainable communities; and (e) perfor-



mance-oriented governance in the housing sector. The NUDHF notes that the rapid pace of urbanization, from about 60 percent (53 million of population) in 2005, is projected to reach 84 percent (117 million) in 2050. This situation is exacerbated by the concomitant increase in informal settler families (ISFs) living in slums which would comprise more than a third of the urban population.

Trends and inequality analysis

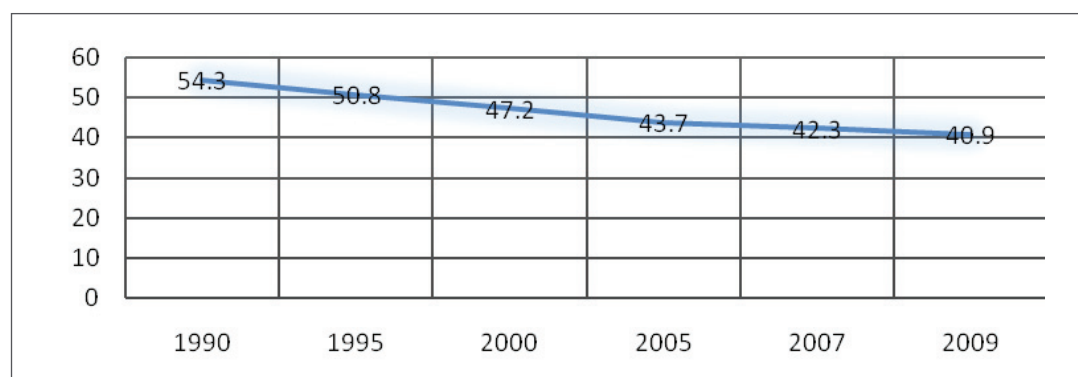
The United Nations defines the proportion of urban population living in slums as the proportion of urban population living in households lacking one or more of the following conditions: (a) access to improved water; (b) access to improved sanitation; (c) sufficient living area; (d) durability of housing; and (e) security of tenure. Based on this definition, the proportion of urban population living in slum areas in the Philippines has been estimated and shows a declining trend from 54.3 percent in 1990 to about 40.9 percent in 2009 (Figure 86). However, while the proportion is declining over time, the magnitude of the slum dwellers has steadily increased from 16.47 million in 1991 to about 18.30 million in 2009.

Plans

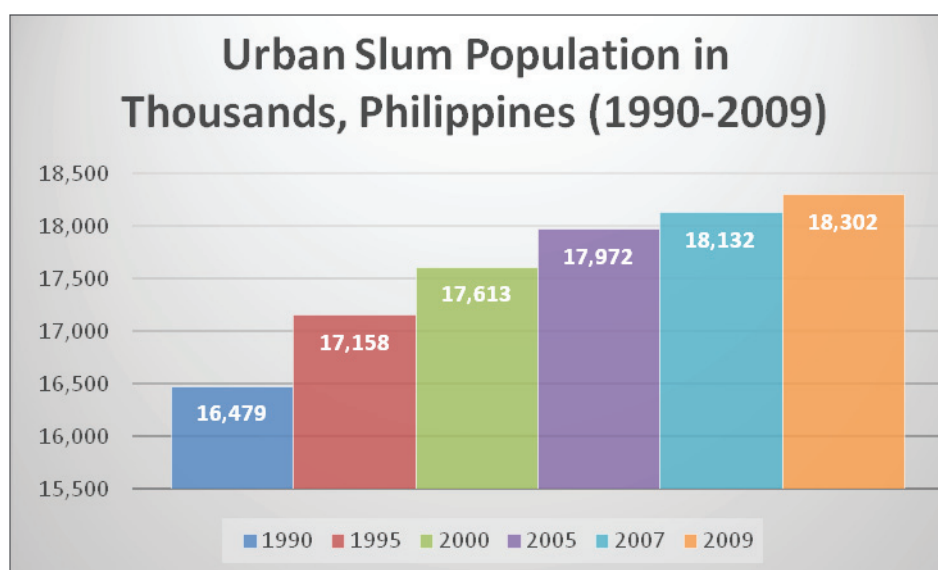
To help address the challenge of slumification in the urban areas of the country, the Housing and Urban Development Coordinating Council (HUDCC) has initiated the formulation of the Comprehensive Shelter Plan for Informal Settler Families (ISFs) which is comprised of the National Informal Settlements Upgrading Strategy (NISUS) and a National Resettlement Development Framework (NRDF). Resettlement policies and informal settlements upgrading strategies were drafted to ensure the provision of basic social services with livelihood opportunities to communities.

With assistance from the World Bank, HUDCC is in the process of formulating the NISUS which consists of: (a) an inventory and assessment of policies, programs, processes undertaken by the government, NGOs and the private sector on slum upgrading in the Philippines; (b) an

Figure 86. Proportion of urban population living in slum areas (%), 1990-2009



Source: State of the World's Cities 2012/2013, UN Habitat

Figure 87. Urban slum population in the Philippines, 1990-2009

Source: State of the World's Cities 2012/2013, UN Habitat

inventory and assessment of informal settlers issues; (c) development of the strategy that will be subjected to stakeholder consultations; and (d) development of a communications scheme to promote and support the adoption of the strategy.

The NISUS shall highlight best practices in the delivery of socialized housing and community empowerment and develop innovative approaches for more affordable in-city housing options.

The NRDF, on the other hand, identifies common procedures and guidelines among all infrastructure agencies, the housing agencies, the LGUs, and other government agencies. The draft framework includes an exit mechanism or strategy that will allow the turnover of obligations, particularly in estate management and community development, from the National Housing Authority (NHA) to LGUs and NGOs engaged in advocacy work in helping the urban poor.

Moreover, the HUDCC has directed the housing agencies to ensure the safety and security of housing projects to be implemented starting with the formulation and updating of the Comprehensive Land Use Plans (CLUPs). The Housing and Land Use Regulatory Board (HLURB) is assisting LGUs in the formulation and updating of their CLUPs to fast-track the implementation of the Zero Backlog Program for the CLUP and to complete the program by 2013 instead of the original target of 2016. The formulation and updating of the

CLUP would help the LGUs identify areas suitable for housing from areas that are prone to flooding and landslides. With the continued implementation of a CLUP Zero Backlog Program, the extent of planning assistance to LGUs, through a cluster approach, remained high with 866 LGUs assisted as of November 2012. Of the 866 LGUs assisted, a total of 44 CLUPs have been approved by the *Sangguniang Panlalawigan* (SP)/HLURB, 25 CLUPs are for SP/HLURB approval and 145 CLUPs are for Provincial Land Use Committee (PLUC)/Regional Land Use Committee (RLUC) review. Compared to 2011, the accomplishment rate in planning assistance in 2012 has increased dramatically.

The sector aims to fully update the CLUPs of all 1,635 LGUs by 2013, and has incorporated critical modules on climate change and disaster risk reduction management to enable the LGUs to develop disaster resilient communities. The LGU Planning and Development Officers who prepare the CLUPs are given key tools in identifying vulnerable areas, designing mitigating measures, and integrating local shelter planning.

Programs

While the government has yet to set the national target for the total number of slum dwellers to be provided with assistance, the on-going national programs that cater to the needs of slum dwellers and ISFs could be identified. These include the

Table 22. National Program Targets for ISFs and Slum Dwellers

Program	2011	2012	2013	2014	2015	2016	Total
Resettlement	16,365	54,639	29,095	33,000	33,000	33,000	199,099
Settlements/Slum Upgrading	7,197	7,870	5,425	15,000	15,000	15,000	65,492
Housing Program for ISFs in Danger Areas in Metro Manila	15,150	6,650	20,000	20,000	20,000	20,000	101,800
Emergency Housing for Victims of Calamities	--	--	5,100	5,000	4,800	4,700	19,600
Community Mortgage Program	20,000	19,201	19,000	24,000	29,000	34,000	145,201
Total	58,712	88,360	78,620	97,000	101,800	106,700	531,192

Source: Housing and Urban Development Coordinating Council

NHA's Resettlement, Settlements/Slum Upgrading; Housing Program for ISFs in Danger Areas in Metro Manila; Emergency Housing for Victims of Calamities; as well as the Community Mortgage Program (CMP) being implemented by the Social Housing Finance Corporation (SHFC). From 2011 to 2016, the national government through these programs aims to assist some 531,192 ISFs nationwide. Table 22 shows the annual program targets for the mentioned programs:

In line with President Benigno S. Aquino III's call to correct the inefficiencies of government systems, give preferential attention to the needs of the underprivileged, and align the programs, projects, and activities of all government departments and agencies, the housing sector, through the HUDCC and its Key Shelter Agencies (KSAs), focused on the following:

- Establish new housing communities for calamity victims;
- Improve the delivery of housing services for various sectors; and
- Expand secure tenure for informal settler families.

In 2012, the KSAs built on the gains of 2011 to provide more homes and sustainable communities to the country. For 2012, housing assistance was directly provided by the KSAs to about 105,000 families.

Establishing new housing communities for calamity victims

The start of 2012 was marked by challenges to the housing sector, arising mainly from Typhoon Sendong which devastated various areas, particularly in the cities of Cagayan de

Oro, Iligan and Dumaguete. Sendong left 38,558 families homeless. A total of 27,509 housing units were partially damaged and 11,047 were totally damaged. Sendong's aftermath was immense that practically all government agencies, with the assistance of local and international NGOs, worked double time to immediately provide the basic needs of the victims as well as provide for permanent housing for those rendered homeless.

Amidst the relief efforts of the various agencies and organizations, the HUDCC took the lead in coordinating and consolidating all efforts towards building new homes and communities for the families whose houses were either totally washed out, declared uninhabitable or located in areas declared as no-build zones.

The KSAs and concerned government agencies convened in a Summit in Cagayan de Oro city with representatives of national government agencies, LGUs, international and local NGOs and people's organizations (POs) for the Permanent Shelter Program for about 13,200 affected families (8,300 in Cagayan de Oro, 4,200 in Iligan and 1,100 in Dumaguete).

An integrated and resource sharing approach was implemented involving the provision of LGU-owned land or land acquired by the NHA, environmental clearances by the DENR, site development by the Department of Public Works and Highways (DPWH) or the LGU, and cost-sharing in housing construction using DSWD funds for core shelter and NHA's resettlement funds or through donations of various private entities. NGOs, such as Habitat for Humanity and Gawad Kalinga (GK), and other private companies including foundations served as constructors. In 2012, about 5,115 housing units have been

completed, 1,044 are under construction and 6,621 shall be started in 2013.

To further provide relief to the Sendong victims, the government granted a moratorium on amortization payments for housing loans under the SHFC, Home Mutual Development Fund (HDMF) Pag-IBIG Fund, NHA, National Home Mortgage Finance Corporation (NHMFC) and the Home Guaranty Corporation (HGC) ranging from three to six months. This was also done for the victims of the other natural disasters that ravaged the country in 2012 such as the Habagat, Typhoon Gener, and the more recent typhoon Pablo which hit Southeastern Mindanao.

The SHFC relaxed its guidelines for the Community Mortgage Program (CMP) and created a CMP Express Lane exclusively for Sendong victims. CMP loans were approved for four informal settler communities amounting to PhP44.79 million which benefitted 873 displaced ISFs in Cagayan de Oro City.

For climate risk reduction, green technology shall be incorporated into the policies of the LGUs. An AITECH (Accreditation of Innovative Technologies) Center will be formed to present green technology in building housing structures and urban development. This Center shall also showcase Filipino ingenuity, and promote the acceptability of new housing technology to the Filipino market such as the use of indigenous and recyclable materials as environment-friendly alternatives.

Other KSAs that are implementing or funding housing programs and projects, such as the NHA, SHFC, and the HDMF-Pag-IBIG Fund were also instructed to seek and secure certification or clearance from DENR prior to approval of housing projects, especially those located in flood-prone areas.

Improving the delivery of housing services for targeted clientele

The housing need, estimated at 5.7 million units for the period 2011-2016, is being addressed faster and more efficiently through localized and stronger coordination among the HUDCC, its KSAs, the LGUs and other stakeholders in accordance with the provisions of the Urban Development and Housing Act of 1992 or UDHA. With this, the KSAs continue to formulate innovative policies, programs and projects to address the inadequacies in urban develop-

ment, mass housing, infrastructure and shelter-related services.

Resettlement program

The national resettlement program involves land acquisition and site development by the NHA to generate serviced home lots for families displaced from sites earmarked for government infrastructure projects, those occupying danger areas such as water ways, esteros, railroad tracks and those qualified for relocation and resettlement assistance under RA 7279 or UDHA.

From 2009 to 2012, a total of 100,285 households have been provided with serviced home lots under the resettlement program costing to PhP24.513 billion.

Housing program for informal settler families (ISFs) in Metro Manila

In 2012, the NHA continued to pursue resettlement as its priority program for the benefit of ISFs

Table 23. Magnitude of ISFs in Danger Areas in Metro Manila, 2011

City/ Municipality	Magnitude (In Households)	Share (In Percent)
Quezon	31,275	30
Manila	26,029	25
Navotas	6,652	6
Taguig	5,439	5
San Juan	5,238	5
Valenzuela	4,261	4
Pasay	4,200	4
Pasig	4,173	4
Muntinlupa	3,428	3
Parañaque	3,320	3
Las Piñas	2,161	2
Caloocan	2,129	2
Pateros	1,977	2
Malabon	1,849	2
Mandaluyong	1,031	1
Makati	671	1
Marikina	386	1
Total	104,219	100

Source: National Housing Authority

Table 24. Housing Program for ISFs in Metro Manila Sites

Location	No. Of Units	Budgetary Requirement (In Million Php)
NHA PROPERTIES		
Smokey Mountain Dev't Project, Manila	970	565.51
Tala 2, Caloocan City	480	279.84
Camarin, Caloocan City	1,200	699.6
Gulayan, Navotas City	120	72.92
Tanglaw, Navotas City	60	34.98
MMDA Depot, Pasig City	120	69.96
LGU PROPERTIES		
Disiplina Village, Valenzuela City	594	232.85
Tanza, Navotas City	680	200.6
TOTAL	4,224	2,996.03

Source: National Housing Authority

living in danger areas in Metro Manila, those displaced by calamities and those affected by government infrastructure and development projects.

President Aquino III released an initial PhP10 billion for the housing program for ISFs in Metro Manila. These informal settlers include those who live in danger zones or near estuaries, waterways, under bridges, by the rivers, on stilts over the bay, and who are under immediate danger of being swept away during heavy rainfall. This program shall include in-city housing, through medium-rise buildings (MRBs), and off-city relocation. The five-year target is to provide housing in safer communities to some 104,219 ISFs living in danger areas in Metro Manila (Table 23).

In 2012, about 7,200 house and lot packages in resettlement areas outside of Metro Manila were completed, while eight in-city MRBs were awarded to winning developers that would generate about 4,200 housing units (Table 24). Construction of these units would be completed in 2013. The in-city MRB projects are in response to the clamor of ISFs who want to minimize the socioeconomic effects of movement to near or off-city sites.

On the other hand, the Community Mortgage Program (CMP) administered by the SHFC, continues to be a viable scheme to provide secure tenure to ISFs. In 2012, the CMP released a total

loan mortgage value amounting to PhP550.88 million for 100 projects benefitting 9,323 ISFs. This includes take outs from nine projects under the (LCMP) with a loan mortgage value of PhP14.364 million which benefitted 563 ISFs.

Indigenous Peoples (IPs) Housing Program

For the first time, indigenous peoples (IPs) have been included in the housing program of the government. The NHA has approved a PhP14 million



funding for the housing project of 350 Aeta families in Floridablanca, Pampanga, with the provincial government providing counterpart funds.

While IP housing is being pursued, the HLURB moved to ensure the protection of IPs by imposing a moratorium on the issuance of license-to-sell for development projects within ancestral lands/ and or domains in order to not further complicate unresolved land ownership in said areas.

Expanding secure tenure for ISFs

Utilized government-owned lands for housing through presidential proclamations

Expanding security of land tenure for ISFs is the objective of urban asset reform deals that aim to provide land for housing projects that benefit the poor and vulnerable. These interventions include presidential proclamations of sites for socialized housing, onsite development and services, and resettlement, among others. These sites cover idle government lands identified as socialized housing sites for disposition to qualified beneficiaries. Since 2001, the President has issued a total of 116 presidential proclamations involving a total land area of 27,284 hectares, benefiting 271,505 households.

The objective of a presidential proclamation is to provide security of tenure to ISF beneficiaries. Certificates of Eligibility for Lot Award (CELA) are issued by the HUDCC to qualified ISF beneficiaries and are considered as proofs of tenure security pending the issuance of land titles which the beneficiaries can only receive upon full payment of the awarded lot, and which can take years, depending on the beneficiaries' capacity to pay. The presidential proclamations program targets 5,000 ISF beneficiaries annually.

The HUDCC, through its proclamation group, evaluated and endorsed to the DENR 12 proposed socialized housing proclamations in 2012 in addition to the 8 sites previously endorsed.

For the sites proclaimed for socialized housing, the HUDCC released almost PhP10 million to LGUs and national government agencies for the conduct of subdivision surveys that generated 8,810 home lots. These generated lots will eventually be awarded to qualified beneficiaries. On top of this, around 3,400 CELAs were awarded to beneficiaries of EO 48, a presidential

proclamation covering the noncore properties of the Philippine National Railways (PNR).

Priorities for action and possible solutions

For 2013 and beyond, effective and efficient use of resources for the housing and urban development sector shall be pursued to ensure the delivery of more housing projects for the target clientele particularly the ISFs. From housing units alone, the sector shall embark on a more proactive and holistic approach to building new and sustainable communities.

Fastracking Delivery of Housing Services for Informal Settler Families and Calamity Victims

For 2013, the NHA targets to provide housing units to about 102,000 ISFs nationwide using resources allocated for this year for ISFs living in danger areas and affected by government infrastructure development projects, and victims of calamity.

The year 2013 shall see the simultaneous construction of MRBs and house and lot packages for ISFs in Metro Manila occupying danger areas such as *esteros* and river banks under the President's



program. Construction of about 25,800 in-city and near-city housing units utilizing the PhP10 billion annual allocation under this program shall be undertaken. Furthermore, additional 4,220 ISFs shall be served by the housing units to be completed this year utilizing the 2012 allocation for the program.

In addition, some 10,300 ISFs in Metro Manila and nearby provinces who would be affected by

the development of government infrastructure projects will also benefit from new housing units at a cost of PhP2.9 Billion.

Another 22,000 ISFs outside Metro Manila will benefit from the PhP1.6 Billion allocated by NHA in 2013 including new permanent housing for calamity victims.

NHA also set aside in 2013 a PhP150 Million fund for its housing assistance to calamity victims program with national coverage. This is intended as an immediate response to the shelter needs of low-income and ISF-communities affected by typhoons, landslides, earthquakes and fires. The 2013 budget for the program covers housing materials assistance to about 30,000 families affected by the August 2012 Habagat.

For its part, SHFC has initially indicated a CMP take out level that would assist 20,000 ISFs. This will be made possible by the regular CMP and localized CMP projects that are in the pipeline as well as the development of new housing products, using the high density housing approach. This approach will involve financing of multistorey socialized housing projects, which is deemed relevant given the high cost of land in urban areas, particularly Metro Manila.

The HLURB plans to continue its existing programs such as the Zero Backlog Program for CLUPs for better planned and more orderly communities. Its target is to provide assistance to the remaining 246 LGUs with no or outdated land use plan.

Enhancing Resettlement Efforts

The Resettlement Program has always posed daunting challenges to the government. To help ensure acceptability of resettlement areas, the housing sector has adopted the following measures:

- a. Adoption of beneficiary-led approach in selecting and developing resettlement sites;
- b. Adoption of an in-city/in-town relocation approach to minimize dislocation;
- c. Provision of basic facilities such as schools, potable water and electricity in the relocation site; and
- d. Institutionalization of local interagency committees (LIACs) composed of local chief executives, non-government organizations, people's organizations and

community associations to formulate the Implementing Rules and Regulations that will govern relocation activities.

Strengthening Institutions and Forging Partnerships

The sector anticipates the passage of the Department of Housing and Urban Development (DHUD) Bill. Through said legislation, the housing sector, aside from providing housing units, shall also implement a holistic approach to sustainable urban development. Passage of the DHUD may provide long-term solutions in designing and managing disaster resilient, competitive, inclusive, and sustainable communities.

An integrated database on housing and urban development shall be developed and implemented. This is a tool to increase the capacity to plan, develop, analyze, monitor, and evaluate programs and projects that will aid in having climate sensitive urban development/land use plans, thereby promoting sustainable communities. In coordination with LGUs, the database shall contain significant baseline data and housing beneficiaries.

To encourage private developers to participate in the socialized housing market, a support to legislation on the balanced housing requirement for condominium projects shall be pursued. Section 18 of the Urban Development and Housing Act requires developers of proposed condominium projects to develop socialized housing projects costing at least 20 percent of the total project cost. The support to legislation aims to provide better compliance and monitoring.

The NISUS project – which aims to develop a national strategy to guide the national government and LGUs in the preparation and implementation of effective policies and programs on informal settlements upgrading, shall also be undertaken in 2013 and upon its adoption will be implemented during the period 2014-2016. In the Updated PDP, this activity is a component of the strategy on “Providing a menu of housing options/assistance based on the needs of intended housing beneficiaries. In particular, the programs will focus on: Addressing the needs of informal settler families (ISFs), through upgrading of structures in slums and development of relocation sites for those in danger areas.”



GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system

Trends

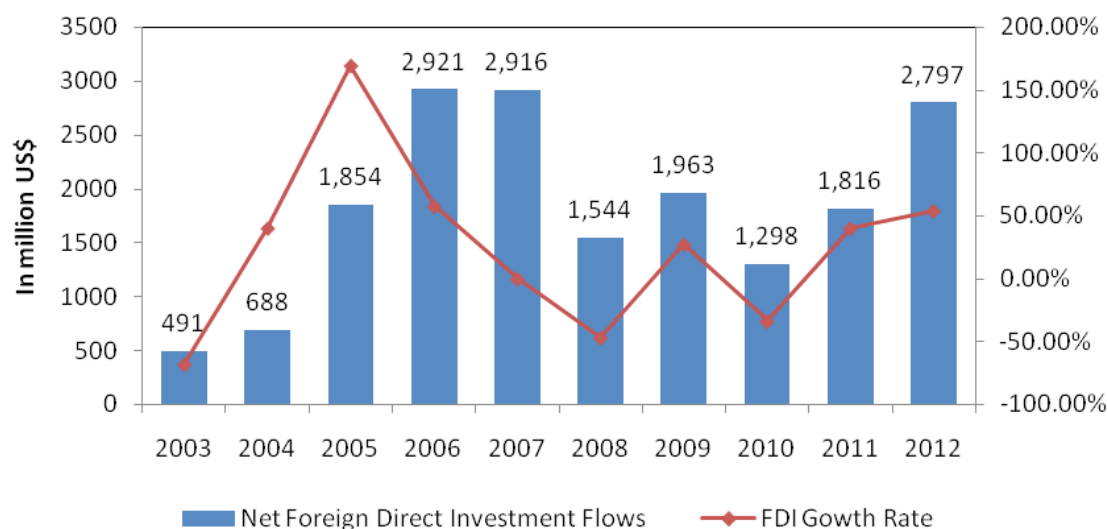
The Philippines continues to enhance trade with other countries through international trade agreements (i.e. multilateral, interregional and bilateral trade agreements). With this, the country aims to advance the competitiveness of industries by enhancing the business environment and the productivity, efficiency and attention to quality of manufacturers and producers, as highlighted by the Philippine Development Plan 2011-2016. Recently, several initiatives had been implemented to assist entrepreneurs in opening up their businesses and support the abovementioned goals. For example, the Business Permits Licensing System, which is now being implemented by 823 LGUs (50% of total number of LGUs), has reduced the number of procedures and days to process business permits and licences. Similar initiatives which facilitates efficient establishment of businesses include the Philippine Business Registry and the Enhanced Business Name Registration System.

There are also policies adopted such as EO 45 which combats unfair trade practices, monopolies and cartels and RA 10173 which addresses data privacy issues. Among others, these initiatives may have helped the country manage external shocks to the industry sector and gain mixed but generally positive results with related indicators in the medium term.

First, though foreign direct investments (FDIs) shrunk from US\$1.96 billion in 2009 to US\$1.30 billion in 2010, it has since been steadily climbing and has hit US\$2.8 billion in 2012 (Figure 88). Among others, the low investment numbers and erratic growth rate seen in the medium term may be rooted on global factors such as the continued crisis in the Euro area which discouraged investors and tightened credits, as cited in the Philippine Socioeconomic Report (SER) 2010-2012.

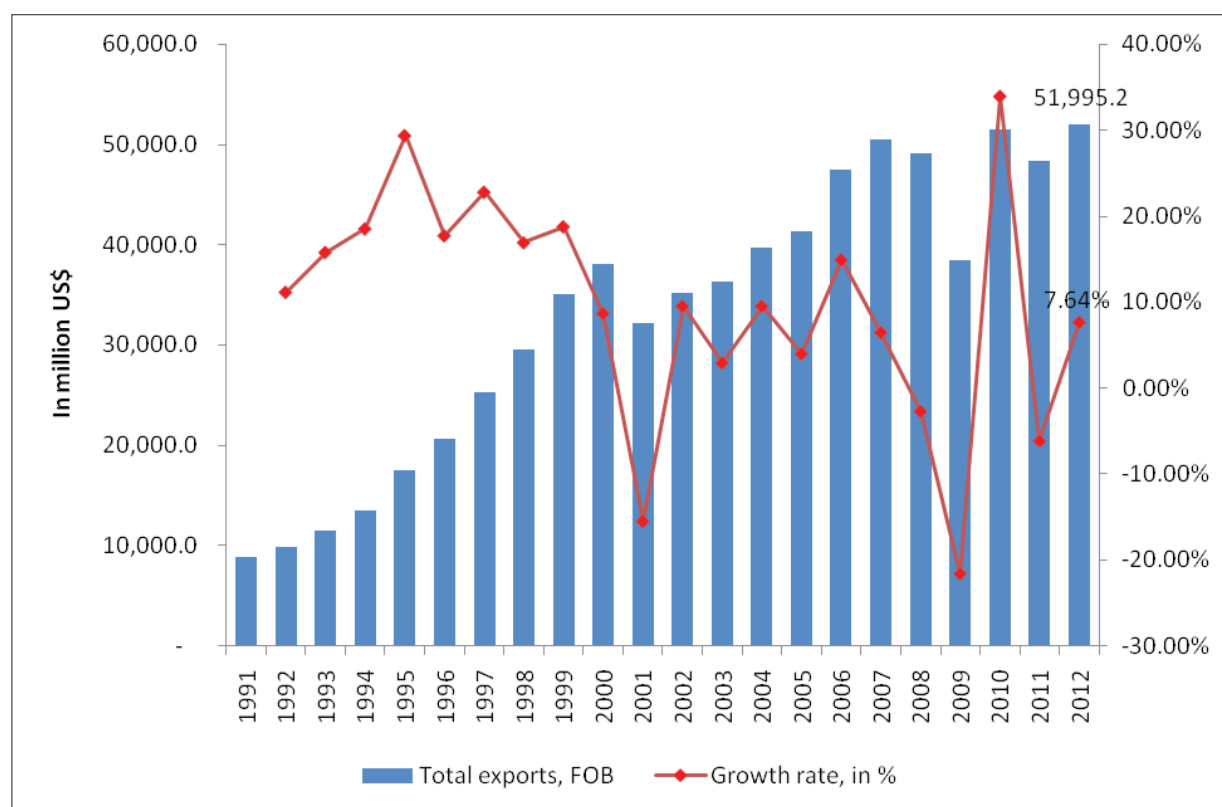
Second, after a weak performance in 2011, export of goods was seen to recover in 2012 reaching around US\$52 billion (Figure 87). The country's export growth was affected by recent external factors such as rising oil prices because of the crisis in the Middle East and North Africa, the disruption of the global supply chain

Figure 88. Net FDI Flows and Growth Rate, 2003-2012



Source: BSP, retrieved 3 July 2013 http://www.bsp.gov.ph/statistics/spei_pub/Table%2071.pdf

Figure 89. Total goods exports and goods exports growth rate, 1991-2012



Source: PSA-NSO and NEDA-National Policy and Planning Staff (NPPS)

due to disasters in Japan and Thailand, and the generally weakened global economy. But it seems to have gained good traction in 2012 through diversification of exports with more sale of agrobased and mineral products and ships and increased exports to other countries such as China and the members of the Association of South East Asian Countries (ASEAN). It is still worth noting, however, that Japan and the US remained as the major export markets of the country (SER 2010-2012).

Third, the SER 2010-2012 also noted that the Philippines saw positive movements in terms of its global competitiveness. On the World Economic Forum (WEF) Global Competitiveness Index Ranking, the country rose from rank 87 (out of 144 countries) in 2009-2010 to 65 in 2012-2013. The better ranking was attributed to the positive developments on the following areas: macroeconomic environment, financial sector, and public institutions, among others. The Philippines also fairs well on the World Bank-International Finance Corporation Doing Business Report climbing from 148th in 2010 to 136th out of 183 countries in 2012. However, it has slightly dipped to 138th out of 185 countries in 2013.

Challenges and priorities for action

Trade and industries will continue to be a growth driver and primary source of employment for the country. There are however several challenges that must be addressed to ensure the continuous development of this sector. For one, investments are seen to be hindered by the high cost of doing business in the country. High power costs, inadequate infrastructure, graft and

corruption, among others, discourage investors, especially in micro, small, and medium enterprises (SMEs), and hinder the competitiveness of the country's products. Also, as highlighted by the WEF Global Competitiveness Report 2012-2013 and the SER 2010-2012, there is a need to address the weaknesses on the country's sea and air transportation infrastructure and labor market.

On exports, though there were some noted improvements in terms of the diversification of products and markets, it still apparent that the country hinges on particular exports such as electronics and traditional markets such as the US and Japan. It is noted that the growth of the sector is restrained by the weakness in meeting international standards and failing to fully implement programs which would facilitate trade such as the National Single Window initiative, among others reasons.

There is thus a need to pursue initiatives which would improve the business environment, enhance productivity, encourage innovation, and diversification of products and markets. This include the: (a) development of the Comprehensive Industrial Plan which would guide the country's industrial development; (b) continued push for innovation through *Filipinnovation* program, among other similar initiatives; (c) execution of product, market and promotion strategies identified under the Philippine Export Development Plan 2011-2013; (d) adoption of strategies to manage risks and vulnerabilities of the export sector; (e) the identification and anticipation of demands of other country's to expand the market for our exports, and (f) the rationalization of fiscal incentives which shall institute a strategic approach in the grant of tax incentives that promotes competitiveness while ensuring cost-efficiency and fiscal sustainability.

Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

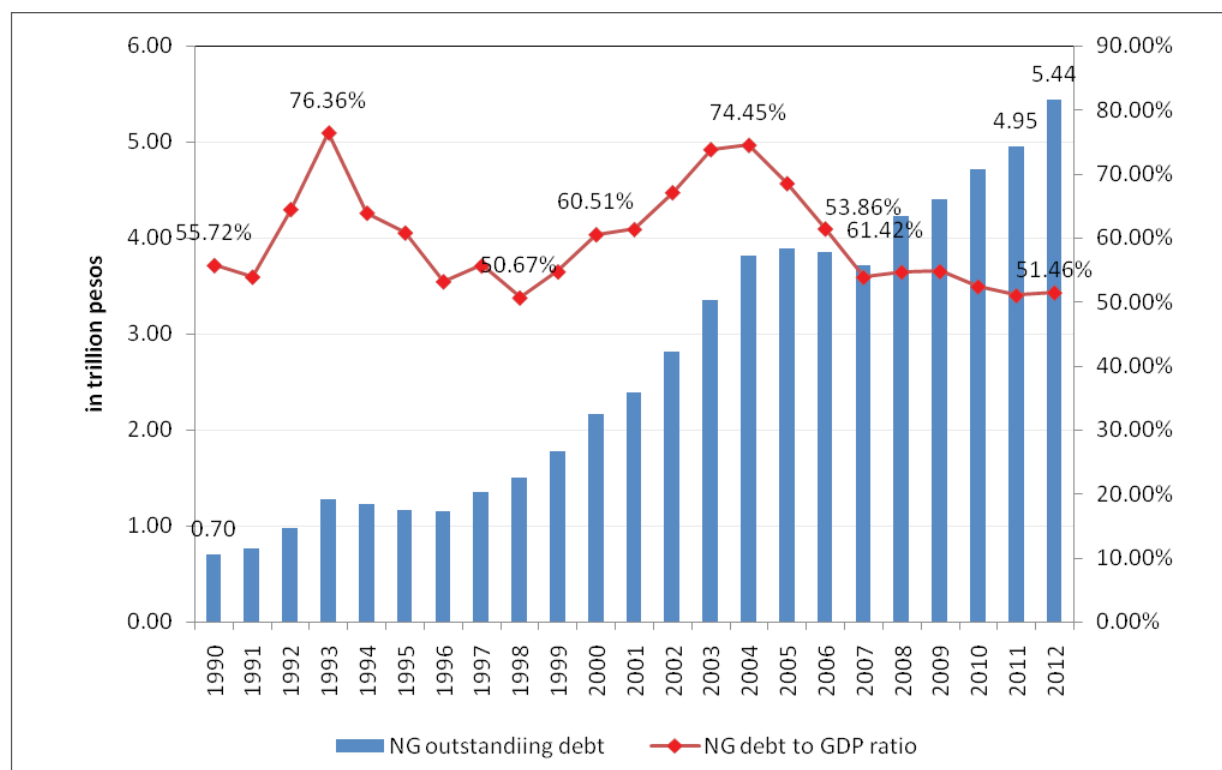
In general the outstanding debt of the Philippines is on an increasing trend since 1990, reaching PhP5.44 trillion in 2012 (Figure 88). Given this, however, it is also noticeable that debt to GDP ratio (from 2004) and debt service as a percentage of exports have been generally decreasing. From 74.45 percent in 2004, debt to GDP ratio has dropped to 51.46 percent (Figure 90) while debt service as a percentage of exports of goods and services dropped from 27.2 percent in 1990 to 11.2 percent in 2010 (the increasing movement of the latter from 2008 to 2010 may be due to the decrease in outputs of the export sector as a result of the economic crises and the weakened global economy (Figure 91).

Among others, these favourable developments may be related to the country's debt management

efforts which consider the "minimization of exposure to foreign exchange shocks as well as making most out of the favourable domestic interest rates" (SER 2010-2012). Specifically, SER 2010-2012 enumerated the following debt management strategies: (a) meeting the financing requirement of the government at minimum level of risk at the lowest cost; (b) the restructuring of debt mix in favour of domestic borrowing; and (c) supporting a healthy capital and debt market environment. Among others, these efforts led to the decrease of share of foreign debt to total NG debt from 42.4 percent in 2010 to 36.2 percent in 2012.⁹ Furthermore, it was seen that market confidence and investments improved which helped reduce the country's borrowing cost and that the utilization of the official development assistance (ODA) funds was enhanced in 2010.

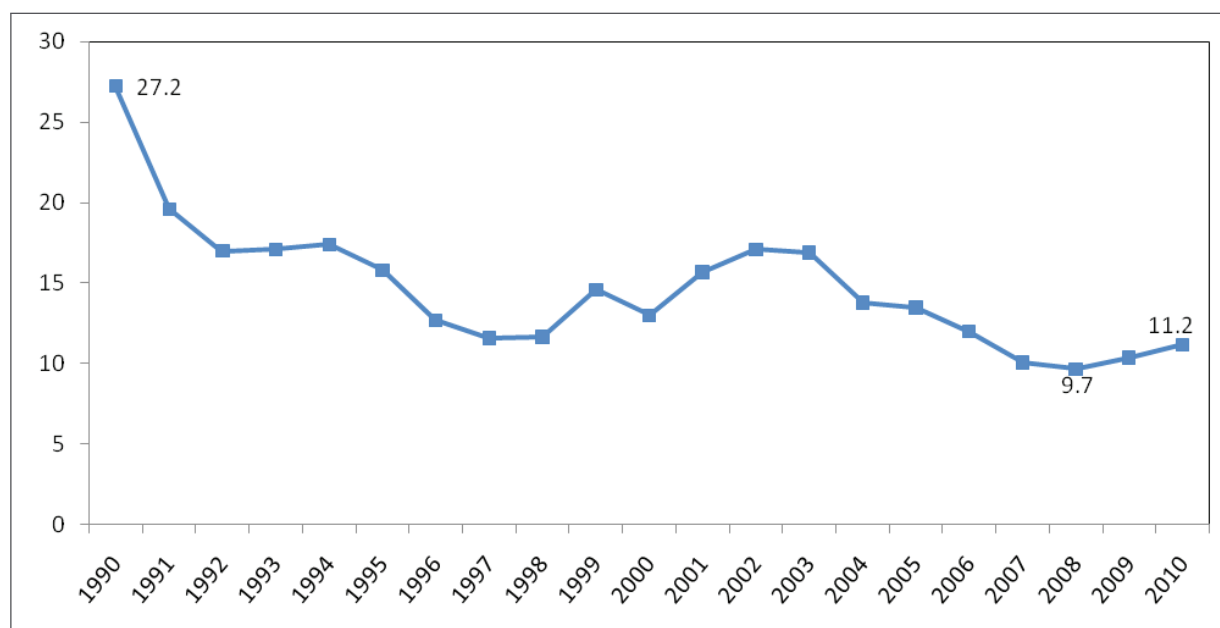
The improvements in debt management is welcome news since the country will continue to spend to achieve the MDGs while making sure that expenditures on infrastructure, education, and health are at par with other Asian countries

Figure 90. NG outstanding debt and debt to GDP ratio, 1990-2012

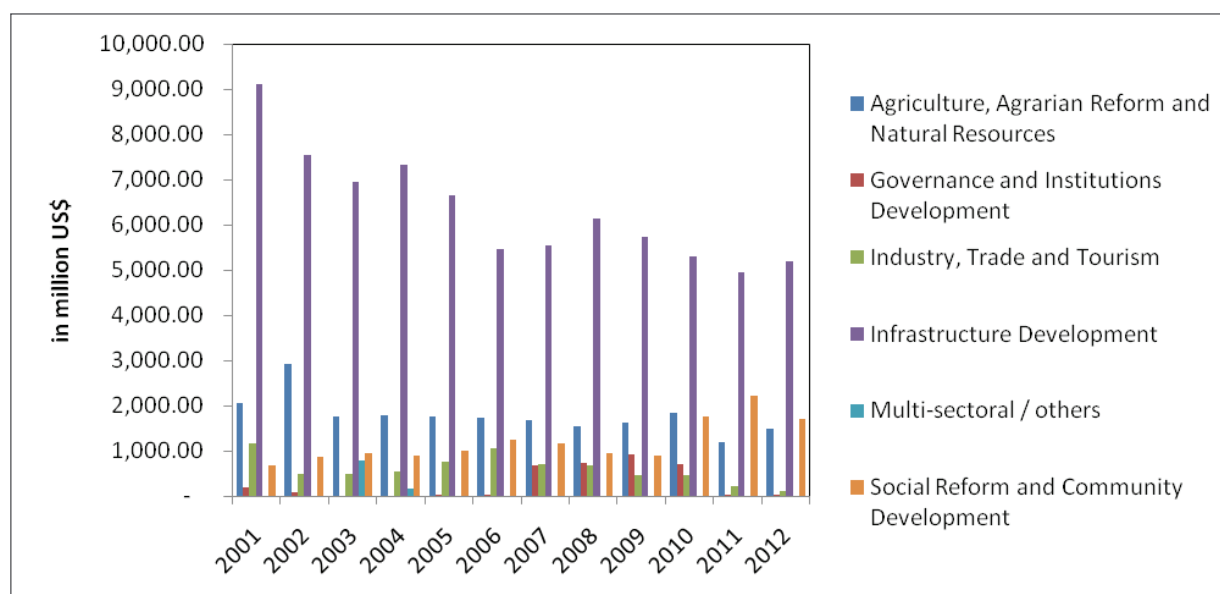


Sources: Department of Finance (http://www.dof.gov.ph/?page_id=4024, retrieved 4 July 2013) and NEDA-NPPS

⁹ http://www.dof.gov.ph/?page_id=4024

Figure 91. Debt service as a percentage of exports of goods and services, 1990-2010

Source: PSA-NSCB

Figure 92. Active ODA Loans by Sector, 2001-2012

Source: NEDA Monitoring and Evaluation Staff

(SER 2010-2012). Looking at the ODA portfolio (Figure 92), it may be seen that much of the funds went to infrastructure development, social reform and community development, and agriculture, agrarian reform and natural resources. This indicates that the country's ODA expenditure is in line with its development strategy, as mentioned earlier.

The sustainability of debt may also depend on the capacity of the country to generate and collect revenues in order to service its debts. Unfortunately, revenue collection was seen below targets in 2011 and 2012. The poor revenue collection was due to the tax collection shortfalls of the Bureaus of Internal Revenue (BIR) and Custom (BOC) despite collection improvements



through the implementation of anti-tax evasion initiatives such as the Run After Tax Evaders (RATES) and Run After the Smugglers (RATS) programs (SER 2010-2012).

Challenges and priorities for action

The challenges in ensuring the sustainability of the country's debt come from several fronts. This include foreign exchange and roll over risks, the vulnerabilities of the domestic capital and securities market to shocks, continued deficit spending ,and the underperformance of tax collection which results in government revenue losses. With this, the country intends to lower its fiscal deficit and debt at manageable levels through the following initiatives, as mentioned in the SER 2010-2012:

- 1) Enhanced revenue collection through the pursuance of corrupt officials, tax evaders

and smugglers, as well as improving the tax structure through policy reforms. With this, there are now several priority bills which would simplify the tax system, rationalize fiscal incentives and close possible loopholes that may cause avoidance, evasion and smuggling. Furthermore, the government will also enhance non-tax revenue collection;

- 2) Improved government spending through the institutionalization of the Medium-Term Expenditure Framework; and
- 3) And the enforcement of the abovementioned debt management strategy with emphasis on transparency and accountability of public sector entities. One of the tasks here is the institutionalization and development of the newly created Debt and Risk Management Division of the Department of Finance.

Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Status and Trends

Historically, Philippines has been observed to have higher prices of medicines compared with its neighboring countries and other developing countries. Based on the results of the Family Income and Expenditure Surveys (FIES) conducted in 2009, about 65.7 percent of the total health out-of-pocket spending can be accounted for the pharmaceutical expenditures and it is notably higher among the poorest quintile of the society.

Accessibility to and affordability of quality essential medicines are key factors in achieving the health-related MDGs and addressing the health needs of the country. Laws, policies and regulations were enacted and implemented by the government to promote and ensure access to affordable quality drugs and medicines for all, in cooperation with stakeholders including the pharmaceutical companies.

The Generics Law

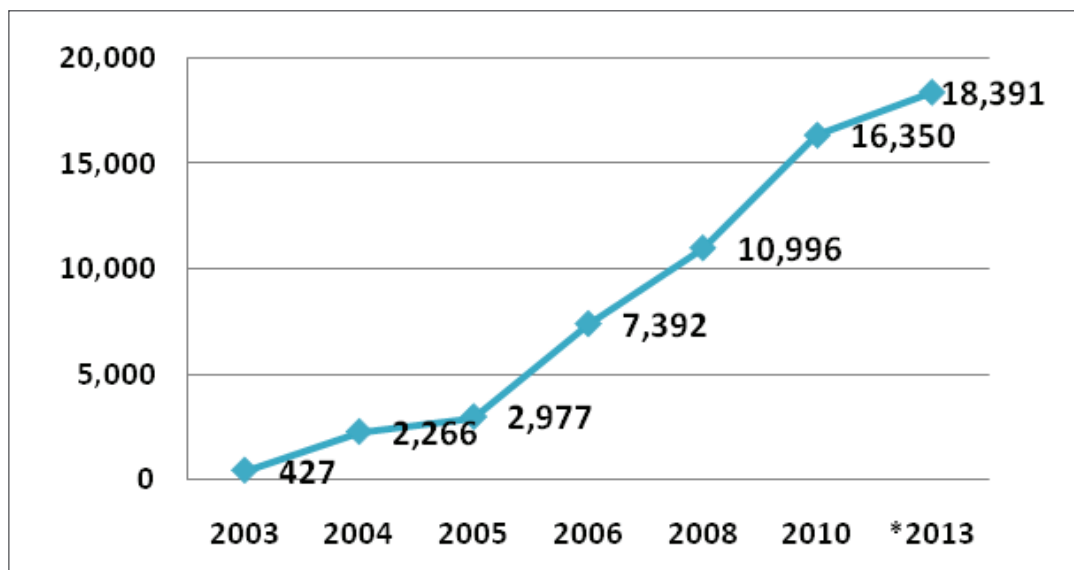
After the enactment of the Generic Law, many gains have been achieved particularly in the promotion of affordable generic medicines. These

can be explained by the prolonged efforts of the national government such as the establishment of community drug outlets like the *Botika ng Barangay* (BnB) and *Botika ng Bayan* (BNB), the parallel importation program through Philippine International Trading Corporation (PITC), and the continued advocacy and initiatives of private sectors in putting up generic retail outlets.

The establishment of BnB program aimed to provide access to cheaper medicines the poorest of the poor at the barangay level. As of March 2013, a total of 18,391 BnBs have been established nationwide including the variants of BnB- the *Botika ng Binhi* and the *Botika Para sa Taumbayan*. However, about 22 percent (4,050 BnBs) of the total BnBs established were already closed due to scarcity of supervising pharmacist who wants to work in the area and the run out of the supply of the drugs. For the improvement of pharmacy services of the BnBs in the country, the DOH issued last January 2011 a moratorium on the establishment of the BnB outlets nationwide.

On the other hand, *Botika ng Bayan* (BNB) is a network of privately-owned and operated accredited pharmacies that sell low-priced generic drugs. Medicines to be sold in BNB outlets will be purchased from the PITC Pharma, a government owned and controlled corporation that manages the franchising networks of BNB outlets. BNB has grown in number from 995 outlets in 2005 to 2,256 in 2010, where most of the number of

Figure 93. Cumulative Number of Botika ng Barangays (BnBs) Established from 2003-2013



Source: Department of Health

outlets is concentrated in NCR, Region IVA and Region III.

The BnB and BNB programs had big roles in reducing the prices of medicines through competition with private drugstores, even though the programs encountered problems in its implementation. Moreover, the prices of innovator medicines have gone down through their generic counterparts in BnB and BNB, and in private pharmacies throughout the country.



The Cheaper Medicine Act

RA 9502 known as the “Universally Accessible Cheaper and Quality Medicine Act of 2008” serves as an instrument of the national government to lower the prices of medicines through the

imposition of price ceilings of essential medicines. Initially, five drug molecules were subjected under mandatory price control (i.e. mandatory drug retail price or the MDRP) that cut the prices of the medicines to 50%. Moreover, another two rounds of price reductions were announced by DOH through a voluntary scheme proposed by 29 drug companies. On the other hand, the prices of 93 more medicines that cover different therapeutic categories were down to 70% off the retail prices. Currently, more than 200 medicines are under the price reduction initiatives. The table below shows the old prices and the MDRPs of the selected five basic molecules compared to other countries.

Years after the implementation of the law, a study done by the IMS Health showed that most of the drug molecules under the MDRP are among the top leading products in the market in term of total value sales. The prices of these medicines have been made more comparable with international reference prices (IRPs) where previously, the Philippines registered up to 15 times price difference for the same branded products in other countries. In addition, some companies that volunteered to reduce the price of their products were also gainers from the reduction scheme.

Medicine Access Programs

Given the efforts of the government and pharmaceutical companies in reducing the prices of medicines in the market, there is still no immense impact on the poorest of the poor.

Table 25. MDRP of Selected Medicines, Philippines vs. Other Countries (in Php)

Medicine	Price per Unit					
	Philippines (old prices)	MDRP	India	Pakistan	Thailand	Malaysia
Glicazide 80mg (Diamicron)	12.67	7.5	6.4	3.8	8.07	6.99
Irbesartan 150mg (Aprovel)	40.42	24.38	6.75	15.34	25.44	24.47
Azithromycin 500mg (Zithromax)	280.01	151.43	77.91	72.15	173.03	57.74
Atorvastatin 10mg (Lipitor)	58.63	34.45	11.94	39.11	57.69	37.94
Amlodipine 5mg (Norvasc)	45.7	22.85	7.93	7.04	26.65	N/A

Source: Updates on the Implementation of the Cheaper Medicines Act of 2008, (as of February 2013), DOH- National Center for Pharmaceutical Access and. Management (NCPAM)

In pursuit of *Kalusugan Pangkalahatan* (KP) or Universal Health Care (UHC), DOH subsidized the medicines of the poor families through different medicine access programs.

A. DOH-Complete Treatment Pack (DOH ComPack)

This program is an adaptation of the P100 Program which aimed to provide affordable treatment packs in the public sector, reaching the poorest of the poor with the essential medicines. P100 was redesigned and renamed to DoH ComPack, a medicine access program for out-patient care. In its first year of implementation, the target beneficiaries of this program were those poor families listed in the National Household Targeting System for Poverty Reduction (NHTS-PR) under the Conditional Cash Transfer (CCT) Program of the DSWD. The package is being distributed to the rural health units (RHUs) of the identified poor municipalities and the medicines are to be provided for free to sick members of the poor families. In 2012, ComPacks were already dispensed to a total of 1,392 RHUs nationwide. Currently, DOH ComPacks are also available in participating DOH and LGU hospitals to cater those who are not covered by the CCT program. The 27 molecules included in the package can address top common diseases such as hypertension, diabetes, respiratory infections, diarrhea and other non-communicable diseases (NCDs).

B. Acute Lymphocytic Leukemia (ALL) and Breast Cancer Medicine Access Program

The 2010 Philippine Cancer Facts and Estimates revealed that breast cancer is the primary cause of cancer morbidity and mortality among women in the country. On the other hand, ALL is one of the leading cancers in children. DOH is embarking on programs that will provide health care access to cancer patients through the “Medicine Access Program” for ALL and breast cancer patients in the country.

The DOH-Breast Cancer Medicine Access Program (BCMAP) aims to improve access to medicines for breast cancer patients. The program targets the most cost-effective and commonly used therapy for early stage breast cancer in women. The BCMAP not only provides free medicines but also encourages early screening and cancer awareness among Filipino women. Currently, about 943 breast cancer patients from different hospitals such as the Philippine General Hospital (PGH), Rizal Medical Center, East Avenue Medical Center and Jose Reyes Memorial Medical Center were already enrolled in this program.

The ALL Medicine Access Program (ALL-MAP) aims to decrease the cost of medicines, lower the mortality and increase the survival rates of the children with acute lymphocytic leukemia in the Philippines. DOH procured

Table 26. List of insulin products under the DOH Insulin Access Program

Company	Product	Acquisition cost of Hospitals per vial (PhP) (Inclusive of VAT)	DOH Hospitals Selling price per vial (PhP) (Inclusive of VAT)	Selling price per vial (PhP) (Inclusive of VAT)
Eli Lilly Phils.	Biphasic Isophane Human Insulin 70/30 (70% Isophane Suspension + 30% Soluble Insulin) 100 IU/mL, 10 mL vial	318.00	398.00	397.6
	Regular Insulin 100 IU/ml 10 mL vial	318.00	398.00	397.6
	Isophane Insulin Human 100 IU/mL, 10 mL vial	318.00	398.00	397.6

Source: From DOH-NCPAM Updates on the Implementation of the Cheaper Medicines Act of 2008, (as of February 2013)

in bulk medicines for ALL. This allows the target beneficiaries undergoing treatment in identified DOH Hospitals across the Philippines to access the drugs for free.

C. DOH Insulin Access Program

To improve the diabetic patients' access to affordable quality drugs particularly insulin, DOH entered into partnership with the Eli Lilly Philippines. The program made the drug available only to the public sector, under a unified pricing scheme and rational drug use. This year Eli Lilly proposed much lower prices for the insulin products. Hence, it will result to a bigger savings on the part of the patients with diabetes.

Price Monitoring of Essential Medicines

To monitor the prices of the essential medicines, DOH has an online system called the "Electronic Drug Price Monitoring System", where drug establishments or outlets are made to

electronically report their prices and inventory of drugs on a monthly basis. Currently, the analysis of data generated by the system is being improved. Table 27 shows the current price range of the essential medicines available in the market.

Access to Medicines Indicator

On achieving the target, DOH-NCPAM changed the indicator pertinent to essential medicines. In the 2010 MDG Report, the indicator used is the "percentage population with access to affordable medicines", which has been based solely on the population served by the BnB. Since DOH issued a moratorium on BnB, the measurement of this indicator cannot be made possible. Hence, DOH replaced it with the "mean percentage essential drugs availability in RHUs, City Health Centers and Level I and IV Public hospitals". According to the DOH, this will facilitate the establishment of a more appropriate tool that will set baseline and targets and a more efficient system to measure the indicator. The data is annually collected through drug availability surveys of the government health

Table 27. Price Monitoring Chart of Basic and Essential Medicines (in Php)

Product	Unit	Current Price	Generika	Generics Pharmacy	Watson's	Mercury
Cardiovascular Medicines						
Amlodipine (tablet)	peso/10 mg	3.25 - 38.50	3.25 - 19.65	3.25 - 8.00	7.25 - 38.50	7.50 - 38.60
Losartan (tablet)	peso/50 mg	4.75 - 24.50	4.75 - 19.50	5.00 - 8.75	11.00 - 24.00	10.75 - 24.50
Metoprolol (tablet)	peso/50 mg	1.75 - 18.75	1.75 - 3.10	1.75 - 2.50	2.42 - 15.00	2.75 - 18.75
Temisartan (tablet)	peso/40 mg	25.00 - 25.75	25.00 - 25.75	N/A	25.75	25.75
Warfarin Na (tablet)	peso/ 1 mg	14.75 - 21.75	14.75 - 18.00	N/A	21.75	14.75 - 21.75
Aspirin (tablet)	peso/ 100 mg	1.25 - 4.50	1.25 - 1.75	1.8	2.50-2.75	1.90 - 4.50
Anti-Bacterial Medicines						
Amoxicilin (capsule)	peso/250 mg	2.25 - 9.00	2.25	2.25	4.50 - 9.00	4.25 - 9.00
Cotrimoxazole (tablet)	peso/400 mg	1.75 - 20.00	1.75	1.75	9.25 - 20.00	5.60 - 19.50
Co-Amoxiclav (tablet)	peso/ 625 mg	28.00 - 48.90	28.00 - 33.00	30	29.25 - 48.90	29.75 - 48.90
Clarithromycin (tablet)	peso/250 mg	20.00 - 107.00	23.75 - 40.00	20	28.50 - 78.75	28.50 - 107.00
Doxycycline (tablet)	peso/100 mg	2.00 - 177.25	2.25	2	49.25 - 169.75	49.75 - 177.25
Anti-Asthma Medicines						
Fluticason + Salmeterol	peso/100 diskus	980.00 - 999.00	980	N/A	980	999
Salbutamol	peso/60 mL syrup	26.00 - 123.25	26.00 - 32.85	26	50.00 - 118.00	48.75 - 123.25
Anti-Hypercholesterolemia Medicines						
Simvastatin (tablet)	peso/10 mg	5.00 - 31.50	5	5.00 - 5.50	11.00 - 31.50	10.25 - 13.75

Source: Presidential Communications and Development and Strategic Planning Office, November 2013

facilities. The baseline data is 25.3 percent in 2010 and the target for 2016 is 96.4 percent. In 2012, the mean percentage of available drugs is about 48.95 percent, which already exceeded the set 2012 target.

Table 28. Mean availability of essential drugs in public hospitals and primary care facilities (targets vs. actual), 2010-2016

Year	Target (%)	Actual (%)
2010	25.3 (baseline)	
2011	31.6	45.15
2012	39.5	48.95
2013	49.4	-
2014	61.7	-
2015	77.1	-
2016	96.4	-

Source: Dichosa, M.J., Sarol, J., Mabulay, A.S., & Domingo, D.P. (2010) *Establishment of a Baseline for the Performance Indicators of Health Sector Policy Support Program Phase II – Final Report*. Philippines; Sarol, J. (2012) *Survey on Drug Availability in Public Health Facilities in the Philippines 2011*. Philippines

Key Bottlenecks and Priority for Action

Despite of the different programs being implemented to ensure equitable and sustainable access to medicines, there are still other factors that may affect this concerns.

Preference of the Doctors and Patients/Consumers

The share of innovator medicines and number of consumers who prefer to buy branded products continues to be overwhelming. Moreover, doctors tend to shift back their prescription of innovator drugs despite the existence of cheaper generic alternatives. To reverse this trend, DOH shall continue its efforts to increase the availability of generic products through procurement, parallel importation and public-private partnerships (PPP) with generic players. It is also recommended to have a more intensified advocacy to prescribe and use of generic medicines.

Health System Supports

Adequate health systems support from government, private sectors and stakeholders is necessary to ensure effective implementation of the existing programs and projects on providing access to affordable medicines for all Filipinos. The government should also provide technical assistance to the LGUs to ensure the enforcement of policies at the local level. In addition, strengthening of PPP can also contribute to the national goal of having universal access to medicines.

Best Practices

Towards Universal Health Care for all Filipinos through Public-Private Interactions in Health

The Pharmaceutical and Health Association of the Philippines (PHAP) seeks to strengthen its engagement in public-private collaborations in support of the Aquino government's *Kalusugan Pangkalahatan* or Universal Healthcare for all Filipinos. The PHAP consists of the following private companies: (a) AstraZeneca; (b) Bayer; (c) Baxter; (d) GlaxoSmithKline; (e) Boehringer Ingelheim Philippines; (f) IMS Health Philippines; (g) HI-Eisai Pharma Inc.; (h) Zuellig Pharma; (i) Sanofi; (j) Roche; (k) Pfizer Philippines; (l) One Pharma; (m) Novartis; (n) MSD Philippines; (o) Mercury Drug; and (p) Johnson and Johnson Philippines.

In 2003, PHAP created the PHAPCares which serves as the social responsibility arm of the organization. It is mandated to help improve the health and lives of Filipinos through medicine access initiatives, health information and education campaigns, and humanitarian missions in geographic areas affected by conflicts, health outbreaks and calamities. The organization has already initiated flagship initiatives.

In 2011, for example, the PHAPCares signed a Memorandum of Agreement with the Office of Civil Defense-National Disaster Risk Reduction Management Council to provide the government with PhP50 million worth of life-saving medicines for a period of five years for the use of communities affected by natural and man-made disasters.

Lately, PHAPCares initially pledged to construct a community clinic and pharmacy in Sibutu, Tawi-tawi to benefit its more than 30,000 residents. It will be open for 24 hours and 7 days in a week. The goal of this activity is to replicate this project in other depressed areas which are in need of quality medicines and medical assistance.

National agencies such as DoH, DTI and DSWD commend and support the PHAP's efforts in promoting and protecting the health and lives of the Filipino people.

Target 8.F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

Trends

The Philippines is dubbed as the texting capital of the world and the top ranking destination for business support services, and is tied for first in terms of social network penetration. Regarding meeting its commitments of cooperating with the private sector in expanding and providing greater access to telephone, cellular, and broadband services, the Philippines has been constantly meeting its target of making information and telecommunication services more accessible.

The telecommunications sector plays an important role in national development. The World Bank, alongside various studies, concludes that every 10 percentage point increase in broadband penetration accelerates economic growth by 1.38 percentage points. The Philippine Development Plan 2011-2016 has identified the promotion of information and communications technology (ICT) as a means to interconnect the country, even out social opportunities, raise overall living standards, and attain global competitiveness.

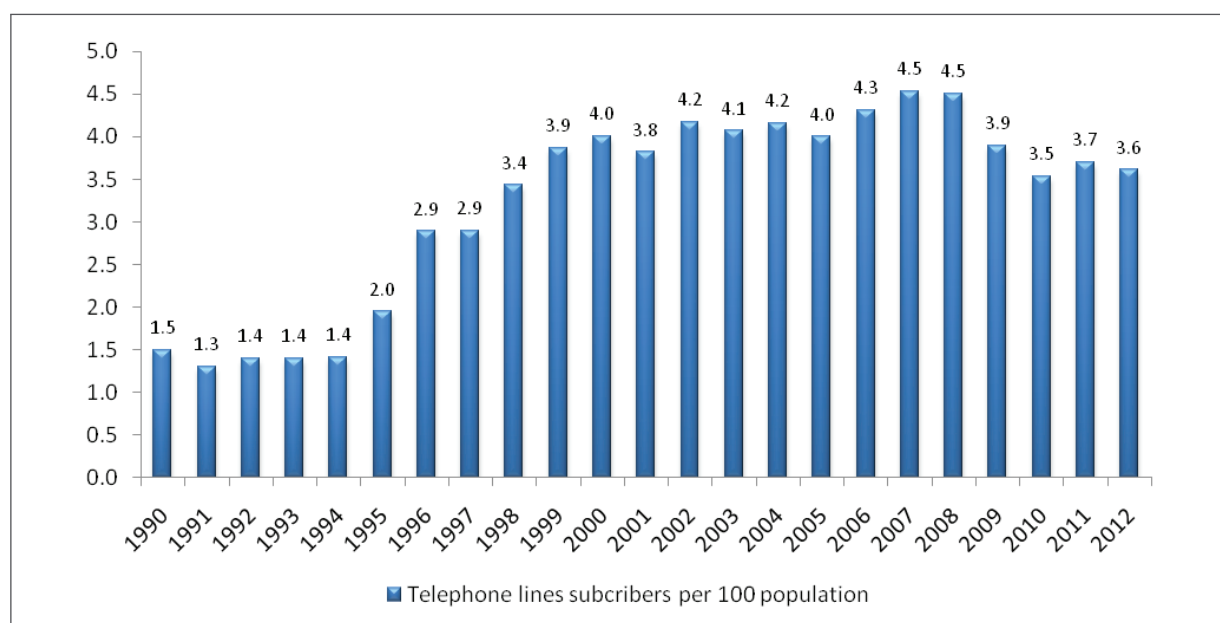
The government's role in spurring development in the telecommunications industry is through the development of policies and regulations while encouraging private sector investment. These create the base for policy implementation in the initial stage and the strategic framework and institutions that implement strategies through policies and regulations. The expansion of the market has been identified as a policy of the state through the Public Telecommunications Policy Act of 1995 (RA 7925) and the Electronic Commerce Act of 2000 (RA 8792).

Fixed Telephone Lines per 100 Population

Fixed line density has been increasing in the 1990s. But from 2000 onwards, the same trend cannot be observed. With cellular phone subscriptions being a substitute for fixed telephone line subscriptions and Filipinos preferring the more mobile option, an increase in phone line subscriptions cannot be expected alongside the steady demand and acquisition of cellular phones.

As of 2011, there were 6.75 million installed fixed telephone lines of which 3.56 have been subscribed. The total number of subscribed lines is nominally higher than the reported figure in 2009 (3.4 million). However, the number of telephone

Figure 94. Telephone line subscribers per 100 population



Source: National Telecommunications Commission

Table 29. Installed and subscribed telephone line per 100 population, by Region

	Population (2011)	Installed Lines 2011	Subscribed Lines 2011	Installed Lines per 100 Population (2011)
Region 1	4,838,591	189,716	90,276	3.9
Region 2	3,290,517	56,997	33,531	1.7
Region 3	10,330,354	502,395	252,638	4.9
Region 4A & 4B ¹⁰	15,646,209	1,120,865	421,990	7.2
Region 5	5,523,399	145,138	60,188	2.6
Region 6	7,237,384	318,635	143,507	4.4
Region 7	6,929,383	398,030	222,272	5.7
Region 8	4,179,247	86,615	28,392	2.1
Region 9	3,472,093	52,929	44,054	1.5
Region 10	4,378,972	191,075	89,541	4.4
Region 11	4,553,466	232,570	98,137	5.1
Region 12	4,187,653	111,262	99,696	2.7
CARAGA	2,475,379	134,892	36,033	5.4
NCR	12,081,239	3,090,105	1,888,123	25.6
CAR	1,647,587	84,608	44,821	5.1
ARMM	3,318,007	37,864	2,752	1.1
TOTAL	94,089,480	6,753,696	3,555,951	7.2

Sources: PSA-NSCB, National Telecommunications Commission and PSA-NSO

lines as a percentage of the population declined at 3.7 total compared to 2009's 3.9. This posts a decline of 5.1 percent for the national average.

The National Capital Region (NCR) still accounts for the bulk of telephone line subscription at 53 percent of the total. NCR also has the highest density of subscriptions at 15.63 subscriptions for every 100 population with its 1.88 million fixed line telephone subscribers. However, compared with the previous reporting year (2009), this number is lower by 0.26 percentage points. In the past two years, the growth in Region 11 has been remarkable, almost doubling the number of subscribed lines at 1.2 subscribed lines per 100 population to 2.38 in 2011. Regions 1 and 10 also experienced significant increases in telephone line subscriptions with 41.0 and 24.3 percent, respectively.

In the Autonomous Region of Muslim Mindanao (ARMM), there are only 0.08 phone lines for every 100 population, with a total of 2,752 subscriptions. There is very low subscription rate for the region (7.3%) compared with the national average of 52.7 percent. There were two regions that also fared low in the previous report, Regions II and VIII. Region II was able to increase its fixed line density to 1.02 posting a 24.3 percent increase; while Region VIII continues to have less than 1 subscription for every 100 persons, at 0.8, or a 16.1 percent decline from 2009.

Cellular Subscribers per 100 Population

The number of cellular mobile telephone subscribers (CMTS) has consistently increased for the past two decades. In 1991, only one in 1,000 have access to mobile communications; 20 years later, only 48 in 1,000 do not have access. The

¹⁰ NTC does not disaggregate between Region 4A and Region 4B in its statistics for telephone subscriptions.

Subscribed Lines per 100 Population (2011)	Installed Lines per 100 Population (2009)	Subscribed lines per 100 Population (2009)	Percentage of Total Installed	Percentage of Total Subscribed
1.9	3.6	1.2	2.8	2.5
1.0	1.5	0.8	0.8	0.9
2.4	4.2	2.5	7.4	7.1
2.7	7.6	3.1	16.6	11.9
1.1	2.2	1.2	2.15	1.7
2.0	5.8	2.6	4.7	4.0
3.2	6.6	3.4	5.9	6.2
0.7	3.7	0.8	1.3	0.8
1.3	1.2	1.0	0.8	1.2
2.0	3.7	1.4	2.8	2.5
2.2	6.6	2.4	3.4	2.8
2.4	2.0	1.2	1.6	2.8
1.5	5.2	1.4	2.0	1.0
15.6	26.8	15.7	45.8	53.1
2.7	4.8	2.5	1.2	1.3
0.9	0.9	0.1	0.6	0.1
3.7	7.4	3.9	100.0	100.0

Philippines is consistently hailed as the texting capital of the world and in 2011, accounting for 10 percent of the total number of short messaging service (SMS) or text messages sent worldwide.

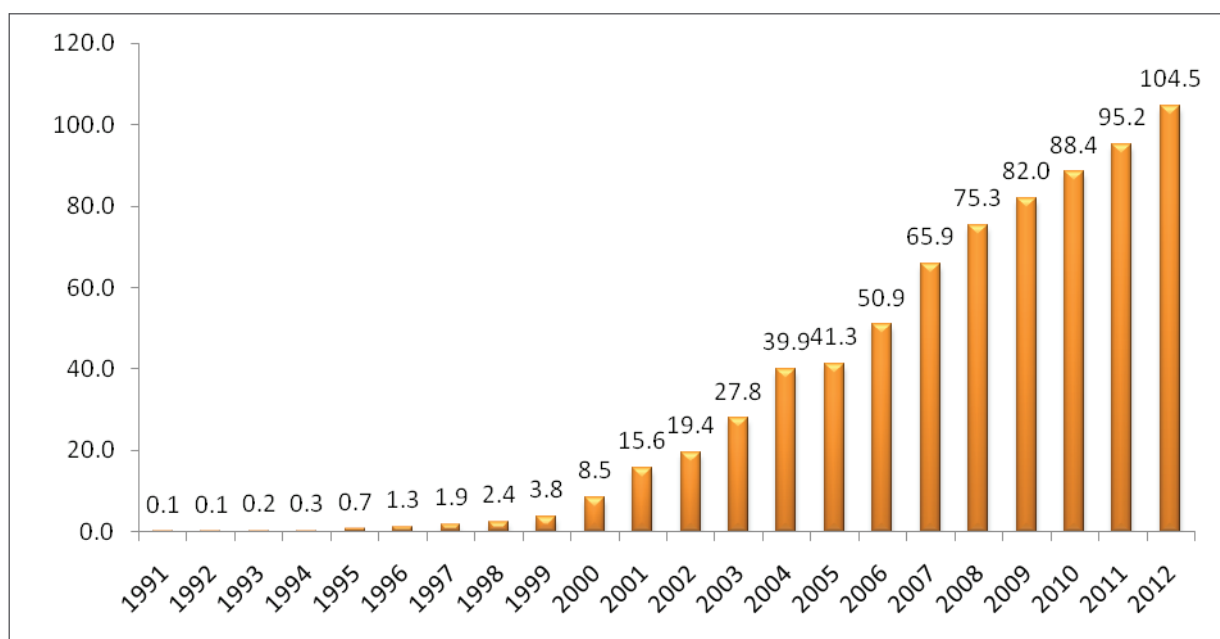
In 2011, the Philippines had more than 89.5 million mobile subscribers. This reflects a CMTS of 95.2. According to the International Telecommunication Union (ITU), the Philippines in 2011 fared better compared with its counterparts in the Asia and the Pacific Region which had 77.3 mobile subscriptions for every 100 population. The Philippines' CMTS is also higher compared with its counterparts in developing nations and the world with the average of 78.3 and 85.5, respectively. Cellular phone access is the preferred connectivity option for rural areas compensating for the low market penetration of fixed telephone line subscriptions in these areas. At present, SMS is still the most used mobile technology with 97 percent of total users availing of the service, while one in 10 subscribers use their mobile phones

Table 30. Cellular mobile telephone subscriptions and density

Years	Number of Subscriptions	CMTS Density
1991	33,800	0.1
1995	493,862	0.7
2000	6,454,359	8.5
2001	12,159,163	15.6
2003	22,509,560	27.8
2005	42,868,911	41.3
2007	57,334,815	65.9
2009	77,043,460	82.0
2011	89,573,185	95.2
2012	101,978,345	104.5

Source: National Telecommunications Commission

Figure 95. Cellular Phone Subscribers per 100 Population



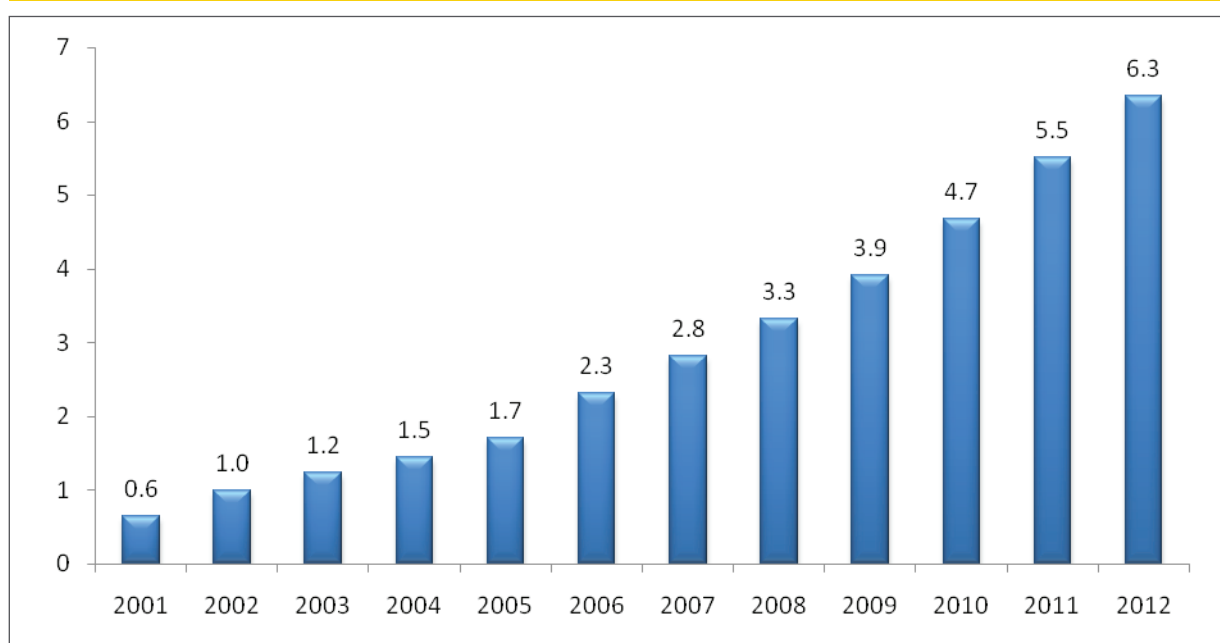
Source: National Telecommunications Commission

for internet access. The ICT market is dominated by the mobile segment, which accounts for 80 percent of the telecommunications sector and consists mainly of prepaid cellular services.

Independent market intelligence firm Business Monitor International forecasts in its Philippine

Telecommunication Report (PTR) that by 2016, cellular mobile subscriptions will reach 114 percent market penetration. The report also approximates that by the end of 2012, the Philippines will attain 100 percent CMTS density. The data from NTC actually reveal that the CMTS density has reached 104.5 percent in 2012.

Figure 96. Broadband Connection per 100 population



Source: National Telecommunications Commission

Internet users per 100 population

In 2011, the National Telecommunications Commission (NTC) estimates at least 5.1 internet subscribers with 320 internet service providers (ISPs) or 5.51 connections per 100 population. The broadband industry has been growing an average of 20.9 percent since 2003. The number of estimated subscribers increased by 44 percent compared with that reported in 2009.

Data from the ITU shows that 29.0 or almost one in three individuals use the internet. The average for the Asia and the Pacific Region is 25.6 percent. Even though the country ranks first in terms of social network penetration, the statistic for the number of individual internet access is still below the international average of 39 percent. By 2016, the PTR forecasts that the total number of broadband subscribers will double its 2011 figure or 10.23 million subscriptions. Among the three sectors of the telecommunications industry, internet access will be the sector which will experience the highest growth rate in the next few years due to continuous increase in demand. Mobile broadband will be the key growth driver. As Filipinos continue to patronize social networking, tying with Indonesia in terms of social networking penetration, the number of



mobile broadband subscriptions will continue to increase as the relatively slower speeds of mobile connections are sufficient for the low bandwidth requirements of social networking sites.

Key bottlenecks and suggested solutions

The Philippine Digital Strategy (PDS) 2011-2016 is the Philippines' strategic roadmap for the ICT sector. It identifies key challenges and lays out the planned policy directions to achieve its goals. One of the strategic thrusts of the PDS is improving access to the internet. The PDS' objective of "Internet Opportunities for All" includes the improvement of digital literacy and competence; reduction of the geographical digital divide and promotion of inclusive internet development; and ensuring affordability within satisfactory internet speeds. The PDS concedes that simply obligating the private sector operators to serve unviable areas or direct provision of government-funded facilities will be challenged by issues on low rural access, sustainability, and underutilization. Public-private partnerships (PPP) are thus encouraged for funding and delivery of services to areas that are not commercially viable.

Table 31. Estimated no. of Subscribers and Broadband Connection per 100 Population

Years	Estimated no. of Subscribers	Population Estimate	Broadband Connection per 100 population
2001	500,000	78,064,689	0.64
2002	800,000	79,657,208	1
2003	1,000,000	81,282,215	1.23
2004	1,200,000	82,940,373	1.45
2005	1,440,000	84,632,356	1.7
2006	2,000,000	86,358,856	2.32
2007	2,500,000	88,574,614	2.82
2008	3,000,000	90,257,532	3.32
2009	3,600,000	91,972,425	3.91
2010	4,320,000	92,337,852	4.68
2011	5,184,000	94,092,271	5.51
2012	6,220,800	97,549,040	6.34

Source: National Telecommunications Commission



income Filipino families, internet rentals and public access computers remain a cost-efficient option for internet access for many. The Community eCenter (CeC) Program provides self-sustaining shared internet access facilities. CeCs allow those mainly in unserved and underserved communities access to basic internet services which include eGovernment services (e.g. NSO, GSIS, etc.), capability building with hands-on computer literacy and skills development trainings, among others. In total, CeCs have almost doubled in the country in a span of four years from 755 in 2007 to 1,416 in 2011. Table 32 shows the number of CeCs

Fibre-backbone is important for broadband development. The map shows areas in the Philippines without any fibre-backbone. It can be noted that these areas are sparsely populated and therefore does not provide enough incentives for private investments. Return of investment in these areas will not be guaranteed or will be slow, thereby necessitating the formulation and implementation of the National Broadband Plan and creation of a Universal Access and Service Fund (UASF) by utilizing spectrum user fees (SUF) to fund the provision of ICT infrastructure and services to unserved and underserved areas. At present, the NTC is able to collect approximately PhP2 billion from SUFs. The PDF identifies the earmarking of SUFs for financing and upgrading infrastructure to improve broadband access to rural areas instead of remitting the SUFs back to the National Treasury.

With personal computers and monthly recurring fees of internet connections being unaffordable for many low-

per Region from 2007 and 2011. There have been significant increases in the number of CeCs per region, with Regions I, II, III, VI, and VIII having more than 100 CeCs. Intuitively, rural areas need more assistance as far as gaining online access is concerned. ARMM's Basilan, Sulu, and Tawi-Tawi do not have the necessary fibre-backbone infra-

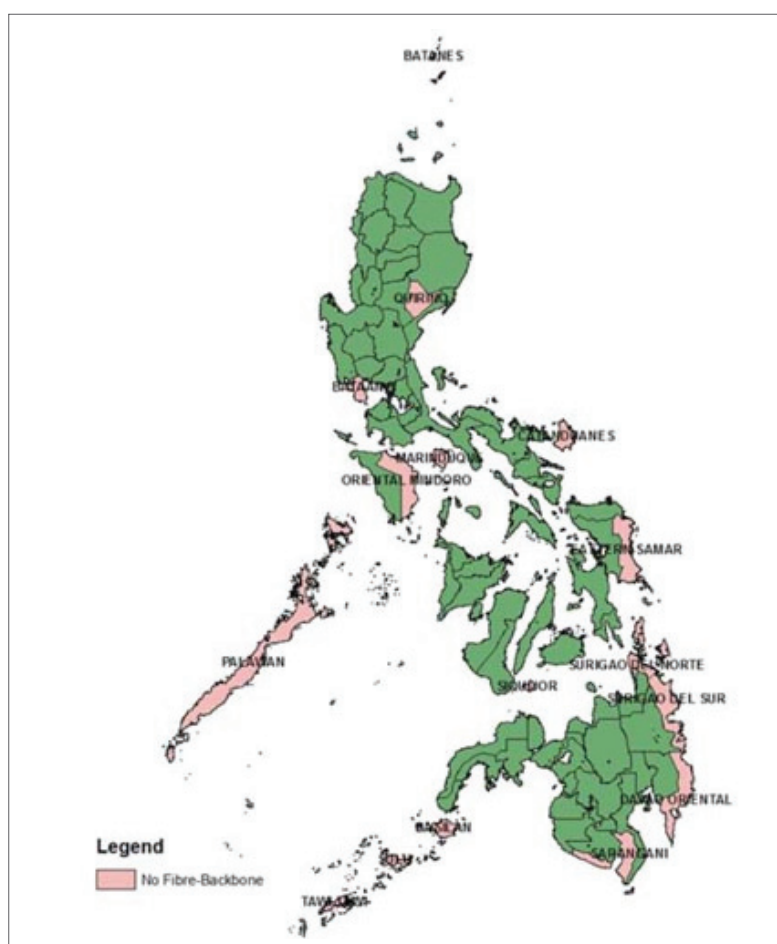


Table 32. Number of CeCs per region from 2007 - 2011

Region	Number of CeCs		Percentage Increase
	As of Dec-07	As of Aug-11	
NCR	4	29	625.00%
CAR	28	68	142.86%
Region I	59	152	157.63%
Region II	61	103	68.85%
Region III	77	142	84.42%
Region IVA	38	69	81.58%
Region IVB	31	53	70.97%
Region V	43	84	95.35%
Region VI	61	91	49.18%
Region VII	54	130	140.74%
Region VIII	48	109	127.08%
Region IX	31	61	96.77%
Region X	55	89	61.82%
Region XI	46	74	60.87%
Region XII	47	82	74.47%
Region XIII	30	49	63.33%
ARMM	22	31	40.91%

Source: PhilCeCNet.ph

structure for high speed internet connections. The region also has the second lowest number of CeCs, next to NCR, which does not need CeCs as much as the other regions.

The PDS also provides measurable targets and strategies for the attainment of universal internet access. However, absence of concrete implementing guidelines for the attainment of this goal may become an issue. Identification of the lead agency with adequate resources to support national ICT development is necessary alongside the capacity building of existing implementing agencies involved in ICT development. There are debates on whether there is a need to establish a Department of Information and Communications Technology (DICT). Both House Bill 4300

and Senate Bill 2546 similarly intend to elevate ICT development through an executive department and have been approved on the third reading in both houses. In the absence of a bicameral convention to discuss the bills, both bills have been archived in the 15th Congress. Proponents of the bill believe that the DICT is necessary support for the country's technological development and will attract further investments to the growing IT-BPO industry. However, the country's rationalization and austerity policy for the bureaucracy has emerged as a counter-argument for the proposed measure.

The sector foresees that the merger of two of the biggest telecommunications providers in the country, Digitel Telecommunications Philippines' Sun Cellular and the Philippine Long Distance Telephone Company's Smart Communications, may discourage competition in the industry and result in less affordable consumer rates. An Anti-Trust Law which aims to provide a healthier business environment for ICT services has been proposed to prohibit anticompetition mergers and agreements. The bill proposes to create the Philippine Fair Competition Commission which will regulate anticompetition practices; improve the business climate; and encourage foreign investment.

Legislations should be reassessed and updated to support ICT development. The amendment of the Public Telecommunications Policy Act has been proposed, alongside a Convergence Bill that aims to rationalize all pertinent laws and provide technologically-neutral basis to encourage investment into the sector. Other emerging concerns that will need legislative support are issues on cyber security and intellectual property rights.



FINANCING THE MDGS

Trends in Public Expenditure

National Government

Government spending for the MDGs is mostly reflected in the expenditures for social and economic sectors¹¹. In the last decade, the government put efforts to prioritize spending for these two sectors. However, the levels of their share in the total national government expenditures have been affected by various factors such as the condition of the economy and the level of the income of the government. This section discusses the trend in the national government expenditures for social and economic services from 2000-2012.

Based on the DBM Budget of Expenditures and Sources of Financing (BESF), national government expenditures for social and economic services as percentage of total expenditures has declined from 2000 to 2005. Figure 95 shows that expenditures for social services as percentage of total national government expenditures steadily decreased from 31.2 percent in 2000 to 27.0 percent in 2005. Also, the expenditures for economic services as percentage of total expenditures declined from 24.5 percent in 2000 to 18.4 percent in 2005.

A similar declining trend was observed in terms of the national government sector-based expenditures as percentage of gross domestic product (GDP) (Figure 96). From 2000 to 2005, the percentage share to GDP of national government expenditures for social services went down from 6.0 percent to 4.5 percent. The national government expenditure for economic services as percentage of GDP also declined from 4.7 in 2000 to 3.1 percent in 2005.

The decline in the spending for social and economic services from 2000-2005 can be related to the decline in the revenue and tax effort of the government for the same period. The revenue and tax effort of the government only averaged 14.2 percent and 12.3 percent, respectively, from

2000 to 2005 (Figure 97). Meanwhile, the national government budget deficit-to-GDP ratio for the period was high, at 3.9 percent average. The expenditure share for debt servicing and interest payments also increased from 3.9 percent of GDP in 2000 to 5.3 percent in 2005. These factors contributed to the constriction of spending for social and economic services from 2000 to 2005.

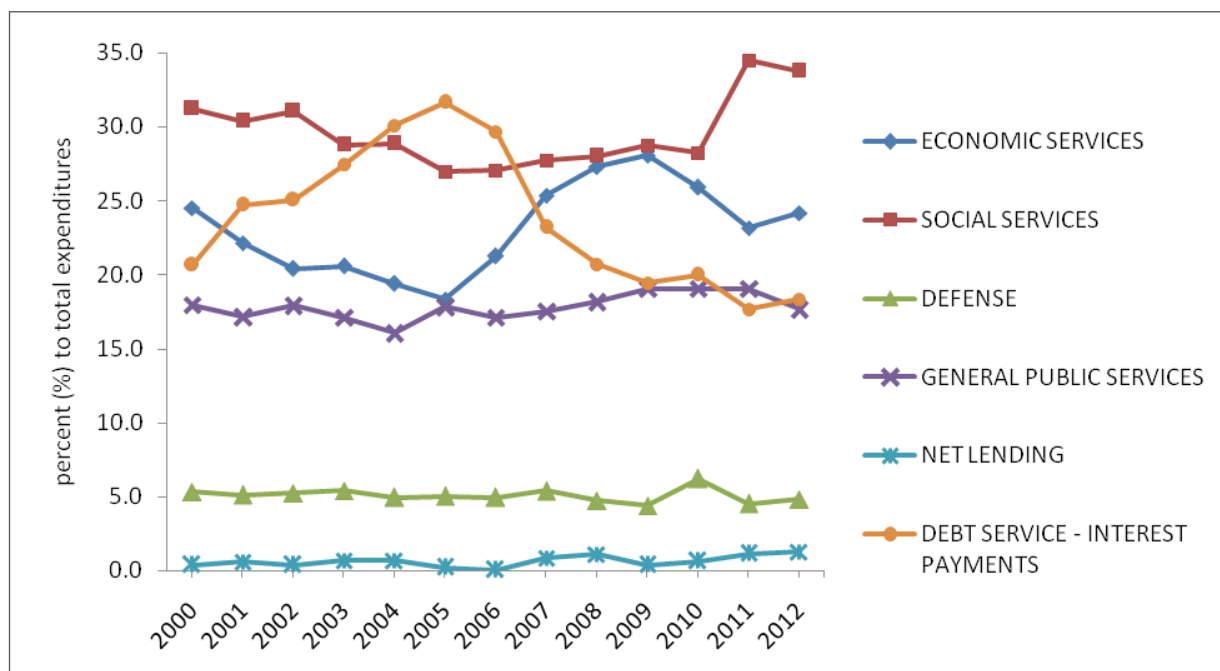
Improvements in expenditures were observed starting 2006. The expenditure for social services as percentage of total national government expenditures increased from 27.4 percent in 2006 to 28.7 percent in 2009. In terms of the expenditure share for economic services, significant increases were also observed, from 21.4 percent (2006) to 27.3 percent (2009). The same increasing trend was shown in terms of the percentage share to GDP of the expenditures for social and economic services. The share of social services expenditures to GDP increased from 4.5 percent in 2006 to 5.1 percent in 2009; and for economic services, the increase was from 3.5 percent in 2006 to 5.0 percent in 2009. Meanwhile, the share to GDP of debt servicing and interest payments declined significantly, from 4.9 percent in 2006 to 3.5 percent in 2009.

These improvements may be attributed to the revenue measures and reforms in tax administration implemented starting 2004. These major reforms included the revision of the excise tax in alcohol and tobacco, an expansion of the scope and an increase in the rate of value added tax and the enactment of the Lateral Attrition Law. These reforms resulted in the increases in the tax and revenue effort. From 2006 to 2008, revenue and tax effort averaged 15.9 percent and 13.6 percent, respectively, while the deficit-to-GDP ratio dropped to an average of 0.7 percent.

However, in 2008, economic activities slowed down due to the global financial crisis. This affected the government's revenue and tax effort, which weakened to 14.0 percent and 12.2 percent, respectively, in 2009; and to 13.4 percent and 12.1 percent, respectively in 2010.

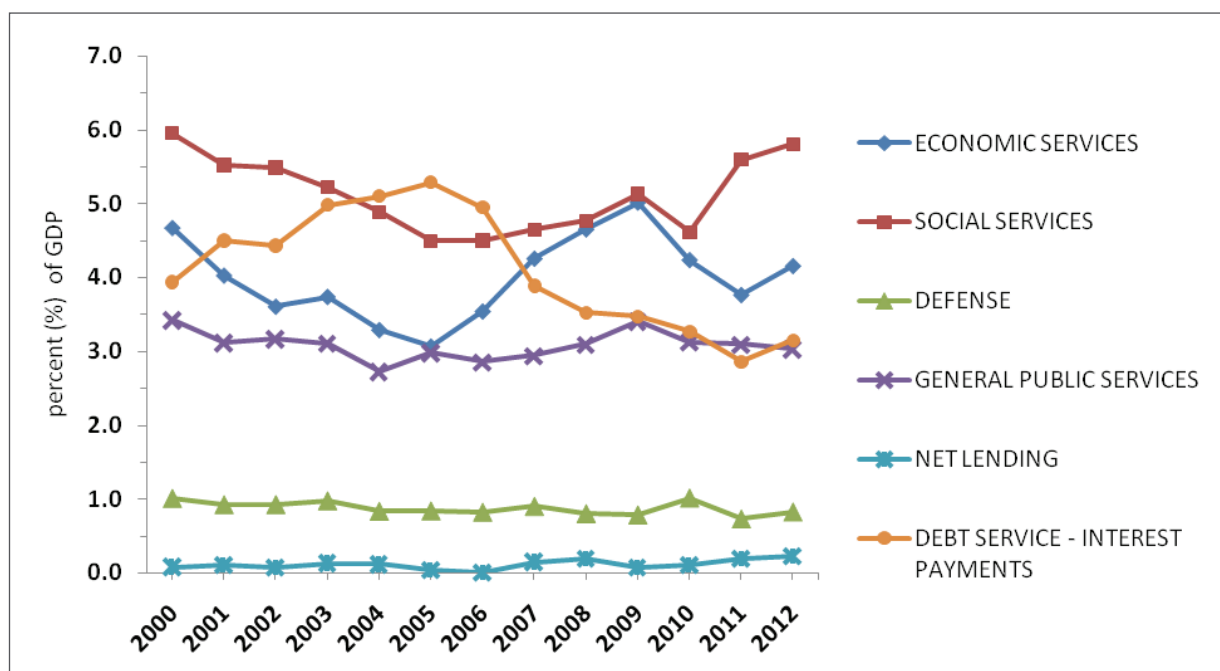
11 Spending for education, culture and manpower development; health; social security, welfare and employment; housing and community development; and land distribution constitute expenditures for social services. Spending for agriculture and agrarian reform; natural resources and environment; trade and industry; tourism; power and energy; water resources development and flood control; communications, roads and transport constitute expenditures for economic services.

Figure 97. National government sectoral expenditures (obligation basis) as percentage of total expenditures, 2000-2012

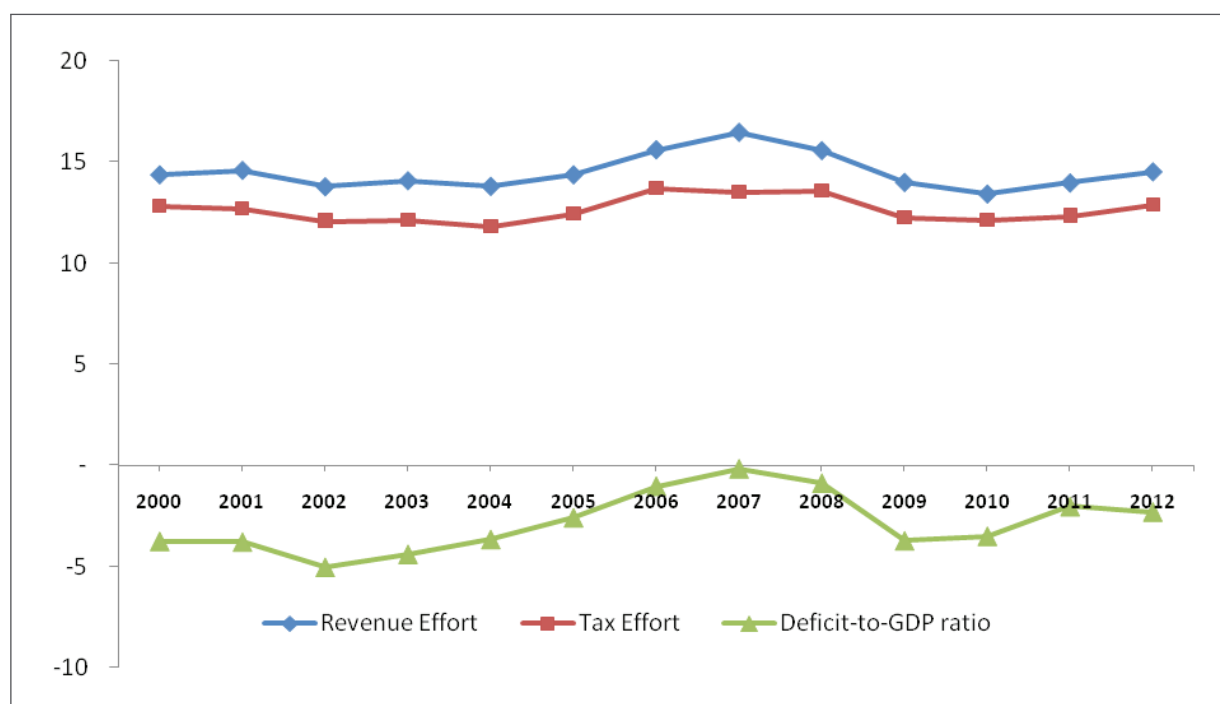


Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

Figure 98. National government sectoral expenditures (obligation basis) as percentage of GDP, 2000-2012



Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

Figure 99. Revenue Effort, Tax Effort and Deficit-to-GDP Ratio, 2000-2012

Source: NEDA-National Policy and Planning Staff (NPPS)

Several tax eroding measures were also enacted in 2009 and 2010 which depleted the revenues gained from earlier reforms. Deficit-to-GDP ratio went up to 3.7 (2009) and 3.5 (2010). As a result, expenditure for social and economic services as percentage of GDP dropped to 4.6 percent and 4.2 percent, respectively, in 2010.

A slight improvement has been observed in 2011. Despite the absence of new taxes in 2011, revenue generation reached its highest level for the past 10 years at PhP1.36 trillion. Revenue effort inched up to 14.0 percent in 2011 while tax effort went up to 12.3 percent. This may have been the results of the implementation of various programs to improve tax collection. This improvement continued in 2012, with tax effort and revenue effort reaching to 14.9 percent and 12.9 percent, respectively.

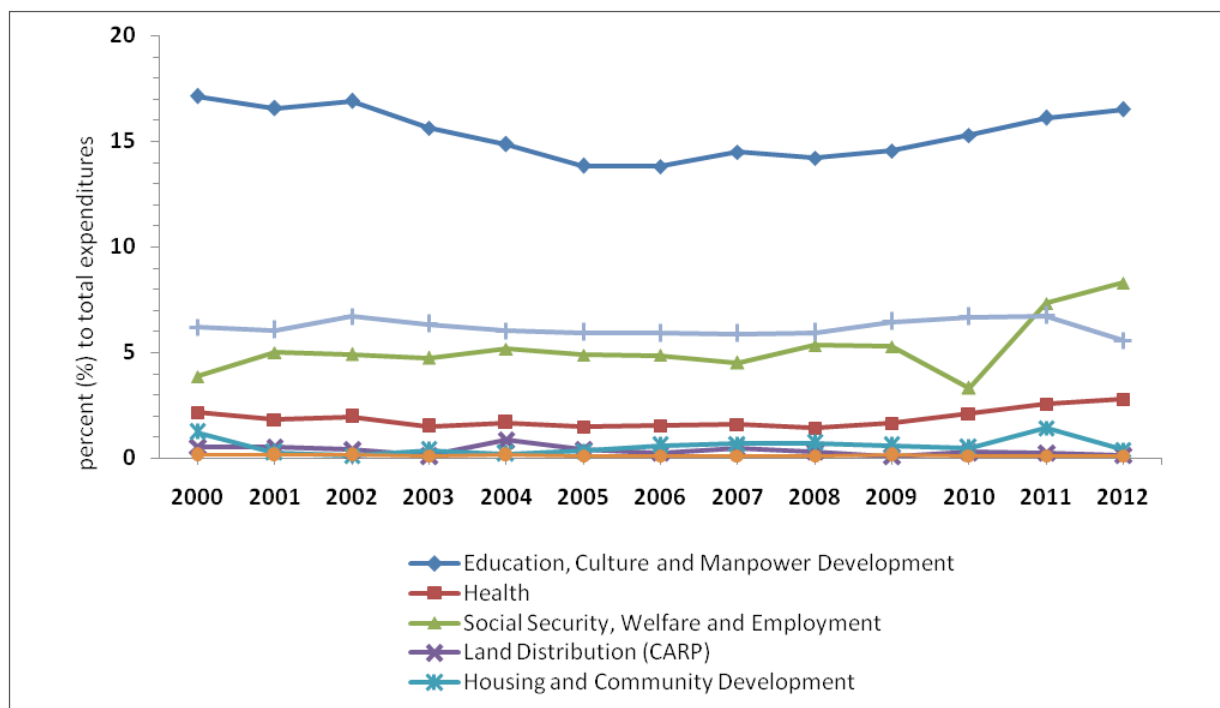
The expenditure share for debt servicing and interest payments also decreased. In 2010, 2011, and 2012, its share to GDP was relatively lower, at 3.3 percent, 2.9 percent and 3.2 percent, respectively. Expenditure share for economic services also continually dropped to relatively lower levels at 3.8 percent of GDP in 2011 and 4.2 percent in 2012.

The decrease in the expenditures for debt servicing and interest payment and economic services gave space for improved spending for social services. In 2011 and 2012, national government expenditure for social services as percentage of GDP increased to 5.6 percent and 5.8 percent, respectively.

These increases were also reflected in terms of the social services share to total national government expenditure. In 2010, 28.2 percent or PhP416 billion of the PhP1.473 trillion total national government expenditure was spent for social services. In 2011, this further increased to 34.5 percent or PhP544 billion of the PhP1.580 trillion total expenditure. For 2012, a slight decrease in the social services share in total expenditures was observed at 33.8 percent, but the level of expenditure for social services continued to increase at PhP613 billion. For 2013, the social sector had an appropriation of PhP699 billion or 35 percent of the total PhP2.006 trillion budget.

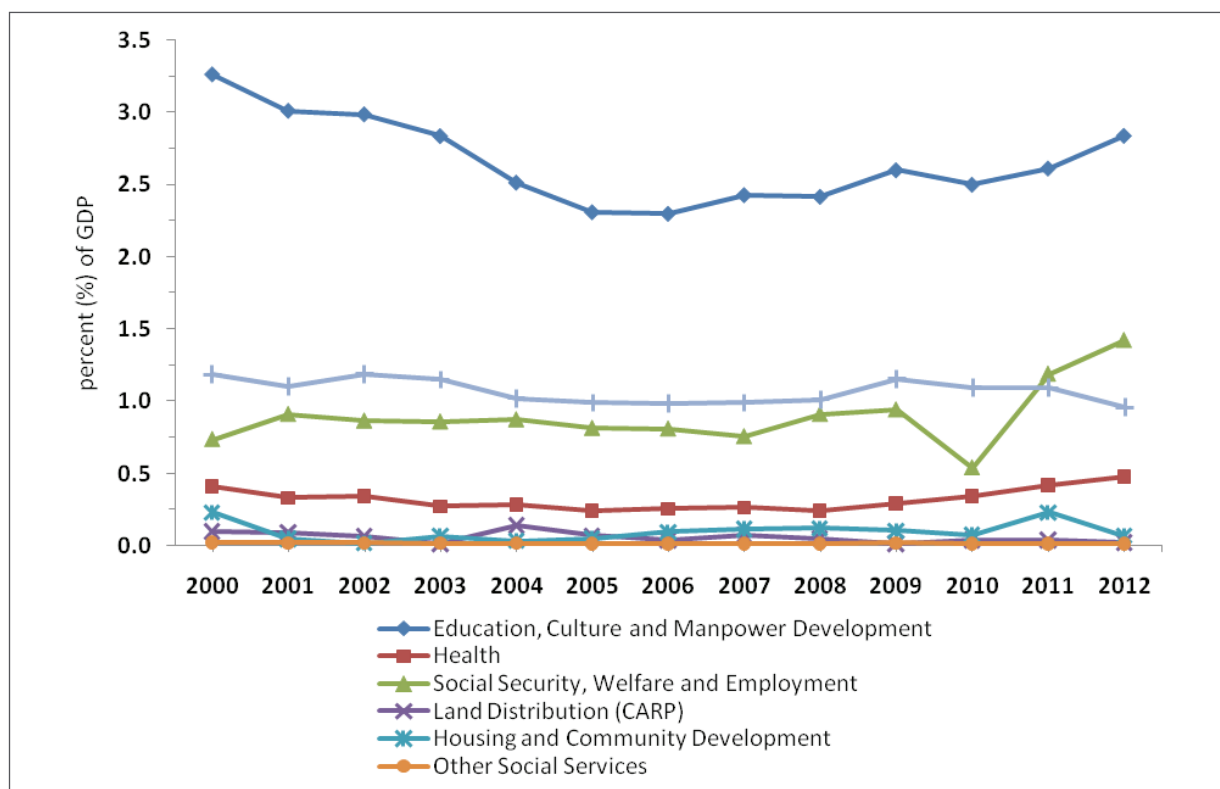
Figure 98 shows the breakdown of social services expenditure by subsector. Historically, education, culture and manpower development receive the largest share from the budget. From 2000 to 2006 however, its share of the total national government

Figure 100. National government social expenditures as percentage of total expenditures, 2000-2012



Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

Figure 101. National Government Social Expenditures as Percentage of GDP, 2000-2012



Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

expenditure decreased from 17.1 percent to 13.8 percent. Spending for education, culture and manpower development somewhat recovered starting 2007. In 2012, spending for education was at 16.5 percent. In terms of the percentage share to GDP (Figure 99), the average expenditure for education from 2000-2012 was only 2.7 percent of GDP, which falls below the 6 percent of GDP benchmark set by United Nations Educational, Scientific and Cultural Organization (UNESCO) for the desirable level of expenditure for education.

In terms of health services, its share in the total national government expenditure has declined from 2.15 percent in 2000 to 1.42 percent in 2008. Slight improvements were observed starting 2009. In 2012, health services share to GDP was at 2.9 percent. Based on the Philippine National Health Accounts (PNHA), the average share of total health expenditure (national government, LGU, social insurance, private sources) to GDP for the period 2007-2010 was at 4.1 percent. This is below the 5 percent standard set by the World Health Organization (WHO) for developing countries.

For social security, welfare and employment, its percentage share to total national government expenditures averaged 4.7 percent for the period 2000 to 2010. For 2011 and 2012, significant in-

crease in its share to total expenditures was observed at 7.3 percent and 8.3 percent, respectively. In terms of share to GDP, its share has also significantly improved from 0.74 percent in 2000 to 1.42 percent in 2012.

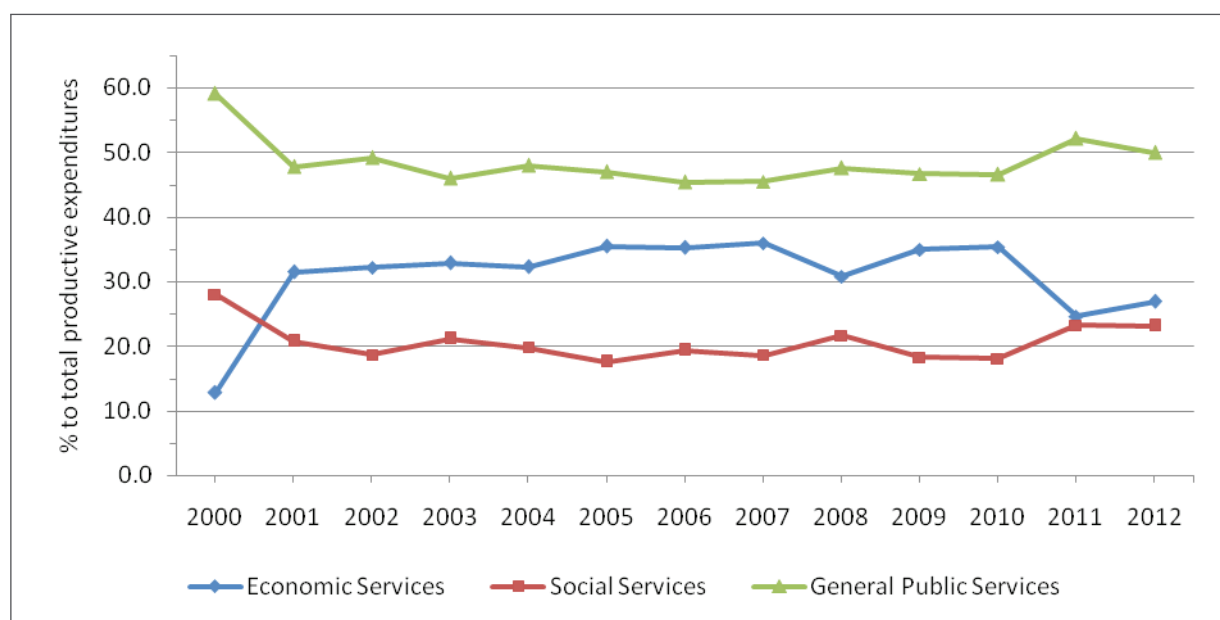
Local Government

Figure 100 shows that from 2000 to 2012, spending for general public services was consistently given priority by local governments compared with spending for economic and social services. From 2000 to 2012, the average LGU expenditures for social and economic services as percentage of total productive expenditures was at 20.9 percent and 30.8 percent, respectively. Meanwhile, almost half of the total LGU expenditures were utilized for general public services which averaged 48.7 percent. In terms of percentage share to GDP (Figure 101), LGU spending for general public services, economic services and social services averaged 1.5 percent, 1.0 percent and 0.7 percent, respectively.

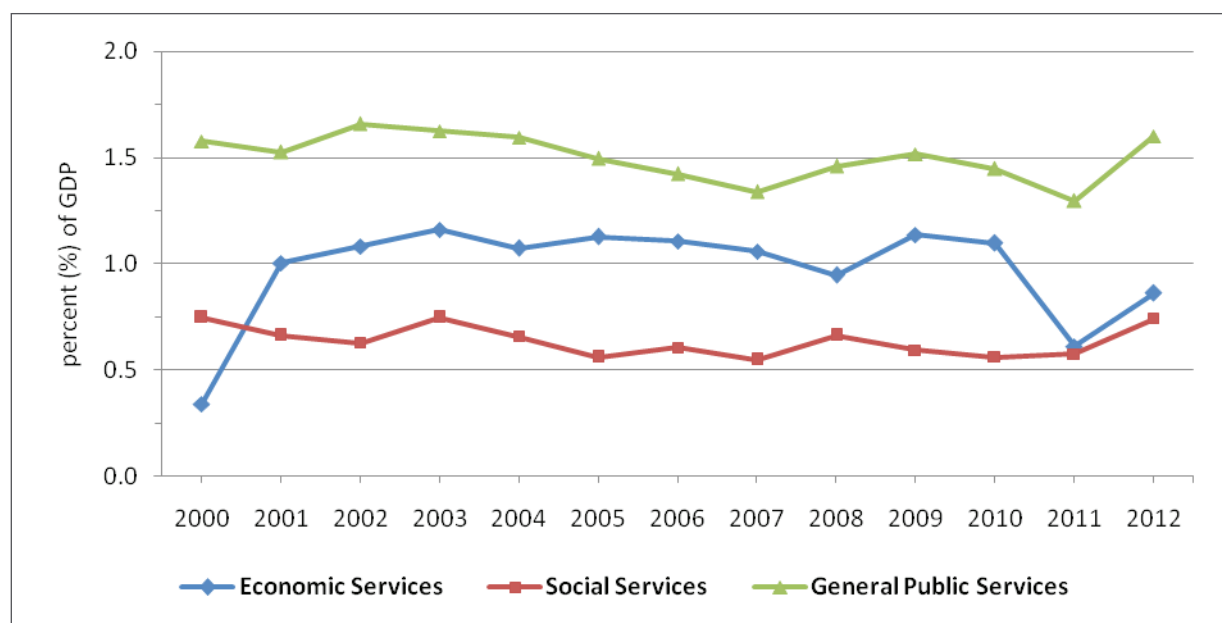
Facilitating Factors and Priorities for Action

With only less than two years remaining before 2015, the challenge is to ensure that adequate financing is provided to support the achievement

Figure 102. Sectoral distribution of LGU expenditure as percentage of total productive expenditures, 2000-2012



Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

Figure 103. Sectoral distribution of LGU expenditure as percentage of GDP, 2000-2012

Source: Budget of Expenditures and Sources of Financing, Department of Budget and Management

of the MDGs, especially for the intensification of the implementation of programs and projects on poverty reduction, health and education. While increases in government spending for social and economic services were observed in recent years, it has to be ensured that these increases are maintained. Spending for education and health should be improved to meet the international benchmarks on the share of government expenditures on these sectors with respect to GDP. Appropriate investments for the necessary programs should be made available and should be utilized efficiently.

Prioritizing MDGs in the budget

Recognizing its role as the lead in ensuring the achievement of the MDGs in the country, the government has integrated the MDGs in the Philippine government's core development agenda. Policy thrusts supportive of the MDGs were identified in the national government development plans. With the MDGs identified as priorities, the government has taken deliberate efforts to increase resources on initiatives supportive of the achievement of the MDG targets.

In the PDP 2011-2016, the achievement of growth that reduces poverty, including the attainment of the MDGs is identified as one of

the Aquino administration's priorities to support the Plan's vision of inclusive growth. This support for the MDGs is reflected in the Philippine Investment Plan (PIP) 2011-2016, which identifies the amount of resources programmed for priority government programs from 2011-2016. The programs in the PIP which directly contribute to the MDGs are those programs, activities and projects (PAPs) under the subsectors on health, nutrition and population which has a programmed investment of PhP488.3 billion for 2011-2016; Education Training and Culture with a programmed investment of PhP403.2 billion; and Social Protection with a programmed investment of PhP326.4 billion.

In the crafting of the annual government budget, MDG supportive PAPs were also given high priority. President Aquino's Budget Messages for 2011, 2012 and 2013 highlighted the allocation of funds for critical programs supportive of the country's commitments to achieve the MDGs. The prioritization for MDG supportive programs are reflected in the increasing annual allocation in the General Appropriations Act (GAA) for the social services sector starting 2011.

Investing on Local Level Development

One of the strategies initiated by the government to accelerate poverty reduction efforts is

the Bottom-Up Planning and Budgeting (BuB) approach. The BuB approach takes into consideration the development needs of poor cities/municipalities, as identified in their respective local poverty reduction action plans, in the formulation of the budget proposal of national agencies. This approach ensures the allocation of the funding requirements for the development needs of focus cities and municipalities to strengthen the convergence of the delivery of national services in local communities.

Around PhP8.4 billion was included in the 2013 National Expenditure Program (NEP) for the implementation of programs and projects under the BuB approach. A total of 595 identified cities and municipalities benefitted from this amount, which is being utilized for the implementation of PAPs to promote rural development and increase public access to health, education and social protection services.

The Department of the Interior and Local Government (DILG) has also established the Local Governance Performance Management Program (LGPMP), a performance-based incentive policy that would help rationalize the national government's intergovernmental transfers to LGUs, towards improving local performance in governance and the delivery of basic services. The program is envisioned to help stimulate local governments to put premium on performance in order to avail themselves of financial assistance to support local economic development initiatives for poverty reduction. The program is carried out through a financial subsidy facility called the Performance Challenge Fund (PCF).

The PCF serves as an incentive fund facility for eligible LGUs, in the form of counterpart funding, for the implementation of relevant local development projects. Its main purpose is to encourage convergence of local development projects with the national government's priority programs to support achievement of the MDGs; tourism and local economic development thru road network maintenance; and compliance with the objectives of the Philippine Disaster Risk Reduction and Management Act of 2010 and the Ecological Solid Waste Management Act of 2000. The PCF also serves as a system for recognizing local governments which exhibit good performance in internal housekeeping particularly in the areas of transparency and

accountability, planning, fiscal management, and valuing performance monitoring.

The implementation of the LGPMP was piloted in 2010 with 30 municipalities availing of the PCF. In 2011, DILG allotted PhP500 million for the PCF, which was accessed by 395 LGUs. The allotment was increased to PhP750M in 2012 which benefitted 515 LGUs. For 2013, the allotment for the PCF was increased to PhP1 billion. The counterpart mechanism through the LGPMP has proven to be an effective instrument for encouraging LGUs to invest on relevant programs and projects. On the average, for every PhP1 fund availed in the PCF, the LGUs puts in as counterpart PhP1.30.

Aside from these initiatives, monitoring of LGU initiated investments for local development should also be strengthened. The Local Government Code stipulates that every LGU shall allocate no less than 20 percent of their annual internal revenue (IRA) allotment for the implementation of development projects. The regular monitoring and reporting of the utilization of the 20 percent IRA will help in ensuring that LGUs implement appropriate projects which contribute to the attainment of desirable socioeconomic outcomes.

Improving Resource Generation

The increase in the budget deficit from 2002 to 2007 has limited the government spending for social services during this period. These financing gaps not only constrained the country's economic growth, but also limited the access of the poor to the economic gains the country has achieved. Crucial at this stage is achieving fiscal consolidation to provide adequate fiscal space to support spending for critical interventions for the MDGs. The PDP 2011-2016 targets to increase tax effort to 15.6 percent of GDP by 2016. Performance in terms of nontax revenue collection shall also be increased to an average of 1.2 percent of GDP.

The government has already introduced several reforms in the recent years to improve its fiscal performance. Programs to enhance revenue and collection efforts of the BIR and innovations to improve the operations of the BOC were put in place. Legislative actions to provide for key reforms in tax structure and administration are likewise being pursued. One of the fruitful efforts

in terms of pushing for tax policy reforms was the enactment of RA 10351 or the Act Restructuring the Excise Tax on Alcohol and Tobacco Products in 2012. This law specifically provides that portions of the proceeds from the collection of excise tax on tobacco and alcohol shall be allocated for the implementation of universal health care under the National Health Insurance Program and for the provision of support for the attainment of the MDGs other health programs.

The PDP identifies more strategies and programs in line with promoting tax administration, tax policy, and nontax revenue reforms which shall be pursued from 2013-2016 to support the achievement of the country's 2016 fiscal targets.

Promoting efficiency in the use of resources

The government's intent to substantially increase the budget for productive expenditures should be accompanied by efforts to reduce wasteful and inefficient expenditures. The absorptive capacity of the agencies and their capability to implement projects must therefore be strengthened.

The PDP envisions the implementation of several major public expenditure management reforms not only to help narrow the fiscal deficit but also ensure that resources are allocated to priority investments, such as investments for the MDGs. To do this, expenditure reforms that were introduced in the recent years will be strengthened in order to improve resource allocation and give emphasis on achieving results. These reforms include: (a) continued adoption of the Medium-term Expenditure Framework (MTEF); (b) implementation of the Organizational performance Indicator Framework (OPIF); (c) pushing for the approval of the Fiscal responsibility Bill; (d) pursuing of the Government Rationalization Program; (e) introduction of several procurement reforms; (f) implementation of the Zero-Based Budgeting Approach; (g) putting-up transparency and accountability safeguards in the budget process; and (h) rationalization of the government-owned

and controlled corporations (GOCCs) and government financial institutions (GFIs).

Tapping private sector resources

Recognising the important role of the private sector as the main engine for national development, the government identified the implementation of public-private partnership (PPP) as a cornerstone strategy to accelerate infrastructure development in the country and sustain economic growth towards achieving the PDP vision of inclusive growth. The PPP Center, tasked to coordinate the facilitation of PPP in the country, was established in 2010. The coverage of the PPP framework being implemented was expanded to include non-traditional infrastructure sectors such as health, education, and other social infrastructure and development projects. One of the projects awarded for implementation under the PPP scheme is the PPP for School Infrastructure Project of the Department of Education (DepEd), which intends to construct about 9,300 classrooms, including furniture and fixtures, in various sites in Regions I, III and IV-A.

Private sector resources to support the MDGs are also being tapped through the exercise of corporate social responsibility (CSR). To inform the business sector and generate their commitment to support the MDG development agenda, the Philippine Business for Social Progress (PBSP), a non-profit organization which leads a consortium of corporations in the advocacy and practice of CSR and corporate citizenship, led the formulation of the Philippines MDG Framework for Business Action through a series of consultations with business executives and leaders of corporate foundations, corporate officers, government partners and the donor community. The framework shows how business can help attain the MDGs through corporate investments. In 2010, PBSP produced the Business and the MDGs Investment Report, which indicates that corporate investment¹² from 2005-2010 for the implementation of MDG initiatives on poverty, health, education and environment amounted to PhP2.5 billion.

12 Corporate investment made for the implementation of programs by PBSP member companies.

ADVOCATING, LOCALIZING AND MONITORING THE MDGs

Achievements

To support the attainment of the MDGs through advocacy and localization, as well as monitoring, tracking, and reporting, various initiatives and collaborative efforts have been undertaken by the government, the private sector, international development partners, and the civil society organizations (CSOs).

In terms of advocacy and informing different stakeholders on the progress made and challenges encountered as well as actions to be taken to accelerate the achievement of the MDGs in the country, the government, through NEDA has prepared four national reports on the MDGs released in 2003, 2005, 2007, and 2010. These reports were prepared in consultation with various government agencies, the academe and research institutions, the United Nations Country Team (UNCT), and the CSOs. Also, NEDA-Regional Offices (NROs) have led the preparation of Regional Progress Reports on the MDGs showing the achievements made in pursuing MDGs at the subnational level. Ten provincial level governments have likewise endeavoured to prepare Provincial Progress Reports on the MDGs.

In addition to the progress reports, another document named as *List of Priority Programs and Projects (PAPs) for the MDGs* was prepared

by NEDA which focuses on the areas and indicators where the country is lagging behind in terms of achieving the MDGs. Subsequently, the document was shared with the NROs, Department of Budget and Management (DBM), and the Special Committee on the MDGs of the House of Representatives (HOR) which serves as the oversight body of HOR in the attainment of the MDGs, as reference for prioritization, implementation and monitoring of MDG-related PAPs.

Furthermore, NEDA also led the formulation of the *Lessons Learned in Achieving the MDGs: The Philippine Experience*. The report highlights the progress made over the years in terms of achieving the MDGs, initiatives that worked, and the remaining challenges and priorities for action needed to move forward. The report also served as an input to the formulation of the Post-2015 Development Agenda Country Report. Two national consultations were conducted on the post-2015 development agenda. From these consultations, the country was able to develop the Building Blocks of the post-2015 framework as well as come up with five thematic papers along the areas of: (a) Poverty Reduction and Social Inclusion; (b) Accountable, Responsive and Participatory Governance; (c) Environmental Sustainability, Climate Change and Disaster Preparedness; (d) Peace and Security; and (e) Fair and Stable Order based on International Rule of



Law to support the framework for a post-2015 agenda from the Philippine's perspective.

Meanwhile, the Social Watch Philippines (SWP), a network of citizens' organization for promoting people-centered sustainable development also came up with a Citizens Report on the MDGs which provide assessment of the government's efforts from the CSO's perspective and recommendations on how to improve performance on the MDGs.

To inform the business sector and generate their commitment to support the MDG development agenda, the Philippine Business for Social Progress (PBSP) led the formulation of the Philippines MDG Framework for Business Action. The framework mainly shows how business can help attain the MDGs through corporate investments.

To generate donor support, advocacy activities were undertaken through the Philippine Development Forum (PDF). The PDF is the primary mechanism of the government for facilitating substantive policy dialogue among stakeholders on the country's development agenda. Through the creation of a Technical Working Group (TWG) on the MDGs and Social Progress, policy dialogues to attain support for the MDGs were facilitated. Several multilateral and bilateral agencies have already aligned their country assistance framework priorities with the MDGs.

In terms of mainstreaming the MDGs in the government's core development agenda, the MDGs were adopted as framework in the crafting of the Medium-Term Philippine Development Plan (MTPDP) 2004-2010 and the Philippine Development Plan (PDP) 2011-2016.

Recognizing the importance of localizing the MDGs, various mechanisms have been put in place by the government. The Department of Interior and Local Government (DILG) as the lead agency identified in MDG localization issued Memorandum Circular No. 2004-152 entitled, *Guide to LGUs in the Localization of the MDGs* in November 2004. The circular encouraged LGUs to intensify efforts in the implementation of programs, activities, and projects (PAPs) and increase budgetary allocations for basic social services in support of MDG achievement. It also provided guidance for a poverty focused planning and budgeting, local poverty diagnosis and

monitoring and encouraged replication of good practices responsive to MDGs.

To further guide the LGUs, tools and instruments to promote MDG localization were developed and made available. One such tool is the *LGU Menu of Options to Address the MDGs* which recommends specific projects and activities that the LGUs may implement to address targets under each MDG. Along with this, MDG localization costing templates were developed to help LGUs estimate the required investment cost for the implementation of the MDG PAPs.

To support MDG initiatives at the regional and local level, various resolutions were also issued by selected Regional Development Councils (RDCs). Examples of these resolutions include: (a) RDC XII Resolution No. 53, Series of 2003, *"Approving the Mainstreaming of the MDGs in the Development Planning at the Regional and Local Levels"*; (b) RDC V SDC Resolution 05-01, Series of 2004, *"Adopting the 2015 MDGs to Include the Monitoring, Review and Evaluation of the Set Goals and Integration of MDG Monitoring in Each Line Agency's Monitoring System"*; (c) RDC V Resolution No. 05-21, Series of 2004, *"Approving and Endorsing the Localization and Mainstreaming of the MDGs and the ICPD in Development Processes at the Regional and Local levels"*; and (d) RDC X resolution No. 6, Series of 2011, *"Requesting the DBM to provide Regional Breakdown of Agency Budgets for the MDGs, and All LGUs and Concerned Agencies/Entities in the Region to Hasten the Attainment of the MDGs, as well as Prepare Provincial Scorecard to Strengthen the Localization Efforts"*.

Furthermore, the DILG initiated the Local Governance Performance Management Program to help stimulate local governments to put premium on performance in order to avail themselves of financial support to jumpstart and sustain local economic development initiatives for poverty reduction in their localities. The program is carried out through a financial subsidy facility called the Performance Challenge Fund (PCF). One of the objectives of the PCF is to encourage convergence of local development projects with the government's priority programs for the achievement of the MDGs.

To promote and institutionalize the sharing and replication of sustainable good practices in local governance to enable LGUs to improve the



delivery of basic services to their constituents, the DILG established the Good Practices in Local Governance: Facility for Adaptation and Replication (GO-FAR) facility. This facility is designed to assist LGUs in building their capacities by providing them the with opportunity to improve local governance along the areas of development planning, fiscal administration, accountability and service delivery through replicating good practices that are participatory, innovative and sustainable.

To ensure that MDGs are institutionalized in local governance, the provincial government of Albay has created the MDG Super Committee and the Albay MDG Office (AMDGO). The MDG Super Committee serves as the policy-making body on MDG matters and is being chaired by the provincial governor. Meanwhile, the AMDGO oversees and coordinates the implementation of MDG programs, projects and activities and monitor the progress made in the province.

In 2010, the Provincial Millennium Development Goals Office (PMDGO) was also established in Ilocos Norte through the issuance of Executive Order 04-10. The PMDGO serves as the focal office to coordinate efforts toward accelerated local level development. Since its creation, the PMDGO has led the monitoring of local MDG progress and the implementation of MDG supportive initiatives. It has also organized partnerships among national and regional government agencies, the Congress, concerned LGUs, private sector, NGOs, civil society, the

academe and donor organizations to work with the provincial government on the localization of the MDGs. In September 2010, an MDG covenant was signed to ensure the commitment of these entities to step-up activities at all levels to achieve the MDG goals in order to integrate efforts of all sectors of society, awareness-building and sustained activities at the local level. Several capacity development initiatives for effective planning, implementing, monitoring and evaluation of MDG at the provincial, municipal and barangay levels were also conducted. Technical working groups (TWGs) on poverty, education and gender, health, environment and partnerships tasked to lead the implementation of MDG programs and projects and to design innovative solutions to improve the delivery of services were also created under the PMDGO.

To monitor the country's progress and the efforts of various stakeholders to promote achievement of the MDGs, the Multisectoral Committee on International Development Commitments (MC-IHDC) of the NEDA Board's Social Development Committee (SDC) is being utilized. Through the issuance of SDC Resolution No. 1 series of 2003, entitled "*Expanding the Composition of the MC-IHDC, Amending SDC Resolution No. 1 series of 1996*", the MC-IHDC was tasked to include in its monitoring the Philippine compliance to the commitments made during the Millennium Summit in 2000. The resolution assigned NEDA as the lead agency in coordinating and monitoring the MDGs and identified lead agencies per area of MDG concern.

The PSA-National Statistical Coordination (NSCB) is identified as one of the lead agencies in monitoring MDG statistics. Through the issuance of NSCB Resolution No. 10, series of 2004 entitled “*Adoption of and Enjoining Data Support to the MDG Indicators*”, the NSCB is designated as the repository of data on the MDG indicators in the Philippines and as the coordinator for the generation and improvement of statistics for the MDGs. The resolution also enjoins all concerned data producing agencies and LGUs to generate and regularly provide timely and accurate statistics for monitoring MDG indicators. Through the MDG Watch website, the NSCB readily provides data and estimation on the probability of achieving national level targets. To provide regional level statistics, the NSCB Regional Offices (NSCB-ROs) also maintain Regional MDG Databases. Provincial level statistics are also compiled by some NSCB-ROs. These data are being utilized in policy-making, identifying priority areas and interventions and in formulating progress reports on the MDGs.

In recognition of the role of the LGUs as frontliners in the delivery of basic social services at the local level, it is imperative that initiatives and progress made in achieving the MDGs are also monitored at the local level. It is with this recognition that the NEDA initiated the formulation of the MDG subnational reports to serve as the roadmap in attaining the MDGs and fostering MDG ownership at the local level.

The DILG also started the implementation of the Monitoring and Evaluation (M&E) Tracking System on Tracking LGU Responses to MDGs aimed to monitor LGU contributions to the attainment of the MDGs. The system was designed to monitor local level progress in achieving MDG targets and MDG-related initiatives of LGUs such as: (a) institutional mechanisms put in place to support the MDGs; (b) integration of the MDGs in local development plans; (c) implementation of MDG Responsive PPAs; and (d) local investments for the MDGs.

Noting the importance of establishing benchmarks and monitoring progress made at the local level, the Core Local Poverty Indicator Monitoring System (CLPIMS) was adopted to generate local level information for poverty diagnosis and planning through the issuance of the NAPC En Banc Resolution No. 7 and DILG Memorandum Circular 2003-92. The CLPIMS

recommends the use of 14 Core Local Poverty Indicators for local planning and monitoring of local MDG progress.

To serve as a tool in collecting data at the local level for planning, budgeting, and implementing local development programs as well as for monitoring and evaluating performance, the Community-Based Monitoring System (CBMS) has already been implemented in 21,582 barangays, 801 municipalities, 63 cities as of March 15, 2014. Given that the core set of CBMS indicators corresponds to MDG indicators, the CBMS has been readily adopted as an instrument for generating MDG indicators. The CBMS has also contributed in the success of a number of projects implemented to bring the MDGs closer to the communities such as the Pasay City Project in *Bringing the MDG to Every Household* and the *DILG-LGA led MDG Family-Based Actions for Children and their Environs in the Slums (MDG-FACES)* implemented in a number of cities nationwide.

Aside from monitoring the progress of the MDGs, it is also necessary to monitor budgetary allocation and expenditures for MDG-related PAPs. It is in this light that NEDA and DBM issued a Joint Memorandum Circular (JMC) on the *Guidelines to Institutionalize Reporting of Budget Allocations and Expenditures Including Physical Targets and Accomplishments for the MDGs* which requires agencies to submit annual reports on the utilization of their budget for MDG programs and projects. The JMC aims to ensure the effective monitoring of national government agencies’ financial and physical performance on MDG PAPs.

Meanwhile, through the monitoring of the flow of ODA in the country, NEDA produces the list of ODA supported programs and projects supportive of the MDGs. The list of foreign assisted projects (FAPs) supporting the MDGs is included in the publication of the ODA Portfolio Review Reports.

In terms of business sector participation in monitoring the MDGs, the PBSP has initiated the monitoring and reporting of the progress of the commitments to the MDGs made by its member companies. In 2010, it produced the Business and the MDGs Investment Report which provides information on the outcome and outputs

resulting from the implementation of programs and projects for the MDGs by PBSP member companies and on the investments they made to support the achievement of the MDGs.

Key Bottlenecks and Priorities for Action

While various initiatives have been undertaken by different sectors to inform and deepen the level of understanding among LGUs on the importance of bringing the MDGs into the mainstream of the local development agenda, advocacy efforts to heighten awareness of the LGUs as to their crucial role in the attainment of MDGs should be further intensified and sustained. More focus should also be given to develop new and innovative ways in doing advocacy activities. Likewise, further dissemination of the tools and programs developed for localizing the MDGs needs to be undertaken to inform LGUs of the benefits of using these localization instruments.

Moreover, improving the institutional and financial capacities of LGUs in the delivery of services to their constituents is imperative. Capacity building activities being conducted by the DILG and other concerned institutions also need to be scaled up.

Meanwhile, despite the issuance of circulars by concerned national government agencies highlighting the importance of establishing a mechanism to monitor progress at the local level, many LGUs still lack appropriate monitoring systems that would enable them to track their progress and provide timely and disaggregated data for identifying the interventions needed to attain the MDGs. This is due mainly to the cost involved in setting-up a monitoring system. Hence, how the LGUs can be better encouraged in putting up a monitoring system remains a challenge. Capacities on data utilization to identify priorities and formulate effective programs and projects to support the MDGs should also be enhanced.

In addition, the low compliance of LGUs in the implementation of the DILG M&E system has hindered efforts in establishing a system that will provide information on the progress at the local

level, the initiatives the LGUs undertook and the investments made to support MDG achievement. The DILG identified the following reasons for low submission of LGUs: (a) lack of funds in orienting and providing technical assistance in all LGUs nationwide; (b) confusion of LGUs on the different data gathering tools in tracking MDGs at the local level; (c) competing workload priorities in the LGUs; (d) different understanding of LGUs in filling-out and encoding the forms; and (e) difficulty in tracking data for three years due to poor records management at the LGU level. These highlight the need to undertake efforts in ensuring the availability of data at the local level and in increasing LGU appreciation on the MDGs to encourage them to participate in the reporting process.

The availability of official data has enabled the establishment of a system for tracking progress made at the national and subnational levels. However, the monitoring system could be further improved if appropriate and timely statistics and data disaggregated by sex and geographical area are also made available. The absence of timely data poses challenge in crafting appropriate policies and programs.

The effective implementation of the *DBM-NEDA Joint Circular 01-2011* could have provided a mechanism for monitoring the impact of the government's initiatives for the MDGs. However, the incomplete submission of data by agencies makes it difficult to assess the government's physical and financial accomplishments in the implementation of MDG PAPs. The NEDA and DBM are currently reviewing the system of reporting to come up with improvements to make the monitoring system more effective. The possibility of integrating the reporting of MDG budget and expenditures in the regular reporting system of the DBM is also being explored.

Monitoring of initiatives undertaken to support MDG achievement, not only by the government but by the CSOs and the business sector as well, would be beneficial to assess the contributions made for the achievement of the MDGs. Thus, creating a system for monitoring the efforts of CSOs and business sector in general would be worthwhile to serve as source of information on their contributions to the MDGs.

REFERENCES

- Commission on Population. (2011). Philippine Population Management Program Directional Plan 2011-2016).
- Community-Based Monitoring System Network Office. (2014). Status Report on the MDGs Using CBMS Data: Ifugao.
- Department of Health. Malaria Program Reports, Various years.
- Department of Health. Philippine HIV and AIDS Registry, National Epidemiology Center.
- Department of Health. Tuberculosis Program Reports, Various years.
- Food and Nutrition Research Institute (FNRI). Nutritional Status of Filipinos (NSF) 2011.
- Food and Nutrition Research Institute (FNRI). NSO, National Nutrition Survey (NNS), Various years. Department of Science and Technology (DOST).
- Housing and Urban Development Coordinating Council and Philippine Institute for Development Studies. (2009). National Urban Development and Housing Framework (NUDHF 2009-2016).
- Heckman, James J. (2000). *Invest in the Very Young*. Chicago, IL: Ounce of Prevention Fund and the University of Chicago Harris School of Public Policy Studies. Retrieved 07 May 2013, from <http://www.ounceofprevention.org/news/pdfs/HeckmanInvestInVeryYoung.pdf>
- International Organization for Migration. (2010). World Migration Report 2010.
- Institute for Labor Studies – Department of Labor and Employment. (2011). Philippine Labor and Employment Plan 2011-2016. Manila: DOLE.
- Manasan, Rosario G. (2012). Medium Term Spending Plan for Basic Education, 2012-2017: Enrollment Projections and Cost Simulations Under Alternative Scenarios.
- Mayuga, Jonathan L. (2014, February 18). Latest Forestry Data Show Palawan, Mindoro's Forests Shrinking. *Business Mirror*. Retrieved from <http://www.businessmirror.com.ph/index.php/en/news/regions/27766-latest-forestry-data-show-palawan-mindoro-s-forests-shrinking>
- Miriam College – Women and Gender Institute. (2013). WAGI Gender Fact Sheet on Migration. Quezon City: WAGI.
- National Economic and Development Authority and United Nations Development Programme. (2010). Philippines Fourth Progress Report on the Millennium Development Goals. Pasig City: NEDA.
- National Economic and Development Authority. (2011). Philippine Development Plan (PDP) 2011-2016. Pasig City: NEDA
- National Economic and Development Authority. (2014). Philippine Development Plan (PDP) 2011-2016 Midterm Update. Pasig City: NEDA
- National Economic and Development Authority. (2011). *Analysis of the Results of the 2008 Functional Literacy, Education and Mass Media Survey (FLEMMS)*.

National Economic and Development Authority and United Nations. (2013). Philippines: Post-2015 Development Agenda Country Consultations.

National Economic and Development Authority and United Nations Development Programme. (2012). National Agenda to Accelerate the Achievement of MDG 5. Pasig City: NEDA.

National Economic and Development Authority. Philippine Socioeconomic Report: The First Two Years of the Aquino Administration 2010-2012. Pasig City: NEDA.

National Nutrition Council. (2012). Philippine Plan of Action for Nutrition (PPAN) 2011-2016.

Philippine Statistics Authority – National Statistics Office (PSA-NSO). Annual Poverty Indicators Survey (APIS), Various years.

Philippine Statistics Authority - National Statistical Coordination Board. (2013). 2012 Official Poverty Statistics of the Philippines. Makati City: NSCB.

Philippine Statistics Authority - National Statistics Office (NSO). Annual Poverty Indicators Survey (APIS), Various years.

Philippine Statistics Authority - NSO. Family Income and Expenditure Survey (FIES), Various years.

Philippine Statistics Authority - NSO. Family Planning Survey (FPS), Various years.

Philippine Statistics Authority - NSO. Functional Literacy, Education and Mass Media Survey (FLEMMS), Various years.

Philippine Statistics Authority - NSO, National Demographic and Health Survey (NDHS), (1993-2008).

Sobel, Silvestre, Mantaring, III, Oliveros and Nyunt-U. (2011). Immediate Newborn Care Practices delay Thermoregulation and Breastfeeding Initiation, *Acta Paediatrica* 100(8): 1127–1133

United Nations Children's Fund. (2012). Committing to Child Survival: A Promise Renewed. New York, USA. UNICEF.

World Health Organization. (2012). Global Tuberculosis Report 2012. France: WHO.

World Hunger Education Service. 2012 World Hunger and Poverty Facts and Statistics. Retrieved from <http://www.worldhunger.org/articles/Learn/world%20hunger%20facts%202002.htm>

KEY CONTRIBUTORS

National Economic and Development Authority

Secretary Arsenio M. Balisacan
Deputy Director-General Emmanuel F. Esguerra
Deputy Director-General Rolando G. Tungpalan
Deputy Director-General Margarita R. Songco
Assistant Deputy Director-General Rosemarie G. Edillon

Social Development Staff

Director Erlinda M. Capones
Assistant Director Myrna B. Asuncion
Marites B. Lagarto
Arlene S. Ruiz
Elnora C. Romero
Ramon M. Falcon
Edgardo S. Aranjuez II
Girly Grace J. Casimiro
Susan M. Carandang
Dennis V. Villarta
Sheara Lupango-Tamayo
Benjamin Jose G. Bautista
Tomasito P. Javate, Jr.
Aleli Joy N. Cortez
Maurene Ann D. Papa
Lianelle V. Gopez-Tandoc
Kevin M. Godoy
John Anthony U. Geronimo
Camille F. Rivera
Yuri M. Leomo
Janice Datu-Sanguyo
Desiree D. Guevara
Arthur Philip A. Sevilla
Golda P. Cainglet
Loida G. Panopio
Rose P. Villar
Jhoanne O. Mahilum
Lester Owen G. Go

Accelerating Progress on the MDGs Project Secretariat

Michael U. Provido

Teresita P. Tejada

Karen Isabelle V. Castro

Development Information Staff

Director Nerrisa T. Esguerra

Edwin P. Daiwey

Ted Edward F. Ferreras

Jyasmin M. Calub

Consultant

Dr. Celia M. Reyes

United Nations Development Programme

Dr. Luiza Carvalho

Mr. Maurice Dewulf

Corazon T. Urquico

Fernando Antolin, Jr.

Photograph Credits

Page xx

© Orlando A. Maliwanag

Pages 4, 21, 22, 28, 32, 48, 49, 109

© Social Marketing Service
Department of Social Welfare and Development

Pages 9, 11, 47, 49, 148

© John Anthony Geronimo

Pages 14, 15

© Chip De Guzman

Pages 35, 73, 90, 102, 111, 117, 119, 124

© NEDA Development Information Staff

Pages 65, 95, 126, 135, 136

© Teresita Tejada

Page 70, 84, 138

© Department of Health

Page 78, 83, 97

© Karen Isabelle Castro

Pages 99, 105, 116

© Rainier Espera Dumbrique

Page 87

© UNAIDS

Page 112

© Ranna Maih Pintor

