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2022 Development Finance Assessment Report

SDG Financing in the Philippines

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Acknowledgments

The 2022 Development Finance Assessment (DFA) report was commissioned under the Joint SDG Fund - Joint Programme on Reaping the Demographic Dividend and Managing the Socio-Economic Impact of COVID-19 by Applying an Integrated National Financing Framework in the Philippines (Joint Programme on INFF-Philippines or JP INFF).

The 2022 Assessment aimed at mapping out the existing and potential resource flows for financing the achievement of the 2030 Agenda for Sustainable Development amid the ongoing pandemic. During a series of Policy Dialogues in October 2022, JP INFF presented the initial results of this assessment for validation of, and further insights from stakeholders in the government, private sector, and development sectors.

Dr. Celia M. Reyes, Joint Programme Consultant and former president of the Philippine Institute of Development Studies, authored the 2022 Assessment. Anne Bernadette Mandap and Jasminda Quilitis, together with Jezha Lee Nabiong, Carmela Predo, Aron Joshua Gregorio, Mary Coleen Anne Nicolas, and Kristine Madreliño provided assistance to research and analyses.

The JP INFF is grateful to the members of the DFA Reference Group, comprising of the National Economic and Development Authority (NEDA), the Department of Budget and Management, (DBM), the Department of Finance (DOF), and the Department of Health (DOH) for their invaluable guidance and cooperation.

The Joint Programme also extends its gratitude to the members of the JP INFF Technical Working Group (TWG) for their assistance in generating data for the Assessment, as well as sharing their feedback and insights in its various stages. The TWG is comprised of NEDA, DBM, DOF, and DOH, together with the following line agencies: Department of the Interior and Local Government, the Council for the Welfare of Children, Commission on Population and Development, Bangko Sentral ng Pilipinas, Senate Economic Planning Office, and Congressional Policy and Budget Research Department; as well as private sector and civil society partners: Social Watch Philippines, Global Compact Network Philippines, and the Philippine Chamber of Commerce and Industry; and the following participating United Nations agencies: UN Development Programme (UNDP), UN Children's Fund (UNICEF), and UN Population Fund (UNFPA).

Foreword

In November 2014, the "Development Finance and Aid in the Philippines: Policy, Institutional Arrangements and Flows" Country Report was published with the support of the Asia Pacific Development Effectiveness Facility, the Asian Development Bank, and the United Nations Development Programme (UNDP). The Assessment Report, updated in 2017, provided policy recommendations and proposals for improving development financing in the Philippines. It addressed bottlenecks and challenges while highlighting opportunities for mobilizing financing for sustainable development. The report also emphasized the importance of enhancing the connection between national and sectoral plans, national budgeting processes, and financing strategies.

The UN Joint Fund provided support for the development and implementation of an integrated national financing framework (INFF) to assist the Philippines in achieving the SDGs while addressing the challenges posed by the COVID-19 pandemic. Under the Joint Programme on Reaping the Demographic Dividend and Managing the Socio-Economic Impact of COVID-19 by Applying an Integrated National Financing Framework in the Philippines (JP INFF), the UN Joint SDG Fund provided catalytic support, tools, and technical assistance to strengthen systems, coordination, and consensus building on priorities as part of a "whole-of-government" approach.

The Philippine government is currently focused on strengthening and integrating the foundational elements of an INFF into national government planning, budgeting, and monitoring of infrastructure. This will ensure appropriate financing and improve service delivery. The JP INFF has laid the foundations to enable the government to finance and coordinate multisector priority SDG programs. These programs aim to reduce future expenditure requirements on the SDGs and identify alternative financing sources.

The 2022 Development Finance Assessment Report on SDG Financing in the Philippines provides a detailed account of the challenges faced in achieving and financing the SDGs while also acknowledging the adverse effects of the COVID-19 pandemic. The report emphasizes the crucial role played by local government units, the private sector, overseas Filipinos, and our international development partners in financing projects aligned with the SDGs, despite constraints in national government revenues.

Accurate information is crucial in formulating, approving, implementing, and monitoring SDG-related projects. Thus, we appreciate the recommendations presented in the report, especially those related to data collection, utilization, and processing.

The Philippine government expresses its sincere appreciation to the United Nations Joint SDG Fund, the United Nations Resident Coordinator's Office in the Philippines, the UNDP, the United Nations Children's Fund (UNICEF), and the United Nations Population Fund (UNFPA) for their support. We also extend our gratitude to all government agencies and stakeholders who provided invaluable inputs during the development of this report.

We look forward to working towards the advancement of SDGs in the Philippines and to taking a more active part in the global effort to promote development worldwide.

HON. ARSENIO M. BALISACAN, Ph.D.
Secretary, National Development and Economic Authority

Foreword

The Department of Finance (DOF) extends its deep gratitude and appreciation to the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), and other participating UN organizations for the successful implementation of the Joint Sustainable Development Goals (SDG) Fund - Joint Programme on Reaping the Demographic Dividend and Managing the Socio-Economic Impact of COVID-19 by Applying an Integrated National Financing Framework in the Philippines (JP INFF). We also acknowledge the utmost cooperation and efforts of the National Economic and Development Authority (NEDA), the other Government agencies involved in this undertaking, and the whole JP INFF Team in contributing to the achievement of this Programme's goals.

The 2022 DFA Report, a key output under this Programme, presents a comprehensive discussion of the current financing landscape and assessment of the Philippines' progress towards achieving the 2030 SDG agenda. It highlights the importance of an integrated national financing framework that could be institutionalized to make the Government's approach more efficient, and presents a roadmap that builds on a holistic and strengthened culture of cooperation and a path towards a growth trajectory where no one is left behind.

Albeit the crippling disruptions brought about by the current compounding crises exacerbated by the COVID-19 pandemic, the Philippines remains resilient and relentless in improving our efforts to rally on the SDG commitments. With a few years left before the 2030 deadline, we are confident that with the continued support of our development partners and a stronger collaboration between the public and private sectors, our country's targets will substantially come into fruition.

The Philippines' strong macroeconomic fundamentals and structural reforms form part of this Government's key strategies of ensuring a conducive environment for increased investments to finance SDG initiatives, and of recalibrating efforts from all sectors to contribute in the attainment of our sustainability commitments, all while making sure that we are able to withstand emerging challenges.

There is a robust opportunity to improve our existing financing mechanisms and explore innovative solutions with the help of our private sector and other stakeholders. In the coming years, we hope to deliver advantageous solutions to key challenges and the results of this Report will serve as a guide for an informed and evidence-based approach to achieving our commitments as enshrined in the Addis Ababa Action Agenda. Alongside this, our Philippine Sustainable Finance Framework (SFF) will continue to raise proceeds that will support projects that reflect the country's commitment towards the UN SDGs and our development agenda.

We will continue to broaden our dialogue and deepen our collaboration with the public and private sectors, civil society, Non-Governmental Organizations (NGOs), and multilateral and bilateral partners in achieving these objectives. The Government looks forward to continue working with the UN organizations and all sectors of our society towards a more sustainable and inclusive community.

Thank you very much.

HON. BENJAMIN DIOKNO
Secretary, Department of Finance

Foreword

There are two reasons why the 2022 edition of the Development Finance Assessment or DFA could not have come at a better time.

First, time is ticking for us to achieve the Agenda 2030 for Sustainable Development or the Sustainable Development Goals (SDGs). In 2020, as we were halfway through the 2030 deadline, the COVID-19 pandemic happened. Any catching up that the world needs to do to achieve the SDGs has been compounded by the need to respond to the impacts of the pandemic to people and the economy at large. The 2022 Human Development Report demonstrated the magnitude of decline in the quality of life of humans. It is at levels not seen even during the global financial crisis of 2009.

The Philippines was not spared and is already grappling with a slower-than-needed pace of progress in achieving the SDGs. Amid this, the 2022 DFA offers a ray of hope. It shines the light on the goals and targets that are lagging, and the range of existing and potential financing options that are available to catch up on these goals and eventually arrive at our desired development path.

Second, the country had just released its development blueprint for the next six years: the 2023-2028 Philippine Development Plan, to which line agencies, local government units, inter-government bodies, and to a certain extent even private and development actors, will anchor their strategies and actions in the medium term.

Insights from the Assessment can enrich local and sector-specific plans that are being anchored on the PDP. It provides guidance on current financing trends, investment priorities, and consequently, the gaps that need to be filled and opportunities that can be seized towards achieving the SDGs.

One of these opportunities arises from developments at the LGU level. “The future is local” cannot be truer. This, especially as policies, chiefly the Mandanas-Garcia Supreme court ruling, open a bigger trove of resources at LGUs’ disposal. However, greater resources mean more services for local governments to provide for their citizens in their own capacity. This development opens an opportunity to build the capability of local governments to, among others, plan for what they are spending, and find ways to expand their resource envelope further to address their competing and expanding priorities.

Another opportunity comes from the PDP’s emphasis on digital transformation towards improving the ease of doing business and, consequently, moving the economy forward. I believe government and non-government actors should make good use of the intersections between technology and finance to ensure that every Filipino shares in the economic gains to be had in the years to come.

One crucial intersection to take advantage of is data. The 2022 DFA notes, as a key challenge, the lack of updated and consolidated data to measure the cost of catching up on the SDGs and the very extent of catching up that needs to be done. Despite this challenge, the 2022 DFA used SDG 3 (Good Health and Wellbeing) as a test case of costing the financing gaps of meeting the Goals, given the available information.

We thank the Joint SDG Fund for making this publication possible, along with the other outputs of the Joint Programme on INFF. We also thank the Office of the UN Resident Coordinator in the Philippines, as well as our fellow participating agencies in this Joint Programme, UNICEF Philippines and UNFPA Philippines, for their technical support and invaluable feedback.

We hope this and the entire wealth of insights from the 2022 DFA will inspire government, private, and development actors to build on the capacities of one another to share and generate more information on where and how financing needs to be directed in terms of meeting the 2030 Agenda.

We further hope that the Assessment will spur more conversations towards what all sectors can pitch in towards shaping the future that we want for ourselves, the country, and our planet.

DR. SELVA RAMACHANDRAN
Resident Representative, United Nations Development Programme

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Abbreviations and Acronyms

AAAA	Addis Ababa Action Agenda
AARNR	Agriculture, Agrarian Reform, and Natural Resources
ACGF	ASEAN Catalytic Green Finance Facility
ACliFF	Asia Pacific Climate Finance Fund
ACMF	ASEAN Capital Markets Forum
ADB	Asian Development Bank
AIDS	Acquired Immune Deficiency Syndrome
AN	Ambisyon Natin
APDRF	Asia Pacific Disaster Response Fund
API	Accelerated Progress Index
APIS	Annual Poverty Indicator Survey
ART	Anti-Retroviral Therapy Registry
ASAP	Adaptation for Smallholder Agriculture Program
ASEAN	Association of Southeast Asian Nations
ATM	Automated Teller Machine
BESF	Budget, Expenditures and Sources of Financing
BIR	Bureau of Internal Revenue
BoC	Bureau of Customs
BOT	Build-Operate-and-Transfer
CBDRP	Community-Based Drug Rehabilitation Program
CBIT	Capacity-Building Initiative for Transparency
CBMS	Community-Based Monitoring System
CCSF	Carbon Capture and Storage Fund
CDC	Centers For Disease Control And Prevention
CFO	Commission on Filipinos Overseas
Ci-Dev	The Carbon Initiative for Development
CIF	Climate Investment Fund
COC	Combined Oral Contraceptives
COR	Cash Operations Report
COVID-19	Coronavirus disease
CPR	Contraceptive Prevalence Rate
CRD	Chronic Respiratory Diseases
CREATE	Corporate Recovery and Tax Incentives for Enterprises
CSO	Civil Society Organization

CSR	Corporate Social Responsibility
CTF	Clean Technology Fund
CTRP	Comprehensive Tax Reform Program
CVD	Cardiovascular Disease
DA	Department of Agriculture
DA-BFAR	Department of Agriculture - Bureau of Fisheries and Aquatic Resources
DALY	Disability-Adjusted Life Year
DBCC	Development Budget Coordination Committee
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DepEd-EBEIS	Department of Education -Enhanced Basic Education Information System
DMPA	Depo Medroxyprogesterone Acetate
DOE	Department of Energy
DOH	Department of Health
DOST	Department of Science and Technology
DREEERA2	2nd Danish Cooperation Fund for Renewable Energy and Energy Efficiency in Rural Areas
DSWD	Department of Social Welfare and Development
DVT	Deep Vein Thrombosis
ECQ	Enhanced Community Quarantine
EMB	Environmental Management Bureau
EPIRA	Electric Power Industry Reform Act
ESG	Environmental, Social, and Governance
ESMAP	Energy Sector Management Assistance Program
FIC	Fully-Immunized Children
FIES	Family Income and Expenditures Survey
FLEMMS	Functional Literacy, Education and Mass Media Survey
FMA	Fisheries Management Areas
FMIS	Financial Management Information System
FNRI-DOST	Food and Nutrition Research Institute- Department of Science and Technology
GAA	General Appropriations Act
GCCA	Global Climate Change Alliance
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Growth Equity Fund
GEF	Global Environment Facility
GFDRR	Global Facility for Disaster Reduction and Recovery

GID	Governance and Institutions Development
HARP	HIV/AIDS and Anti-Retroviral Therapy Registry of the Philippines
HDI	Human Development Index
HFCE	Household Final Consumption Expenditure
HFEP	Health Facilities Enhancement Program
HIV	Human Immunodeficiency Virus
HRH	Human Resources for Health
HTP	Heated Tobacco Products
ICMA	International Capital Markets Association's
ICRC	International Committee of the Red Cross
ILO	International Labour Organization
INFF	Integrated National Financing Framework
INFRA	Infrastructure Development
IRA	Internal Revenue Allotment
ITSF	Inter-Agency Technical Working Group for Sustainable Finance
ITT	Industry, Trade, and Tourism
IUD	Intra Uterine Device
JCOC	Joint Congressional Oversight Committee
LAM	Lactational Amenorrhea Method
LEDAC	Legislative-Executive Development Advisory Council
LFPR	Labor Force Participation Rate
LFS	Labor Force Survey
LGC	Local Government Code
LGU	Local Government Unit
LINKAPIL	Lingkod Sa Kapwa Pilipino
LRD	Lifestyle-Related Disease
MDG	Millennium Development Goals
MHIBF-EWS	Multi-Hazard Impact-Based Forecasting And Early Warning System
MPA	Marine Protected Area
MRP	Medicine-Related Problem
MSME	Micro, Small and Medium Enterprise
NACAG	Nitric Acid Climate Action Group
NAP	National Accounts of the Philippines
NCD	Non communicable diseases
NDHS	National Demographic and Health Survey
NEDA	National Economic and Development Authority
NEET	Not in Education, Employment, or in Training
NGA	National Government Agency

NGO	Non-governmental Organization
NHIC	National Health Insurance Corporation
NHIP	National Health Insurance Program
NIPAS	National Integrated Areas System
NNS	National Nutrition Survey
NPA	Non-Performing Asset
NRT	Nicotine Replacement Therapies
NTA	National Tax Allotment
NTP	National Tb Control Program
ODA	Official Development Assistance
OFW	Overseas Filipino Worker
OOP	Out-of-pocket
OPV	Oral Polio Vaccine
PAF	Pilot Auction Facility for Methane and Climate Change Mitigation
PAGASA	Philippine Atmospheric, Geophysical and Astronomical Services Administration
PAGCOR	Philippine Amusement and Gaming Corporation
PAP	Programs and Projects
PCC	Philippine Competition Commission
PCCP	Philippine Cancer Control Program
PDMO	Public Debt Management Office
PDP	Philippine Development Plan
PDP-RM	Philippine Development Plan-Results Matrices
PHAP	Pharmaceutical and Healthcare Association of the Philippines
PNC	Postnatal Care
POP	Progestin Only Pills
POPCOM	Philippine Commission on Population
PPP	Public-Private Partnership
PRDP	Philippine Rural Development Project
PSA	Philippine Statistics Authority
PSI	Progestin Subdermal Implant
RCEF	Rice Competitiveness Enhancement Fund
RCEP	Regional Comprehensive Economic Partnership
RDO	Revenue District Office
REAP	Renewable Energy Accelerator Program
RED	Renewable Energy Development
RENI	Recommended Energy and Nutrient Intake
RPRH	Responsible Parenthood and Reproductive Health
SAP	Social Amelioration Program

SBWS	Small Business Wage Subsidy
SCCF	Special Climate Change Fund
SDG	Sustainable Development Goal
SDM	Standard Days Method
SE4ALL	Sustainable Energy for All
SEC	Securities and Exchange Commission
SIC	Strategically Important Companies
SMV	Schedule of Market Value
SRCD	Social Reform and Community Development
STI	Sexually Transmitted Infection
TAF	Technical Assistance Facility
TB	Tuberculosis
TRAIN	Tax Reform for Acceleration and Inclusion
TSD	Treatment Storage Disposal
TVET	Technical and Vocational Education and Training
UCCRTF	Urban Climate Change Resilience Trust Fund
UEIF	Urban Environmental Infrastructure Fund
UHC	Universal Health Care
UHC-MTEP	Universal Health Care Medium Term Expenditure Program
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UN-ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations International Children's Emergency Fund
UNODC	United Nations Office on Drugs and Crime
UPPI	University of the Philippines Population Institute
VNR	Voluntary National Review
WASH	Water, Sanitation and Hygiene
WFPF	Water Financing Partnership Facility
WHO	World Health Organization
WRA	Women Of Reproductive Age
WRMF	Weather Risk Management Facility
ZEP	Zero Extreme Poverty

Executive Summary

The COVID-19 pandemic and consequently the global economic downturn it has brought upon pose significant challenges in achieving the country's development goals and targets. The continuing pandemic which started in 2020, compounded with other shocks including typhoons Ulysses in 2020, and Rai (Odette) in 2021, the global oil price hike, and disruptions in supply chain, have resulted to major setbacks in desired pace of economic growth, poverty reduction and improvements in quality of life of Filipinos. While fiscal reforms have been instituted by the government to generate more revenues and manage the rise in debt, the combined immediate effects to long run impacts of the aforementioned shocks are expected to place severe pressure in the country's meager public resources. Meanwhile, the magnitude and extent by which these shocks have set us back from our long-term development aspirations and correspondingly the needed investments to keep the country back on track with reference to desired sustainable development goals and targets is yet to be determined in existing development plans.

This study, conducted under the UNDP Joint Programme on the Integrated National Financing Framework, generally aims to provide a snapshot of SDG performance and financing in the Philippines using latest available data. Specifically, it aims to *(1) assess the country's recent performance vis-à-vis the SDG goals and targets, in view of the Covid pandemic; (2) depict the financing landscape of the country and identify resources available; (3) determine the financing requirements for SDGs with focus on 3 and estimate the financing gap, if possible; (4) present the Integrated National Financing Framework (INFF) in the context of the Philippines' institutional mechanism for the SDGs, and (5) formulate the health financing assessment and provide inputs for the 2022 Voluntary National Review (VNR) and Philippine Development Plan (PDP) for 2023-2028 towards more integrated financing of the SDGs.*

SDG Progress

To determine the country's progress in meeting the SDGs, our study generated the Accelerated Progress Index (API) for 63 indicators using latest available data for some of the indicators (i.e. poverty incidence, health (on tuberculosis prevalence), unemployment). For generating the API, the UN ESCAP methodology was applied which was also earlier adopted by the PSA.

The API (Anticipated Progress Index) answers the question: "How likely will the targets be achieved by 2030?". According to the results of our study, there are still gaps in achieving the desired sustainable development goals and targets by 2030. For instance, only 8 of the 37 SDG targets with sufficient data are on track. These include targets on: 1.1 international poverty; 1.2 national poverty; 4.4 Skills for employment; 4.a Education facilities; 5.5 Women and leadership; 7.1 Access to clean energy services; 14.5 Conservation of coastal areas; and 17.8 Technological capacity building.

On the other hand, 17 targets need acceleration. Among these are targets relating to: 1.4 equal rights; 1.5 resilience of the vulnerable; 2.2 malnutrition; 3.2 neonatal deaths; 3.7 sexual and reproductive health; 3.8 universal health coverage; 3.9 health impact of pollution; 4.1 effective learning outcome; 4.2 early childhood development; 4.3 TVET and tertiary education; 4.6 adult literacy and numeracy; 6.3 water quality; 8.8 labour rights; 10.2 inclusion (social, economic & political); 11.6 air quality and waste management; 11.b disaster risk management policies; 16.5 corruption and bribery.

Meanwhile, 13 of the SDG targets have regressed including targets on: 2.1 food security; 3.1 reduction of maternal deaths; 3.3 communicable diseases; 3.4 NCDs including mental health; 3.6 road traffic accidents; 4.5 equal access to education; 5.2 violence against women and girls; 6.5 water resource management; 8.1 per capita economic growth; 8.5 employment and decent work; 11.5 resilience to natural disasters; 13.1 resilience and adaptive capacity; and 16.9 legal identity.

Further examination of some of the specific indicators with available data, on the other hand, points out to additional observations that merit consideration in policy and program action if we are to ensure that "no one is left behind" in the course of achieving sustainable development.

On Poverty Reduction

Earlier achievements in poverty reduction in the country had been reversed by the pandemic, coupled with other new shocks that occurred during the period as well lingering impacts of earlier shocks, with a noted rise in poverty incidence in 2021. The COVID-19 pandemic has largely affected people's incomes and jobs resulting from mobility restrictions and long period lockdowns that had to be implemented as part of health protocols to manage the spread of the virus. Poverty has increased to 18.1% in 2021 from 16.7% in 2018, based on the latest results of the Family Income and Expenditures Survey (FIES). This translates to about 20 million Filipinos with income below the minimum amount of income to meet basic food and non-food needs. Based on the latest data, uneven progress in poverty reduction persists across regions. Data shows a rise in poverty incidence in 10 of the 17 regions with the biggest increase in poverty in Region VII (rose by 9.9%) followed by MIMAROPA (rose by 5.7%), Region 1 (4.5%), and Region III (4.4%). Meanwhile, 10 of the 17 regions experienced reversal in progress in poverty reduction in 2021. These include NCR, Region 1-Ilocos, Region III-Central Luzon, Region IVA-CALABARZON, IVB-MIMAROPA, Region V; Region VI; Region VII; Region X; Region XIII.

On Health

Meanwhile, available data on SDG 3 indicators points out to the need for a stronger push to accelerate progress towards meeting desired health outcomes. For instance, the country's progress towards universal access to health care has been reversed in 2020. Data on the state of health insurance coverage among families from the 2020 Annual Poverty Indicator Survey (APIS) revealed that there was a decline in health insurance coverage among families by 10.6%. Health insurance coverage declined from 89.3% in 2019 to 78.8 percent in 2020.

Progress on other goals- particularly for women and children, on the other hand, need further examination using latest available data to be able to determine and assess current status. In the course of our study, we note that several data for generating health outcome indicators are outdated. For example, latest data on maternal mortality is 2011, which was collected from the 2011 Family Health Survey. Data on other health indicators is likewise outdated. These include data on births attended by skilled health personnel and of births delivered in a health facility, neonatal mortality, under-five-mortality; and infant mortality whose latest data is 2017 which were collected from the last completed National Demographic Health Survey.

Meanwhile, latest data on the provision of other health services also indicate need for acceleration in progress. For instance, while results of the 2020 Drug Availability Survey of the DOH indicate that more than half (56%) of public health facilities are properly stocked with selected essential medicines and has increased higher by 1% compared to that in 2019, this is actually 9.4% lower compared to the 2016 record of 65.4%. On the other hand, data from the same survey also shows a decline in access to drug abuse related treatment programs from 2019 to 2020. From 87.6% in 2019, access to treatment programs declined by 4.6% decline (83%) in 2020.

Data from the DOH, meanwhile, revealed a sharp decline in the number of HIV tests conducted in 2020. HIV tests declined by 61 percent - from 1.22M tests conducted in 2019 to only 480,285 tests conducted in 2020. Newly diagnosed HIV infections have been increasing since 2015-2019. In 2020, data from the HIV/AIDS and Anti-Retroviral Therapy Registry (ART) of the Philippines (HARP) of the DOH shows a significant drop in HIV infections diagnosed. On the same year, 8,058 confirmed HIV-positive was reported from a record of 12,778 in 2019. In 2021, the number of cases jumped back to over 12K (12,341) newly diagnosed cases.

More regular and updated data are needed to better examine the magnitude and nature of gap that need to be addressed in terms of desired health outcomes that are aligned with the 2030 SDG agenda.

On Education

The pandemic underscores a few realities in access to education. Total enrolment in elementary level is on a decline since SY 2015-2016 (16.48M) to SY 2020-2021 (14.64M). Public school enrolment has been on a decline since SY2015-2016 (14.9M) to SY2020-2021 (13.7M). On the first year of the pandemic, the share of public-school enrolment increased by 3.4%.

At the junior high school level, total enrolment has been increasing from SY 2015-2016 (7.39M) to SY 2020-2021 (8.33M). Public school enrolment has been on the rise since SY2015-2016 (6M) to SY2020-2021 (7M). On the first year of the pandemic, the share of public-school enrolment increased by 2.1%.

Similarly, total enrolment in SHS has been increasing. From 1.46M enrollees in SY 2016-2017, total enrolment jumped to 3.2M students in SY 2020-2021. Public school enrolment has been on the rise. Enrollees in public schools more than doubled from SY2016-2017 (731,981) to SY2020-2021 (1.98M). On the first year of the pandemic, the share of public-school enrolment increased by 6.1%.

Looking at enrolment data across regions for SY2020-2021, marked with the lowest net elementary enrolment rate are: BARMM (69.17%), NCR (81.1%), Region IV-B (86.2%), Region 1 (86.2%), Region 11 (86.3%), and Region 5 (87.3%).

Meanwhile. some regions have consistently reported lower net enrolment rates for junior and senior high school compared to other regions from SY2015-2016 to SY2020-2021. These include BARMM, Regions 9 (%), 12 (%), 10 (%), and 5 (%).

At JHS level, in SY 2020-2021, a reduction in net enrolment rate was seen in 9 of the 17 regions compared to the previous SY. These include Regions 5 (7.2%), Region NCR (4.5%), Region XI (3.8%), Region IV-A(3.4%), Region VII (3.1%), Region III (1.6%), Region IV-B (0.4%), Region X (0.2%).

Except for the NCR (wherein a 5.8 percent reduction in enrolment rate), a rise in net enrolment rate in senior high school was seen in the rest of the regions for SY 2020-2021.

Meanwhile, looking at latest available data by gender, there are more male learners compared to females in elementary level. While more than half of the total elementary school enrollees are male children over the years, data shows a decline in the percentage of enrolment of males since 2017-2018 (52.1%) to 2020-2021 (51.8%). On the other hand, in JHS, more than half of the enrollees are female children from SY 2015-2016 to SY 2017-2018. However, starting SY 2018-2019 (49.9%) to date (49.2%), the percentage of female students to total enrollees has declined. At the SHS level, there are more female learners compared to males. On the first year of the pandemic, the share of male learners at the SHS level declined from the previous school year while that of female learners increased. Latest data on SHS enrollment, on the other hand indicate a decline in female learners.

Additional data on the characteristics of these children are needed to better understand the drivers in the movements of learners in and out of education at particular points in time.

On Advancing Decent Work

Prior to the onset of the pandemic, the country was on track and close to reaching its 2030 target of reduction in unemployment of 5%. On the other hand, in 2020, unemployment rate rose to 10.3%. While this was reduced to 7.8% in 2021, it is still higher than the pre-pandemic unemployment rate of 5.3%.

Uneven in progress towards reducing unemployment across age group and gender persist. Latest available data by age group shows highest unemployment rate remains among 15-24 years old. In July 2021, unemployment among the youth in the labor force has increased by 1.48% compared to unemployment rate in this age group in the same reference period in 2019.

Meanwhile, in 2020, unemployment among the youth peaked at 22.35% (in July 2020) which is way higher than the same period in 2019 (14.44%). While 2021 data for the same reference period shows a decline in unemployment rate (15.92%) among this age group, it is still higher than the pre-pandemic level.

Looking at available gender disaggregated data on unemployment, unemployment rate among females has increased by 2.48% in July 2021 compared to the same reference period in 2019. On the other hand, unemployment rate among males increased by 1.41%.

On the other hand, while the national underemployment rate has gone down to 13.80% (as of July 2022) from pre-pandemic level (19.09% in July 2019), uneven progress is seen across regions. Underemployment rate in 9 of the 17 regions has increased from their 2019 level. These include Regions CAR (increased by 6.06%), I (2.33%), IVA-CALABARZON (1.61%), VI (7.98%), VII (2.28%), XII (6.04%), XIII (7.71%), BARMM (3.57%), and NCR (1.5%).

Amidst the current state of the aforementioned indicators, is a growth in labor force participation rate. Based on latest data, Labor Force Participation Rate (as of July 2022) has increased by 3.1% (at 65.2%) compared to the same reference period in 2019 (62.1 %). Labor force participation rate among males has increased to 76.4% (as of July 2022) which is higher compared to the same quarter in 2019 (75.3%). Meanwhile, female labor force participation rate is marked at 53.9% (as of July 2022) higher by 5.2% than in the same quarter in 2019. This increase in labor force participation rate, adds further pressure in addressing existing gaps in progress towards meeting the Decent Work Agenda.

The Country's Fiscal Landscape amid COVID-19

Latest data on the country's financial flows indicate limited fiscal space - exacerbated by the ongoing Covid 19- pandemic and emerging demands to cushion and mitigate its short run and medium-term impacts while pursuing the country's long term development agenda and sustainability commitments. Public fiscal space to support the country's development agenda is further narrowed by needed measures towards recovery and rebuilding the economy, to provide necessary stopgap measures and social protection support particularly to sectors/groups of population/communities that have been adversely affected by the pandemic, and cushion additional/other risks of emerging shocks (i.e. volatility in financial markets due to "global policy normalization", supply chain disruptions, climate related shocks, and political uncertainties, among others).

Public deficit has been on the rise since 2016 and has more than doubled in 2020 and 2021 from pre-pandemic level. Cash Operations Report of the Bureau of Treasury (as of 2021) indicate that the public deficit shows an increasing trend since 2015 (P121.69 Billion) to 2019 (P660.24 Billion). In 2021, this has surged to P1.67 Trillion. Data indicates a widening of fiscal gap from 3.4% of GDP in 2019 to 8.6% of GDP in 2021. The significant rise in public deficit since the pandemic began indicates a narrower fiscal space to address competing demands for needed emergency and short-term response, and to initiate recovery and rebuilding measures while pursuing the country's long term development agenda and sustainability commitments.

Public spending has significantly increased during the pandemic from which P 716.9B had been allocated for Covid 19-related measures (of which P 616.02B had been spent as of Dec. 2021, DBM). To date, additional demands for public service delivery are emerging with the continued pandemic and its prolonged consequences, combined with the lingering impacts of earlier shocks that hit the country prior to 2020, as well as the impacts of other shocks (rise in oil prices, supply chain disruptions, shifts in technologies, among others) while the pandemic is ongoing.

Meanwhile, the economic contraction resulting from the health pandemic has led to lower government revenues and lower revenue-to-GDP ratio. Debt (as a % of GDP), on the other hand, significantly increased in 2021. With the slowdown in growth in financial flows, data also shows shifts in public spending priorities during the pandemic.

In 2021, social and economic services continue to be among the top public spending priorities taking up 66.4% of total public expenditures. On the other hand, with the rise in spending on debt service-interest payments (from 10% in 2019 to 11.8% in 2021) and net lending (from .5% in 2019 to .6% in 2021), data shows a decline in spending in social services by .4%. On the other hand, this slight reduction in share of social services (37.4%) also indicate shifts in spending across social sectors. The shares of expenditures on health, social security, welfare, and employment services and subsidy to LGUs increased in 2021 while spending on education, culture and manpower development declined.

Meanwhile, the share of expenditures for debt-service interest payments has risen from 10% in 2019 to 11.8% in 2021. Debt (as a % of GDP) significantly increased in 2021. Government debt as a percentage of the GDP had been on a steady decline from 2013-2019. In 2020, debt to GDP ratio has ballooned to 54.6%, and has reached 60.5% in 2021.

For 2022, data from the BESF 2022, shows an increase of 1.3% in the share of social services to total budget (P5.03T) compared to its allocation in 2021. There is also a .6% increase in general public services. On the other hand, percentage allocation for the rest of the sectors declined: economic services (by .1%), defense (.1%) and debt service (1.6%) while budget share of net lending remains the same. Comparing the budget allocations on the onset of the pandemic (2020), allocation for social services has declined by 2.3% and for general public services by 2.4%, while the allocations for the other sectors have increased: debt service by 1.4% and net lending by .1%; defense by .3%; and economic services by .1%. As borrowings significantly increased, the government needs to raise P249 billion more revenues annually to repay. For 2022, allocation for Debt service payments amounts to: P512 billion (BESF).

The country's surge in debt level, as well as emerging demands for public service delivery amidst on-going shocks, have put a strain on the country's finances, prompting the need for the implementation of a fiscal consolidation and resource mobilization plan. This requires raising more revenues and improvement in tax administration, and for the government to channel resources from unnecessary and non-priority expenses to productive spending. Among the key concerns, particularly in the context of this study, is the optimization of use of available resources that can be tapped from the public and the private sector in order to address gaps in SDG financing towards achievement of the country's 2030 sustainable development agenda and targets.

Financing the SDGs

Amidst the gaps in progress towards meeting the 2030 SDGs and the narrowing fiscal space, additional sources of financing are being tapped by the government. New strategies for generating additional resources for SDGs are also being explored. In this process, the role of non-government actors including the private sector and international development partners has become more evident.

Public Sector: Policies and Rulings Augment Resources for SDGs at Local and National Levels

Proceeds from tax reforms particularly SIN TAXES have been earmarked to support additional financing for SDGs. This was facilitated by enactment of RA 11467- which was enacted into law in January 2020 which amended and added provisions to the National Internal Revenue Code of 1997. RA 11467 increases the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs). The additional revenue is earmarked for the Universal Health Care (UHC), additional medical assistance and support to local governments, and the Sustainable Development Goals (SDGs). From 2019 to 2021, SIN taxes around P 200B had been generated in support of programs aligned with achieving Universal Health Care.

Meanwhile, there have been new and proposed legislations will widen the local resource base to help accelerate the achievement of the SDGs. With LGUs at the forefront of delivery of public services, additional resources for LGUs following the Mandanas Ruling provide opportunity for delivery of devolved public services towards meeting the SDGs at the local level. In line with this, a Growth Equity Fund- with reference to the Full Devolution Transition Policy - has been approved amounting to P 1.2 Billion in 2022- to assist the poorest LGUs in the implementation of the devolved services. The Growth Equity Fund (GEF), according to Executive Order 131 issued in 2021, is intended to address issues on marginalization, unequal development, high poverty incidence and disparities in the net fiscal capacities of LGUs.

Cost of Private Sector Contributions to SDGs Need Updating

Meanwhile, the private sector has been contributing to mobilization of additional financing to support the country's sustainability commitments which include the SDGs.

One of which is through raising revenues from labeled bonds which is aligned with the government's - Sustainable Finance Framework and Roadmap. For instance, from at least US$1.8 Billion worth of funds from green bonds jointly raised by the government and the private sector, additional resources have been generated for climate mitigation (US$1B), US$150M for sustainable energy, US$ 413M for renewable energy, and P 15B for green projects. In addition, about US$3.3 Billion has been generated from sustainability bonds from which US$ 1.9B are for climate change adaptation and mitigation and US$150M in blue bonds to support marine protection. About P 21.5 billion pesos (from Covid Action Response bonds) will support pandemic hit MSMEs. Meanwhile at least 10.6% of the 2019 loan portfolios of banks had been earmarked for green financing and social projects. On the other hand, additional data are needed to determine and examine how these investments translate to desired sustainable development outcomes and targets.

In addition, through their CSR and ESG related programs, the private sector continues to support the country's sustainable development agenda, and its investment has increased over time. In 2017 alone, according to a UNDP supported report on transformational business: contributions of the private sector to the UN SDGs covering programs of 75 private companies, at least P40. 7 billion worth of private sector investment on social and sustainable development had been aligned with the SDGs. Top investments (in terms of amount invested) are aligned with SDG 11, SDG 4, SDG 7 and SDG 3; In terms of number of initiatives, most of the private sector programs are aligned with SDG 8 and SDG 12. Latest data gathered from sustainability reports and other sources including company websites indicate that private sector companies continue to support programs that are aligned with the SDGs. On the other hand, we note that there is lack of information particularly on costing of these programs.

Diaspora Investments Complement Resources for the SDGs

Overseas Filipinos have been supporting programs in the country that align with the SDGs. Through the government's BalinkBayan program, Overseas Filipinos are connected to diaspora investment opportunities while also being guided with managing their hard-earned resources. In 2021 alone, around P 5.8M had been generated from OF Remittances and supported local development programs on infrastructure, skills transfer, health, education and livelihood. Data from Commission on Filipinos Overseas, indicate that resource flows from diaspora investment (OF remittances)- particularly through the BalinkBayan Program, have supported local level activities that are aligned with the SDGs particularly SDG 8, 9, 10, 11 and 17. About P3.4 Billion have been raised from OF remittances since 2010.

ODA Support Aligns Well with the SDGs

Meanwhile, the role of international development partners has also become more evident amidst the fiscal bind. ODA rose by 47 percent from 2019 to 2020. Data on ODA, from the 2020 ODA Portfolio Review of the NEDA, shows that ODA has continued to be an important source of financing, and resources from which have been aligned with the SDGs. For 2020, a total of 122 programs and projects, which were financed by 62 loans and 60 grants, supported the achievement of the 17 SDGs. The top three SDGs that are largely supported by ODA loans and grants (in terms of number of related programs and projects) are SDG 9 (Industry, Innovation and Infrastructure) – with 51 supported initiatives, SDG 1 (No Poverty)- with 27 supported programs, and SDG 4 (Quality Education), with supported 26 projects.

While latest official data from the 2021 ODA Portfolio Review is yet to be published to date, there are reports that indicate the continued support of international development partner agencies for programs that are aligned with the SDGs particularly SDG 1, 3. 4 and 8.

On the other hand, additional data with corresponding disaggregation are required for a more comprehensive diagnostics and assessment. In particular, these data are needed to determine and examine how these additional resources and investments translate to desired national sustainable development outcomes and targets across all the 17 SDGs (set in the PDP-RM and the nationally determined 2030 SDG numerical targets).

Challenges in SDG Financing

From our study, we have noted some challenges that need to be addressed for financing the SDGs in the country. A key concern is the lack of cost estimates for financing specific programs that would address identified gaps in progress towards meeting the nationally determined 2030 SDG goals and targets. For example, with reference to the health sector, the latest DOH MTEP covers up to 2026. Some available cost estimates for selected programs i.e. for TB and HIV, are only up to 2023.

While financial requirements and sources are contained in some sectoral /strategic action plans, it is difficult to assess the overall investment requirements and gaps for meeting the time-bound SDG commitments in the country. For this study, we attempted to demonstrate how critical the generation of cost requirements for specific program interventions as input for determining better strategies to finance and meet the SDG targets with focus on SDG 3 to cite specific examples. A methodology was developed for generating cost estimates in the context of nationally determined SDG 3 goals and targets. The estimation of financial requirements aims to provide a quantitative measure of resources needed in order to achieve the 2030 SDG agenda for health.

Based on our study, there is no existing national plan that comprehensively maps out the SDG investment gaps in the country and that articulates the financing strategies to fill in the gaps to meet the nationally determined 2030 SDG targets[1]. Information gathered from the conduct of policy dialogue with stakeholders from the private sector and international development partners indicate that among the challenges identified in investing for SDGs include the lack of concrete link between national development priorities and the SDGs (clarity of goals and measures).

Meanwhile, while there are policy measures that have been initiated to mobilize/raise revenues and support the SDGs, there is no available consolidated data on total investments / available and programmed funds as well as relevant SDG financing data disaggregation that are aligned with meeting the nationally determined SDG goals and targets. Said data would facilitate more informed investment decision among key stakeholders, better designed and more targeted program interventions that are aligned with meeting the SDG gaps. During the policy dialogue with key stakeholders, it was also pointed out that a major challenge in SDG financing is the lack of data on SDG financing and/or investment gaps that would enable better alignment of investment support and priorities.

Specific challenges in SDG Financing identified from the policy dialogues with stakeholders in the private sector and international development partners that have been conducted as part of the study include the following:

1. Difficulty in collaborating and dealing with concerned national government agency
2. Difficulty in collaborating and dealing with local government where the program will be implemented
3. Difficulty in getting permits or clearances from concerned government agency
4. Unwillingness of NGA to provide counterpart resources
5. Unwillingness and inability of LGUs to provide counterpart resources
6. Lack of updated and granular data needed to design projects/programs and to monitor impacts of projects/programs

Meanwhile, some of the key areas of concern in SDG financing pointed out from the policy dialogue with stakeholders in the government are as follows:

1. Lack of efforts to disaggregate national SDG targets by LGUs
2. Lack of information on whether there is enough fiscal space to meet the SDG targets, how much of the financial requirements are to be sourced from borrowing, and how this affects debt trajectory
3. Gap in the dissemination of the PDP-SDG results matrix
4. Need for capacity building for LGUs to utilize local data
5. Lack of priority bill related to the SDGs in the Legislative-Executive Development Advisory Council (LEDAC) agenda
6. Lengthy process in accessing climate funds
7. Lack of overarching cooperation framework to identify the roles of each stakeholder in the achievement of the SDGs (e.g. which agencies can provide capacity building on the SDGs)

Among the common issues on SDG financing raised by stakeholders in the private sector, international development partners and government include the following:

- Cumbersome administrative procedures

- Lack of disaggregated data on the SDGs needed in informing policies and designing, implementing, monitoring, and evaluating SDG-related projects and programs

[1] The SDGs are considered in the formulation of the PDP 2023-2028. Efforts are underway in the preparation of a plan, at the implementing agency level, aimed to realize the targets set in the PDP which are parallel to the achievement of the SDGs.

- Lack of data on existing investments for the SDGs and gaps in SDG financing
- Lack of coordination among stakeholders in meeting the 2030 agenda

Opportunities for SDG Financing

Meanwhile, there are opportunities that can further be explored and optimized particularly to foster the participation of the private sector for financing the SDGs.

Based on the data gathered by our study, the private sector has been generating additional resources through labeled bonds. Labeled bonds present key opportunities for mobilizing more private capital for SDG investments going forward. Given the existing financing gaps in many SDG sectors beyond infrastructure, energy and buildings, as well as corresponding global demand for sustainability investments, there is a high potential for labeled bonds to become a more important SDG financing instrument than they currently are. There is merit in drawing lessons from strategies and best practices of other countries i.e. Indonesia on the use of labeled bonds in generating additional resources for SDG financing.

Moreover, the country's promotion of diaspora investment for development has been cited as one of the best practices in diaspora engagement. The continued support of Overseas Filipinos for various social development programs in the country indicates their commitment to give back to the country particularly to their hometowns. There is scope for advancing diaspora investment towards meeting the SDG agenda by providing guidance on how resources from Overseas Filipinos can support more impactful and programs that are aligned with the national sustainable development goals and targets. In line with this, the development of area-based bonds to expand diaspora investments can also be explored to generate additional resources for SDGs.

Meanwhile, there are other tools and strategies that can further be examined aligned with financing the SDGs. One of these is the development of SDG investor maps to generate data and insights regarding SDG-enabling investment opportunities at the country level. The use of donation-based crowdfunding platforms which facilitate transactions between funders and fundraisers by coordinating activities of different stakeholders can also be further examined. As the government gears towards promoting innovative measures and utilizing private sector investments in development, SDG Investor Maps may be further studied to encourage stakeholders in bridging financing gaps in SDG implementation and drive progress in potential lagging SDGs. Maximizing the SDG Stakeholders' Chamber and/or mobilizing the JP-INFF fund to support this may be considered. Meanwhile, one additional source of funding that can also be further explored to meet the SDGs and close potential gaps is through crowdfunding. Further enhancement of existing donation-based crowdfunding is worth looking into. In particular, this may be put forth for consideration of the members of the SDG Stakeholders' Chamber in terms of possible initiatives for future collaboration

While the report provides an overall current financing and SDG financing landscape, to provide more concrete examples, we devoted a chapter on financing the SDGs with focus on SDG 3 to illustrate the importance and implications of having cost estimates for specific SDG programs. In examining financing requirements for SDG 3, for example, there are key challenges in estimating costs for programs. From our study, we note that some of the health programs have different goals and are not aligned with the 2030 SDGs Agenda. For example, the National Tuberculosis program's long-term goal is to significantly reduce TB burden by decreasing TB mortality rate by 95% and TB incidence by 90% by 2035. This is beyond the 2030 agenda in which the target is to end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases by the year 2030. If the goals are different, the estimated costs would also be different. The estimation used covered only treatment because it is the only available unit cost. If the target is to end TB in 2030, the estimated financial requirements amounts to 4.7B a total of 6.8B is needed to reach 90% incidence in 2035 as per goal of the National Tuberculosis Program.

Meanwhile, from the study we found that the complete situation of national financing needs, available financing sources and the constraints and risks in meeting the nationally determined 2030 SDG targets cannot be comprehensively determined and assessed at this time given limitations in available data and information.

On the INFF Building Blocks

The integrated national financing framework approach builds integration at 3 levels: (1) integrating plans and financing policies, (2) integrating public and private financing policies, and (3) collaboration across public and private sectors. In the case of the Philippines, there is already a general integration of plans and financing policies though there are still areas for further improvement especially given shifts in investment priorities and setbacks in achievements of SDGs targets in the light of the Covid 19 pandemic and other policy shocks. The same is true for public and private policies wherein greater alignment is needed towards achieving the SDG agenda. With limitations in fiscal space amidst competing development needs, there is scope for greater collaboration between public and private sector to foster more efficient use of available resources and more impactful programs and interventions towards meeting the SDGs. Private sector herein refers to private businesses, CSOs and NGOs. On the other hand, development partners – including multilateral funding institutions also play an important role in financing the SDGs. There is scope for enhancing collaboration with development partners particularly in terms of improving the financing strategies for meeting the SDGs.

Recommendations and Ways Forward

Drawing from the results of the study, work is still in progress in many of the important elements of the building blocks for an integrated financing framework in the country to support the acceleration of achievement of the desired sustainable development outcomes and targets.

1. Greater Integration in Planning and Financing

To foster more integrated planning and financing towards meeting the 2030 SDG agenda, further work is needed to enhance the existing assessment and diagnostic tools and to facilitate a more comprehensive and regular SDG progress reporting. On the other hand, the development of the country's sustainable finance roadmap provides an opportunity to better align the use of existing and new financial resources- both in the public and private sector- towards addressing investment gaps across all SDGs given current progress.

Meanwhile, recognizing the important role of local governments in the country's SDG localization strategy and recent developments aligned with the full devolution policy implementation, capacity building support need to be fostered at the local level particularly to help LGUs better align their development and investment plans and budgets with the SDGs. Some of the specific recommendations are discussed in the sub-sections below.

a. Improved assessment and diagnostic tools

Among the areas for improvement are in line with the enhancement of the PDP-Results Matrices, the strengthening of the SDG data ecosystem, and the mapping of SDG investment and financial flows both in the public and private sector.

The needed enhancements of the PDP-Results Matrices (RM) entail the inclusion of missing SDG indicators i.e. SDG 12-Sustainable Consumption and Production and 17-Partnership for Goals. Moreover, the incorporation of additional disaggregation (i.e. gender disaggregated data on financial inclusion, disability, sub-location among others) would facilitate a more comprehensive SDG progress tracking, and investment planning. These would also aid in identification of geographical areas/sub-groups of population being left behind and need intervention. In addition, there is also a need for better alignment of the PDP-RM SDG indicators and targets with those in the nationally determined 2030 SDG indicators and targets.

In addition, the strengthening of the SDG data ecosystem needs to be continued to enable more informed policymaking, program implementation and investment decisions by duty bearers. This entails generation of missing and/or additional data/indicators, at particular points in time and across time, for regular and more comprehensive SDG progress tracking and better diagnosis of needed interventions and program action. This would be facilitated through (1) annual updating of SDG indicators with relevant data disaggregation, (2) processing of all SDG related data from existing national surveys, administrative records, and local registries, (3) triennial conduct of community-based monitoring system (CBMS) for all LGUs to generate local level data for the SDG indicators, and (4) incorporation of additional questions in existing surveys to generate necessary additional SDG indicators.

Moreover, there is a need to foster and accelerate the mapping of SDG investment and financial flows both in the public and private sector to better optimize available resources for SDGs and inform investment gaps aligned with achieving the 2030 SDG agenda. In the public sector, this would be facilitated by the generation of baseline and regular data on SDG revenues generated by source, budget by sector/source of funding, actual utilization/spending by SDG. Available data from existing public financial management system could be further processed and consolidated to generate SDG financial/investment data/year with disaggregation. In line with this, outputs from the on-going SDG budget tagging would be useful.

Meanwhile, the mapping of private sector SDG investment and financial flows would aid the determination and better valuation of private sector contributions in the country's SDG agenda. This would be facilitated by the generation of baseline and regular data on SDG earmarked/actual revenues generated by source, and on the actual utilization/spending by SDG/sector (by PLCs, NGOs/CSOs, others) at particular point in time and across time. This would entail (1) processing and consolidation of SDG financial/investment data/year with relevant disaggregation –per SDG/year from existing sustainability reports of PLCS, (2) identification of other sources of private sector data on SDGs and/or related sectoral investments with relevant disaggregation at particular points in time and across time, and (3) generation of consolidated data on share of private sector to total SDG investments in the country with reference to national SDG investments /per Goal.

b. More Regular and Comprehensive SDG Progress Reporting

More comprehensive SDG progress reporting is needed for more-informed identification of existing gaps in SDG Progress vs 2030 SDG nationally determined numerical targets. On the other hand, the identification of resource requirements for the plans and programs to bridge gaps in current SDG progress vs desired outcomes is equally important to better guide the SDG financing plan.

There is also merit in inclusion of risk and impact assessment in progress reporting for meeting the SDGs i.e., Covid 19, natural disasters, economic shocks etc., which would better inform the identification of needed plan of action to prepare for and cushion the impacts of future similar shocks for accelerating progress in the achievement of desired development outcomes.

c. Enhanced Sustainable Finance Roadmap to cover all SDGs

Planning for needed investments to ensure the achievement of the SDGs and targets, and mobilizing the needed resources for these investments would require the following action steps:

- Identification and assessment of financing requirements for all SDGs
- Incorporation of measures/indicators and financing targets to meet the identified investment gaps in SDGs
- Generation/estimation of data on costs of SDG program interventions
- Identification of additional strategies and resource mobilization activities for SDG financing- across all 17 goals to meet 2030 SDG targets

d. Inclusion of 2030 SDG investment projections in PDP

To further strengthen investment and sectoral planning, there is merit in the inclusion of 2030 SDG investment projections in the PDP. The PDP sets the overall framework and strategy for pursuing the sustainable development agenda in the country. In line with this, better alignment of investment and sectoral plans will be facilitated by:

- Determination of financing requirements to meet 2030 Nationally determined SDG targets

- Specification of financing gap or additional investment needed to achieve SDG financing scenarios

- Identification of benchmark/target for SDG Resource Sharing/Distribution – public and private / per SDG

These would also be useful benchmarks for better reporting of contributions of different stakeholders towards meeting the country's SDG agenda.

e. Inclusion of 2030 SDG financing scenarios in all sectoral plans

The sectoral plans further concretize the program action agenda to achieve the expected development outcomes and targets for each sector. To ensure alignment of goals and targets, it would also be equally important to have the following included in all sectoral plans while being guided by the nationally determined 2030 SDG indicators and targets:

- Determination of financing requirements for sectoral plans and programs to meet 2030 SDG targets

- Specification of financing gap or additional sectoral investment/s needed to achieve SDG financing scenarios

- Identification of target SDG Resource Sharing/Distribution – public and private for the sector

f. Inclusion of 2030 SDG financing scenarios in all local development plans

Local development plans facilitate the operationalization of strategies and programs at the lowest administrative levels. To ensure better alignment of program action at the local level to achieve the desired 2030 SDG targets, having the following in all local development plans including municipal and city development plans would likewise be important:

- Determination of financing requirements of local development plans and programs to meet 2030 SDG targets

- Specification of financing gap or additional investment needed to achieve SDG financing scenarios

- Identification of target SDG Resource Sharing/Distribution – public and private

g. Capacity building support

Recognizing the important role of LGUs in the country's SDG localization agenda, there is merit in strengthening capacity building support at the local level (including not only provinces but municipalities and cities as well) particularly in terms of generation and use of local level data and indicators for SDG investment planning, mobilizing resources for SDGs financing, and impact monitoring.

Further capacity building support to foster alignment of use of additional resources from Mandanas Ruling and from other locally generated resources, including those mobilized with support from the private sector and international development partners, also provides an opportunity to optimize available resources at the local level towards meeting the SDG agenda. This will also help LGUs in better reporting and valuation of their financial contributions in the country's sustainable development goals and targets.

2. Integration of Policies in Public and Private Sector

To foster better integration of policies in public and private sector, there is a need to further strengthen the enabling environment through policies and legislation. Greater capacity building support is likewise needed for more coherent and greater synergy in SDG program action within and across the public and private sector both at the national and local levels. Moreover, regular monitoring and review of the implementation of policies towards meeting the country's nationally determined sustainable development goals and targets would ensure needed interventions and adjustments at particular points in time.

Public-private partnerships (PPPs) play a crucial element in pursuing strategies to meet sustainable development goals and targets both at the national and local level. Aside from supporting gaps in financing infrastructure programs, the private sector can also generate complementary /additional resources for developing and implementing innovative solutions for better data sharing and capacity building for more efficient, sustainable, and impactful SDG program investment decisions.

There is still room to advance the integration in public-private sector policies particularly in the context of meeting the SDG agenda through policy measures and legislation that can help strengthen the enabling environment for greater and more impactful SDG investment contributions of stakeholders from the private sector, and to enhance public-private partnerships.

Based on the consultation with the private sector, the willingness of concerned national government agency and of local government units to collaborate/partner and willingness of local government unit to collaborate/partner tops the list of factors that drive private sector investment in SDG related programs. Aside from willingness of NGAs and LGUs, other important factors include the provision of counterpart resources from NGA, provision of counterpart resources from LGU, and ease in securing permits/clearances for programs and projects.

Among the specific areas/recommendations for consideration in policy and program action to address current challenges faced in SDG financing drawn from the policy dialogue with the private sector:

- Reduction in administrative burden for securing permits or clearances for programs and projects
- Construction of a regularly updated and consolidated database on existing investments for SDGs
- Generation of data (more granular data) and information on institutionalization and sustainability prospects of programs to be supported
- Provision of fiscal incentives - something similar to RA 8525 (An act establishing an "adopt-a-school program," providing incentives therefor, and for other purposes) especially for MSMEs
- Recognizing in a formal way those who have contributed towards completion of the SDG Agenda not necessarily in terms of volume of resources but those who have created impact. recognition of impactful SDG initiatives and through the institutionalization of the programs implemented by organizations.
- Regular reports - on how the government and private sector are affecting the communities (identifying areas of contribution of each sector)
- Conduct of capacity building on impact monitoring, needs identification and prioritization, program design and resource mobilization, and costing of programs

On the other hand, among the specific recommendations for program action drawn from the policy dialogue with international development partners include:

- Improvement of/reforms in the procurement process particularly expedite the approval process for programs and projects
- Establishment/revival of a government led-donors forum
- Set up of a multi-donor trust fund
- Facilitate data sharing arrangements with the government

- Clarification of government priorities, plan of action and areas for financing where donors could come in
- Regular reporting on SDG related outcomes of programs and projects
- Generation and utilization of non-traditional data (big data, panel data)
- Conduct of value for money analysis of programs
- Creation of a regularly updated and consolidated database on allocation of ODA by SDG

3. Strengthened Collaboration Across Public and Private Sector

Based on the results of our study, some of the areas for enhancements to further strengthen collaboration across public and private sector are as follows:

- Foster greater coordination between and among NGAs and LGUs on critical program action to meet the nationally determined sustainable development goals and targets. There is merit in considering the representation of Leagues of Provinces/Municipalities/Cities and/or League of Local Development Planners in the Sub-Committee would provide an opportunity to secure commitments of the LGUs for the integration of the SDGs in the local development agenda in consideration of the big role of LGUs in the country's localization strategy of the SDGs.
- Conduct of regular government-led dialogue with the private sector and international development partners on the 2030 SDG Agenda – would provide an opportunity to discuss the country's progress towards meeting the nationally determined sustainable development goals and targets, and build consensus on key areas of policy reforms and needed program action and secure support/commitments to meet the gaps in achieving the goals and targets.
- Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs- documentation/mapping of best practices have recently been initiated under the Stakeholders Chamber (which was convened this year). There is value in having a more comprehensive documentation of best practices – across public and private sector- in implementing and institutionalization of programs towards meeting the 17 SDGs.

Meanwhile, there are also common recommendations for consideration among all stakeholders in the private sector, international development organizations, and the government. These include the following:

- Loosen stringent requirements and reduce red tape to encourage more investments, reduce transaction costs, and facilitate progress in the approval and coordination of SDG-related measures
- Support the data collection of more granular data on the SDGs
- Work on a consolidated database on and monitor all investments channeled towards achieving the SDGs
- Organize regular discussion/consultation among all stakeholders to discuss progress related to meeting the SDGs, challenges encountered, and best practices

CHAPTER 1

Overview of SDGs in the Philippines amidst the effects of the COVID-19 Pandemic

The Sustainable Development Goals (SDGs) are global goals adopted by member states of the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030, all people enjoy peace and prosperity. There are 17 goals that include: 1. No Poverty; 2. Zero Hunger; 3. Good Health and Well-Being; 4. Quality Education; 5. Gender Equality; 6. Clean Water and Sanitation; 7. Affordable and Clean Energy; 8. Decent Work and Economic Growth; 9. Industry, Technology and Innovation; 10. Reduced Inequalities; 11. Sustainable Cities and Communities; 12. Responsible Consumption and Production; 13. Climate Action; 14. Life Below water; 15. Life on Land; 16, Peace, Justice and Strong Institutions; and 17. Partnership for the Goals.

The pursuit for the SDGs grew out of the Millennium Development Goals (the MDGs) that claimed success in reducing poverty while acknowledging there was still much more to do, as the achievements have been uneven. While the MDGs only targeted developing countries, the SDGs are universal; they apply to every country in the world. Aligned with the concept of sustainable development, the SDGs have three bottom line objectives: Economic Prosperity, Social Inclusion and Environment Protection.

With only 8 years away from 2030, this section provides an overview of the progress of the SDGs in the Philippines at the national level taking into account effects of the Covid-19 pandemic. Participants to 2020 high-level Political Forum (central platform of the United Nations for follow-up and review of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals) agreed that even before the pandemic, the world was already not on track to deliver the 2030 Goals[2].

The global pandemic was brought about by the Coronavirus disease (COVID-19), an infectious disease caused by the SARS-CoV-2 virus, a new strain of coronavirus that has not been previously identified in humans. It is transmitted from person to person via droplets, contact, and fomites as the individual talks, sneezes, or coughs producing 'droplets' of saliva containing the COVID-19 virus. According to the World Health Organization, there have been 625,248,843 confirmed cases of COVID-19 globally, including 6,562,281 deaths.[3]

While the effects of the COVID-19 pandemic have yet to be fully understood, it is clear that the progress made in many of the sustainable development goals had been pushed back as it threatened the lives and livelihoods of people and made the achievement of the Goals even more challenging. The pandemic, the UNDP estimates, could potentially have a devastating impact on global human development - a combination of health, education, and standard of living[4]. It suggests a "steep and unprecedented decline" in 2020 for the first time in the 30 years since the Human Development Index (HDI) has been computed, equivalent to erasing all the progress in human development of the past six years.

The pandemic is expected to drive 119 to 124 million people into extreme poverty by 2030, causing the extreme poverty rate to climb for the first time in a generation[5]. With this, it is predicted that around 600 million people will still be living in extreme poverty by 2030. Although the global unemployment rate declined slightly to 6.2 in 2021, this is still well above its pre-pandemic rate of 5.4 and is estimated to remain above the 2019 level until at least 2023 according to the International Labour Organization. The pandemic has also led to the loss of the equivalent 255 million full-time jobs and to an all-time high level of youth not employed, in school or in training (NEET) since 2005. The ILO likewise reports that since the

[2] UNDESA (2020) Summary by the President of the Economic and Social Council of the high-level political forum on sustainable development convened under the auspices of the Council at its 2020 session. Retrieved from: https://sustainabledevelopment.un.org/content/documents/269252020_HLPF_Presidents_summary.pdf
[3] https://covid19.who.int/, accessed last October 26, 2022
[4] UNDP (2020) COVID-19 and Human Development: Assessing the Crisis, Envisioning the Recovery. Retrieved from: https://hdr.undp.org/content/covid-19-and-human-development-assessing-crisis-envisioning-recovery
[5] https://sdgs.un.org/goals

outbreak of the COVID-19 pandemic, more than one in every six young people has stopped working, while those who remain employed have seen their working hours cut by 23%[6]. Loss of jobs and livelihood is exacerbated in places where rural poverty and inequality are extreme, with severe implications for children's nutrition. The pandemic is likely to reverse the progress made in reducing income inequality since the financial crisis delaying the progress in some of the poorest countries by a full 10 years. As of 2020, there are 307 refugees outside their country of origin for every 100,000 population, which is more than double the figure in 2010[7]. The fiscal impacts of the pandemic are leading to debt distress in countries and territories and limiting their fiscal and policy space for critical investments in recovery (including accessing vaccines), climate change and the Goals, which threatens to prolong recovery periods. In 2021, the number of refugees worldwide reached the highest record with 24.5 million, at the same time it also recorded the highest number of migrant deaths with 5,895. The ongoing war in Ukraine has resulted the worst refugee crisis in recent history. 311 refugees outside of their country of origin for every 100,000 population as of 2021.

In countries with low and medium levels of human development, the Covid-19 might potentially raise the number of malnourished individuals by 12.8 million and increase the number of malnourished children by 1.6 million, totaling 57.5 million malnourished children by 2030. The UNDP report estimates that the global pandemic is exacerbating world hunger with an additional 70-161 million people likely to experience hunger because of the pandemic in 2020. Similarly, the pandemic has halted or reversed a decade of health progress and has shortened life expectancy, with 92% of countries still reporting one or more disruptions to essential health services, reversing years of progress in maternal and child mortality. It is also increasing children's vulnerability to exploitation, as UN studies suggest that one in every three trafficking victims is a child, at the same time child labor has risen to 160 million for the first time in decades[8].

In terms of education, more than 168 million children have lost a full year of education as a result of school closures brought on by COVID-19 lockdowns, wiping 20 years of educational progress and resulting in an additional 101 million children in Grades 1 through 8 falling below minimum reading proficiency levels in 202[9]. Further, UNESCO data shows that education has been significantly disrupted for over 800 million students worldwide, with an average loss of two-thirds of an academic year[10], while UNDP estimates 86 percent of primary school children in developing countries are out-of-school in school in countries with low human development[11]. While women's equal participation in decision making is crucial for an effective Covid-19 response and recovery, gender disparity still remains far off with only 26.2% of national parliamentarians are women, 36.3% of local government representatives are women, and 28.3% of managerial positions are occupied by women[12].

Ensuring universal access is essential for Covid-19 recovery, the United Nations reported that 2 billion people lack safely managed drinking water and 3.6 billion people lack safely managed sanitation. Global manufacturing production plummeted because of the pandemic and was especially catastrophic for the air travel industry who have seen a 60% decline in air passengers from 2019 to 2020[13]. In 2021, global air passenger traffic recovered slightly with 2.3 billion passengers. Slum dwellers continued to grow over the years and the pandemic forced more people to live in slums where life is deteriorating and vulnerability increasing.

The COVID-19 pandemic and climate change have compounded development issues in the Asia-Pacific

[6] ILO "ILO: More than one in six young people out of work due to COVID-19" (2020), at: https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_745879/lang--en/index.htm
[7] UNDESA (n.d.) Reduce inequality within and among countries. Retrieved from: https://unstats.un.org/sdgs/report/2021/goal-10/
[8] Hughes, B.B., Hanna, T., McNeil, K., Bohl, D.K., & Moyer, J.D. (2021). Pursuing the Sustainable Development Goals in a World Reshaped by COVID-19. Denver, CO and New York, NY: Frederick S. Pardee Center for International Futures and United Nations Development Programme
[9] UNICEF "COVID-19: Schools for more than 168 million children globally have been completely closed for almost a full year, says UNICEF" (2021), at: https://www.unicef.org/press-releases/schools-more-168-million-children-globally-have-been-completely-closed
[10]UNESCO "UNESCO figures show two thirds of an academic year lost on average worldwide due to Covid-19 school closures" (2021), at: https://www.unesco.org/en/articles/unesco-figures-show-two-thirds-academic-year-lost-average-worldwide-due-covid-19-school
[11] UNDP, "COVID-19: Human development on course to decline this year for the first time since 1990" (2020), at: https://www.undp.org/press-releases/covid-19-human-development-course-decline-year-first-time-1990
[12] UNDESA (2022) The Sustainable Development Report 2022. Retrieved from: https://unstats.un.org/sdgs/report/2022/The-Sustainable-Development-Goals-Report-2022.pdf
[13] UNDESA (n.d.) Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. Retrieved from: https://unstats.un.org/sdgs/report/2021/goal-09/

region, slowing progress toward the SDGs. Based on the Asia-Pacific SDG Progress Report 2022 released by UN-ESCAP, the region is not on track to meet any of the 17 Sustainable Development Goals with the expected year of achievement of the goals is now 2065. Only about 10% of the 112 measurable targets are on track to be met by 2030, and the rest require a drastic acceleration in progress or a complete reversal of the negative trends that have been observed because of the increased frequency and intensity of man-made crises and disasters, as well as the impact of the pandemic. While the region has made substantial progress on industry, innovation, and infrastructure (Goal 9) as well as affordable and clean energy (Goal 7), the pace is too sluggish to meet the goals by 2030. Even as the climate situation has become more acute, there has been a regression in responsible consumption and production (Goal 12) and climate action (Goal 13). Meanwhile, progress on Goals 4, 5, 6, 8, 11, and 14 has been slow or even non-existent in Asia and the Pacific. The Asia-Pacific sub regions, with the exception of Goal 1 and Goal 9 in East and North-East Asia, are not on track to meet the SDGs by 2030.

In the Philippines, as the country imposed long periods of lockdown, the economy contracted, affecting access to services and livelihood of people. The restrictions imposed on movement due to quarantine measures implemented since March 2020 posed a challenge in the collection of timely and reliable data to assess the impact of the pandemic on the SDGs. According to 2021 Philippine Pace of Progress released by the PSA, of the 31 main indicators that met data requirement for estimation, 13 indicators (41.9%) are ahead the path to target while 18 indicators representing 58.1% were behind the path to target as of May 2021. In terms of anticipated progress, only 11.8% targets (4 targets) are on track, (Goal 1) international poverty, (Goal 3) health coverage, (Goal 5) women in leadership, and (Goal 8) per capita economic growth. 22 targets representing 64.7 percent need to accelerate to achieve the target by 2030 which includes indicators under Goals 1, 2, 3, 4, 7, 8, 11, 13, 16, and 17. Meanwhile, 23.5% or 8 targets were regressing including food security under Goal 2, NCD and mental health and road traffic injuries in Goal 3, early marriage and violence against women and girls in Goal 5, water resources management under Goal 6, employment and decent work under Goal 8 and legal identity in Goal 16[14]. The pandemic is expected to reverse recent progress in poverty reduction, increasing poverty incidence by 5.4% in 2020[15]. NEDA reported a 4.2% contraction in GDP in the first quarter of 2021, a decrease from 17.0 decline in the same quarter of 2020[16]. As of April 2020, the unemployment rate was estimated at 17.6% translating to about 7.2 million Filipinos unemployed at the onset of ECQ implementation in the country. Gradual opening of some sectors slowly reduced unemployment, which was recorded at 8.7% as of October 2020[17].

In a report of The World Bank, the Covid-19 pandemic caused dramatic disruption in the delivery of education as schools closed beginning March 2020 to contain the spread of the virus. Access to essential health services was also strained especially during the first year of pandemic. Many Filipinos chose to forego medical care out of fear of being infected and concerns about access to health services primarily due to widespread fear and lockdown measures. The Philippine Institute for Development Studies reported a decline of 50-60% in health insurance claims from high-burden diseases in 2020 and a significant decline in admissions and out-patient consultation among the vulnerable populations[18].

This chapter provides the status of SDG indicators based on latest available data at the national level. Whenever available, disaggregation by geographic location (regional level), sex, age group and other disaggregation were included in the discussion. Additional section in the chapter focuses on the SDG measure adopted by the Philippines to track the progress in achieving the SDGs.

[14] Guillen, W. (2021) UN-ESCAP Stats Café Series Measuring National SDG Progress: Tracking the Progress of the Philippine Sustainable Development Goals. Philippine Statistics Authority. Retrieved from: https://www.unescap.org/sites/default/d8files/event-documents/Philippines_SDG_Pace_of_Progress_Stats_Cafe_17May2021.pdf
[15] Reyes, C. (2021) Is eradicating poverty in the Philippines by 2030 doable? Philippine Institute for Development Studies. Retrieved from: https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidspn2113.pdf
[16] Chua, K. (2021) Assessment of Q1 2021 Philippine GDP growth performance and prospects for recovery. National Economic and Development Authority. Retrieved from: https://neda.gov.ph/assessment-of-q1-2021-philippine-gdp-growth-performance-and-prospects-for-recovery/
[17] Reyes, C., Asis, R., Arboneda, A., Vargas, A. Philippine Institute for Development Studies (2020) Mitigating the Impact of COVID-19 Pandemic on Poverty. Retrieved from: https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2055.pdf
[18] Ulep, V.G. (2021) The Multifaceted Health Impacts of the Covid-19 Pandemic. Philippine Institute for Development Studies.

Goal 1 | End Poverty in All its Forms Everywhere

1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

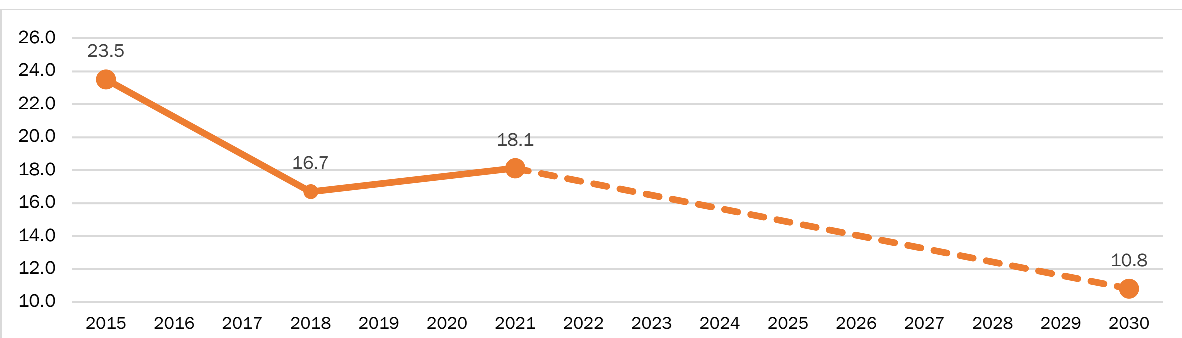
Poverty Incidence

Before the breakout of the COVID-19 pandemic, the proportion of the population living below the national poverty line was declining. Full-year poverty incidence was lowest in 2018 since 2003 at 16.7%. The sustained implementation, expansion, and enhancement of the government's social assistance programs (Pantawid Pamilyang Pilipino, Unconditional Cash Transfer, Pantawid Pasada, and Social Pension for the Indigent Senior Citizens) provided additional income to the poorest sectors of the society.

The Philippine economy which is one of the fastest-growing in Asia before the pandemic hit contracted by 16.9 percent during the second quarter of 2020 due to the community quarantine measures imposed to contain the spread of the virus (PSA, 2022). The progress in poverty reduction has been set back by the COVID-19 pandemic increasing poverty incidence. Latest preliminary data of the Philippine Statistics Authority registered 18.1% for 2021. This is a 1.4 percent increase from 16.7 in 2018. This is equivalent to about 20 million Filipinos who lived below the poverty threshold covering food and nonfood needs. On average, the poverty threshold is PhP 12,030 for a family of five per month in 2021 (Figure 1.1). Meanwhile, the proportion of Filipinos who lived below food threshold slightly increased to 5.9% in 2021 from 5.2% in 2018. The estimated food threshold of Php8,379 per month is the minimum amount for a family of five to meet their basic food requirements.

The increase in poverty incidence from 2018 to 2021 was attributed to the COVID-19 pandemic as people's incomes and jobs were significantly affected by stringent quarantines and long period lockdowns. These resulted to the decrease in household income due mainly to the suspension and closure of non-essential work starting March 2020. The Philippine situation is consistent with the global estimates as according to the UN SDG Report 2021; the effects of the coronavirus disease 2019 (COVID-19) pandemic have reversed much of the progress made in reducing poverty, with global extreme poverty rising in 2020 for the first time since the Asian financial crisis of the late 1990s[19].

Figure 1.1 Proportion of population living below the national poverty line, 2015, 2018 and 2021



Source of basic data: PSA-FIES, 2015, 2018 and 2021

In a study initiated by UNDP and Zero Extreme Poverty (ZEP) 2030 among poor populations in selected provinces, extended periods of lockdown resulted in job loss and decrease in already insufficient income, most earning less than P10,000 per month. The study showed that three in every four households surveyed experienced a decrease in income and 47 percent lost either their job or business during the pandemic[20].

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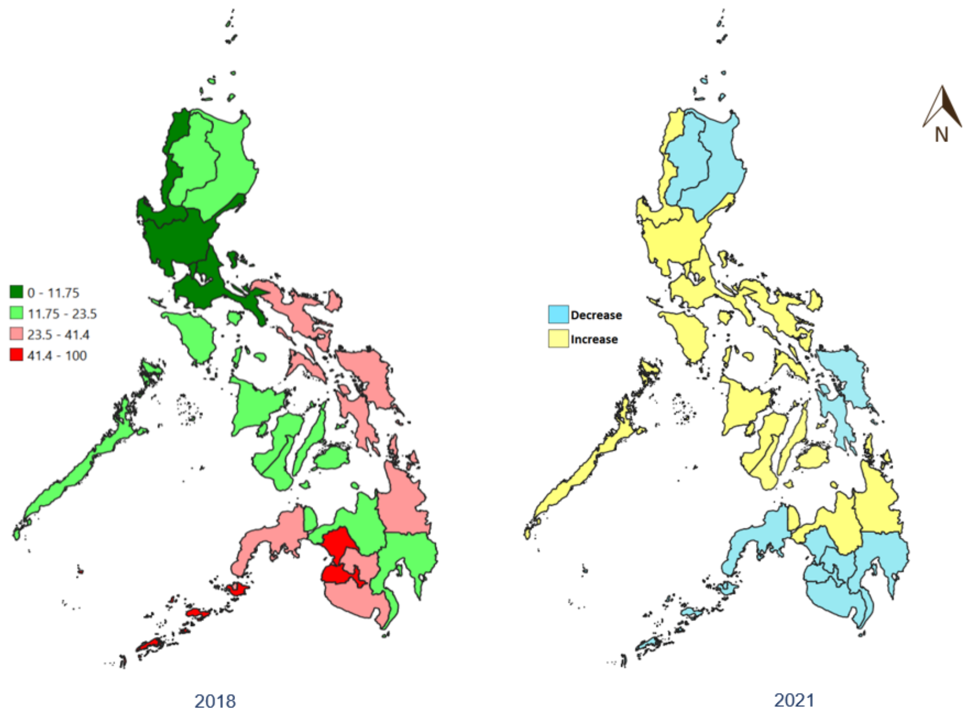
[19] UNDESA (2021) The Sustainable Development Report 2022. Retrieved from: https://unstats.un.org/sdgs/report/2021/The-Sustainable-Development-Goals-Report-2021.pdf

[20] Covid Pulse PH: A Better Normal for the Poor (2021), UNDP Philippines & Zero Extreme Poverty PH 2030

Figure 1.2 below shows the spatial disparity of poverty across regions for 2018 and 2021. Based on the latest data, uneven progress in poverty reduction persists across regions. Data shows a rise in poverty incidence in 10 of the 17 regions with the biggest increase in poverty in Region VII (rose by 9.9%) followed by MIMAROPA (rose by 5.7%), Region 1 (4.5%), and Region III (4.4%). According to NEDA, regions with stricter quarantine tended to see larger increases in poverty as compared to regions who underwent less stringent quarantines. They also mentioned that BARMM also reflected the progress made on the peace process during the period.

Figure 1.2 Proportion of population living below the national poverty line, by region, 2018 and 2021



Source of basic data: PSA-FIES, 2015, 2018 and 2021

Meanwhile, Table 1 shows that 10 of the 17 regions experienced reversal in progress in poverty reduction in 2021. These include NCR, IVA-CALABARZON, III-Central Luzon, I-Ilocos, VI – Western Visayas; IVB-MIMAROPA, X-Northern Mindanao; VII-Central Visayas; V-Bicol; and XIII-CARAGA. These regions experienced poverty reduction in 2018 from their 2015 data but increased again in 2021. On the other hand, 6 regions recorded a downward trend from 2015 to 2021. They are CAR, II-Cagayan Valley, XI-Davao; XII-SOCCSKSARGEN; VIII-Eastern Visayas; and IX-Zamboanga Peninsula. BARMM is the only region who experienced slight increase in 2018 then decreased in 2021.

Table 1. Proportion of population living below the national poverty line, by region, 2015, 2018 and 2021

Region	2015	2018	2021	Trend
NCR	4.1	2.2	3.5	
CAR	22.7	12.0	9.9	
IV-A	12.5	7.1	10.2	
III	10.5	7.0	11.4	
I	18.8	9.9	14.4	
II	17.8	16.3	15.4	

XI	23.5	19.1	16.8
VI	24.6	16.3	19.0
IV-B	25.2	15.1	20.8
X	38.7	23.1	26.1
VII	29.4	17.7	27.6
XII	38.1	28.2	28.1
VIII	41.3	30.7	28.9
V	39.8	27.0	29.3
IX	37.7	32.7	30.1
CARAGA	39.7	30.5	33.2
BARMM	59.4	61.8	37.2

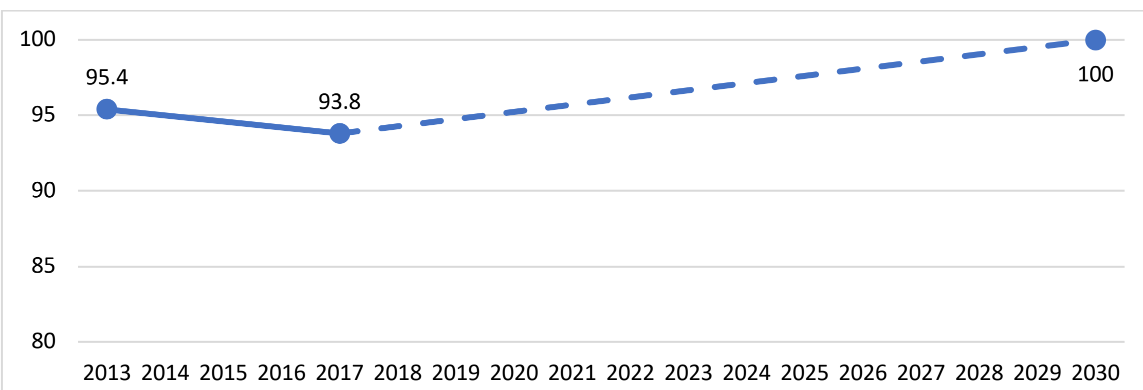
Source of data: PSA-FIES, 2015, 2018 and 2021

1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and finance services, including microfinance

Antenatal Care

Receiving antenatal care is a critical preventive health care for women and their unborn children. According to UNICEF, antenatal care consists of learning pregnancy behaviors, warning signals throughout pregnancy and childbirth, and receiving emotional, social, and psychological support. It is also during this period where women receive micronutrient supplementation, hypertension treatment, and tetanus vaccine[21]. The percentage of women who received antenatal care, delivery assistance, or postnatal care from health workers declined from 2013 to 2017, as shown in Figure 1.3.

Figure 1.3. Percentage of women ages 15-49 with a live birth in the five years preceding the survey who received antenatal care, delivery assistance, or postnatal care from health personnel for the most recent birth, 2013 and 2017



Source of basic data: PSA-OpenStat (NDHS), 2013 and 2017

Access to Improved Water Supply

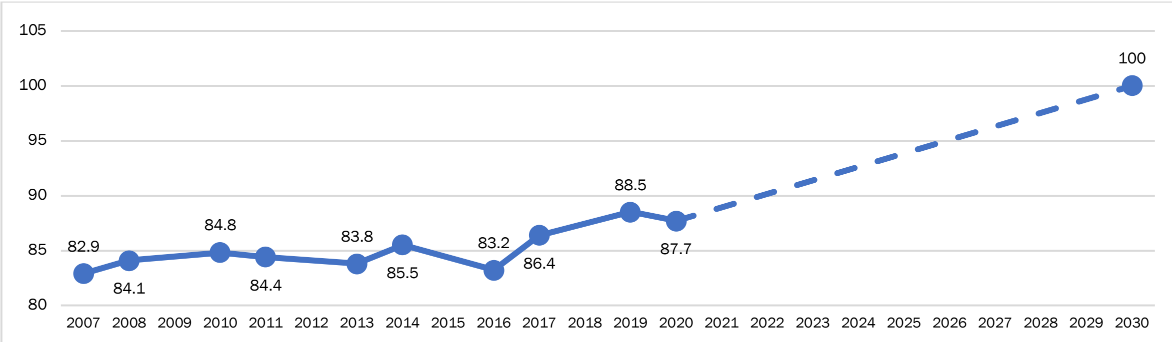
Improved drinking water sources are those that have the potential to provide safe water by nature of their design and construction, according to the World Health Organization and UNICEF Joint Monitoring Report (2017)[22]. These are piped water tube wells or boreholes, protected dug wells, protected springs, and

[21] UNICEF, "Antenatal Care" (2022), at: https://data.unicef.org/topic/maternal-health/antenatal-care/
[22] PSA, "Most Filipino Families have Access to Improved Source of Drinking Water (Results from the 2017 Annual Poverty Indicators Survey (APIS) and Water Quality Testing Module)" (2019), at: https://psa.gov.ph/content/most-filipino-families-have-access-improved-source-drinking-water-results-2017-annual

rainwater. Families that drink from bottled water or refilling stations are categorized as utilizing an improved source only if the water they use for cooking and handwashing comes from an improved source.

The proportion of families with access to improved water supply peaked in 2019 with 88.5 percent, but declined during 2020 with 87.7 percent as seen from the figure below.

Figure 1.4. Proportion of families with access to improved water supply, 2007-2020

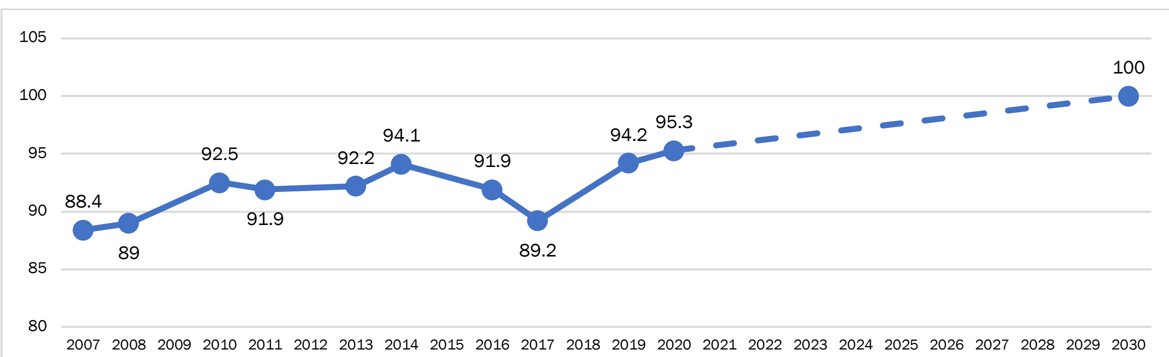


Source of basic data: PSA-OpenStat (APIS), 2007-2020

Access to Sanitary Facility

The proportion of population living in households with access to sanitary facility improved to 95.3 in 2020 (Figure 1.5). Based from the latest data[23], Cagayan Valley (87.5%), CALABARZON (87.4%), and Central Luzon (87.2%) had the highest percentage of families with basic sanitary facilities. While the three regions with the lowest percentage of families were BARMM (39.3%), Davao (72.0%), and SOCCSKSARGEN (72.5%). Furthermore, BARMM had the greatest percentage of families with unimproved service level facilities (24.4%) and the largest percentage of families practicing open defecation with no toilet facility (19.6%).

Figure 1.5. Proportion of population living in households with access to sanitary toilet, 2007-2020



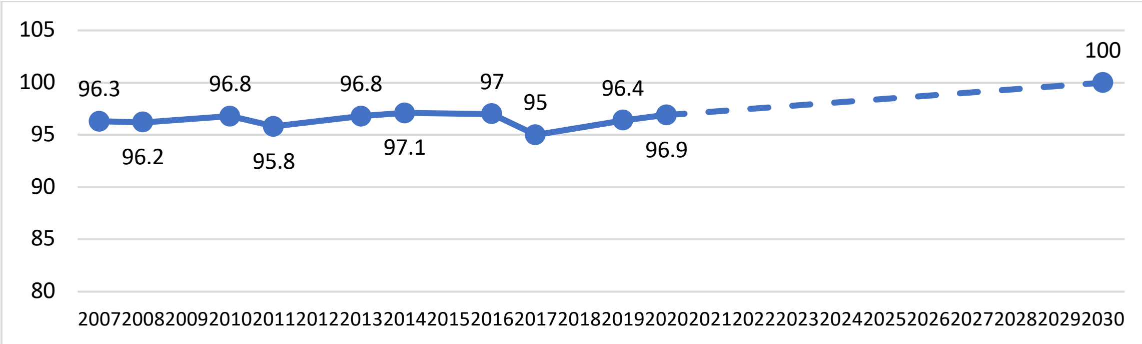
Source of basic data: PSA-OpenStat (APIS), 2007-2020

Access to Secure Tenure

Figure 1.6 depicts the proportion of households with access to secure tenure, which has been consistent since 2007. According to the latest data from APIS (2020), about three out of every five families (59.8%) owned the house and lot on which they lived. Around 15.8 percent of families occupied a house they owned on a rent-free lot with the owner's approval, 10.2 percent rented the house/room including the lot, and 9.3 percent occupied a rent-free house and lot with the owner's consent. The rest either owned the house but the lot was rent-free without the owner's approval (2.8%), owned the house but the lot was rented (1.8%), or had a rent-free house and lot without the owner's consent (0.3%).

[23] PSA, "About Four out of Five Families Used a Basic Service Level of Sanitation Facility in their Household Results from the 2020 Annual Poverty Indicators Survey (APIS)" (2021), at: https://psa.gov.ph/content/about-four-out-five-families-used-basic-service-level-sanitation-facility-their-household

Figure 1.6. Proportion of families with access to secure tenure, 2007-2020



Source of basic data: PSA-OpenStat (APIS, PSA), 2007-2020

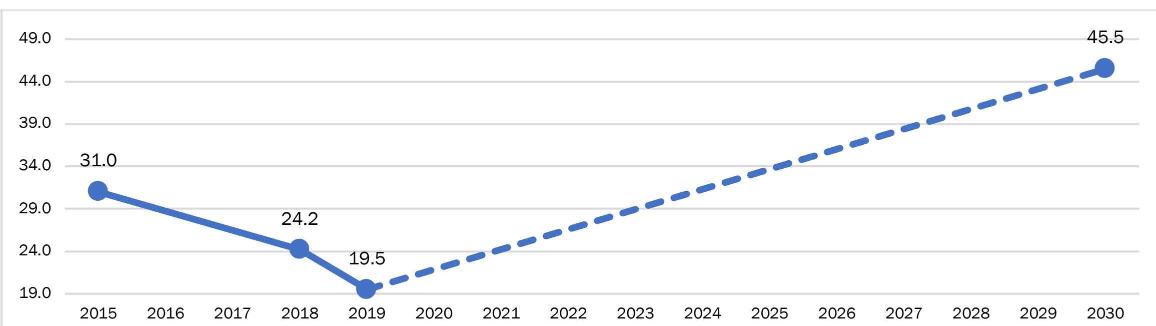
Goal 2 | End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture

By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons

Energy intake

45.5 percent of all households should meet 100% recommended energy intake. This is the 2030 SDG target set by the Philippines. This pertains to the level of intake of energy or essential nutrients in relation to the energy/nutrient requirement for adequate health, expressed as percentage of recommended energy and nutrient intake (RENI). Over the years, a declining trend is observed for this indicator. Latest data shown in the figure below indicates that only about 1 in every 5 households are able to meet 100% RENI that is less than half of the 45.5 percent target.

Figure 1.7. Proportion of households meeting 100% recommended energy intake, 2015, 2018 and 2019



Source of basic data: FNRI-DOST, 2015, 2018 and 2019

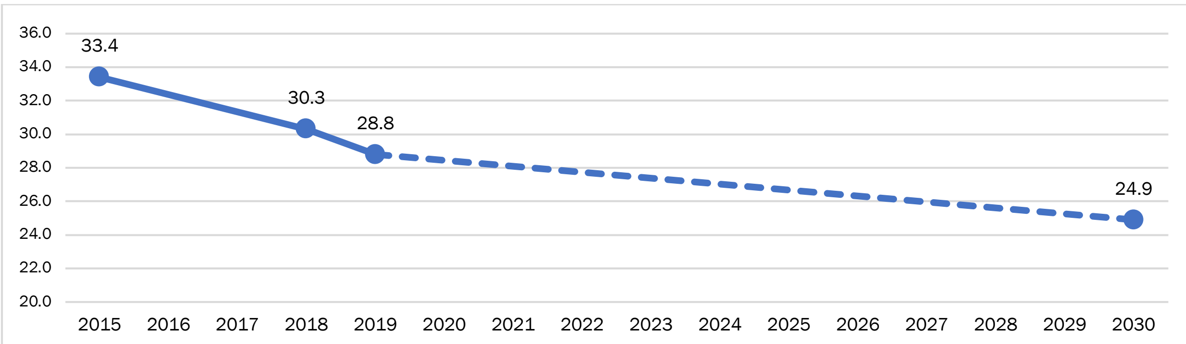
Stunting

The World Health Organization (WHO) defines stunting as low height-for-age, which is the result of chronic or recurrent undernutrition, usually associated with poor socioeconomic conditions, poor maternal health and nutrition, frequent illness, and/or inappropriate infant and young child feeding and care in early life.

Stunting holds children back from reaching their physical and cognitive potential[24]. Children are stunted if their height-for-age is more than two standard deviations below the WHO Child Growth Standards median.

Progress in the lowering prevalence of stunting among children under 5 years old was observed in Figure 1.8. 2019 data from FNRI-DOST revealed that 28.8% of children under 5 years old are stunted, a decrease of 4.6% from 2015 estimates, which is 3.9% away from the 24.9% target set in 2030. Meanwhile, the DOH has set a target of 21.4 percent to be achieved by 2022, which is 7.3 percent from the latest available data as of 2019.

Figure 1.8. Prevalence of stunting (height for age <-2 standard deviation from the median of the World Health Organization Child Growth Standards) among children under 5 years of age, 2015, 2018 and 2019



Source of basic data: DOST-FNRI, National Nutrition Survey, 2015, 2018 and 2019

Available estimates from UNICEF data warehouse show the same decreasing trend in the prevalence of stunting from 31.1% in 2015 to 28.7% in 2020. However, the UNICEF estimates for the year 2020 do not account for the full impact of COVID-19. Household survey data on child height and age were not collected in 2020 due to physical distancing policies. One of the covariates used in the country model takes the impact of COVID-19 partially into account[25].

2.2.2 Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)

Wasting

Wasting is defined as low weight-for-height. It often indicates recent and severe weight loss, although it can also persist for a long time. It usually occurs when a person has not had food of adequate quality and quantity and/or they have had frequent or prolonged illnesses. Wasting in children is associated with a higher risk of death if not treated properly[26].

Results from the latest National Nutritional Survey conducted in 2019 by the Food and Research Institute show that the prevalence of wasting among children under 5 years of age is 5.8% (Figure 1.9). This is a 0.2 percentage point increase compared to the 2018 data. Measures to decrease the prevalence of wasting should be implemented to achieve the target of 3.7 percent by 2030.

Overweight

Overweight and obesity is when a person is too heavy for his or her height. Abnormal or excessive fat accumulation can impair health. Overweight and obesity result from an imbalance between energy consumed (too much) and energy expended (too little). Globally, people are consuming foods and drinks

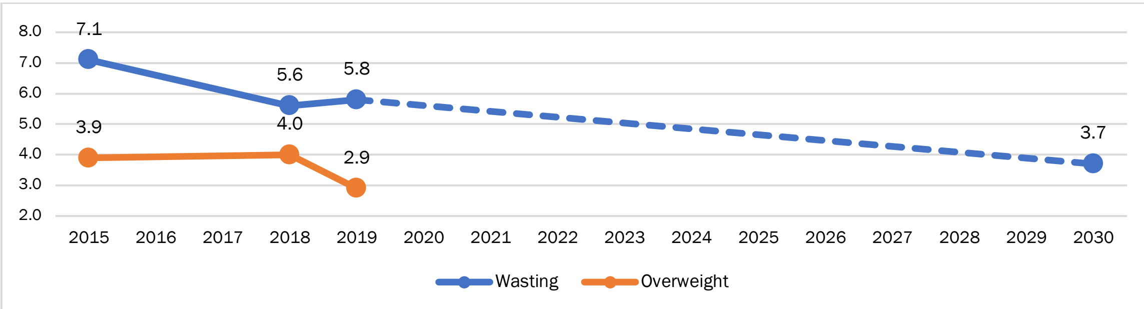
[24] WHO, "Malnutrition" (n.d.), at: https://www.who.int/health-topics/malnutrition#tab=tab_1

[25]UNICEF/WHO/World Bank, Joint Malnutrition Estimates Expanded Databases May 2022, at: https://data.unicef.org/resources/data_explorer/unicef_f/?ag=UNICEF&df=GLOBAL_DATAFLOW&ver=1.0&dq=PHL.NT_ANT_HAZ_NE2_MOD.&startPeriod=1970&endPeriod=2022

[26] Ibid

that are more energy-dense (high in sugars and fats) and engaging in less physical activity[27]. Figure 1.9 shows that in 2019, prevalence of overweight children under 5 years old was recorded at 2.9%. This is a 1.1 percentage point decrease from 4 percent in 2018. There should be no increase in this data to ensure that the target will be met in 2030.

Figure 1.9. Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight), 2015, 2018 and 2019



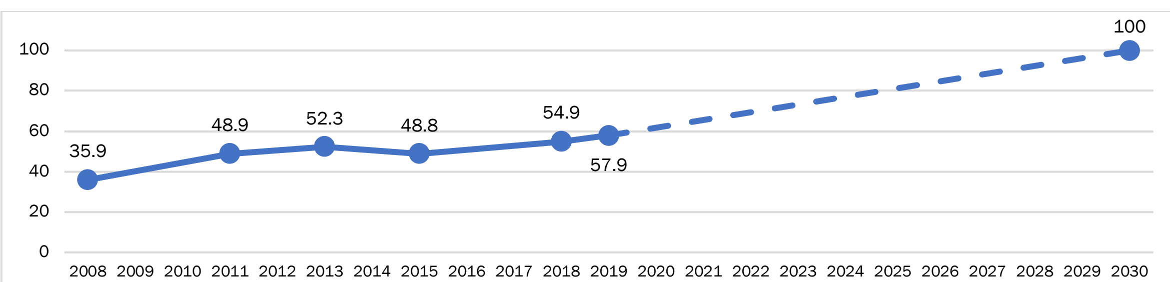
Source of basic data: DOST-FNRI, National Nutrition Survey, 2015, 2018 and 2019

According to the DOH in its 2020 Annual Report on the Implementation of the Republic Act No. 10354 or the Responsible Parenthood and Reproductive Health Act of 2012 (RPRH Law 2020)[28], the nutritional situation presented is pre-covid pandemic and it is feared that whatever gains the nutrition program achieved might have been eroded by the challenges brought about by the crisis. The lives of families have been drastically affected by the pandemic due to lockdowns, loss of jobs and livelihood, among others. This resulted in many families experiencing hunger or having encountered difficulty in consuming diversified and balanced diets, making them vulnerable to all forms of malnutrition including micronutrient deficiency. According to the report, an online Rapid Nutrition Assessment was conducted by the Food and Nutrition Research Institute from November to December 2020. It found that food insecurity increased among households which was highest during the months of April and May 2020 during the Enhanced Community Quarantine (ECQ)[29].

Prevalence of exclusively breastfed children 0 to 5 months old

Around 6 in every 10 or (58 percent) of infants aged 0 to 5 months were exclusively breastfed, according to the 2019 Expanded National Nutrition Survey. This was an increase from the 54.9 percent in the 2018 survey.

Figure 1.10. Prevalence of exclusively breastfed children 0 to 5 months old, 2008-2019



Source of basic data: DOST-FNRI, National Nutrition Survey, 2008-2019

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[27] WHO, "Malnutrition" (2021), at: https://www.who.int/news-room/fact-sheets/detail/malnutrition
[28] DOH (2020) Annual Report on the Implementation of the Republic Act No. 10354 or the Responsible Parenthood and Reproductive Health Act of 2012 (RPRH Law 2020). Retrieved from: https://doh.gov.ph/sites/default/files/publications/7th%20Annual%20Report%20on%20the%20Implementation%20of%20Responsible%20Parenting%20and%20Reproductive%20Health%20Act%20of%202012%20%282020%29%2007052021.pdf
[29] Ibid

Goal 3 Ensure Healthy Lives and Promote Well-being for All at All Ages

By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births

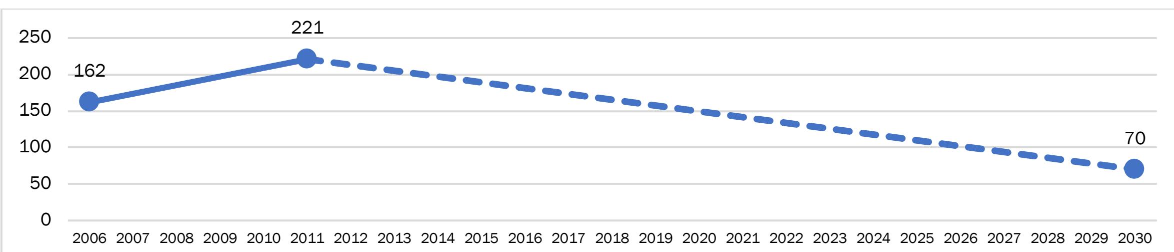
Maternal mortality

A maternal death is defined by the World Health Organization as, "the death of a woman while pregnant or within 42 days of termination of pregnancy, irrespective of the duration and the site of the pregnancy, from any cause related to or aggravated by the pregnancy or its management, but not from accidental or incidental causes.[30]" High blood pressure during pregnancy (pre-eclampsia and eclampsia), severe bleeding, infections and other complications are the major causes of death of pregnant women. This is also one of the MDG indicators that the Philippines were monitoring and were not able to achieve its reduction by three quarters.

Based on the National Objectives for Health 2017-2022, maternal mortality ratio, indicator of better health outcomes, has been declining since 2012 and is at 114 per 1000,000 live births in 2015[31]. This is indicative of improvements in maternal health care services in the country. The target set by 2022 is 90 maternal deaths per 100,000 live births.

Figure 1.11 shows the maternal mortality ratio with data available only in 2006 and 2011. The 2011 data of the Family Health Survey conducted last 2011 revealed a high ratio of 221 per 100,000 live births. This is more than triple the globally set target of 70 women deaths per 100,000 live births.

Figure 1.11. Maternal mortality ratio, 2006 and 2011



Source of basic data: PSA OpenStat (2006 FPS and 2011 FHS)

According to the 2020 DOH Annual Report on RPRH 2012, while direct clinical causes of maternal mortalities are officially recorded, other important factors such as quality of antenatal care, inadequate supply of blood and drugs in referral hospitals, unavailability of emergency transport, and untimely decision-making for early referral, greatly affect maternal and neonatal outcomes. These gaps continue to be widespread notwithstanding the high maternal services utilization rates (i.e., antenatal care, facility-based delivery) in the past years. These problems may be especially more adverse during the COVID-19 pandemic as reproductive, maternal, and neonatal health were initially disrupted.

These observations were also noted by the preliminary results of the study by the University of the Philippines Population Institute (UPPI) and the United Nations Population Fund (UNFPA) that pre-existing underlying vulnerabilities of women and girls are worsening because of the indirect effects of the pandemic. Because of the Covid-19 pandemic, as both the national and local health systems are overwhelmed by the necessary response to the COVID-19 patients, the attention needed and the resources intended for women's health might have been diverted. Several reasons for declining data on pregnant women's utilization of facilities for antenatal check-up and delivery include service disruption, difficulty in commuting, and their fear of contracting COVID-19. Access to modern contraception has also been facing

[30] PSA, "Registered Deaths in the Philippines, 2020" (2022), at: https://psa.gov.ph/content/registered-deaths-philippines-2020#:~:text="%20In%202020%2C%20a%20total, maternal%20causes%20in%20the%20country.&text=DENNIS%20S.,MAPA%2C%20Ph

[31] DOH (2018) National objectives for health Philippines 2017-2022. Retrieved from: https://doh.gov.ph/sites/default/files/health_magazine/NOH-2017-2022-030619-1%281%29_0.pdf

challenges. Thus, these indirect effects may significantly increase the annual maternal deaths and unintended pregnancies for 2020 onwards compared with the pre-COVID years, according to the study[32].

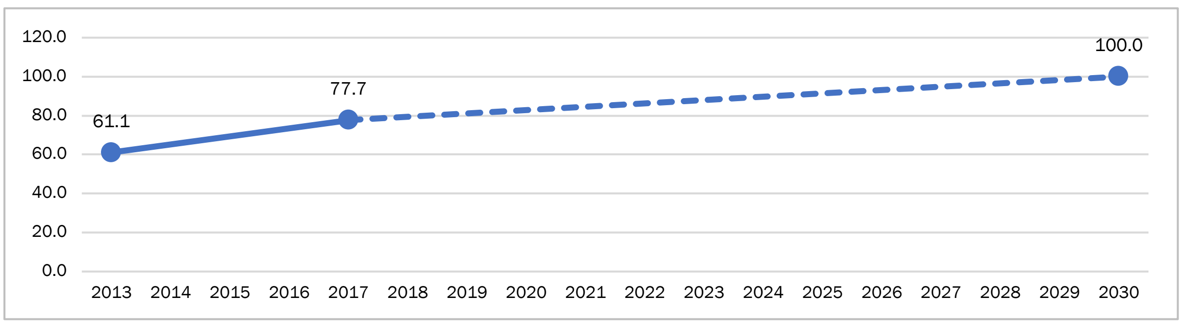
Births delivered in a health facility

To lower maternal mortality, the Department of Health issued Administrative Order 2008-0029 last September 2008, which specified appropriate measures to be taken to facilitate the shift from home-based deliveries to facility-based births attended by skilled birth attendants. Marked improvements in facility-based deliveries have been noted since 1993 showing increased utilization of maternal health care services.

Data from the 2017 National Demographic and Health Survey revealed that more than 3 in 4 births were delivered in a health facility, primarily in public sector facilities. Results from the 2013 and 2017 National Demographic and Health Survey shows that data on the proportion of births delivered in a health facility greatly improved with a 16.6 percentage point increase from 61.1 percent in 2013 to 77.7 percent in 2017 (Figure 1.12). However, this is still more than 20% away from the target of 100% in 2030.

Facility-based delivery, according to the 2019 RPRH Annual Report of DOH and POPCOM, has significantly increased with 92 percent in 2018 from 86 percent in 2016. A 1% decrease, however, was noted in 2019[33].

Figure 1.12. Proportion of births delivered in a health facility, 2013 and 2017



Source of basic data: PSA-OpenStat (NDHS), 2013 and 2017

A functional health institution with a qualified birth attendant is the safest place for a woman to deliver her baby. During this worldwide crisis, however, many women may be forced to give birth at home without appropriate support. According to the Department of Health[34], while facility-based deliveries and skilled birth attendance decreased during the pandemic, 90 percent of all pregnant women still delivered in health facilities and were attended by health professionals, denoting a continuous provision of health services albeit interrupted.

Births attended by skilled health personnel

Maternal mortality is also addressed by ensuring that mothers are given appropriate care before, during and after giving birth by skilled health personnel. Skilled health personnel are accredited health professionals, such as midwives, doctors, and nurses who have been educated and trained to proficiency in the skills needed to manage normal (uncomplicated) pregnancies, childbirth, and the immediate postnatal period, and in the identification, management, and referral of complications in women and newborns.

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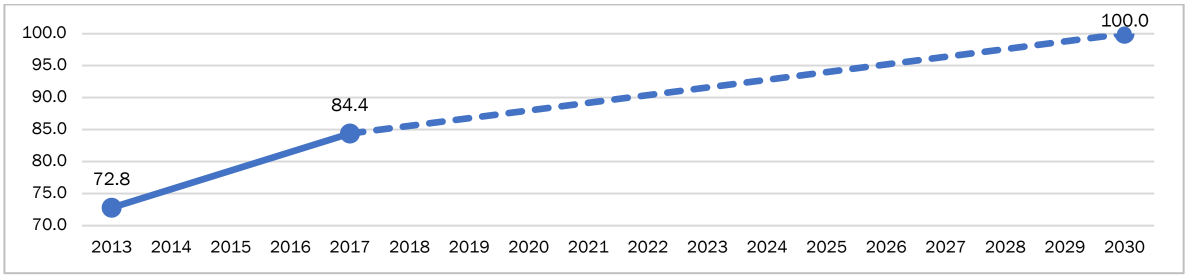
[32] UNFPA, "Significant rise in maternal deaths and unintended pregnancies feared because of COVID-19, UNFPA and UPPI study shows" (2020), at: https://philippines.unfpa.org/en/news/significant-rise-maternal-deaths-and-unintended-pregnancies-feared-because-covid-19-unfpa-and

[33] DOH & POPCOM (2020) Annual Report 2019: Responsible Parenthood and Reproductive Health Act of 2012. Retrieved from: https://popcom.gov.ph/wp-content/uploads/2020/11/2019-RPRH-Annual-Report.pdf

[34] Ibid

Figure 1.13 indicates the positive direction of changes about births attended by skilled health personnel. Overall, 84.4% of births were attended by skilled health personnel in 2017, majority by doctors. This presents an 11.6 percent increase from the result of the 2013 National Demographic and Health Survey, which was at 72.8 percent. Despite this, there is still much to be done in order to achieve the 100% target in 2030 to ensure safe childbirth delivery.

Figure 1.13. Proportion of births attended by skilled health personnel, 2013 and 2017



Source of basic data: PSA-OpenStat (NDHS), 2013 and 2017

According to the 2019 Philippine Health Statistics of DOH, nine in 10 deliveries were attended by health professionals in 2019 with more than 95% attended by either a physician, midwife or a nurse. During the outbreak of the pandemic, this slightly decreased indicating disruptions in services but has remained at the 90 percent level.

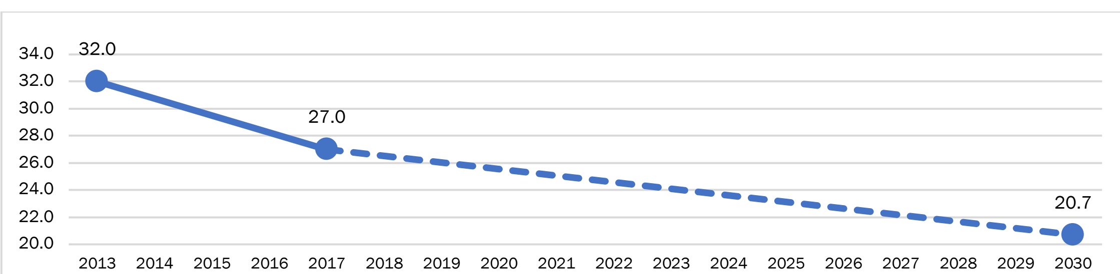
By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births

Under-five mortality

Under-5 mortality rate is the probability for a child to die before reaching the age of five. This indicator measures child survival and reflects the social, economic and environmental conditions in which children (and others in society) live, including their health care[35]. This is a carefully watched public health indicator as it reflects access to basic healthcare services including vaccination, treatment of illnesses and adequate nutrition among children and communities. Under-five mortality rate is also an MDG indicator. The Philippines reported that the pace of progress for this MDG indicator is greater than 0.9[36].

NDHS data revealed that the mortality rate of children aged 0 to 4 years old is decreasing (Figure 1.14). It fell by 5 percentage points from 2013 to 2017. Latest data in 2017 is 6.3 percent away from the 20.7 set target.

Figure 1.14. Under-five mortality rate (per 1,000 live births), 2013 and 2017



Source of basic data: PSA OpenStat (2013 and 2017 NDHS)

[35] WHO, Global Health Observatory: Under-five mortality rate (per 100 live births), at: https://www.who.int/data/gho/indicator-metadata-registry/imr-details/7
[36] PSA, "Statistics at a glance of the Philippines' Progress based on the MDG indicators" (2017), at: https://psa.gov.ph/mdgs-main/mdg-watch

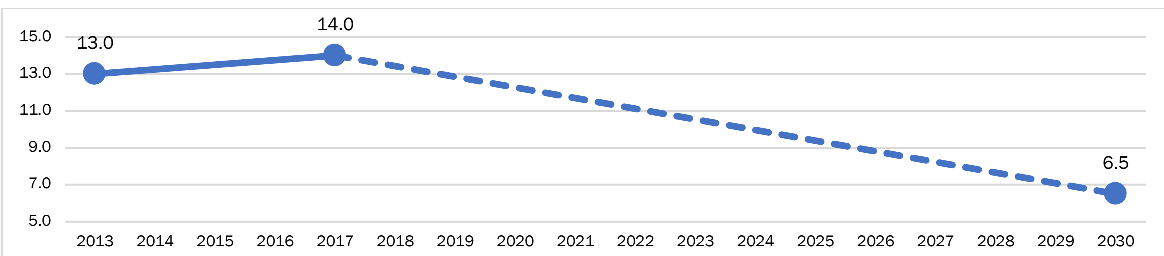
The FHSIS survey, which accounts for selected mortality data from public health facilities only, shows that in 2021, under five mortality rate is 13.04. This is a 3.93 increase from 2020 data and the highest rate registered since 2017.[37]

Neonatal mortality

Neonatal mortality is the probability of dying within the first month of life and may serve as index of the effects of prenatal care and obstetrical management on the newborn. The first 48 hours following delivery account for a substantial percentage of maternal and neonatal deaths. As a result, timely postnatal care (PNC) for both the mother and the infant is critical in treating any difficulties that arise from the delivery and in providing the mother with important information on how to care for herself and her child. Safe motherhood programs recommend that all women receive a check of their health during the first 2 days after birth.[38]

Latest report from the National Demographic and Health Survey conducted in 2017 revealed that during the 5 years immediately preceding the survey, neonatal mortality rate was 14 deaths per 1,000 live births (Figure 1.15) accounting to two-thirds of infant deaths recorded in the same period. Although an increase was observed, the neonatal mortality rate remained almost steady between the 2013 NDHS and the 2017 NDHS (13 deaths per 1,000 live births versus 14 deaths per 1,000 live births). This, however, is more than half the national target set at 6.5 percent by 2030. The Covid-19 pandemic is likely to affect this indicator as restrictions on mobility may have hindered mothers to provide antenatal care for the child. Data from public health facilities as reported in the FHSIS shows that neonatal mortality at 5.59 in 2021, which is also higher than 2019 and 2020 data of 4.68 and 4.47, respectively.[39]

Figure 1.15. Neonatal mortality rate (per 1,000 live births), 2013 and 2017



Source of basic data: PSA OpenStat (2013 and 2017 NDHS)

Infant Mortality

Infant mortality rate is the probability of a child born in a specific year or period dying before reaching the age of one. It represents an important component of under-five mortality. Like under-five mortality, infant mortality rates measure child survival. They also reflect the social, economic and environmental conditions in which children (and others in society) live, including their health care. Since data on the incidence and prevalence of diseases (morbidity data) frequently are unavailable, mortality rates are often used to identify vulnerable populations[40].

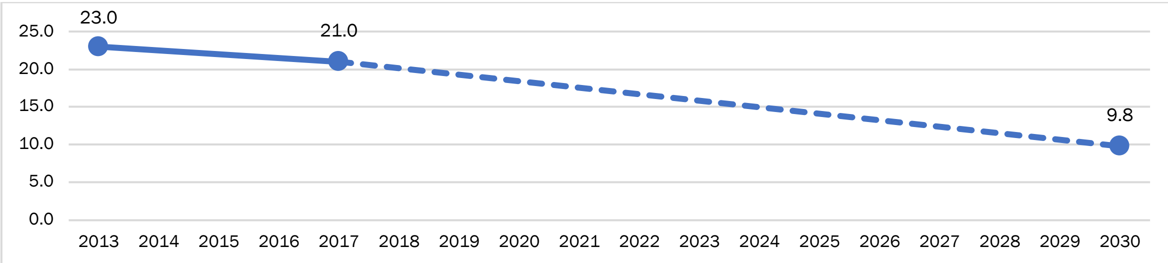
Like Under-5 mortality rate, the pace of progress of this indicator is greater than 0.9 under the MDGs with 2013 data of 23 deaths per 1,000 live births. Previous MDG target was 19/1,000 live births in 2015. In the assumption of the SDGs, the Philippine target was modified to 9.8 in 2030.

As shown in Figure 1.16 below, infant mortality rate per 1,000 live births follows a similar decreasing trend as under-5 mortality rate as it decreased by 2 percentage points in the same period. The National Objective for Health targets an infant mortality rate of 15 per 1,000 live births in 2022, which is 6 percent away

[37] https://doh.gov.ph/sites/default/files/publications/FHSIS_2021_aug2022.pdf
[38] Ibid.
[39] Ibid.
[40] WHO, Global Health Observatory: Indicator Metadata Registry List, at: https://www.who.int/data/gho/indicator-metadata-registry/imr-details/3138

from the latest data of 21 percent in 2017. Meanwhile the country aims to achieve 9.8 per 1,000 live births by 2030.

Figure 1.16. Infant mortality rate (per 1,000 live births), 2013 and 2017



Source of basic data: PSA OpenStat (2013 and 2017 NDHS)

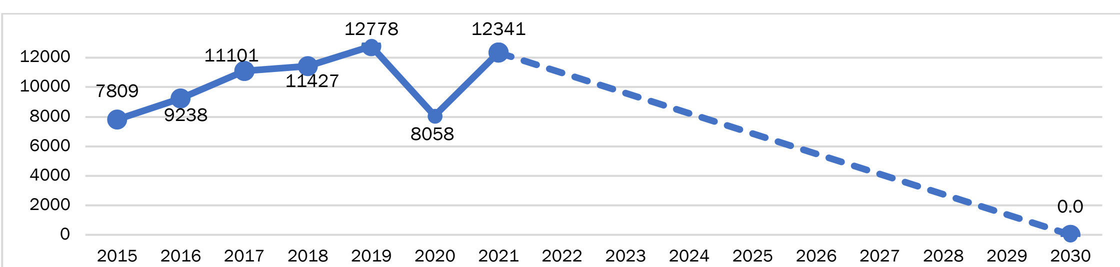
By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

HIV

HIV/AIDS is one of the world's most serious public health and development challenges today. While the Philippines remains to be a low-HIV prevalence country, it is one of the countries in the world with the fastest growing newly diagnosed HIV cases per day. The Philippine AIDS Prevention and Control Act, passed in 1998 gave strength to the country's fight against HIV/AIDS. Figure 1.13 shows the latest data from the HIV/AIDS and Anti-Retroviral Therapy Registry (ART) of the Philippines (HARP) of the DOH. The number of new cases is on the rise in the period from 7,809 in 2015 to the highest on record of 12,778 newly-diagnosed individuals in 2019.

As can be seen in Figure 1.17, newly diagnosed HIV infections have been increasing since 2015. A significant drop from the 2019 figure was recorded between January-December 2020 at 8,058 confirmed HIV-positive individuals or 22 people newly diagnosed with HIV per day[41]. It should be noted; however, that the sharp drop in newly diagnosed HIV cases is attributed to COVID19-related lockdowns, which may have restricted people's movement and thus may not take into account the actual number of cases for the year. Furthermore, the sharpest drop in registered cases occurred during the months of March to August 2020 and a notable increase was observed in September 2020 when lockdowns were eased in COVID-19 hotspot areas including Metro Manila. In addition, admissions data from the DOH revealed a sharp decline in number of HIV tests conducted in 2020. A 61 percent decline was recorded from 1,220,765 pre-pandemic in 2019 to only 480,285 tests conducted in 2020 explaining the decline observed that year. In 2021, with the strict community quarantine measures lifted in most areas, the number of cases jumped to almost the same level before the pandemic at 12,341 newly diagnosed cases. With 8 years left, progress in this indicator must be accelerated to achieve the target of ending the epidemics of AIDS in the country.

Figure 1.17. Number of new HIV infections (newly diagnosed cases/year), 2015-2021



Source of basic data: HARP, DOH, 2015-2021

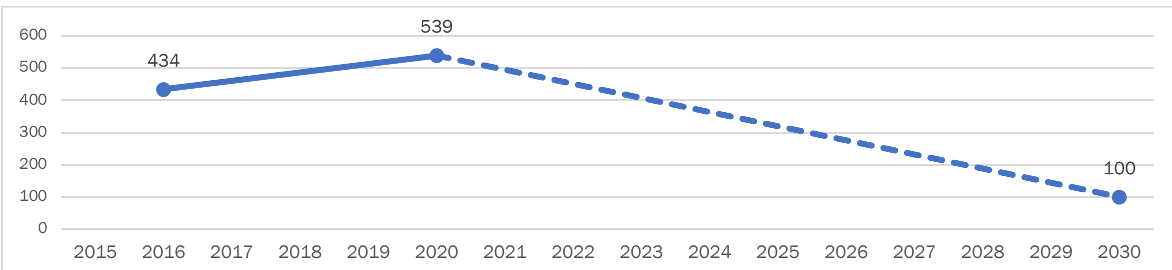
41 DOH Epidemiology Bureau, „HIV/AIDS & Art Registry of the Philippines" (2020), at: https://doh.gov.ph/sites/default/files/statistics/EB_HARP_December_AIDSreg2020.pdf

Tuberculosis

TB disease is caused by Mycobacterium tuberculosis, a bacteria passed on from a person with TB when he or she coughs, sneezes, spits or even talks. Bacteria will be expelled in respiratory droplets and close contact may inhale the bacteria. At first, the body's natural defense system will fight the bacteria but once the immune system weakens, the bacteria may attack the lungs and other parts of the body. Tuberculosis (TB) is an airborne disease. Despite exceeding the national targets in TB case detection and treatment success rates at 93.6 and 90 percent[42], respectively, Philippines is still one of the countries with the highest TB burden in the world with about 1 million Filipinos having active TB disease[43]. It is a curable disease. Yet, it is the number one killer among all infectious diseases.

Figure 1.18 below shows the latest data from the 2020 World Health Organization Global TB Report conducted by the World Health Organization, which revealed an estimated smear-positive prevalence of 539 cases per 100,000 population. This is a big increase from the estimated 434 per 100,000 collected from the National TB Prevalence Survey in 2016. The DOH targets a TB incidence of 427 per 100,000 population by the end of 2022. Measures to address this indicator are needed to completely eradicate TB incidence and achieve the target by 2030.

Figure 1.18. Tuberculosis incidence per 100,000 population, 2016 and 2020



Source of basic data: WHO Global TB Report

The DOH-FHSIS reported an increase in TB case notification rate from 310.55 per 100,000 population in 2018 to 378.79 per 100,000 population 2019 achieving 93% of the target for the period 2017-2019. Meanwhile, treatment success rate (in all forms) declined from 93% in 2018 to 87.22 in 2019.

The pandemic greatly affected the delivery of services for various non-Covid illnesses, including tuberculosis because of limited healthcare supply. For one, many of the machines used to diagnose tuberculosis were transferred for Covid-19 use.[44] Disruption in regular TB services from consultation, testing, to treatment due to limited mobility since March 2020, according to the Department of Health have resulted in a drastic drop in the number of TB cases notified in the country. A significant reduction in TBDOTS services in the second quarter of 2020 was also observed, including testing, screening and treatment primarily because of the reallocation of human resources and diagnostic equipment to Covid response. TB testing decreased by almost 50% from 1,083,877 in 2019 to 556,773 in 2020 based on admissions data of the DOH. If TB services continue to be disrupted because of COVID-19 mobility limitations, over 100,000 Filipinos could die of tuberculosis (TB) in the next five years, equivalent to 20,000 TB deaths per year.

Malaria

Malaria is a parasitic infection transmitted by a bite of an infected female Anopheles mosquito. Once the parasite gains access inside the human body it infects, it will induce the symptoms like fever, headache,

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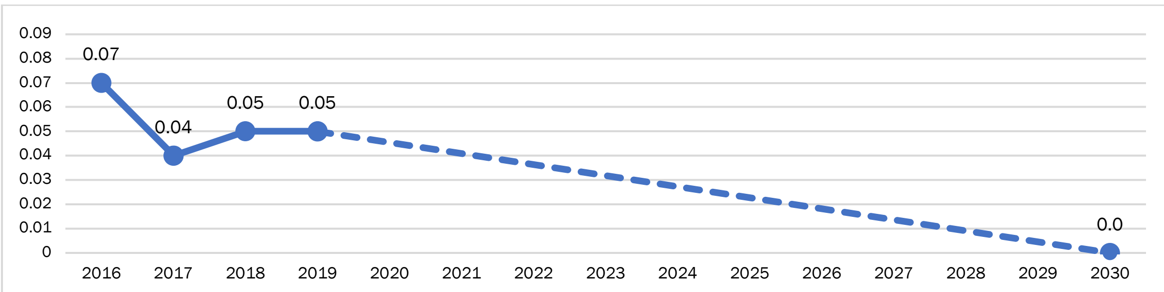
[42] Ibid
[43] WHO, "It's time to end TB in the Philippines" (2019), at: https://www.who.int/philippines/news/commentaries/detail/it-s-time-to-end-tb-in-the-philippines
[44] Business World, "Hidden pandemic victims: Filipinos get sick or die, but not from COVID-19" (2022), at: https://www.bworldonline.com/top-stories/2022/03/24/437906/hidden-pandemic-victims-filipinos-get-sick-or-die-but-not-from-covid-19/

and chills, which if left unmanaged, can progress to severe illness that can lead to death. Malaria, however, is curable and treatment is free[45].

Data of the Department of Health (DOH) reveal a 0.02 decrease in malaria incidence per 1,000 population from 2016 to 2019 (Figure 1.19). Malaria cases in 2019 had only been reported in three provinces in the country, namely Palawan, Sultan Kudarat and Occidental Mindoro. If the same decrease can be maintained, there is a high probability to achieve the target to end the malaria epidemics in the Philippines.

In a Joint Press Release of the Department of Health (DOH) on April 26, 2021, a significant decrease in the incidence of malaria by 87% was reported from 48,568 in 2003 to 6,120 cases in 2020. It has also reported a 98% reduction in the number of mortality due to malaria, from 163 deaths in 2003 to 3 deaths in 2020[46].

Figure 1.19. Malaria incidence per 1,000 populations, 2016-2019



Source of basic data: PSA OpenStat (Program data, DOH), 2016-2019

Covid-19

The Department of Health confirmed the first case of Covid-19 in January 2020, which quickly escalated into a national health emergency, as it engulfed many countries at the same time.

According to the Vital Statistics data released by the PSA in March 2022, the global pandemic caused by Covid-19 (virus identified) ranked 3rd in the country's top ten leading causes of death from January to December 2021, while deaths due to Covid-19 virus not identified* ranked 8th in the same time period. According to the most recent PSA Vital Statistics data for January to April 2022[47], Covid-19 (virus recognized) ranks 6th and Covid-19 virus not identified* ranks 14th among the country's top ten leading causes of death. A total of 6.5% deaths from January to April 2022 were attributed to Covid-19.

Table 2. Top ten leading causes of death, January-April 2021 and 2022

Cause of Death	Jan-Apr 2022(p)			Jan-Apr 2021(p)			Percent Change
	Number	Share (%)	Rank	Number	Share (%)	Rank	
Total	157,507	100.0		239,752	100.0		-34.4
1–067 Ischemic heart diseases I20–I25	29,442	18.7	1	43,947	18.3	1	-33.0
1–069 Cerebrovascular diseases I60–I69	16,316	10.4	2	24,847	10.4	2	-34.3

[45] DOH, "DOH, Partners firm on its target to reach zero malaria case by 2030" (2021), at: https://doh.gov.ph/press-release/DOH-PARTNERS-FIRM-ON-ITS-TARGET-TO-REACH-ZERO-MALARIA-CASE-BY-2030
[46] Ibid
[47] PSA, "2022 Causes of Deaths in the Philippines (Preliminary as of 31 May 2022) (2022), at: https://psa.gov.ph/content/2022-causes-deaths-philippines-preliminary-31-may-2022

1–026 Neoplasms C00–D48	14,928	9.5	3	21,987	9.2	3	-32.1
1–052 Diabetes mellitus E10–E14	10,072	6.4	4	15,646	6.5	4	-35.6
1–066 Hypertensive diseases I10–I13	9,068	5.8	5	12,931	5.4	5	-29.9
COVID-19 Virus identified U07.1	7,692	4.9	6	12,732	35.3	6	-39.6
1–074 Pneumonia J12–J18	6,319	4.0	7	11,001	4.6	7	-42.6
1–068 Other heart diseases I26–I51	5,012	3.2	8	8,555	3.6	8	-41.4
1–076 Chronic lower respiratory diseases J40–J47	4,650	3.0	9	7,431	3.1	9	-37.4
1–086 Remainder of diseases of the genitourinary system N17–N98	4,347	2.8	10	6,853	2.9	11	-36.6

Source of data: PSA, Causes of Deaths in the Philippines (Preliminary): January to April 2022, accessed last September 29, 2022

** Code U07.2 or Covid-19-virus not identified is used for suspected or probable cases as well as clinically-epidemiologically diagnosed covid-19 cases where testing was not completed or inconclusive*

Of the total number of cases recorded as of September 28, 2022 according to the Department of Health, NCR and CALABARZON account for about 32% and 17.9% of the total cases, respectively with Quezon City and Cavite topping the list in these regions (Table 3).

Table 3. Top regions and provinces/cities with Covid-19 cases, 2020-2022

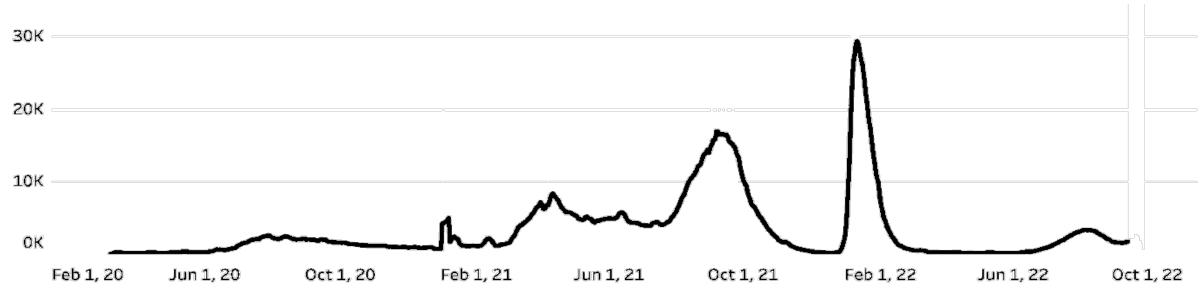
Top Regions		Top Provinces/Cities	
Total Cases		Top Cases	
NCR	1,266,795	QUEZON CITY	265,165
Region IV-A: CALABARZON	705,518	CAVITE	235,041
Region III: Central Luzon	388,890	LAGUNA	176,523
Region VI: Western Visayas	209,273	CITY OF MANILA	159,095
Region VII: Central Visayas	203,451	RIZAL	152,892

Source: Department of Health covid-19 case tracker, 2020-2022, accessed last September 29, 2022

As seen in Figure 1.20, since the onset of the pandemic in the Philippines, there were several times a multitude of new cases were registered in a day, highest of which was recorded last January 10, 2022 with 35,688 cases with a 7-day moving average of 28,946[48].

[48] Data as of July 15, 2022. https://doh.gov.ph/2019-ncov. Accessed July 15, 2022

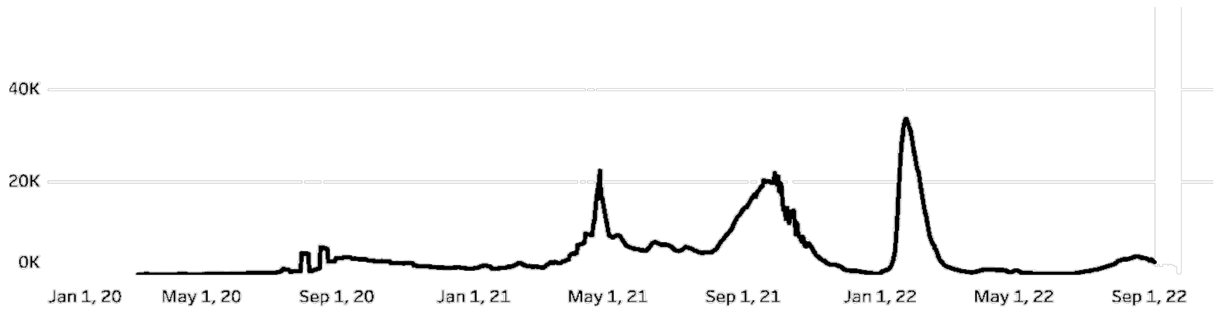
Figure 1.20. Daily Cases by Date of Onset of Covid-19 Illness, 2020-2022



Note: For 64.1% or 2,529,257 cases where date of onset of illness is unreported, date of specimen collection was used as proxy.
Source: Department of Health covid-19 case tracker, 2020-2022, accessed last September 29, 2022

Meanwhile, total recoveries from the virus have also peaked on January 22, 2022 at 40,837 recoveries with a 7-day moving average of 32,305 (Figure 1.21).

Figure 1.21. Daily Recoveries by Date of Recovery, 2020-2022

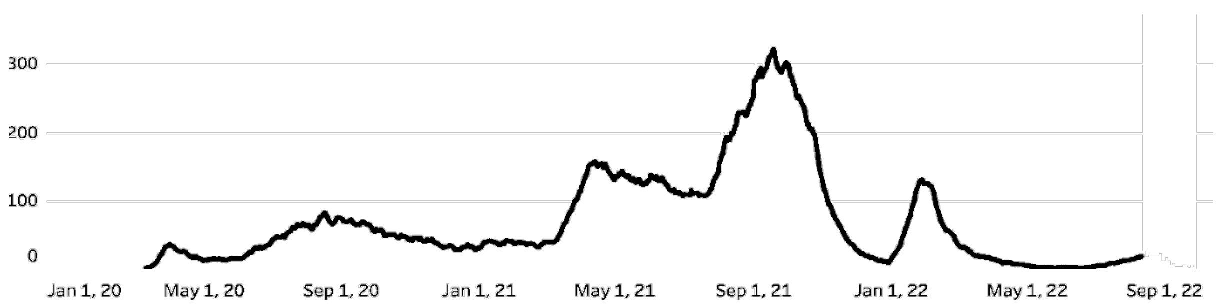


Note: For or of recoveries where date of recovery is unreported, date of public announcement of recovery was used as proxy.
Source: Department of Health covid-19 case tracker, 2020-2022, accessed last September 29, 2022

Latest data from the Department of Health's case tracker show a total of 3.94M have been infected by Covid-19. There are 0.70% or 27,553 active cases and 1.6% or 62,778 deaths since the onset of the pandemic. 97.7% have since recovered from the infection[49].

Daily deaths from Covid-19 paints a different trend as shown in Figure 1.26. The highest daily death of 343 individuals was observed last September 13, 2021. As January 2022 saw the highest number of cases and recoveries, death has been low in this period with 148 deaths on January 22, 2022 with 111.9 moving average.

Figure 1.22. Daily Deaths by Date of Death, 2020-2022

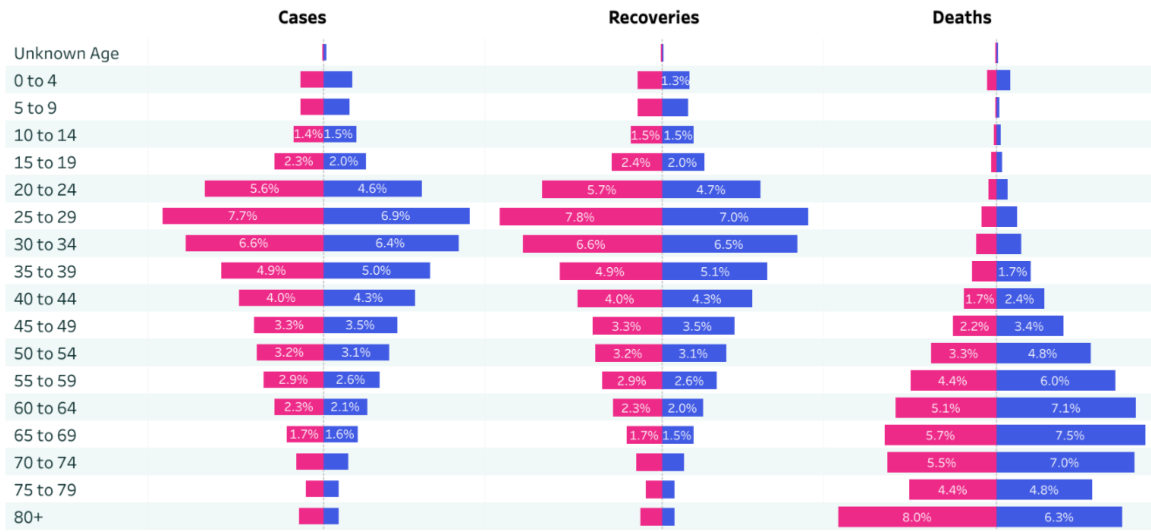


Source: Department of Health covid-19 case tracker, 2020-2022, accessed last July 15, 2022

[49] Ibid

Figure 1.23 shows the similar patterns among age of those who were infected and have recovered from the Covid-19 disease with the age range of 25-29 experiencing the most proportion of infections and recoveries. Data also shows very small differences among males and females. Meanwhile, there were more males who died and the highest proportion was observed for ages between 65 to 69. On the other hand, the highest proportion of female deaths were among those aged 80 years old and over.

Figure 1.23. Covid-19 Cases by Demographics, 2020-2022



Source: Department of Health covid-19 case tracker, 2020-2022, accessed last September 29, 2022

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

Mortality, by cause of death

The Department of Health identifies the following diseases as the leading causes of the death in the Philippines: diseases of the heart, diseases of the vascular system, pneumonias, malignant neoplasms/cancers, all forms of tuberculosis, accidents, COPD and allied conditions, diabetes mellitus, nephritis/nephritic syndrome and other diseases of respiratory system. Among these diseases, six are non-communicable and four are the major NCDs such as CVD, cancers, COPD and diabetes mellitus. NCDs are conditions of long duration and slow progression and the treatment is costly as it necessitates regular laboratory diagnoses and physician consultations, as well as maintenance drugs and costly hospitalizations for complications (e.g., stroke, heart attack).

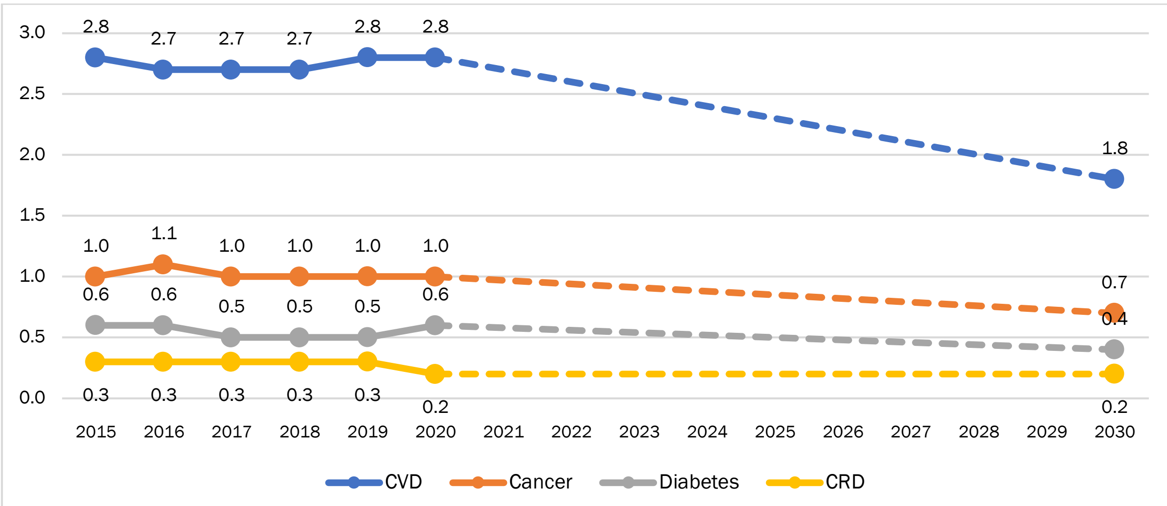
A study conducted by the Philippine Institute for Development Studies reported that the contribution of NCDs to total deaths increased from 39% in 1990 to 64% in 2019 and this is expected to rise in the medium to long term[50]. The authors also projected that without appropriate intervention, NCD cases in the country will double by 2040, with 30 million Filipinos likely to have hypertension in 2040 from 14 million in 2020.

Figure 1.24 shows the baseline, latest and target data on mortality rate attributed to different non-communicable diseases such as cardiovascular disease (CVD), cancer, diabetes and chronic respiratory disease. Mortality rate from non-communicable diseases has remained at a more or less the same level since 2015. Latest data as of 2020 revealed that all deaths from NCDs except chronic respiratory disease, with a 0.1 percent decrease, is at the same level as the 2015 data. Deaths due to cardiovascular diseases declined by 0.1 percent in 2016 and has remained at 2.7 percent until 2018 before increasing to 2.8 in

[50] Ulep, V.G., Uy, J., Casas, D. (2020) Primary Health Care for Noncommunicable Diseases in the Philippines. Philippine Institute for Development Studies. Retrieved from: https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2039.pdf

2019 and 2020. Diabetes is attributed to 0.6 percent of deaths as of 2020 from 0.5 percent in 2019. Deaths due to cancer and chronic respiratory diseases has almost remained the same since 2015. Cancer was the second leading cause of death in 2016 which might explain the increase in mortality due to cancer that year although by only less than 1 percent.

Figure 1.24. Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease, by cause of death, 2015-2020



Source of basic data: PSA, Vital Statistics Report, 2015-2020

The World Health Organization in 2020 reported a clear relationship between the transmission level of Covid-19 and restriction on access to essential NCD services with more than half (53%) of the countries surveyed have partially or completely disrupted services for hypertension treatment; 49% for treatment for diabetes and diabetes-related complications; 42% for cancer treatment, and 31% for cardiovascular emergencies[51].

Meanwhile, in the Philippines, the pandemic has further weakened the country's frail health systems with inpatient care for high-burden diseases sharply declining during the first year of the pandemic. The disruption of health has caused fear, lack of trust, and structural dysfunction in the health system, causing patients with non-COVID-19 illnesses to delay seeking medical care[52].

Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol

Narcotic abuse

Around 35 million people worldwide suffer from substance use disorders, according to the World Health Organization (WHO) and the United Nations Office on Drugs and Crime (UNODC). However, only one out of every six people who are qualified for drug dependent treatment has access to such programs[53].

A drug refers to a medicine or other substance, which has a physiological effect when ingested or introduced into the body through other means. Drugs have been globally used for various purposes, primarily in treatment to address medical conditions. However, using drugs that are available for recreational use resulted in negative effects exacerbated by misuse. This resulted in some countries prohibiting certain drugs from public consumption. These illegal drugs include depressants, stimulants,

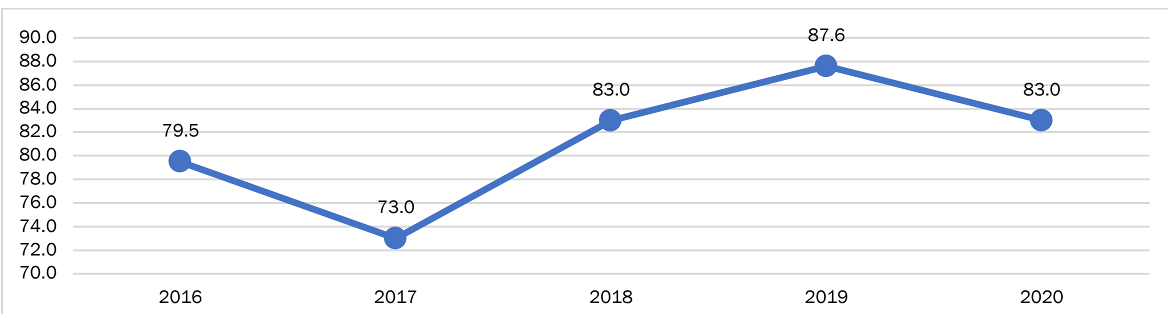
[51] WHO, "COVID-19 significantly impacts health services for noncommunicable diseases" (2020), at: https://www.who.int/news/item/01-06-2020-covid-19-significantly-impacts-health-services-for-noncommunicable-diseases
[52] Ulep, V.G. The Multifaceted Health Impacts of the Covid-19 Pandemic. Philippine Institute for Development Studies. November 2021
[53] WHO, "Voluntary care model for persons who use drugs resulted in over 90% completion for treatment rate: DOH to scale up the model nationwide with lessons from pilot Recovery Clinics" (2021), at: https://www.who.int/philippines/news/detail/12-11-2021-voluntary-care-model-for-persons-who-use-drugs-resulted-in-over-90-completion-for-treatment-rate

and hallucinogens such as alcohol, tobacco, cannabis, methamphetamine, cocaine, opioids, and inhalants.[54]

An all-out "war on drugs" campaign was carried out by the Duterte administration to eliminate the increasing number of drug abusers and traffickers in the country. An estimated 1.7 million Filipinos are current drugs users and 4.7 million are lifetime drug users in 2019 with marijuana and shabu being the top two drugs of choice. The Dangerous Drug Board recorded 5,277 admissions in 2019 where 5,119 are new cases, 22 are readmitted cases and 86 have undergone treatment in an outpatient facility. This was a 4.04% decrease, equivalent to 220 admissions as compared to previous year, which could be largely attributable to the community-based drug rehabilitation program (CBDRP) wherein those diagnosed as low to moderate risk need not enter treatment, and rehabilitation programs in a facility. Instead, they are enrolled and given appropriate intervention through the CBDRP.[55]

Latest data as of 2020 shows that 83 percent of drug abuse cases or drug users have completed treatment in 2020 from the pre-pandemic record of 87.6 percent in 2019 (Figure 1.25). This represents a 4.6 percent decrease in access to treatment programs among those qualified to avail after recording a three-year high in 2019. As the pandemic affected health systems, health services to people with drug use disorders were also disrupted, contributing to the decrease observed in 2020. Situations for individuals needing treatment are at risk of worsening due to closure of facilities and services to minimize transmission of Covid-19, hesitancy of availing services to access services in fear of getting infected and shortage of supply of medication, among others.

Figure 1.25. Percentage of drug abuse cases or drug users who completed treatment, 2016-2020



Source of basic data: DOH, Integrated Drug Abuse Data Information Network, 2016-2020

In the Philippines, as the government imposed strict lockdown measures in response to Covid-19 pandemic, "drug war" killings increased by more than 50 percent in during the early months of 2020. The Philippine National Police reported nearly 8,000 drug suspects were killed and curfew violators were subjected to abusive treatments, including children[56].

Alcohol abuse

The World Health Organization classifies alcohol consumption into three types according to status. Current drinkers are people who have consumed any alcohol during the past 12 months at the time of the survey, former drinkers are people who have previously consumed alcohol, but have not done so in the previous 12-month period, and lifetime abstainers are people who have never consumed alcohol.

Alcohol consumption can result in several adverse health and social effects. In 2016, harmful use of alcohol caused three million deaths worldwide and 132.6 million disability-adjusted life years (DALYs). Excessive alcohol use was also linked to 1.7 million fatalities from NCDs such as digestive and

[54] DOH Dangerous Drugs Abuse Prevention and Treatment Program (2021) Substance Abuse Beat. Retrieved from: https://doh.gov.ph/sites/default/files/publications/Substance-Abuse-Beat-10-12-21.pdf
[55] Office of the President Dangerous Drug Board, "2020 Statistics: Statistical Analysis CY 2020" (2022), at: https://www.ddb.gov.ph/component/content/category/45-research-and-statistics
[56] Human Rights Watch, "Philippines: 'Drug War' Killings Rise During Pandemic Upsurge in Attacks on Activists, Community Leaders, Rights Defenders" (2021), at: https://www.hrw.org/news/2021/01/13/philippines-drug-war-killings-rise-during-pandemic

cardiovascular illnesses, as well as cancers, in the same year. The Global Monitoring Network on NCDs targets a 10% reduction in harmful alcohol use by 2025.[57] As a member state, the Philippines adopts this global action plan, and the NNS provides a steady stream of empirical data to track the country's progress toward the achievement of the target.

According to the most recent data from the 2018 National Nutrition Survey, 54.5 percent of the population 15 years old and above consume alcoholic beverages. Among adolescents, 16.8% are current alcohol drinkers, with the majority of those aged 18 to 19 years old accounting for 42.9 percent. Despite the fact that the legal drinking age in the Philippines is 18, three out of every ten (16.2%) adolescents aged 16 to 17 were found to be currently drinking alcoholic beverages. On the other hand, half (50.4%) of adults, 20-59 years old were current drinkers and three out of 10 (28.2%) elderly were current alcohol drinkers.

Stringent lockdown and liquor ban implemented in the first few months of the pandemic limited mobility and impacted patterns and places of alcohol consumption in the country. During the Covid-19 pandemic, a change in drinking habits was observed shifting places of consumption from bars and restaurants to home. Results of a mobile survey conducted by DOH in January 2021 revealed that 4 in 10 Filipino adults reported to have consumed alcohol 30 days prior to the survey with more men currently drinking alcohol (51.4%) than women (28.9%) have[58]. Due to closures of non-essential services, alcohol was predominantly bought online resulting to a significant increase in sale of alcohol through e-commerce and retail stores.

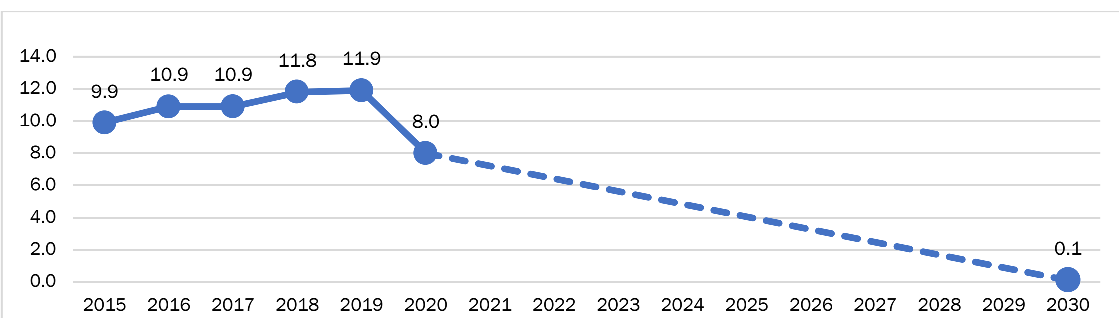
By 2020, halve the number of global deaths and injuries from road traffic accidents

Deaths due to road traffic injuries

This indicator is defined as the number of deaths caused by land transport accidents per 100,000 population. According to the World Health Organization, although the country has made progress in terms of road safety legislations over the last decade, the high rate of road traffic injuries and fatalities continues to be a serious public health and development concern, stating that about 12,000 Filipinos die on the road every year.

Deaths due to road traffic injuries saw a 3.9 percent decline in 2020 following an increasing trend from 2015 to 2019. Eight percent of deaths are attributed to road traffic injuries as of 2020 according to latest estimates from the Philippine Statistics Authority (Figure 1.26). The decrease may be a result of community quarantine measures limiting movement of people and hitting the transportation sector the hardest. The decrease needs to be sustained in order to achieve the target of 0.1 percent by 2030.

Figure 1.26. Deaths rate due to road traffic injuries, 2015-2020



Source of basic data: PSA, Vital Statistics Report, 2015-2020

Latest Vital Statistics Report from the PSA showed an increase of 3.9 percent on deaths due to transport accidents from 8,787 deaths from January-December 2020 to 9,126 deaths for the same period in 2021. This may largely be due to the easing of lockdown and transport measures in the country.

[57] DOST-FNRI (2020) Philippine Nutrition Facts and Figures: 2018 Expanded National Nutrition Survey (ENNS). Retrieved from: http://enutrition.fnri.dost.gov.ph/site/uploads/2018_ENNS_Facts_and_Figures.pdf
[58] Philstar, "DOH poll: 4 in 10 Filipino adults drink alcohol, 15% smoke tobacco products" (2021), at: https://www.philstar.com/headlines/2021/08/17/2120601/doh-poll-4-10-filipino-adults-drink-alcohol-15-smoke-tobacco-products

By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes

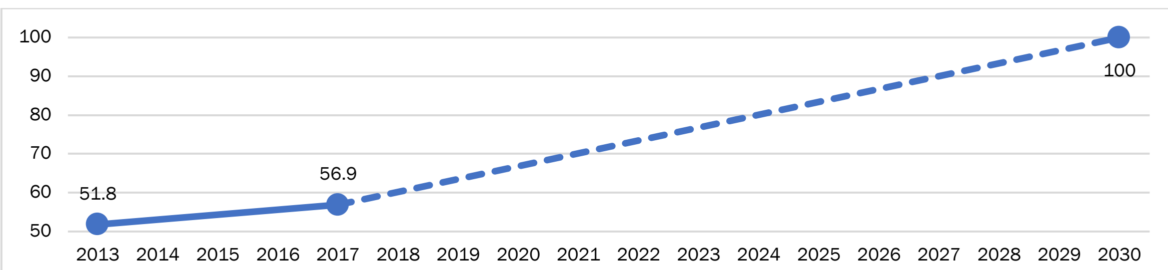
Access to reproductive health services

This indicator is defined as the percentage of women of reproductive age (15-49 years old) who have no unmet need and are currently using a modern contraceptive method. This indicator is also known as modern contraceptive prevalence rate. Modern methods of contraception include male and female sterilization, injectable, intrauterine devices (IUDs), contraceptive pills, implants, the patch, female and male condoms, emergency contraception, the standard days method (SDM), mucus/Billings/ovulation, basal body temperature, symptothermal, and the lactational amenorrhea method (LAM).

The Reproductive Health Law, also known as the Responsible Parenthood and Reproductive Health Act of 2012 (Republic Act No. 10354), ensures universal access to contraception, fertility control, sexual education, and maternal care in the Philippines (Congress of the Philippines 2012).

Figure 1.27 shows that for the periods with available data, more than 50 percent of currently married women had their need for family planning satisfied by modern methods, 51.8 percent in 2013 and 56.9 percent in 2017. Pills is the most common method used at 32 percent. The public sector provides more than half of the modern contraceptives in the Philippines[59]. Strengthening family planning programs is necessary to ensure that all women of reproductive age are provided with modern contraceptive methods and achieve the 100 percent target by 2030.

Figure 1.27. Proportion of women (currently married) of reproductive age (aged 15-49 years) who have their need for family planning satisfied [provided] with modern methods, 2013 and 2017



Source of basic data: PSA, National Demographic and Health Survey 2013 and 2017

The Annual Report of the Responsible Parenthood and Reproductive Health Act in 2020 revealed that more Filipinos are using contraceptives in 2020 with at least 8.1 million Filipinos using modern family planning methods, an increase of 6 percent or 460,000 users from the 7.64 million reported in 2019. Some of the key drivers identified are worries on pregnancy amid the pandemic, intensified house-to-house delivery of family planning commodities in the local level and intensified public health program information, which includes family planning.

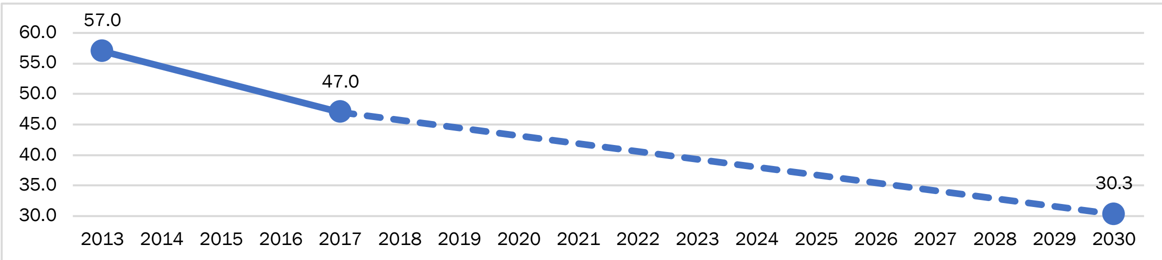
Adolescent birth rate

Adolescent birth rate, according to the United Nations measures the annual number of births to women 15 to 19 years of age per 1,000 women in that age group. It is also referred to as the age-specific fertility rate for women aged 15-19. It represents the risk of childbearing among females in the particular age group. Reducing adolescent fertility and addressing the numerous factors that contribute to it are critical for improving adolescents' sexual and reproductive health, as well as their social and economic well-being. Because pregnancies during adolescence are associated with greater health problems, adolescent pregnant mothers have a high risk of dying while giving birth compared to pregnant mothers in their 20s. Likewise, children born from adolescent mothers are at high risk of having poorer health outcomes.

[59] PSA, National Demographic and Health Survey 2017

The trajectory on adolescent birth rate shows a decline in the age-specific fertility rate for women aged 15-19 as shown in Figure 1.28. Latest data shows a decrease of 10 percent in adolescent fertility rate from 57 percent in 2013 to 47 percent in 2017. The 2017-2022 National Objectives for Health, targets an adolescent birth rate of 37 for every 1,000 women aged 15-19 years old by 2022, which would require a decline of at least 2 percent every year after 2017 when data was available. A steady decline in adolescent birth rate should be ensured to achieve the target of 30.3 percent by 2030.

Figure 1.28. Adolescents (aged 15-19 years) birth rate per 1,000 girls in that age group, 2013 and 2017



Source of basic data: PSA, National Demographic and Health Survey 2013 and 2017

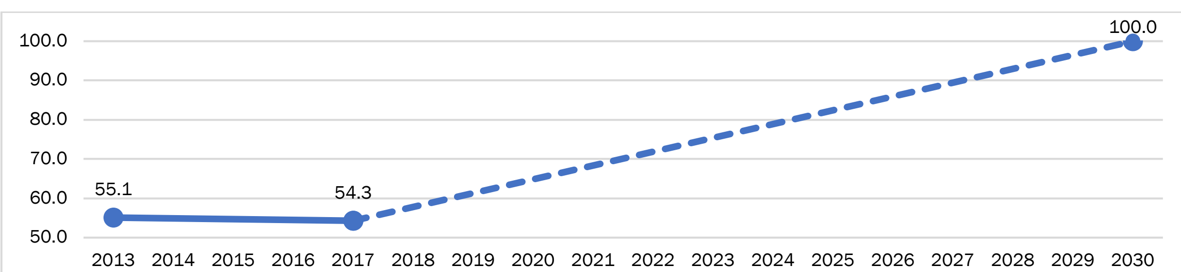
According to the Philippine Statistics Authority, there is a declining trend in adolescent birth rate since 2016. Despite projected increase in registered births during the pandemic, live birth statistics as of 2020 from the PSA showed a decrease of 0.6 percent in registered births to mothers 15-19 years old from 10.7 percent in 2019 to 10.1 percent in 2020. POPCOM likewise reported a 13% drop in the number of births among adolescent mothers in 2020, which was the sharpest decrease in adolescent birth rate since 2003 at 23,855. The most notable decline was among the 15–19-year-old age group with 23,557 fewer mothers, which constitutes 98% of the drop recorded.

Contraceptive Prevalence Rate

This indicator is defined as the percentage of currently married women of reproductive age (15-49 years old) reporting current use of any contraceptive method.

Latest data from the 2017 National Demographic and Health Survey revealed that more than half (54.3%) of currently married women of reproductive age use a method of contraception, 40% of which are using modern methods and 14% reported using a traditional method (Figure 1.29). This is a slight drop from the 2013 data of 55.1 percent contraceptive prevalence rate. The pandemic will likely aggravate this decline in access to contraception during long periods of lockdown and presents a challenge of increasing access to reproductive health services.

Figure 1.29. Contraceptive Prevalence Rate, 2013 and 2017



Source of basic data: PSA, National Demographic and Health Survey 2013 and 2017

According to the World Health Organization, family planning and contraception were among the most frequently disrupted services worldwide because of the pandemic. In the Philippines, given that hospitals had to prioritize Covid-19 services, access to long acting reversible and permanent methods of contraception was especially difficult given that this requires trained healthcare workers to administer and patients to travel to health facilities. Projections from the study conducted by the UPPI and UNFPA in 2020 showed that around 600,000 Filipino women would have lacked access to contraceptives available in public healthcare providers due to Covid19-related lockdowns that could result to a baby boom of about 2 million newborns in 2021. However, recent data from the PSA vital statistics shows declining number of births from 2019 to 2021[60]. An 8.7 percent decline was recorded in 2020 from 1673923 in 2019 to 1528684 in 2020. According to the Commission on Population and Development (POPCOM), the decline in 2020 can be attributed to the combined impacts of fewer marriages, women delaying pregnancies during the pandemic, and the increase in the number of women using modern family planning methods to prevent unplanned pregnancies[61]. In 2021, the number of live births further decreased to 1,364,739 marking a 10.7 reduction from 2020 data.

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

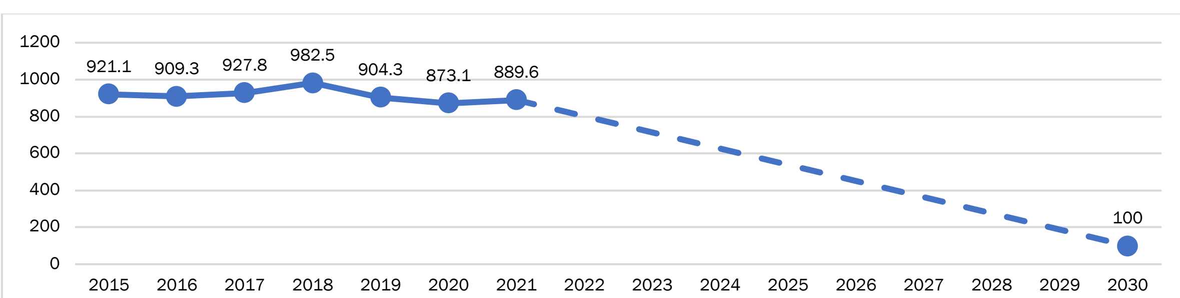
Health insurance coverage

Coverage rate is the aggregate count of PhilHealth beneficiaries (eligible member and qualified dependents) under Formal Economy (Private, Government, Household Help/Kasambahay, Enterprise Owner and Family Drivers), Informal Economy (Migrant Worker, Informal Sector, Self-Earning Individual and Organized Group and Others), Indigents, Sponsored Members, Senior Citizens and Lifetime Members as a percentage of the total population expressed per 1,000 population.

According to the results of the latest Annual Poverty Indicator Survey (APIS) in 2020, it revealed that there was a decline in health insurance coverage among families by 10.6%. Health insurance coverage is measured by the proportion of families with at least 1 member/dependent, or beneficiary of Philhealth. Based on the APIS 2020, about four in every five families (78.8 percent) had at least one member/dependent or beneficiary of PhilHealth in 2020 while in 2019 - 89.3 percent of families had a PhilHealth member/dependent/beneficiary. The 2020 data on health insurance coverage indicates an almost 20 percent gap from the target of providing universal access by 2030.

Meanwhile, administrative data from PhilHealth revealed that in 2018, 982 in 1,000 population are covered by health insurance or a public health system, an increase from 909 coverage per 1,000 population in 2016. With the signing of the Universal Health Care Act in 2019, all Filipinos are automatically included under the National Health Insurance Program (NHIP), thus the coverage rate can be considered 1000 per 1000 population. However, the program is still monitoring the number of registered Philhealth members and dependents (when combined are also referred to as beneficiaries) as against the projected population. As of 2021, there are 98,030,269 registered Philhealth beneficiaries out of the estimated Philippine population of 110,198,654 or 890 registered beneficiaries per 1,000 population (Figure 1.30).

Figure 1.30. Number of people covered by health insurance or a public health system per 1,000 population, 2015-2021



Source of basic data: PhilHealth Stats and Charts, 2015-2021

[60] https://psa.gov.ph/vital-statistics/table
[61] https://popcom.gov.ph/popcom-pandemic-causes-decline-in-2020-births-numbers-lowest-in-34-years/

Social health insurance coverage

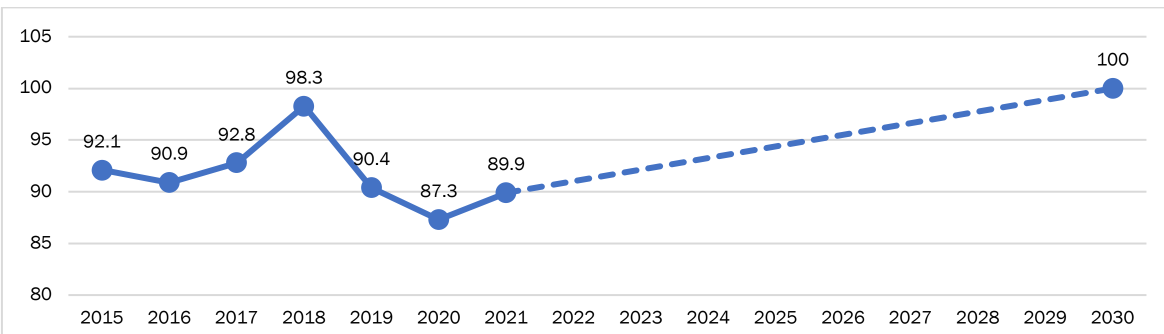
PhilHealth is a national program which aims to provide all Filipinos financial access to quality, affordable, acceptable, available, and accessible health care services with priority to the marginalized and indigent sectors.

Results of the latest Annual Poverty Indicator Survey (APIS) in 2020 revealed that about four in every five families (78.8 percent) had at least one member/dependent or beneficiary of PhilHealth. This is a 10.6 percent decrease from 2019 where 89.3 percent of families had a PhilHealth member/dependent/beneficiary. This corresponds to an almost 30 percent gap from the target of providing universal access by 2030.

Findings from APIS in 2017 show the gender disparity in access to social health insurance, with 12.7 million men and 13.6 million women lacking it. Women as a group are relatively better situated in terms of the number of employees without proper social insurance (i.e., both SSS/GSIS and PhilHealth), with 7.6 million compared to 10.6 million male workers who are unprotected[62].

Meanwhile, latest admin data from PhilHealth in 2021 showed 89 percent of the population are registered into the NHIP program though by virtue of the UHC Act in 2019, there is already 100% Philhealth coverage rate. This means that even those who are not registered under the program yet are all illegible to benefit from the program.

Figure 1.31. Percentage of population covered by the social health insurance, 2015-2021



Source of basic data: PhilHealth Stats and Charts, 2015-2021

Out-of-pocket health spending

This indicator refers to the out-of-pocket expenditures of households for goods and services within the health accounts boundary. To estimate this, data from the Family Income and Expenditures Survey (FIES) as well as data on household final consumption expenditure (HFCE) from the National Accounts of the Philippines (NAP) are used. In the FIES, the following are considered: medicines, food supplements, other medical products, therapeutic appliances, outpatient medical care, dental care, diagnostic services, and private and public hospital care[63].

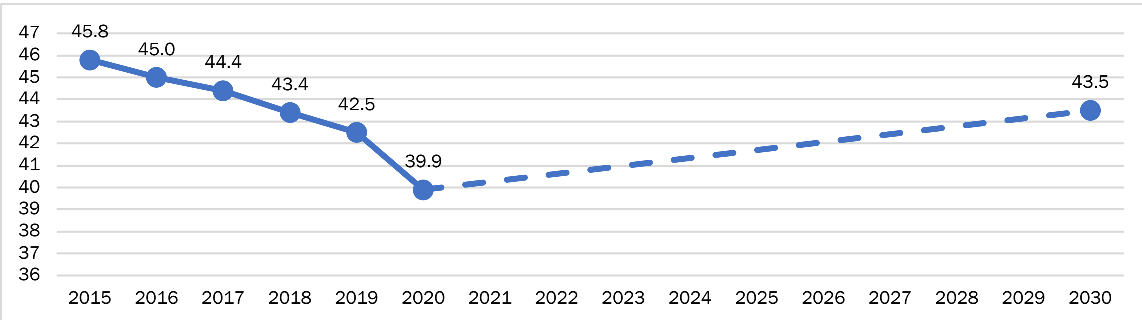
Healthcare remains inaccessible and inequitable for all despite efforts to accelerate access through various social safety nets. Although coverage to social health insurance (PhilHealth) is considered 100% coverage as of 2019 with the signing of the Universal Health Care Act, many are still reliant to out-of-pocket expenditures as primary source of financing for medical care, which, according to a PIDS study pushes Filipino households to poverty[64] as it may lead people to forgo or delay medical care until it's too late for preventive measures. As an important indicator of effective healthcare system, the level of OOP

[62] Tabuga, A.D., Cabaero C. C. (2021) Toward an Inclusive Social Insurance Coverage in the Philippines: Examining Gender Disparities. Philippine Institute for Development Studies. Retrieved from: https://think-asia.org/bitstream/handle/11540/13954/pidsrp2106.pdf?sequence=1
[63] https://psa.gov.ph/pnha-press-release/notes
[64] https://dirp3.pids.gov.ph/webportal/CDN/PUBLICATIONS/pidspjd13-oop%20expenditures.pdf

should ideally pacify the irrational growth in health expenditures and provide an equitable financial protection to substantially reduce payment for medical expenses[65].

Latest data from the Philippine National Health Accounts shows a decreasing trend in out-of-pocket health spending from 2015 to 2020 (Figure 1.32). From 2018 to 2020, the recorded data on out-of-pocket spending as a percentage of the total health expenditure is already below the 2030 target.

Figure 1.32. Out-of-pocket health spending as percentage of the total health expenditure, 2015-2020



Source of basic data: PSA, Philippine National Health Accounts, 2015-2020

In a study conducted among Covid-19 patients with PhilHealth coverage at the UP-PGH in 2020, a higher average out-of-pocket payment was observed among patients less than 60 years old (P25,899 to P44,428.63) compared to patients older than 60 years old (P4,000.60 to P32,920.20). Highest OOP payment was among the 19-30 age group with P44,428.63 and lowest among the population greater than 91 years old with OOP payment of P4,005.60[66].

Analyzing the components of out-of-pocket expenditure shows that medicines are the major source of OOP expenditures. In the same study of UP-PGH, pharmacy ranked first in sources of OOP among Covid-19 patients in the Charity Ward and second in the Pay Ward. This suggests the need for the expansion benefit packages of PhilHealth, particularly on outpatient medicines to be covered by maximum retail price. To this end, EO No. 104 s. 2020 was issued imposing maximum retail and maximum wholesale prices on 87 drug molecules and 133 drug formulas of selected drug medicines. Another 34 drug molecules or 71 drug formulations were added to the MRP list with the issuance of EO No. 155 s. 2021[67]. The aforementioned executive orders are consistent with the overall strategy of the government of improving access to affordable and quality medicines and reducing health-related OOP expenses under the Universal Health Care Act.

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

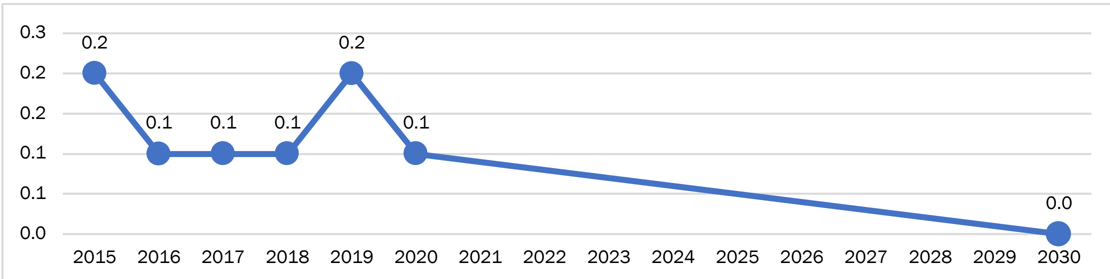
Mortality rate due to unintentional poisoning

Measuring the mortality rate from unintentional poisonings provides an indication of the extent of inadequate management of hazardous chemicals and pollution, and of the effectiveness of a country's health system.

[65] Ulep, V.G., Dela Cruz, N. A. (2016) Analysis of out-of-pocket expenditures in the Philippines. Philippine Institute for Development Studies. Retrieved from: https://think-asia.org/bitstream/handle/11540/6839/pidspn1621.pdf?sequence=1
[66] Tabuñar, S., Dominado, T. (2021) Hospitalization Expenditure of COVID-19 Patients at the University of the Philippines-Philippine General Hospital (UP-PGH) with PhilHealth Coverage. Acta Medica Philippina 55 (2). Retrieved from: https://actamedicaphilippina.upm.edu.ph/index.php/acta/article/view/2809/2287
[67] DOH, Maximum Retail Price of Drugs and Medicines (n.d.), at: https://pharma.doh.gov.ph/maximum-drug-retail-price/

As shown in Figure 1.33, mortality rate attributed to unintentional poisoning remained at less than half a percentage point since 2015 with highest recorded in 2015 and 2019 at 0.2 percent. Latest vital statistics report from the PSA reported 0.1 percent mortality rate attributed to unintentional poisoning as of 2020.

Figure 1.33. Mortality rate attributed to unintentional poisoning, 2015-2019



Source of basic data: DOH, Philippine Health Statistics, 2015-2019

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

Tobacco use

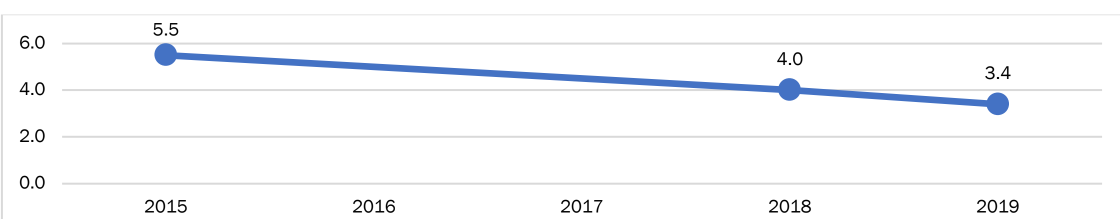
Tobacco usage is a major cause of illness and mortality from non-communicable disease (NCDs). There is no known safe threshold of tobacco use or exposure to secondhand smoke. Tobacco smokers, both daily and non-daily, are at risk for a number of negative health consequences throughout their lives, including NCDs. Reducing current tobacco usage will make a significant contribution to lowering NCD-related premature death.

The indicator is defined as the percentage of the population aged 10 years and over who currently use any tobacco product (smoked and/or smokeless tobacco) on a daily or non-daily basis. Tobacco control is not simply a public health priority for the Philippines; it is also a critical development issue that affects overall quality of life and well-being. Annually, 87, 600 Filipinos die from tobacco-related diseases.[68] Latest data from the Global Adult Tobacco Survey conducted by DOH revealed that 15.9 million Filipino adults reported current use of tobacco in any form. This was a significant reduction from the 17 million adult smokers in 2009 and was attributed to the implementation of the Tobacco Tax Reform Law of 2012.

Figure 1.34 below shows a decreasing trend in current tobacco use among the population 10 to less than 20 years old. Latest data from the National Nutrition Survey conducted by DOST-FNRI revealed that 3.4% of 10-19.9-year-olds are currently using tobacco on a daily or non-daily basis, representing a 2.1% decrease from 2015.

On the other hand, a higher proportion of current tobacco use was observed among the population 20 years old and above (Figure 1.35). As of 2019, around 20 for every 100 persons 20 years old and above currently use tobacco, either on a daily or non-daily basis.

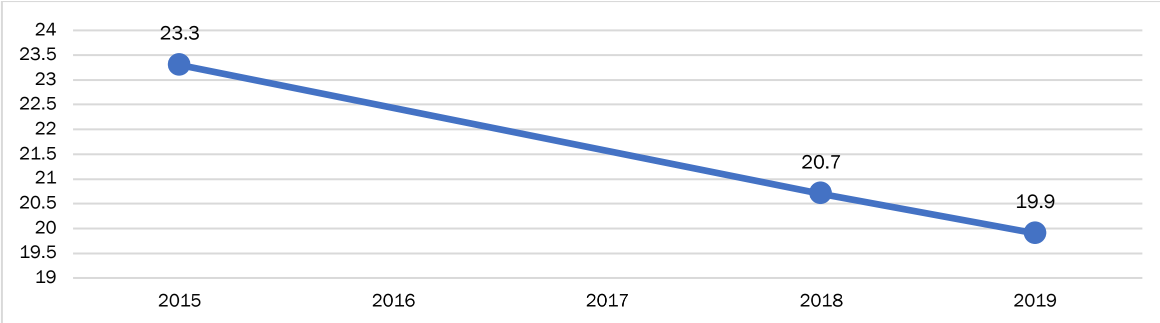
Figure 1.34. Prevalence of current tobacco use among 10-19.9 years old, 2015 and 2018-2019



Source of basic data: DOST-FNRI, National Nutrition Survey, 2015, 2018-2019

[68] Tobacco Control Key Facts and Figures, DOH, https://doh.gov.ph/Tobacco-Control-Key-facts-and-Figures

Figure 1.35. Prevalence of current tobacco use among 20 years old and over, 2015 and 2018-2019



Source of basic data: DOST-FNRI, National Nutrition Survey, 2015, 2018-2019

The Department of Health warned the public of the increased severity of disease and death among hospitalized Covid-19 patients who are cigarette or vape smokers as the body's immune system and respiratory systems are weakened from toxic substances present in tobacco products. To this end, the department issued interim guidelines on tobacco control encouraging cessation of all forms of tobacco and e-cigarette use and classifying tobacco and vapor products not essential putting appropriate restrictions and/or ban on the use of these products in light of the pandemic[69].

Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.

Immunization

Immunization of all children against vaccine-preventable diseases is essential for lowering infant and child morbidity and mortality. Historically, the proportion of children who had all "basic" immunizations has been a key indicator of vaccination coverage. In computing this indicator, infants who have received the BCG vaccine, three doses of DPT and polio vaccines, and a single dose of measles-containing vaccine before reaching one year of age are deemed to have had all basic immunizations.

Latest report from NDHS revealed that 48.4 percent of infants are fully immunized as of 2017. The pandemic is expected to disrupt or suspend routine immunization services in the country. Ulep and Uy (2021) cited the alarming declines in coverage in Region XII declined from 80% to 40% from 2013 to 2017 while coverage in ARMM declined lower from 40% in 2013 to 20% in 2017. Since the 1993 NDHS, ARMM has not had basic vaccination coverage above 50%.

The Department of Health's 2020 Fully-Immunized Children (FIC) data shows that immunization coverage among infants and children is 3.9 percent lower than it was in 2019 as many parents are hesitant to bring their children to health centers for fear of exposing them to COVID-19[70]. According to UNICEF, child vaccination in the country has been declining sharply from 87% in 2014 to 68% in 2019. This exposes children to various vaccine-preventable diseases including polio, which re-emerged in 2019 and is feared to increase following suspension of polio outbreak response due to Covid-19. The National Objectives for Health reported a target of 95 percent childhood vaccination by 2022, which is a still a long way from the last available data in 2017.

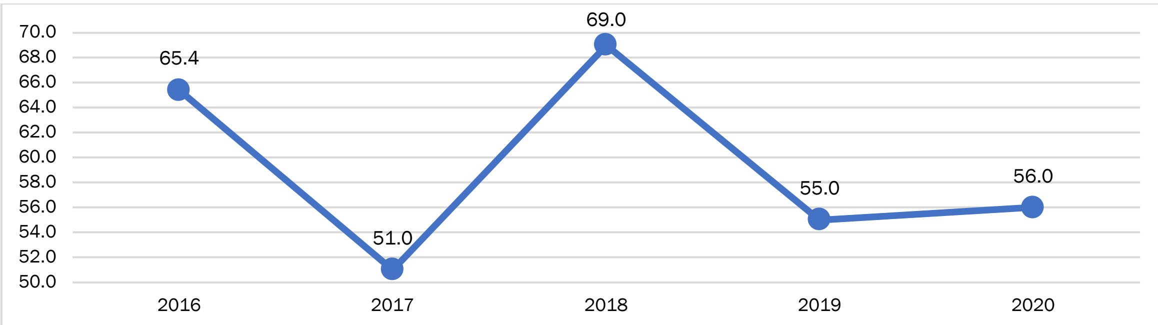
[69] DOH Department Memorandum No. 2020-0246, "Interim Guidelines on Tobacco Control in light of the COVID-19 Pandemic" 15 May 2020, at: https://www.nnc.gov.ph/phocadownloadpap/userupload/Ro5-webpub/DOH%20DM%202020-0246%20Interim%20 Guidelines%20on%20Tobacco%20Control%20in%20Light%20of%20the%20COVID-19%20Pandemic.pdf

[70] DOH, "DOH Strengthens Routine Vaccination Program for Babies and Kids during Covid-19 pandemic" (2021), at: https://doh.gov.ph/Press-release/DOH-STRENGTHENS-ROUTINE-VACCINATION-PROGRAM-FOR-BABIES-AND-KIDS-DURING-COVID-19-PANDEMIC

Public health facilities properly stocked with selected essential medicines

Figure 1.36 below shows that although a 1 percent increase was recorded from 2019 to 2020, the percentage of public health facilities properly stocked with selected essential medicines declined from 65.4 percent in 2016 to 56 percent in 2020 showing that this indicator has already been off track even before the pandemic. The low readiness of public health facilities is indicative of weaknesses in the health sector that make responding to the pandemic especially difficult[71].

Figure 1.36. Percentage of public health facilities properly stocked with selected essential medicines, 2016-2020



Source of basic data: DOH Drug Availability Survey, 2016-2020

The scarcity of resources was further highlighted during the pandemic. With the spike in Covid-19 cases towards the end of 2021 to early this year, a shortage of paracetamol brands of medicine was reported. According to the Pharmaceutical and Healthcare Association of the Philippines (PHAP), this was driven by peoples' vigilance against a more contagious Omicron variant.

Goal 4 | Ensure Inclusive and Quality Education for All and Promote Lifelong Learning

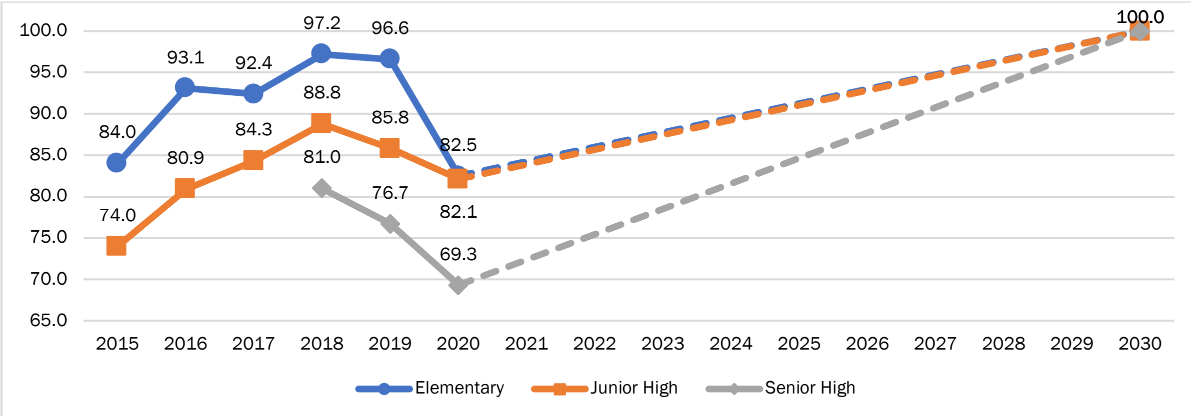
By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes

Elementary and Secondary Completion Rate

As shown in Figure 1.37, completion rate across all levels have been declining even showing that this indicator has already been off track even before the pandemic hit the country. The decline was particularly evident in the elementary level experiencing a decrease of 14.1 percent from 96.6 percent in SY2019-2020 to 82.5 percent in SY2020-2021. Latest data for junior high school level also decreased from 85.8 percent to 82.1 percent in the same period. The decline in completion rate in elementary and junior high school corresponds to an almost 18 percent gap from the target of ensuring all students in these levels complete elementary and junior high school by 2030. Completion rate at the senior high school level further dropped by 7.4 percent from 76.7 percent in SY2019-2020 increasing the gap from the target of 100 percent completion rate in senior high school by 2030.

[71] Navarro. A, Reyes, C., Francisco, K. (2021) UN Common Country Assessment Update for the Philippines. Philippines Institute for Development Studies. Retrieved from: https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2106.pdf

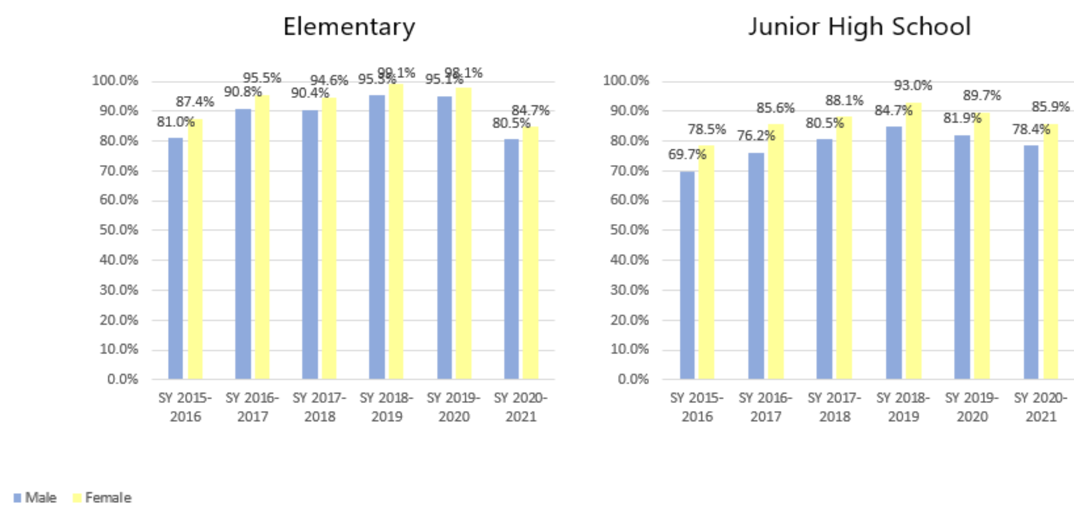
Figure 1.37. Completion Rate: Elementary and Secondary (Junior and Senior High School) SY2015-2016 to SY2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2015-2020

For the period SY2015-2016 to SY2020-2021, available data by gender disaggregation reveals that the completion rate of females is higher than males at the elementary and junior high school levels (Figure 1.42). Elementary completion rates of males and females were increasing from SY2015-2016 to SY2018-2019. The trend reversed in SY2019-2020 during the 1st year of the pandemic. The same pattern is observed at the junior high school level.

Figure 1.38. Completion Rate: Elementary and Secondary (Junior High School), by sex, SY2015-2016 to SY2020-2021



Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

Regional completion rates shows that BARMM registered the lowest completion rate at the elementary level for the 6-schoolyear period. On the other hand, Region I is consistently included in the top 5 performing regions with regards to elementary completion rate. Meanwhile, at the junior high school level, the lowest completion rate was observed in Region V in SY2020-2021 while Region II recorded the highest junior high school completion rate.

Table 4. Completion Rate: Elementary and Secondary (Junior High School), by region, SY2015-2016 to SY2020-2021

Elementary

Region	SY 2015-2016	SY 2016-2017	SY 2017-2018	SY 2018-2019	SY 2019-2020	SY 2020-2021
BARMM	37.1%	65.5%	54.2%	76.7%	75.0%	64.0%
PSO						64.1%
NCR	82.3%	86.0%	94.7%	99.0%	95.0%	69.4%
Region XI	88.8%	92.2%	92.1%	96.6%	95.3%	73.5%
Region V	85.4%	94.6%	93.2%	96.4%	95.6%	77.5%
Region IV-A	88.5%	99.5%	98.4%	99.8%	99.5%	78.0%
Region VII	88.5%	94.9%	92.2%	98.6%	96.3%	82.7%
Region X	84.0%	91.9%	90.1%	94.8%	94.4%	82.9%
Region IX	79.7%	85.7%	89.7%	97.0%	94.9%	84.5%
Region III	89.1%	98.1%	96.0%	99.1%	98.7%	84.6%
Region XII	83.7%	86.1%	91.1%	94.7%	96.0%	87.1%
Region IV-B	90.2%	92.1%	93.2%	94.8%	96.7%	90.6%
CARAGA	84.2%	92.3%	90.9%	95.4%	95.0%	93.4%
Region VI	88.9%	94.8%	94.1%	97.0%	96.7%	93.5%
CAR	86.2%	93.5%	91.6%	97.5%	95.8%	94.6%
Region VIII	87.9%	94.2%	93.3%	94.1%	95.5%	95.2%
Region I	91.5%	97.4%	95.5%	98.1%	99.0%	97.3%
Region II	89.0%	95.0%	93.6%	97.6%	97.5%	98.6%
Total	**84.0%**	**93.1%**	**92.4%**	**97.2%**	**96.6%**	**82.5%**

Junior High School

Region	SY 2015-2016	SY 2016-2017	SY 2017-2018	SY 2018-2019	SY 2019-2020	SY 2020-2021
PSO						67.3%
Region V	69.4%	76.2%	83.2%	86.4%	82.5%	67.8%
BARMM	64.0%	78.7%	62.1%	93.8%	86.6%	72.8%
NCR	74.2%	80.3%	90.6%	92.8%	87.3%	73.6%
Region XI	73.4%	78.9%	80.2%	84.9%	81.5%	74.9%
Region VII	75.3%	78.3%	83.9%	92.3%	83.8%	79.2%
Region IV-A	81.6%	88.9%	90.7%	93.2%	90.1%	81.5%
Region XII	73.0%	74.4%	79.9%	81.8%	82.5%	82.6%
Region X	72.1%	79.8%	79.0%	86.3%	82.2%	83.1%
Region III	72.4%	84.8%	86.0%	90.4%	89.7%	84.0%
Region IV-B	76.6%	78.7%	83.9%	83.2%	85.2%	84.4%
Region IX	70.6%	72.4%	78.2%	82.5%	77.3%	87.1%
CAR	70.0%	79.8%	81.2%	87.0%	81.7%	87.9%
Region VIII	70.1%	75.3%	79.3%	82.6%	81.8%	89.4%
CARAGA	70.6%	77.2%	82.4%	85.4%	83.7%	90.1%
Region I	76.4%	86.6%	87.8%	90.9%	89.1%	92.0%
Region VI	74.8%	81.9%	84.7%	88.5%	85.2%	93.5%
Region II	73.7%	81.5%	83.8%	88.5%	87.7%	95.8%
Total	**74.0%**	**80.9%**	**84.3%**	**88.8%**	**85.7%**	**82.1%**

Source of basic data: Enhanced Basic Education Information System, DepEd, SY 2015-2016 to SY 2020-2021

With the schools closed for over a year and learning shifted from classroom to remote, teachers and students were left to adapt a modality they were not trained and prepared for greatly affecting students' learning outcomes. With education disrupted due to the pandemic, this indicator needs to be fast tracked to achieve the target by 2030. According to an ADB study on the cost of face-to-face closures, student lose two academic years of learning for every year of school closure.[72]

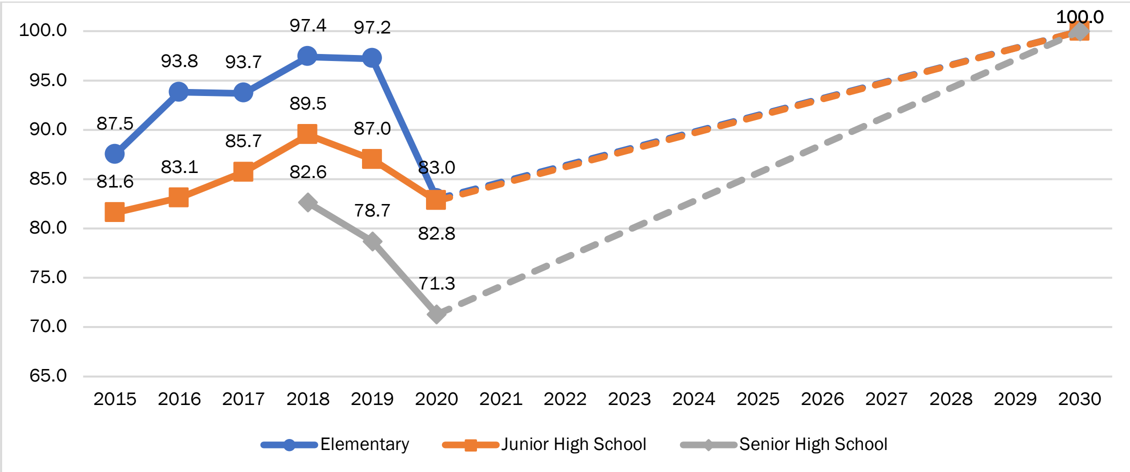
Elementary and Secondary Cohort Survival Rate

Cohort survival rate is computed as the percentage of enrollees at the beginning grade or year in a given school year who reached the final grade or year of the elementary/secondary level. Figure 1.38 below shows data of elementary, junior, and senior levels of high school.

Just as the completion rate, cohort survival rate has also been off track even before the pandemic as evidenced by the declining trend since SY2018-2019, particularly in the elementary level. Cohort survival rate in elementary decreased by 14.2 percent from 97.2 percent in SY2019-2020 to 83 percent the following year. This increased the gap from the 2030 target of 100 percent from 2.8 percent to 17 percentage points, respectively. At the junior high school level, cohort survival rate followed an increasing trend from SY2015-2016 to SY2018-2019, but started to decline afterwards, and is currently recorded at 82.8 percent, almost 18 percent shy of the target by 2030. Meanwhile, at the senior high school level, only about five for every seven senior high school students started and reached the final year of this level.

[72] Raitzer, D., Lavado, R., Rabajante, J., Javier, X., Garces, L., Amoranto, G. (2020) ADB Briefs: Cost–Benefit Analysis of Face-to-Face Closure of Schools to Control COVID-19 in the Philippines. Asian Development Bank. Retrieved from: https://www.adb.org/sites/default/files/publication/662321/adb-brief-162-cost-benefit-analysis-closure-schools-philippines.pdf

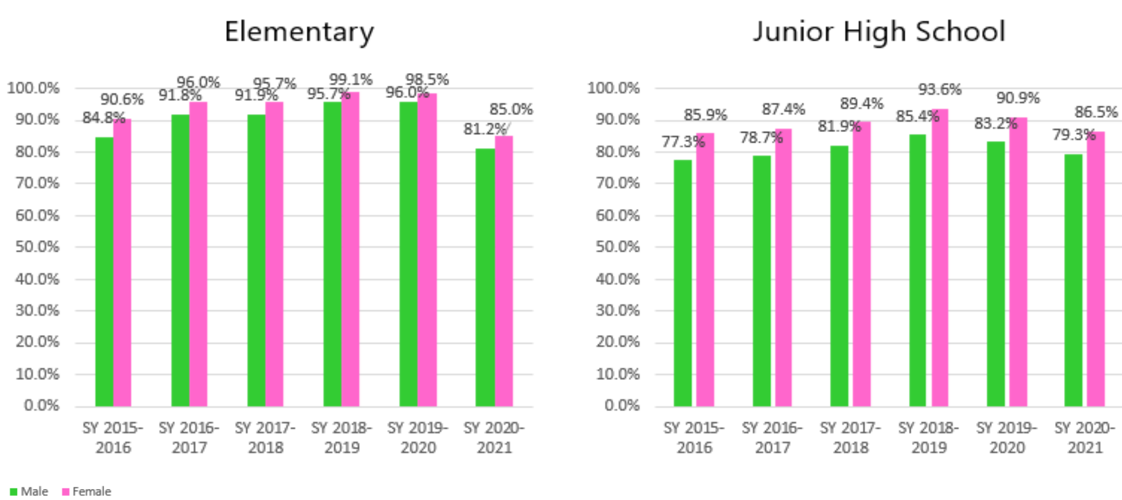
Figure 1.39. Cohort Survival Rate: Elementary and Secondary (Junior and Senior High School) SY2015-2016 to SY2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2015-2020

Available data by gender for the period SY2015-2016 to SY2020-2021 shows that female cohort survival rate is higher than males in the elementary and junior high school levels. At the elementary level, the trend has been increasing for males for the period SY2015-2016 to SY2018-2019 and then decreased since then. For females, the trend was increasing from SY2015-2016 to SY2016-2017 but slightly dipped in SY2018-2019. Female CSR was highest in the period in SY2018-2019 at 99.1%. It slightly decreased to 98.5% the following year and dropped further to 85% in SY2020-2021. At the junior high school level, both males and female CSR are similar in patterns as they were increasing from SY2015-2016 to SY2018-2019 but both decreased afterwards.

Figure 1.40. Cohort Survival Rate: Elementary and Secondary (Junior High School), by sex, SY2015-2016 to SY2020-2021



Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

Elementary cohort survival rates at the regional level shows disparities across regions over time. Region I consistently belong to the top 5 performing regions while BARMM consistently registered the lowest CSR for the period SY2015-2016 to SY2020-2021. NCR, who belong in the top 5 regions in SY2017-2018 to SY2018-2019 ranks second lowest cohort survival rate in SY2020-2021. Consistently included in the top 5 from for the past 5 school years, Region IV-A is included in the bottom 5 regions in SY2020-2021.

Additional data in SY2020-2021 shows the CSR of students in Philippine Schools Overseas (PSO) to be low at 64.1%.

Cohort survival rates at the junior high level reveals that there are also disparities across regions over the 6 school year period. Latest data shows the lowest CSR was observed in Region V while the highest rate was recorded in Region II. Region I consistently belong to the top 5 regions in the same period. Region VIII, who was consistently in the bottom 5 regions from SY2015-2016 to SY2019-2020 is part of the top 5 regions in SY2020-2021. CSR in PSOs is also low in SY2020-2021 at 69.9%.

Table 5. Cohort Survival Rate: Elementary and Junior High School, by region, SY2015-2016 to SY2020-2021

Elementary

Region	SY 2015-2016	SY 2016-2017	SY 2017-2018	SY 2018-2019	SY 2019-2020	SY 2020-2021
Region II	91.9%	95.6%	94.9%	97.8%	98.3%	98.9%
Region I	94.6%	97.6%	97.9%	98.4%	99.2%	97.6%
Region VIII	90.6%	94.8%	94.3%	94.7%	96.0%	95.9%
CAR	91.0%	94.3%	92.7%	97.7%	96.7%	94.9%
Region VI	91.8%	95.3%	95.4%	97.6%	97.7%	94.0%
CARAGA	86.8%	92.7%	92.3%	95.7%	96.4%	93.9%
Region IV-B	92.4%	92.8%	93.7%	95.4%	97.3%	91.0%
Region XII	85.2%	86.4%	92.7%	94.8%	96.3%	87.5%
Region IX	82.7%	86.9%	90.5%	97.4%	95.6%	85.1%
Region III	93.2%	98.5%	97.4%	99.3%	99.1%	84.9%
Region X	86.2%	92.8%	92.9%	94.8%	95.5%	83.7%
Region VII	91.5%	95.7%	93.9%	98.9%	97.5%	83.3%
Region IV-A	91.8%	100.0%	99.0%	99.8%	99.9%	78.4%
Region V	88.4%	95.4%	94.5%	97.1%	96.4%	78.3%
Region XI	91.1%	92.9%	93.4%	97.1%	96.1%	74.2%
NCR	90.5%	87.3%	95.9%	99.0%	95.2%	69.8%
BARMM	39.4%	67.8%	54.6%	76.7%	75.2%	64.7%
PSO						64.1%
Total	**87.5%**	**93.8%**	**93.7%**	**97.4%**	**97.2%**	**83.0%**

Junior High School

Region	SY 2015-2016	SY 2016-2017	SY 2017-2018	SY 2018-2019	SY 2019-2020	SY 2020-2021
Region II	82.1%	83.3%	85.6%	89.6%	88.9%	96.6%
Region VI	81.1%	83.8%	86.1%	89.3%	86.4%	93.9%
Region I	82.9%	87.7%	89.6%	91.7%	90.7%	92.5%
CARAGA	77.0%	79.2%	84.4%	86.7%	85.1%	91.0%
Region VIII	77.3%	77.6%	81.3%	83.7%	82.7%	90.3%
CAR	82.8%	82.4%	82.3%	88.1%	84.4%	88.8%
Region IX	79.6%	75.2%	79.7%	84.0%	78.9%	87.7%
Region IV-B	82.7%	81.0%	85.3%	84.6%	86.2%	85.0%
Region III	80.5%	86.7%	87.0%	90.7%	90.1%	84.4%
Region X	77.9%	81.5%	80.9%	86.3%	82.9%	83.7%
Region XII	77.4%	76.4%	81.3%	83.0%	83.4%	83.5%
Region IV-A	86.9%	91.0%	91.4%	93.7%	91.6%	81.9%
Region VII	83.1%	80.8%	85.5%	92.6%	85.3%	80.1%
Region XI	79.9%	80.9%	81.5%	85.2%	83.0%	75.6%
NCR	85.9%	82.6%	91.4%	92.8%	88.7%	74.6%
BARMM	73.7%	80.9%	63.2%	94.6%	87.4%	74.0%
PSO						69.9%
Region V	77.1%	79.0%	85.0%	87.7%	84.1%	69.0%
Total	**81.6%**	**83.1%**	**85.6%**	**89.5%**	**87.0%**	**82.8%**

Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

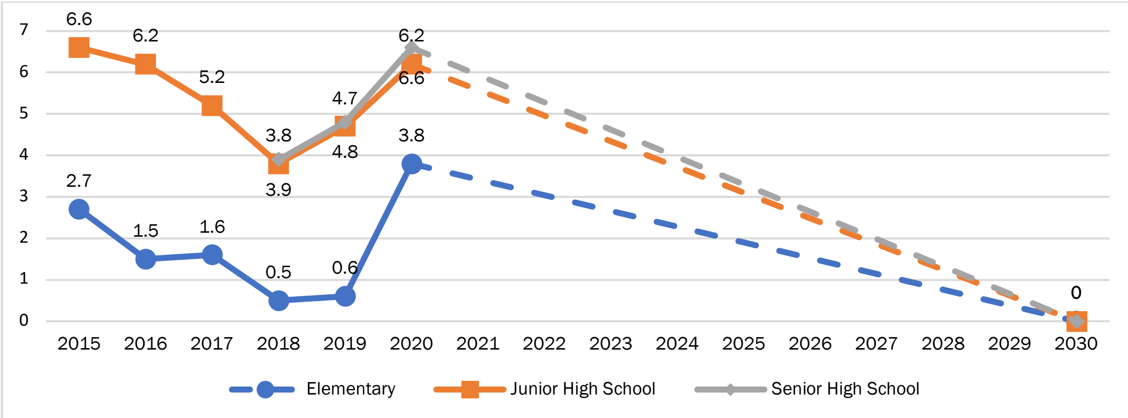
With the pandemic threatening the lives of people and continued school closure, schoolchildren continue to miss educational opportunities. UNICEF reported that the weakness in the delivery of quality education will be exacerbated as learning was done using unfamiliar modes and may be accessible to all students.

Elementary and Secondary Dropout Rate

The official definition of dropout rate according to PSA is the percentage of students who leave school during the year for any reason as well as those who complete the previous grade/year level but fail to enroll in the next grade/year level the following school year to the total number of students enrolled during the previous school year.

Dropout rates reached an all-time high in 2020, with senior high school having the highest dropout rate at 6.6 percent. There was a declining trend from SY2015-2016 to SY2018-2019, however rates began to rise afterwards and have remained so since (Figure 1.41).

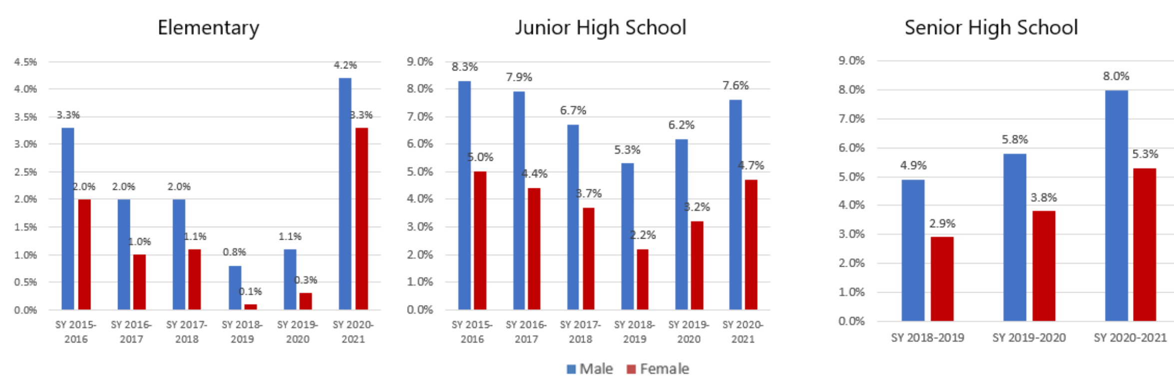
Figure 1.41. Dropout Rate: Elementary and Secondary (Junior and Senior High School) SY2015-2016 to SY2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2015-2020

Gender-disaggregated data reveal that drop out rates of males are consistently higher than females at the elementary, junior and high school levels for the period SY2015-2016 to SY2020-2021. At the elementary level, the drop out rates decreased in SY2016-2017 and slightly increased for females while remaining the same for males the following year. It dropped to 0.8% and 0.1%, respectively for males and females in SY 2018-2019. Then it began to increase again during the 1st year of pandemic (SY2019-2020). Higher dropout rates were recorded in SY2020-2021. At the junior high school level, both males and female drop out rate were declining from SY2015-2016 to SY2017-2018 but an upswing was observed in the following years. Available information at the senior high school level shows an increasing trend in male and female drop-out rates with the highest male and female dropout rates of 8% and 5.3% recorded in SY2020-2021.

Figure 1.42. Dropout Rate: Elementary and Secondary (Junior and Senior High School), by sex, SY2015-2016 to SY2020-2021



Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

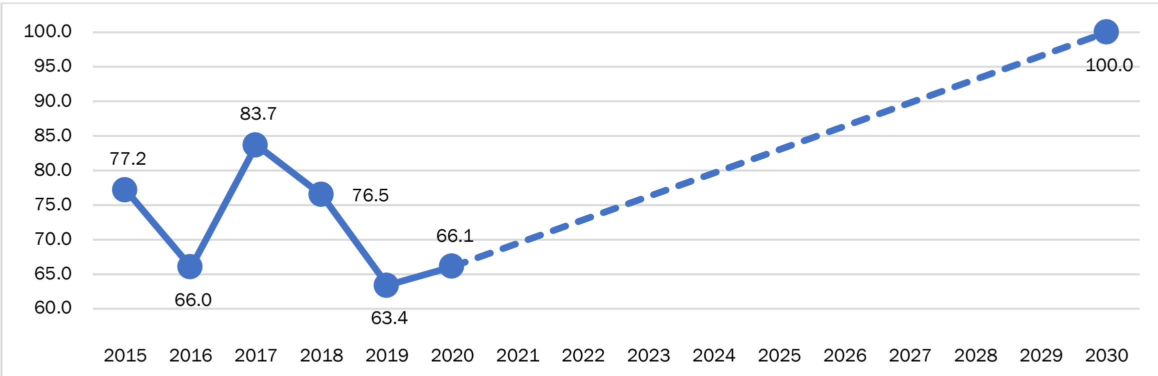
By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education

Early Childhood education programs

An organized learning program such as early childhood and primary education programs, is one consisting of a logical set or sequence of educational activities aimed at reaching pre-determined learning outcomes or completing a certain set of educational tasks. This indicator measures the general level of participation of 5-year-old children in kindergarten. It evaluates if the education system has the capacity to prepare young children for elementary education.

Figure 1.43 below shows that participation rate in organized learning (one year before the official primary entry age) was lowest in SY2019-2020 at 63.4% since the start of SDG monitoring in 2015, equivalent to a 13.8% decrease. Latest data show a 2.7 percent increase in participation in kindergarten in SY2020-2021.

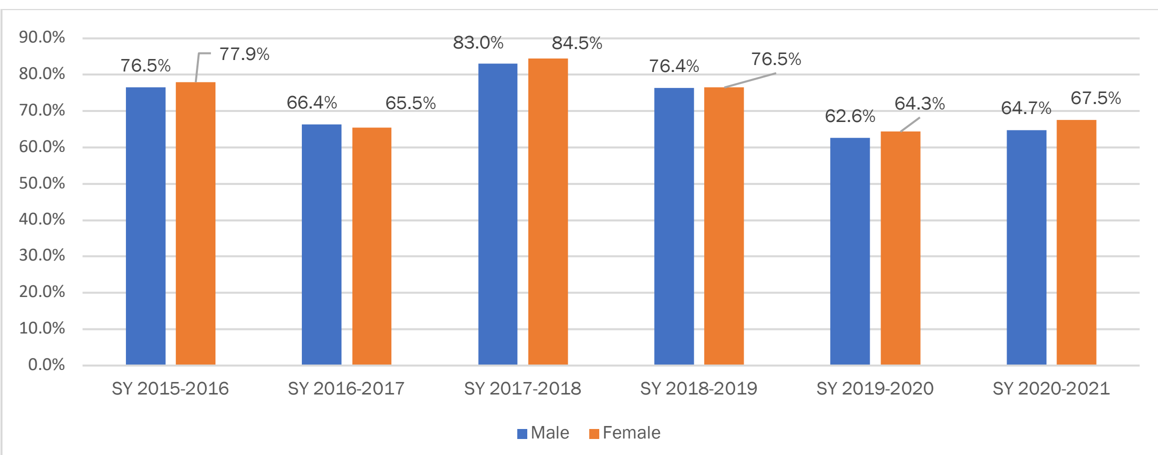
Figure 1.43. Participation rate in kindergarten (one year before the official primary entry age), SY2015-2016 to SY2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2015-2020

Disaggregated data by gender show that participation rate of females in kindergarten is higher than males in SY2015-2016. The following year, both male and female participation rate decreased but the gender gap is only 0.1%. Both rates again increased in SY2017-2018 and decreased since then until the trend is reversed in SY2020-2021. Female participation rate has always been higher during the 6-school year period.

Figure 1.44. Participation rate in kindergarten (one year before the official primary entry age), by sex, SY 2015-2016 to SY 2020-2021



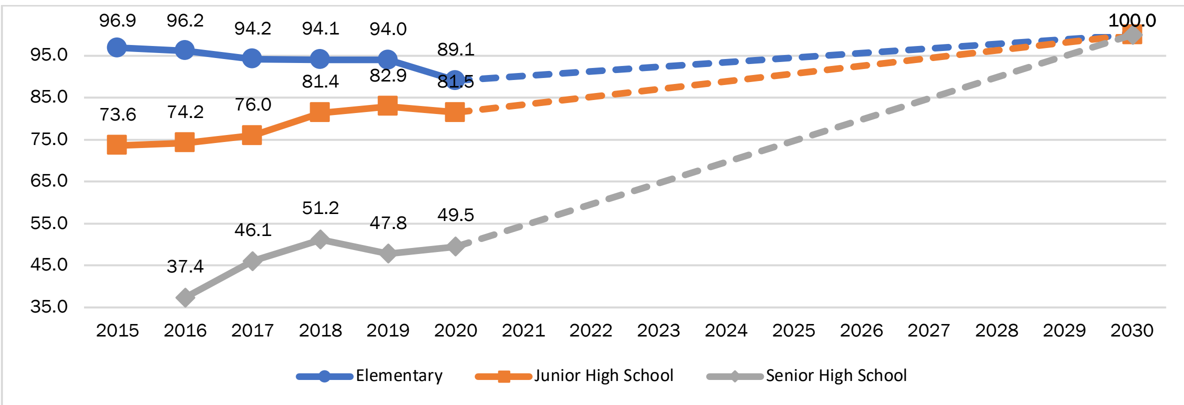
While the magnitude of long-term impact of the pandemic on early childhood care and education is still not clear, it is expected to be most damaging among children in poorer communities and those who are already disadvantaged and in vulnerable situations. Long periods of school closure can greatly affect learning of these children, as kindergarten and early childhood education are critical in developing a child's formative skills.

By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

Net Enrolment Rate in elementary and secondary education

Figure 1.45 below shows that net enrollment rate in decreased in 2020 except at the senior high school level, which saw an increase in enrollment during the school year. Net enrollment rate in elementary education declined from SY2015-2016 to SY2019-2020 by 7.8%. The net enrollment rate in Junior High School has slowly increased since SY2015-2016 but slightly dipped in SY2020-2021. Latest data of 81.5 marks a 7.9 increase since SY2015-2016. Meanwhile, net enrollment rate in Senior High School had an increasing trend from SY2016-2017 to SY2018-2019. However, a 3.4% drop was observed after before increasing by 1.7 percent in SY2020-2021.

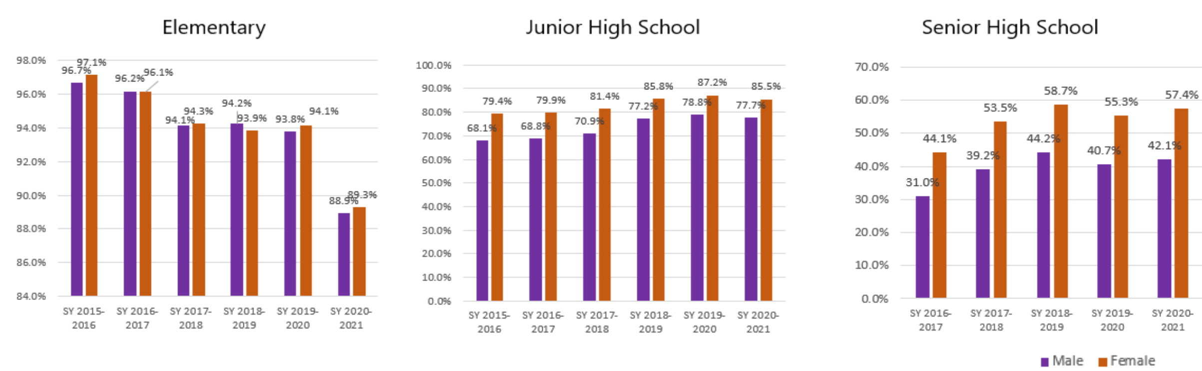
Figure 1.45. Net Enrolment Rate in elementary and secondary education (Junior and Senior High School), SY 2015-2016 to SY 2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2015-2020

At the elementary level, gender data shows that male and female net enrolment rate does not differ by more than 1 percentage point during the reference period. Female enrolment rate is higher in 4 of the 6 school years. At the junior high school level, female net enrolment rate is consistently higher that male NER during the 6-school year period. However, the gap between male and female enrolment rate is decreasing from 11.3 percentage points in SY2015-2016 to 7.8 percentage points in SY2020-2021. Meanwhile, data at the senior high school level shows that female enrolment rate is also consistently higher than those of males. However, the gap between male and female enrolment rate at this level is increasing from 13.1 percentage points in SY2016-2017 to 15.4 percentage points in SY2020-2021.

Figure 1.46. Net Enrolment Rate in elementary and secondary education (Junior and Senior High School), by sex, SY2015-2016 to SY2020-2021



Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

Looking at enrolment data across regions for SY2020-2021, lowest net enrolment rate at the elementary, junior and senior high schools were recorded in BARMM. Region X has the highest elementary net enrolment rate at 97.1% but the region belongs to the 5 lowest regions at the junior and senior high school levels. On the other hand, Region I is one of 5 regions with low elementary enrolment rate but included as one of the top 5 regions at the junior high school level and has the highest senior high school enrolment rate for the same period. Regions III and II consistently belong to the top 5 regions with high enrolment rate among the other regions.

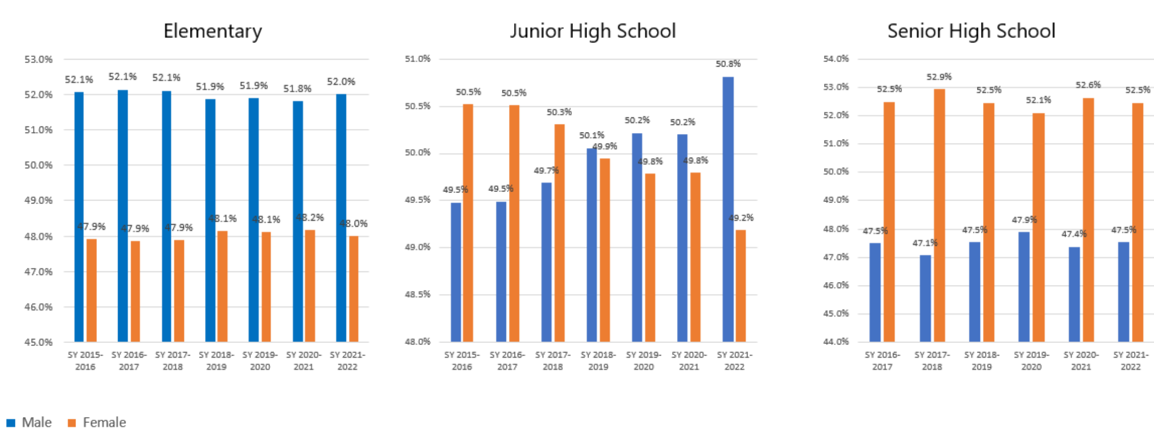
Table 6. Net Enrolment Rate in elementary and secondary education (Junior and Senior High School), by region, SY2020-2021

Region	Elementary	Junior High School	Senior High School
BARMM	69.2%	37.2%	12.8%
Region IX	89.2%	74.8%	38.5%
Region XII	88.7%	77.2%	40.5%
Region X	97.1%	76.5%	41.2%
Region XI	86.3%	81.7%	43.3%
Region V	87.3%	75.1%	43.5%
CARAGA	92.0%	84.4%	46.2%
Region VIII	89.1%	81.6%	48.2%
Region VI	93.9%	87.9%	48.2%
Region VII	93.0%	85.4%	49.7%
Region IV-B	86.2%	80.8%	50.2%
CAR	87.5%	84.9%	52.9%
Region IV-A	92.0%	84.5%	54.8%
NCR	81.1%	85.2%	56.4%
Region III	95.4%	86.1%	60.0%
Region II	93.6%	93.4%	61.4%
Region I	86.2%	90.1%	65.6%
Philippines	**89.1%**	**81.5%**	**49.5%**

Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

In terms of enrolment, total enrolment in elementary level is on a decline since SY 2015-2016 (16.48M) to SY 2020-2021 (14.64M). Public school enrolment has been on a decline since SY2015-2016 (14.9M) to SY2020-2021 (13.7M). On the first year of the pandemic, the share of public-school enrolment increased by 3.4%. At the junior high school level, total enrolment has been increasing from SY 2015-2016 (7.39M) to SY 2020-2021 (8.33M). Public school enrolment has been on the rise since SY2015-2016 (6M) to SY2020-2021 (7M). On the first year of the pandemic, the share of public-school enrolment increased by 2.1%. Meanwhile, senior high school enrolment has been increasing since SY 2016-2017 (1.46M) to SY 2020-2021 (3.2M). Public school enrolment has been on the rise from SY2016-2017 (731,981) to SY2020-2021 (1.98M). On the first year of the pandemic, the share of public-school enrolment increased by 6.1%.

Figure 1.47. Enrolment in elementary and secondary education (Junior and Senior High School), by sex, SY2015-2016 to SY2020-2021



Source of basic data: Enhanced Basic Education Information System, DepEd, SY2015-2016 to SY2020-2021

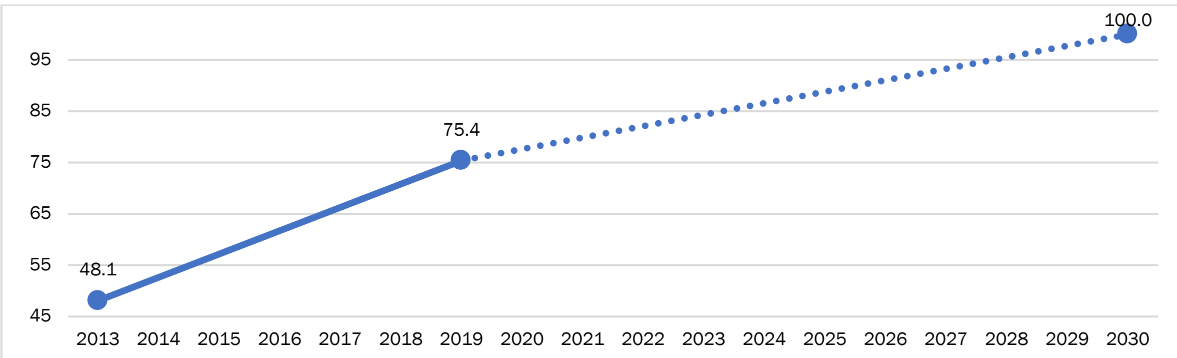
The Department of Education (DepEd) says it recorded a combined total of 27,232,095 enrollees for the school year 2021-2022 for elementary, junior and senior high school levels. This is an increase by 3.83 percent from SY 2020-2021 (26.2M)[73]. Latest data from DepEd recorded a 2.95% increase in total enrolment in elementary, junior and senior high school in SY 2022-2023 (28,035,042)[74].

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

Exposure to Internet

Data from the Functional Literacy, Education and Mass Media Survey (FLEMMS) reveals the proportion of the population with exposure to the internet significantly increased from 2013 to 2019 by 27.3%. 2019 data of 75.4% reflects that about three in every four persons are exposed to the internet.

Figure 1.48. Proportion of population with exposure to internet, 2013 and 2019



Source of basic data: PSA SDG Watch (Functional Literacy, Education and Mass Media Survey (FLEMMS), 2013 and 2019

With the sudden shift to remote and online modality, work and education became highly reliant to internet. The biggest telecommunication companies in the country reported an increased in the number of subscribers during the pandemic.

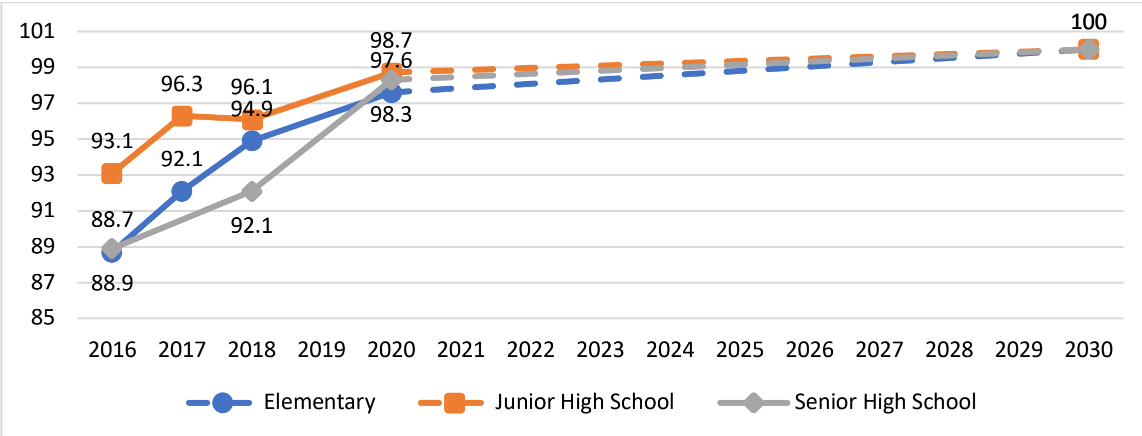
Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all

Schools with Access to Electricity

As seen from Figure 1.49, the proportion of schools with access to electricity has increased in 2020 across all grade levels. The highest proportion of schools with access to electricity is from junior high school with 98.7 percent. Based on the most recent DepEd data, 16 of 17 regions have more than 95% access to electricity[75]. BARMM was 9% behind the 2022 target, whereas REGION IV-A had the greatest percentage of elementary schools with electricity. For junior and senior high school, all regions are not far from the 100% target.

[73] https://www.deped.gov.ph/2021/11/18/deped-posts-4-increase-in-enrollment-for-basic-education-in-sy-2021-2022/
[7474] https://www.deped.gov.ph/2022/08/23/deped-welcomes-over-28m-enrollees-for-sy-2022-2023/
[75] DepEd, "DepEd Data Bits February 2022" (2022), at: https://www.deped.gov.ph/wp-content/uploads/2022/04/Data-bits-Electricity-Supply-as-of-14-February-2022-2.pdf

Figure 1.49. Proportion of schools with access to electricity, SY2016-2017 to SY2020-2021

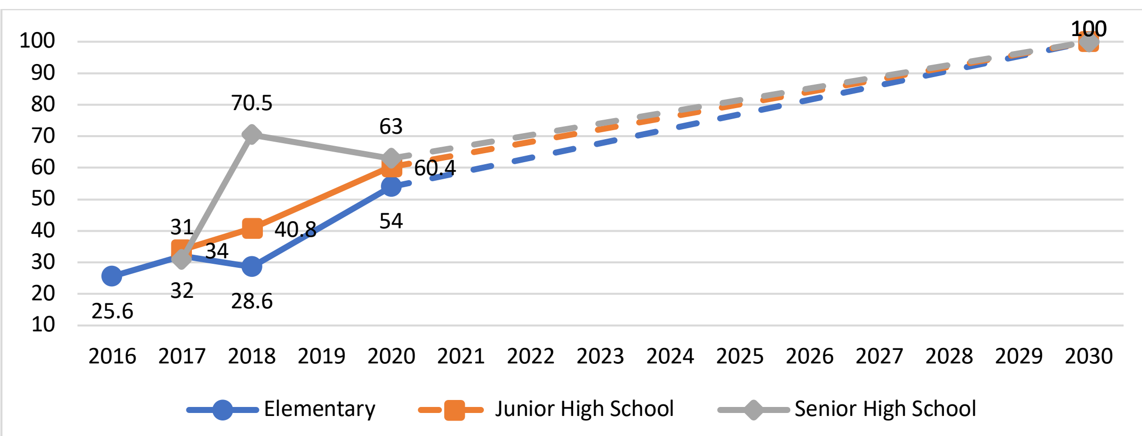


Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), SY2016-2017 to SY2020-2021

Schools with Access to Internet

For schools with internet access for pedagogical purposes, senior high school ranked with the highest proportion with 63 percent, followed by junior high school with 60.4 percent, and elementary with 54 percent (Figure 1.50). Efforts to provide internet access in schools must be increased in order to meet the 2030 target of providing 100 percent access to all grade levels, especially in areas where blended learning is often implemented.

Figure 1.50. Proportion of schools with access to Internet for pedagogical purposes, SY2016-2017 to SY2020-2021

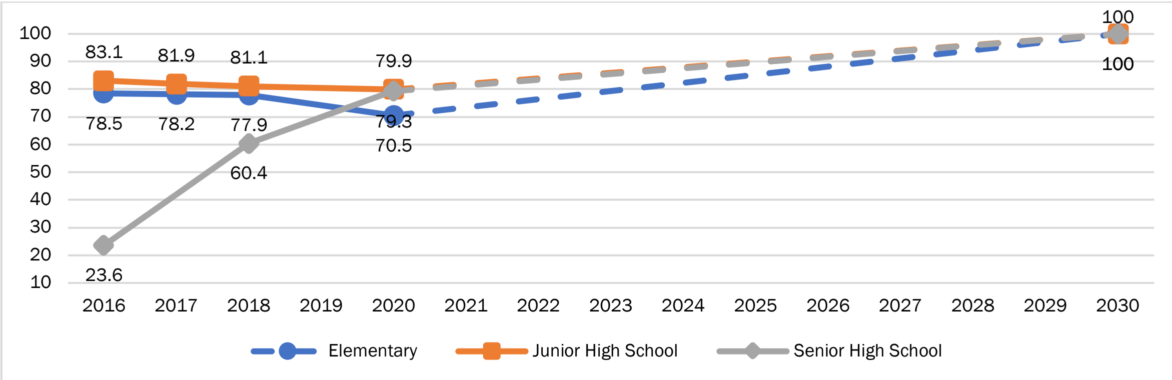


Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), SY2016-2017 to SY2020-2021

Schools with Access to Computers

In terms of computer access for pedagogical purposes in schools, elementary and junior high school levels slightly decreased proportion in 2022, while senior high school levels climbed by around 19 percent from 2018 and 2020.

Figure 1.51. Proportion of schools with access to computers for pedagogical purposes, SY 2016-2017 to SY 2020-2021

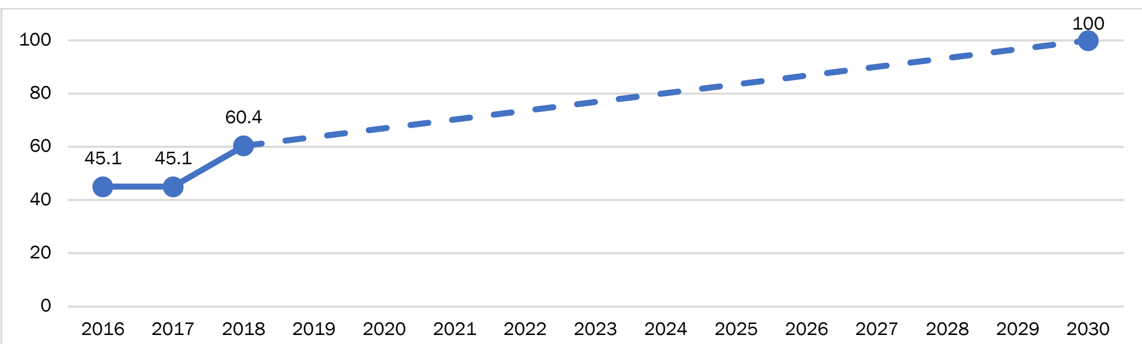


Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), SY2016-2017 to SY2020-2021

Schools with Access to Single-Sex Basic Sanitation Facilities

Figure 1.52 indicates proportion of schools with access to single-sex basic sanitation facilities where it significantly increased from 45.1 percent in SY2017-2018 to 60.4 percent the following school year. While there has been an increase, access to single-sex basic sanitation facilities could still be improved to achieve the 2030 goal of providing sanitation facilities for all. For efficient infection prevention and control, particularly in an educational setting, access to sanitation, water, and hygiene services is essential.

Figure 1.52. Proportion of schools with access to single-sex basic sanitation facilities, SY2016-2017 to SY2018-2019



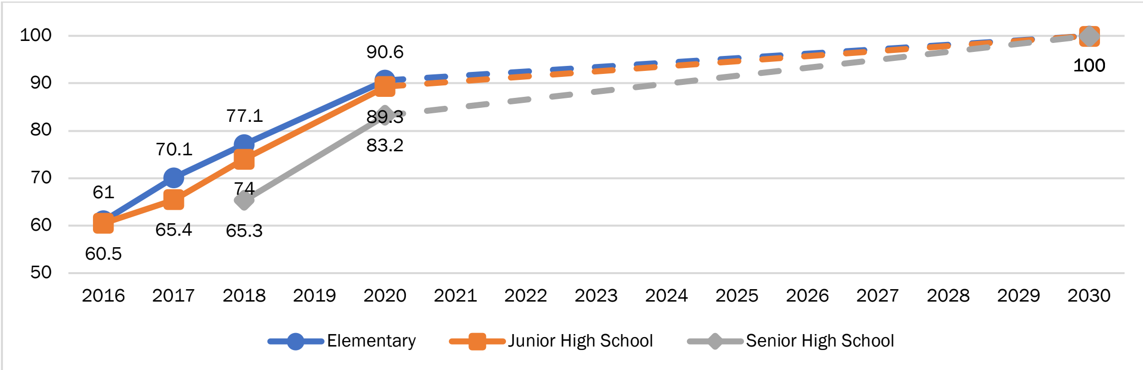
Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2016-2019

Schools with Access to Handwashing Facilities

The proportion of schools with access to basic handwashing facilities has been continuously improving over the years (Figure 1.53). In the Department of Education's WinS (Comprehensive Water, Sanitation and Hygiene (WASH) in Schools) Program monitoring report for school year 2017-2018 to 2019-2020, the number of schools meeting the indicators and complying with the five WASH indicators has tripled[76]. Practicing handwashing and keeping a safe, clean, and healthy learning environment are both extremely effective ways to decrease the spread of the COVID-19 virus and other infectious illnesses.

[76] DepEd, "DepEd WinS Report: More schools make great progress in water, sanitation, and hygiene conditions" (2021), at: https://www.deped.gov.ph/2021/03/09/deped-wins-report-more-schools-make-great-progress-in-water-sanitation-and-hygiene-conditions/

Figure 1.53. Proportion of schools with access to basic handwashing facilities (as per the WASH indicator definitions), SY2016-2017 to 2020-2021



Source of basic data: PSA SDG Watch (Enhanced Basic Education Information System, DepEd), 2016-2020

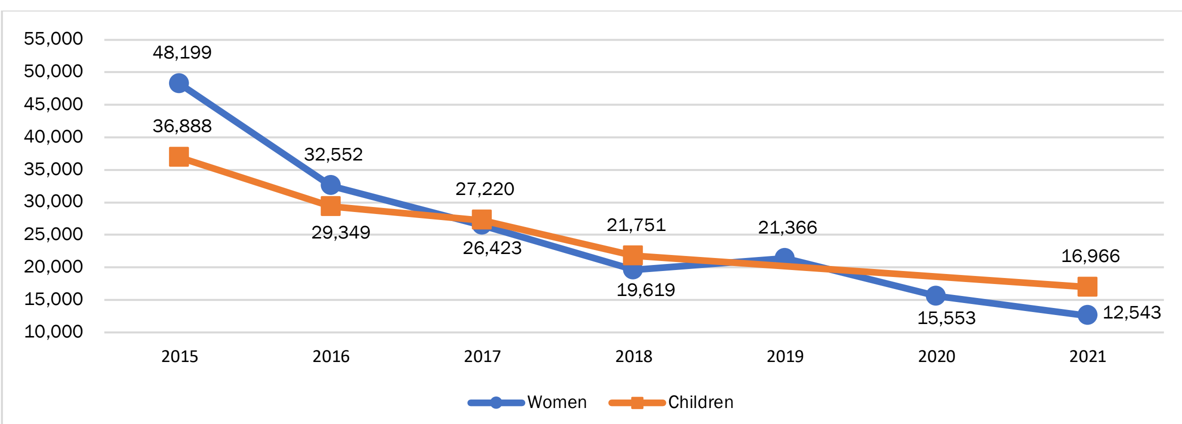
Goal 5 | Achieve Gender Equality and Empower All Women and Girls

5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

Abuse cases among women and children

Available data show that the number of reported abuse cases among women and children both declined (Figure 1.54). Reported abuse among women decreased by more than 70 percent from 2015 to 2021. On the other hand, reported cases of abuse among children were reduced by more than half in 2021. Less than 20,000 abuse cases were reported for both women and children in 2021 with 12, 543 and 16,966 reported abuse cases among women and children, respectively. The decline noted on the number of reported cases in 2020 and 2021 might be due to limitations brought by the lockdown, which hindered victims to report their abuse to authorities.

Figure 1.54. Number of reported abuse cases among women and children, 2015-2021



Source of basic data: PSA SDG Watch (Administrative data, PNP), 2015-2021

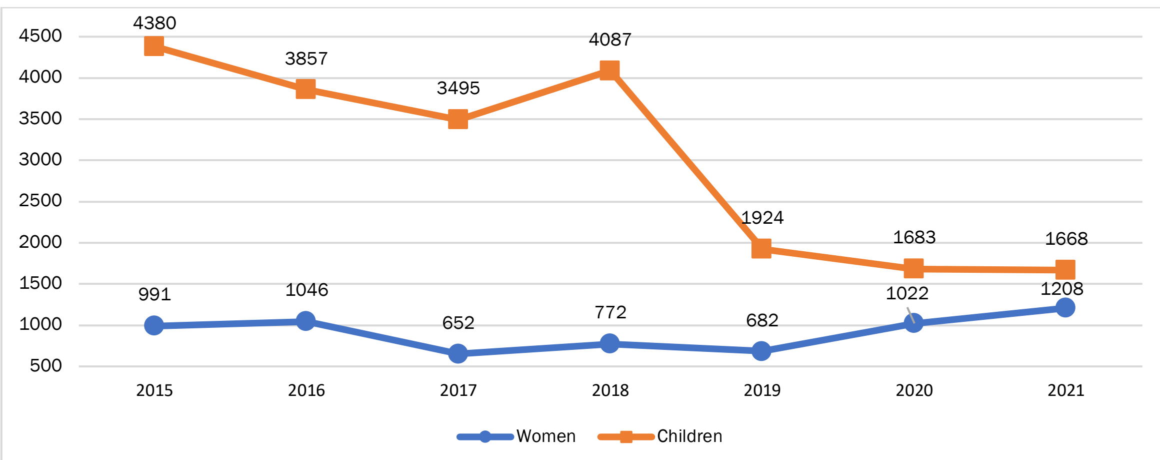
The Commission on Population reported that one in every four Filipinos cite violence as among the top concerns of women during the pandemic. Among the various forms of violence against women, physical violence was the top-of-mind concern of Filipinas at 11% while sexual and emotional violence was at 7% each[77].

Save the Children Philippines reported higher incidence of violence against children during the pandemic due to lockdown measures resulting to income loss. The report revealed that at least 1 in 6 children experienced violence at home during the pandemic, mostly physical and verbal abuse by parents or caregivers[78]. As online learning was central during the pandemic, children also became more vulnerable to cyberbullying, risky online behavior and sexual exploitations. Online sexual abuse also became a concern amid the pandemic because of deepening poverty among families[79].

Violence against women and child abuse

While a significant decline was observed on the number of cases served by DSWD on violence against children from 2016 to 2021, the number of cases served on women abuse increased for the same period. Figure 1.55 shows that cases served on violence against children sharply dropped in 2019 and has since declined with latest data at 1,668 cases served in 2021. Meanwhile, cases served on women abuse has increased during the period covering the outbreak of the pandemic in the country. It increased to more than a thousand cases in 2020 and 2021 after recording 682 cases pre-pandemic in 2019.

Figure 1.55. Number of cases served by DSWD on violence against among women and child abuse, 2015 -2021



Source of basic data: PSA SDG Watch (Administrative data, DSWD), 2015-2021

5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation

Women aged 20-24 years who were married or in a union before age 15 and 18

The figure below reveals the increasing trend of women who were married or in a union before they reached 15 and 18 years of age, respectively. Latest data from the National Health and Demographic Survey in 2017 show that 2.2% of women aged 20-24 years old were already in a union or marriage before they turned 15 years old. On the other hand, 16.5% of the same set of women covered by the NHDS were married before age 18.

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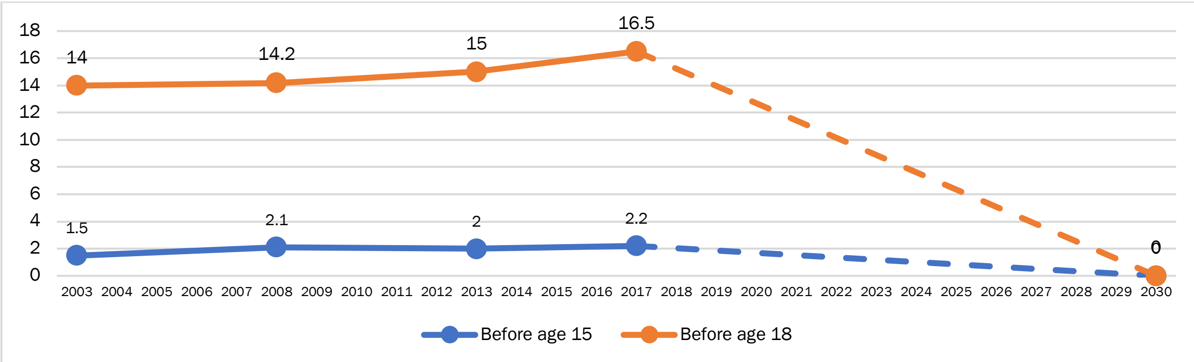
[77] POPCOM, "POPCOM: 1 out of 4 Pinoys cite violence vs women as top concern during pandemic" (n.d.), at: https://popcom.gov.ph/popcom-1-out-of-4-pinoys-cite-violence-vs-women-as-top-concern-during-pandemic/

[78] Save the Children, "The Hidden Impact of COVID-19 on Child Protection and Well-Being: Violence against children at home spiked during pandemic-Save the Children research reveals" (n.d.), at: https://www.savethechildren.org.ph/our-work/our-stories/story/the-hidden-impact-of-covid-19-on-child-protection-and-well-being/

[79] Reliefweb, "Online sexual abuse of children rising amid COVID-19 pandemic-Save the Children Philippines" (2021), at: https://reliefweb.int/report/philippines/online-sexual-abuse-children-rising-amid-covid-19-pandemic-save-children

Figure 1.56. Proportion of women aged 20-24 years who were married or in a union before age 15 and before age 18



Source of basic data: PSA SDG Watch (NDHS, PSA), 2003-2017

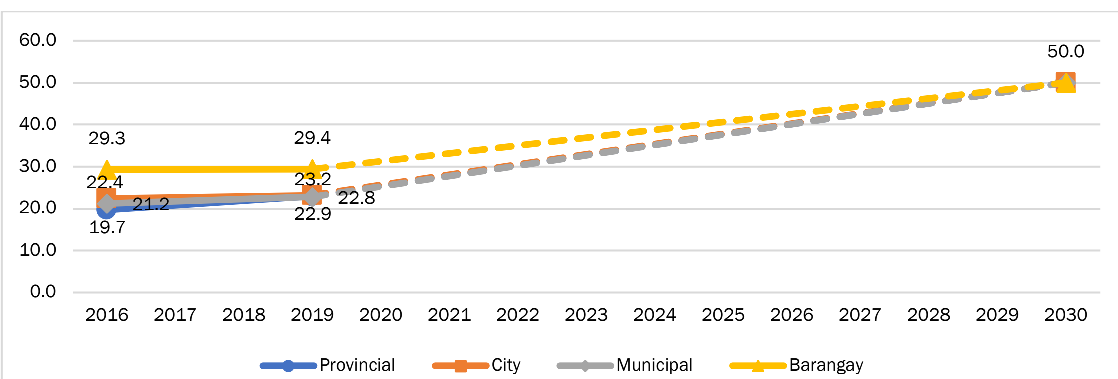
5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life

Seats held by women in national congress and local governments

In order to fully realize their role as agents and beneficiaries of development, women's right to participation and representation in all sectors of life is critical. To this end, this indicator aims to promote and accelerate women's participation and representation in elective political positions. Despite the fact that women make about half of the country's population, they only hold roughly one-fifth of government elected seats. Women in crucial government positions have demonstrated that they are just as capable and effective as their male counterparts when it comes to leadership and decision-making. According to the Philippine Commission on Women, women were elected and occupied less than 22 percent of public office from 1998 to 2016, reaching its peak in the 2016 elections at 21.44 percent. Moreover, only 8,782 or 20.16 percent of candidates in the 2019 National and Local Elections were female[80].

The proportion of seats held by women in (a) national parliaments has remained at 28.7 percent in 2016 and 2019. At the local level, however, a slight increase in the proportion of seats held by women was recorded at all levels from 2016 to 2019, the provincial level recording the highest increase of 3.2 percent from 19.2 percent in 2016 to 22.9 percent in 2019. Except at the barangay level, women's participation in elective positions represent less than half of the target by 2030.

Figure 1.57. Proportion of seats held by women in local governments (Province, City, Municipal and Barangay), 2016 and 2019



Source of basic data : PSA SDG Watch (ERSD, Comelec), 2016 and 2019

[80] PCW, "Women's Political Participation and Representation" (2020), at: https://pcw.gov.ph/womens-political-participation-and-representation/#:~:text=From%201998%20to%202016%2C%20the,of%20the%20candidates%20were%20female.

Goal 6 Ensure Access to Clean Water and Sanitation

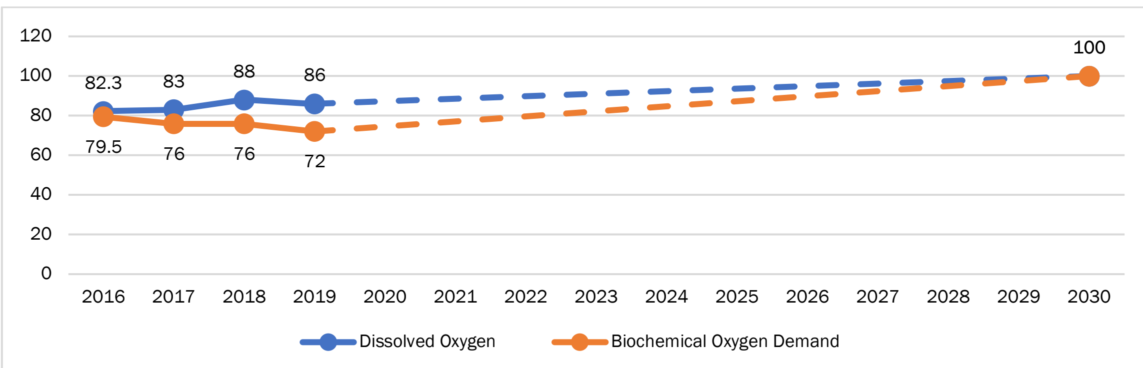
6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, having the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

Monitored bodies of water with good ambient water quality

This indicator is officially defined as the proportion of water bodies in the country that have good ambient water quality. Ambient water quality is referred to as natural, untreated water in rivers, lakes, and ground waters and reflects a combination of natural influences as well as the effects of all anthropogenic activities. The indicator is based on water quality data acquired from in-situ measurements and the analysis of surface and groundwater samples[81].

According to the National Water Quality Status Report, 72 percent of the monitored for Biochemical Oxygen Demand (BOD) were rated with good ambient water quality while 82 percent for Dissolve Oxygen (DO).

Figure 1.58. Proportion of monitored bodies of water with good ambient water quality, 2016-2019



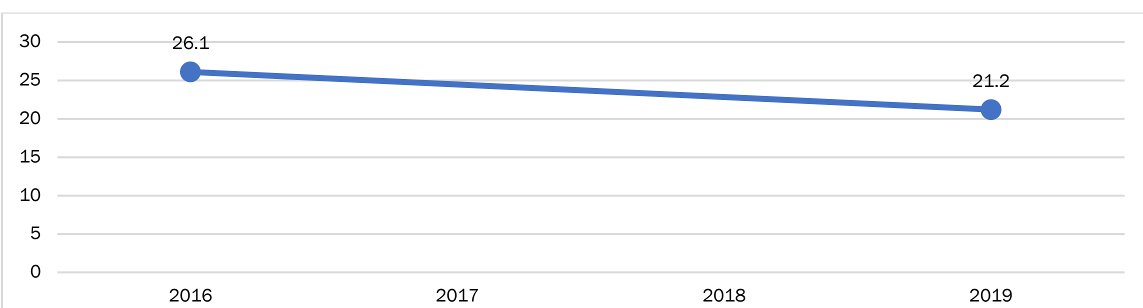
Source of basic data : PSA SDG Watch (National Water Quality Status Report, EMB-DENR, PSA), 2016-2019

6.5 By 2030, implement integrated water resources management at ll levels, including through transboundary cooperation as appropriate

Implementation of programs and projects

As seen from Figure 1.59, according to the River Basin Control Office of the Department of Environment and Natural Resources, the percentage of implementation of programs and projects identifies in the Integrated River Basin Masters Plans (IRBMP) decreased around 5 percentage points from 2016 to 2019.

Figure 1.59. Percentage of implementation of programs and projects identified in the Integrated River Basin Master Plans (IRBMP), 2016 and 2019



*Source of basic data : PSA SDG Watch (Admin data, RBCO-DENR), 2016 and 2019*Goal 7 Ensure Access to

[81] Global SDG Indicator Platform, "6.3.2 Proportion of Bodies of Water with Good Ambient Water Quality" (n.d.) at: https://sdg.tracking-progress.org/indicator/6-3-2-proportion-of-bodies-of-water-with-good-ambient-water-quality/

Goal 7 Affordable Reliable Sustainable and Modern Energy for All

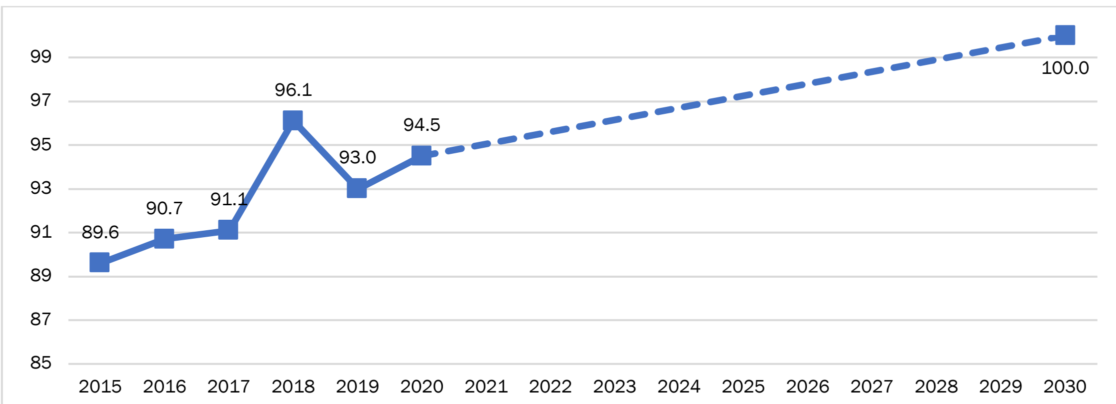
By 2030, ensure universal access to affordable, reliable and modern energy services

Access to electricity

2020 data from the Department of Energy shows that the proportion of population with access to electricity is slowly moving towards the 2030 target, with only 5.5% left to reach the target. Meanwhile, according to the 38th Electric Power Industry Reform Act (EPIRA) Implementation Status Report of the DOE, the household electrification level in the Philippines was at 92.96% in 2020[82].

According to the 2020 Power Situation Report of the Department of Energy, "the declaration of community quarantine caused huge economic losses in a number of businesses and commercial establishments, resulting in an evident slowdown in the operations of the commercial and industrial sectors. Additionally, the travel restrictions put in place by the Philippine Government across the entire country limited the movement of the people which further hindered the otherwise expected demand growth"[83].

Figure 1.60. Proportion of population with access to electricity, 2015-2020



Source of basic data: PSA SDG Watch (Rural Electrification Administration Management Division, Electric Power Industry Management Bureau, Department of Energy), 2015-2020

Goal 8 Promote Sustained, Inclusive and Sustainable Economic Growth, Full and Productive Employment and Decent Work for All

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Unemployment rate

Prior to the pandemic, the unemployment rate was at 5.1%, which was 0.1% away from the 2030 target of 5%. This was immensely reversed (unemployment rate doubled) in 2020 as many lost jobs and many businesses closed due to extensive lockdowns and health concerns due to the COVID-19 pandemic. Of the 43.9 million economically active Filipinos in 2020, an estimated 4.5 million are unemployed, representing 10.3 percent of the labor force and is the highest recorded annual unemployment rate since

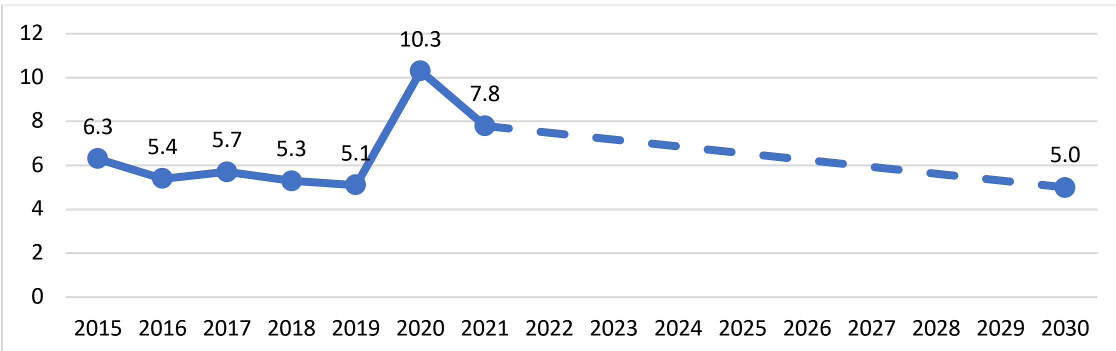
[82] DOE (2021) 38th Electric Power Industry Reform Act (EPIRA) Implementation Status Report (For the Report Period April 2021). Retrieved from: https://www.doe.gov.ph/sites/default/files/pdf/electric_power/38th_epira_report_april-2021.pdf?withshield=1 (Page 84)

[83] DOE, "2020 Power Situation Report" (2020), at: https://www.doe.gov.ph/electric-power/2020-power-situation-report

April 2005. This reflects the impact of long periods of community quarantines and business closures, which greatly affected the working population.

In the following year, 2021, the unemployment rate registered at 7.8 percent, which equates to 3.71 million of the total 47.70 million economically active 15 years old and above. Unemployment rates in NCR (10.6%), Region IV-A (10.6%); BARMM (9.2%), Region V (8.2%), and MIMAROPA (7.9%) were higher than the national unemployment rate of 7.8 percent. Moreover, according to the Labor Force Survey, Olongapo city is found to have the highest unemployment rate with 14.4 percent followed closely by Camarines Norte with an unemployment rate of 14.1 percent.

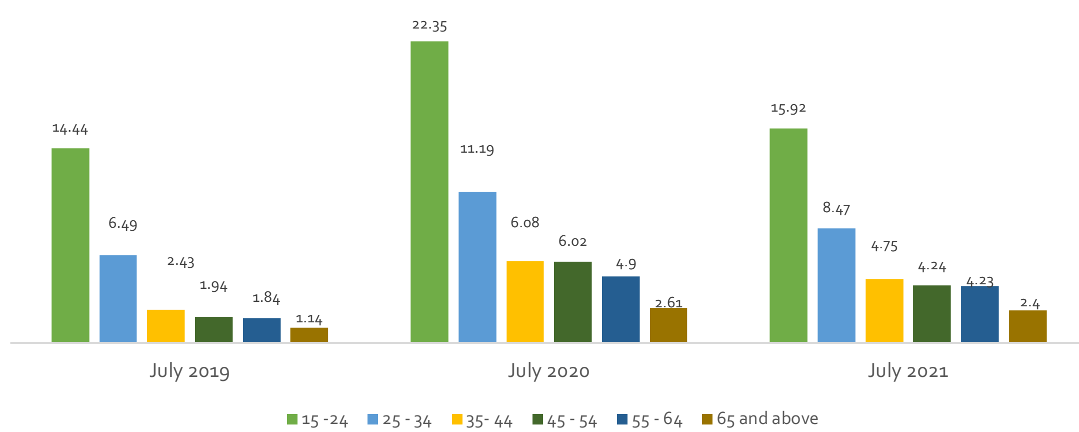
Figure 1.61. Unemployment rate, 2015-2021



Source of basic data: PSA Labor Force Survey, 2015-2021

Disparities in progress towards reducing unemployment across age group and gender persist. The Labor Force Survey revealed that unemployment was highest among 15–24-year-old population. In July 2020, unemployment among the youth peaked at 22.35% which is way higher than the same period in 2019 (14.44%). While July 2021 data shows a decline in unemployment rate (15.92%) among this age group from the previous year, it is still higher than the pre-pandemic level. July 2021 data shows that unemployment among the youth in the labor force has increased by 1.48% compared to unemployment rate in this age group in the same reference period in 2019.

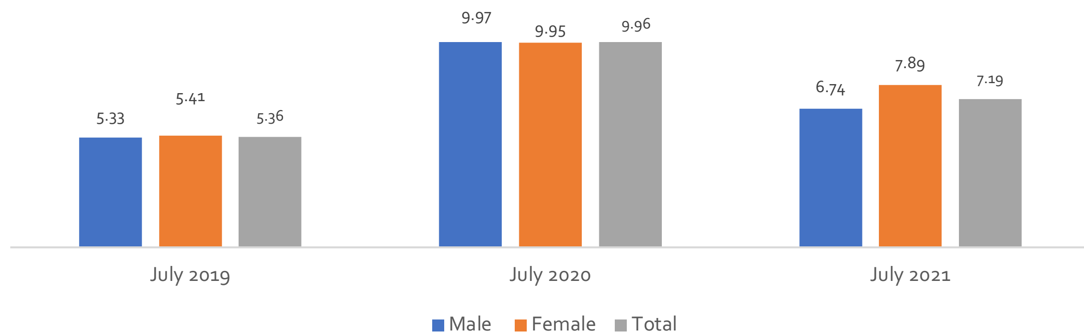
Figure 1.62. Unemployment rate, by age group, July 2019, July 2020 and July 2021



Source of basic data: PSA Labor Force Survey, 2015-2021

Meanwhile, looking at available gender disaggregated data on unemployment, unemployment rate among females has increased by 2.48% in July 2021 compared to the same reference period in 2019. On the other hand, unemployment rate among males increased by 1.41%.

Figure 1.63. Unemployment rate, by sex, July 2019, July 2020 and July 2021



Source of basic data: PSA Labor Force Survey, 2015-2021

According to the most recent Labor Force Survey statistics, the unemployment rate for July 2022 is 5.22 percent, the lowest recorded unemployment rate since January 2022 and the lowest of any July round since 2005. The number of unemployed persons fell from 3.23 million in July 2021 to 2.60 million in July 2022.

Manufacturing, education, human health and social work activities, mining and quarrying, and information and communication were among the sub-sectors with the highest drop in employment between April and July 2022[84]. Five of the 17 regions had unemployment rates higher than the national figure of 5.2 percent in July 2022. These are National Capital Region (NCR) (6.9%), Region IV-A (CALABARZON) (6.3%), Region VI (Western Visayas) (6.0%), Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) (5.6%), and Region X (Northern Mindanao) (5.3%).

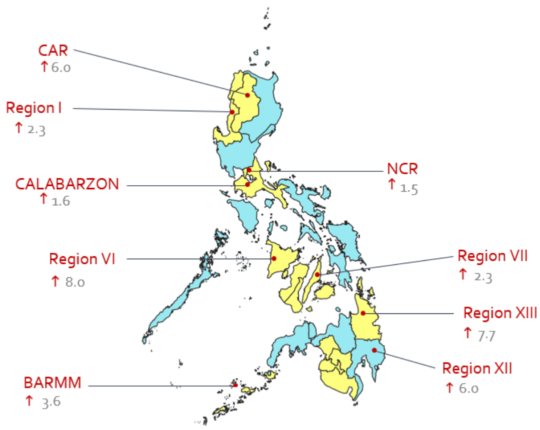
An ADB study done in 2021 on the Covid-19 impact on Micro, Small and Medium-Sized Enterprises under the lockdown revealed that temporary closing of micro, small, and medium-sized enterprises under the lockdown have greatly contributed to unemployment.[85] Loss of jobs and livelihood is exacerbated in places where rural poverty and inequality are extreme, with severe implications for children's nutrition.

Underemployment rate

Underemployment rate in the country has increased to 17.3% in July 2020, and further rose to 21% in the same period in 2021. While the national underemployment rate has gone down based on latest data as of July 2022 to 13.8%, underemployment in 9 of the 17 regions has increased from their 2019 level. The following regions includes Region VI (8%), Region XIII (7.7%), Region XII (6%), Cordillera Administrative Region (6%), Bangsamoro Autonomous Region in Muslim Mindanao (3.6%), Region I (2.3%), Region VII (2.3%), Region IV-A (1.6%) and National Capital Region (1.5%).

[84] PSA, "Employment Rate in July 2022 is Estimated at 94.8 Percent" (2022), at: https://psa.gov.ph/content/employment-rate-july-2022-estimated-948-percent
[85] Shinozaki, S., Rao, L. (2021) COVID-19 Impact on Micro, Small, and Medium-sized Enterprises under the lockdown: Evidence from a rapid survey in the Philippines. Asian Development Bank Institute. Retrieved from: https://www.adb.org/sites/default/files/publication/677321/adbi-wp1216.pdf

Figure 1.64. Underemployment rate, by region, July 2019, July 2020, July 2021 and July 2022



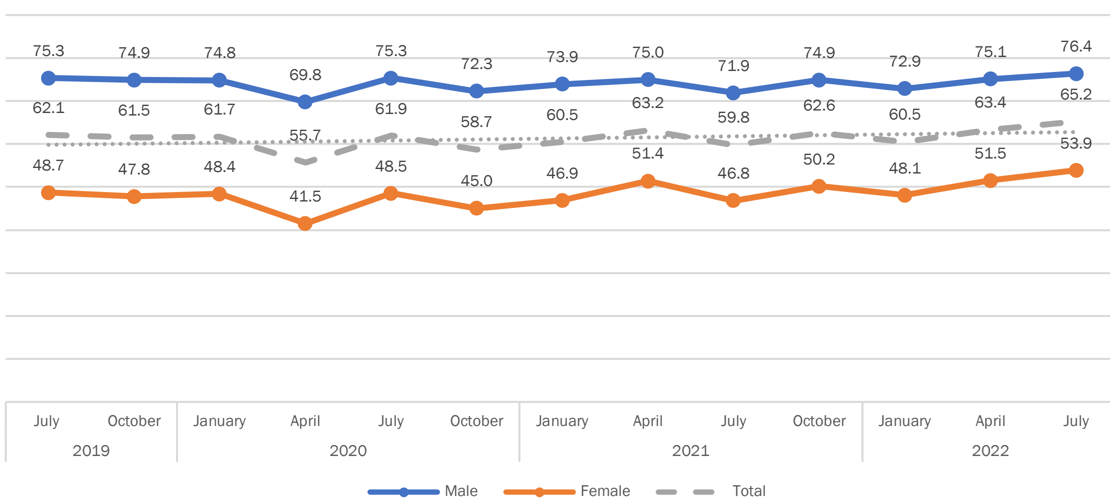
Region	July 2019	July 2020	July 2021[r]	July 2022[p]	Difference (2022 v. 2019)
Philippines	**13.9**	**17.3**	**21.0**	**13.8**	**(0.1)**
Region VI (Western Visayas)	8.6	10.4	25.3	16.6	8.0
Region XIII (Caraga)	17.8	17.1	27.9	25.5	7.7
Region XII (SOCCSKSARGEN)	17.1	22.2	23.8	23.1	6.0
Cordillera Administrative Region (CAR)	10.9	17.2	21.5	16.9	6.0
Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)	9.8	9.0	19.6	13.4	3.6
Region I (Ilocos Region)	15.1	15.8	21.2	17.4	2.3
Region VII (Central Visayas)	12.3	17.0	24.0	14.6	2.3
Region IV-A (CALABARZON)	12.3	21.9	19.0	13.9	1.6
National Capital Region (NCR)	6.2	11.5	14.2	7.7	1.5
MIMAROPA Region	22.5	27.2	31.2	22.0	(0.5)
Region IX (Zamboanga Peninsula)	15.4	14.4	25.1	12.9	(2.5)
Region II (Cagayan Valley)	17.7	21.8	25.0	15.1	(2.7)
Region III (Central Luzon)	9.7	15.8	14.4	7.0	(2.8)
Region XI (Davao Region)	12.0	9.2	17.2	7.7	(4.3)
Region VIII (Eastern Visayas)	21.4	21.2	27.3	16.0	(5.4)
Region V (Bicol Region)	25.5	23.3	30.3	19.4	(6.0)
Region X (Northern Mindanao)	25.5	24.1	20.5	13.3	(12.3)

Source of basic data: PSA Labor Force Survey, 2015-2021

Labor force participation rate

Labor force participation rate (LFPR) has slightly declined in 2020 but has now risen from pre-pandemic level. Recent data from the Labor Force Survey indicate that in July 2022, the LFPR was set at 65.2 percent, equating to 49.99 million Filipinos aged 15 and above who were either employed or unemployed. The LFPR reported in July 2022 was the second-highest rate since the year 2022 began, with the highest rate reported in March 2022 at 65.4 percent. The LFPR among males has consistently been higher at 76.4 percent in July 2022 than that of women, who had an LFPR of 53.9 percent over the same period. Eight regions fell below the national average LFPR of 65.2 percent in July 2022. These regions were NCR (62.4%), Region III (Central Luzon) (64.3%), Region IV-A (CALABARZON) (65.0%), Region V (Bicol Region) (60.8%), Region VI (Western Visayas) (65.0%), Region VIII (Eastern Visayas) (65.0 %), Region XI (Davao Region) (62.7%), and BARMM (60.3%).

Figure 1.65. Labor Force Participation rate, July 2019-July 2022



Source of basic data: PSA Labor Force Survey, 2015-2021

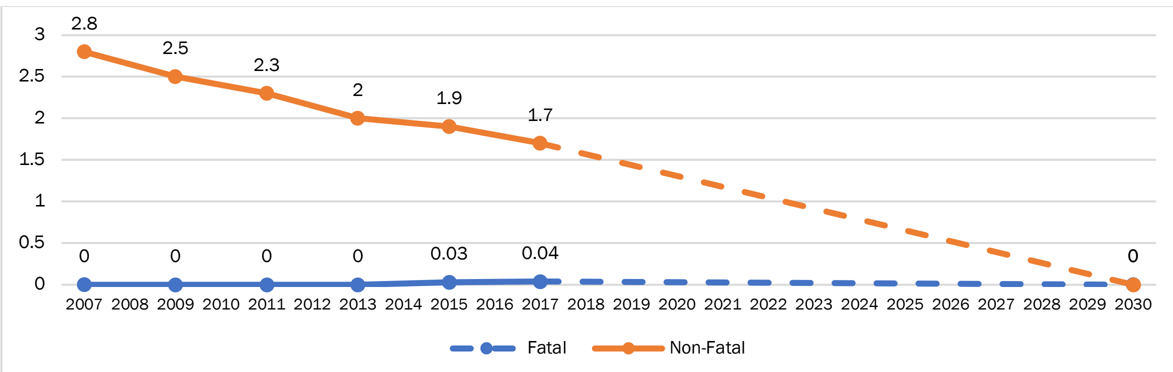
8.8 Promote labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Frequency rates of fatal and non-fatal occupational injuries

PSA officially defines occupational injuries as an injury caused by a work-related incident or a single instantaneous exposure in the workplace (occupational accident). When many people are hurt in a single accident, each case of occupational injury should be counted individually. If a single person is wounded in more than one occupational accident within the reference period, each injury should be counted separately. Recurrent absences related to an injury sustained in a single workplace accident should be recognized as a continuation of the same case of occupational injury rather than as a new case.

There has been a steady decline among non-fatal occupational injuries from 2007 to 2017 while a 0.01 percent increase was observed in fatal injuries between 2015 and 2017 (Figure 1.66). In the latest Integrated Survey on Labor Employment 2019 results, occupational injuries decreased from 46,283 in 2017 to 40,892 in 2019. Furthermore, manufacturing had the largest proportion of occupational injuries in 2019, accounting for 42.7 percent of all cases. Administrative and support service activities came in second with 11.1 percent, followed by construction services with 9.5 percent[86].

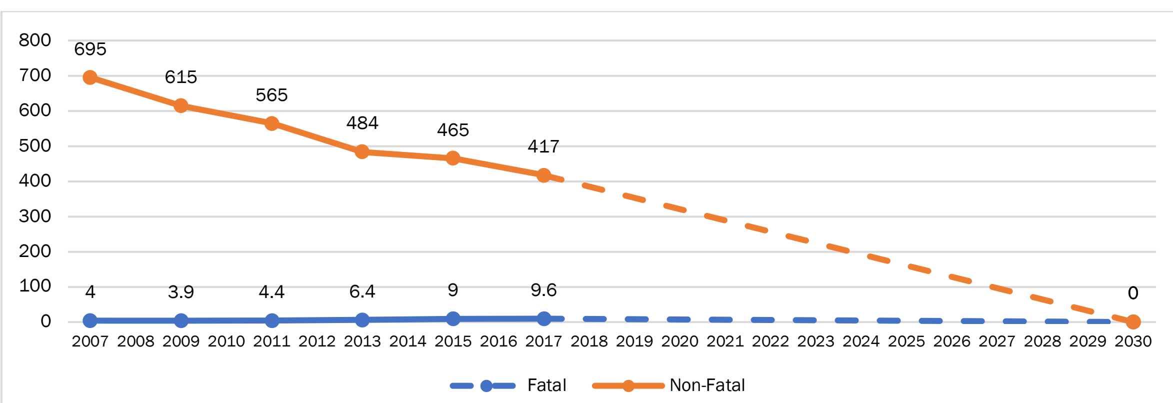
Figure 1.66. Frequency Rates of Fatal and Non-Fatal Occupational Injuries, 2007-2017



Source of basic data: PSA SDG Watch (Integrated Survey on Labor and Employment, PSA), 2007-2017

Incidence rate of occupational injuries per 100,000 employed persons decreased for non-fatal injuries over the years but increased for fatal injuries during 2015 then continue to increase in 2017.

Figure 1.67. Incidence rate of Occupational Injuries, Fatalities and Non-Fatalities per 100,000 employed persons



Source of basic data: PSA SDG Watch (Integrated Survey on Labor and Employment, PSA), 2007-2017

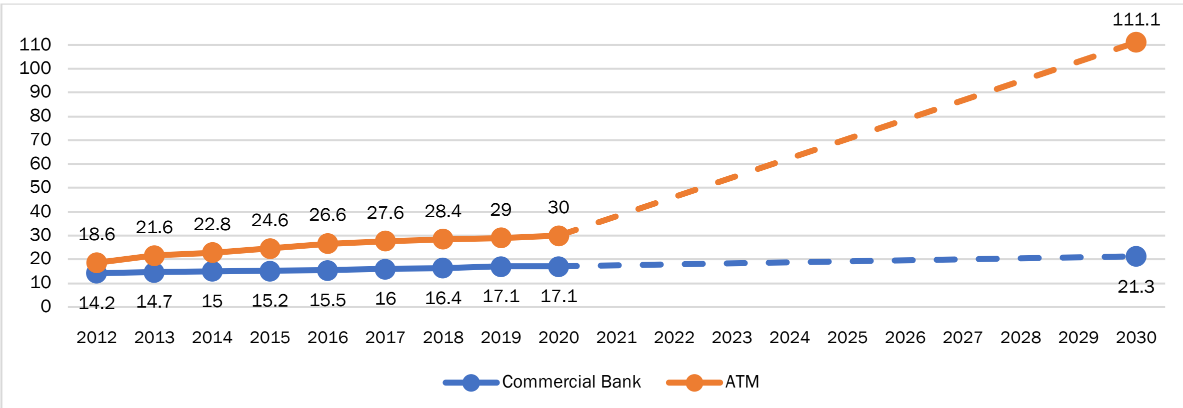
[86] PSA, "Highlights of the 2019/2020 Integrated Survey on Labor and Employment (ISLE) - Module on Occupational Injuries and Diseases (OID): 2019" (2019), at: https://psa.gov.ph/isle/releases/node/167577

8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

Commercial bank branches and ATMs

The number of commercial bank branches and number of automated teller machines (ATMs) per 100,000 adults has been observed to be increasing since 2012 however, it is still far from the 2030 goal of 111.1 percent for ATMs and 21.3 percent for commercial banks.

Figure 1.68. Number of commercial bank branches and number of automated teller machines (ATMs) per 100,000 adults, 2012-2020

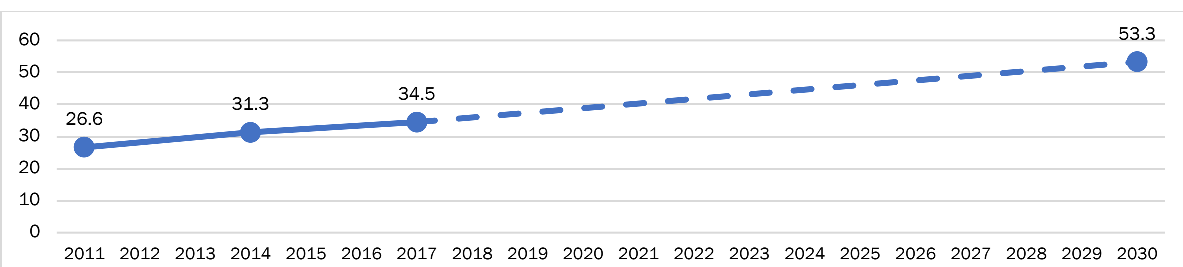


Source of basic data: PSA SDG Watch (Banking Statistics, Banko Sentral ng Pilipinas & Populations Projections, PSA), 2012-2020

Adults with a bank account

Regarding bank ownership of adults 15 years and older, illustrated in Figure 1.69 the 3.2 percent increase from 2014 to 2017. In BSP's 2021 Financial Inclusion Survey, account ownership has grown substantially to 56 percent in 2021 from 29 percent in 2019, the highest growth to date for the country. This is equivalent to 20.9 million in 2019 to 42.9 million in 2021 adults becoming financially integrated in just two years. Interestingly, e-money accounts surpassed the bank accounts as the most-owned account in 2021, with 27.5 million and 18 million owners, respectively.

Figure 1.69. Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider, 2011, 2014, and 2017



Source of basic data: PSA SDG Watch (World Bank Findex), 2011-2017

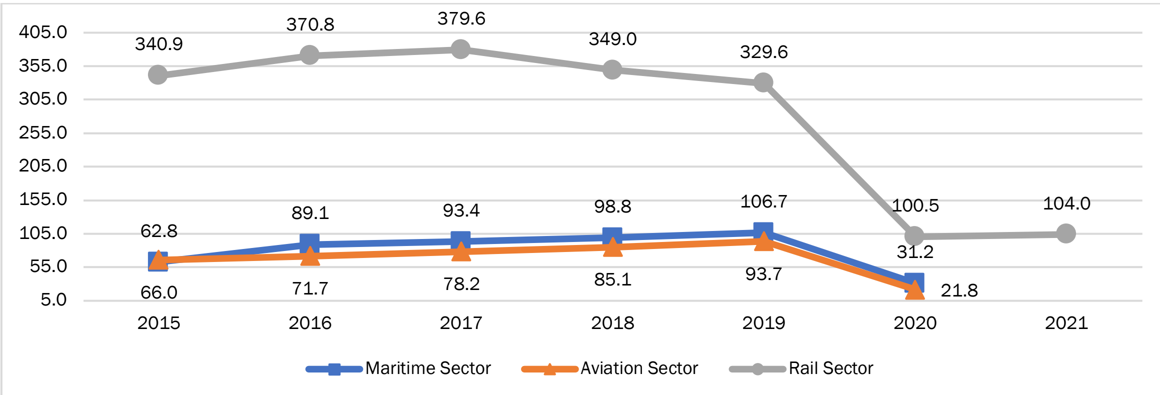
Goal 9 | Build Resilient Infrastructure, Promote Inclusive and Sustainable Industrialization and Foster Innovation

9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

Passenger and freight volumes, by mode of transport

The Covid-19 pandemic has affected transportation of passengers as the world halted many activities in stringent lockdowns. Figure 1.74 below shows the sharp decline in passenger volume in maritime, aviation and rail sectors in 2020. Maritime passenger volume recorded a 57.9M decline from 89.1 in 2016 to 31.2M in 2020. Aviation sector recorded a 49.9M decline in 2020. Most affected is the rail sector with a 270.3M decline in passenger volume in 2020. Easing of restrictions on mobility resulted to a slight increase in passenger volumes in the rail sector in 2021.

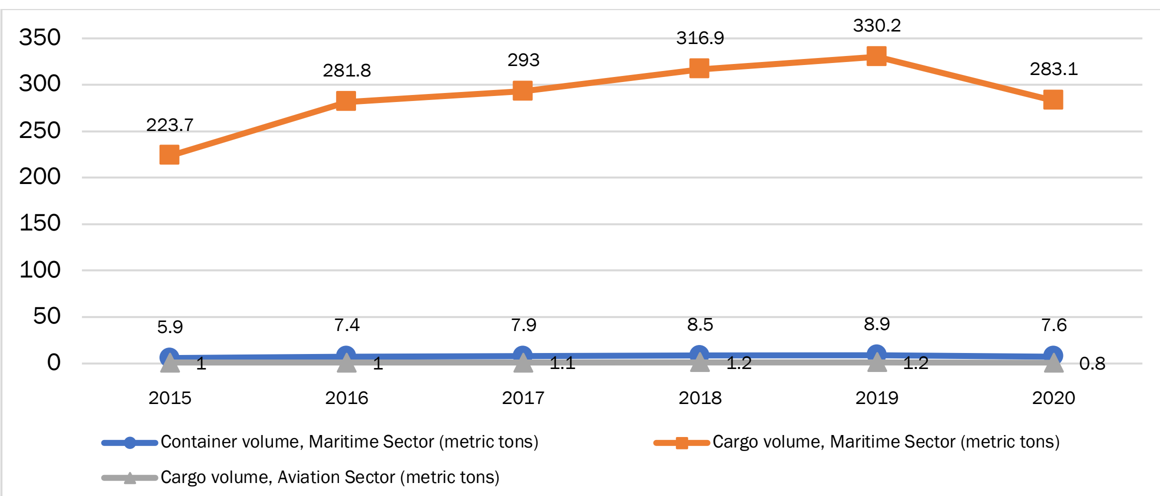
Figure 1.70. Passenger volumes, by mode of transport (in million), 2015-2021



Source of basic data: PSA SDG Watch (Annual Report, CPA, CAAP, MIAA, MCIAA, CIAC, LRMC, LRTA, PNR, MRT3), 2015-2021

The same trend was observed in terms of freight volumes as shown in Figure 1.71. Container volume in the maritime sector and cargo volume in the aviation sector slightly dipped in 2020 at 7.6M and 0.8M metric tons, respectively. Meanwhile, a more evident decrease was reported in cargo volume in the maritime sector at 283.1M metric tons in 2020 from 330.2M metric tons pre-pandemic in 2019.

Figure 1.71. Freight volumes, by mode of transport, 2015-2020



Source of basic data: PSA SDG Watch (Annual Report, PPA, CPA, CAAP, MIAA, MCIAA, CIAC), 2015-2020

The restrictions set for the community quarantine severely affected the land, air, and sea travel. This involved the suspension of mass transportation, including trains, buses, jeepneys, taxis, and tricycles in addition to domestic and international flights. The safety guidelines resulted in a shift to a digitalization of work (work from home) thus, limiting the transportation and significantly affecting the transportation industry.

Facebook commissioned a survey of 12,500 online people ages 18–64 across 14 global markets last August to September in 2020. Results of the survey shows that, around the world, people are on the hunt for new ways to reclaim their time, find joy in online shopping, interact with brands and participate in global and local communities through emerging technologies[87]. Specifically in the Philippines, during the pandemic, Filipinos have been innovative to adapt to mobility restrictions through digitalization. Because of the restrictions during the pandemic, the country's consumer market fast-tracked the increase of e-commerce-based industry from the traditional set-up. Online selling through social media platforms became vital avenues that proved to be convenient in contrast to physical stores. 98% of the survey participants believe that technology and social media has made it easier for people to start a business[88].

According to the BSP in 2019, only 29% of the population have a bank account and are capable of online transactions. As Filipinos are among the heaviest users of internet and social media, greater adoption of e-commerce was observed during the pandemic. Innovation in the finance sector bridged the gap through the emergence of payment facilitators that allows cash-on-delivery transactions[89].

Goal 10 | Reduce Inequality within and among Countries

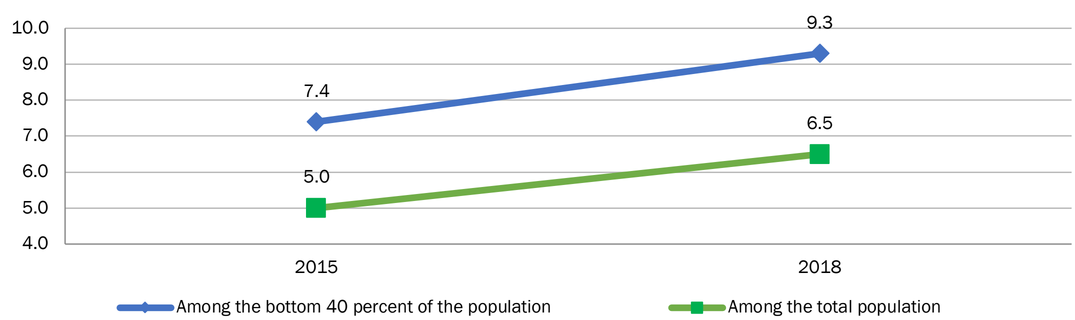
10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

Household income per capita

The growth rate in the welfare aggregate of the bottom 40 percent is computed as the annualized average growth rate in per capita real consumption or income of the bottom 40 percent of the income distribution in a country for household surveys over a roughly 5-year period. The national average growth rate in the welfare aggregate is computed as the annualized average growth rate in per capita real consumption or income of the total population in a country from household surveys over 5-year period[90].

The growth rate of incomes of households in the bottom 40 percent was faster than the growth rate of the entire population from 2015 to 2018. The set target of this indicator is that the growth rate of income of the bottom 40% is greater than the growth rate of the total population. This means the achievement of the target and maintenance of this situation until 2030.

Figure 1.72. Growth rates of household income per capita among the bottom 40 percent of the population and the total population, 2015 and 2018



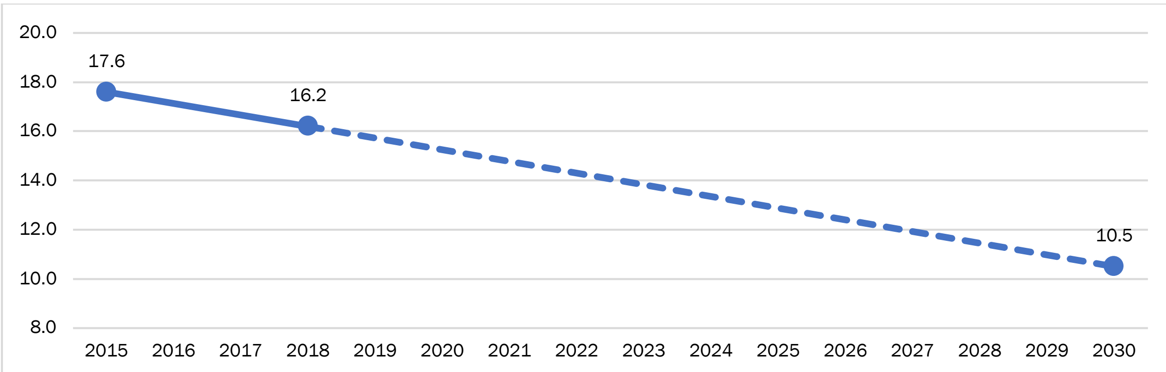
Source of basic data: PSA SDG Watch (Family Income and Expenditure Survey), 2015 and 2018

87 https://www.facebook.com/business/news/insights/emerging-trends
88 https://scontent.fmnl30-3.fna.fbcdn.net/v/t39.8562-6/134134640_1134004930370122_911331948348430062_n.pdf?_nc_cat=105&ccb=1-7&_nc_sid=ad8a9d&_nc_eui2=AeF62GHYd8su5NGhcg-w9mlbDZ8fenJEPo0Nnx96ckQ-jVeqxY4IedINIMzsArKGpLM&_nc_ohc=S1Cuf0QyElYAX-TOO8o&_nc_ht=scontent.fmnl30-3.fna&oh=00_AfASmVu1MUtkmqtHUP7cbr9faFerECh_eInIR-ZroOhWDw&oe=639111A8
89 https://ecommerce.dti.gov.ph/madali/ecommerce_numbers.html
90 Goal 10, https://psa.gov.ph/sdg/Philippines/metadata

Median income

From 2015 to 2018, there was a decrease in the share of people living below half of the national median income from 17.6 percent to 16.2 percent. This suggests that on average, Filipinos are gaining higher relative incomes. This implies that there is a more equitable distribution of economic opportunity in 2018 as compared to 2015.

Figure 1.73. Proportion of people living below 50 percent of median income, 2015 and 2018



Source of basic data: PSA SDG Watch (Family Income and Expenditure Survey), 2015 and 2018

Goal 11 | Make Cities and Human Settlements Inclusive, Safe, Resilient and Sustainable

11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

Informal settlers

The Philippine Statistics Authority defines squatters (or informal dwellers) in both urban and rural communities as those establishing settlements on another's land without title, right or the consent of the owner. According to UNESCO, rapid urbanization in the last 50 years has increased urban population in the Philippines by more than 50 million and is expected to reach 102 million people by 2050, equivalent to more than 65 percent of the country's population[91]. With the high volume of migrants to cities and urban centers, housing, infrastructure, and basic services were strained resulting to an increasing number of informal settlements in major cities, estimated at 5.4 percent in 2012 or approximately 2.2 million people living in informal settlements. The critical shortage of affordable housing unconsciously drives these people to rather unsafe housing facilities, which, most of the time are located in danger prone areas exposing them to a vicious cycle of destruction and loss of life.

Results of the 2020 Annual Poverty Indicators Survey showed that 2.8% of families owned the house they occupied but the lot was rent-free without the consent of owner while less than 1 percent (0.3%) occupy a rent-free house and lot without the consent of owner[92].

The pandemic is expected to have great impact among those living in informal settlements as lockdowns resulted to loss of livelihood and income. Likewise, it is nearly impossible to maintain good hygiene in areas where access to clean water supply, sanitation and other infrastructural services are inadequate. These poor conditions make these already vulnerable communities more exposed to contracting the virus.

[91] UNESCO, UNDP, IOM, UN-Habitat (n.d.) Country Brief: Overview of Internal Migration in the Philippines. Retrieved from: https://bangkok.unesco.org/sites/default/files/assets/article/Social%20and%20Human%20Sciences/publications/Brief%207%20-%20Country%20Brief%20-%20Philippines.pdf
[92] https://psa.gov.ph/sites/default/files/%5BONSrev-cleared%5D%202020%20APIS%20Final%20Report_rev1%20wo%20comments_ONSF3_signed.pdf

With the outbreak of the pandemic in the country, the government issued an executive order to revive the "Balik Probinsya" program in order to decongest Metro Manila and drive balanced and inclusive urban and rural development.

11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework of Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels

Disaster risk reduction preparedness

Given the location of the Philippines, the country prone to disasters with at least 60% of its total land area exposed to multiple hazards and 74% of the population susceptible to its impact. The Philippines also ranks third among all countries in term of risk to disasters including typhoons, storm surges and rising sea levels. The Sendai Framework for Disaster Risk Reduction 2015-2030 pursues to prevent new and reduce existing disaster risk by implementing integrated and inclusive measure measures that strengthen resilience by reducing hazard exposure and vulnerability and increasing response and recovery preparedness.

The series of natural disasters hitting the country while at the same time battling the pandemic highlights the need to mainstream disaster risk reduction and climate change adaptation in policy and planning. Pandemics, however, are not among the types of disasters DRR actors focus in the country prior to the Covid-19. According to a study conducted by Harvard Humanitarian Initiative (HHI), only 7% of the DRR actors reported focus on pandemics[93].

Latest data from NDRRMC and the Office of Civil Defense shows the disparity on the adoption of disaster risk reduction strategies among regions in 2016 and 2021. Local governments in NCR, Region 3, MIMAROPA, Regions 6, 7, 9 and 10 have fully adopted and implemented local risk reduction strategies in 2021. On the other hand, less than 15% of local governments in BARMM have adopted and implemented local disaster risk reduction strategies both in 2021.

Table 7. Local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies, by region, 2016 and 2021

Region	2016	2021	Region	2016	2021
NCR	52.9	100.0	Region VII	100.0	100.0
CAR	94.0	61.5	Region VII	100.0	83.9
Region I	44.8	76.7	Region IX	100.0	96.0
Region II	100.0	55.1	Region X	100.0	96.9
Region III	59.0	100.0	Region XI	100.0	100.0
Region IV	99.8	74.8	Region XII	100.0	100.0
MIMAROPA	82.0	100.0	CARAGA	74.4	93.6
Region V	91.0	56.7	BARMM	12.5	13.0
Region VI	25.1	100.0			

Source of basic data: PSA SDG Watch (NDRRMC, OCD), 2016 and 2021

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality, municipal and other waste management

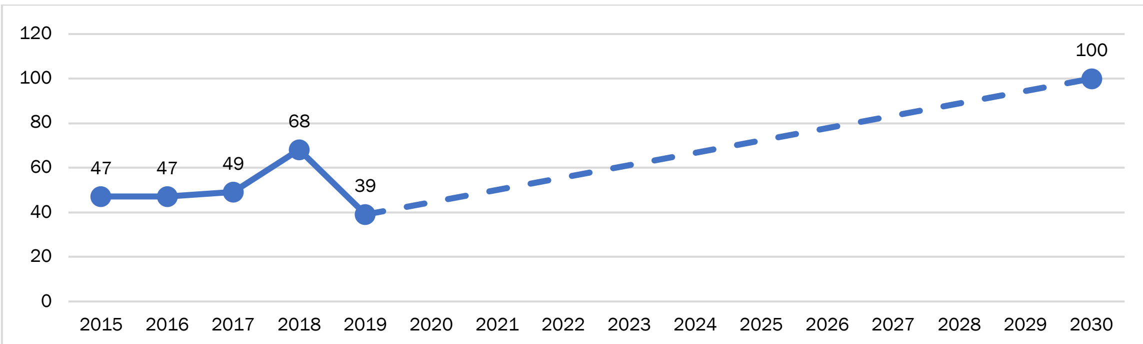
93 https://hhi.harvard.edu/news/pandemics-not-common-focus-among-drr-actors-pre-covid-philippines

Ambient air quality

The percentage of highly urbanized and other major urban centers within ambient air quality guidelines value increased has declined by 30 percent from 2018 to 2019. Efforts to increase ambient air quality has to be doubled to reach the 2030 goal of 100 percent.

The Department of Environment and Natural Resources escalated its environmental protection efforts aimed at improving air and water quality and addressing solid waste problems. Specifically, for clean air, DENR's priority activities are: (1) monitoring the compliance of firms/industries, (2) operationalization of air shed governing boards, and (3) calibration and maintenance of air quality monitoring stations[94].

Figure 1.74. Percentage of highly urbanized and other major urban centers within ambient air quality guidelines value increased, 2015-2019



Source of basic data: PSA SDG Watch (AQMS Database, EMB-DENR), 2015-2019

Goal 12 | Ensure Sustainable Consumption and Production Patterns

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Hazardous wastes

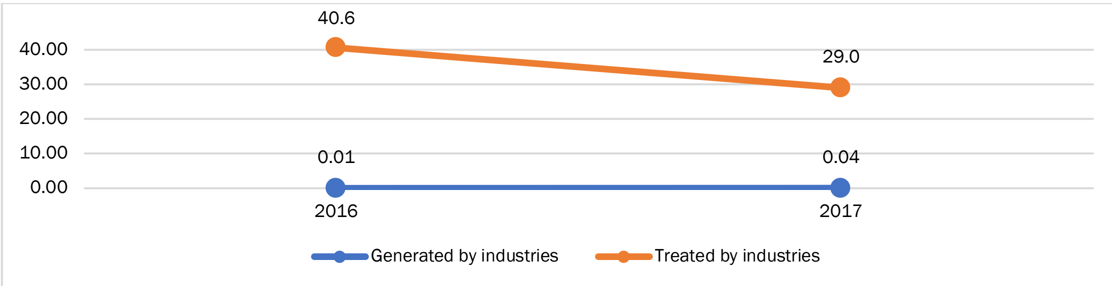
Republic Act 6969, otherwise known as Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990, Hazardous wastes, defines hazardous wastes as substances that are without any safe commercial, industrial, agricultural or economic usage and are shipped, transported or brought from the country of origin for dumping or disposal into or in transit through any part of the territory of the Philippines. Hazardous wastes also refer to by-products, side-products, process residues, spent reaction media, contaminated plant or equipment or other substances from manufacturing operations, and as consumer discards of manufactured products[95].

Administrative data from DENR-Environmental Management Bureau revealed a 0.03 percent increase in hazardous wastes generated by industries per capita from 2016 to 2017. Meanwhile, the proportion of hazardous wastes treated by industries decreased from 40.6 percent in 2016 to 29 percent in 2017.

Across regions, there are still no registered treatment storage disposal (TSD) facilities in regions 2, IVB and BARMM while only one TSD facility are operational in regions 5, 9 and 13[96]. Thus, to further minimize release of hazardous waste to the air, water and soil, additional investments may be required to put adequate facilities for managing hazardous waste in all regions.

[94] DENR "Clean Air Program" (2019), at: https://www.denr.gov.ph/index.php/priority-programs/clean-air-program
[95] https://www.officialgazette.gov.ph/1990/10/26/republic-act-no-6969/
[96] https://emb.gov.ph/hazardous-waste-management-data/

Figure 1.75. Hazardous wastes generated and treated by industries, 2016-2017



Source of basic data: PSA SDG Watch (DENR-Environmental Management Bureau, PSA Population Projections), 2016-2017

Given the restrictions on movement affecting transportation services during the pandemic, the DENR issued EMB Memorandum Circular No. 2020-14 providing a special permit to transport hazardous wastes during the lockdown period. This is to provide unhampered transportation of hazardous wastes, specifically those coming from healthcare facilities.

Goal 13 | Take Urgent Action to Combat Climate Change and Its Impacts

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

Deaths and missing persons attributed to disasters

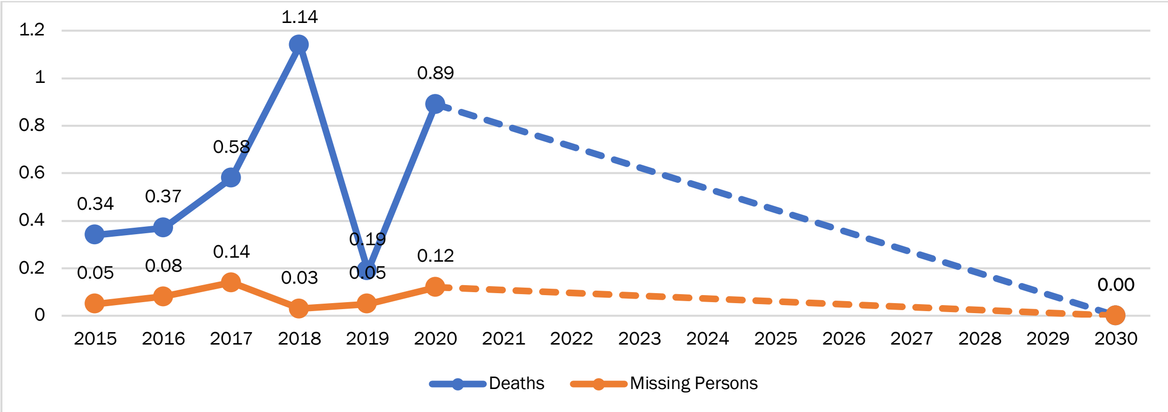
The covid-19 pandemic, a biological hazard, has shown the need for strong health systems as a foundation for health emergency preparedness and to address the growing health impacts of climate change. Vulnerable populations such as the elderly, people with pre-existing health conditions, ethnic minorities, and indigenous groups, as well as poor people who are at higher risk for COVID-19 infections, are expected to be amongst those bearing the brunt of the health impacts of climate change[97].

From 2015 to 2020, the number of deaths attributed to disasters increased from 0.34 to 0.89 per 100,000 populations. This is expected to further increase given the global Covid-19 pandemic, a biological hazard that has caused millions of lost lives since 2019. The number of missing persons attributed to disasters likewise increase from 0.05 per 100,000 population in 2015 to 0.12 per 100,000 population as of 2020.

OCD data recorded a decline in the number of directly affected persons attributed to disasters per 100,000 populations from 2016 to 2018. However, we expect a staggering increase in this indicator from 2019 onwards.

[97] https://www.worldbank.org/en/news/press-release/2021/11/03/covid-19-responses-could-help-fight-climate-change

Figure 1.76. Number of deaths and missing persons attributed to disasters per 100,000 populations, 2016 and 2018



Source of basic data: PSA SDG Watch (Office of Civil Defense), 2016 and 2018

Goal 14 | Conserve and Sustainable Use the Oceans, Seas and Marine Resources for Sustainable Development

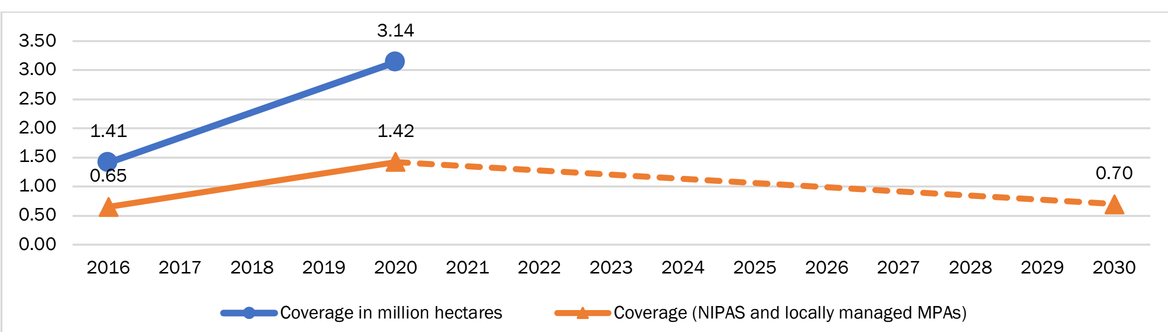
14.5 By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information

Protected areas in relation to marine areas

The Philippines, being one of the world's 17 mega biodiversity and being located within the Coral Triangle is known to be at the center of marine shore fish diversity in the world. As such, much of the country's diversity and destinations are protected under various environmental laws and are managed under the National Integrated Areas System (NIPAS) to ensure the protection of unspoiled forests, lakes and beaches for the future generation to enjoy. Of the country's total area, 240 or 14.2 percent are protected areas covering 5.45 million hectares under NIPAS as of 2013, 1.38 million hectares of which are marine areas.

Latest data from the Biodiversity Management Bureau of the DENR showed an increasing trend in the coverage of protected areas in relation to marine areas in the country. As of 2020, there are 3.14 million hectares of protected areas from 1.41 million hectares in 2016. Likewise, in terms of coverage of protected areas under the NIPAS and locally manages MPAs, a 0.77 percent increase was recorded from 0.65 percent in 2016 to 1.42 percent in 2020. This is more than 50 percent higher than the target set at 0.70 percent by 2030.

Figure 1.77. Coverage of protected areas in relation to marine areas, 2016 and 2020



Source of basic data: PSA SDG Watch (DENR-Biodiversity Management Bureau), 2016 and 2020

One of the factors which contributed to the increase in the coverage of protected areas is the declaration of a portion of the Philippine Rise as a Marine Resource Reserve by virtue of Presidential Proclamation No. 489 s. 2018. President Duterte signed this proclamation last May 2018 declaring a portion of the Philippine rise situated within the exclusive economic zone of the Philippine Sea, north eastern coast of Luzon Island as marine resource reserve pursuant to RA 7586, or the National Integrated Protected Areas System Act of 1992, to be known as the Philippine Rise Marine Resource Reserve.

Other factors contributing to the attainment of these targets include the implementation of the following government programs:

a. Coastal and Marine Ecosystems Management Program. This program of the Department of Environment and Natural Resources (DENR) aims to comprehensively manage, address and effectively reduce the drivers and threats of degradation of the coastal and marine ecosystems to achieve and promote sustainability of ecosystem services, food security, and climate change resiliency. The project covers all coastal and marine areas of the Philippines covering all, but not limited to the Marine Protected Areas (MPAs) under the National Integrated Protected Areas System (NIPAS), marine key biodiversity areas (MKBA), and adjacent municipal waters. The objectives of the program are as follows: (1) establishment of a well-connect network of MPAs to ensure the effective and sustainable management of coastal resources, (2) implementation of sustainable management of coastal and marine resources in order to contribute to food security and improvement of human wellbeing living in the coastal communities, (3) effective reduction of threats and factors of degradation on coastal and marine management, (4) enhancement of positive values formation among stakeholders on sustainable management of coastal and marine resources and habitats, and (5) development and/or enhancement of skills and expertise of DENR concerned staff as well as other stakeholders on coastal and marine management[98].

b. Fisheries Management Areas (FMAs). The Department of Agriculture - Bureau of Fisheries and Aquatic Resources (DA-BFAR) has identified and established 12 FMAs in the country based on scientific assessments and information from the National Stock Assessment Program and public consultations. As stated in the Fisheries Administrative Order No 263, each FMA will have a Management Body (MB) consisting of representatives of different stakeholders to formulate their respective rules, regulations, policies, and programs, including those related to harvest control rules, reference points, and other conservation and management measures[99].

Goal 15 | Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Combat Desertification, and Halt and Reverse Land Degradation and Halt Biodiversity Loss

15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems

Official development assistance and public expenditure on conservation and sustainable use of biodiversity and ecosystem

Complementing NEDA Board Resolution No. 30 series of 1992 instructing the review of all ongoing ODA-funded programs and projects by the ICC, Republic Act No. 8182 or the ODA Act of 1996 mandates the NEDA to conduct an annual review of the implementation of all projects financed through ODA and to be reported to Congress not later than June 30 of each year. This review is done to improve ODA absorptive capacity and aims to (a) report on the status of all projects financed through ODA, including their budgetary requirements; (b) identify key implementation issues, actual or prospective causes (e.g., procurement delays, cost overrun), and cross-cutting concerns hampering project implementation; (c) report on actions taken by concerned agencies to facilitate project implementation; (d) report on projects requiring

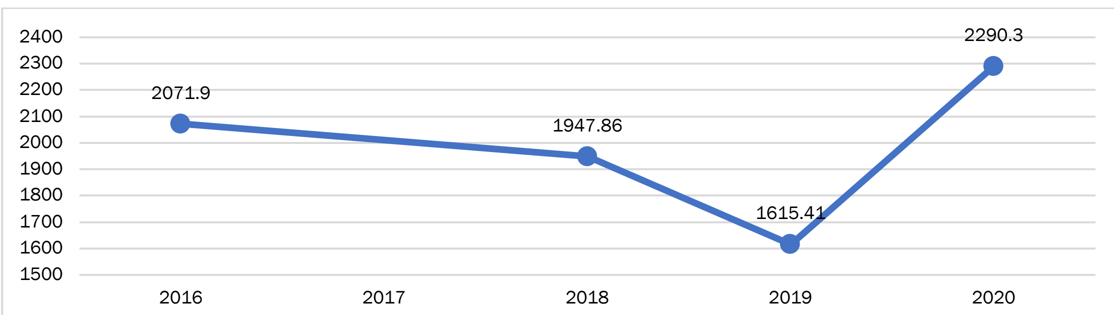
[98] https://bmb.gov.ph/index.php/resources/downloadables/laws-and-policies/denr-administrative-orders/dao-2007-2016?download=194:denr-administrative-order-2016-26
[99] https://www.bfar.da.gov.ph/wp-content/uploads/2021/04/FAO-No.-263-s.-2019.pdf

restructuring; (e) report results (outputs and outcomes) derived from implementing ODA programs and projects; and (f) provide recommendations to improve portfolio performance.

In 2020, the country's active ODA portfolio amounted to USD30.69 billion, representing a 46.63 percent increase from USD20.93 billion in 2019 consisting of 30 program loans, 76 project loans, and 251 grants100. Figure 1.82 below shows the trend in ODA portfolio to support the conservation and sustainable use of biodiversity and ecosystem. Latest data shows a 41.75 percent increase ODA share from 1,615.41 million USD in 2019 to 2,290.3 million USD in 2020, which is equivalent to 7.46 percent of the total active ODA portfolio for the year. It should be noted however, that while the Agriculture, Agrarian Reform, and Natural Resources (AARNR) sector to which this indicator belongs to, significantly increased in 2020, more ODA loans and grants were attributed to support pandemic response programs and projects. Specifically, 25 ODA loan agreement worth USD9.08 billion were signed to address the impacts of the pandemic in the country.

Several programs are in the works to help farmers and fisher folk increase agricultural production, resiliency, and access to markets, as well as improve management of coastal fishing resources in selected coastal communities. One of which is the Philippine Rural Development Project (PRDP) which is in line with the Department of Agriculture's "new thinking" in agricultural development. To increase rural incomes and enhance farm and fishery productivity in the targeted areas, an additional funding amounting to USD 170 million for PRDP was made with the World Bank[101].

Figure 1.78. Official development assistance and public expenditure on conservation and sustainable use of biodiversity and ecosystem (in million USD), 2016 and 2018-2020



Source of basic data: PSA SDG Watch (NEDA-ODA Portfolio Review), 2016 and 2018-2020

Goal 16 | Promote Peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

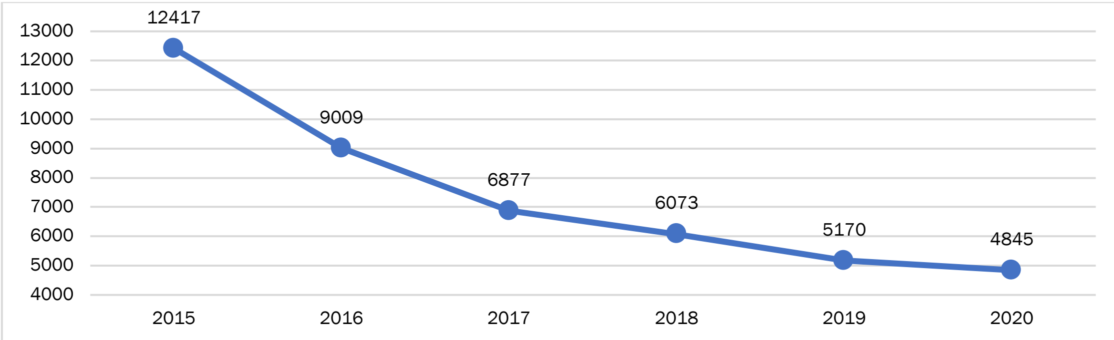
16.1 Significantly reduce all forms of violence and related death rates everywhere

Number of murder cases

From 2016 to 2021, the number of murder cases decreased from 12,417 in 2016 to 4,845 cases in 2021 (Figure 1.79). These data are based on reported cases to the police. Target for these indicators is annual reduction of 5% in the proportion to population.

[100] NEDA (2021) Official Development Assistance: Portfolio Review Report 2020. Retrieved from: https://neda.gov.ph/wp-content/uploads/2021/08/92321_2020_ODA.pdf
[101] NEDA, CY 2020 ODA Portfolio Review: Description of Active ODA Loans-assisted Programs and Projects as of December 2020, at: https://neda.gov.ph/wp-content/uploads/2021/08/Annex-2-G-Description-of-Active-ODA-Loans-.pdf

Figure 1.79. Number of murder cases, 2016 -2020



Source of basic data: PSA SDG Watch (CIRAS, PNP), 2016-2020

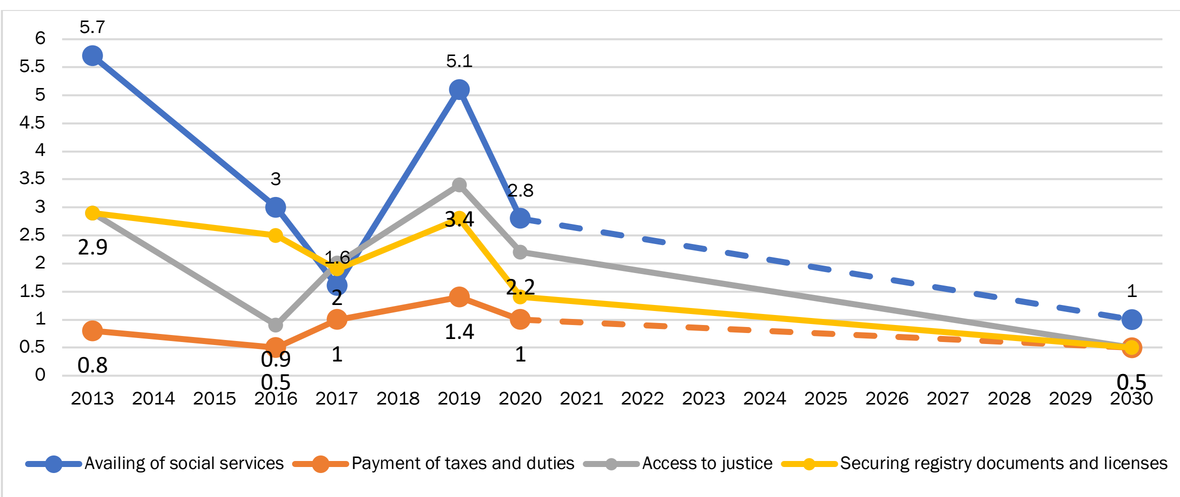
In a statement of Lt. Gen. Guillermo Eleazar of the Philippine National Police in December 2020, during the nine-month quarantine there was already a significant decrease because when we first started the lockdown status, there were not many people outside. It is a basic reason why it decreased.

16.5 Substantially reduce corruption and bribery in all their forms

Bribes to government officials

Across all service types, availing of social services received the higher percentage of families that were asked to give bribe by a government official with whom they transacted. Highest percentage for availing social services was at 5.7 percent during 2013 but decreased drastically in 2016 with 3 percent, however the figure escalated during 2019 with 5.1 percent. Aside from availing social services, access to justice and securing registry documents and licenses also peaked in 2019 with 3.4 and 2.8 percent, respectively.

Figure 1.80. Percentage of families that were asked to give bribe or grease money by a government official with whom they transacted, by type of service, 2013-2020



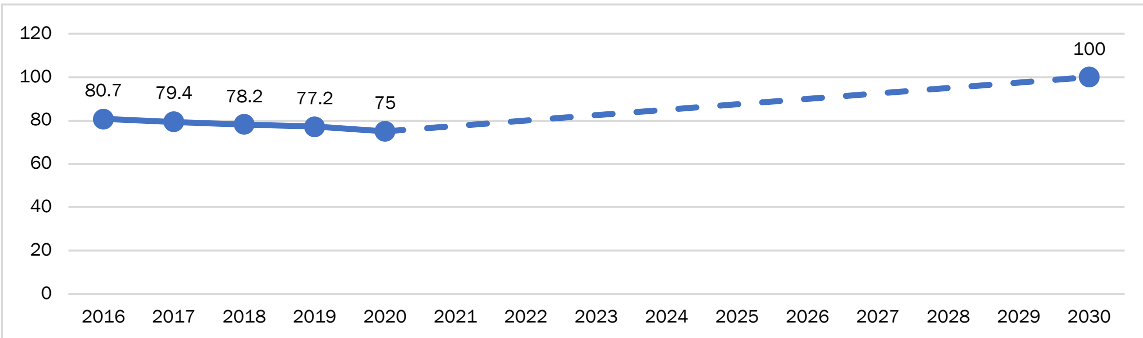
Source of basic data: PSA SDG Watch (National Household Survey on Experience with Corruption in the Philippines, Office of the Ombudsman), 2013-2020

16.9 By 2030, provide legal identity for all, including birth registration

Children registered with a civil authority

The overall trend in the number and proportion of recorded live births was decreasing. According to PSA, in the last eight years, there has been a -14.6 percent reduction in recorded live births, from 1,790,367 in 2012 to 1,528,684 in 2020[102]. The largest decline was observed in 2020 (-8.7%) as compared to the total recorded live births of 1,673,923 in 2019. In 2020, Boys (796,543 or 52.1%) exceeded girls (732,141 or 47.9%) in 2020, resulting in a sex ratio at birth of 109 males for every 100 females. Across regions, CALABARZON recorded the highest occurrence of births with 14.5 percent, followed by NCR with 13.8 percent and Central Luzon with 11.8 percent.

Figure 1.81. Proportion of children under 5 years of age whose births have been registered with a civil authority, 2016-2020



Source of basic data: PSA SDG Watch (Vital Statistics Report, PSA 2010 Census-based Population Projections, PSA), 2016-2020

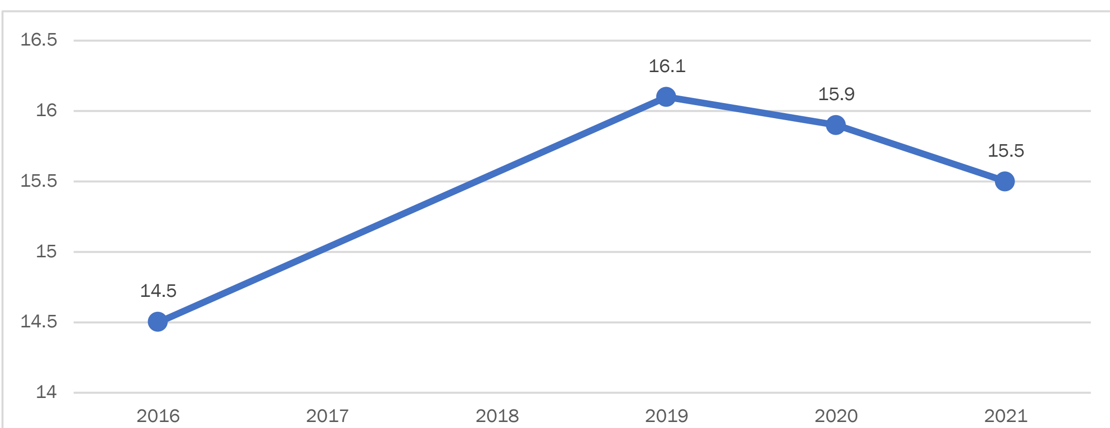
Goal 17 | Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development

17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

Revenue as a proportion of GDP

The country's revenue effort or share of tax and non-tax collections to GDP has been declining since 2019 and was recorded at 15.5 percent in 2021 from 15.9 percent in 2020 and a pre-pandemic record of 16.1 percent.

Figure 1.82. Total government revenue as a proportion of GDP, 2016, 2019, 2020, and 2021



Source of basic data: PSA SDG Watch (PSA-PSNA, Department of Finance), 2016, 2019, 2020, and 2021

Although revenue effort has slowed down, revenue performance is still better than the revised full year DBCC targets. In 2020, 87.69% or P2,504 billion was generated through tax collection while the remaining 12.31% or P351.5 billion was generated from non-tax revenue collections, both exceeding the revised

[102] PSA "Registered Live Births in the Philippines, 2020" (2022), at: https://psa.gov.ph/vital-statistics/id/165745

program targets by 13.57% and 11.74% for tax and non-tax collections, respectively. For 2020 and 2021 where the slowing down of revenue effort was recorded, both the BIR and BOC surpassed its targets. The Bureau of Internal Revenue surpassed the revised goal by 15.74% in 2020 while the Bureau of Customs exceeded the revised target by 6.23% in the same year[103]. In 2021, due to a pick up in the economic activity and the digitization efforts implemented by both agencies, the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BoC) reported a combined year-on-year increase of 9.4, surpassing their combined target by PhP23.8 billion[104].

SDG Progress Assessment

Adopting UNESCAP's Progress Assessment Methodology[105], selected sub-indicators were assessed to determine the anticipated progress index (API). The API answers the question: How likely will the targets be achieved by 2030? To determine the country's pace of progress towards meeting the 2030 SDG agenda, the author's study generated the Accelerated Progress Index (API) for 63 indicators using latest available data.

As one of the tracking measures adopted by PSA Resolution 5 series of 2020[106], last August 2020, the API involves predicting the indicator value for the target year and benchmarking the predicted against the target value. The predicted value is estimated using weighted regression making use of at least two previous data points as regressor. The index (P) is calculated only for indicators whose target is not expected to be achieved by 2030. As indicated, those indicators for which predicted value has reached or exceeded the 2030 target value is automatically considered as "will be achieved". Meanwhile, for other indicators, the index may be interpreted as the acceleration needed so that the target will be achieved. An index of 0 to 10 is interpreted as the target will be achieved with current rate or minor extra effort. Indicators with computed API of more than 10 but equal or less than 100 are those that need to accelerate the current rate of progress in order to achieve the target. Lastly, those indicators with more than 100 computed P are expected to regress or no progress is expected for these indicators.

From our study found that there are still gaps in achieving the desired sustainable development goals and targets by 2030. Only 8 of the 38 SDG targets with sufficient data are on track. These include targets on: *1.1 international poverty, 1.2 national poverty, 4.4 Skills for employment, 4.a Education facilities, 5.5 Women and leadership, 7.1 Access to clean energy services, 14.5 Conservation of coastal areas and 17.8 Technological capacity building. Meanwhile, 17 of the 38 or 45% of the targets need acceleration. These are: 1.4 Equal rights, 1.5 Resilience of the vulnerable, 2.2 Malnutrition, 3.2 Neonatal deaths, 3.7 Sexual and reproductive health, 3.8 Universal health coverage, 3.9 Health impact of pollution, 4.1 Effective learning outcome, 4.2 Early childhood development, 4.3 TVET and tertiary education, 4.6 Adult literacy and numeracy, 6.3 Water quality, 8.8 Labour rights, 10.2 Inclusion (social, economic & political), 11.6 Air quality and waste management, 11.b Disaster risk management policies, 16.5 Corruption and bribery. Of the 38 targets, 13 have regressed including targets on: 2.1 Food Security, 3.1 Reduction of maternal deaths, 3.3 Communicable diseases, 3.4 NCDs including mental health, 3.6 Road traffic accidents, 4.5 Equal access to education, 5.2 Violence against women and girls, 6.5 Water resource management, 8.1 Per capita economic growth, 8.5 Employment and decent work, 11.5 Resilience to natural disasters, 13.1 Resilience and adaptive capacity, and 16.9 Legal identity.*

[103] BOT, "National Government Deficit Widens to P2,371.4 billion in 2020 Full-Year Shortfall at 7.63% of GDP" (2021), at: https://www.treasury.gov.ph/wp-content/uploads/2021/02/COR-Press-Release-December-2020_for-posting_ed.pdf
[104] Senate of the Philippines, "2021 Full-year Economic Report", at: https://legacy.senate.gov.ph/publications/SEPO/2021%20FY%20Econ%20Report_05Apr2022.pdf
[105] UNESCAP Statistics Division, Progress Assessment Methodology: Technical Notes, at: https://data.unescap.org/dataviz/methodology/technical-notes.html
[106] PSA, "Adoption of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) SDG Measures and the Time Distance Measure in Tracking the Sustainable Development Goals Progress", at: https://psa.gov.ph/sites/default/files/phdsd/PSA%20BOARD%20RESO%2005%2C%20Series%20of%202020.pdf

Figure 1.83: Computed Anticipated Progress Index (API) of Selected SDG Sub-indicators

Summary

The analysis presented progress on the achievement of the selected indicators under each goal amidst the impact of the Covid-19 pandemic. Given that the full impact of the pandemic will take years to be accounted for, latest data shows partial effects of the pandemic. The pandemic has set us back in many SDG indicators especially on poverty, health, education and unemployment.

Progress made in poverty reduction has been set back by the pandemic increasing poverty incidence in 2021. This is highly due to COVID-19 pandemic as people's incomes and jobs were significantly affected by stringent quarantines and long period lockdowns. The Philippine situation is consistent with the global situation as according to the UN SDG Report 2022, the effects of the coronavirus disease 2019 (COVID-19) pandemic have reversed much of the progress made in reducing poverty, with global extreme poverty rising in 2020 for the first time since the Asian financial crisis of the late 1990s. Across regions, areas with stricter quarantines tended to increase in poverty in 2021. 10 of the 17 regions experienced reversal in progress in poverty reduction in 2021.

Households meeting the 100% RENI have been declining showing that this indicator has already been off track even before the pandemic and will likely worsen because of the pandemic. On the other hand, latest available data as of 2019 shows a decrease in childhood malnutrition and prevalence of stunting but the progress made on these indicators are feared to have been reversed by challenges brought by the pandemic including loss of jobs and livelihoods which drastically affected families.

Performance of health indicators are mixed as some are on track while lagging in others. Facility-based access and attendance of health professionals during delivery has always been increasing and although a decrease was observed during the pandemic, more than 90% of pregnant women still delivered in a health facility and were assisted by a health professional indicating continued provision of health services. In addition, indicators relating to under-five mortality, infant mortality, drug cases/users completing treatment, modern contraceptive prevalence, adolescent birth rate, out-of-pocket health spending and current tobacco use are improving as evidenced by latest available data for these indicators but acceleration is still needed to achieve the targets by 2030 as progress in these indicators may have been eroded by the pandemic.

HIV infections are still increasing and while recorded cases decreased in 2020, this was primarily due to fear of Covid-19 infection and limitations on access to health services. Access to treatment programs among qualified drug abuse cases or drug users also decreased in 2020 was also attributed to Covid-19 restrictions and fear of infection. Coverage to social health insurance in 2020 as well immunization of children needs to be fast tracked. Meanwhile, maternal and neonatal mortality rates, deaths related to malaria, cardiovascular disease, cancer, diabetes or chronic respiratory disease and unintentional poisoning, contraceptive prevalence rate as well as traffic injuries changed slightly. Though not an SDG indicator, the most significant health hazard was the Covid-19 virus, a communicable disease falling under target 3.3, which caused a lot of damage in both mortality and morbidity of the general population since 2020.

Education was greatly affected by long periods of school closures and challenges of distance learning modality of education. However, latest data shows that education indicators, particularly completion and cohort survival rates, have already been off track even before the pandemic and is likely to be exacerbated by prolonged school closure. Gender-disaggregated data shows that females have higher completion and cohort survival rates at the elementary and secondary levels. On the other hand, males recorded higher drop-out rates at all levels. Participation rate in kindergarten as well as NER in senior high school saw an increase in SY2020-2021 as elementary and junior high school level NER declined. Female NER is also higher at the junior and senior high school levels during the 6-school year period. Regional disparities are also very evident in the past 6 school years in all the indicators aforementioned.

Women continue to represent a small proportion of elected positions with less than half the target of women holding seats in the local government, except at the barangay level. Reported abuse cases among women and children declined in 2021. On the other hand, abuse cases served by DWSD increased in 2021 after the decline in 2020 primarily due to Covid-19 restrictions hindering victims to not report their abuse to authorities.

Unemployment is one of the indicators that were really affected with the rate doubling in 2020 as many lost jobs and many businesses closed due to extensive lockdowns and health concerns due to the COVID-19 pandemic. With the easing of lockdown and quarantine measures starting 2021, unemployment went down to 7.8 percent. Disparities in progress towards reducing unemployment across age group and gender persist. The Labor Force Survey revealed that unemployment was highest among 15–24-year-old population. Unemployment rate among females and males has increased by 2.48% and 1.41% in July 2021 compared to the same reference period in 2019.

Another greatly affected sector is transportation. Passenger volumes by different modes greatly declined as households and individuals are restrained to go out. Travel was restricted except for transfers of essential goods that is why freight volumes have not decreased significantly.

One in every seven local governments in BARMM adopt and implement local disaster risk reduction strategies in line with the national disaster risk reduction strategies. OCD data recorded a decline in the number of directly affected persons attributed to disasters per 100,000 populations from 2016 to 2018. However, we expect a staggering increase in this indicator from 2019 onwards.

While ODA portfolio on the conservation and sustainable use of biodiversity and ecosystem significantly increased in 2020, more loans and grants were attributed to support pandemic response programs. The country's revenue effort has continued to decline since 2019.

On the other hand, there are also indicators that may be on track as of the latest data. Electricity access is also increasing over time but more resources may be needed in order to achieve the target of universal access. Hazardous wastes treated by industries have declined but the full impact of the pandemic is not yet available as of this report. Meanwhile, coverage of protected areas in relation to marine areas increased and is well above the target by 2030. Number of victims of murder case have been decreasing since 2015.

Using the Anticipated Progress Index on 63 indicators based on the available data in this report, the study found that there are still gaps in achieving the desired sustainable development goals and targets by 2030. Only 8 of the 38 SDG targets with sufficient data are on track. Meanwhile, 17 of the 38 or 45% of the targets need acceleration and the remaining 13 targets have regressed.

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CHAPTER 2

The Philippine Financing Landscape

The COVID-19 pandemic has adversely affected global investment flows and domestic resource capacities across the world. The prolonged lockdown has led to significant global economic downturn and in turn had shifted public spending priorities in the short run and medium run. The provision of stimulus and relief packages to help households and businesses cope with the pandemic has significantly widened fiscal deficit and debt (ADB, 2022). These changes flag significant implications for achieving long-run sustainable development objectives and targets including the 2030 Agenda for the Sustainable Development Goals (SDGs). The changes in investment and spending priorities are also expected to have varying extent of impacts particularly in poorer nations and developing countries where coping capacities are limited compared to more developed nations.

The 2021 World Investment Report marked a decline in global flow of foreign direct investments by one third to USD1 trillion and was pointed out to be well below than the point reached during the financial crisis a decade ago. Prior to the pandemic, inadequacies in growth in SDG investment was already observed. While national sustainable development strategies often highlight the need for additional financial resources and a lack of domestic capacity to meet the SDGs, concrete action plans for attracting more investment in the SDGs are mostly absent (UNCTAD, 2020a). According to the SDG Investment Trends Monitor of UNCTAD in 2020, investment flow into SDG relevant sectors in developing countries has been adversely affected by the pandemic. For instance, there was an observed decline by one third in international private sector investment flows to developing and transition economies in sectors relevant for the SDGs in 2020. The value of newly announced greenfield investments in relevant sectors shrunk by 33% and that of international project finance (used for large infrastructure projects requiring multiple investors) by 36%. Greenfield investment in SDG sectors in developing and transition economies has declined by almost 20% lower than before 2015, international project finance is more than 30% lower (UNCTAD, 2020b).

The health crisis is expected to reverse earlier gains in bridging the investment gap achieved over the five years since the adoption of the SDGs in 2015. Recovery prospects is deemed highly uncertain and will depend on the duration of the COVID-19 pandemic and on the effectiveness of policy interventions to mitigate the economic effects of the health crisis.

With only eight years left before the 2030 set deadline for the achievement of the SDGs, there is a growing call for renewed commitment among key stakeholders towards a more coordinated resource mobilization strategy towards achieving the SDG goals and targets. Adopting measures such as green and health taxes and ensuring effective implementation of these taxes (i.e. monitoring, reporting, and verification) are necessary to mobilize enough fiscal resources to achieve the SDGs and achieve fiscal sustainability (ADB, 2022). The crucial contribution of international private sector investment in SDG sectors is also deemed recognized for long-term and sustainable post-COVID recovery, given the limited public resources to address competing needs and priorities in sectors such as health, digital inclusion, transport infrastructure, food and agriculture, WASH, and education (UNCTAD, 2020b).

According to the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), around 5 percent of the GDP (around USD1.5 trillion) should be allotted towards measures (initiatives for education, health, energy, water supply and sanitation, and combatting climate change) that contribute to the achievement of the SDGs in Asia (ADB, 2022).

Latest data from the Philippines on financing for development seem to indicate investment gaps and challenges for accelerating the country's progress towards meeting the sustainable development agenda. While specific policy measures have been initiated and implemented to identify sources of financing to support SDGs (e.g. additional revenues from excise taxes, proceeds from raising green bonds, social bonds, establishment of an SDG-Ambisyon Nation (AN) Fund), there is limited information on how much is required to address current gaps in the achievement of all the SDGs and targets given the planned timeline. There is also no information available yet on how much revenues can be raised from these sources given current and medium to long run market conditions (i.e. case of bonds and other debt instruments) and status of enabling environments (i.e. incentives for target investors, and other safety measures to boost investors' confidence).

Meanwhile, given available data disaggregation on revenues and spending, it is also difficult to identify and track the actual utilization of financial flows that are intended for achievement of specific SDGs and targets. For instance, data on budget and expenditures and sources of financing can only be disaggregated by sectors at most. In terms of availability of financial data, there are no long term and comprehensive data on estimated revenues from sources of financing beyond 2023 towards the long term 2030 SDG agenda (or the 2040 AN agenda). This poses difficulty in coming up with a more comprehensive and long-term risk assessment and planning for alternative options for financing in cases of shocks i.e. current pandemic, global economic crisis, and climate related shocks among others that may affect revenues that can be generated from target sources. The lack of disaggregated data also limits planning for needed policy measures to cushion the magnitude and extent of impacts of changes in fiscal and monetary policies and reforms i.e. shifts in public spending and reforms for revenue generation.

2.1. Overall Financing Landscape

Box 1. Snapshot of Financial Landscape

1. Latest trends on the country's financial flows indicate limited fiscal space - exacerbated by the ongoing COVID-19 pandemic and emerging demands to cushion and mitigate its short run and medium-term impacts while pursuing the country's long term development agenda and sustainability commitments.

2. Meanwhile, additional and new sources of financing have been identified to support the country's sustainability commitments including the 2030 SDG agenda and Paris Agreement.

3. Private sector resources, through their Corporate Social Responsibility (CSR) programs/ Environmental, Social, and Governance (ESG) initiatives, are supporting programs on SDGs or related sectors.

4. Promotion of diaspora investment has facilitated the use of Overseas Filipinos donations to complement resources for programs on SDGs or related sectors.

5. There is a lack of consolidated data on available resources at particular points in time, and on specific targets for SDG related investments from public and private stakeholders to meet the long-term SDG agenda. This makes it difficult if not impossible to assess the investment gaps and in turn pose a big challenge to identify possible areas for public-private collaboration and optimize the use of available resources to meet the SDG priorities and targets that are contained in the national and sectoral development plans.

6. The COVID-19 pandemic has shifted public spending priorities and narrowed the fiscal space for pursuing the country's development agenda.

- Public spending has significantly increased during the pandemic from which P716.949B had been allocated for Covid 19-related measures (of which P616.022B had been spent as of Dec. 2021, DBM). Meanwhile, additional demands are emerging with the continued pandemic and its prolonged consequences of the pandemic combined with other shocks.
- Shares of expenditures on health, social security, welfare, and employment services and subsidy to LGUs increased in 2021 while spending on education, culture and manpower development declined.
- The economic contraction resulting from the pandemic has led to lower government revenues and lower revenue-to-GDP ratio.

7. Debt (as a % of GDP) significantly increased in 2021.

8. Foreign direct investments further declined in 2020 but has significantly increased in 2021 and is higher compared to pre-pandemic level.

9. Official development assistance (ODA) flows increased and continues to be an important source of development financing.

10. Remittances while slightly declined in 2020 has rebounded in 2021 and continue to be a stable source of financing (with less fluctuations) compared to other financing sources (other than government revenues)

11. Additional and new sources of financing have been fostered

The COVID-19 pandemic has resulted to a contraction in the economy and has decelerated if not reversed earlier gains of the country towards achieving a strategic, responsive, and supportive fiscal sector. Revenue effort as a percentage to GDP has declined from 16.1% in 2019 to 15.9% in 2020. This declined further by .4 percentage points in 2021. Total expenditures, on the other hand, has increased significantly during the pandemic. Its share to GDP has increased by 4.1 percentage points in 2020 and by 4.6 percentage points in 2021 from its share of 19.5% in 2019. Reduced revenues and increased spending on pandemic recovery measures are seen to further elevate the fiscal deficit and consequently, raise the country's debt ratio (National Economic and Development Authority [NEDA], 2021a). Based on latest available data the fiscal deficit has widened to -7.6% in 2020, to -8.6 in 2021.

Available data on trends in revenue and debt as a percentage of gross domestic product (GDP) in the Philippines compared to other countries in Asia before and at the onset of the pandemic in 2020 are shown in Figure 2.1 and 2.2.

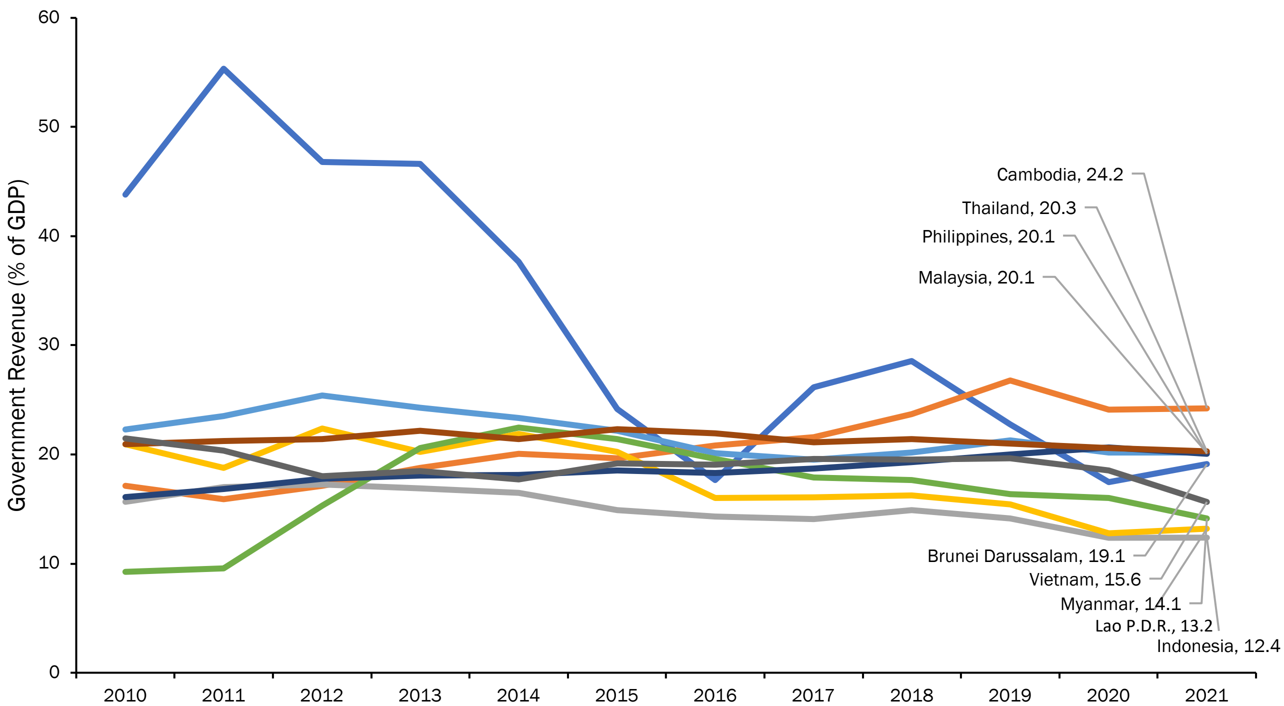
Unlike in other countries in the Southeast Asian region, the percentage of revenue to GDP has not declined in the country at the onset of the pandemic. On the other hand, while some countries such as Brunei, Cambodia, Lao PDR seem to show a slight recovery in 2021, the rest of the countries continue to experience further contraction in the economy. In the case of the Philippines, the percentage of revenue to GDP declined by .5 percentage points.

Table 2.1. Revenue as a percentage of GDP in selected countries in Asia, 2010-2021

Revenue (% of GDP)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Brunei Darussalam	43.8	55.3	46.8	46.6	37.7	24.2	17.7	26.2	28.6	22.8	17.5	19.1
Cambodia	17.1	15.9	17.2	18.7	20.1	19.6	20.8	21.6	23.7	26.8	24.1	24.2
Indonesia	15.6	17.0	17.2	16.9	16.5	14.9	14.3	14.1	14.9	14.2	12.4	12.4
Lao P.D.R.	20.9	18.8	22.4	20.2	21.9	20.2	16.0	16.1	16.2	15.4	12.8	13.2
Malaysia	22.3	23.5	25.4	24.3	23.3	22.2	20.1	19.5	20.2	21.3	20.2	20.1
Myanmar	9.2	9.5	15.3	20.6	22.5	21.4	19.6	17.9	17.6	16.3	16.0	14.1
Philippines	16.1	16.8	17.8	18.0	18.1	18.5	18.3	18.7	19.3	20.0	20.6	20.1
Thailand	20.9	21.2	21.4	22.2	21.4	22.3	21.9	21.1	21.4	21.0	20.6	20.3
Vietnam	21.5	20.3	18.0	18.5	17.7	19.2	19.1	19.6	19.5	19.6	18.5	15.6

Source of data: Global Debt Database and Fiscal Monitor, International Monetary Fund, March 10, 2022.

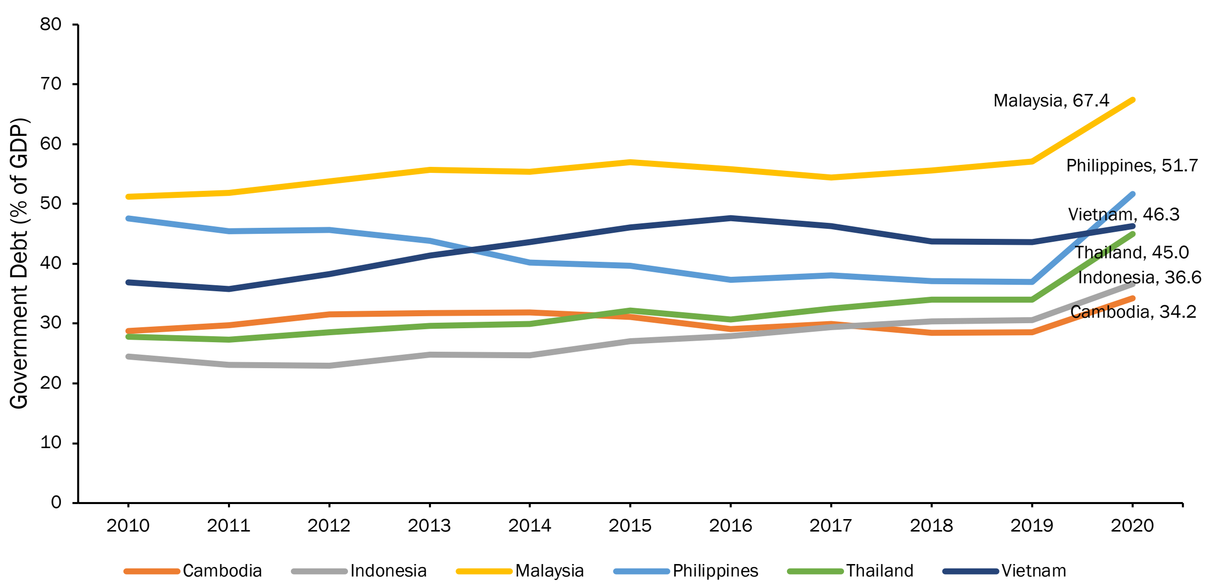
Figure 2.1. Revenue as a percentage of GDP in selected countries in Asia, 2010-2021



Source of data: Global Debt Database and Fiscal Monitor, International Monetary Fund, March 10, 2022.

While neighboring countries in Asia also experienced a significant rise in debt burden on the first year of the pandemic, the Philippines has one of the highest debt to GDP ratio that reached 51.7% in 2020.

Figure 2.2. Debt as a percentage of GDP in selected countries in Asia, 2010-2020



Source of data: Global Debt Database and Fiscal Monitor, International Monetary Fund, March 10, 2022.

The latest trends in key macroeconomic indicators in the country imply a tighter fiscal space to meet the significant increase in public spending requirements to mitigate the socioeconomic impacts of the global health pandemic. The pandemic has shifted public spending allocations and priorities. In terms of sectoral breakdown, available data shows an increased share of government allocation on health, and of subsidy to LGUs compared to their percentage allocations in 2019. The share of social welfare, security and employment, while initially significantly increased during the first year of the pandemic, is now slightly lower than its allocation in 2019. On the other hand, spending on education, culture and man-power development was significantly reduced in 2020. While its allocation was increased in 2021, its share is still lower than its allocation prior to the health crisis.

Government spending is financed through the General Appropriations Act (GAA), official development assistance, or for implementation through public-private partnerships or joint venture, and/or other funding sources.

Domestic resources, which include government revenues, domestic borrowing and public private partnerships, remain to be the main source of financing in the country. The increasing trend in government revenues have been reversed during the pandemic. Domestic private investment has likewise declined significantly. On other hand, there was a steep surge in domestic public borrowing.

Meanwhile, in terms of international resources, there was a significant increase in both public and private resources during the pandemic. Data shows an increase in international public resources by 29.6% in 2020 from 2019 figure. International public resources, include public borrowing from capital markets, ODA, climate related finance, and regional infrastructure funds. ODA continues to be an important source of development financing. On the other hand, international private finance resources increased by 0.7% from USD84.5 billion in 2019 to USD85.1 billion in 2020. This includes foreign direct investments, overseas Filipinos remittance, and private borrowing from capital markets.

In line with economic impacts of COVID-19, the government adjusted its targets for revenue and tax effort downwards (NEDA, 2021a). Calibration in government programmed spending, as approved by the Development Budget Coordination Committee (DBCC) in July 2020, were likewise reflected in the revised targets for the national government expenditure performance indicators. Amended targets reflect the government's efforts to support the country's economic recovery and the transition to the new normal. The higher internal revenue allotment (IRA) in 2022, as provided under the SC's decision on the Mandanas case, is also reflected in the revised targets. These changes, in turn, were reflected in the upward revision of the targets for the deficit, debt, and interest payments ratio. The revised targets for the ratio of locally-sourced LGU income to total current operating income reflect the aforementioned increase in IRA. Based on the PDP 2017-2022 (updated as of December 2021), the locally-sourced income of the LGUs in absolute terms was included as an additional indicator to measure the capacity of the LGUs to generate their sources of revenues. The following were included as additional indicators in light of the developments arising from the pandemic: (a) VAT revenues from the digital economy to capture the increase in e-commerce activities; (b) share of health sector spending on account of the government's shift in focus towards improving health systems; (c) utilization of the local development fund; and (d) utilization of the Special Education Fund to measure the capacity of the LGUs to implement their programs, activities, and projects.

The Philippine government has likewise initiated various policy measures to address financial risks, aggravated by the COVID-19 pandemic. Among these measures are the Financial Institutions Strategic Transfer (FIST) law and proposed Government Financial Institutions Unified Initiatives to Distressed Enterprises for Economic Recovery (GUIDE) law (Sustainable Finance Framework, p. 4).

The FIST law[107] was launched to protect banks and financial institutions by allowing banks and FIs to sell their non-performing assets (NPAs) to SEC-registered FIST corporations (FISTCs) and allowing them to avail of tax incentives and fee privileges in the process. FISTCs or stock corporations established and registered with the SEC through the FIST law, are mandated to collect and manage NPAs acquired from FIs, among others.

The Securities and Exchange Commission, Bangko Sentral ng Pilipinas (BSP), National Economic and Development Authority (NEDA), Department of Finance (DOF), Bureau of Internal Revenue (BIR), Philippine

[107] SEC (2021). Implementing Rules and Regulations of Financial Institutions Strategic Transfer (Fist) Act (Republic Act No. 11523). Retrieved from: https://www.sec.gov.ph/wp-content/uploads/2021/04/FIST-IRR-Final-Versionwith-sig-publication.pdf

Competition Commission (PCC), and other Appropriate Regulatory Authorities will be in charge of checking or monitoring forms, financial statements and/or reports or information submitted by FIs and FISTCs.

Meanwhile, a Joint Congressional Oversight Committee (JCOC), composed of members from the House of Representatives and the Senate and co-chaired by Chairpersons of the House Committee on Banks and Financial Intermediaries and the Senate Committee on Banks, Financial Institutions and Currencies, will supervise the implementation of the FIST law.

The GUIDE bill[108], on the other hand, aims to assist micro, small, and medium enterprises (MSMEs), Strategically important companies (SICs) or nationally significant investee companies, and other businesses affected by the pandemic by giving them access to credit and financial grants through the Land Bank of the Philippines and the Development Bank of the Philippines. A JCOC, composed of members from the House of Representatives and the Senate and co-chaired by the Chairpersons of the House Committee on Banks and Financial Intermediaries and the Senate Committee on Banks, Financial Institutions and Currencies, will supervise the implementation of the GUIDE act.

Among the recent policy developments toward sustainable finance in the country is the launch of the Sustainable Finance Framework in January 2022. The Framework was established to support the country's sustainability commitments. It spells out the government's approach and strategies towards mainstreaming sustainable finance in the country.

A roadmap was also set out on how the government intends to raise green, social and sustainability bonds, loans, and other debt instruments in international capital markets. Proceeds raised under this Framework are intended to support projects that reflect the Philippines' commitment toward Sustainable Development and the United Nations Sustainable Development Goals (UN SDGs), in line with the Philippine Development Plan (PDP) 2017-2022 and Public Investment Program (PIP) 2017-2022.

Priority Programs and Projects (PAPs), submitted by national government agencies and offices in the PIP, aim to contribute to the achievement of the Updated PDP and its accompanying Results Matrices (RM) and are for implementation through national government funds/General Appropriations Act (GAA), public-private partnerships, and ODA grants or loans (NEDA, 2021).

2.2. Trends in Expenditures

Prior to the pandemic, national government expenditures have been rising since 2010. In 2019, public spending is recorded at 3.8 trillion pesos. With the onset of pandemic in 2020, data shows a steep increase of 10.5 percentage points in public spending which reached 4.2 trillion pesos. As of 2021, national government expenditures stood at 4.7 trillion pesos, which is 23.7 percentage points higher prior to the pandemic.

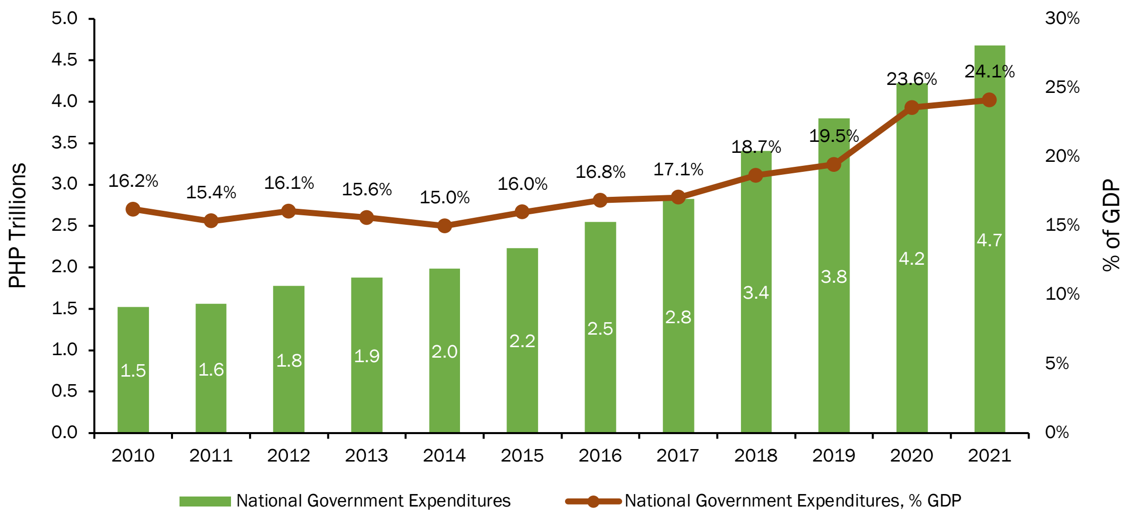
As a percentage of GDP, following a fluctuating trend from 2010 to 2014, the share of national government expenditures has been on the rise since 2015 with the government's commitment to leave no one behind by strengthening economic growth, creating more jobs, and promoting more inclusive development.

Pre-pandemic, NG expenditure as a percentage of GDP reached 19.5% in 2019 with the government's focus on investment in infrastructure development and social services to achieve the goal of making the Philippines attain an upper middle-income status and a globally competitive economy by 2022 (Department of Budget and Management [DBM], 2019).

This increased by 4.1 percentage points to 23.6% in 2020 and by 4.6 percentage points to 24.1% in 2021.

[108] https://legacy.senate.gov.ph/lisdata/3448331288!.pdf

Figure 2.3. National Government Expenditures, 2010-2021[109]



Source of data: Cash Operations Report, Bureau of the Treasury, March 15, 2022; Philippine Statistics Authority, Feb. 16, 2022.

Composition of National Government Expenditures

More than half of public sector spending is comprised by national government disbursements over the last decade. Prior to the pandemic, it has continued to dominate public spending over the years from 54.3% share in 2011 to 67.7% in 2019. Share of national government disbursement is highest in 2018 which is largely attributed to the governments expansionary fiscal measures to upgrade public infrastructures and to provide quality and accessible healthcare, education and poverty reduction programs. With the onset of the pandemic in 2020, the share of national government disbursement in public spending has declined by 2.8% at 64.9%. Latest data for 2021 indicate a rise in its share at 65.6%.

Allotment to LGUs, who are at the front line of delivery of basic services in the country, ranks 2nd in terms of share to public spending. LGU allotment has been on the rise since 2012 to 2017 from 16.8% to 18.8% but was reduced in 2018 and 2019 at 16.9% and 16.3% respectively. During the pandemic, share of public spending on LGU allotment has increased from pre-pandemic level by 2.7% in 2020 from 16.27% to 19.03%. Its share in public spending further rose to 19.1% in 2021.

The share of interest payments to public spending, on the other hand, has been on a decline in the last decade. From 17.9% in 2011, its share was down to 9.5% in 2019. Interest payments as a component of public spending were reduced by .5 percentage points in 2020 while the share of the other components i.e. allotment to LGUs, tax expenditures, subsidy, equity and net lending have increased from their share in 2019.

Public spending on equity has slightly increased from 0.09% in 2019 to 0.3% in 2020, and to 1.02% in 2021.The share of tax expenditures has gone up by .06 percentage points from its share of .72% in 2019 to 0.78% in 2020. Its share has gone up to 1.02% in 2021.

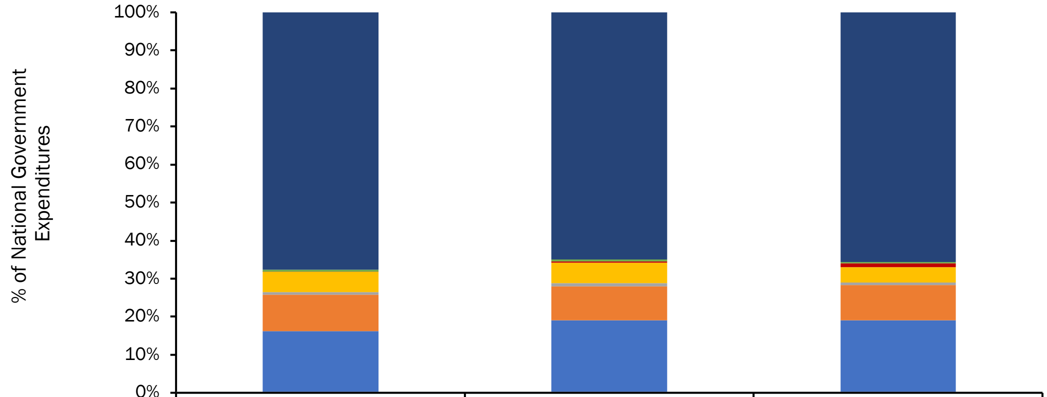
The share of subsidy in public spending, while initially increased in 2020 by .11 percentage points from 5.31% in 2019 to 5.42% in 2020, has declined by 1.36% in 2021.

The share of net lending has increased by .07 percentage points from 0.45% in 2019 to 0.52% in 2020. Its share has gone down in 2021 to .38% which is lower than in 2019. Prior to the pandemic, the share of

[109] Numbers have been rounded off to the nearest decimal place

net lending in public spending was on an upswing since 2017. From a share of -.15% in 2017, it reached .45% of national government expenditures in 2019.

Figure 2.4. Composition of National Government Expenditures, 2019-2021

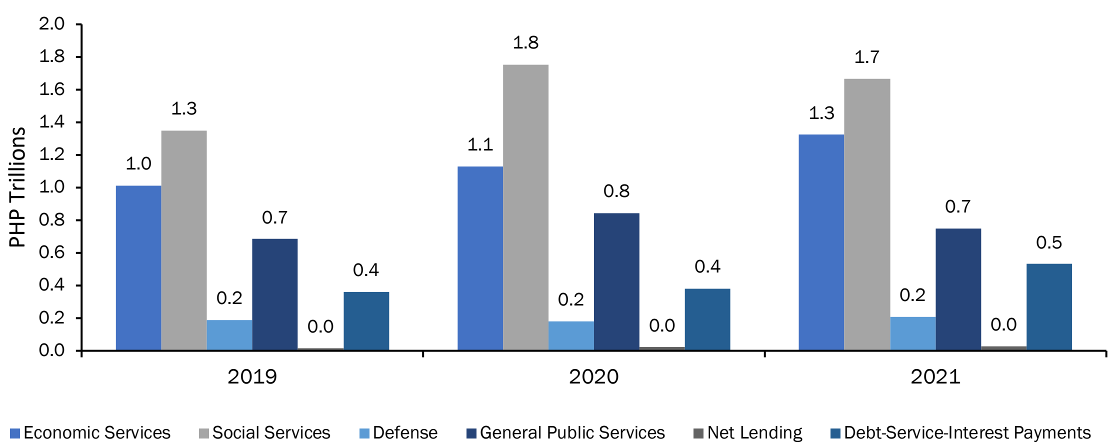


	2019	2020	2021
NG Disbursement	67.7%	64.9%	65.6%
Net Lending	0.4%	0.5%	0.4%
Equity	0.1%	0.3%	1.0%
Subsidy	5.3%	5.4%	4.0%
Tax Expenditures	0.7%	0.8%	0.8%
Interest Payments	9.5%	9.0%	9.2%
Allotment to LGUs	16.3%	19.0%	19.1%

Source of data: Bureau of the Treasury, March 15, 2022.

Expenditure Program by Sector

Figure 2.5. Expenditure Program by Sector (in Trillion Pesos), FY 2019-2021[110]



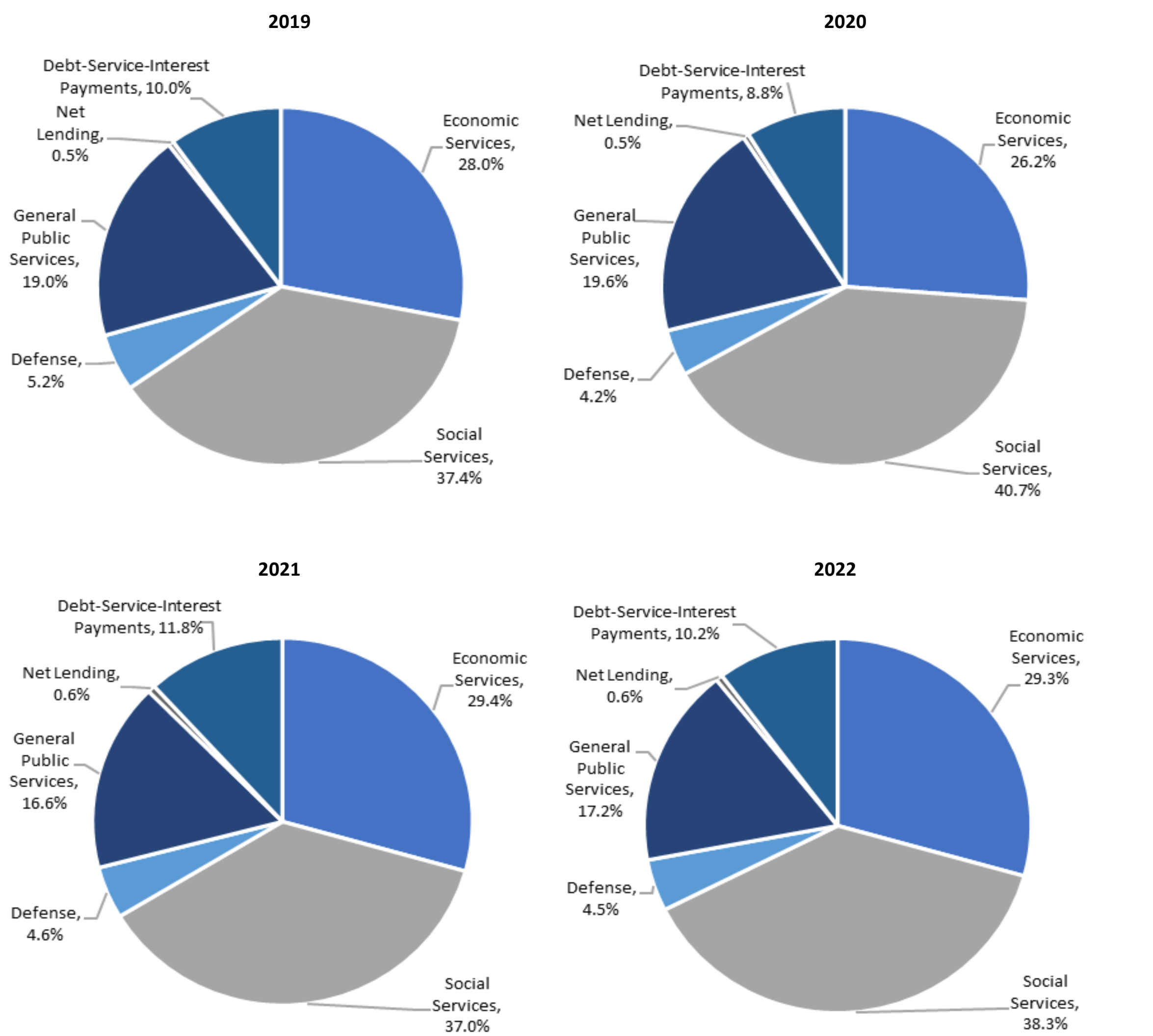
Source of data: Expenditure Program by Sector, FYs 2021 and 2022 BESF, Department of Budget and Management, Feb. 22, 2022.

As shown in the national government expenditure program for FY 2019-2021 from Figure 2.5, the sectors with the highest allocation in public spending from 2019 to 2021 are social services and economic services. Social services expenditures increased by 40% during the pandemic from PHP1.4 trillion in 2019 to PHP1.8

110 Numbers have been rounded off to the nearest decimal place

trillion in 2020. In 2021, social services expenditures allocation further increased by 30% from its allocation in 2019. Public spending has significantly increased during the pandemic from which P 716.9B had been allocated for Covid 19-related measures of which P 616.02B had been spent as of Dec. 2021 according to the DBM.

Figure 2.6. Expenditure Program by Sector (% Share to Total Expenditures), FY 2019-2022[111]



Source of data: Expenditure Program by Sector, FYs 2021 and 2022 BESF, Department of Budget and Management, Feb. 22, 2022.

Data on national government expenditure program by sector showed an increase in allocation of social services in 2020, and a rise in debt service and interest payments, net lending and economic services share in 2021. The share of social services expenditures increased by 3.3% in 2020 (from 37.4% in 2019 to 40.7% in 2020). In 2021, its share was down to 37% which is slightly lower than that in 2019.

The share of spending on economic services to total government expenditures has increased from 28% in 2019 to 29.4% in 2021. While its share initially declined by 1.8% in 2020 from 2019, expenditures on economic services increased by 1.4% in 2021.

Meanwhile, the share of debt service expenditures to total government expenditures increased by 1.8% for the FY 2021 compared to its percentage share in 2019 (from 10% in 2019 to 11.8% in 2021). While

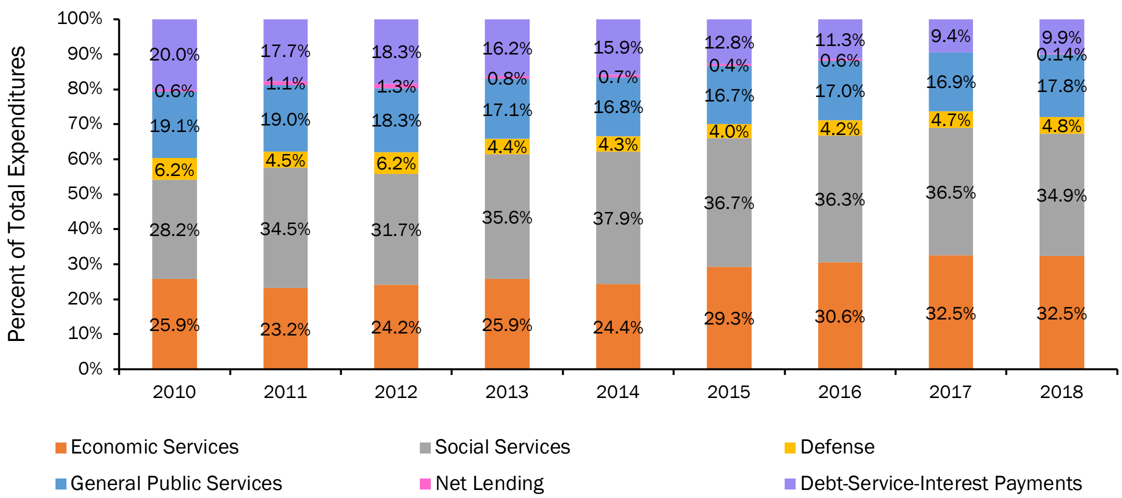
[111] Shows data on actual obligation levels for 2019 and 2020, program level for 2021, and proposed level for 2022

share of debt service interest payments initially declined to 8.8% in 2020 from a share of 10.6% in 2019, it rose to 11.8% in 2021. The share of net lending also slightly rose from 2019 to 2021. From .5% in 2019, its share to total government expenditures increased by .1 percentage point in 2021.

Public Spending

Social services-related expenditures[112] continue to comprise the highest share in public spending from 2010 to 2021 closely followed by spending on economic services, general public services, and debt service payments. On the other hand, the percentage public spending on social services and debt services has been on a decline from 2015 to 2018 while the share of spending on economic services, general public services and defense have been on an upturn.

Figure 2.7a. Expenditure Program by Sector (% of Total Expenditures) (Actual Levels), FYs 2010-2018

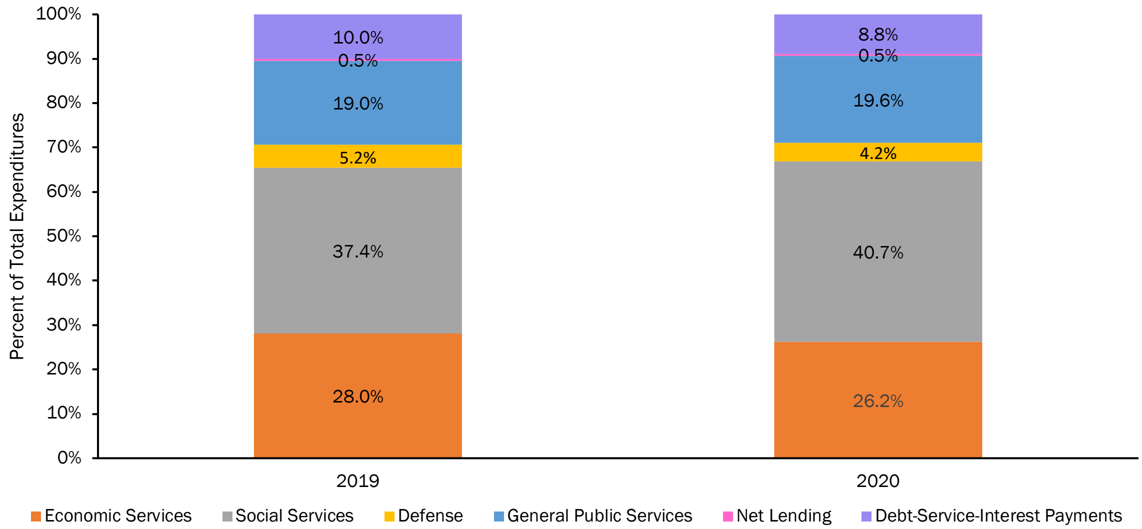


Source of data: Expenditure Program by Sector, FYs 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 BESF, Department of Budget and Management, February 28, 2022.

In 2019, a year before the pandemic, share of public spending on economic services to total expenditures has declined to 28% with an upturn in the share of other expenditure programs particularly social services and debt service interest payments. With the onset of the pandemic in 2020, spending on economic services continued to decline as resources are allocated more for social services which increased by 3.3 percentage points from 37.4% in 2019 to 40.7% in 2020. As the country strives to cope and recover from the on-going pandemic, , data shows a rise in spending share for economic services, debt service interest payments, defense and net lending in 2021, and a decline in public spending for social services and general public services.

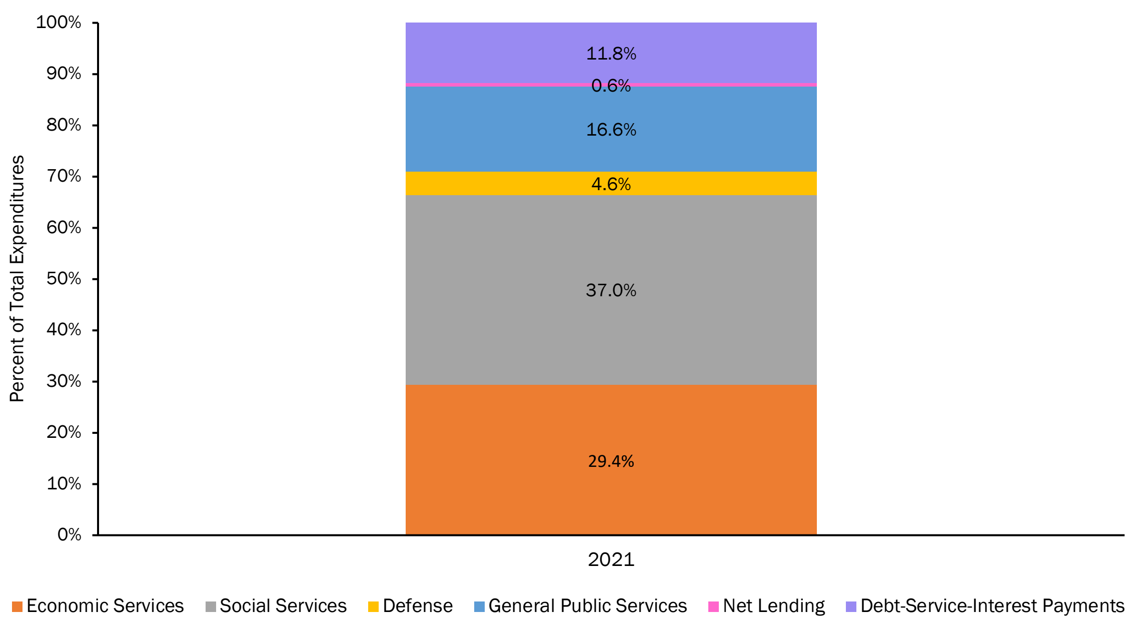
[112] The top three highest percent increase in social services-related expenditures in the past decade were observed in 2011 (at 31%) at the onset of the Aquino administration, in 2020 (at 30%) at the onset of the COVID-19 pandemic, and in 2017 (at 24.6%) at the onset of the Duterte administration.

Figure 2.7b. Expenditure Program by Sector (% of Total Expenditures) (Actual Levels), FYs 2019-2020



Source of data: Expenditure Program by Sector, FYs 2021 and 2022 BESF, Department of Budget and Management, Feb. 28, 2022.

Figure 2.7c. Expenditure Program by Sector (% of Total Expenditures) (Program Level), FY 2021



Source of data: Expenditure Program by Sector, FY 2022 BESF, Department of Budget and Management, February 28, 2022.

Spending Priorities, 2019-2021

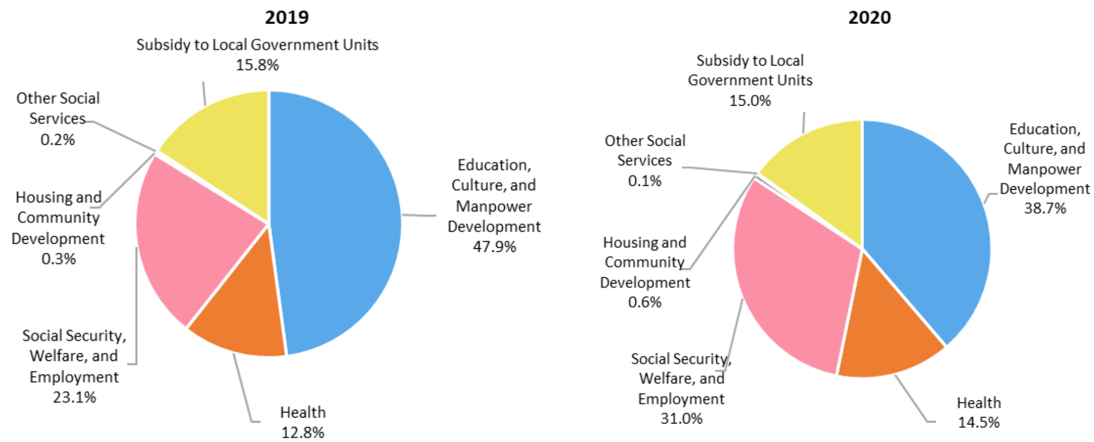
2019: Spending priorities in 2019 reflect the government's focus on implementing/enhancing programs for human capital development (programs supporting expanded educational opportunities, social protection, universal health care (UHC), food security, secure and meaningful employment, and decent housing and clean environment) and infrastructure development.

2020: The evident increase in the share of social services-related expenditures in 2020 is a result of the modified budget priorities in response to the COVID-19 pandemic (implementing measures to support the vulnerable and marginalized groups).

2021: Investment priorities in 2021, on the other hand, show the government's resolve towards recovery, resiliency, and sustainability–prioritizing programs and projects that improve the health care system, ensure food security, support digital transformation efforts, and ensure faster and more efficient recovery of communities in response to the ongoing health crisis.

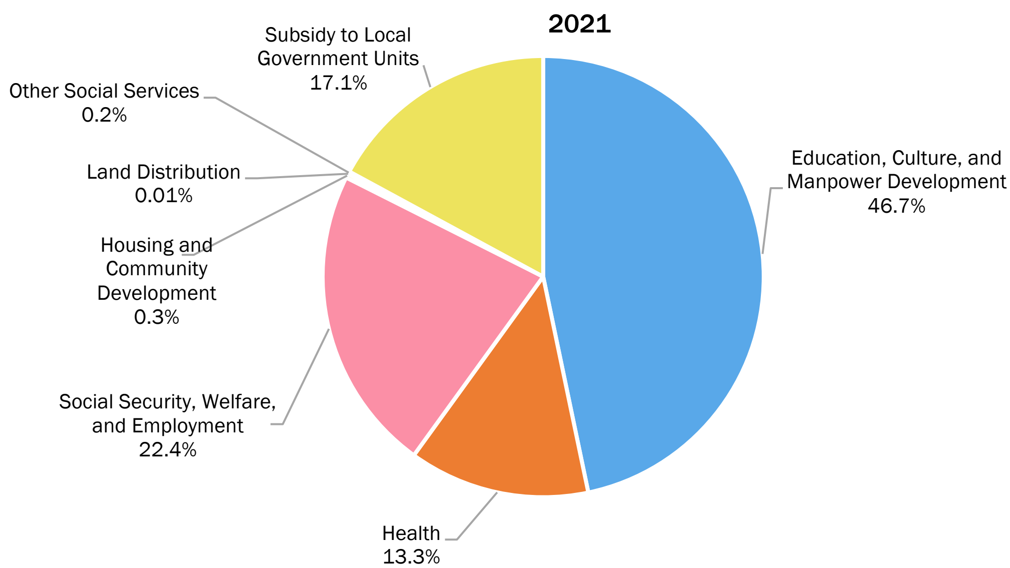
Social Sector Expenditures

Figure 2.8a. Breakdown of Social Services Expenditures (Actual Levels) (%), FYs 2019-2020



Source of data: Expenditure Program by Sector, FYs 2021 and 2022 BESF, Department of Budget and Management, Feb. 28, 2022.

Figure 2.8b. Breakdown of Social Services Expenditures (Program Level) (%), FY 2021



Source of data: Expenditure Program by Sector, FY 2022 BESF, Department of Budget and Management, February 28, 2022.

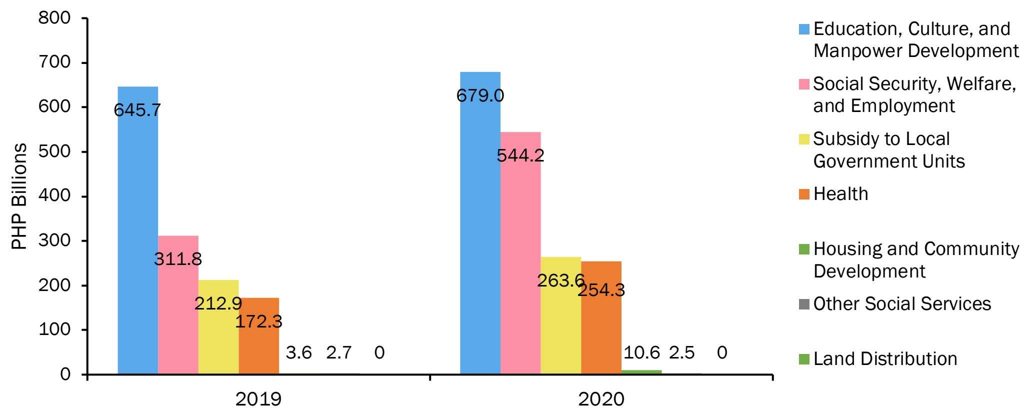
Share of health expenditures and social security and employment increased in 2020 while spending on education, culture and manpower development declined. Topping the government social services expenditures from 2019-2021 is education, culture and manpower and development. This is followed by social security, welfare and employment. Subsidy to local government units ranks 3rd while health expenditure ranks 4th in share of total government spending.

Share of spending on education, culture manpower and development to total social sector expenditures declined from 50.4% in 2019 to 38.7% in 2020. In 2021, it rose back to 46.7% which is lower than the pre-pandemic level. Meanwhile, spending on social security, welfare and employment increased from 22.9% to 31% in 2020. This declined to 22.4% in 2021.

Share of expenditures on subsidy to LGUs slightly declined by .5% from 2019 to 2020. This has increased to 17.1% in 2021, which is 1.6% higher from pre-pandemic level.

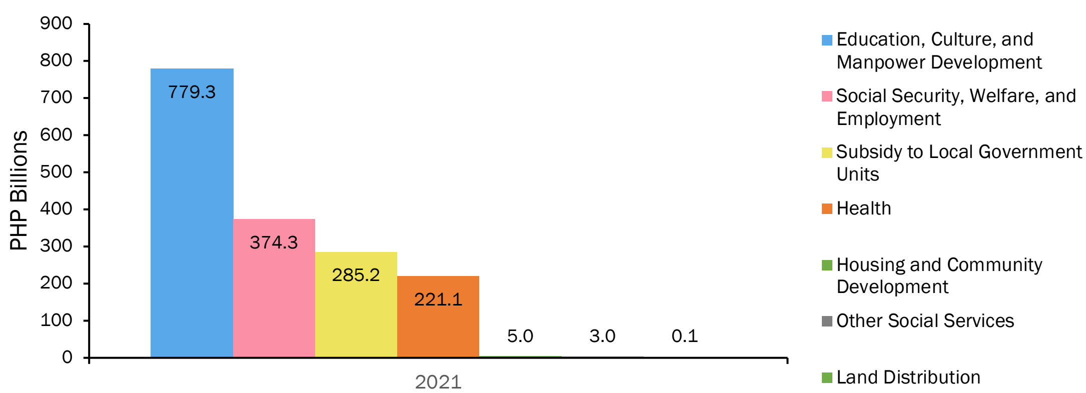
Government spending on health increased during the pandemic. Its share to total social sector expenditures increased from 10.9% in 2019 to 14.5%. This declined in 2021 by 1.2%.

Figure 2.9a. Breakdown of Social Services Expenditures (Actual Levels), FYs 2019-2020[113]



Source of data: Expenditure Program by Sector, FYs 2021 and 2022 BESF, Department of Budget and Management, Feb. 23, 2022.

Figure 2.9b. Breakdown of Social Services Expenditures (Program Level), FY 2021[114]



Source of data: Expenditure Program by Sector, FY 2022 BESF, Department of Budget and Management, February 23, 2022.

113 Numbers have been rounded off to the nearest decimal place
114 Numbers have been rounded off to the nearest decimal place

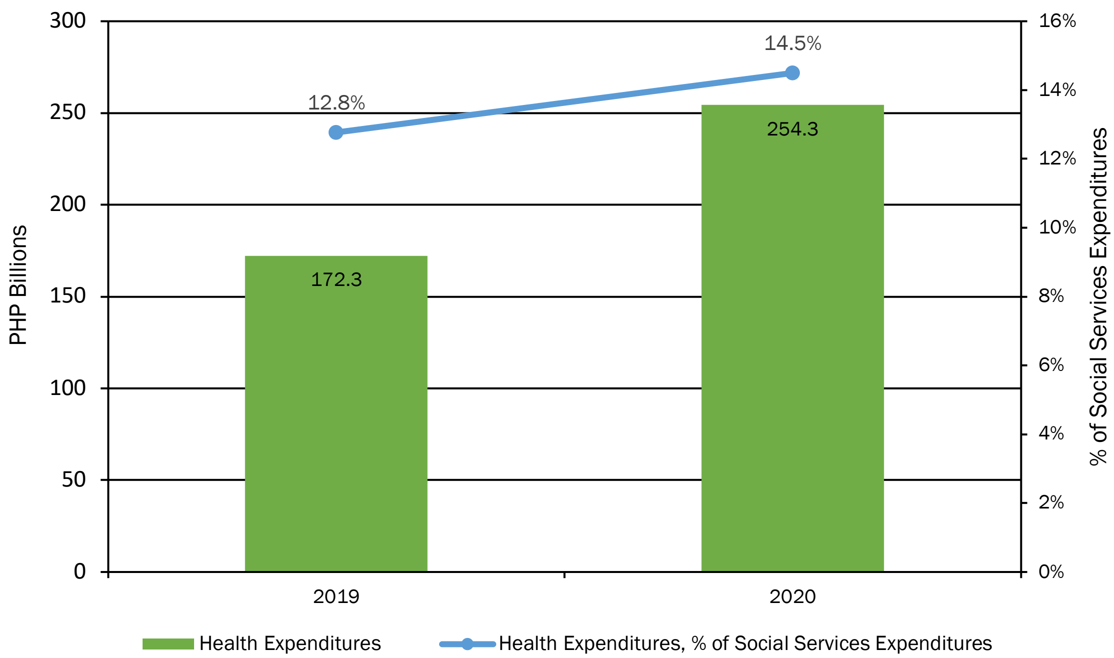
Government spending on health increased during the pandemic. Following a decreasing trend in health expenditures, as a share of total social services expenditures, from 2017 to 2019, its share increased by 1.6 percentage points from 12.9% in 2019 to 14.5% in 2020. This declined by 1.2 percentage points in 2021 (at 13.3%).

Share of expenditure on social security, welfare and employment initially rose to 31% in 2020 but slightly declined from pre-pandemic level. Share of spending on education, culture and manpower development declined from 47.9% in 2019 to 38.7% in 2020 but increased to 46.7% in 2021.

Public Spending on Health

Total health expenditures increased by 47.6% from PHP172.3 billion in 2019 to PHP254.3 billion in 2020. In response to the COVID-19 crisis, the national government realigned spending to focus on the implementation of Social Amelioration Program (SAP) and the Small Business Wage Subsidy (SBWS) Program, Bayanihan grant to provinces, cities, and municipalities, and other measures under the Bayanihan to Heal as One Act. In 2021, public spending on health, marked at PHP221.1 billion, was higher by 28.3% compared to 2019 health expenditures.

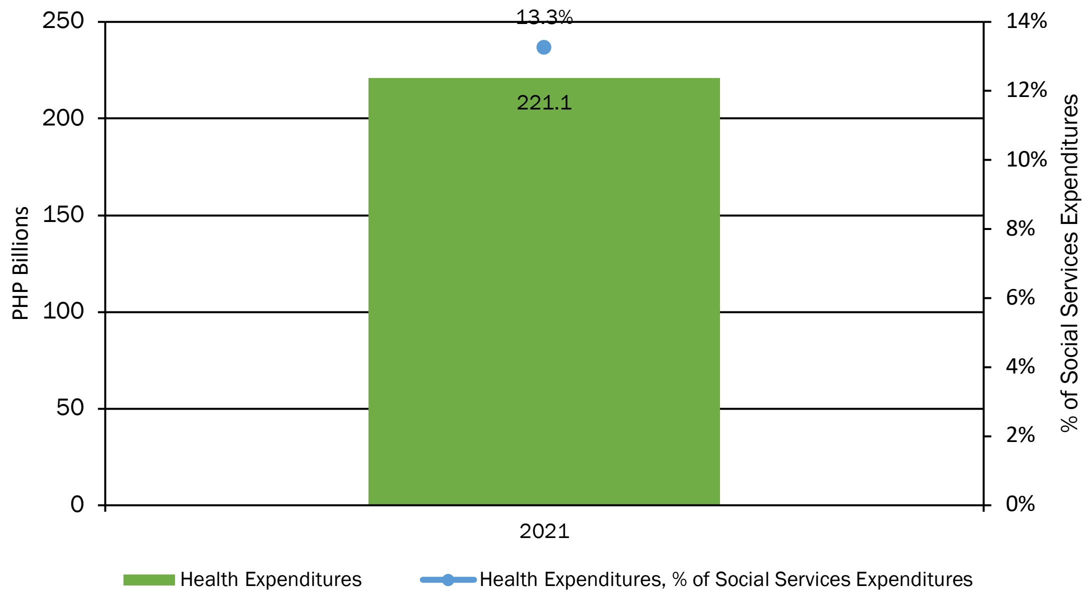
Figure 2.10a. Health Expenditures (Actual Levels), FYs 2019-2020[115]



Source of data: Budget of Expenditures and Sources of Financing Tables, Department of Budget and Management, Feb. 23, 2022.

[115] Numbers have been rounded off to the nearest decimal place

Figure 2.10b. Health Expenditures (Program Level), FY 2021[116]



Source of data: Budget of Expenditures and Sources of Financing Tables, Department of Budget and Management, Feb. 23, 2022.

Following a decreasing trend from 2017 to 2019, health expenditures, as a share of total social services expenditures has increased during the pandemic. Public spending on health increased by 1.7 percentage points from 12.8% in 2019 to 14.5% in 2020. Latest data indicate that its share decreased by 1.2% in 2021.

Table 2.2 shows how much of the national budget for 2020 and 2021 were allotted for COVID-19 response. From the 2020 GAA, PHP6.4 billion had been allotted for COVID-19 related procurement and funding requirements:

a) PHP86.1 million (1.3% of the allotment) to cover the procurement of medical equipment, patrol boats, unmanned aerial system, and mobile storage trailer to be used for COVID-19 response;
b) PHP2.7 billion (41.7%) to cover the funding requirements for the Philippines COVID-19 Emergency Response Project (ERP);
c) PHP2.9 billion (45.4%) to cover the additional funding requirements for the FY 2020 Quick Response Fund (QRF); and
d) PHP749 million (11.6%) to cover funding requirements for the deficiency in salaries and other personnel benefits of deployed Human Resource for Health personnel.

Meanwhile, from the 2021 GAA, PHP108.3 billion had been allotted for COVID-19 related procurement and funding requirements:

a) PHP7.7 billion (7.2%) to cover funding requirements for the advance procurement of COVID-19 vaccine and related expenditures under the Health System Enhancement to Address and Limit COVID-19 Project and the ERP;
b) PHP73.6 billion (68%) to cover funding requirements for the provision of assistance to low income population of various LGUs in NCR, the advance procurement of COVID-19 vaccine and related expenditures under the Health System Enhancement to Address and Limit COVID-19 Project and the ERP, the implementation of the Emergency Repatriation Program, COVID-19 response under Oplan Kalinga Program, the implementation of the Fuel Cash Subsidy Program, and the UP Philippine Genome Center;

[116] Numbers have been rounded off to the nearest decimal place

c) PHP7.5 billion (6.9%) to cover the Philippine pledge to the COVID-19 ASEAN Response Fund, funding requirements for COVID-19 vaccine procurement, hiring of contact tracers, additional funding requirements for the implementation of the Emergency Repatriation Program, and the release of the FY 2021 COVID-19 National Vaccine Indemnity Fund to the PhilHealth;
d) PHP461.9 million (0.4%) to cover the COVID-19 Special Risk Allowance of public health workers and payment of Special Risk Allowance (SRA) to public health workers of the UP-PGH;
e) PHP5.8 billion (5.4%) to cover funding requirements for COVID-19 response under Oplan Kalinga Program and for the FY 2021 QRF; and
f) PHP13.1 billion (12.1%) to cover funding requirements for the provision of assistance to low income population of various LGUs in NCR

Table 2.2. COVID-19 Budget Utilization (in PHP), FY 2020 and FY 2021 GAA

Particulars	Allotment (Amount)	Obligations	Disbursements	Unobligated Allotment	Unpaid
FY 2021 GAA	108,333,750,287	77,410,526,576	52,781,896,126	30,923,223,711	24,628,630,450
Regular Agency Fund	7,756,498,000	7,131,360,839	3,782,888,436	625,137,161	3,348,472,403
Unprogrammed Appropriations	73,634,585,787	61,134,319,778	41,983,608,647	12,500,266,009	19,150,711,131
Contingent Fund	7,526,949,322	4,409,314,204	3,163,161,202	3,117,635,118	1,246,153,002
Miscellaneous Personnel Benefits Fund	461,981,268	406,559,888	390,764,470	55,421,380	15,795,418
NDRRMF	5,828,263,910	4,328,971,867	3,461,473,371	1,499,292,043	867,498,496
Continuing Appropriations, FY 2020 GAA (charged vs. Pooled Balances/A041)	13,125,472,000	-	-	13,125,472,000	-
FY 2020 GAA	6,459,816,580	5,005,711,933	4,443,095,637	1,454,104,648	562,616,295
Regular Agency Fund	86,072,500	86,072,500	56,072,500	-	30,000,000
Unprogrammed Appropriations	2,691,343,219	1,375,131,235	1,366,130,300	1,316,211,984	9,000,935
NDRRMF	2,933,353,840	2,795,461,177	2,271,845,816	137,892,664	523,615,360
Miscellaneous Personnel Benefits Fund	749,047,021	749,047,021	749,047,021	-	-

Source of data: DBM (2021a). SARO/NCA Releases for Coronavirus Disease 2019 (COVID-19) - FY 2020 and FY 2021 GAA as of Dec. 31, 2021

A report by the DBM on the 2022 national budget in 2021 highlighted greater investments in social and economic services in line with the government's COVID-19 response and recovery agenda and other crucial expenditures. In particular, health, social welfare, and infrastructure development continue to be prioritized in order to manage the risks of the outbreak and boost economic growth (DBM, 2021b). In a press release in August 2021, the DBM noted that the social services sector will continue to receive the biggest chunk of the FY 2022 National Expenditure Program with P1.922 trillion, which is higher by 15.2 percent compared to the 2021 national budget. This is intended to finance health-related services such as the continued implementation of the UHC Act, purchase of COVID-19 vaccines, procurement of personal protective equipment, and others. The budget will also prioritize support for education-related programs, including the implementation of the Universal Access to Quality Tertiary Education (DBM, 2021c).

As of January 2022, around USD22.55 billion has been raised from the ADB, World Bank, AIIB, AFD, JICA, KEXIM-EDCF and foreign currency denominated global bonds and around USD3.25 billion worth of grant assistance and loan financing have been secured to finance COVID-19 projects (DOF, 2022).

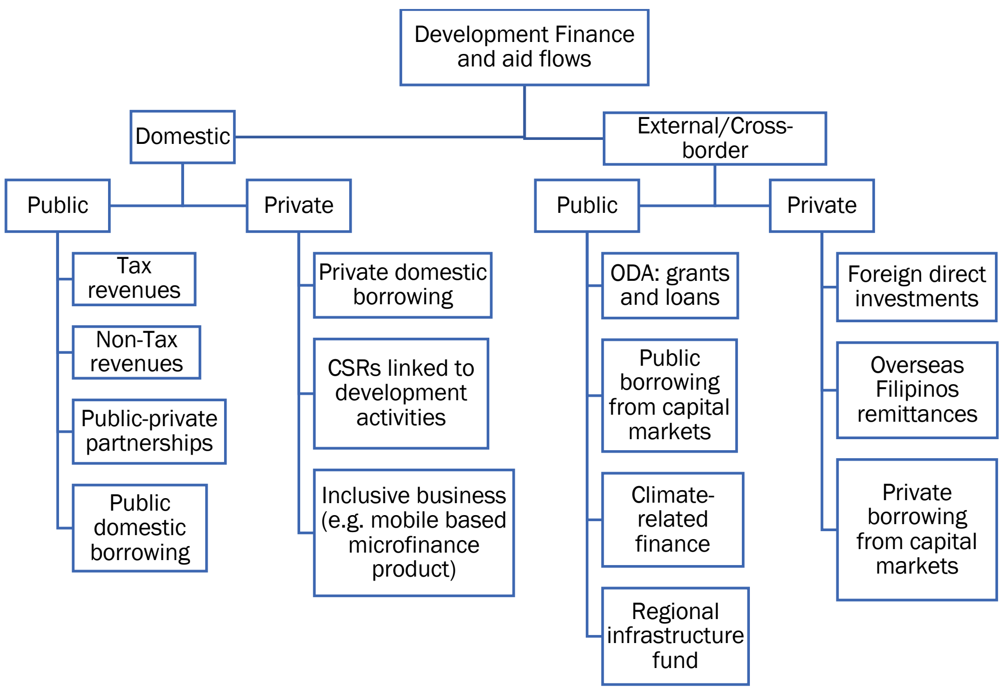
2.3. Sources of Financing

The flow of development and finance aid in the Philippines is shown in Figure 2.9. The 2014 DFA highlighted the various sources of financing in the country which was broadly classified into domestic and external or cross border flows. These sources of funding can be either public or private.

Domestic public finance includes tax revenues, non-tax revenues, public domestic borrowing, and public-private partnerships. Domestic private finance, on the other hand, is comprised of private domestic borrowing, corporate social responsibility programs, or projects linked to development activities including environmental protection in mining areas, and inclusive business like mobile financial services by rural banks.

External public development finance, on the other hand, includes ODA, borrowing from capital markets, climate-related finance, and regional infrastructure fund.[117] Meanwhile, external private development finance is comprised of foreign direct investments, overseas Filipinos remittances, and borrowing from capital markets.

Figure 2.11. Development and Finance Aid Flows in the Philippines



Source: Development Finance Assessment Report 2014

Prior to pandemic, trends in the country's financial resources indicate an upswing in both domestic and international resources since 2018. Over the years, domestic resources dominate the financing mix. Except for a slight decline in 2013 and 2014, domestic public resources have been on an increasing trend over the years. In terms of externally sourced public funds, data also shows an increasing trend from 2016 to 2020. Private financing both domestic and international were consistently on the rise from 2000-2019.

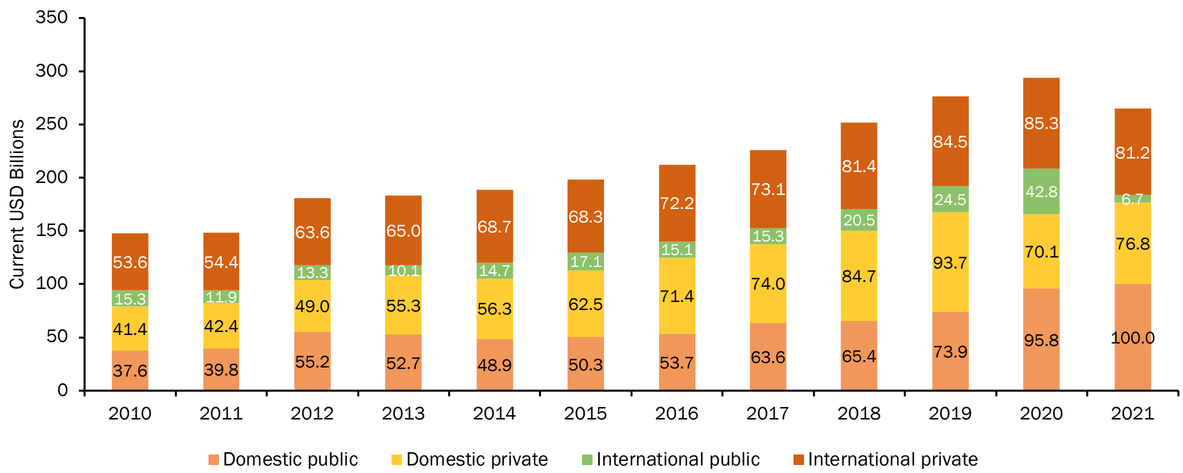
In 2020, data shows a significant decline in domestic private resources and a significant surge in international public resources. Domestic private resources decreased by 25.15% from USD93.7 billion in 2019 to USD70.1 billion in 2020. International private resources only slightly increased by .99% from USD84.5 billion in 2019 to USD85.3 billion in 2020. Rise in international private resources is lower compared to earlier years.

[117] Climate-related finance and regional infrastructure fund may be mobilized in the form of ODAs.

Meanwhile, 2021 data show that there has been a 9.6% increase in domestic private finance in 2021, from USD70.1 billion in 2020 to USD76.8 billion in 2021. In the case of international private finance, it decreased by 4.9% from USD85.3 billion in 2020 to USD81.2 billion in 2021.

International public resources, on the other hand, jumped by 69.9% from USD25.2 billion in 2019 to USD42.8 billion in 2020. Domestic public finance likewise increased by 29.6% from USD73.9 billion in 2019 to USD95.8 billion in 2020 and increased to USD100 billion (a 4.4% increase) in 2021.

Figure 2.12. Domestic and international finance, 2010-2021 (in Billion USD)[118]

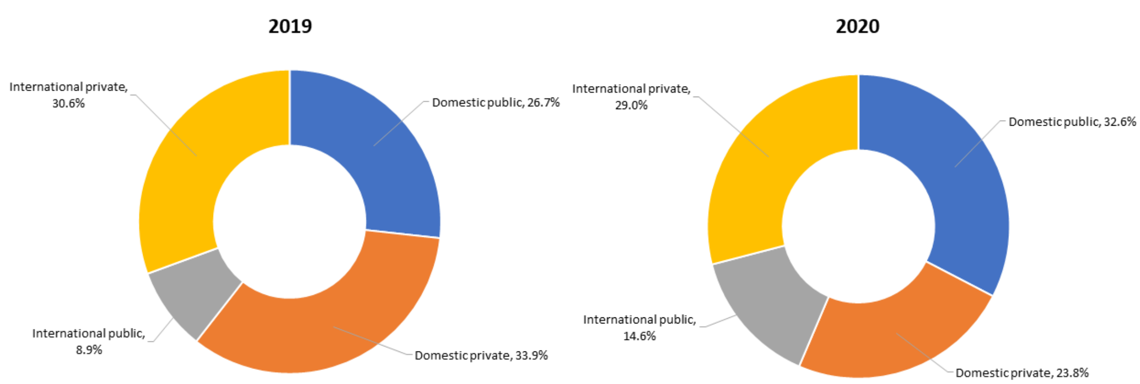


Source of data: Bangko Sentral ng Pilipinas, Bureau of the Treasury, and National Economic and Development Authority (Figures for 2021 on international public finance is based only on partial available data for the different components to date; latest available data on ODA is as of 2020)

Comparing the financing mix in 2019 and 2020, while domestic public resources continue to be a primary source of development finance in the country, data shows an increase in share of international public finance by 3.6% during the pandemic from 17.5% in 2019 to 21.1% in 2020. Similarly, domestic public finance share rose by 4.6% from its pre-pandemic share of 39% in 2019 to 43.9% in 2020.

Meanwhile, the share of private resource flows both at the domestic and international level declined during the pandemic. From 33.8% share in 2019, the share of domestic private finance dropped to 23.8% in 2020. International private finance share, on the other hand, dipped by 1.5% from a contribution of 30.5% in 2019 to 29% in 2020.

Figure 2.13. Sources of finance, 2019 and 2020

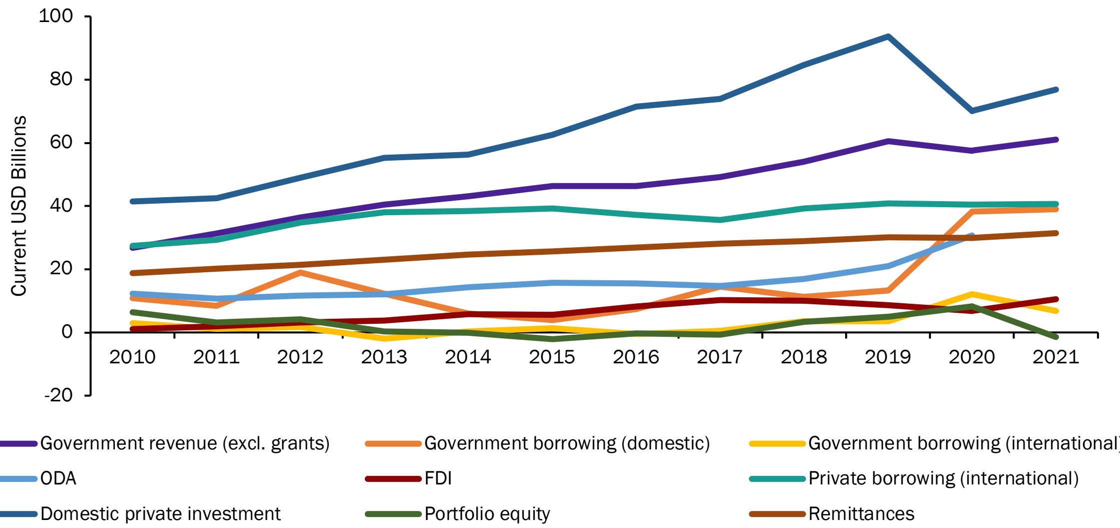


Source of data: Bangko Sentral ng Pilipinas, Bureau of the Treasury, and National Economic and Development Authority

118 Numbers have been rounded off to the nearest decimal place

Details on the different components of domestic and international flows are shown in Figure 2.14 below.

Figure 2.14. Financial flows in the Philippines, 2010-2021[119]



Source of data: Bureau of the Treasury, March 30, 2022; Bangko Sentral ng Pilipinas, March 31, 2022.

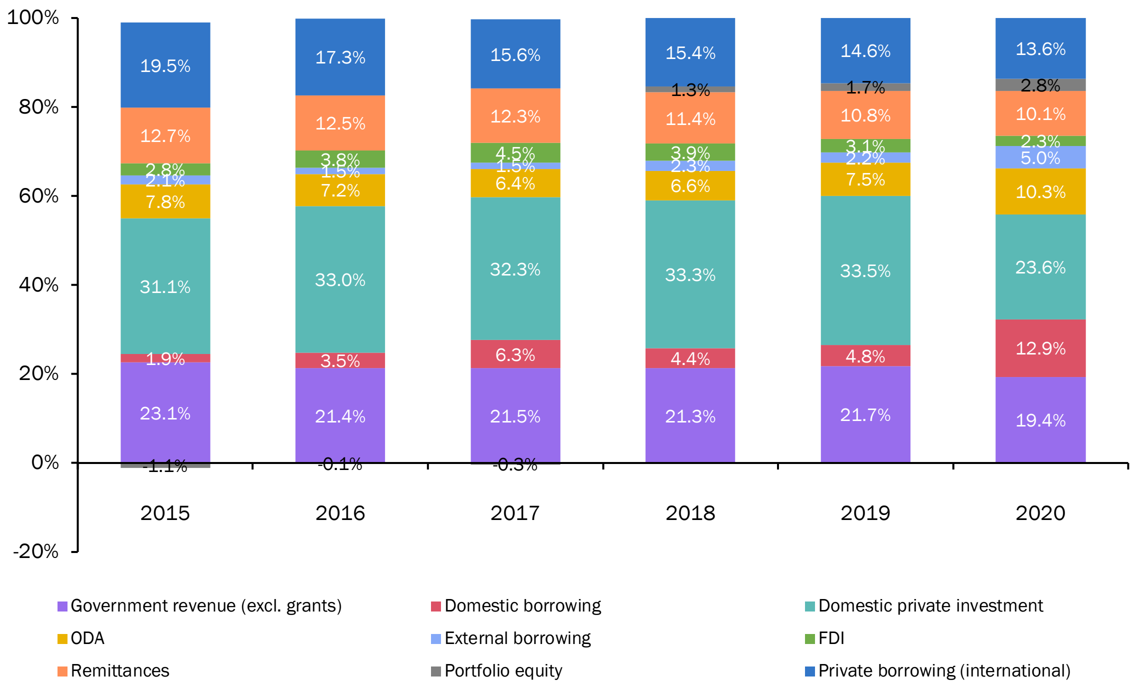
Following an upswing in growth since 2016 to 2019, government revenues dropped during the pandemic. The increasing trend in domestic private investment (comprised of Gross Fix Capital Formation Less Foreign Direct Investment) has likewise been reversed in 2020 during which dipped by 25% from 2019 level.

Foreign direct investment also significantly declined. Data shows an increase in domestic government borrowing from 2018-2019, a decrease in external government borrowing from 2018-2019, and a steep rise in total government borrowing in 2020. Domestic borrowing increased by 187% in 2020 from 2019 while external borrowing increased by 239% in the same period. There was also a large increase in Official Development Assistance (ODA) in 2020 compared to its annual growth since 2017 up to 2019.

Compared to 2020 figures, data in 2021 show an increase in government revenues (6%), an increase in domestic private investment (9.6%), a slight increase in domestic borrowing (1.9%), a significant increase in foreign direct investment (54.2%), and a significant decrease in external borrowing (44.4%).

[119] Latest available ODA data is as of 2020 only

Figure 2.15. Share of Financing Sources to Total Resources, 2015-2020[120]



Source of data: Bureau of the Treasury, March 30, 2022; Bangko Sentral ng Pilipinas, March 31, 2022.

Share of government revenues to total resources has declined to 19.7% in 2020 from 21.7% in 2019. Looking at other sources of financing, domestic private investment continues to have the biggest share to total resources but has declined from 35.5% in 2019 to 23.6% in 2020.

Aside from the decline in share of resources from government revenues and domestic private investment, decline in shares of private borrowing, remittances, and FDI has also been observed. Share of private borrowing decreased from 14.6% in 2019 to 13.6% in 2020, share of remittances slightly decreased from 10.8% to 10.1%, and share of FDI slightly decreased from 3.1% in 2019 to 2.3% in 2020.

Meanwhile, data shows a rise in share of resources from borrowing (both domestic and external), ODA, and portfolio equity. Share of domestic borrowing to total resources significantly increased from 4.8% in 2019 to 12.9% in 2020 while share of external borrowing increased from 2.2% in 2019 to 5% in 2020. Share of ODA also increased from 7.5% in 2019 to 10.3% in 2020. The same is true for the share of portfolio equity which increased from 1.7% in 2019 to 2.8% in 2020.

Philippine Public-Private Partnership (PPP) Projects

To accelerate the building of public infrastructures or facilities necessary to achieve national development objectives, PPPs are formed through an agreement between the government and the private sector. PPP projects, which are funded, designed, implemented, and operated by private sector, enable the government to construct public assets and/or provide public services faster.

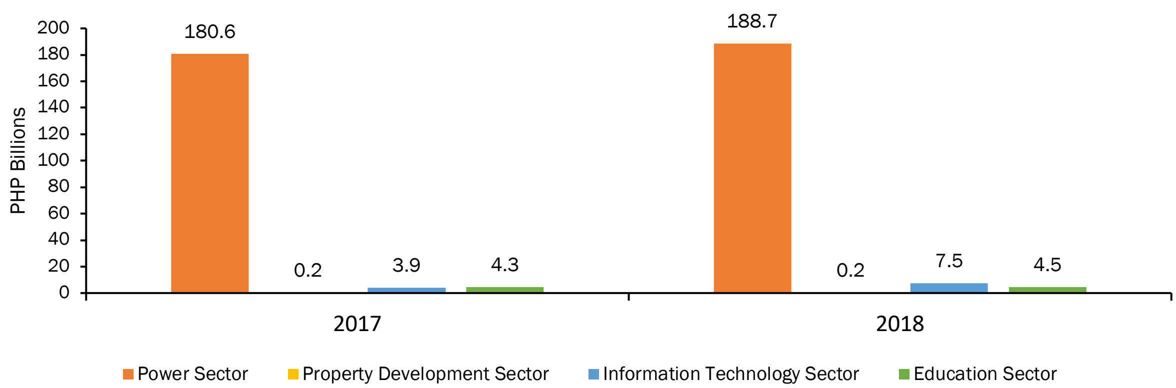
Eligible types of PPP projects (Public-Private Partnership Center, n.d.) under the amended Build-Operate-and-Transfer (BOT) law (RA 7718) include:

- Highways, including expressways, roads, bridges, interchanges, tunnels, and related facilities;
- Railways or rail-based projects that may or may not be packaged with commercial development opportunities;

[120] Share of financing sources to total resources for 2021 is not included since data on ODA for 2021 is not yet available as of date

- Non-rail based mass transit facilities, navigable inland waterways, and related facilities;
- Port infrastructures like piers, wharves, quays, storage, handling, ferry services, and related facilities;
- Airports, air navigation, and related facilities;
- Power generation, transmission, sub-transmission, distribution, and related facilities;
- Telecommunications, backbone network, terrestrial and satellite facilities, and related service facilities;
- Information technology (IT) and database infrastructure, including modernization of IT, geo-spatial resource mapping, and cadastral survey for resource accounting and planning;
- Irrigation and related facilities;
- Water supply, sewerage, drainage, and related facilities;
- Education and health infrastructure;
- Land reclamation, dredging, and other related development facilities;
- Industrial and tourism estates or townships, including ecotourism projects such as terrestrial and coastal/marine nature parks, among others, and related infrastructure facilities and utilities;
- Government buildings, housing projects;
- Markets, slaughterhouses, and related facilities;
- Warehouses and post-harvest facilities;
- Public fish ports and fishponds, including storage and processing facilities;
- Environmental and solid waste management related facilities such as, but not limited to, collection equipment, composting plants, landfill, and tidal barriers, among others; and
- Climate change mitigation and adaptation infrastructure projects and related facilities.

Figure 2.16a. Estimated Cost of Concluded/Turned Over PPP Projects, 2017-2018[121] [122]

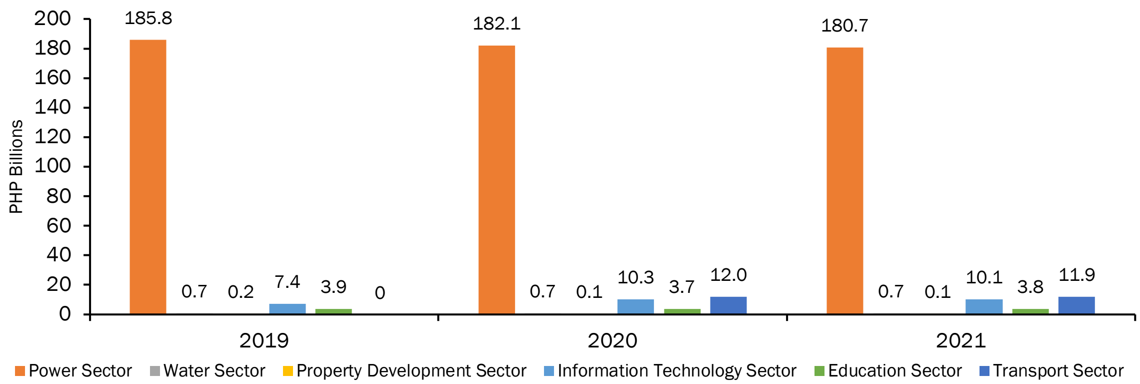


Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Concluded and/or Turned Over Projects, FYs 2017 and 2018 BESF, Department of Budget and Management, February 23, 2022.

The estimated cost of concluded and/or turned over PPP projects increased by 6.2% from PHP188.9 billion in 2017 to PHP200.8 billion in 2018. PPP projects under the power sector contributed the most to the total estimated cost in both years, averaging at PHP184.6 billion.

[121] Numbers have been rounded off to the nearest decimal place
[122] Figures were converted from USD to PHP based on BSP Pesos per US Dollar Rate $1 = Php49.923 (2017 - Annual Average) and $1 = Php52.724 (2018 - Annual Average)

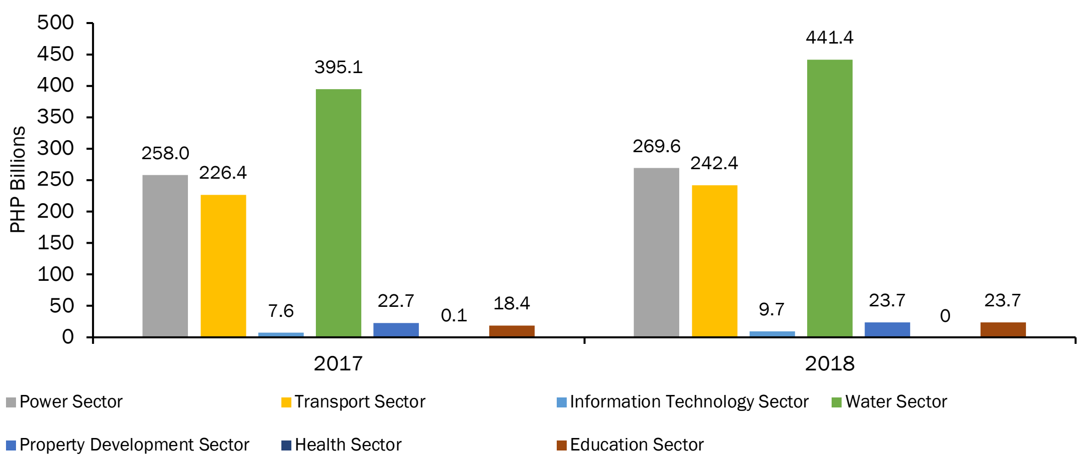
Figure 2.16b. Estimated Cost of Concluded/Turned Over PPP Projects, 2019-2021[123][124]



Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Concluded and/or Turned Over Projects, FYs 2019, 2020, and 2021 BESF, Department of Budget and Management, Feb. 23, 2022.

The estimated cost of concluded and/or turned over PPP projects increased by 5.5% from PHP198 billion in 2019 to PHP208.8 billion in 2020 and decreased by .7% in 2021 at PHP207.3 billion. PPP projects under the power sector contributed the most to the total annual estimated cost from 2019 to 2021, averaging at PHP182.9 billion. The total cost of transport-related projects increased significantly from zero in 2019 to PHP12 billion in 2020.

Figure 2.17a. Estimated Cost of Operational PPP Projects, 2017-2018



Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Operational Projects, FYs 2017 and 2018 BESF, Department of Budget and Management, February 23, 2022.

The estimated cost of operational PPP projects increased by 8.9% from PHP928.2 billion in 2017 to PHP1.01 trillion in 2018. PPP projects under the water sector contributed the most to the total estimated cost in both years, averaging at PHP418.3 billion.

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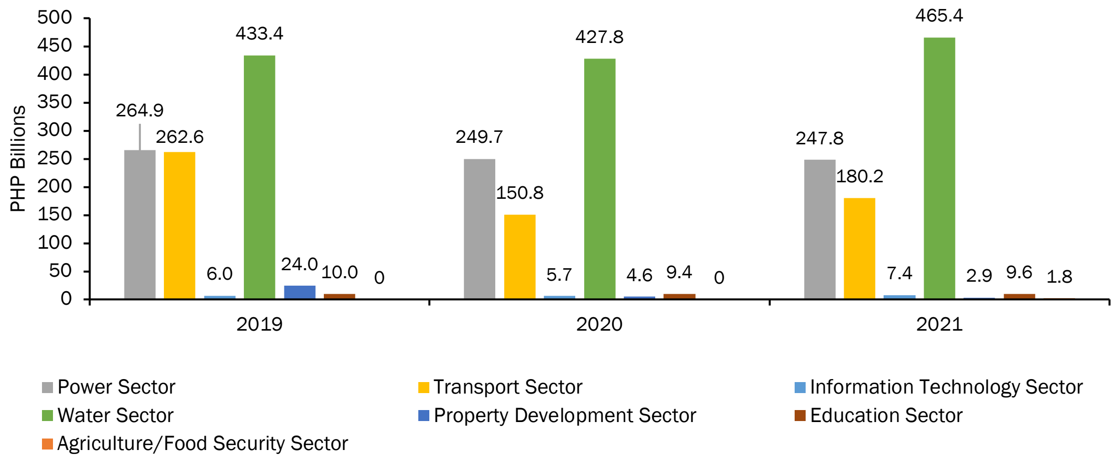
[123] Numbers have been rounded off to the nearest decimal place

[124] Figures were converted from USD to PHP based on BSP Pesos per US Dollar Rate $1 = Php50.744 (2019 - Annual Average), $1 = Php48.036 (2020 - Annual Average), and $1 = Php50.774 (2021 - Annual Average)

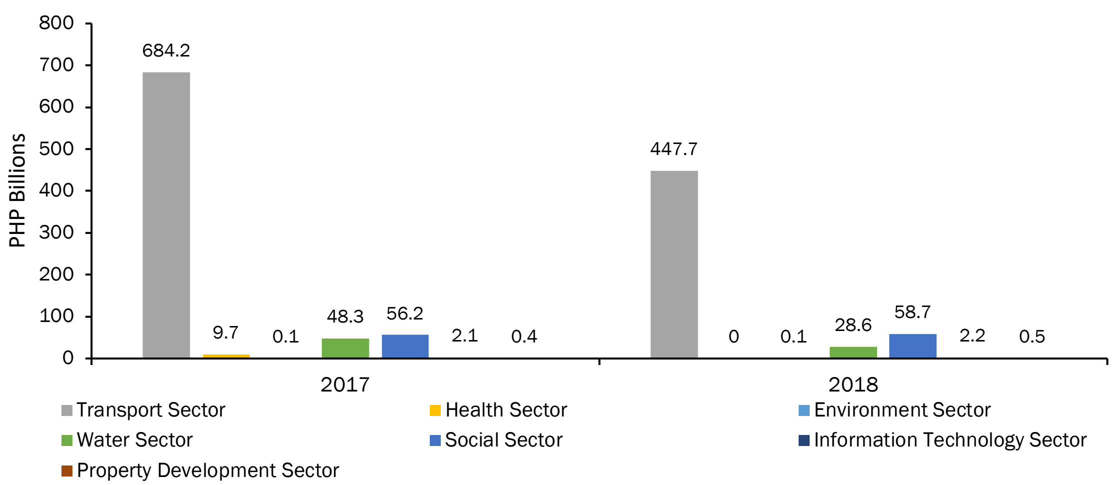
Figure 2.17b. Estimated Cost of Operational PPP Projects, 2019-2021[125][126]



Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Operational Projects, FYs 2019, 2020, and 2021 BESF, Department of Budget and Management, February 23, 2022

The estimated cost of operational PPP projects decreased by 15.3% from PHP1 trillion in 2019 to PHP848.1 billion in 2020 and increased by 7.9% in 2021 at PHP915.1 billion. PPP projects under the water sector contributed the most to the total annual estimated cost from 2019 to 2021, averaging at PHP442.2 billion. The total cost of property development-related projects decreased significantly from PHP24 billion in 2019 to PHP4.6 billion in 2020.

Figure 2.18a. Estimated Cost of Awarded/For Construction/Under Construction PPP Projects, 2017-18

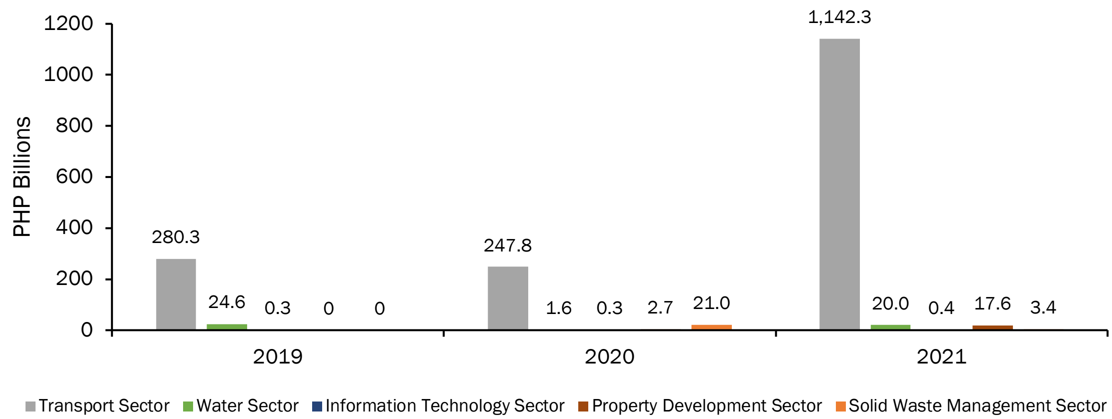


Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Awarded/For Construction/Under Construction Projects, FYs 2017 and 2018 BESF, Department of Budget and Management, February 23, 2022.

The estimated cost of awarded, for construction, or under construction PPP projects decreased by 32.9% from PHP801.2 billion in 2017 to PHP537.7 billion in 2018. PPP projects under the transport sector contributed the most to the total estimated cost in both years, averaging at PHP565.9 billion.

[125] Numbers have been rounded off to the nearest decimal place
[126] Figures were converted from USD to PHP based on BSP Pesos per US Dollar Rate $1 = Php50.744 (2019 - Annual Average), $1 = Php48.036 (2020 - Annual Average), and $1 = Php50.774 (2021 - Annual Average)

Figure 2.18b. Estimated Cost of Awarded/For Construction/Under Construction PPP Projects, 2019-2021[127][128]



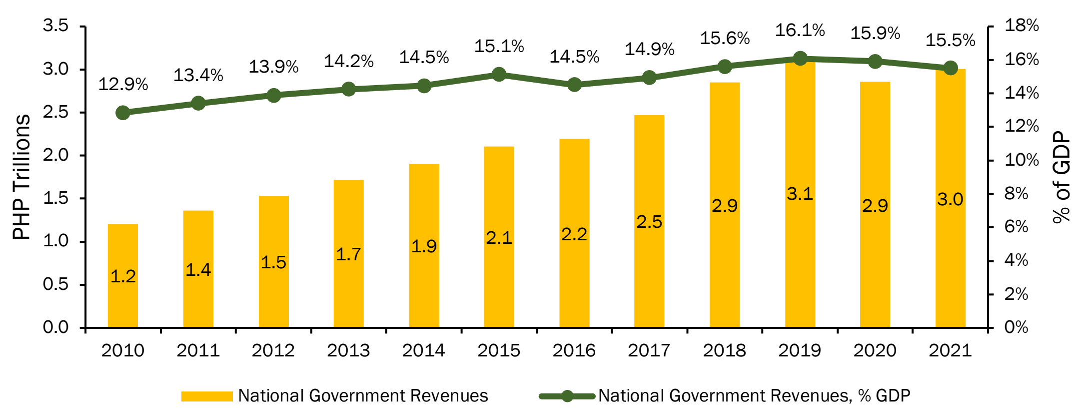
Source of data: Philippine Public-Private Partnership (PPP) Program, Summary List of Awarded/For Construction/Under Construction Projects, FYs 2019, 2020, and 2021 BESF, Department of Budget and Management, February 23, 2022.

The estimated cost of awarded, for construction, or under construction PPP projects decreased by 10.4% from PHP305.2 billion in 2019 to PHP273.4 billion in 2020 and more than tripled by 2021 at PHP1.2 trillion. PPP projects under the transport sector contributed the most to the total annual estimated cost from 2019 to 2021, averaging at PHP556.8 billion.

Government Revenue

Government revenues, which are "projected cash inflows like collections from taxes by BIR/BOC and other tax agencies and fees and charges imposed by the government agencies as well as proceeds from grants"[129], have been on an increasing trend since 2010 to 2019. The global economic contraction brought about by lockdowns and disruptions in economic activities has adversely affected government revenues.

Figure 2.19. Government Revenues in the Philippines (in Trillion Pesos and as % of GDP), 2010-2021[130]



Sources of data: Cash Operations Report, Bureau of the Treasury, March 11, 2022.

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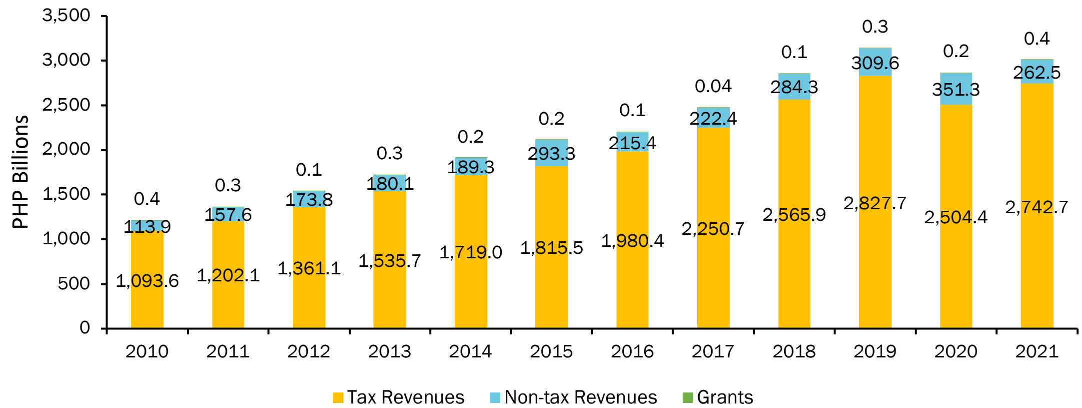
127 Numbers have been rounded off to the nearest decimal place
128 Figures were converted from USD to PHP based on BSP Pesos per US Dollar Rate $1 = Php50.744 (2019 - Annual Average), $1 = Php48.036 (2020 - Annual Average), and $1 = Php50.774 (2021 - Annual Average)
129 DBM (n.d.). Glossary of Terms. Retrieved from: https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/GLOSSARY.pdf
130 Numbers have been rounded off to the nearest decimal place

Government revenues dropped by 6.45% in 2020. Government revenues as a percentage of GDP declined from 16.1% to 15.9% on the first year of the pandemic. It further dropped by .4 percentage points to 15.5% in 2021.

Figure 2.20. Sources of Government Revenue (in Billion Pesos), 2010-2021[131]



Source of data: Cash Operations Report, Bureau of the Treasury, March 11, 2022.

Data from the Bureau of Treasury (BTr) showed that the main source of the national government revenue come from tax revenues (domestic based). Tax revenues have been on an increasing trend from 2000 to 2019 (except in 2009). For the period 2015-2019 alone, tax revenues had increased from P1.8 billion (2015) to P2.8 billion (2019). This declined to P 2.5 million in 2020. Revenue from taxes increased in 2021 and is marked at P2.7 billion.

Non-tax revenues were also on the upswing from 2015 (P293.32 million) to 2019 (P309.59 million). In 2020, it further increased to P351.3 million. However, it decreased significantly in 2021 at P262.5 million.

Table 2.3. Actual Revenues, By Source (In Million PHP), 2015-2020

Particulars	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual
TAX REVENUES	1,815,475	1,980,390	2,250,678	2,565,812	2,827,841	2,504,421
Taxes on Net Income and Profits	846,201	924,585	1,028,640	1,035,650	1,154,343	1,045,173
Taxes on Property	5,636	6,638	7,467	7,155	7,216	4,854
Taxes on Domestic Goods and Services	596,103	652,801	756,387	929,895	1,035,972	916,707
Taxes on International Trade and Transactions	367,534	396,365	458,184	593,111	630,310	537,687
NON-TAX REVENUES	230,698	214,867	221,624	268,717	308,775	351,063
Fees and Charges	36,405	39,819	40,771	52,729	55,398	23,107
Income from Treasury Operations	56,271	45,370	39,379	38,899	54,593	66,714
NG Income Collected by the BTr	53,764	56,367	60,526	75,300	91,929	152,963

131 Numbers have been rounded off to the nearest decimal place

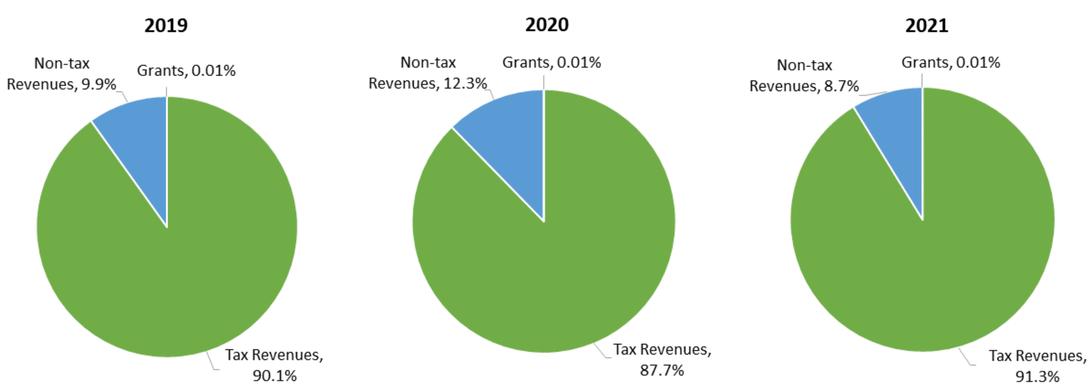
Other Non-Tax Revenues	84,094	73,233	80,909	101,738	106,596	108,038
Foreign Grants	164	78	39	51	259	241
PRIVATIZATION	62,783	657	830	15,655	882	475
TOTAL REVENUES	2,108,956	2,195,914	2,473,132	2,850,184	3,137,498	2,855,959

Source of data: Budget of Expenditures and Sources of Financing, Department of Budget and Management, March 11, 2022.

Tax revenues, as a percentage of total government revenues, decreased by 2.4 percentage points from 90.1% in 2019 to 87.7% in 2020 and increased by 3.6 percentage points at 91.4% in 2021. The decrease in tax revenues in 2020 was caused by the low collections from the BIR and the BOC due to the decline in economic activity brought about by the pandemic and natural disasters (e.g. the Taal volcano eruption, typhoons) experienced in the country in 2020.

Non-tax revenues, as a percentage of total government revenues, increased by 2.4 percentage points from 9.9% in 2019 to 12.3% in 2020 and decreased by 3.6 percentage points at 8.7% in 2021. The increase in non-tax revenues in 2020 was led by higher NG shares from the income of the Philippine Amusement and Gaming Corporation (PAGCOR) and dividends from NG shares of stocks (DBCC, 2021).

Figure 2.21. Percentage Share of Government Revenues Sources, 2019-2021



Source of data: Cash Operations Report, Bureau of the Treasury, March 11, 2022.

A report by the DBM (2020) notes that the government revenue collections for 2020 have been significantly impacted by the quarantine measures and reduced economic activities due to the COVID-19 pandemic. Although a slowdown in government revenue collections for 2020 is expected, estimated disbursements, however, was expected to be expansionary in view of the implementation of COVID-19 response programs and stimulus plan under the Bayanihan Laws I and II.

Table 2.4. Government Revenue by Source, 2020-2023

Particulars	2020 Actual	2021 Program	2022 Projection	2023 Projection
TAX REVENUES	2,504,421	2,714,766	3,125,017	3,419,926
Taxes on Net Income and Profits	1,045,173	1,055,143	1,247,565	1,332,472
Taxes on Property	4,854	9,036	11,809	13,148
Taxes on Domestic Goods and Services	916,707	1,033,837	1,193,984	1,349,819
General Sales, Turnover or VAT	346,960	378,721	443,977	506,165
Selected Excises on Goods	296,169	305,218	346,900	390,674
Selected Taxes on Services	116,817	127,537	141,565	151,935
Taxes on the Use of Goods or Property or Permission to Perform Activities	793	323	403	500

Other Taxes	155,969	222,038	261,139	300,546
Taxes on International Trade and Transactions	537,687	616,749	671,659	724,487
NON-TAX REVENUES	351,063	166,237	163,989	166,013
Fees and Charges	23,107	31,228	41,683	44,184
Income from Treasury Operations	66,714	21,429	27,692	24,329
Interest Income on NG Deposits	6,329	1,700	1,650	1,100
Interest on Advances to GOCCs	11,225	113	109	103
Income from Investments	33,772	14,583	21,000	18,000
Guarantee Fee	1,739	1,900	1,900	2,000
Foreign Exchange Risk Cover Fee	1,463	1,400	1,400	1,400
Government Service Income	12,186	1,733	1,633	1,726
Fidelity Bond Premia	1,128	1,388	1,319	1,457
Subscription Fee – RoSS Participants	12	10	10	10
Escheat of Unclaimed Balances	57	78	79	80
Service Fee on Relent Loans	302	257	225	179
Other Miscellaneous Income	10,687	-	-	-
NG Income Collected by the BTr	152,963	53,262	33,484	33,553
Dividends on Shares of Stocks	135,544	16,000	16,000	16,000
NG Share from Airport Terminal Fee	377	896	396	416
NG Share from PAGCOR Income	16,115	35,011	16,115	16,115
NG Share from MIAA Profit	927	1,355	973	1,022
Other Non-Tax Revenues	108,038	60,318	61,129	63,947
Malampaya Royalties	19,079	15,718	14,958	15,524
Other Non-Tax Revenues	88,959	44,599	46,171	48,423
Foreign Grants	241	-	-	-
PRIVATIZATION	475	500	500	500
TOTAL REVENUES	2,855,959	2,881,502	3,289,506	3,586,439

Source of table: DBM, Budget of Expenditures and Financing 2022

For FY 2022 (as seen in Table 2.5), the national government expects to generate PhP3,289.5 billion in total revenues, representing 14.9 percent of GDP, and 14.2 percent higher than programmed revenue collections of PhP2,881.5 billion in 2021. Of these total receipts, tax revenues will amount to PhP3,125.0 billion, 15.1 percent higher than 2021 level of PhP2,714.8 billion. Non-tax revenues, on the other hand, will contribute PhP164.0 billion while proceeds from privatization are expected to raise an additional PhP500 million. This revenue program already includes proceeds from the comprehensive tax reform package of the government (DBM, 2021d).

Table 2.5. National Government Fiscal Program, 2020-2023 (in Billion Pesos)

Particulars	2020 Actual	2021 Program	2022 Projection	2023 Projection
Revenues	2,856.00	2,881.50	3,289.50	3,586.40
Percent of GDP	15.9	14.5	14.9	14.8
Tax Revenues	2,504.40	2,714.80	3,125.00	3,419.00
Percent of GDP	10.5	17	14.2	12.1
Of which:				
Bureau of Internal Revenue	1,951.00	2,081.20	2,434.80	2,675.40
Bureau of Customs	537.7	616.7	671.7	724.5
Non-Tax Revenues	351.1	166.2	164	166
Percent of GDP	2	0.8	0.7	0.7
Privatization	0.5	0.5	0.5	0.5
Percent of GDP	0	0	0	0

Disbursements	4,227.40	4,737.10	4,954.60	5,021.40
Percent of GDP	23.6	23.9	22.4	20.7
Current Operating Expenses	3,326.40	3,679.70	3,625.80	3,680.50
Percent of GDP	18.8	18.5	16.4	15.2
Of which:				
Interest Payments	380.4	531.5	512.6	554.3
Percent Share to Total Disbursements	9	11.2	10.3	11
Capital Outlays	878.9	1,028.70	1,300.10	1,312.10
Percent of GDP	4.9	5.2	5.9	5.4
Net Lending	22.1	28.7	28.7	28.7
Percent of GDP	0.1	0.1	0.1	0.1
Deficit	-1,371.40	-1,855.60	-1,665.10	-1,434.90
Percent of GDP	-7.6	-9.3	-7.5	-5.9
Financing				
Gross Borrowings	2,652.50a/	3,072.40	2,472.80	2,307.30
Less: Amortization	157.5	799.3	141.2	134.4
Net Financing	2,495.10	2,273.10	2,331.60	2,172.80
Less: Total Net Financing Requirement/Deficit	1,371.40	1,855.60	1,665.10	1,434.90
Budgetary Change in Cash	1,123.60	417.4	666.5	737.9

Source of table: DBM (2021d). Technical Notes on the 2022 Budget.

Tax Reforms

1. The Tax Reform for Acceleration and Inclusion (TRAIN)[132] under the Comprehensive Tax Reform Program seeks to correct a number of deficiencies in the tax system to make it simpler, fairer, and more efficient. Specifically, TRAIN corrects the longstanding inequity of the tax system by reducing income taxes for 99 percent of income taxpayers, thereby giving them much-needed relief after 20 years of non-adjustment. It also raises significant revenues to fund the President's priority infrastructure programs to reduce poverty incidence from 21.6 percent in 2015 to 14 percent by 2022.

70 percent of the incremental revenues of TRAIN is earmarked for infrastructure and the Build, Build, Build program, while the balance is allocated to social services programs.

2. The Tax Amnesty Act[133] or Package 1B of the Comprehensive Tax Reform Program complements the Tax Reform for Acceleration and Inclusion Act (TRAIN). It lets errant taxpayers affordably settle their outstanding tax liabilities, allowing for a "fresh start," while also providing the government with additional revenues for its priority infrastructure and social programs. At the same time, it signals the start of a more aggressive tax enforcement campaign by tax authorities.

The estate tax amnesty unravels long unsettled estates due to non-payment of estate taxes and ensures a proper mechanism for its transfer.

The tax amnesty on delinquencies allows previously excluded taxpayers (i.e., those charged under the Run After Tax Evaders program, taxpayers with tax delinquencies) to take advantage of a lower rate to settle their obligations and creates an opportunity to unclog the administrative and judicial dockets of slow-moving cases.

3. The Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act[134] is the largest fiscal stimulus for businesses in our recent history. It is estimated to provide private enterprises more than 1 trillion pesos worth of tax relief over the next 10 years. MSMEs are expected to be the biggest beneficiaries of CREATE through the grant of the largest ever corporate income tax rate reduction in the country, from 30 percent to 20 percent. Large corporations also enjoy an immediate reduction in the corporate income tax rate from 30 to 25 percent.

[132] https://taxreform.dof.gov.ph/tax-reform-packages/p1-train/
[133] https://taxreform.dof.gov.ph/tax-reform-packages/package-1b-tax-amnesty/
[134] https://taxreform.dof.gov.ph/tax-reform-packages/p2-corporate-recovery-and-tax-incentives-for-enterprises-act/

CREATE also provides other forms of tax relief which are part of a package of economic recovery measures implemented by the government to address the varying needs and concerns of the business sector brought about by the ongoing COVID-19 pandemic.

CREATE also provides for a generous and flexible tax incentive system that is performance-based, time-bound, targeted, and transparent. These principles have been unanimously recognized by stakeholders during hearings and consultations. The tax incentives system under CREATE balances the interests of all stakeholders while remaining faithful to the fundamental principles and mindful of the country's fiscal challenges.

4. SIN Taxes for Universal Healthcare. Package 2+ of the Comprehensive Tax Reform aims to increase tax rates on alcohol, heated tobacco products, and e-cigarettes to help discourage consumption and lead to better health and social outcomes especially among the youth and the poor. It is intended to ensure the financial sustainability of the country's UHC program.

This 18th Congress, the DOF and the Department of Health (DOH) sought to increase excise taxes on alcohol products, heated tobacco products (HTPs), and vapor products to reduce the PHP 75 billion funding gap required in 2020 for the effective implementation of the UHC Law. The proposed measure is expected to result in PHP47.9 billion in additional revenues in 2020. This additional funding is intended to: (1) help sustain PhilHealth coverage for all Filipino families; (2) improve accessibility, affordability, and quality of health care; (3) provide better outpatient benefit package, including check-up or consultation and medicines.[135]

In accordance with the 2030 Agenda for Sustainable Development, through the amendments to RA 10963, RA 11346, and RA 11467, additional funding for SDG-related programs will be coming from 20 percent of the revenues collected through sin taxes (Department Budget Coordination Committee, 2021).

5. Proposed Mining Taxes. House Bill (HB) 8400 was approved on 3rd and final reading last November 12, 2018. The bill aims to: (1) impose a differentiated royalty for mines inside and outside mineral reservations; (2) impose windfall profit tax based on profit margin; (3) exempt pollution control devices from real property tax; and (4) register small-scale mining with the Mining Board, and Mines and Geosciences Bureau.[136]

6. Proposed Real Property Valuation and Assessment Reform Act[137] or Package 3 of the Comprehensive Tax Reform Program (CTRP) aims to promote the development of a just, equitable, and efficient real property valuation system. It will broaden the tax base used for property and property-related taxes of the national and local governments, improving tax collections without increasing the existing tax rates or imposing new taxes.

Over the last three years, only 62% of Revenue District Offices (RDOs) under the BIR have updated their zonal values. Meanwhile, only 40% of local government units (LGUs), mainly provinces and cities, have updated schedule of market values (SMVs). Apart from outdated valuation, the complexity of the situation is further complicated by the fact that there are various agencies doing or requiring property valuation, with each agency using their own system and methodology for valuation.

Updating the SMVs and conducting the general revision of property assessments are necessary components of effective and efficient real property tax administration in any LGU to arrive at a fair and equitable real property tax (RPT). The RPT, being a recurrent tax, is dependent on three elements: (1) market value; (2) assessment level; and (3) tax rate. The adjustment of SMVs does not necessarily equate to increase in tax burden. LGUs have the authority to push back the potential increase in tax by adjusting the tax rate and the assessment level, according to their budget goals and priorities.

By improving the quality of valuation of local governments and making the revisions frequent, efficient, transparent, reliable and attuned to market developments, Package 3 will have a favorable impact on revenue generation and resource mobilization of local governments to fund their service delivery

[135] https://taxreform.dof.gov.ph/wp-content/uploads/2019/08/CTRP-Package-2-plus-Sin-Taxes-for-Universal-Health-Care-1-page-briefer.pdf
[136] https://taxreform.dof.gov.ph/tax-reform-packages/package-2plus-mining-taxes/
[137] https://taxreform.dof.gov.ph/tax-reform-packages/p3-real-property-valuation/

requirements. The reforms will also foster private investors' confidence and build the public's trust in the valuations of government.

7. Proposed Passive Income and Financial Intermediary Taxation Act (PIFITA)[138] or Package 4 of the Comprehensive Tax Reform Program (CTRP) complements the recently-passed Tax Reform for Acceleration and Inclusion Act (TRAIN) by making passive income and financial intermediary taxes simpler, fairer, more efficient, and more competitive regionally. It provides a window of opportunity to achieve much-needed tax reform in the financial sector, which is an ingredient that could fuel and direct the movement of capital to where they are most needed, so that higher, sustainable, and more inclusive growth can be achieved.

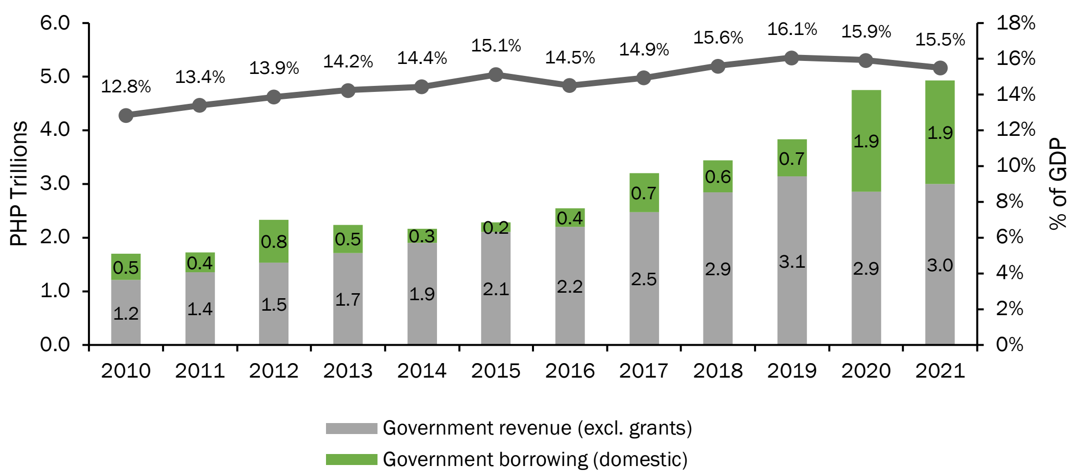
Package 4 will greatly simplify the taxation of passive income, financial services, and transactions. It will reduce the number of tax rates from 80 to 36. It will also harmonize the tax rates on interest, dividends, and capital gains, and the business taxes imposed on financial intermediaries. Package 4 will likewise remove the documentary stamp tax (DST) imposed on nonmonetary transactions.

With Package 4 reform, the Philippines can be more competitive in attracting capital and investments that are urgently needed to finance large-scale infrastructure, including the Build, Build, Build program, create more and better jobs, and boost economic growth.

Government Borrowings

While government revenues decline during the pandemic, data shows an increase in government borrowing. Domestic borrowing has been following an increasing trend since 2010. During the pandemic, it increased by 31.4% percent from P5.1 trillion in 2019 to P6.7 trillion in 2020. Domestic borrowing surged by 60.7 percent from pre-pandemic level reaching P8.2 million in 2021.

Figure 2.22. Government Revenues and Domestic Government Borrowing, 2010-2021[139]



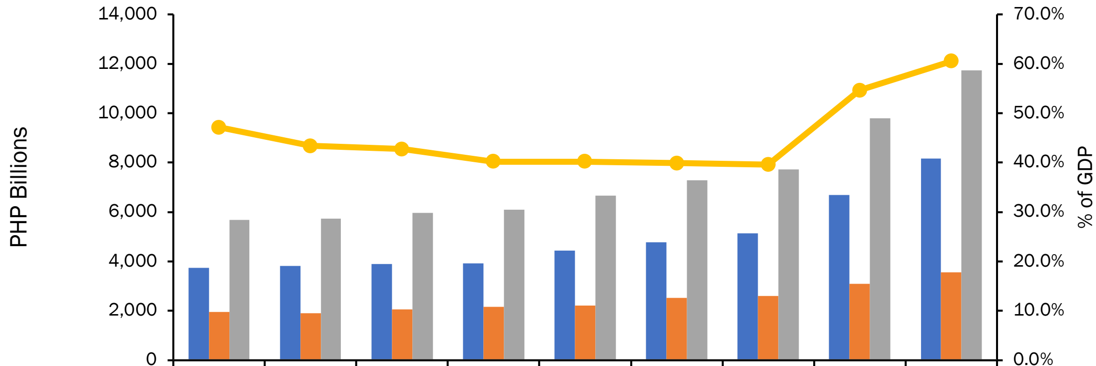
Source of data: Bureau of the Treasury, March 31, 2022.

Government Debt

Government debt as a percentage of the GDP had been on a steady decline from 2013-2019. In 2020, debt to GDP ratio has ballooned to 54.6%, and has reached 60.5% in 2021. Domestic debt has increased by 35.6% in 2020 and by 59.3% in 2021 from 2019. External debt, on the other hand, has risen by 19.1% in 2020, and by 36.6% in 2021 from external debt prior to the pandemic. The last time debt-to-gdp ratio went over 60% was in 2005 (65.7%).

[138] https://taxreform.dof.gov.ph/tax-reform-packages/p4-passive-income-and-financial-taxes/
[139] Numbers have been rounded off to the nearest decimal place

Figure 2.23. Debt to GDP Ratio, 2013-2021



	2013	2014	2015	2016	2017	2018	2019	2020	2021
Domestic	3,733	3,821	3,884	3,934	4,441	4,777	5,128	6,695	8,170
External	1,948	1,915	2,070	2,156	2,211	2,516	2,604	3,100	3,558
Total	5,681	5,735	5,955	6,090	6,652	7,293	7,731	9,795	11,729
% of GDP	47.1%	43.4%	42.7%	40.2%	40.2%	39.9%	39.6%	54.6%	60.5%

Source of data: Bureau of the Treasury, February 2, 2022.

According to a report by the Congressional Planning and Budget Research Department in 2021, significant government expenditures to address the pandemic and stimulate a weakened economy combined with a dramatic decline in revenues have led to larger-than-usual borrowings that threaten the country's debt sustainability.

Government Deficit

As of March 2022, the budget deficit reached PHP187.7 billion and has declined by 1.97% compared to last year's deficit of PHP191.4 billion due to faster collection of revenues and increase government spending. The national government incurred a fiscal deficit of PHP316.8 billion for the first quarter of 2022 at PHP316.8 billion, lower by 1.44% or PHP4.6 billion than the incurred deficit in the same period of 2021 (BTr, 2022).

Debt Management Strategy

In 2022, economic managers led by NEDA proposed a fiscal consolidation plan that aims to address the high debt ratio–specifically, to raise more revenues, improve tax administration, and channel resources from unnecessary and non-priority expenses to productive spending, among others.

Given that the proposed fiscal consolidation plan by DOF involves paying off pandemic-related debt by amassing around PHP284 billion per year in the coming decade, the national government's 2022 financing program aims to ensure the recovery of the Philippine economy by maintaining sustainable debt levels while continuing investments related to economic growth and pandemic response (Varcas, 2022; Dominguez, 2021). With these proposed measures, it would be crucial to further examine and identify tradeoffs of policy measures to be set forth–determine the magnitude and extent of its impacts on affected sectors and plan for support to cushion the micro impacts of macro adjustments (stabilization and structural adjustments).

Box 2. Proposed Fiscal Consolidation and Resource Mobilization Plan

PACKAGE 1 (TO BE IMPLEMENTED IN 2023):

1. The second tranche reduction in Personal Income Tax scheduled in 2023 under the Tax Reform for Acceleration and Inclusion (TRAIN) Law is to be deferred to 2026. This will save around P97.7 billion per year for three years until 2026 when fiscal conditions are hopefully more permissive to the reduction.

2. Limit VAT zero-rating to direct exports, and repeal VAT exemptions except for education, agricultural products, health, financial sector, and raw food. This measure is estimated to generate an average of P142.5 billion in additional revenues every year.

Consider repealing the immediate expending of input VAT on capital goods under TRAIN Law and reimposing the 60-month limit to credit input VAT on capital goods.

3. Impose VAT on digital service providers to cover online advertisement services, digital services, and supply of other electronic and online services, with an average annual revenue impact of P13.2 billion. (There is a pending House bill on this.)

4. Reform the Motor Vehicle Users' Charge (MVUC) to impose a single and unitary rate based on the gross vehicle weight of all motor vehicles. This measure alone is estimated to generate an average of P38.3 billion every year.

Repeal the excise tax exemption of pickups and impose an excise tax on motorcycles. The repeal of the excise tax exemption on pickups will result in P19.2 billion on average in annual incremental revenues.

5. Establish a single and rationalized fiscal regime applicable to all mining agreements. Consider imposing an export tax on mineral ore to encourage domestic value-added on mineral products. All this is estimated to generate P11.4 billion on average per year.

6. Impose more taxes and charges on gaming: first, a mandatory admissions charge at a flat rate of P3,500 will be imposed in casinos. Second is on Philippine Amusement and Gaming Corp. (Pagcor)-licensed electronic betting activities such as e-bingo and electronic sports betting, which do not have a separate tax yet. Impose a 5% tax on gross gaming receipts, or the gross bets less payouts. Together, the preliminary revenue impact of the proposed taxes and charges on gaming is estimated to be around P13.1 billion on average every year.

7. Impose an excise tax on single-use plastic bags, like P20 per kilogram — estimated to generate around P1 billion incremental tax revenues every year. (This measure has been approved by the House of Representatives and is at the Senate Committee on Ways and Means.)

8. Impose excise taxes on luxury goods, expanding the tax on non-essential goods to include all watches, cellphones, vintage cars, and semi-essential goods, among others. (This measure has an existing bill.)

9. The first is the Passive Income and Financial Intermediary Taxation Act, which aims to simplify and harmonize the taxation of passive income, financial services, and transactions.

10. The second is the Real Property Valuation and Assessment Reform Act, which aims to adopt internationally accepted valuation standards and professionalize real property valuation.

Overall, Package 1 will generate an average of P247.8 billion per year for measures with ready estimates.

PACKAGE 2 HAS AN ESTIMATED ANNUAL REVENUE IMPACT OF AROUND P126.8 BILLION.

11. Reform health taxes, particularly for alcopops, cigarettes, e-cigarettes, sweetened beverages, and non-nutritious food. These health-related tax measures have an average annual revenue impact of P91.4 billion.

12. Increase petroleum excise taxes by P1 per unit of taxation (liter, kilogram, or metric ton) for a minimum of three years and index the rates thereafter.

13. Increase and index excise tax rates on both domestic and imported coal. This is estimated to generate an average of P35.4 billion in additional revenues per year.

14. Study the tax treatment of cryptocurrency transactions and the prevention of its use for tax evasion.

15. Firm up proposed administrative issuance on transfer pricing, or the shifting of profits and expenses as a scheme to reduce tax obligations, to strengthen the capacity of the BIR to perform transfer pricing audits.

16. Defer Carbon Taxation to 2025

In sum, the average annual revenue impact for all proposals with ready estimates stands at around P349.3 billion, before the earmarking provisions for certain revenue segments under the law. These deductions total an average of P41.6 billion per year. The balance then available for the National Government amounts to an average of about P307.7 billion additional collections per year, to comfortably pay for above P249-billion debt service estimated by the DBCC. “This new series of measures aims to reverse in a span of 10 years the additional P3.2-trillion debt incurred by the Philippine government due to the COVID-19 pandemic,” the DOF says.

Apart from the proposed revenue generating measures, the following reforms are proposed:

1. Implementing reforms in tax administration and enforcement

2. Government reengineering or rightsizing to control personnel services spending

3. Pursuing the Military and Uniformed Personnel (MUP) pension reform

4. Pursuing the Capital Market Development Act

Source: Ylagan, A. H. C. (2022). The proposed fiscal consolidation and resource mobilization plan. BusinessWorld, June 5, 2022.

In the recently concluded SONA, strategies on improving revenue collection, readjusting expenditure priorities, and attracting investments were listed.

Among the investment priorities and/or policies emphasized include the CREATE Law, the Public Service Act, the Foreign Investments Act, and the creation of more ecozones to promote development through health and medical care, high-tech industries, and emerging technologies.

Meanwhile, improving revenue collection involves streamlining tax compliance through the enactment of the Ease of Paying Taxes Act (HB 8942) and imposing value-added tax on digital service providers through HB 7425 which seeks to amend the National Internal Revenue Code of 1997.

The administration also plans to maintain disbursements above 20 percent of the GDP (around PHP4.9 trillion and PHP5.1 trillion, respectively) for 2022 to 2023, expecting it to increase from 20.7 percent of the GDP (around PHP5.4 trillion) in 2024 to 20.6 percent of GDP (around PHP7.7 trillion) in 2028.

Meanwhile, the following figures or goals reflect the objectives of the fiscal program for 2022 to 2028:

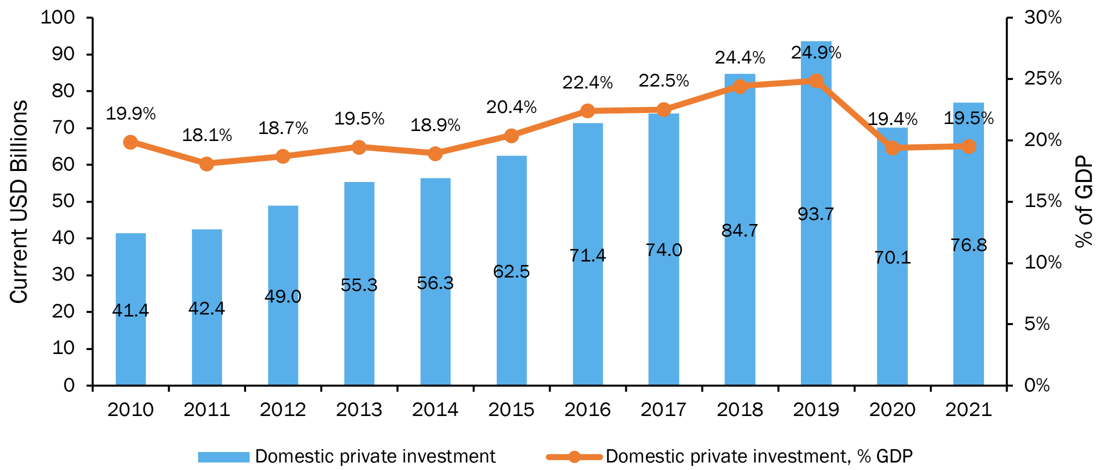
- In 2022, attain 6.5% to 7.5% real GDP growth
- From 2023 to 2028, attain 6.5% to 8% real GDP growth yearly
- By 2028, reach a poverty rate of 9% or less than 10%
- By 2028, reach a deficit to GDP ratio of 3%
- By 2025, reach a debt-to-GDP ratio below 60%
- By 2024, reach at least 4,256 USD income (GNI) per capita attain upper middle-income status

New sources of revenues have been identified to lower the fiscal deficit and repay the P3.2-trillion additional debt incurred during the coronavirus disease 2019 (COVID-19) pandemic. The Bureau of the Treasury (BTr) earlier estimated the government needs to raise P249 billion annually in incremental revenues to avoid new borrowings and repay debt. Investments from public and private insurance companies are being eyed to support government’s infrastructure program. The current Administration proposed to increase the allocations for education, health, agriculture, and infrastructure under the P5.268-trillion national budget for 2023, while lowering allotments for other priority sectors such as social protection.

Domestic Private Investment

Domestic private investment, measured in terms of fixed capital formation, has been following an increasing trend since 2010. In terms of its percentage to GDP, its share has been growing steadily from 2014 to 2019 coming from period of fluctuations in earlier years. From 18.9% in 2014, domestic private investment as a percentage of GDP reached 24.9% in 2019. Trajectory changed however with the onset of the pandemic in 2020, during which domestic private investment dipped by USD23.6 billion thereby reducing its share to GDP at 19.4%. A slight improvement was observed in 2021 by 0.1 percentage points during which domestic private investment as a percentage of GDP is recorded at 19.5%. This is however still lower than the pre-pandemic level.

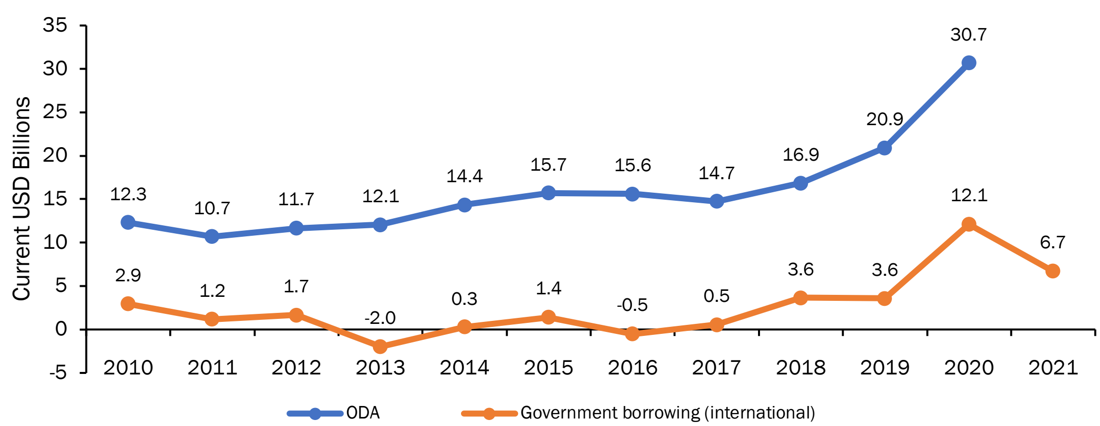
Figure 2.24. Domestic private investment, 2010-2021[140]



Source of data: Bangko Sentral ng Pilipinas, March 14, 2022.

International Public Finance

Figure 2.25. ODA and Government Borrowing, Philippines, 2010-2021[141]



Source of data: Bureau of the Treasury, March 31, 2022; National Economic and Development Authority, February 17, 2022.

140 Numbers have been rounded off to the nearest decimal place
141 Numbers have been rounded off to the nearest decimal place

Foreign Borrowing

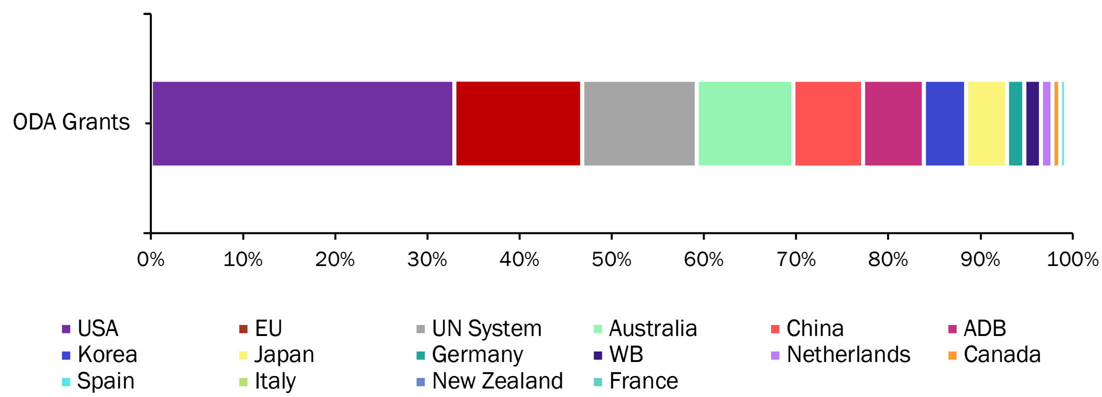
Foreign borrowing, although fluctuating, has increased over the last decade. Borrowing has been observed to be lowest in 2013 and 2016. It was on a declining trend from 2015-2016 and was reversed starting 2017. From USD0.5 billion in 2017, foreign borrowing is marked at USD3.6 billion by 2019. During the pandemic, it increased significantly by 239.2% from USD3.6 billion in 2019 to USD12.1 billion in 2020. This declined by 88.6% in 2021 compared to pre-pandemic figure.

Official Development Assistance

Data on ODA, on the other hand, shows a declining trend from 2015-2017 and an upturn since 2018. ODA increased by 40.7% during the pandemic from USD21.6 billion in 2019 to USD30.7 billion in 2020.

The 2020 Review of the ODA portfolio (NEDA, 2021c) reports that the total ODA portfolio as of December 2020 increased by USD9.76 billion (46.63%), from USD20.93 billion (for 81 loans and 268 grants) in 2019 to USD30.69 billion (for 106 loans and 251 grants) in 2020.

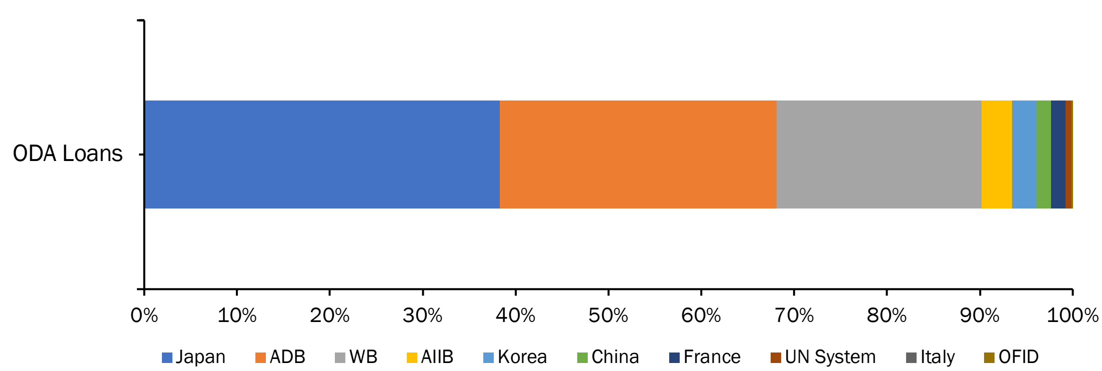
Figure 2.26. 2020 ODA Grants to the Philippines



Source of data: ODA Portfolio Review Report (2020), National Economic and Development Authority, February 10, 2022.

The top 3 contributors to the total ODA grants to the Philippines in 2020 are USA, EU, and the UN System. USA grants (amounting to around USD0.6 billion) make up 32.9% of total ODA grants to the Philippines in 2020. EU grants (amounting to around USD0.2 billion) make up 13.8% of total ODA grants to the Philippines in 2020. UN System grants (amounting to around USD0.2 billion) make up 12.5% of total ODA grants to the Philippines in 2020.

Figure 2.27. 2020 ODA Loans to the Philippines



Source of data: ODA Portfolio Review Report (2020), National Economic and Development Authority, February 10, 2022.

The top 3 contributors to the total ODA loans to the Philippines in 2020 are Japan, ADB, and the World Bank. Japan loans (amounting to around USD11 billion) make up 38.3% of total ODA loans to the Philippines in 2020. ADB loans (amounting to around USD8 billion) make up 29.8% of total ODA loans to the Philippines in 2020. World Bank loans (amounting to around USD6 billion) make up 22.1% of total ODA loans to the Philippines in 2020.

In 2020, the country's ODA portfolio size significantly increased to support various programs and projects for COVID-19 response, infrastructure development, governance and institutions development, social reform and community development, food security and environmental protection, and trade and investment.

ODA programs and projects are classified into five sectors: Agriculture, Agrarian Reform, and Natural Resources (AARNR); Governance and Institutions Development (GID); Industry, Trade, and Tourism (ITT); Infrastructure Development (INFRA); and Social Reform and Community Development (SRCD) (NEDA, 2021c).

ODA-supported programs and projects by sector[142]

- AARNR: Farm-to-market roads and bridges, irrigation systems/facilities, agriculture and enterprise development, agricultural credit, multi-purpose buildings, flood protection, solar dryers, warehouses, potable water supply, watershed conservation, forest management and agro-forestry, agribusiness, and environmental management (e.g., climate change, disaster risk reduction)
- GID: Tax reforms, human resource development and management, judicial reforms, and local governance
- ITT: Trade and investment, environmental technologies in industries, and microfinance and microenterprise development
- INFRA: Power, energy, electrification, information communications technology, air, land (roads and bridges), rail, and water transportation, flood control and drainage, solid waste management, water supply and sanitation, and other public works (e.g., public markets, bus terminals)
- SRCD: Primary, secondary, and tertiary education, technical and vocational education training, arts, culture, and humanities education, maternal and child health services, hospital services, nutrition and population, social welfare and development, multi-purpose buildings and school buildings, potable water supply, and water, sanitation and hygiene

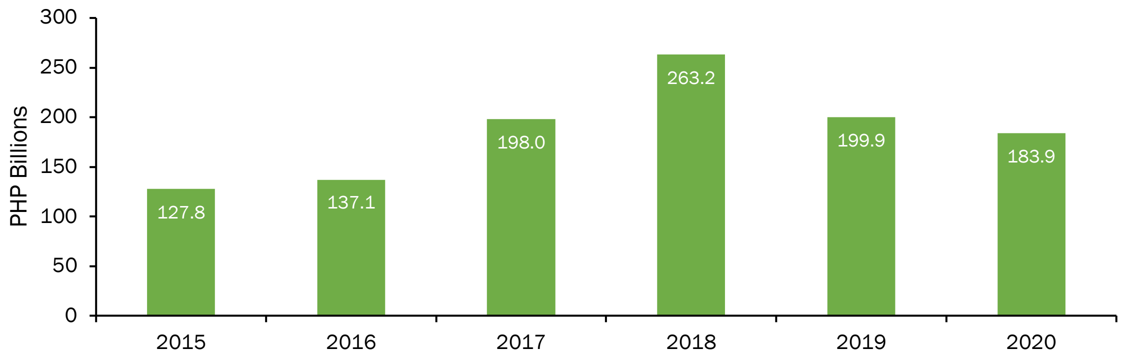
The INFRA sector accounted for the largest share of the active ODA portfolio with 47.42 percent (USD14.55 billion), followed by the GID sector with 24.34 percent (USD7.47 billion), the SRCD sector with 19.90 percent (USD6.11 billion), AARNR with 7.46 percent (USD2.29 billion), and the ITT sector with 0.88 percent (USD269.52 million). A three-year comparison (2018, 2019 and 2020) shows that investments in SRCD, GID, and ITT sectors significantly increased in 2020. While there was a continued increase in ODA to the INFRA sector, 2020 data showed that more ODA loans and grants were contracted in support of programs and projects toward COVID-19 response (SRCD and GID) and promotion of digital economy (ITT). While 47 percent of the active ODA portfolio went to the INFRA sector, ODA grants were focused on the SRCD and the GID sectors (NEDA, 2021, p. 81).

ODA implementation in 2020 continued to yield outputs and outcomes aligned with national development priorities indicated in the Philippine Development Plan Results Matrices (PDP-RMs) 2017-2022. ODA support for COVID-19 response primarily went towards the government's emergency cash assistance program and health system delivery through the provision of medical supplies and equipment, construction of isolation and quarantine facilities, and strengthening the capacity of existing health facilities.

[142] NEDA (2021). ODA Portfolio Review 2020.

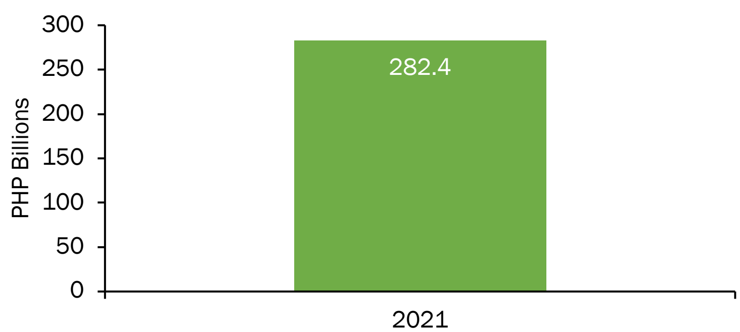
Climate-related Finance

Figure 2.28a. Climate Change Expenditures, FYs 2015-2020[143]



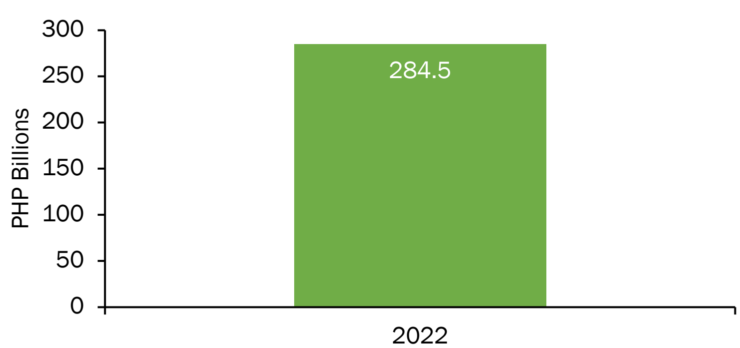
Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FYs 2015, 2016, 2017, 2018, and 2019 BESF, Department of Budget and Management, March 4, 2022.

Figure 2.28b. Climate Change Expenditures, FY 2021[144]



Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FY 2021 BESF, Department of Budget and Management, March 4, 2022.

Figure 2.28c. Climate Change Expenditures, FY 2022[145]

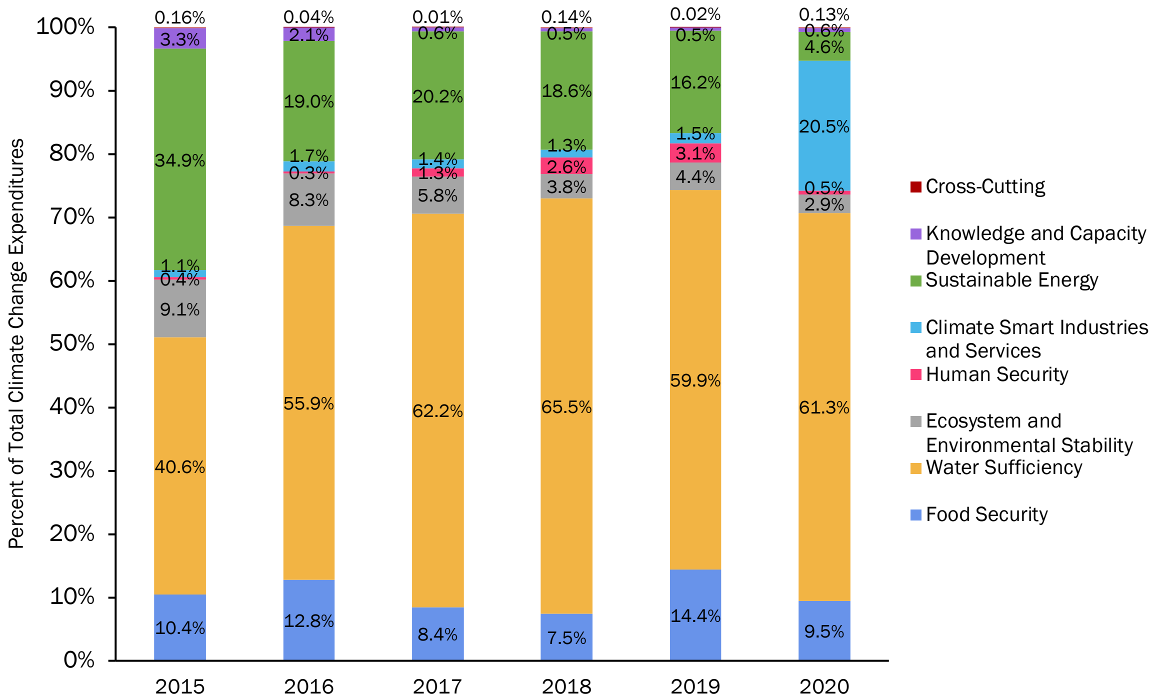


Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FY 2022 BESF, Department of Budget and Management, March 4, 2022.

[143] Numbers have been rounded off to the nearest decimal place
[144] Numbers have been rounded off to the nearest decimal place
[145] Numbers have been rounded off to the nearest decimal place

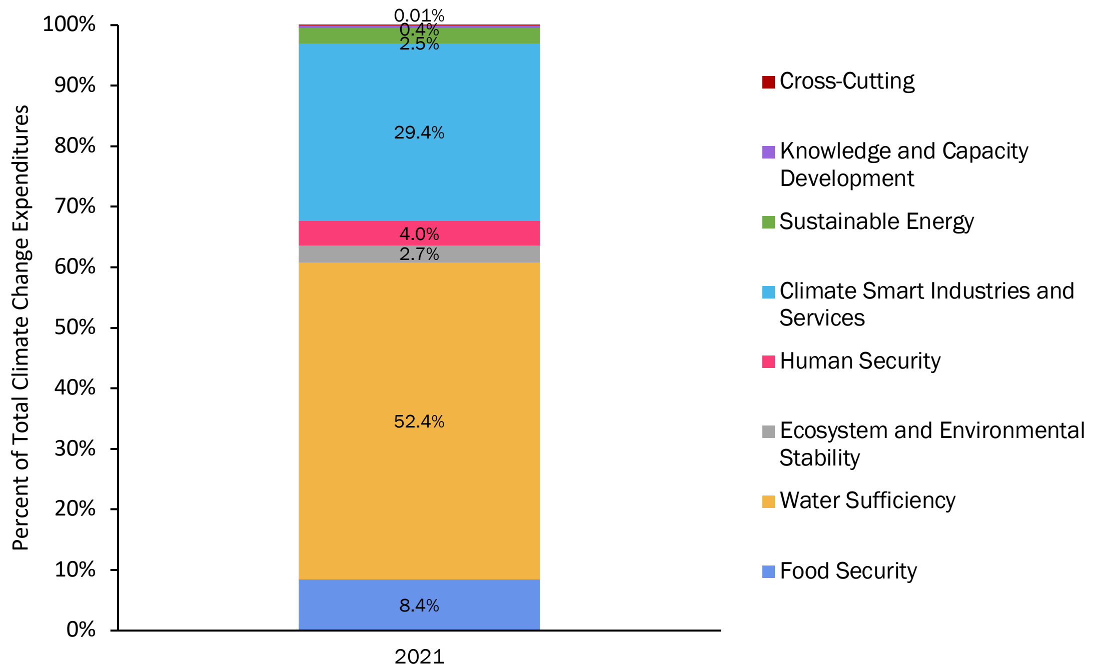
Climate change-related expenditures increased significantly from PHP183.9 billion in 2020 to PHP282.4 billion in 2021 and is expected to increase by .8% from PHP282.4 billion in 2021 to PHP284.5 billion in 2022.

Figure 2.29a. Climate Change Expenditures by National Climate Change Plan Strategic Priorities, FYs 2015-2020



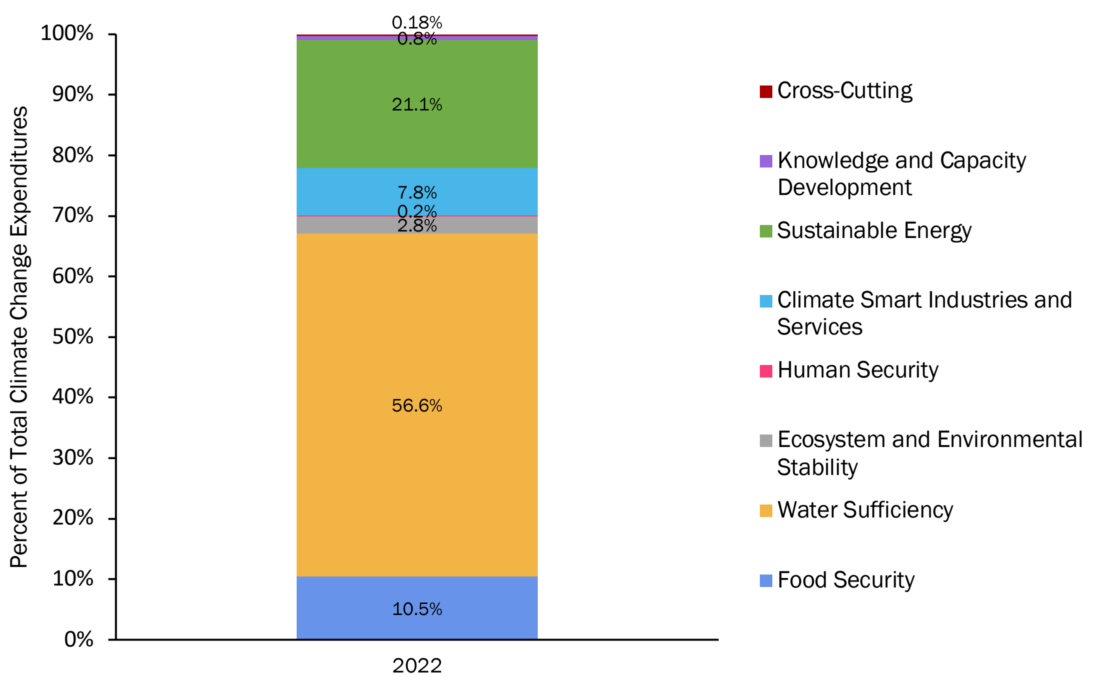
Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FYs 2015, 2016, 2017, 2018, and 2019 BESF, Department of Budget and Management, March 4, 2022.

Figure 2.29b. Climate Change Expenditures by National Climate Change Plan Strategic Priorities, FY 2021



Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FY 2021 BESF, Department of Budget and Management, March 4, 2022.

Figure 2.29c. Climate Change Expenditures by National Climate Change Plan Strategic Priorities, FY 2022



Source of data: Climate Change (CC) Expenditures By National Climate Change Action Plan (NCCAP) Strategic Priorities, FY 2022 BESF, Department of Budget and Management, March 4, 2022.

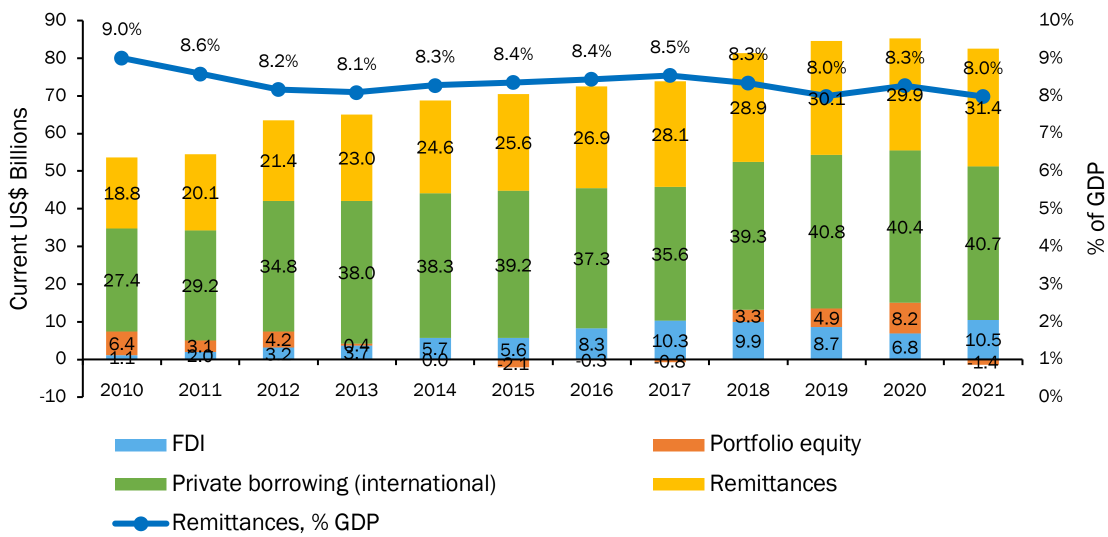
Climate change-related expenditures on climate smart industries and services increased by 8.9 percentage points from 20.5% in 2020 to 29.4% in 2021. Although spending towards water sufficiency maintains highest share in total climate change-related expenditures in 2021, its share decreased by 8.9 percentage points from 61.3% in 2020 to 52.4% in 2021.

International Private Finance

Data on international private finance is shown in Figure 2.30 below. Private borrowings and remittances account for the largest shares of contribution to international private finance.

Private borrowing was on a decline from 2015 to 2017. It started to increase in 2018 and reached USD40.8 billion in 2019. During the pandemic, data shows a decline in private borrowing by 1.1% in 2020 and by .3% in 2021.

Figure 2.30. International Private Finance, Philippines, 2010-2021[146]



Source of data: Bangko Sentral ng Pilipinas, March 30, 2022.

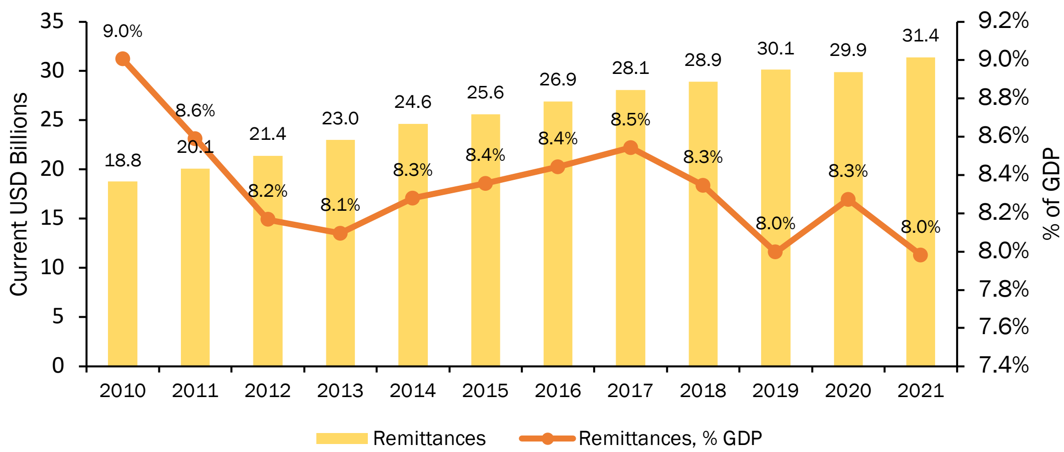
Remittances

Prior to the COVID-19 pandemic, data from the BSP show that the inflow of remittance has been on the rise from 2010 to 2019. From 2015 to 2019 alone, remittance has increased from USD25.6 billion to USD30.1 billion. In 2020, on the other hand, remittance dropped to USD29.9 billion.

Remittances increased in 2021 and is marked at USD31.4 billion, with a 4.3% increase from the pre-pandemic figure. As a percentage of GDP, share of remittances has been on the rise from 2013 to 2017 but has slightly declined for the period 2018 to 2019. From a share of 8% of the GDP in 2019, it increased to 8.3% in 2020. This was reduced back to 8% in 2021.

146 Numbers have been rounded off to the nearest decimal place

Figure 2.31. Remittances, 2010-2021[147]



Source of data: Bangko Sentral ng Pilipinas, March 30, 2022; Philippine Statistics Authority, February 16, 2022.

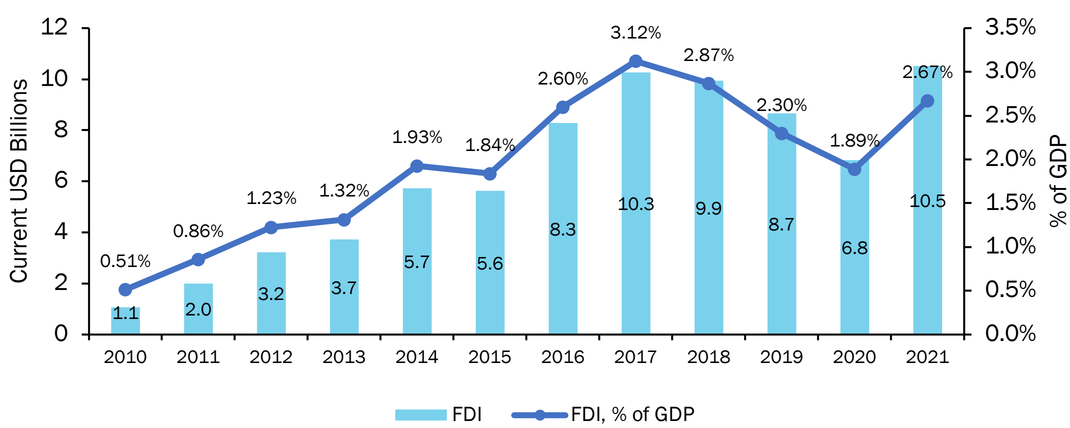
As of 2022, remittance flow reached USD7.8 billion in the first quarter. Cash remittances decreased by 6.4% compared to data from the previous quarter (USD8.3 billion) and increased by 2.4% compared to data from the same period in 2021 (USD7.6 billion).

Foreign Direct Investments

Prior to the pandemic, foreign direct investments (FDI) have been on a decline since 2017. From USD10.3 billion in 2017 to USD8.7 billion in 2019. This further declined at the onset of the pandemic in 2020 where FDI was recorded at 6.8 billion. In 2021, FDI has increased to USD10.5 billion.

Data shows that annual average FDI of around USD9.1 billion from 2016-2021 is almost thrice the annual average FDI of around USD3.6 billion from 2010-2015. According to various stakeholders, delaying the approval of the Regional Comprehensive Economic Partnership (RCEP) trade agreement may reverse FDI inflows[148] and may lead to the Philippines lagging behind other ASEAN countries (e.g. Brunei Darussalam, Cambodia, Lao PDR, Singapore, Thailand, and Viet Nam) that have already signed the RCEP agreement.[149]

Figure 2.32. Foreign Direct Investments, 2010-2021[150]



Source of data: Bangko Sentral ng Pilipinas, March 30, 2022; Philippine Statistics Authority, February 16, 2022.

[147] Numbers have been rounded off to the nearest decimal place
[148] Ochave, R. M. (2022). FDI growth momentum could dissipate due to RCEP delay. BusinessWorld, May 9, 2022.
[149] DTI (2022). "Business sector calls for immediate Senate concurrence of RCEP", January 17, 2022.
[150] Numbers have been rounded off to the nearest decimal place

As of 2022, FDI reached USD2.44 billion in the first quarter. FDI flows decreased by 20% compared to data from the previous quarter (USD3.05 billion) and increased by 2% compared to data from the same period in 2021 (USD2.39 billion).

Impacts of COVID-19

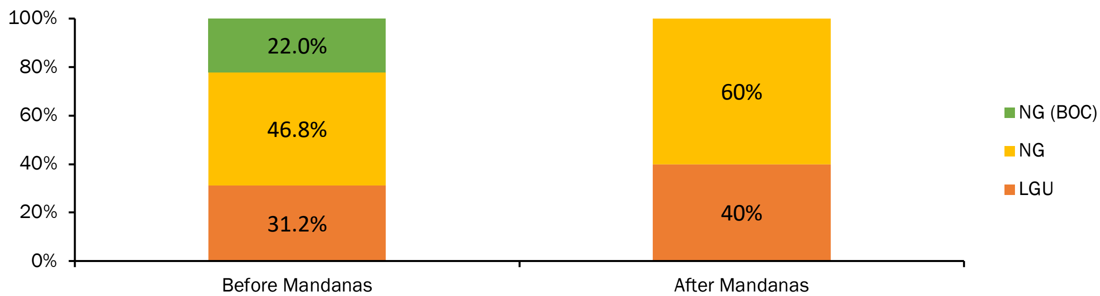
On Government Debt. Despite the spike, the national government debt is seen to be manageable as it will be maintained "within the internationally recognized sustainability threshold of 60 to 70 percent" (DBM, 2020).

On LGUs. "The local government units (LGUs) have been at the frontline in addressing the COVID-19 crisis in their respective localities. With the slowdown in the economic activities, a number of LGUs are expected to generate lower revenues, which may adversely affect their spending capacity, particularly for health services and social protection, and thus become more reliant on national government subsidies such as the Internal Revenue Allotment (IRA). Around 60 percent of the total operating income of the LGUs is attributed to IRA. While the IRA of LGUs is expected to increase in FY 2022 as a result of the Supreme Court ruling on the Mandanas and Garcia cases on IRA – which expanded the share of the LGUs from the national taxes to include collections by the Bureau of Customs – the increase over the medium term may be short-lived if national government collections will not recover" (DBM, 2020).

Implications of the Mandanas-Garcia Ruling

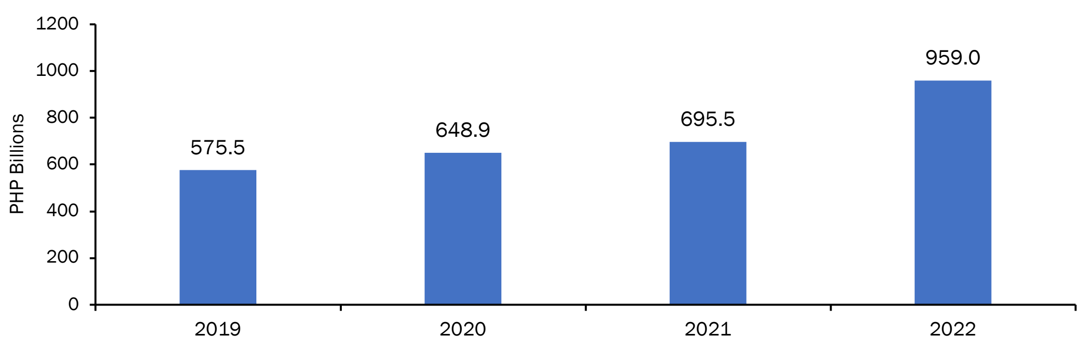
With the Mandanas-Garcia Ruling, the total operating income or National Tax Allotment (NTA), previously called Internal Revenue Allotment (IRA), of local government units for the first quarter of 2022 increased by 19.4% compared to total reported operating income in the same period of 2021[151].

Figure 2.33. Change in Revenue Shares of NG and LGUs as a Percentage of Total National Taxes



Source: SEPO (2022) IRA in 2022 At A Glance

Figure 2.34. Program Allocation for IRA/NTA, 2019-2022[152]



Source: SEPO (2022) IRA in 2022 At A Glance

[151] Cordero, T. (2022). LGUs' income up 19.4% in Q1 as Mandanas ruling takes effect. GMA News, June 28, 2022.
[152] Numbers have been rounded off to the nearest decimal place

In line with this, local governments are expected to be responsible for the funding and delivery of the activities which have been devolved under Republic Act No. 7160, the Local Government Code of 1991. Concerned National Government agencies (NGA) and LGUs are mandated to prepare devolution transition plans for the latter's smooth delivery of devolved functions and public services starting 2022. Under the Local Government Code and in accordance with the national government's prescribed standards for service delivery, LGUs are now accountable for the provision of all basic services and facilities fully devolved to them.

A Growth Equity Fund (PHP1.25 billion) has been approved to assist the poorest LGUs in the implementation of the devolved services. Guidelines on the use of the Local Government Support Fund-Growth Equity Fund (LGSFGEF) under 2022 GAA were released on July 7, 2022 through the Local Budget Circular No. 146[153]. Seventy percent or PHP875 million will be allocated to municipalities while the remaining 30 percent (10 percent or PHP125 million each) will be allocated to provinces, cities, and barangays. To strengthen their implementation capacity and public service delivery, LGUs will be provided with capacity-building interventions based on their respective Capacity Development Agenda" (NEDA, Report on National Income Accounts (Q2, 2021), p.20). The Growth Equity Fund (GEF), according to Executive Order 131 issued in 2021, is intended to address issues on marginalization, unequal development, high poverty incidence and disparities in the net fiscal capacities of LGUs.

The Mandanas-Garcia Ruling provides an opportunity for better public service delivery towards meeting the SDGs at the local level. The said Ruling, issued on July 3, 2018, refers to the decision of the Supreme court that the collections of national taxes, except those accruing to special purpose funds and special allotments for the utilization and development of the national wealth, should be included in the computation of the base of the just share of the LGUs.

2.4. Financing the SDGs

Prior to the pandemic, inadequacies in growth in SDG investment were already observed. While national sustainable development strategies often highlight the need for additional financial resources and a lack of domestic capacity to meet the SDGs, concrete action plans for attracting more investment in the SDGs are mostly absent (UNCTAD, 2021).

With only 8 years left before the 2030 set deadline for the achievement of the SDGs, there is a growing call for renewed commitment among key stakeholders towards a more coordinated resource mobilization strategy towards achieving the SDG goals and targets.

2.4.1. Sources of SDG Financing

In 2018, the government of the Philippines had already identified specific sources of financing the SDGs (NEDA, 2018). These include:

1. Public financing – revenues earned from imposing higher excise taxes on alcohol, tobacco, petroleum products, automobiles, and sweetened beverages through tax reforms;
2. Private financing – remittances and investments from overseas Filipinos for development initiatives at the national and at the local level and investments from businesses engaged in SDG-related practices or developing SDG-related programs; and
3. Mix financing – public-private partnerships, innovative instruments like the Women's Livelihood Bond, and the Green, Green, Green assistance program.

Moreover, in line with the alignment of the SDG agenda with the PDP 2017-2022 (including the PDP-RM) and PIP 2017-2022 and its adoption by all government agencies and instrumentalities (including LGUs) per EO 27, and the localization of the SDGs in the country, funding is identified by the Department of Budget and Management and future appropriations necessary to continue the implementation of EO 27

[153] Department of Budget and Management (2022). Guidelines on the Release and Utilization of the Local Government Support Fund-Growth Equity Fund (LGSFGEF) under the FY2022 General Appropriations Act (GAA), Republic Act (RA) No. 11639. Local Budget Circular No. 146. Retrieved from: https://www.dbm.gov.ph/wp-content/uploads/Issuances/2022/Local-Budget-Circular/LOCAL-BUDGET-CIRCULAR-NO-146-dated-July-7-2022_final.pdf

will observe regular government budget procedures and will be added to the corresponding budgets of the government agencies set under the GAA.

Meanwhile, the private sector also supported various programs that are aligned with the SDGs or some related sectors. ODA flows and diaspora investment have likewise complemented existing government resources for SDGs.

2.4.1.1. Public Financing

Revenues from excise taxes per Republic Act 11467 (Amending the National Internal Revenue Code of 1997). This law, enacted in January 2020, increases the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs). The additional revenues will fund the UHC, additional medical assistance and support to local governments, and the SDGs. According to the law, 20% of the revenues from excise tax on alcohol shall be allocated for SDGs with specific targets to be determined by NEDA; 60% is earmarked for the implementation of the Universal Health Care Act of 2019; and 20%, based on political and district subdivisions, for medical assistance, the Health Facilities Enhancement Program (HFEP) requirements for which to be determined by DOH.

The fund is expected to benefit all 17 SDGs through the funding of programs and projects that support the 2030 Agenda for Sustainable Development, particularly SDG Goal 3: Good Health and Well-Being (with additional funding for the UHC).

Table 2.6. General Allocation of the Sin Tax Incremental Revenue for Health in 2019-2021 (in Million PHP)[154]

<table>
<tr><th rowspan="2">Prescribed Allocation</th><th rowspan="2">Provision</th><th colspan="2">2019</th><th colspan="2">2020</th><th colspan="2">2021</th></tr>
<tr><th>Amount</th><th>% of Total*</th><th>Amount</th><th>% of Total*</th><th>Amount</th><th>% of Total*</th></tr>
<tr><td rowspan="5">80% Rule III – Allocation for UHC, MDGs, and Health Awareness</td><td>Sec. 2 Enrollment and Coverage of Indigent Families and Members in the Informal Economy</td><td>54,725</td><td>74.15%</td><td>58,725</td><td>62.76%</td><td>16,918</td><td>50.5%</td></tr>
<tr><td>Sec. 3 Strengthening of Preventive Health Programs</td><td>4,254</td><td>5.76%</td><td>15,846</td><td>16.94%</td><td>9,783</td><td>29.20%</td></tr>
<tr><td>Sec. 4 Health Awareness Programs</td><td>46</td><td>0.06%</td><td>169</td><td>0.18%</td><td>60</td><td>0.18%</td></tr>
<tr><td>Sec. 5 Implementation Research to Support UHC</td><td>20</td><td>0.03%</td><td>116</td><td>0.12%</td><td>41</td><td>0.12%</td></tr>
<tr><td>Sub-total</td><td>59,046</td><td>80%</td><td>74,860</td><td>80%</td><td>26,802</td><td>80%</td></tr>
<tr><td rowspan="4">20% Rule IV – Allocation for Medical Assistance and the Health Enhancement Facilities Program</td><td>Sec. 2 Medical Assistance</td><td>9,382</td><td>12.71%</td><td>10,483</td><td>11.20%</td><td>4,471</td><td>13.34%</td></tr>
<tr><td>Sec. 3 Financial Assistance for HFEP</td><td>5,240</td><td>7.10%</td><td>7,839</td><td>8.38%</td><td>2,061</td><td>6.15%</td></tr>
<tr><td>Sec. 4 Service Delivery Networks</td><td>140</td><td>0.19%</td><td>392</td><td>0.42%</td><td>169</td><td>0.50%</td></tr>
<tr><td>Sub-total</td><td>14,760</td><td>20%</td><td>18,710</td><td>20%</td><td>6,700</td><td>20%</td></tr>
<tr><td></td><td>Grand total</td><td>73,807</td><td>100%</td><td>93,571</td><td>100%</td><td>33,502</td><td>100%</td></tr>
</table>

Source: DOH (2021) Sin Tax Law: Incremental Revenue for Health Annual Report 2021

[154] "Only the surplus of the 2019 sin tax incremental revenues can be attributed to the 2021 GAA. CY 2021 is the transition year since the new sin tax laws will be applied by CY 2022." (DOH, 2021)

2.4.1.2. Private Financing
Issuance of Green Bonds, SDG Bonds, and Other Bonds

Table 2.7. Revenues Raised by PH from Select Green Bonds

Revenues Raised	Use of Proceeds	Issuer
USD1 billion	Fund the Philippines' climate mitigation programs in support of the clean energy transition of developing countries under the Paris Agreement	Government of the Philippines
USD150 million	Fund sustainable energy projects (i.e. biomass, mini-hydro, and wind energy projects)	BDO Unibank, Inc. (BDO)
USD413 million	Fund renewable energy projects	Bank of the Philippine Islands (BPI)
PHP15 billion	Finance eligible green projects	Rizal Commercial Banking Corporation (RCBC)

Table 2.8. Revenues Raised by PH from Other Bonds

Financing Instrument	Revenues Raised	Use of Proceeds	Issuer
Sustainability Bond	USD600 million	Finance climate change mitigation and adaptation initiatives and deepen its domestic sustainable finance market	Government of the Philippines
Sustainability Bond	PHP52.7 billion	Diversify BDO's funding sources and finance or refinance projects that promote renewable energy, green buildings, clean transportation, resource efficiency and pollution prevention and control, environmentally sustainable management of living natural resources and land use, sustainable water and wastewater management, employment generation, and food security	BDO Unibank, Inc. (BDO)
Blue Bond	USD150 million	Support financing of projects on preventing marine pollution and preserving clean water resources	BDO Unibank, Inc. (BDO)
COVID Action Response (CARE) Bond	PHP21.5 billion	Finance and refinance eligible MSMEs, including but not limited to those hit by the pandemic	Bank of the Philippine Islands (BPI)
Sustainability Bonds	PHP40.62 billion	Finance eligible green projects (renewable energy, green buildings, clean transportation, energy efficiency, pollution prevention and control, sustainable water management, and environmentally sustainable management of living natural resources	Rizal Commercial Banking Corporation (RCBC)

	USD300 million	and land use) and social projects (affordable basic infrastructure, access to essential services, employment generation, affordable housing, and socioeconomic advancement and empowerment)	

Proceeds from green, social or sustainability bonds, loans, and other debt instruments in the international capital markets per Sustainable Finance Framework. The Philippine Government launched in 2021 a Sustainable Finance Framework to support the country's sustainability commitments. The Framework sets out how to raise green, social or sustainability bonds, loans, and other debt instruments in the international capital markets. Eligible green and social projects, aligned with the SDGs, will be financed by the proceeds from this Framework.

SDG bonds present key opportunities for mobilizing more private capital for SDG investments in ASEAN going forward. Given the existing financing gaps in many SDG sectors beyond infrastructure, energy and buildings, as well as corresponding global demand for sustainability investments, there is a high potential for SDG bonds to become a more important SDG financing instrument for ASEAN countries than they currently are (ASEAN, p. 8).

In 2020, BSP Gov. Diokno mentioned that around 10.6 percent of the loan portfolio of some PH banks in late 2019 was allocated towards financing green and social projects and that domestic banks' green bond issuances amounted to around USD1.8 billion while social bond issuances amounted to around PHP21.5 billion.[155]

Box 3. Labeled Bonds in the Philippines

Green, Sustainability Bonds issued by the PH Government. Despite volatility in the global credit market, the Philippines raised USD1 billion from its first issuance of green bonds, part of the country's three-tranche USD-denominated bond offering of USD2.25 billion. This is the first and largest global government-issued bond in Southeast Asia in 2022. Finance Secretary Carlos G. Dominguez III said the successful launching of the Philippine's first sovereign sustainability bond shows "strong investor confidence in the National Government's commitment to achieving sustainable development and mitigating climate change"[156]. According to BTr, net proceeds from the green bonds will be used to fund the Philippines' climate mitigation programs in support of the clean energy transition of developing countries under the Paris Agreement.[157]

More recently, on April 12, 2022, the PH government launched its first Sustainability Samurai (yen-denominated) bond. The successful issuance of the multi-tranche sustainability bonds worth JP¥70.1 billion or around USD600 million shows "investor appetite for Philippine financial instruments despite the current market volatilities", according to Finance Secretary Dominguez.[158]

Green, Sustainability, and Blue Bonds issued by BDO Unibank, Inc. (BDO). Drawing from the bank's Social and Environmental Management Systems (SEMS) policy, BDO developed its Sustainable Finance Framework which covers social and environmental impact assessment and risk assessment and is aligned with the bank's Sustainability Philosophy and Strategies and the SDGs.[159] Funding for eligible projects is acquired through green/blue/social/sustainability bonds, loans, and other debt financing instruments that comply with local and international standards identified in the bank's sustainable finance framework.

In 2017, BDO issued a USD150 million green bond, the first green bond issued by a commercial bank in the Philippines and in East Asia and Pacific, to finance climate-smart projects in the country. With the International Finance Corporation (IFC) as the sole investor, the green bond proceeds were used to fund

155 Villanueva, J. (2020). BSP eyes incentives for banks' sustainable finance compliance. Philippine News Agency, August 27, 2020.
156 Ibañez, J. and Reuters (2022). PHL raises $2.25B via offshore bonds. BusinessWorld, March 23, 2022.
157 de Vera, B. (2022). More debt: PH raises $2.25B in offshore bond issue, including $1B in 'green bonds'. Philippine Daily Inquirer, March 22, 2022.
158 Bureau of the Treasury (2022, April 13). The Republic of the Philippines Launches its First Sustainability Samurai Bond in Japan [Press release]. https://www.treasury.gov.ph/wp-content/uploads/2022/04/ROP-Samurai-2022_Press-Release_NCFD_v5-Final.pdf
159 https://www.bdo.com.ph/corporate-governance/sustainability, accessed on Apr 8, 2022

seven sustainable energy projects—four biomass projects, two mini-hydro projects, and one wind energy project.[160]

BDO also issued its first Peso-denominated sustainability bond to institutional and retail investors in January 2022. The sustainability bonds worth PHP52.7 billion exceeded the initial offer of PHP5 billion by more than 10 times.[161] The net proceeds from the bonds will be used to diversify BDO's funding sources and finance or refinance projects that promote renewable energy, green buildings, clean transportation, resource efficiency and pollution prevention and control, environmentally sustainable management of living natural resources and land use, sustainable water and wastewater management, employment generation, and food security, in compliance with the bank's sustainable finance framework.[162]

More recently, BDO issued its first blue bond and raised a total of USD100 million in May 2022. With the IFC as the sole investor, proceeds are intended to support financing of projects on preventing marine pollution and preserving clean water resources.[163]

Green, Social Bonds issued by Bank of the Philippine Islands (BPI). BPI developed its Sustainable Funding Framework, expanding the bank's Green Finance Framework, and has issued green and social bonds to fund projects aligned with the Green and Social Bond Principles and ASEAN Green, Social, and Sustainability Bond Standards and that contribute to the SDGs, specifically, SDG goals 6, 7, 8, 9, 10, 11, 12, and 13.[164]

In 2019, BPI issued green bonds—Southeast Asia's first Swiss-franc denominated green bond, which was 4 times oversubscribed and reached CHF100 million, and a USD-denominated green bond, which was 4 times oversubscribed and reached USD300 million.[165] By 2020, total net proceeds from these bonds (USD413 million) were used to fund three renewable energy projects estimated to reduce around 3.3 million tons of greenhouse gases (GHG) per year and four green building projects estimated to reduce around 11,872 tons of GHG per year and save electricity (around 4,254 MWh/year).[166]

BPI also issued the country's first COVID Action Response (CARE) bonds in 2020 to finance and refinance eligible MSMEs, including but not limited to those hit by the pandemic. The CARE bonds exceeded its initial offer of PHP3 billion more than 7 times, reaching up to PHP21.5 billion.[167] By 2020, total net proceeds from CARE bonds (PHP21.5 billion) were used to provide loans to 1,333 micro enterprises, 1,200 small enterprises, and 692 medium enterprises.[168]

Green, Sustainability Bonds issued by Rizal Commercial Banking Corporation (RCBC). RCBC developed its Sustainable Finance Framework in 2019, documenting the bank's approach in launching green bonds, social bonds, sustainability bonds, green loans, and other debt financing instruments intended to fund eligible projects that comply with local and international sustainability standards. Eligible green categories include renewable energy, green buildings, clean transportation, energy efficiency, pollution prevention and control, sustainable water management, and environmentally sustainable management of living natural resources and land use. Eligible social categories include affordable basic infrastructure, access

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[160] BDO (2020). BDO 2020 Sustainability Report. Retrieved from: https://www.bdo.com.ph/sites/default/files/pdf/BDO-2020-Sustainability-Report.pdf
[161] BDO (2022, January 28). BDO raises PHP52.7 billion in ASEAN Sustainability Bonds [Press release]. https://www.bdo.com.ph/sites/default/files/pdf/Press-Release-BDO-Raises-PHP52-Billion-in-ASEAN-Sustainability-Bonds.pdf
[162] PDS Group (2022, January 28). PDEx Welcomes 2022 with BDO Unibank, Inc.'s Listing of PHP 52.7 Billion ASEAN Sustainability Bonds [Press release]. https://www.pds.com.ph/wp-content/uploads/2022/01/PDEx-Press-Release_BDO-ASEAN-Sustainability-Bonds.pdf
[163] BDO (2022). BDO issues first Blue Bond for US$100 Million. Retrieved from: https://www.bdo.com.ph/news-and-articles/BDO-Unibank-Blue-Bond-USD-100-million-first-private-sector-issuance-southeast-asia-IFC-marine-pollution-prevention-clear-water-climate-goals-sustainability, May 23, 2022.
[164] BPI (2020). Bank of the Philippine Islands Sustainable Funding Framework. Retrieved from: https://www.bpi.com.ph/assets/aboutbpi/sustainablefundingframework/bpisustainabilityfundingframework.pdf
[165] https://www.bpi.com.ph/sustainability/products-and-services, accessed on April 8, 2022
[166] BPI (2020). 2020 Integrated Report. Retrieved from: https://www.bpi.com.ph/assets/aboutbpi/integratedreports/2020integratedreportinteractive.pdf
[167] BPI (2020, August 7). BPI raises ₱21.5 billion from pioneering CARE Bonds [Press release]. https://www.pds.com.ph/wp-content/uploads/2020/08/Disclosure-No.-2463-2020-Press-Release-BPI-raises-21.5-billion-from-pioneering-CARE-Bonds.pdf
[168] BPI (2020). 2020 Integrated Report. Retrieved from: https://www.bpi.com.ph/assets/aboutbpi/integratedreports/2020integratedreportinteractive.pdfhttps://www.bpi.com.ph/assets/aboutbpi/integratedreports/2020integratedreportinteractive.pdf

to essential services, employment generation, affordable housing, and socioeconomic advancement and empowerment.[169]

In 2019, the bank issued the first peso-denominated green bond under the ASEAN Green Bond Standards which raised PHP15 billion, followed by the first peso-denominated sustainability bond under the ASEAN Sustainability Bond Standards which raised PHP8 billion, and USD-denominated sustainability bonds which raised USD300 million. All issuances were oversubscribed.[170]

As of December 31, 2020, the bonds have funded 15 eligible green projects and 9,947 eligible social projects. Some green project-related impacts include reduction in GHG, 116 light rail vehicles, 557 buses, and 1,927 households served with water connections while some social project-related impacts include 3,298 hospital beds, vaccination of 6,356 children per year, 802 loans extended to qualified SMEs, and 9,117 affordable houses financed.[171]

RCBC also raised PHP17.87 billion (more than five times its initial offering of PHP3 billion) from issuing sustainability bonds in 2021[172] and another PHP14.75 billion (almost five times than its initial offering of PHP3 billion) from issuing sustainability bonds in February 2022.[173]

Others. Other companies and banks have also issued green and sustainability bonds in the past. Some of these include green bonds issued by Arthaland Corp., AC Energy and Infrastructure Corp., AgriNurture Inc., and China Bank and sustainability bonds issued by Manila Water Co. Inc. and Development Bank of the Philippines.

Challenges in Issuing Green, Social, Sustainability Bonds

Going forward, bond issuers have to be mindful of challenges in issuing green, social, or sustainability bonds due to volatility of credit markets, lack of liquidity for green assets, the issue on greenwashing, the overall process and cost of formulating green bond/SDG frameworks and getting pre-issuance and post-issuance assessments, and the need for greater transparency and standardization in creating impact reports (Amundi Asset Management and International Finance Corporation, 2021; ASEAN Capital Markets Forum, 2021).

In the context of the Philippines, however, there is a lack of documentation on possible weaknesses and/or challenges encountered in issuing these bonds.

Private Sector Investments and Programs. Based on reported initiatives of 75 companies in 2017, around PHP40.7 billion were invested in SDG-related programs and practices (PBE & UNDP, 2017).

- Top goals (in terms of amount):
    - SDG 11: Sustainable Cities and Communities – PHP13.7 billion (34% of disclosed investments)
    - SDG 4: Quality Education – PHP11.3 billion (28% of disclosed investments)
    - SDG 7: Affordable and Clean Energy – PHP7.5 billion (19% of disclosed investments)
    - SDG 3: Health and Well-being – PHP7 billion (17% of disclosed investments)

- Top goals (in terms of number of reported initiatives):
    - SDG 12: Responsible Consumption and Production – 24 initiatives (17% of total number of reported initiatives; PHP88.6 million)
    - SDG 8: Decent Work and Economic Growth – 21 initiatives (15% of total number of reported initiatives; PHP141 million)

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169 RCBC (2019). RCBC Sustainable Finance Framework as of 30 April 2019. Retrieved from: https://www.rcbc.com/Content/Forms/RCBC%20Sustainable%20Finance%20Framework%20FINAL.pdf
170 ___ (2020). RCBC's sustainability bonds reach P56B. Malaya Business Insight, November 23, 2020.
171 RCBC (2020). RCBC Sustainability Bonds Impact Report as of December 31, 2020. Retrieved from: https://www.rcbc.com/uploads/media/RCBC-Sustainability-Bonds-Impact-Report_2020-5.pdf
172 Noble, L.W.T. (2022). RCBC closes sustainability bond offer. BusinessWorld, March 23, 2021.
173 RCBC (2022, February 21). RCBC raises PHP14.75 Billion of ASEAN Sustainability Bonds [Press release]. https://www.rcbc.com/uploads/media/20220221-RCBC-raises-PHP14.pdf

The second Transformational Business report is yet to be published (supposed to be published in 2021). This report is said to include private sector initiatives in response to the pandemic as well as initiatives from large enterprises, MSMEs, and start-ups (461 initiatives from 187 companies with disclosed investments amounting to PHP 425.25 billion).[174]

Meanwhile, through the MC No. 4, Series of 2019 on Sustainability Reporting Guidelines for Publicly-Listed Companies (PLCs) issued by the Securities and Exchange Commission (SEC), companies are mandated to report on their economic, environmental, and social impacts. This enables PLCs to monitor their contributions to the SDGs, among others.

However, it can be difficult to identify specific amount invested by PLCs in different sectors based on sustainability reports alone since not all reported product or service contributions to SDGs disclose total amount spent (see Table 2.9 below).

Table 2.9. Sample SDG Contributions of PLCs based on Selected Sustainability Reports

SDG Goal	Contribution to SDGs	Company
SDG 1 – No Poverty	Allows clients to participate in capital markets through their financial literacy program, online platform, and low investment rates	COL Financial Group, Inc.
	Provided relief support to 6,787 families affected by natural disasters	First Gen Corporation
SDG 2 – Zero Hunger	Provides affordable and accessible food products	Monde Nissin Corporation
SDG 3 – Good Health and Well-Being	Rolled out a COVID-19 vaccination program for employees	AllDay Marts, Inc.
	Rolled out Project Near and Ready and a COVID-19 vaccination program for the health and wellbeing of employees	Shakey's Pizza Asia Ventures Inc.
	Rolled out a COVID-19 vaccination program for employees (and their family members), franchise partner, and business partners	Max's Group, Inc.
	Rolled out a COVID-19 vaccination program for employees and COVID-19 vaccination programs for 16 LGUs	First Gen Corporation
SDG 4 – Quality Education	Produced 753 graduates, 107 licensure exam passers, and is currently providing scholarships for 381 students	Puregold Price Club, Inc.
	ACE Scholarship Program - financially supports underprivileged youth to in taking courses on quick service restaurant operations, agriculture, and technical-mechanical skills	Jollibee Foods Corporation
	Provided support to 42 IP scholars in Mt. Apo through the Balik-Eskwela program and provided school supplies, learning equipment, and other learning materials to 31,184 students	First Gen Corporation
SDG 5 – Gender Equality	Most executive positions in the corporation are held by women	Puregold Price Club, Inc.
SDG 6 – Clean Water and Sanitation	Complies with the Clean Water Act (157 wastewater treatment facilities)	Puregold Price Club, Inc.
SDG 7 – Affordable and Clean Energy	Use of LED lamps in all Puregold and S&R stores	Puregold Price Club, Inc.
	Uses solar energy for key sites	Max's Group, Inc.
SDG 8 – Decent Work and Economic Growth	Reseller Program – allows customers to resell Christmas baskets from AllDay Marts, Inc.	AllDay Marts, Inc.
	Generated around PHP15.9 billion, distributed around PHP15.3 billion, and created 2,122 jobs	2GO
	Provides "livelihood opportunities and access to microfinancing services"	Monde Nissin Corporation
	Provides 6,091 employment opportunities	Shakey's Pizza Asia Ventures Inc.
	Farmer Entrepreneurship Program - trains smallholder farmers on	Jollibee Foods

[174] https://sdgsbiz.ph/docroot/about-sdgs-our-biz, accessed on June 23, 2022.

	agro-entrepreneurship which involves corporate purchasing, supply chain management, e-commerce, and market options.	Corporation
	Established long-term social enterprise projects and short-term livelihood projects for 2,000 households and implemented the Sukkudan Coffee Project which benefitted 31 IP households (total revenue of PHP280,000 in 2021)	First Gen Corporation
SDG 9 – Industry, Innovation and Infrastructure	Invested P50.8 million in digitalization and industry technology	2GO
SDG 10 – Reduced Inequalities	Employed 238 individuals from indigenous communities and vulnerable sectors; Trained 4,325 employees on technical and behavioral skills	Puregold Price Club, Inc.
	Provided technical and behavioral skills training for 4,235 employees	
SDG 11 – Sustainable Cities and Communities	Employment of personnel residing near stores	AllDay Marts, Inc.
SDG 12 – Responsible Consumption and Production	Promotes use of eco-friendly bags instead of plastics	AllDay Marts, Inc.
	Tries to implement sustainable packaging and adopt waste management practices	Monde Nissin Corporation
	Supports plastic neutrality	Shakey's Pizza Asia Ventures Inc.
	Adopted the use of eco bricks, LED lights, flood mitigation technologies ("permeable pavements, rainwater collection systems, and low flow plumbing fixtures")	Max's Group, Inc.
SDG 13 – Climate Action	Monitors use/consumption of power, fuel, and water and observes policy on environmentally-friendly value chain	2GO
	Reduced 57% of its direct GHG emissions	Puregold Price Club, Inc.
	Uses low carbon alternatives (solar and biomass) to power sites	Monde Nissin Corporation
	Prefers use of bikes or non-motorized means to deliver food	Max's Group, Inc.
	Conducted environmental awareness campaigns for employees and educated around 31,045 individuals on climate change through social media	First Gen Corporation
SDG 14 – Life Below Water	Provided support to 398 seawatch members that patrol and protect the Verde Island Passage	First Gen Corporation
SDG 15 – Life on Land	Reforested at least 10,140 hectares of land	First Gen Corporation
SDG 16 – Peace, Justice and Strong Institutions	Established anti-corruption practices, data privacy practices, whistleblowing policy, and gender diversity at the board level	Max's Group, Inc.
SDG 17 – Partnership for the Goals	Participates in stakeholder engagements, provides support to the community, and maintains ESG transparency through online websites and reports	First Gen Corporation

Sources: Selected 2021 Sustainability Reports uploaded on PSE Edge as of May 26, 2022;

Private sector, through their CSR Programs and company practices, contributes towards the achievement of the country's SDG agenda. Some of these programs are detailed in the table below:

Table 2.10. Development Programs Supported by the Private Sector by Sector

Sector	Program/Initiative Description	Organization
Education	Text2Teach – promotes learning through mobile technology and lets teachers download educational videos	Ayala Foundation

	The Sagip Aral program provided financial assistance to parent employees to ensure access to educational opportunities for their children and donated a total of P220,000 to 80 students (elementary to college level).	Coolaire Consolidated, Inc
	The Tulong Aral program provided free educational opportunities worth P1 million to a total of 111 employees.	
	Alternative online capability program - helped 97 principals and 157 teachers adapt to the "new normal" during the pandemic	Meralco
	Global Filipino Schools (GFS) Program - provides schools with free internet access and devices for mobile learning	Globe Telecom (in partnership with DepEd)
	Gabay Guro - offered seminars and short courses to around 15,000 teachers and gave scholarships to around 1,123 teachers	PLDT
	Infoteach Outreach (in partnership with Intel Philippines and UP Open University) – trained 13,586 students and teachers on ICT	
	Smart Wireless Engineering Education Program (SWEEP) Program – trained around 35,000 faculty and students through Information Technology and Electronics Communications Engineering courses in 70 colleges	PLDT and Smart Communication s
Health	First Gen has trained barangay health workers and has provided health-related infrastructure and equipment in partnership with local government health offices. Around P28 million have been invested into health CSR programs since 1993.	First Gen Corporation
	EDC has helped enhance the infrastructure, equipment, access to basic health services, and awareness on health topics in 47 communities. Around P100 million have been invested into health CSR programs since 1993.	Energy Development Corporation (EDC)
	Konsulta MD – a mobile application that offers health-related consultations (more than 80,000 active subscribers)	Globe Telecom and Salud Interactiva
	FamilyDOC – provides more affordable health services and has serviced more than 23,000 patients	Ayala Healthcare Holdings Inc.
	Glovax distributes vaccines to 3,200 community clinics and hospitals in 20 provinces	Glovax Biotech Corp.
	Oks ang Bakuna Ko Laban sa Pulmonya - provides discounted pneumococcal vaccines to PhilHealth Lifetime Members and their dependents	PhilHealth and Merck Sharp and Dhome (MSD) Philippines
	Generika offers discounts on medicines from local and international manufacturers.	Generika
	The Hershey Company and PBSP have supported SDGs 2 and 3 through “Nourishing Minds – The Filipino Way”, their supplemental feeding program conducted for malnourished children in Baseco, Manila.	Hershey and PBSP

	Tuberculosis Control interventions under the Advancing Client-centered Care and Expanding Sustainable Services for TB (ACCESS TB) Project. Through the ACCESS TB Project, USD8.5 million was allocated by PBSP to strengthen the public health system and to assist the Department of Health in COVID-proofing its TB control program.	PBSP
	Health, Education, Environment and Livelihood (HEEL) - As the MDGs ended in the 2010s, PBSP continued to align its programs on Health, Education, Environment and Livelihood (HEEL) on the SDGs. PBSP also adopted the Collective Impact Strategy to solve complex societal problems through the formation of the Water Alliance, Marikina Watershed Initiative and the Bayanihang Pampaaralan.	
	PBSP also scaled up its innovative practices through various Engagement Platforms (EP) that sought to address the SDGs by engaging the business sector, academe and research institutions, government, other NGOs, and committed individuals. For 2020, PBSP nurtured four Engagement Platforms, namely the Water Alliance, Zero Extreme Poverty Philippines 2030 (ZEP2030), the Population, Health and Environment (PHE) Network, and the Philippines Partnership for Sustainable Agriculture (PPSA)	
	In assessing which SDGs are most relevant for their business and where the company can have a significant positive impact, Zuellig Pharma identified SDG 3 as the key focus for their efforts, followed by SDGs 5, 7, 8, 12, 13, and 16 as areas where it can contribute directly or indirectly to address pressing needs. Some of their interventions in the Philippines are as follows: - 2.8 million patients benefitted from patient access programs to support access to treatment - 2.6 million patients benefitted from USD100 million in discounts and redemptions provided through affordability programs - 19.6 million patients served through vaccination programs with Zuellig Pharma's support - 508,000 patients educated through multi-channel disease awareness programs despite pandemic restrictions - 16,500 new pharmaceuticals and medicals were made accessible with Zuellig Pharma's registration, distribution, and commercialization services - 52% of female employees in middle management - 23% increase in female representation in the executive management team - 5% increase in female representation in the senior management team - 7% reduction in GHG emissions - 20% reduction in waste	Zuellig Pharma
	Through the TB Active Case Finding Development Partners (ACF-DP) program (implemented for less than a year), employees and vulnerable stakeholders (e.g. security guards, street sweepers, and public utility drivers) were given health assessments in support of the National Tuberculosis Control Program of the Department of Health. They were also given access to various skills training programs through the help of TESDA.	Philippine Chamber of Commerce and Industry (PCCI)
	CODE Light Bot - monitored the health status of Meralco employees to minimize COVID-19 incidents	Meralco
	Grab designed a safety management framework which promotes the reduction of road traffic-related accidents	Grab
Income and Livelihood	Grab provides inclusive employment by providing opportunities to 2,100 persons with disabilities in 2021	Grab
	One for Trees - provided sustainable livelihood to selected communities through agroforestry	Morination Agricultural Products Inc.

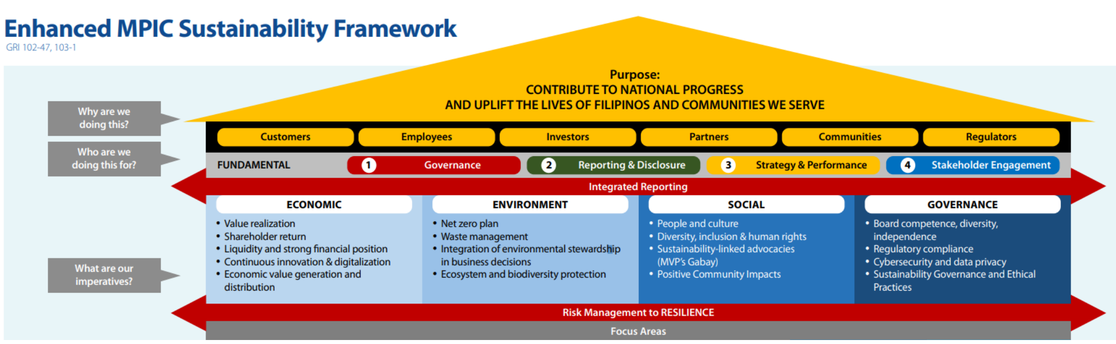
Food Security	The Hapag Kalinga program, which had a budget of around P420,000/year, was created to achieve food security for a total of 304 employees (both regular and probationary status) .	Coolaire Consolidated, Inc.
Environment and Climate Change	Through a funding of USD400,000 and in collaboration with UN OECD, UN Global Compact Philippine Network in the Philippines, PENRO-Pangasinan, DENR, DSWD, DOH, DA, LGUs, DOST, Board of Investments, and rural communities in the Philippines, the Million Moringa Project aims to develop, maintain, and protect forests in the Philippines. Aside from planting 1 million Moringa trees in each region in the Philippines, other goals of the reforestation project include generating up to USD10 million in revenues for the community members and making therapeutic and ready-to-eat food products from the Moringa trees.	Morination Agricultural Products Inc.
	One for Trees - contributed to the preservation of forests	
	Meralco has an inventory system monitoring GHG emissions and intensity	Meralco
	Nestlé launched a reforestation initiative with One Tree Planted and EcoPlanet Bamboo Group.	Nestlé
	Nestlé Philippines aims to reduce GHG emissions by 75% by 2030.	
	Grab aims to be carbon neutral by 2040	Grab
Energy	Household Electrification Program - provided electricity to 6,999 indigent households in 2020	Meralco
	Around 71% of Nestlé Philippines operations are powered by renewable resources.	Nestlé
	Grab offices are powered by renewable energy only.	Grab

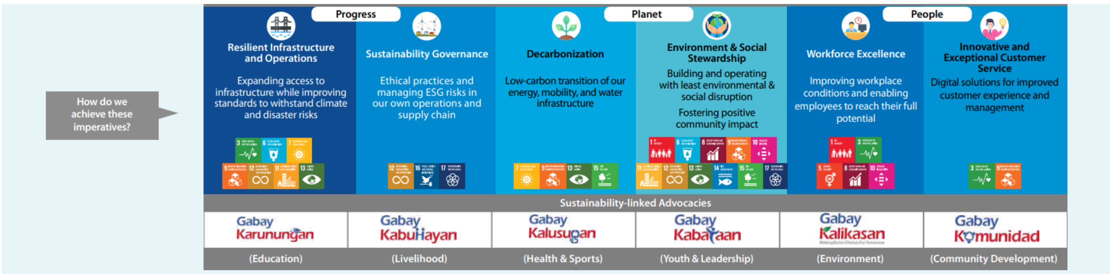
Box 4. Sustainable Practices of Metro Pacific Investments Corporation

Metro Pacific Investments Corporation (MPIC), for example, updated its sustainability framework (see Figure 2.35) to better align its short- and long-term goals with post-pandemic development priorities. Focus areas include:

- Resilient Infrastructure and Operations – aligned with SDG 3, SDG 6, SDG 7, SDG 9, SDG 11, SDG 12, and SDG 13
- Sustainability Governance – aligned with SDG 12, SDG 16, and SDG 17
- Decarbonization – aligned with SDG 7, SDG 9, SDG 13, and SDG 15
- Environment and Social Stewardship – SDG 1, SDG 6, SDG 8, SDG 9, SDG 10, SDG 11, SDG 12, SDG 13, SDG 14, SDG 15, and SDG 17
- Workforce Excellence – aligned with SDG 1, SDG 3, SDG 5, SDG 8, and SDG 10
- Innovation and Exceptional Customer Service – aligned with SDG 3 and SDG 9

Figure 2.35. MPIC Sustainability Framework





Source: MPIC 2021 Integrated Report

MPIC also monitors the business activities and SDG contributions of companies the corporation has invested in such as Meralco, Metro Pacific Tollways Corporation (MPTC), Maynilad Water Services, Metro Pacific Hospital Holdings Inc. (MPHHI), and Light Rail Manila Corporation (LRMC).

Table 2.11. Sample MPIC Investments and SDG Contributions in 2021

Company	SDGs Supported	Sample Contributions
Meralco	SDG 1, SDG 7, SDG 8, SDG 9, SDG 11, SDG 12, SDG 13, and SDG 17	• Distributed power to 7.4 million residential, industrial, and commercial customers • Electrified 14,913 new households and 7,509 indigent households
MPTC	SDG 3, SDG 7, SDG 8, SDG 9, SDG 10, SDG 11, SDG 12, and SDG 15	• Provided services to around 272.9 million motorists in 2021
Maynilad	SDG 1, SDG 3, SDG 6, SDG 9, SDG 11, SDG 12, SDG 13, SDG 14, and SDG 15	• Delivered water to 9.9 million people • Invested PHP3.4 billion in wastewater management
MPHHI	SDG 1, SDG 3, SDG 9, SDG 11, and SDG 12	• Provided healthcare services to around 3.1 million outpatients and 94,957 admitted patients
LRMC	SDG 3, SDG 7, SDG 8, SDG 9, SDG 11, and SDG 12	• Provided transport services to around 44.3 million passengers

Source: MPIC 2021 Integrated Report

Another good step towards monitoring contributions of the private sector is the Association of Foundation (AF)'s annual report which shares the total amount invested by member NGOs into development initiatives and the number of beneficiaries supported by the programs/projects.

In 2020, over PHP15 billion were invested by 159 member NGOs. Top program areas include micro-finance (PHP6 billion), emergency response (PHP2.1 billion), health and nutrition (PHP1.8 billion, education (PHP1.5 billion), corporate social responsibility (PHP676 million), disaster risk reduction and management (PHP569 million), capacity building (PHP569 million), children's welfare (PHP503 million), social services (PHP392 million), and livelihood (PHP277 million). These programs benefitted around 76 million individuals, 4 million families/households, 1.5 million groups, 8,580 schools, 5,478 NGOs and people's organizations, 5,011 LGUs, and 328 NGAs.

Overseas remittance for long-term investments

The CFO Diaspora Investment "seeks to work with financial institutions and intermediaries to develop new and innovative instruments and mechanisms such as diaspora bonds, remittance bonds and other mechanisms that tap into remittances and savings for development" (e.g. "home-businesses, short-term savings, remittance securitization by banks for big-ticket public-private financing") (NEDA, 2018).

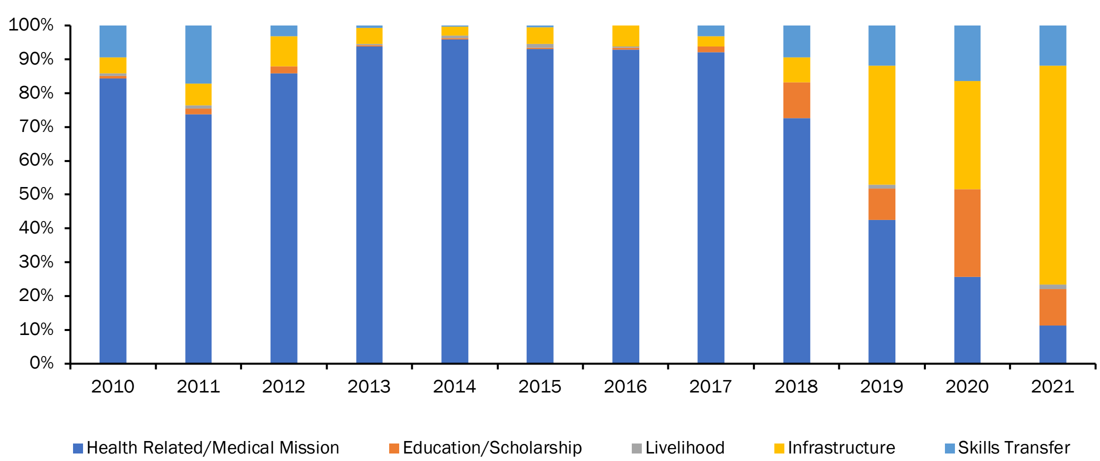
Overseas Filipinos (OFs) re-engage with the Philippines through the CFO's program Diaspora to Development (D2D) and the BaLinkBayan online portal (Examples of D2D programs: diaspora philanthropy, medical mission coordination, doing business in the Philippines, tourism initiatives, and investment for overseas Filipinos). Aside from connecting OFs to diaspora initiatives, BaLinkBayan also offers business and investment opportunities at the national and the local level. BaLinkBayan[175] contributes to the attainment of the following SDGs:

a) SDG 8 – Encouraging OFs to start SMEs and guiding them through the process
b) SDG 9 – BaLinkBayan is considered as "the online counterpart of a physical migrant resource center" which provides information about financial services, etc.
c) SDG 10 – Providing OFs access to government programs, projects, and services through the portal
d) SDG 11 – Advocating for sustainable cities and communities; Assisting OFs in making donations
e) SDG 17 – Partnering with NGAs, NGOs, LGUs, and FAOs

Data from the Commission on Filipinos Overseas (CFO), shows that overseas remittances from individuals and organizations have supported local development programs in the country for over two decades. Through the CFO, the LINGKOD SA KAPWA PILIPINO (LINKAPIL) or Link for the Philippine Development has been initiated by the government in 1989 resulting in the forging of broader and deeper partnerships among Filipinos beyond borders. The program was designed with a mechanism for the transfer of various forms of resources from Filipinos overseas to support small-scale, high-impact projects that address the country's social and economic development needs. The LINKAPIL program was designed to channel resources to four major areas of development assistance: 1) support the education of Filipino youth through scholarship grants, purchase of educational materials, and construction of classrooms; 2) provision of livelihood opportunities by financing income generating activities of marginalized sectors or victims of natural calamities; 3) fueling growth through small infrastructure projects such as water wells, latrines and houses; and 4) contributing to healthy communities through feeding programs, conduct of medical missions or donation of medicines, medical supplies, and equipment.

The amount of overseas donations raised through the LINKAPIL program is around Php3.4 billion from 1990-2021. Of the said amount, according to CFO's records, at least Php2.92 million supported health related or medical missions, Php293.86 million supported education/scholarship programs, and Php102.88 million supported infrastructure projects. It also supported programs on skills transfers (Php75.32 million), and livelihood programs (Php39.78 million). More than 15.8 million Filipinos from eighty-one (81) provinces of the Philippines including NCR have been recorded to have benefitted from this support. Donations largely originated from Overseas Filipinos (organizations and individuals) from the USA, Canada, Australia, Germany, and Japan.

Figure 2.36. Distribution of Donations Coursed through LINKAPIL, 2010-2021



Source of data: Commission on Filipinos Overseas

Around PHP5.8 million were donated by OFs through LINKAPIL in 2021. Of the total donations, around 64.8% or PHP3.7 million supported infrastructure projects, 11.8% or PHP685,000 supported programs

175 CFO (n.d.)

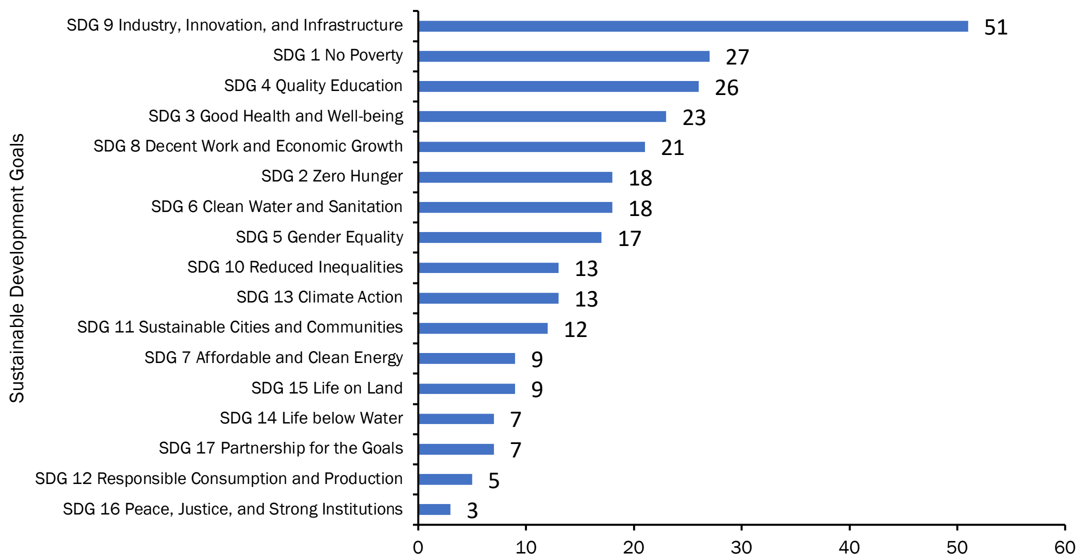
on skills transfer, 11.2% or PHP649,640 supported health related programs or medical missions, 10.9% or PHP633,964 supported education or scholarship programs, and 1.3% or PHP75,000 supported livelihood programs.

Green Finance/Climate Bonds Initiative. In 2019, 10.6% of the total loan portfolio of the Philippine banking system went to finance green and social projects that were in line with the Sustainable Development Goals of the United Nations.

2.4.1.3. International and Multilateral Funding Facilities

ODA. ODA increased by 40.7% during the pandemic from USD21.6 billion in 2019 to USD30.7 billion in 2020. In 2020, a combination of 62 loans and 60 grants were used to finance 122 programs and projects, in support of the SDGs. SDG 9 (Industry, Innovation and Infrastructure), SDG 1 (No Poverty), and SDG 4 (Quality Education), had the highest number of ODA-supported programs and projects in 2020 (NEDA, 2021c).

Figure 2.37. Number of ODA Programs and Projects Supporting the SDGs



Source of data: NEDA (2021) ODA Portfolio Review 2020

Studies (see for example Flores and Pacapac, 2021) highlight the valuable contribution of ODA as a source of financing for development in the Philippines particularly for the government's infrastructure and human development programs and projects.

Green Climate Fund (GCF). Through the Cancún Agreements, GCF was developed to accelerate climate action in developing countries. Developing countries are empowered to achieve their Nationally Determined Contributions (NDC) through the GCF assistance in the form of grant, concessional debt, guarantees and/or equity instruments and in partnership with international and national commercial banks, multilateral, regional and national development finance institutions, equity funds institutions, United Nations agencies, and civil society organizations.[176] The Philippines, in particular, has received funding for five climate mitigation/adaptation programs.

The Multi-Hazard Impact-Based Forecasting and Early Warning System for the Philippines project, co-financed by DOST-PAGASA, aims to reduce the exposure of and increase the resilience of vulnerable communities against hydro meteorological hazards. The GCF grant (USD9,999,042.27), approved in 2019, is used to develop a multi-hazard impact-based forecasting and early warning system (MHIBF-EWS), improve national and local capacities in implementing a people-centered MH-IBF-EWS and forecast-based

[176] https://www.greenclimate.fund/about, accessed on May 12, 2022

early actions, mainstream climate risk information and MH-IBF-EWS in development policy and planning, investment programming, and resilience planning at national and local levels, institutionalize people-centered MHIBF-EWS in the Philippines, and cover project management-related costs.[177]

Other GCF-funded initiatives in the Philippines include: (i) the Global Fund for Coral Reefs Investment Window (with an approved GCF equity funding of USD125 million) which aims to boost investments in enhancing the resiliency of coral reefs and populations that depend on them in 17 countries across Asia, Latin America, and Africa[178]; (ii) the ASEAN Catalytic Green Finance Facility: Green Recovery Program (with an approved GCF grant of USD20 million and loan of USD280 million) which aims to support the shifting of developing ASEAN countries to a greener COVID-19 recovery[179]; (iii) Climate Investor One (with an approved GCF grant of USD100 million) which aims to support the development of renewable energy projects in 18 countries across Africa, Asia, and Latin America[180]; and (iv) Climate Investor Two (with an approved GCF grant of USD145 million) which aims to support the development and construction of climate-resilient infrastructure projects in 19 countries across Africa, Asia, and Latin America[181].

GCF - Project Preparation Facility (PPF). GCF Project Preparation Facility helps developing countries form climate finance proposals by providing financial (up to USD1.5 million) and technical assistance.[182] Through the Korean Development Bank, the Collaborative R&DB Programme for Promoting the Innovation of Climate Technopreneurship was granted an amount of USD1,243,580 to conduct feasibility, environmental, social, and gender studies in Cambodia, Indonesia, Laos, and the Philippines.[183] Meanwhile, through the MUFG Bank, Ltd., the Green Guarantee Company's request for technical assistance (mainly to help establish GGC's governance, regulatory, and legal policies and procedures and develop a logical framework for green bonds). GGC's partner countries include Indonesia, the Philippines, Brazil, Trinidad, and Tobago.[184]

GCF - Readiness Programme. The GCF Readiness Programme is developed to provide grants and technical assistance to developing countries to facilitate climate action-related institutional capacity building, coordination, policy and planning, adaptation planning, and programming for investment.[185] Three Readiness proposals were approved in the case of the Philippines. One of which is the Readiness Support to Enhance Pathways to Green Finance (granted an amount of USD692,000) which aims to: (i) complement the UNDP readiness program funded by the German government to boost investment in terms of growing institutional green finance initiatives and identify other investment opportunities and (ii) provide assistance to public and private stakeholders involved in financing green projects.[186] Second is the Readiness Support to Strengthen Philippines' Capacity and Knowledge on Accessing the Green Climate Fund (granted an amount of USD300,000) which aims to "support the CCC in fully implementing its roles and responsibilities as the designated NDA of the Philippines to the GCF".[187] Third is the Readiness Support to Strengthen Philippines' Engagement and Direct Access with the GCF (granted an amount of USD700,000) which aims to support the accreditation of the country's direct access entities (e.g. Land Bank of the Philippines, Development Bank of the Philippines, and Foundation for the Philippine Environment).[188]

[177] Green Climate Fund (2019a). Funding Proposal. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/funding-proposal-sap010-landbank-phillipphines.pdf
[178] Green Climate Fund (2021a). Funding Proposal. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp180.pdf
[179] Green Climate Fund (2021b). Funding Proposal. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp156.pdf
[180] Green Climate Fund (2018a). Funding Proposal. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp099-fmo-burundi-cameroon-djibouti-indonesia-uganda-kenya-malawi-madagascar.pdf
[181] Green Climate Fund (2022). Funding Proposal. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp190.pdf
[182] https://www.greenclimate.fund/projects/ppf
[183] Green Climate Fund (2021c). Approved Project Preparation Funding Application. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/ppf042-kdb-cambodia-indonesia-laos-philippines.pdf
[184] Green Climate Fund (2021d). Approved Project Preparation Funding Application. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/ppf045-mufg.pdf
[185] https://www.greenclimate.fund/readiness, accessed on May 13, 2022
[186] Green Climate Fund (2018b). Readiness Proposal with IFC for the Republic of the Philippines. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/readiness-proposals-philippines-ifc-strategic-frameworks.pdf
[187] Green Climate Fund (2019b). Readiness Proposal with Global Green Growth Institute (GGGI) for Republic of the Philippines. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/readiness-proposals-philippines-gggi-entity-support_0.pdf
[188] Green Climate Fund (2019c). Readiness Proposal with IFC for the Republic of the Philippines. Retrieved from: https://www.greenclimate.fund/sites/default/files/document/readiness-proposals-philippines-gggi-nda-strengthening-country-programming_0.pdf

Climate Investment Funds (CIF) - Clean Technology Fund (CTF). The Clean Technology Fund accelerates the implementation of renewable energy, energy efficiency, and clean transport projects in developing countries.[189] It has provided resources to 19 countries (Algeria, Chile, Colombia, Egypt, India, Indonesia, Jordan, Kazakhstan, Libya, Mexico, Middle East and North Africa Region, Morocco, Nigeria, the Philippines, South Africa, Thailand, Tunisia, Turkey, Ukraine, and Vietnam). CTF-funded projects in the Philippines include the Cebu Bus Rapid Transit Project (USD25 million), Market Transformation through Introduction of Energy Efficient Electric Vehicles Project (USD8.38 million), Philippines Manila BRT (USD23.9 million), Renewable Energy Accelerator Program (REAP) (USD8.38 million), Renewable Energy Development (PHRED) (USD25.09 million), and Sustainable Energy Finance Program (USD0.77 million).[190]

Global Environment Facility (GEF) Trust Fund. GEF funding helps developing countries and countries with economies in transition achieve global goals and fulfill international commitments related to sustainable development by providing funds through GEF agencies (e.g. Asian Development Bank, African Development Bank, European Bank for Reconstruction and Development, Food and Agriculture Organization of the United Nations, Inter-American Development Bank, International Fund for Agricultural Development, United Nations Development Programme, United Nations Environment Programme, United Nations Industrial Development Organization, The World Bank Group, Conservation International, Development Bank of Latin America, Development Bank of Southern Africa, Foreign Economic Cooperation Office at the Ministry of Environmental Protection of China, Brazilian Biodiversity Fund, International Union for Conservation of Nature, West African Development Bank, and World Wildlife Fund)[191] to design, develop, and implement approved projects and programs. The Philippines, in particular, has received a total of USD260,573,377 from 62 national projects and a total of USD531,941,531 from 65 regional/global projects.[192]

Other Sources of Climate Finance

- Global Environment Facility (GEF) - Small Grants Program
- Climate Investment Funds (CIF) - Pilot Program for Climate Resilience (PPCR)
- Climate Investment Funds (CIF) - Scaling up Renewable Energy in Low Income Countries Program (SREP)
- Climate Investment Funds (CIF) - Forest Investment Program (FIP)
- Multilateral Fund for the Implementation of the Montreal Protocol
- Global Climate Partnership Fund (GCPF)
- Adaptation Fund
- Adaptation Fund - Readiness Grants
- Global Climate Change Alliance (GCCA+)
- IRENA/ADFD Project Facility
- Special Climate Change Fund (SCCF)
- Global Facility for Disaster Reduction and Recovery (GFDRR)
- Canadian Climate Fund for the Private Sector in Asia II
- Dutch Fund for Climate and Development
- Adaptation for Smallholder Agriculture Program (ASAP)
- Future Carbon Fund
- Climate Change Fund
- Asia-Pacific Project Preparation Facility
- Sustainable Development Goals Fund (SDG Fund)
- Capacity-Building Initiative for Transparency (CBIT)
- NAMA Facility
- Pilot Auction Facility for Methane and Climate Change Mitigation (PAF)
- Nitric Acid Climate Action Group (NACAG)
- Asia Pacific Disaster Response Fund (APDRF)
- Climate Services for Resilient Development Partnership

[189] https://www.climateinvestmentfunds.org/topics/clean-technologies, accessed on May 13, 2022
[190] https://www.climateinvestmentfunds.org/country/philippines, accessed on May 13, 2022
[191] https://www.thegef.org/who-we-are/funding, accessed on May 13, 2022
[192] https://www.thegef.org/projects-operations/country-profiles/philippines, accessed on May 13, 2022

- Clean Energy Fund
- Water Financing Partnership Facility (WFPF)
- Urban Climate Change Resilience Trust Fund (UCCRTF)
- Integrated Disaster Risk Management Fund
- Climate Change Technical Assistance Facility (CCTAF)
- Spanish Cooperation Fund for Technical Assistance
- Asian Clean Energy Fund
- Asia Pacific Climate Finance Fund (ACliFF)
- Canadian Climate Fund for the Private Sector in Asia
- Carbon Capture and Storage Fund (CCSF)
- Urban Environmental Infrastructure Fund (UEIF)
- Canadian Cooperation Fund on Climate Change
- Green Building EDGE Program
- Le Fonds Français pour l'Environnement Mondial
- The Global Innovation Lab for Climate Finance
- The Carbon Fund - The Carbon Initiative for Development (Ci-Dev)
- The European Union's Technical Assistance Facility (TAF) for the Sustainable Energy for All (SE4ALL)
- The Weather Risk Management Facility (WRMF)
- The Readiness Fund - The Carbon Initiative for Development (Ci-Dev)
- 2nd Danish Cooperation Fund for Renewable Energy and Energy Efficiency in Rural Areas (DREEERA2)
- Energy Sector Management Assistance Program (ESMAP)

2.4.2. New Sources/Other Sources of Financing SDGs

Many countries around the world are looking to strengthening for innovative ways/solutions to support the achievement SDGs and targets. These include:

- TAPPING INTO NEW TYPES OF FINANCING: Initiatives that draw on new resources, be it public, private or at the intersection of the public and private sectors.
- USING RESOURCES IN NEW WAYS: Initiatives that use existing resources in new ways to increase impact by spending money more effectively and efficiently.

SDG AN2040 Fund. The creation of an SDG AN2040 Fund is proposed in 2019 under SB 769[193] and in 2020 under HB 6790[194][195] (Sustainable Development Goals and Ambisyon Natin 2040 Fund Act) to support the Philippines to meet the SDGs as a Member-State of the United Nations, and to realize the visions under AN2040, in consideration of Executive Order No. 5, 2016 formally approving and adopting the NEDA program as the country's main 25-year plan to eliminate poverty and hunger in the country. Proceeds of which shall be raised from the PCSO lotto draws; 1% of PAGCOR's net income per year; 1% of collection from sin taxes (allotted for health programs to be set aside for the SDG Fund). Project proposals to be submitted by LGUs for funding of the SDG fund shall be assessed and evaluated by the SDG AN2040 Secretariat.

The proposed SDG-AN fund, proposed to be administered by a Board of Trustees comprised of Department Secretaries and representatives from the private sector, will solely be dedicated for LGUs to implement anti-poverty and pro-prosperity projects. The measure was proposed under 8th Congress in May 2020 and referred to the House Committee on Sustainable Development Goals.

Under the said measure, LGUs shall be required to contribute 25% of the total project fund, with the balance of 75% to be sourced from the SDG AN2040 Fund.

[193] Introduced by Senator Sonny Angara on July 24, 2019 and referred to the Committee on Economic Affairs and Committee on Finance on August 14, 2019
[194] Sustainable Development Goals and Ambisyon Natin 2040 Fund Act, H.B. 6790, 18th Cong. (2020). https://hrep-website.s3.ap-southeast-1.amazonaws.com/legisdocs/basic_18/HB06790.pdf
[195] Introduced by Hon. Kristine Alexie Tutor on May 23, 2020 and referred to the House Committee on Sustainable Development Goals on May 27, 2020

10YFP Trust Fund. The trust fund of the 10-Year Framework of Programme on Sustainable Consumption and Production (10FYP), a framework adopted by UN member states during the United Nations Conference on Sustainable Development (Rio+20) in 2012, is another source of financing for SDG-related projects, specifically projects that contribute to SDG 12 on responsible consumption and production. Administered by the United Nations Environment Programme (UNEP), the 10FYP trust fund is used to support programs and initiatives that promote Sustainable Consumption and Production (SCP) practices in developing countries and countries with economies in transition.[196] It has already been used to support the SCP projects in the Philippines such as the "Establishment and Implementation of Green Public Procurement (GPP) in Quezon City for the Promotion of SCP in Philippines" implemented by the Philippine Centre for Environment Protection and Sustainable Development, "Active City-Community Engagement to Leverage Emissions Reduction through Activities that Transform Energy use (ACCELERATE)" implemented by ICLEI-Local Governments for Sustainability, "Search for Sustainable Schools: Philippines" implemented by the Philippine Center for Environmental Awareness and Sustainability.[197]

2.4.3. Public and Private Sector SDG Financing – Experience from Other Countries

2.4.3.1. Labeled Bonds/Sukuk

Indonesia

The Ministry of National Development Planning of the Republic of Indonesia developed the Roadmap of SDGs Indonesia[198] in accordance with Indonesia's Presidential Regulation no. 59/2017. Through this roadmap, Indonesia's SDGs financing needs were evaluated based on time-bound intervention scenarios (business as usual, moderate, or high scenarios). These helped estimate the financing gap or additional government and non-government investment needed (around USD4.7 trillion[199]) to achieve the projected high SDG investment scenario from 2020 to 2030. The Government of Indonesia, therefore, has a critical role in closing the gap and scaling up private sector investment (e.g. developing SDG-related financing instruments such as thematic bonds).

SDG Bonds. In September 2021, Indonesia became the first country in Southeast Asia to issue an SDG Bond in the global debt market, raising EUR 500 million (USD584 million). This SDG Bond will enable the government to finance social and environmental projects, further demonstrating the government's commitment to the SDGs despite the financial constraints caused by the COVID-19 pandemic. The bond provides an alternative source of financing for Indonesia to fast-track achievement of the SDGs.

Prior to the issuance, the Government of Indonesia created a securities framework to ensure that the proceeds of the SDG Bond are directed to the most appropriate projects. The Framework—developed by the Ministry of Finance, in collaboration with the Ministry of National Development Planning (BAPPENAS), the Coordinating Ministry of Maritime and Investments, with support from UNDP, HSBC and Credit Agricole—includes project selection criteria such as indicators to ensure that proceeds are allocated to projects with long-term impacts.

Green Bonds, Sustainability Bonds, and Green Sukuk. In 2018, Indonesia developed a green bond and Green Sukuk Framework through which will finance or refinance eligible green projects that contribute to the country's objectives of reducing greenhouse gas (GHG) emissions, adapting to climate change, and preserving biodiversity. Green Sukuk is an innovative financial instrument based on Islamic Law principles. The issuance of Green Bond/Sukuk is reviewed by CICERO, an international independent reviewer.

The Republic of Indonesia (ROI) issued the world's first Sovereign Green Sukuk in 2018, raising USD1.25 billion. Proceeds from this offering were used to finance/refinance 23 projects on the generation and transmission of renewable energy, improving of the energy efficiency of infrastructure, food security, flood mitigation, developing clean transportation systems, upgrading climate resilient transportation, and improving waste management (contributing to SDG goals 3, 5, 6, 7, 8, 9, 10, 11, and 13).

[196] UN Environment Programme (2013). The 10 Year Framework of Programmes on Sustainable Consumption and Production. Retrieved from: https://sustainabledevelopment.un.org/content/documents/944brochure10yfp.pdf
[197] UN Environment Programme (2022). 10FYP Trust Fund Report 2021. Retrieved from: https://www.oneplanetnetwork.org/sites/default/files/2022-09/Trust%20Fund%20Report_2021.pdf
[198] Ministry of National Development Planning/National Development Planning Agency (n.d.). Roadmap of SDGs Indonesia: A Highlight
[199] UNDP Indonesia (2022, April 6). Republic of Indonesia SDG Bond [Presentation]. PEA 2022 Knowledge Sharing - #2/2022 Webinar on SDG Bonds.

Following the success of the country's first green sukuk, the ROI issued another green sukuk in February 2019, raising USD750 million. Proceeds from this offering were used to finance/refinance 14 projects on the generation and transmission of renewable energy, developing clean transportation systems, improving waste management, flood mitigation, improving the energy efficiency of infrastructure, and developing clean transportation systems (contributing to SDG goals 3, 5, 6, 7, 8, 9, 10, 11, 13, and 16).

Later that same year, in November 2019, Indonesia issued the world's first retail green sukuk, raising USD104.4 million. Around USD48.7 million were invested in a flood mitigation project which contributes to SDG goals 3, 5, 6, 8, 10, and 11.

In June 2020, ROI issued another USD750 million green sukuk to finance/refinance projects on drought management, flood mitigation, food security, upgrading climate resilient transportation, public health management, and improving waste management and rehabilitation of landfill areas. Later that same year, in November 2020, Indonesia issued its second retail green sukuk, raising USD385.7 million to fund green projects.

More recent sustainability bonds issued by the ROI in 2021 include the world's first 30-year green sukuk which raised USD750 million[200] and Southeast Asia's first SDG bond which raised USD584 million, providing "an alternative source of financing for Indonesia to fast-track achievement of the SDGs, particularly in light of the pandemic".[201]

Figure 2.38. Republic of Indonesia's Green Sukuk Milestone

Source of figure: Ministry of Finance Republic of Indonesia (2021) [Green Sukuk Allocation and Impact Report]()

Prior to the issuance of the Green Sukuk, the Republic of Indonesia published a Green Bond and Green Sukuk Framework which indicates the green sectors that are eligible to be financed and/ or refinanced by the Green Sukuk proceeds. The Framework was developed based on the Green Bond Principles (GBP), received a Second Party Opinion by CICERO, and was awarded Medium Green Shade.

According to the 2018 Framework, there are nine eligible sectors to receive the proceeds of green sukuk/bond—renewable energy, energy efficiency, the sustainable management of natural resources,

200 ___ (2021). Indonesia Notches up Another First With Latest Three-tranche US$3bn Sukuk Offering Including the First 30-Year Green Sukuk in the World. DDCAP Group, June 16, 2021.
201 https://www.id.undp.org/content/indonesia/en/home/presscenter/articles/2021/20211007.html, accessed on April 12, 2022.

green tourism, resilience to climate change for highly vulnerable areas and sectors, green buildings, sustainable transport, sustainable agriculture, and waste to energy and waste management.

Figure 2.39. Green Shading of Green Bond/Sukuk Framework according to CICERO's second-party opinion

Dark Green	Medium to Dark	Light to Medium	Light Green
•Renewable energy •Resilience to Climate Change for Highly Vulnerable Areas and Sectors/Disaster Risk Reduction	•Sustainable Transport •Waste and Waste to Energy Management •Green Tourism •Sustainable Agriculture	•Energy efficiency •Sustainable Management of Natural Resources	•Energy efficiency •Sustainable Management of Natural Resources

Source: Ministry of Finance Republic of Indonesia (2021) Green Sukuk Allocation and Impact Report

The Framework indicates the project selection procedure utilizing Climate Budget Tagging (CBT) mechanism. The CBT system has been embedded into the government's national budget system (ADIK system in 2016 and KRISNA system in 2018) - and was established to track and identify expenditures/ projects that contribute towards climate change mitigation and adaptation, in accordance with Indonesia's climate targets.

The green projects funded by the Green Sukuk are selected from tagged projects that fall under one of the nine eligible green sectors under the Framework. The Green Sukuk proceeds are allocated to finance and/ or refinance eligible green projects. The Ministry of Finance selects projects that are consistent by timeline with the tenure of the Green Sukuk. The environmental and non-environmental impact of each project are assessed by the individual ministries together with the Ministry of National Development Planning (including the Secretariate of RAN-GRK and RAN-API) and are validated by the Ministry of Environment and Forestry to be consistent with RAN-GRK, RAN-API, and the Nationally Determined Contributions (NDCs). The assessment employs internationally accepted methodologies, where possible.

Upon the verification by the Ministry of Environment and Forestry, the projected GHG emissions reduction and resilience indicators performance will be registered in the National Registry System on Climate Change Control (SRN).

The Framework indicates that the proceeds of Green Sukuk should be managed within the government's general account. The proceeds are credited to a designated account of relevant ministries to exclusively fund the projects, as defined in the Framework. Pending proceeds allocation to eligible green project are being held in cash in the government's general account at the Bank Indonesia (Central Bank of the Republic of Indonesia).

The Ministry of Finance is committed to and has actively manage the processes for Green Sukuk proceeds allocation and is responsible to ensure that the proceeds are indeed directed to and used for investments in accordance with the Framework.

Challenges in Issuing Green Sukuk. One of the more challenging steps in issuing green sukuk is identifying "genuine" green projects, which is critical to the success of the issuances. To facilitate this process, the ROI in partnership with the UNDP developed a climate budget tagging mechanism assessing government expenditures on climate change mitigation. This process involves the Ministry of Agriculture, Ministry of Environment and Forestry, Ministry of Industry, Ministry of Transportation, Ministry of Energy and Mineral Resources, and Ministry of Public Work and Housing.

Another challenging step in issuing green sukuk is impact reporting. Government ministries and green sukuk funded project owners are enjoined to provide detailed information on the projects, including but not limited to, the objectives of each project, the amount of proceeds allocated, and the estimated beneficial impacts (includes potential reduction in GHG emissions and SDG goals addressed as a result of the project).

HSBC SDG Bond

HSBC has launched the world's first bond in direct support of the SDGs. Recent research commissioned by HSBC shows that 68% of global investors intend to increase their low-carbon related investments to accelerate the transition to a clean-energy economy. The USD1 billion raised from the HSBC SDG bond, which matures in 2023 and was three times oversubscribed, will be used to support projects that offer broad social, economic and environmental benefits as aligned to seven selected SDG targets. These could include hospitals, schools, small-scale renewable power plants and public rail systems[202].

The issuance of the bond drew a strong response from a North America investor base, taking 80% of the final allocations, followed by Asia (10%) and Europe (9%)[203].

HSBC has also published a new framework for the SDG bond aligned to the UN Sustainable Development Goals which explains how the proceeds will be directed at supporting projects that offer broad social, economic and environmental benefits as aligned to seven selected SDG targets, including:

- Improving access to education, essential healthcare, freshwater and sanitation
- Increasing the share of renewables in the global energy mix
- Building sustainable cities and transport systems
- Helping communities adapt to the effects of climate change

HSBC will determine eligibility based on assessment of whether the funds are applied to Eligible Categories, and, whether a significant positive sustainability net impact is achieved. Where a business or project derives 90% or more of revenues from activities in Eligible Categories (i.e. essentially sustainable business) it will be considered as eligible for financing from an HSBC SDG Bond. In these instances, the Use of Proceeds can be used by the business for general purposes, so long as this financing does not fund expansion into activities falling outside the Eligible Categories.

Table 2.12. HSBC SDG Bond Framework Summary

Section	Details
Use of Proceeds	• SDG 3: Good health and well-being • SDG 4: Quality education • SDG 6: Clean water and sanitation • SDG 7: Affordable and clean energy • SDG 9: Industry, innovation and infrastructure • SDG 11: Sustainable cities and communities • SDG 13: Climate action
Evaluation	• Definition of sustainable finance/lending defined by the HSBC Green Bond Committee (GBC) • Project details submitted to GBC for their ratification of inclusion or exclusion as Use of Proceeds • Their recommendation will be made with consideration of net sustainability benefit, with a focus towards targeted populations as defined by the ICMA Social Bond Principles 2017 • Group Sustainability will have a final veto on eligibility decisions • HSBC internal knowledge on climate change, including the HSBC Climate Change Center of Excellence, are employed in decisions relating to the HSBC SDG Bond
Funds Tracking	• Green Bond Committee tracks the Use of Proceeds via its internal information system

202 HSBC (2017) HSBC issues world's first corporate sustainable development bond
203 UN Climate Change (2017) HSBC Launches USD 1 Billion Bond in Support of UN's Global Goals

	• HSBC has established an asset register, recording each specific facility allocated as Use of Proceeds for an SDG Bond by a unique position identifier. • While any portion of the proceeds of an HSBC SDG Bond issue has not been applied directly to finance or refinance eligible lending, proceeds may be invested according to local liquidity management guidelines.
Reporting	HSBC Holdings plc will provide a consolidated SDG Progress Report for all issuances on an annual basis, until full allocation including: Allocation Reporting: • Aggregate amounts of funds allocated to each of the Eligible Categories together with a description of the types of business and projects financed; • The remaining balance of unallocated SDG Bond proceeds at the reporting period end; and • Confirmation that the Use of Proceeds of the SDG Bond(s) issued conforms with the HSBC SDG Bond Framework Impact Reporting: HSBC recognizes investors' preference for enhanced information on Use of Proceeds. Where possible, HSBC will provide further information and examples of eligible businesses and projects financed by an HSBC SDG Bond.

Source: HSBC (2020) HSBC UN Sustainable Development Goals Bond and Sukuk Report

The development of green and sustainability sukuk provides investors with access to funding sustainable infrastructure without contravening Islamic Shariah law. This is particularly beneficial to help countries in Asia raise required investment to achieve SDGs in the region, as it can be used around the world. Since the launch of the Green Sukuk and Working Party in 2012, Malaysia and Indonesia in particular have pioneered the launch of green sukuk to finance climate-related projects.

HSBC Green Bonds

Table 2.13. HSBC Green Bond Framework Summary

Section	Details
Use of Proceeds	• Renewable energy • Energy efficiency • Sustainable waste management • Sustainable land use • Efficient buildings • Clean transportation • Sustainable water management • Climate change adaptation
Evaluation	• Agreed criteria for selecting Use of Proceeds and confirming eligibility • Local Banker proposes the Use of Proceeds • Group Sustainability review for ESG factors and compliance with Green Bond Framework • Green Bond & Loan Committee confirms eligibility
Funds Tracking	• Use of Proceeds tracked via HSBC's Green Asset Register
Reporting	• HSBC Holdings plc will provide a consolidated Green Progress Report covering all issuances annually until full allocation. Thereafter, HSBC Holdings plc will provide a Green Progress Report if there have been material updates made to the project allocation • The Green Bond & Loan Committee review and approve each Green Progress Report, which includes: – Aggregate amounts of funds allocated to each of the Eligible Sectors, followed by more detailed descriptions of the types of business and projects financed – The remaining balance of unallocated Green Bond proceeds at the

	reporting period end – Confirmation that the Use of Proceeds pf the Green Bond(s) issued conform to the HSBC Green Bond Framework

Source: HSBC (2020) HSBC Green Bonds Report

International Committee of the Red Cross (ICRC) Humanitarian Impact Bond

In 2017, ICRC launched the world's first "Humanitarian Impact Bond" to transform financing of aid in conflict-hit countries. The capital raised – 26 million CHF – will be used to build and run three new physical rehabilitation centers in Africa (Nigeria, Mali and Democratic Republic of Congo) over a five-year period, providing services for thousands of people.

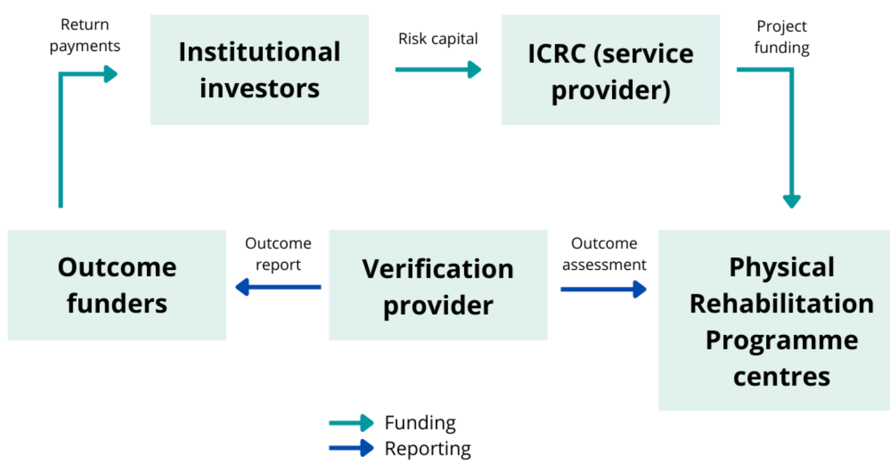
The model offers a type of results-based financing since the ultimate funders only pay back the investors in full if the project is deemed a success. Institutional and private investors will put up the money needed for the physical rehabilitation project, establishing centers in Mopti, Mali; Maiduguri, Nigeria; and Kinshasa, Democratic Republic of Congo, to support those injured by violent conflict, disease or accident.

At the end of five years, the investors will be repaid based on the success of the centers. The money will be returned to them in full, with interest, or only in part, depending on the results of an outside evaluation of the centers' performance. The investors can earn as much as 7 percent interest per year if the project gets a very good evaluation or lose up to 40 percent of their investments if the results are deemed very poor, as measured by the number of people the centers have helped.

The money to pay back the investors will come from so-called "outcome funders" — in this case, the overseas development agencies of Switzerland, Belgium, the U.K., and Italy, as well as La Caixa Foundation, a private Spain-based charity. While the idea is that these donors will ultimately fund the project, the investors absorb part of the risk.

Independent auditors will verify the ICRC's reported efficiency in the three new centers. The efficiency - the ratio of how many people receive mobility devices per physical rehabilitation professional – is compared to existing centers. If above the benchmark, the social investor will receive its initial investment plus an annual return. If the performance of the new centers is, however, below the benchmark, then it will lose a certain amount of the initial investment.

Figure 2.40. Structure of Investments in ICRC Humanitarian Impact Bond



Source: Impact Investing Institute: [Case Study- ICRC Humanitarian Impact Bond]

Mexico

The Federal Government of Mexico is the first country to issue a Sovereign Sustainable Development Goals (SDG) Bond in February 2020 developed with Natixis- a French corporate and investment bank. The bond has two eligibility criteria: (1) geospatial criterion which prioritizes vulnerable populations living in disadvantaged and landlocked parts of the country; and (2) governance criterion that requires the engagement of a UN organization to facilitate impact reports, expenditure mapping, ensure transparency, and observe the overall implementation of the SDG Bond.

This seven-year SDG Bond, issued under Mexico's new "SDG Sovereign Bond Framework", has a total amount of USD890 million- in which private funds will be allocated to finance SDG-focused programs[204]. According to Natixis, other nations could replicate Mexico's sovereign SDG bond, but it "needs a strong bedrock" in three key areas: institutional capability, budget mapping against the SDGs, and sub-national data to inform the geographic eligibility requirement[205].

In terms of the geospatial eligibility, the SDG bond will finance projects located in 1,345 municipalities in Mexico chosen due to the following indicators: school participation rate, illiteracy rate, access to health services, access to water and sanitary facilities, access to electricity and related equipment. This eligibility is highly dependent on the availability of local-level data.

Mexico's SDG Sovereign Bond Framework came about through the methodology developed by Natixis Green & Sustainable Hub on the UN 2030 Agenda and the SDGs[206]. According to Natixis, "the methodology lies in 5 principles: (1) geographic contextualization, (2) prioritization between the SDGs (on the basis of needs acuteness & materiality), (3) segmentation of the stakeholders & beneficiaries (priority given to vulnerable populations), (4) attention to positive and negative interlinkages between the SDGs; (5) impact attribution (to evidence contribution to SDG progress)." Natixis has already implemented this methodology but as comprehensive and systematic compared with Mexico.

Moreover, according to Gabriel Yorio González, Mexico's Deputy Finance Minister, this SDG bond was more than six times oversubscribed[207].

Come 2021, Mexico reinforced its commitment to escalate sources of financing to achieve the 2030 SDGs by issuing of a second emission of a 15-year SDG Sovereign Bond with a total value of 1,250 million euros[208]. This bond was reissued under the "Sovereign Bond Framework of the SDGs". This 15-year bond reached a demand of 2.6 times the amount placed among the 154 global investors who participated.

Mexico is currently considering releasing sustainable bonds in Japan's market as of February 2022, as well as developing its own peso-denominated debt to issue government paper, according to Deputy Finance Minister Gabriel Yorio[209]. He also stated that the Mexican economy will continue to improve in 2022, but with constraints such as demand and supply shocks and above-target inflation.

Thailand

Thailand, through its Ministry of Finance, issued a benchmark bond series under its Sustainable Financing Framework, accessing the capital markets for a post-coronavirus disease (COVID-19) green recovery last August 2020[210].

Issued through Thailand's Public Debt Management Office (PDMO), the sustainability bond offers two tranches of fixed rate government bonds for a total principal aggregate amount of B30 billion (about USD964 million). In November 2020, Thailand accessed the market again with another B20 billion

[204] UNDP, "Historic $890 million Sustainable Development Goals Bond issued by Mexico" (2020), at: https://www.undp.org/press-releases/historic-890-million-sustainable-development-goals-bond-issued-mexico
[205] International Institute for Sustainable Development (IISD), "Mexico Issues Sovereign SDG Bond for Most Vulnerable Municipalities" (2020), at: https://sdg.iisd.org/news/mexico-issues-sovereign-sdg-bond-for-most-vulnerable-municipalities/
[206] Natixis, "Mexico's SDG Bond Framework: a two-fold eligibility and unique governance" (2020), at: https://gsh.cib.natixis.com/our-center-of-expertise/articles/mexico-s-sdg-bond-framework-a-two-fold-eligibility-and-unique-governance
[207] London Stock Exchange, "Mexico comes to London for sustainability conscious investors" (n.d.), at: https://www2.lseg.com/sustainablefinance/case-studies/mexico
[208] UNDP Latin America, "Second bond issuance of 1,250 million euros to achieve the Sustainable Development Goals in Mexico" (2021), at: https://www.latinamerica.undp.org/content/rblac/en/home/presscenter/pressreleases/2021/second-bond-issuance-of-1-250-million-euros-to-achieve-the-susta.html
[209] Reuters, "Mexico considers issuing sustainable bonds in Japanese market" (2022), at: https://www.reuters.com/markets/us/mexico-considers-issuing-sustainable-bonds-japanese-market-2022-02-09/
[210] Asian Development Bank, "Accelerating Sustainable Development after COVID-19: The Role of SDG Bonds" (2021), at: https://www.adb.org/sites/default/files/publication/712591/sustainable-development-after-covid-19-sdg-bonds.pdf

(USD667 million) tap to fund the MRT asset pool, raising the total bond outstanding to date to B50 billion (USD1.65 billion).

Thailand's SDG bond is one of the first sovereign bonds that linked green and social impacts with COVID-19 recovery. The bond was oversubscribed three times and its proceeds will be allotted to finance social projects and green infrastructure that will help aid the country's COVID-19 recovery. This will likewise finance projects related to SDGs 3 and 8 like public health care and employment generation. These will form part of a wider 15-year benchmark bond program of an amount no less than B100,000 million over the next 2 fiscal years (2020–2021 and 2021–2022) covering wider sectors as well as targeted support for economic recovery in the post-COVID-19 period.

The ADB supported Thailand's issuance through the ASEAN Catalytic Green Finance Facility (ACGF). ADB is also assisting with the development of post-issuance monitoring and reporting systems, including external reviews to assist the Ministry of Finance in aligning the bonds with global and regional standards including the ASEAN Capital Markets Forum. These steps will aid in the future issuance of green, social, or sustainability bonds for the Thai government, other state-owned firms, and the general public.

Paraguay

Paraguay is the first country in Latin America to implement criteria in the issuance of SDG bonds into its national legislation[211]. The SDG bonds will support the country's recovery in the post-COVID-19 phase through promoting the financing of projects that will stimulate the economy and also contribute social and environmental benefits to "build back better."

Comisión Nacional de Valores (CNV), Paraguay's national securities regulatory body, issued Resolution No. 9/20 on March 2021, which amends the legislation seeking to "endow the stock market with new financial instruments that promote social and environmental objectives" aligned with the 2030 Agenda and the SDGs.

SDG bonds are defined in the resolution as financing instruments that support projects with green, social, or sustainable goals or quantifiable impacts, with the latter contributing to both environmental and sustainable impact. These bonds are not excluded from the normal norms and criteria imposed by law, including risk qualification, but they must be: (1) approved by an independent third party, (2) ensure the use of finance for the specific projects proposed, and (3) are subject to periodic public reporting on their impact. As a deterrent to green- or social-washing, if the bond emitter fails to achieve these conditions, it will lose its SDG bond certification.

Uzbekistan

The Republic of Uzbekistan issued its first public UZS-dominated sovereign bond in November 2020. The proceeds will be utilized towards development initiatives that correspond with the SDGs, particularly objectives 1, 3, 4, 5, 6, 8, and 9. The initiatives help to promote good working conditions, economic growth, gender equality, and infrastructural sustainability.

According to the Uzbekistan Development Finance Bond Impact & Allocation Report (2022), bond revenues led to construction of 22 new schools and the reconstruction of 20 others, as well as the construction of three new health facility premises and the reconstruction of 13 others. To guarantee access to safe drinking water and sanitation, 254.5 km of drinking water and sewage pipes were built, with another 303.1 km rebuilt. Over 100,000 individuals are presently served by these programs.

Profits from the November 2020 bond were used to support social initiatives. The bond proceeds were used to provide unemployment benefits to 44,247 people. 4,446 women received rehabilitation equipment support, 404 women with disabilities received reimbursement for surgery costs, and 531 women received compensation for down payments on real estate purchases. Supporting about 19,570 women through soft loans resulted in the establishment of nearly 19,800 additional jobs.

[211] UNDP, "Paraguay first to adopt SDG bonds in its national regulation" (2021), at: https://www.undp.org/blog/paraguay-first-adopt-sdg-bonds-its-national-regulation

As part of SDG 9: Industry, Innovation and Infrastructure, the construction of major roads has been a focus of infrastructure projects. From the bond proceeds 95.8 km of roads have been constructed, 100 km have been capitally repaired and 3,463.88 km have been maintained. In the future SDG bond issuance will serve as foundation for further issuance of SDG thematic bonds.

On August 2021, the Government of Uzbekistan developed the Sovereign SDG Bond which will facilitate the transfer of resources from private funds to finance public SDG-oriented programs in seven areas[212]:

1. Access to Education
2. Sustainable Water and Wastewater Management and Flood Defense Systems
3. Access to Essential Health Services
4. Delivery of Essential and Clean Transportation Services
5. Pollution Prevention Control
6. Sustainable Management of Living Natural Resources and Land Use (Terrestrial and Aquatic)
7. Clean and Efficient Energy Production and Consumption

Uzbekistan is one of the first countries that issued SDG Bonds in the amount of USD870 million on the London Stock Exchange in July 2021[213]. The Bond was oversubscribed in a short time with a good coupon rate. This strong interest of global investors shows the growing financial credibility of Uzbekistan and trust of the investors in the Government's reform agenda[214].

According to an article published by the UNDP (2021), "following the sale, the volume of international bonds and interest rates (coupons) were determined in two tranches of USDUS 635 million and USDUS 235 million (nominated in uzbek soums). The first tranche is for a period of 10 years and carries a 3.9% annual coupon, while the second is for three years with a 14% coupon".

India

In India, the Utkrisht impact bond was launched in 2017 to support improved maternal and newborn mortality in the state of Rajasthan[215]. It is the world's first health impact bond developed by USAID, Merck for Mothers, UBS Optimus Foundation, PSI, Palladium, and HLFPPT; it aims to reach up to 600,000 pregnant women with improved care during delivery and save the lives of up to 10,000 women and newborns over five years.

Through this public-private partnership, private capital from UBS Optimus Foundation will front the costs to improve the quality of health services in private health facilities in Rajasthan and implementing partners HLFPPT and PSI will use that capital to improve the quality of care in facilities and help them become accredited. As outcome payers, USAID and Merck for Mothers will pay back the investment only if certain targets to improve quality are met[216].

2.4.3.2. SDG Investor Maps and Impact Standards

According to UNDP (2021), SDG Investor Maps generate data and insights regarding SDG-enabling investment opportunities at the country level. The tool aims to bridge the gap between interest and investment in SDGs and business models that can deliver meaningful and investable prospects. Developing an SDG Investor Map requires filtering down from national priorities and development needs

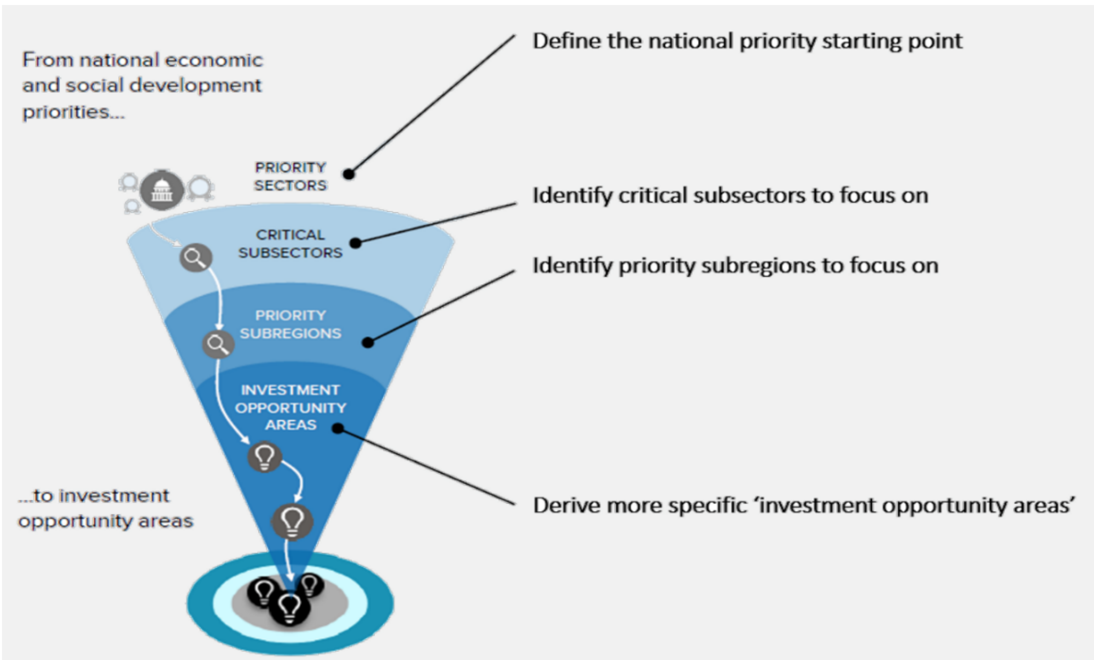
212 Sustainalytics, "Second-Party Opinion: Republic of Uzbekistan SDG Bond Framework" (2021), at: https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/republic-of-uzbekistan-sdg-bond-framework-second-party-opinion-(1).pdf?sfvrsn=37ed592d_1
213 UN Sustainable Development Group, "The United Nations in Uzbekistan", at: https://unsdg.un.org/un-in-action/uzbekistan
214 Dimovska, M. UNDP, "SDG Bonds: A contribution to Building Forward Better" (2021), at https://www.uz.undp.org/content/uzbekistan/en/home/blog/2021/sdg-bonds--a-contribution-to-building-forward-better-.html
215 UNDP, "Integrated Financing Solutions: How countries around the world are innovating to finance the Sustainable Development Goals" (2019)
216 USAID, "The Utkrish Impact Bond: Improving Maternal and Newborn Health Care in Rajasthan, India" (2018), at: https://www.usaid.gov/sites/default/files/documents/1864/Utkrish-Impact-Bond-Brochure-November-2017.pdf

to derive “investment opportunity areas”, as seen from the figure below. Specifically, SDG Investor Maps translate country specific SDG-needs and policy priorities into concrete investment opportunity areas (IOAs).

The methodology for generating SDG Investor Maps is a rigorous eight-step process that includes extensive desk research as well as focused in-country government and private sector consultations. The SDG Investor Maps identify and validate where there is overlap between development needs and policy priorities, develop and test potential business models that fit the most pressing needs, and establish comprehensive data points spanning business and impact considerations.

SDG Investor Maps were piloted in Brazil and are currently implemented in China, Jordan, Turkey, Armenia, India, South Africa, Nigeria, Kenya, Rwanda, Uganda, and Ghana.

Figure 2.41. Main Steps in Developing an SDG Investor Map



Source of figure: UNDP (2021) SDG Investor Map Turkey

Turkey

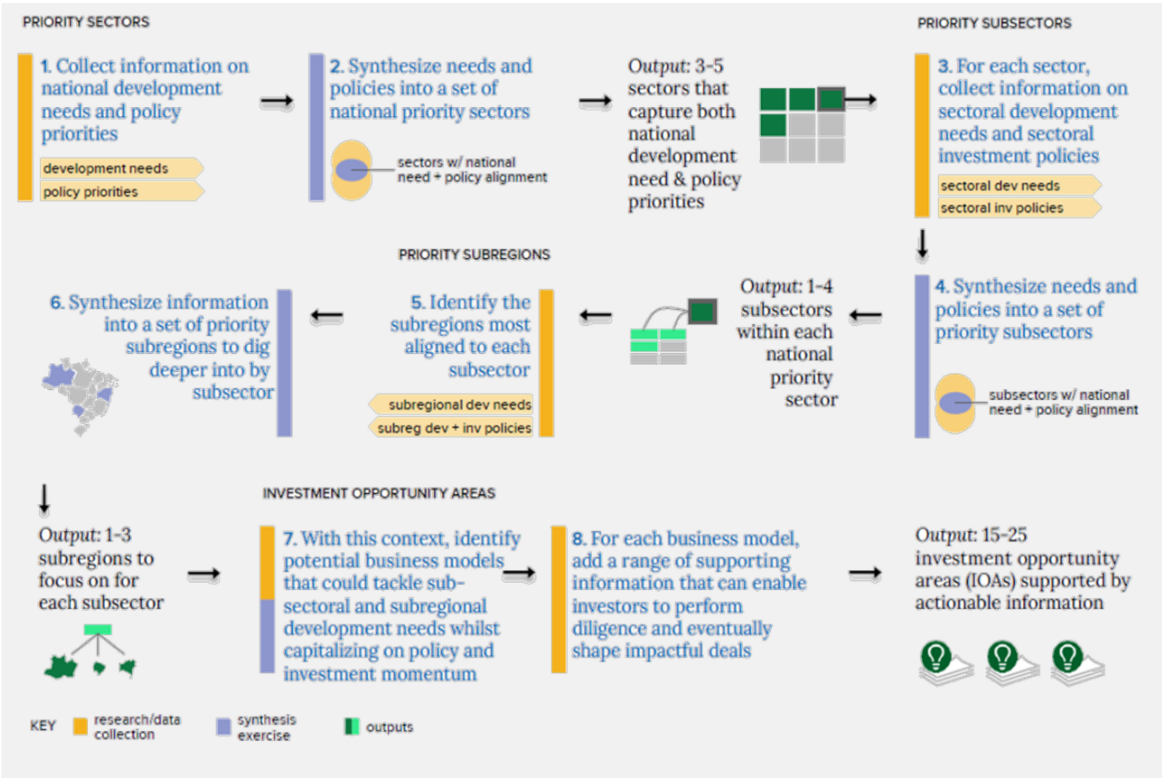
In March 2021, the SDG Investor Map Turkey was launched with the aim to guide investors towards mobilizing capital into activities that deliver strong financial returns while reducing poverty and inequality, advancing health and education, and protecting the environment. The SDG Investor Map Turkey was initiated by UNDP Turkey with the Istanbul International Center for Private Sector in Development in partnership with the Investment Office of the Presidency of Turkey.

The Map was developed after a thorough review of literature, including national policy documents and international development evaluations, as well as intensive stakeholder discussions.[217] The "SDG Investor Map Turkey" aims to identify “Investment Opportunity Areas” in the country which are aligned with national priorities and SDG needs while keeping intact the investment potential. The final product provides a guide for investors who are keen on generating positive impact alongside financial returns through the way they allocate their resources. Turkey's main industries include technology and communications, transportation,

[217] UNDP Turkey, “SDG Investor Map Turkey kicks off to expand investments for people and the planet” (2021), at https://www.undp.org/turkey/press-releases/sdg-investor-map-turkey-kicks-expand-investments-people-and-planet

renewables and alternative energy, education, healthcare, food and beverage, consumer goods, infrastructure, and finance.

Figure 2.42. Turkey SDG Investor Map: Methodology



Source of figure: UNDP (2021) SDG Investor Map Turkey

Indonesia

Last March 6, 2022, Indonesia became the first country in South-East Asia to establish an SDG Investor Map, in collaboration with the United Nations Development Program and with support from Temasek Trust. The Map may be used by the private sector to assess the 18 selected investment themes and business models across six SDG-enabling sectors, which are aligned with government SDG policies that have the potential for significant development impact. The six SDG-enabling sectors are Education, Healthcare, Agriculture, Renewable Energy, Financials and Infrastructure[218]. Almost 4 out of 5 (78%) of the business models identified have raised funding of over USD1 million (UNDP, Indonesia SDG Investor Map Handbook, 2022). The Map also studies underlying themes such as digitalization, climate, gender and marginalization.

[218] UNDP: SDG Investor Platform, "Indonesia SDG Investor Map Highlights SDG Enabling Investments for Development Impact" (2022), at https://sdginvestorplatform.undp.org/news/indonesia-sdg-investor-map-highlights-sdg-enabling-investments-development-impact

Figure 2.43. Indonesia SDG Investor Map: Overview of Findings

Healthcare

Investment Opportunity Areas:

1. Telemedicine and ancillary healthcare services with a focus on last-mile delivery.
2. Production and delivery of alternative medicines [herbal] / supplements.
3. Pathology laboratories or testing centers carrying out genomic and molecular testing.

White Space:

1. Low-cost healthcare service providers, including hospital chains, care-units, etc.
2. Manufacturing and supply of affordable medical equipment.

Education

Investment Opportunity Areas:

1. Digital platform for interactive learning for K12 to support after school learning and development.
2. Virtual skill development facilities for K12 level and professional workers (including computer technologies, graphic designing and the like).
3. Virtual skill development facilities for K12 level and professional workers (including computer technologies, graphic designing and the like).
4. Affordable education loans for students.

White Space:

1. Online / Offline vocational skill training centers.

Financial

Investment Opportunity Areas:

1. Micro credit to serve consumption finance requirements of low income groups and retail customers beyond urban areas.
2. Payment solutions for digitizing cash flows.
3. Financing solutions to promote the growth of Micro, Small & Medium Enterprises (MSMEs).
4. InsurTech platforms serving as aggregators and providers of affordable insurance products.

White Space:

1. Development of lean infrastructure such as ATMs / Agent Network.

Food & Beverages

Investment Opportunity Areas:

1. Sustainable production of food products focused on staple food fortification.
2. Input-side digital platforms offering effective farming advice, input solutions (processing, monitoring, etc.), financing and logistics support.
3. Output side digital platforms offering efficient supply chain management assistance and connecting farmers with end consumers.
4. Aquaculture supply-chain management.

Infrastructure

Investment Opportunity Areas:

1. Affordable housing development.
2. Integrated waste management for commercial and household waste.

Renewable Energy

Investment Opportunity Areas:

1. Solar PV and Rooftop Solar Power systems.

White Space:

1. Biomass based energy generation.
2. Manufacturing and trading of efficient energy management solutions, including energy storage systems / equipment.
3. Manufacturing and Trading of Electric Vehicles.

Source of figure: UNDP Indonesia (2022) Indonesia SDG Investor Map Handbook

According to UNDP (2022), the Map's information will also be used to guide Indonesia's post-COVID-19 "Build Forward Better" plan, as the government commits to closing the SDG finance gap by encouraging private sector investors and other non-state actors to participate in SDG investment. The Government of Indonesia has established a G20 agenda on sustainable finance, as evidenced by the efforts of the Sustainable Finance Working Group, Infrastructure Working Group, Development Working Group, and Climate Sustainability Working Group, among others. “The resulting work will be a critical contributor to diverting greater money flows into SDG-enabling sectors via commercial and blended finance capital in order to offset the pandemic's harmful effects” (UNDP, 2022).

In addition to using the SDG Map, UNDP encourages businesses and investors to adopt the SDG Impact Standards in order to integrate sustainability and the SDGs into their internal management processes. The Impact Standards can help strengthen impact integrity and increase the likelihood that an organization's activities benefit people and the environment. “There are four sets of Standards catering to the following asset classes: Private Equity Funds, Bond Issuers, Enterprises and the OECD/UNDP Impact Standards for Financing Sustainable Development” (UNDP, 2022).

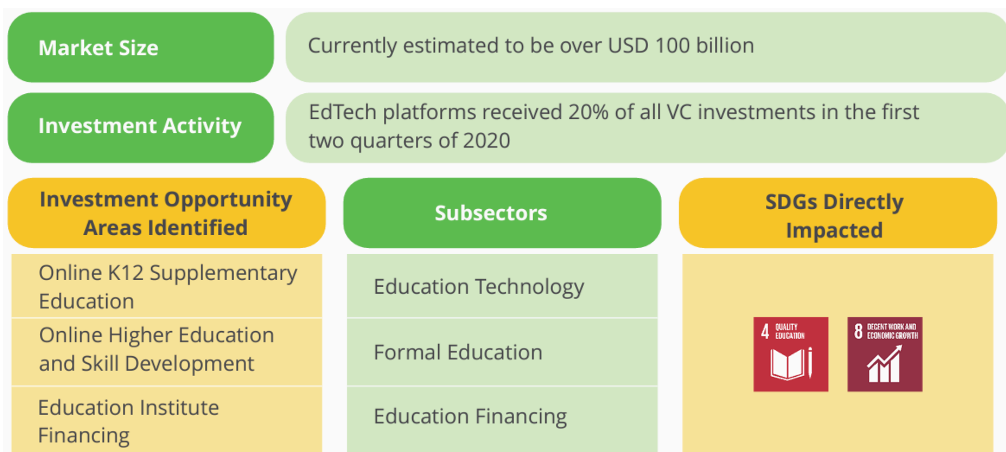
India

In November 2020, UNDP India in partnership with Invest India have developed the SDG Investor Map for India, which outlines 18 Investment Opportunities Areas (IOAs) in 6 crucial SDG enabling sectors and 13 subsectors that may assist the country in achieving the SDGs at a time when COVID-19 has caused a large-scale disruption in India's plan to accomplish them[219]. The report by UNDP India (2020) identified education, healthcare, food & beverages, renewable resources, and alternative energy as its 6 priority sectors for inclusion in the map. In addition to the 6 priority sectors, 13 subsectors were also selected to add more focus that best respond to India's development needs and policy priorities.

The Investor Map for India is an effort by UNDP and Invest India to highlight possible business opportunities with a favorable policy environment that may have a substantial impact on development. The Investor Map will be used to promote policy-level initiatives to improve the ecosystem in order to encourage private sector investors to mobilize and drive commercial capital into selected SDG relevant industries (UNDP, 2020). Additionally, the Investor Map-enabled facilitation platforms that are expected to encourage an educated and deliberate push toward making the 2030 SDG agenda central to private sector initiatives.

According to UNDP India (2020), 83% of the identified IOAs address the need for job creation and industrialization, while 70% focus on inclusive business models, and 50% employ digital technologies to achieve commercial returns and impact at scale. Among the notable IOAs are Online Supplementary Education for K12 for Education, Tech-Enabled Remote Care Services for Healthcare, Digital Platforms to service farmers' input/output needs to enable easy access to markets for Agriculture, and Access to credit by MSMEs and Low-Income Groups, particularly through digital platforms for Income Generating Purposes for Financial Services.

Figure 2.44. India SDG Investor Map - Education



Source of figure: UNDP India (2020) SDG Investor Map Report for India

China

In 2020, China launched its 1st phase of the SDG Investor Map for China with 11 Investment Opportunity Areas (IOAs) across Food & Beverage and Healthcare sectors (UNDP China, 2021). According to SDG Impact (2020), the Food & Beverages industry was targeted in the first phase of China's SDG Investor Map because of the urgent development demand and the country's policy towards its natural resources. According to China's Progress Report on the Implementation of the 2030 Agenda for Sustainable Development (2019), China's agricultural natural resources per capita are lower than global averages. It has barely two-fifths of the world's arable land and a quarter of the world's freshwater resources per capita [220]. By the end of 2019, the agriculture industry will account for 25% of total employment in China. China's agricultural contribution to its GDP remains an essential force for growth of other sectors despite its significant decline over time. Agriculture has been the highlight of China's policy implementation as seen

[219] The Economic Times, "Sustainable Development Goals (SDG) Investor Map launched by UNDP and Invest India" (2020), at https://economictimes.indiatimes.com/news/economy/finance/sustainable-development-goalssdg-investor-map-launched-by-undp-and-invest-india/articleshow/79381471.cms?from=mdr

[220] SDG Impact, "First phase of China SDG Investor Map Launches" (2020), at https://sdgimpact.belekonline.com/news/First-Phase-of-China-SDG-Investor-Map-Launches.html

from its Rural Vitalization Campaign in the 19th Communist Party of China (CPC) National Congress, in their 14th Five-Year Plan (2021-2025) where prioritizing the development of agriculture and rural areas is reiterated, and lastly because of the pandemic, food security is an imminent concern.

Aside from Agriculture, Healthcare Delivery is also the sector where China's map was focused because China was one of the first countries confronted with COVID-19 pandemic challengers. According to China's Progress Report on Implementation of the 2030 Agenda for Sustainable Development (2019), such as the weak capacity of grass-roots service providers, imbalanced resource distribution and development between rural and urban areas in the health sector, and the accelerated aging trend, among others. As stated in the State Council's 2030 Health China Plan, enhancing healthcare is the foundation of constructing a moderately successful society.

In 2021, UNDP China implemented the 2nd phase of the SDG Investor Maps now focusing on Infrastructure and Renewable & Alternative Energy in relation to China's policy priority on carbon peak and carbon neutrality goals.

Japan

In Japan, the SDG Impact Standard for Enterprises has been translated into Japanese in response to high demand from Japanese enterprise community. The impact standard document includes action steps to guide enterprises to properly integrate operating sustainably and contributing positively to sustainable development and the SDGs into their organizational systems and decision-making.

2.4.3.3. Crowdfunding

Since its inception in 2015, the financing of the Sustainable Development Goals has already been a major challenge given the government budgetary constraints. Because of this, alternative and additional sources of funding are necessary in meeting the SDGs. One alternative for financing that is now gaining popularity is Crowdfunding (UNDP, 2015).

According to Scataglini & Ventresca (2019), Donation-based crowdfunding has the ability to make a significant contribution: "the global market value is estimated at USD0.56 billion per year and has the capacity to expand further, based on current patterns, and global charitable giving is projected at USD0.4 trillion per year". Moreover, according to the study, existing SDG-related contribution crowdfunding efforts are spearheaded by UN organizations wherein none of them function the same way as successful crowdfunding platforms. Their geographic scope ranges from national to multi-country to global and none use KPIs to track their contribution to the SDGs (Scataglini & Ventresca, 2019).

Table 2.14. Donation-Based Crowdfunding Platforms

Title	Description	Platform	Website
Digital Good, UNDP	Crowdfunding platform is linked to SDGs. People can donate directly to UNDP or fundraise on its behalf.	Internet	http://digitalgood.undp.org/
ShareTheMeal, WFP	Crowdfunding to provide money for the purchase of meals in developing countries	Mobile	http://sharethemeal.org/
#Crowdfunding4Children, UNDP Albania	Civic crowdfunding to build playground for children with disability and citizen services in the near future	Internet	http://parku.social/en/
Global Crowdfunding Academy, UNDP Croatia	Social entrepreneurs learn how to use crowdfunding	-	http://crowdfundingacademy.eu/
Connect2Effect, Influx	Crowdfunding site for anyone with initiatives that are aligned to the UN's Sustainable Development Goals	Internet	http://connect2effect.com/

Source: Scatgalini & Ventresca (2019) Funding the UN Sustainable Development Goals: Lessons from Donation-Based Crowdfunding Platforms

The study then proceeded to recommend ways to maximize the use of crowdfunding through donation-based crowdfunding platforms where these platforms enable transactions between funders and fundraisers by coordinating activities of different stakeholders. The platform should monitor the contribution and progress toward SDG indicators and it should also primarily be for social entrepreneurs to build social-innovation initiatives with match-funding opportunities from corporations, foundations and governments.

Africa: UNDP and Trine

Last April 2018, UNDP and impact investment platform TRINE launched their first partnership in the off-grid solar industry which targets to contribute to the achievement of the SDGs specifically Goal 7 Affordable and Clean Energy. This collaboration aims to improve the standard of living in Sub-Saharan Africa's rural communities through innovative financing that will generate employment, empower women, and contribute to the country's climate change objectives[221].

This partnership entails launching a new initiative to increase private investment in high-impact energy access projects. Using UNDP's Climate Action Impact Tool to analyze and monitor projects will allow investors to measure and assess the social and environmental implications of their investments. UNDP's Climate Action Impact Tool will be piloted in Kenya together with one of the top firms in the off-grid solar energy industry, BBOXX, who is also one of the platform's investees. This Climate Action Impact Tool will illustrate the contribution of the private sector climate actions to the Kenya's Nationally Determined Contribution (NDC) target.

According to UNDP (2018), "the initiative is expected to release 6 million EUR in off-grid solar energy investment by the end of 2018, providing 300,000 people in Sub-Saharan Africa with access to clean and affordable electricity while reducing around 84,000 tons of CO2 emissions". By the end of 2022, they aim to give 66 million people access to clean energy.

Ecuador: Green Crowds

Green Crowds platform is the first socio-environmental crowdfunding platform in Ecuador which was launched in 2015. It generates a network of collaboration and financing for initiatives committed to nature conservation and the SDGs. Some of its ongoing campaigns are[222]:

A. Dreamweavers

This campaign has a fundraising target of USD5,000 to support the women of Asociación Casa del Sombrero in Santa Elena, Ecuador to increase their sales of toquilla straw handicrafts. The donations will be used to develop and expand the Comuna Barcelona's workshop and sales area, as well as to pay the costs of logistics and fair travel.

B. The Palm of Life

This campaign has a fundraising target of USD5,000 to be used for reforestation in Choco Andino Forest in Esmeraldas, Ecuador. The Chahi bio-enterprise or "the palm of life" was launched in 2020 where women who are heads of the household are weaving rampira palm to create baskets and other handicrafts. This reforestation will help preserve the culture and economic livelihood of the community.

C. Healthy water, healthy life for the Achuar Wachirpas community

The Achuar Wachirpas Community in Morona Santiago, Ecuador do not have access to clean and drinking water. This problem has affected the health situation of the population where diarrhea, conjunctivitis, and skin problems are rampant. Moreover, the lack of access to water burdens the women who are in charge

[221] UNDP, "UNDP and TRINE partner to scale-up private investment in high-impact energy projects" (2018), at https://www.undp.org/news/undp-and-trine-partner-scale-private-investment-high-impact-energy-projects
[222] https://greencrowds.org/en/

of the household where they spend several hours walking to and from the source of water to their homes. This campaign has a fundraising target of USD5,000.

All of Live Lebanon UNDP

All of Live Lebanon UNDP helps underprivileged communities in Lebanon through reaching out to Lebanese diaspora to fund its projects. This initiative has 4 platforms namely[223]: (1) Prosperous Lebanon which provides employment and income-generating activities to rural communities, (2) Young Lebanon aims to provide youth with educational facilities and equipment and recreational activities, (3) Green Lebanon seeks to restore the green and public gardens of Lebanon, and (4) Healthy Lebanon which aims to support the basic medical treatment of the underprivileged.

Some of its successful projects are: (1) the provision of portable respirator to St Therese Hospital in Hadath to be able to do patient transfers, (2) the restoration and revival of the cultural heritage of the old souk of Douma which will create job opportunities and attract more tourists, (3) provision of motorcycle ambulances in Mount Lebanon and Beirut, Beirut to decrease the risk of death and increase the chances of survival amidst traffic congestions, and (4) installation of a 2.5KM drip irrigation network in Bekaa, Deir El Ahmar where majority rely on agriculture as their main source of income.

2.5. Summary of Findings

2.5.1. Challenges

Some of the challenges identified are as follows:

1. The economic downturn and consequent development challenges brought about by the COVID-19 pandemic has shifted public spending priorities. Spending on health has increased given needed emergency response measures i.e. vaccine rollout, budget allocation for education and manpower development has declined, and allocation for debt/interest payments has declined in the short run (to be paid off eventually in the medium term to maintain desired credit rating).

   Among the key concerns for consideration in crafting of policies and interventions include the optimization of use of available resources that can be generated and utilized both from the public and the private sector at the domestic and international markets specifically for achieving the country's sustainable development agenda and targets including commitments towards the 2030 SDG agenda. For example, latest data on ODA, foreign direct investments, overseas remittance and private borrowing continue to be an important source of development financing. There are indications (for example from the 2020 ODA Portfolio Review, CFO data on remittances) that funds have supported SDG related programs but lack further details that can help link the contributions of the latter in filling up gaps in needed investments to accelerate the achievement of the SDGs.

2. Public fiscal space to support the country's development agenda is further narrowed by needed measures towards recovery and rebuilding the economy, to provide necessary stopgap measures and social protection support particularly to sectors/groups of population/communities that have been adversely affected by the pandemic, and cushion additional/other risks of emerging shocks (i.e. volatility in financial markets due to "global policy normalization", supply chain disruptions, climate related shocks, and political uncertainties, among others).

   It would be equally important to draw important lessons on the impacts of earlier policy measures implemented in the country during periods of shocks relating to budget cuts/shifts in public spending, debt management, fostering diaspora for development, etc. The lessons from which would be useful inputs, for instance, for crafting plans and allocating resources for specific interventions that would cushion the impacts of changes in fiscal reforms and priorities brought

[223] http://livelebanon.org/

about by the on-going pandemic on the affected sectors and communities, accelerate recovery and rehabilitation efforts, and be back on track towards the sustainable development agenda.

2.5.2. Opportunities

However, there are opportunities to maximize in order to mobilize existing resources and enhance its utilization for programs in support of SDGs. These include:

1. Enhanced and new revenue generating measures and continued/new public-private partnerships fostered by the government to further strengthen resource mobilization strategies

2. The development of a new financing framework and roadmap and the adoption of additional financing instruments to raise additional revenues and proceeds that are geared towards greater support to achieve the country's sustainability commitments

   While the design is currently focused on commitments towards "greening the economy" (transition to a low carbon economy), these mechanisms provide an opportunity to complement existing resources towards meeting the desired long term societal goals/aspirations and sustainable development commitments including the 2030 SDGs Agenda and the AN 2040.

3. The fundamental role of ODAs in complementing the resource pool for financing the country's investment priorities towards sustainability commitments including those that are aligned with the SDG agenda

4. Continued support from the private sector (i.e. public listed companies, corporate foundations in the country) in terms of additional development financing through their CSR, and in compliance with ESG impact standards and sustainability commitments

5. The role of remittance inflows as a steady source of development financing

6. The impact of development-oriented diaspora initiatives in complementing public-private partnerships resource mobilization strategies and providing space for Overseas Filipinos (immigrants) to engage in business and investment opportunities both at the national level and at their respective hometowns

Recent policy developments indicate the government's continued commitment towards achieving the SDG agenda. Various important measures and programs have been initiated and/or instituted in the recent years that identified new and/or additional sources of financing for SDGs i.e. additional revenues from excise taxes, proceeds from green, social or sustainability bonds, loans, and other debt instruments in the international capital market (as part of the sustainable finance framework/roadmap), utilization of proceeds from PAGCOR, PCSO lotto draws, sin taxes, and LGU contributions (as part of the proposed SDG-Ambisyon Nation Fund Act). Meanwhile, there are also other opportunities to explore and further examine, if not further optimize the use of other planned/existing funds i.e. Growth and Equity Fund (set up as part of the Full Devolution Policy), climate bonds initiative, donations from overseas Filipinos (individuals/organizations), to help accelerate the targets for addressing SDGs priorities and needs across all goals and targets.

There is merit in drawing from the experience and lessons learned of other countries on the operationalization of use of SDG bonds and other financing instruments, and other innovative tools i.e. SDG investor maps, to facilitate financing for sustainable development including the 2030 SDG agenda.

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CHAPTER 3

Financing Selected Health Programs under SDG 3

3.1 Health and Devolution

Health and the Local Government Code of 1991

Since the passing of the Local Government Code in 1991, health services have been a devolved function of the local government units (LGUs). Health services is part of the basic services to be provided by an LGU as it exercises to be self-reliant in its role to efficiently and effectively govern and promote general welfare of its constituents. The LGC also created local health boards in every province, city and municipality and designated a health officer at these levels who is also included as part of the core officials of the local government (LGC, 1991).

Through the LGC 1991, health governance is shared at the national and local levels. The Department of Health (DOH) provides the overall direction and is the leader in all health-related activities at the national level while the LGUs provides health services and delivery at the subnational level. Over-all stewardship and technical authority on health was still the role of the DOH being the national health policy-maker and regulatory institution who is mandated to develop national plans, technical standards, and guidelines on health. In addition, through its Health Facilities and Service Regulatory Bureau (HFSRB), it is in charge of licensing hospitals, laboratories and other health facilities while the Food and Drug Administration (FDA) oversees and approves health products (DOH, 2018).

According to the DOH, those affected by the health devolution was not sufficiently prepared for them to cope with the tremendous changes it brought. A PIDS study raised three main concerns about the issues and concerns on health devolution. First issue is on financing for health, which is due to the mismatch between the internal revenue allotment (IRA) of the LGUs and the cost of devolved functions (CODEF). Second issue involves the designation and devolution of health workers at the local level. Third identified challenge is the change in the local organization or structure with the appointment of a local health board and issue on fragmentation of health services (Cuenca, 2018).

Re-devolution based on the Supreme Court Ruling of the Mandanas-Garcia Cases

With the Supreme Court Ruling in favor of the petition filed by Governor Hermilando Mandanas, Congressman Jose Enrique Garcia and other LGU officials in 2019, it effectively increases the Internal Revenue Allotment of LGUs to include not just national revenue taxes but all national taxes. The substantial increase takes effect starting in 2022 and is expected to empower the LGUs to effectively continue provision of basic services and facilities and other functions as mandated by the LGC. In line with this, the national government agencies (NGAs) drafted their respective Devolution Transition Plans (DVTs) as stipulated in Executive Order 138 “Full Devolution of Certain Functions of the Executive Branch to Local Governments, Creation of a Committee on Devolution, and for other Purposes” signed by President Duterte last June 21, 2021.

According to the DBM-approved joint DVT of the DOH and National Nutrition Council (NNC), the functions of selected DOH P/A/Ps for the re-devolution was based on the following considerations: (i) LGU income classification; (ii) national allocation framework; (iii) capacity of LGUs; (iv) availability of services or commodities in the local market; and (v) implementation of RA No. 112234 dated 20 February 2019. Meanwhile, NNC have considered the following elements: (i) nutritionally-at-risk areas; (ii) those with Provincial Nutrition Focal Points; and iii) income classification of LGUs. It does not mean, however, that funds from NGAs will be downloaded to LGUs rather it pertains to re-devolution of functions performed by the NGAs to LGUs based on the Local Government Code. While it will re-devolve some of programs, the total budget of the DOH in the medium term will not significantly decrease, as it will be offset by increases in other priority line items retained with DOH and for full implementation of Universal Health Care (UHC) Act. In addition, to address concerns of inequity and lack of resources for health programs at the LGU level, grants financing mechanism for UHC Integration Sites are found in various MTEP requirements of concerned programs. Despite re-devolution, the increase in funding requirements needed in the medium term will help finance grants and provide non-financial assistance to LGUs. This is to ensure that the public health goals are met and desired systems reforms are implemented.

According to the Devolution Transition Plan 2022-2024 of the DOH, selected programs that will be partially devolved to the local government units will be transferred over a span of 3 years. These include Health Facilities Enhancement Program (HFEP); Epidemiology and Surveillance; Human Resources for Health (HRH) Deployment; Family Health, Immunization, Nutrition and Responsible Parenting; Prevention and Control of Communicable Diseases; Prevention and Control of Non-Communicable Diseases. The DVT plan specified the role LGUs will take in these shared items.

3.2 Programs that will be re-devolved to the LGUs and Programs that will be retained by the Department of Health

This section provides the list of existing health programs implemented by the DOH, who provides the overall direction and is the leader in all health-related activities at the national level. As per the local government code of 1991 and with the re-devolution based on the Supreme Court Ruling in favor of the petition filed by Governor Hermilando Mandanas, selected programs will be fully-devolved, partially-devolved or may stay with the DOH. As the local budget on health calls for a longer and wider scrutiny as the LGUs, being autonomous, has leeway in budget prioritizations and allocations and therefore may differ from one LGU to another, this study will only cover health programs that would still be implemented by the DOH at the national level whether full or partially-devolved.

Annex A of the DOH DVT plan provides the matrix on the unbundling of programs, projects and activities of the NGAs to different levels of government. The matrix contains the detailed Function/Services/Facility/Program/Project and Activity with corresponding assigned level of government, appropriation in FY 2021 GAA, legal basis and the decentralization principle and other remarks to delineate the PPAs to be assigned to each level of LGU.

The DOH DVT plan matrix was compared to the programs currently run by the DOH to identify which specific programs will be re-devolved and which will be retained and still be implemented at the national level by DOH. This exercise shortlisted 13 programs which will be gradually re-devolved to LGUs and 48 programs will still be implemented by the DOH, respectively. The 48 programs were compared and aligned with the indicators of Sustainable Development Goal 3. Table 3.1 shows the list of SDG3 Targets and Indicators with the shortlisted DOH and Philhealth programs.

Table 3.1. List of SDG 3 Targets and Indicators with identified DOH and PhilHealth Programs

SDG 3 Targets/Indicators		Programs	Implementing Agency
Target 3.1	By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births		
3.1.1	Maternal Mortality Ratio	Safe Motherhood Program;	DOH
3.1.2	Proportion of births attended by skilled health personnel	Adolescent Health and Development Program;	
3.1.s1	Proportion of births delivered in a health facility	Universal Health Care	DOH/Philhealth
Target 3.2	By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births		
3.2.1		Garantisadong Pambata;	DOH

3.2.2 3.2.s1	Under-five mortality rate (per 1,000 live births) Neonatal mortality rate (per 1,000 live births) Infant Mortality Rate (per 1,000 live births)	Infant and Young Child Feeding Program; Newborn Screening Program; Expanded Program on Immunization/ Immunization Program; Universal Health Care	DOH/Philhealth
Target 3.3	By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases		
3.3.1.p1	Number of new HIV infections (newly diagnosed cases/year)	HIV, AIDS AND STI Prevention and Control Program; Universal Health Care	DOH DOH/Philhealth
3.3.2	Tuberculosis incidence per 100,000 population	National Tuberculosis Control Program/ Tuberculosis Control Program; Universal Health Care	DOH DOH/Philhealth
3.3.3	Malaria incidence per 1,000 population	Malaria Control and Elimination Program; Universal Health Care	DOH DOH/Philhealth
Target 3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being		
3.4.1	Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease		
3.4.1.1	Mortality rate attributed to cardiovascular disease	Smoking Cessation Program	DOH
3.4.1.2	Mortality rate attributed to cancer 1/	Philippine Cancer Control Program/ Cancer Control Program; Smoking Cessation Program	
3.4.1.3	Mortality rate attributed to diabetes	Smoking Cessation Program	
3.4.1.4	Mortality rate attributed to chronic respiratory disease	Smoking Cessation Program	
Target 3.5	Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol		
3.5.1.p1	Percentage of drug abuse cases or drug users who completed treatment		

3.5.2	Harmful use of alcohol, defined according to the national context as alcohol per capita consumption (aged 15 years and older) within a calendar year in litres of pure alcohol		
Target 3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents		
3.6.1	Death rate due to road traffic injuries2/	Violence and Injury Prevention Program	DOH
Target 3.7	By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes		
3.7.1	Proportion of women (currently married) of reproductive age (aged 15-49 years) who have their need for family planning satisfied [provided] with modern methods	Safe Motherhood Program; National Family Planning Program	DOH
3.7.2	Adolescent (aged 15-19 years) birth rate per 1,000 women in that age group	Adolescent Health and Development Program; Safe Motherhood Program	DOH
3.7.s1	Contraceptive Prevalence Rate	National Family Planning Program	DOH
Target 3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all		
3.8.2	Number of people covered by health insurance or a public health system per 1,000 population	Universal Healthcare	DOH/Philhealth
3.8.s1	Percentage of population covered by the social health insurance	Universal Healthcare	DOH/Philhealth
3.8.s2	Out-of-pocket health spending as percentage of total health expenditure 4/		
Target 3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination		
3.9.3	Mortality rate attributed to unintentional poisoning	Violence and Injury Prevention Program	DOH
Target 3.a	Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate.		
3.a.1	Age-standardized prevalence of current tobacco use among	Smoking Cessation Program	DOH

	persons aged 15 years and older 5/		
3.a.s1	Prevalence of current tobacco use		
	Prevalence of current tobacco use among 10-19.9 years old		
	Prevalence of current tobacco use among 20 years old and over		
Target 3.b	Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all		
3.b.1.p1	Proportion of fully immunized children 6/	Expanded Program on Immunization/ Immunization Program; Universal Health Care	DOH DOH/Philhealth
3.b.3.p1	Percentage of public health facilities properly stocked with selected essential medicines		

Selected Programs

This section provides details of the selected retained programs with the DOH with SDG indicator correspondence and will cover estimation of the said programs in the assumption that they will be implemented until 2030. Note, however, that these alignment does not mean that these are only the programs that corresponds to SDG indicators. For instance, another program will be implemented to address SDD Target 3.a. (strengthening implementation on tobacco control) through the passage of RA 1190 or the Vaporized Nicotine and Non-Nicotine Products Regulation Act.

Safe Motherhood Program

Maternal deaths are considered highly preventable due to well-known health-care procedures for preventing or managing complications. During pregnancy, labor, and the postpartum period, all women require high-quality care. As a result, it highly recommended that all births should be attended by trained medical personnel, as prompt care and treatment can mean the difference between life and death for both the mother and the baby (WHO, 2016). Unfortunately, not everyone has access to high-quality healthcare, resulting from disparities between the rich and the poor. According to World Health Organization statistics, skilled midwives, doctors, and nurses are present at more than 90% of all births in most high and higher middle-income countries. Meanwhile, skilled health personnel only assist in less than half of all deliveries in low- and lower-middle-income countries. As a result, maternal death rates in low-income nations are much higher with 46 per 100,000 live births, compared to just 11 per 100,000 in high-income countries (WHO, 2019). In response to this, multiple organizations and countries developed guidelines, initiatives, and interventions to address the issue. As the first target and indicator for SDG 3 on health, SDG Goal 3.1 aims to reduce the global maternal mortality ratio to less than 70 per 100,000 live births, by 2030.

In the Philippines, several programs, policies, and interventions have been implemented in the Philippines to decrease maternal mortality. As a result, throughout the past two decades, maternal mortality rates have been gradually dropping. The National Safe Motherhood Program is a major contributor to this outcome. According to the Department of Health, the program guided by the Department of Health FOURmula One Plus thrust and the Universal Health Care Frame (DOH website, 2022).

The program primarily focuses on the health and welfare of women throughout their pregnancy. As part of its priority agenda in 2030, it also includes the adolescent pregnant and meeting the unmet needs for family planning contraceptives of women. The overall goal of this program is to provide Filipino women access to quality healthcare for a safer pregnancy and delivery and promote the health and well-being of mothers of a Filipino family.

The program aims to accomplish this by collaborating with local government units to develop a long-term, cost-effective approach on delivering health services that ensures disadvantaged women have access to acceptable and high-quality care maternity and newborn health services. Thus, allowing women to give birth securely in health facilities close to their homes. Additionally, the program also program also intends to establish a core knowledge foundation and support structures that will help the country deliver high-quality maternal and newborn health care.

Garantisadong Pambata Program

In accordance with the Mandate: A.O. 36, s2010 which is also known as the Aquino Health Agenda (AHA): Achieving Universal Health Care for All Filipinos, the Garantisadong Pambata Program or GP was established. The program aims to provide affordable service, communication of health, nutrition and healthy environment for children especially the disadvantaged group. This is in line with the former MDG 1 and 4, which contributes to the reduction of infant and child morbidity and mortality. Currently, it is more in line with the updated SDG goal 3, which primarily focuses on ensuring healthy lives and well-being of children and other age groups.

Currently, the program provides service package to children of different age. The package includes was divided into 3 themes Health, Nutrition and Environment. In terms of health, children aged 0-1 will be provided with maternal health care, essential newborn care and Immunization. Children aged 1-5 will be provided with other immunization, deworming and Integrated management of childhood illness (IMCI). At 6-10 years of age, the children will be dewormed and given booster immunization after screening. Lastly, at age of 11-14, children will be prioritized with Physical activity (Healthy lifestyle), further deworming and booster immunization (DOH website, 2022).

In regards with the Nutrition services, infants encouraged to be exclusively breastfed. The exceptions are malnourished children who will be provided with complementary feeding, iron deficient children, which will be given iron supplements. For children age 1-5, they will be given Vitamin A, Iron Supplementation and iodized salt at home. At 6-10 years of age, the program aims to encourage proper nutrition and iodized salt at home. Lastly, at 11-14, children will be given similar package to those at age 6-10 but with addition of iron supplements.

Aside from providing health and nutrition packages, the GP also seeks to provide proper intervention for children's living environment. According to the Program Children at any age should be have access to safe water supply and clean sanitation. Furthermore, hygiene promotion, oral health, child injury prevention and Smoke-free homes are also a key component of the GP program.

Infant and Young Child Feeding Program

For Infants and young children, the development and growth during their first two years of life is crucial. Given that the body is undergoing substantial development at this time, it is important to provide adequate nutrition, especially from breast milk, in order to lay the groundwork for good, lifelong health. In order to address this, the National IYCF Plan of Action was formulated. This was an important step as it laid the groundwork for the development of the Administrative Order (AO) 2005-0014: National

Policies on IYCF and subsequently the formation of the infant and Young Child Feeding Program (DOH website, 2022).

The goal of this program is to give mothers instruction and skills in infant and young child feeding (IYCF), particularly during the formative years of their children. In order to guarantee that their infants receive the right nutrition, this includes dramatically boosting the prevalence of breastfeeding and alternative feeding techniques. This is to ensure the reduction of child mortality and morbidity through optimal feeding of infants and young children. Aside from breastfeeding, the program also provides the following: adequate and safe complementary foods to children 6 to 10 months old; Vitamin A to pregnant women and children 6 to 59 months old; Iron supplements to children and pregnant women that were iron deficient the program also emphasizes in the use of locally available and culturally acceptable foods. Thus, culture-specific nutrition counselling and recommendations of widest array of indigenous foodstuffs are provided.

Aside from providing from providing supplementary foods, support system is also key factor in implantation of the program. Parents and other caregivers shall have access to objective, consistent and complete information about appropriate feeding practices such as what types of food to give, the quantity, frequency, and how to feed these foods safely.

Newborn Screening Program

In 1996 like other countries, the Philippines established the Newborn screening (NBS) service. It was an important public health strategy that allows for the early detection and treatment of a variety of congenital abnormalities that, if left untreated, can result in mental retardation or death. Early detection and treatment, as well as proper long-term care, serve to ensure the affected individual's normal growth and development. The objective is this program are as follows: By 2030, all Filipino newborns are screened; Strengthen quality of service and intensify monitoring and evaluation of NBS implementation; Sustainable financial scheme; and strengthen patient management (DOH website, 2022).

According to DOH, the NBS program has grew from one to seven (7) operational Newborn Screening Centers (NSCs); from 24 pilot hospitals to more than 7000 Newborn Screening Facilities (NSFs) in 2020; from one to twenty-nine (29) G6PD Confirmatory Centers; and now with 14 continuity clinics for the long-term management of patients. Latest projected data reveals a 75.8% coverage using the projected population for 2018 and livebirths computed at 0.0256.

HIV, AIDS and STI Prevention and Control Program

Sexually transmitted infections (STIs) are a type of health issue that is spread mostly through sexual interaction. It can have a substantial negative influence on one's health, and if left untreated, it can lead to serious complication. This is a big issue because most STIs are asymptomatic, and some infections, such as human immunodeficiency virus (HIV), and human papillomavirus, are incurable. As a result, the disease/ infection either develop to a more life threatening such as acquired immunodeficiency syndrome (AIDS) with symptoms or the individual had to be checked out by health professionals. Unfortunately, there is a strong stigma associated with STIs, which reduces the number of people who seek treatment. Consequently, the number of STI cases is increasing year after year, and the disease has now become an epidemic (Lopez, 1999).

In the context of the Philippines, the cases of STI had been increasing year over year. 1,198 cases were reported in just the month of April 2022 to the DOH bringing the total diagnosed cases to 98,990 since 1984 (DOH-HARP, April 2022). The growth of the HIV epidemic in the country over the past decade have been alarming. The growth of the HIV epidemic in the country over the past decade have been alarming. As a result, multiple interventions programs were established to increase awareness in the spread of the epidemic and to provide the necessary assistance to patients. The HIV, AIDS and STI Prevention and Control Program is the main program of the DOH addressing the HIV epidemic.

The program was established on the premise that the country would be able to “achieve ZERO new infections, ZERO discrimination, and ZERO AIDS-related death”. The department of health aims to do this by improving the access and utilization of preventive primary health care services for HIV and STI and to ultimately reverse the trend of HIV epidemic by reducing the estimated annual infections to less than 7,000 cases (DOWH website, 2022).

The HIV, AIDS and STI Prevention and Control Program's primary objective is to reduce the spread of HIV and STIs among the public especially to amongst population at risk. It also aims to lessen the negative impact of STIs at an individual, household, and in community level. Currently, the program employs different strategies to achieve this goal. One of its strategies is the free voluntary HIV Counseling and Testing which serves to increase the scope of STIs detection while simultaneously help lessen the financial burden of people living with STIs. Aside from these, the program also utilizes peer education, outreach and community empowerment in order to reduce the stigma and discrimination against STIs. It also serves as a means to spread awareness regarding STIs.

Under the program, the Department of Health created the HIV/AIDS & ART Registry of the Philippines (HARP). It serves as a surveillance hub to track the status HIV/AIDS epidemic. With the help of the HARP, the DOH can provide source of timely information as well as create the necessary strategies to help achieve its goals. Some of the identified strategies are the outpatient benefit package to people living with HIV (PLHIV) under the PhilHealth Circular No. 04-2018 and the establishment of HIV Treatment Hubs and Satellite Treatment Hubs.

National Tuberculosis Program

Tuberculosis (TB) is a disease caused by bacteria that spreads through the air from person to person. TB is most commonly associated with the lungs, but it can also affect other regions of the body, including the brain, kidneys, and spine (CDC, n.d.). While tuberculosis is considered highly preventable, the World Health Organization, highlighted that is still the 13th major cause of mortality worldwide, and the second most common infectious killer after COVID-19 in 2020. This is the result, of tuberculosis not being treated in time and high case worldwide (WHO, 2021). The Centers for Disease Control and Prevention (CDC) estimates that the TB bacteria infect approximately two billion people, or roughly one-fourth of the world's population. Additionally, each year, more than 10 million people become infected with active tuberculosis. However, through the combined efforts of numerous countries and organizations, global TB incidence is declining at a rate of roughly 2% per year, with a cumulative reduction of 11% between 2015 and 2020. An example of this is the SDG's Target 3.3, which aims to "end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases, by 2030."

In the context of the Philippines, it is estimated that around 1 million Filipinos have active TB disease. This is the third highest prevalence rate in the world, after South Africa and Lesotho (WHO, 2019). In the years 2015-2019, tuberculosis was also the country's ninth highest cause of death (PSA, 2021). However, both the number of cases and fatality rates have improved significantly in recent years. According to the Department of Health, the number of active cases is drop by 35% between 2019 and 2020 (DOH, 2021). This the result of the continuous effort by different LGUs, organizations and national agencies. An example of this the implementation of the National Tuberculosis Program. The program aims to reduce tuberculosis mortality and incidence in the country, as well as reduce catastrophic expenditures and deliver patient-centered health care. The initiative helps local government units set policies and standards for TB elimination in the country, as well as provide TB medications, laboratory supplies, technical assistance, and material support (DOH website, n.d.).

Under the RA 10767, also known as the Comprehensive Tuberculosis Elimination Plan Act of 2016, the Department of Health was tasked to create the National TB Control Program (NTP). The NTP's primary objective is to significantly reduce TB burden by decreasing TB mortality rate by 95% and TB incidence by 90% by 2035. The program aims to achieve these using 14 key strategies, which are to the four major thematic areas (DOH, 2020):

- SCREENING- a key strategy that aims to increase the early detection of TB and limit the spread of the disease.
    - Intensified case finding (ICF)

  - Active case finding (ACF)
  - Enhanced case finding (ECF)
  - Contact investigation
- TESTING AND DIAGNOSIS - which aims to improve the quality of clinical diagnosis to minimize false positive as well as false-negative diagnoses. Furthermore, this strategy aims as well as increase the coverage of
  - Rapid diagnostic test (RDT) expansion and utilization
  - Line probe assay/drug susceptibility test (LPA/DST) optimization
  - Improve quality of clinical diagnosis
- TREATMENT- a strategy that provide quality and successful health services to people with TB as well as provide financial support through PhilHealth packages
  - Establishment of a Health Care Provider Network (HCPN) offering a full TB care continuum
  - Adoption of patient-centered care
  - Strengthen active Drug Safety Monitoring and Management (aDSM)
  - TB–HIV collaboration
- PREVENTION- a strategy to Identifying and treating inactive or latent TB infection and provide TB preventive treatment (TPT). The strategy guides both the local government and national government set policies and standards for TB elimination in the country.
  - Adoption of short tuberculosis preventive treatment (TPT)
  - Infection prevention and control (IPC)

Malaria Control and Elimination Program

Malaria is a widespread disease that affects nearly half of the world's population. It is a dangerous and sometimes fatal disease caused by a parasite that is spread by a mosquito and is passed to humans (CDC, n.d.). Malaria is especially dangerous to infants, children under the age of five, pregnant women, and HIV/AIDS patients, as well as people with low immunity. Over the past 2 decades, in order to reduce the number of cases and fatalities of Malaria, the World Health Organization (WHO) develop malaria prevention tools, strategies and drugs for early diagnosis and treatment. Subsequently, the number of malaria cases reduced gradually over time (WHO, 2022). Meanwhile, various countries and organizations are optimistic that a total interruption of local transmission of the malaria parasite can be achieved. This sentiment is reflected in SDG target 3.3, which aims end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases by 2030.

Being in a tropical climate in which malaria is prone to occur, Philippines historically had high incidence of Malaria. However, through various policies, laws, programs and intervention the country was able to substantially decrease the number of incidence and mortality. Data from the Department of Health (DOH) shows the incidence of malaria decreased by 79.2% from 2010 to 2017 (DOH website, n.d.). As of March 2021, 52 out of 81 provinces in the country has been declared as Malaria-free as part of the sub-national elimination strategy of DOH-NMCEP (NMCEP website, 2021).

The Malaria Control and Elimination Program was established in order to address the Malaria epidemic in the country. Over the years, the program has been effective in lowering Malaria cases. The activities of the program include: 1. Program Management and Health System; 2. Diagnosis and Treatment; 3. Vector Control; 4. Advocacy and Social Mobilization; 5. Surveillance, Outbreak Preparedness and Response; 6. Monitoring and Evaluation; 7. Partnerships; and 8. Assessment of Other Factors - assessment of the possible contribution of factors such as government health expenditure, poverty, forest cover, etc.

Philippine Cancer Control Program

Cancer refers to a genetic term for a large group of diseases that can affect any part of the body. Other terms used are malignant tumors and neoplasms. One defining feature of cancer is the rapid creation of abnormal cells that grow beyond their usual boundaries, and which can then invade adjoining parts of the body and spread to other organs (RA11215, 2019).

Cancer in the past decades have been a national health priority in the country with significant implications for individuals, families, communities, and the health system. In the study conducted by the University of the Philippines' Institute of Human Genetics, National Institutes of Health, it was estimated that 189 of every 100,000 Filipino are afflicted with cancer (DOH website, n.d.). In 2021, Cancer is the fourth leading cause of morbidity and mortality in the country after COVID-19 (Virus identified U07.1) (PSA, 2022). Along with cardiovascular diseases, diabetes mellitus, and chronic respiratory diseases, cancer make up the four epidemic non-communicable diseases (NCDs) or lifestyle-related diseases (LRDs). Risk factors are common among these four NCDs, which include tobacco use, unhealthy diet, insufficient physical activity and the harmful use of alcohol. These NCDs are also included under SDG Target 3.4 that states that by 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

In response to the growing cancer epidemic, the Department of Health established the Philippine Cancer Control Program (PCCP) on the premise that cancer can be prevented through public health effort. The program aims to reduce the impact of cancer, improve the wellbeing of Filipino people with cancer and their families, and ultimately reduce premature mortality from cancer by 25% in 2025.

In July 2018, Republic Act 11215 or the National Integrated Cancer Control Act was passed. This law enables the creation of the National Integrated Cancer Control Program, a National Integrated Cancer Control Council and the establishment of a Philippine Cancer Center. Section 21 of this act also included the expansion of the Philhealth benefit package to include primary care screening, detection, diagnosis, treatment assistance, supportive care, survivorship follow-up care rehabilitation, and end-of-life care, for all types and stages of cancer, in both adults and children.

A major area of concern is the financial strain caused by cancer to the patient. As mentioned in the UHC MTEP 2023-2026, the 2018 Philippine Costs in Oncology (PESO) study reveals that the average out-of-pocket expenditure of Filipinos from the time of cancer diagnosis was PhP 181,789.

The PCCP establish the expansion of PhilHealth Z Benefit Package Coverage to all types of cancer. Under the PhilHealth Circular 048s, 2012, the package covers services for the totality of care for a patient with unique set of catastrophic illnesses (such as cancer). This covers hospital services such as accommodation, medicines, laboratories, and professional fees, as well as other services or alternative guideline recommendations that the patient may require. Moreover, No Balance Billing (NBB) or "walang dagdag bayad" policy by PhilHealth (Circular 0006, 2017) which will further help the expense of the underprivileged. This policy will be applicable to eligible Sponsored, Indigent, Lifetime, Senior Citizens, and Kasambahay members and their qualified dependents availing of these packages in all Z packages-contracted government and private Health Care Institutions. The cost provided by the z-package ranges from PHP100,000 to PHP500,000 based on the type of cancer.

Violence and Injury Prevention Program

The World Health Organization defined injuries as the result of road traffic crashes, falls, drowning, burns, poisoning and acts of violence against oneself or others. Injuries and violence are a major cause of death and sickness in all countries; it has accounted for estimated 4.4 million or 8% of death around the world in 2020 (WHO, 2021). However, these cases of violence and injuries is not even across all countries. Socioeconomic status plays a crucial role in determining how individuals are at more risks with violence and injuries. Because of this, there are different organization that develops interventions to protect vulnerable individuals such as children, elderly and PWD. Additionally, quality emergency health care has been a priority by most countries in order to limit the number of mortalities to violence and injuries. Furthermore, more and more treatments have been developed at both the micro and macro levels to assist victims in coping with the physical, psychological, and financial problems that they have experienced because of violence and injuries. An example of this is the Sustainable Development Goals wherein multiple targets in goals 3, 5 and 6 are geared towards monitoring of progress in achieving injury, violence prevention, mental health and substance use.

In the context of the Philippines, the Department of Health (DOH) serves as the primary agency in the Philippines when it comes to violence and injury prevention. Because of this, they are the main coordinator when it comes to the integration of various plans, programs and activities. The primary program that was established was the Violence and Injury Prevention Program (VIPP). The program was a product of the Administrative Order 2014-0002 that was known as the Revised National Policy on Violence and Injury Prevention. The program's main objective was to reduce the morbidity and mortality rate of the following: (1) Road Traffic Injuries, (2) Drowning, (3) Burns, (4) Falls and (5) Poisoning (DOH website, n.d.).

In order to achieve its objective different strategies such as the ONEISS was established. The Online National Electronic Injury Surveillance System or ONEISS serves as a management system wherein it collects all reports of injuries that have been managed by government and private hospitals and infirmaries. The ONEISS serves an important role in providing and promoting an efficient and improved a timely processing, validation, analysis, and dissemination of injury-related data. Using these data, the DOH will be able to provide an effective advocacy, intervention and policies to lessen the occurrence of violence and injury

National Family Planning Program

Poor family planning has several negative consequences, including maternal death, unintended pregnancies, and unsafe abortions. Furthermore, due to inadequate family planning and low contraception use, modern families are unable to provide the adequate needs of their expanding number of children. As a result, the Department of Health established the National Family Planning Program, which seeks to provide correct knowledge, medically safe, legal, non-abortifacient, effective, and culturally acceptable modern family planning (FP) methods to every Filipino. The goal of this program is to raise the modern contraceptive prevalence rate (mCPR) from 25% in 2017 to 30% in 2022. Subsequently, the program also seeks to reduce modern family planning's unmet needs by to 0% in accordance with the Republic Act 10354: "The Responsible Parenthood and Reproductive Health Act of 2012".

Under the Program, DOH will to provide poor women of reproductive age (WRA) with modern contraception. This accounts for the WRA with FP unmet needs among the lowest 60% of the wealth quintile. The target includes 1) 100% of targeted WRA who intends to space or limit births but are not currently using a modern FP method; and 2) 50% of all estimated WRA shifted from traditional FP methods to modern contraception.

Aside from this, the Family Planning Program also provides the following:
1. Provision of free FP Commodities that are medically safe, legal, non-abortifacient, effective and culturally acceptable to all in need of the FP service.
2. Community-based Management Information System in order to identify and profile potential FP.
3. Family Planning in Hospitals and other Health Facilities
4. Lastly, providing financial security through Family Planning such as strengthening and enhancing PhilHealth benefit packages.

Adolescent Health and Development Program

Adolescence is a unique stage of human development that is critical for setting the foundations for a good health. It is the period of rapid physical, cognitive, and psychosocial development. It is however also the stage of life wherein they are more exposed to different behavioral risk factor such as alcohol use, unsafe sex and substance abuse. In the context of the Philippines the Department of health DOH, reported that adolescents are at are at risk of the following: 1) violence, 2) alcohol tobacco and illegal substances, 3) malnutrition, 4) sexual and reproductive health-related complications and lastly 4) HIV and aids. Because of these different programs, conventions and policies were developed in the country in order to protect them. One of this is the Adolescent Health and Development (AHD) program.

Adolescent Health and Development (AHD) program is the revised policy Administrative Order 34- A s 2000, the Adolescent and Youth Health (AYH) issued by the Department of Health (DOH). The policy was revised to focus on the emerging issues of the adolescents, which are the 10 – 19 years old. This is to ensure that all adolescents have access to comprehensive health care and services in an adolescent-friendly environment. This is to guarantee that all adolescents have access to comprehensive health care and services in an atmosphere that caters for their needs.

Smoking Cessation Program

Tobacco smoking is one of the most well-known behavioral risk factors for four major non-communicable diseases (NCDs) which are heart disease, cancer, chronic respiratory disease, and diabetes mellitus. According to the World Health Organization (WHO), it is estimated that around 8.2 million people died because of smoking, with 7 million people died due to direct smoking and 1.2 more by being exposed to second-hand smoke every year. However, despite being a significant risk factor for early death and chronic illness associated, it is also widely known as one of the most preventable. Because of this, the Department of Health (DOH) ordered DOH Administrative Order No. 122 s. 2003 titled The Smoking Cessation Program to support the National Tobacco Control and Healthy Lifestyle Program, thus subsequently creating the National Smoking Cessation Program.

The Program serves as a support program that promotes smoking reduction of tobacco dependency through different methods such as counselling, health-education, advocacy, services, monitoring and policies. The program aims to reduce prevalence of smoking and minimizing smoking-related health risks by promoting and advocating smoking cessation in the Philippines. The program also functions as a research and development program, with the goal of better understanding the nature of nicotine addiction in Filipinos and developing new pharmacological therapies.

In terms of tobacco users, in a survey created by the Global Adult Tobacco Survey with the help of the Department of Health (DOH), Philippine Statistics Authority (PSA) and World Health Organization (WHO) it was reported that 23.8% of Filipinos are active tobacco users. This proportion is used as the basis of estimation of the financial requirements for this program.

Immunization Program

In 1976, with the assistance of World Health Organization (WHO) and the United Nations Children's Fund (UNICEF) the Philippine government launched the Expanded Immunization Program. The program was created to ensure that infants, children and pregnant women would have the access to vaccine for six preventable diseases namely: tuberculosis, poliomyelitis, diphtheria, tetanus, pertussis and measles. Through the program, millions of Filipino children were protected and as a result, the number of deaths and disability that would have occurred due to vaccine-preventable diseases significantly decreased. The program was also crucial in achieving and sustaining polio eradication in the country, as well as elimination of maternal and neonatal tetanus.

With the advancement in immunization technology, the expanded immunization program was updated and renamed to the "National Immunization Program" (NIP). The newly updated program not only increased the number of vaccines from six to 14 but it also increased its coverage. The coverage of the NIP, which was formerly limited to infants, younger children and pregnant women, was also expanded to include adolescents, senior citizens and immunocompromised individuals (DOH-NIP, 2017). Additionally, the goal of the program was revised to adopt the goals of the SDG and Universal Health Care Law. The program's current emphasis is on developing a robust and well-resourced immunization system that is ready to deliver routine immunization services, backed by backup plans for handling public health emergencies, and continues to lower mortality and morbidity from diseases that can be prevented by vaccination (DOH website, n.d.).

Currently, the immunization services are delivered through a devolved health care delivery system. In accordance with the Local Government Code (LGC) in 1991 the primary responsibility of delivering health care were transferred to the Local Government Units (LGUs). Meanwhile, the Department of Health (DOH) still retain its role of formulating policy, enforcing legislation, offering technical advice, providing training and orientation, and conducting planning and assessment. It will carry out advocacy, surveillance, monitoring, and research while continuing to establish strategic plans.

Table 3.2 List of vaccines administered and target population

	Vaccine	Target Population/ Substituted Population
1	Tuberculosis Vaccine - BCG	Livebirths
2	Hepatitis B - (HepB) Vaccine	Livebirths
3	Polio - Oral Polio Vaccine (OPV)	Livebirths
4	Polio - Inactivated Polio Vaccine (IPV)	Livebirths
5	DPT-HepB+Hib Combination Vaccine (PENTA)	Livebirths
6	Pneumonia - Pneumococcal vaccine	Livebirths
		Age 60-65
7	Rotavirus Vaccine - Rotarix	Livebirths
8	Rotavirus Vaccine - RotaTeq	Livebirths
9	Measles-Mumps-Rubella (MMR)	Livebirths
10	Measles-Rubella (MR)	
11	Japanese encephalitis (JE) vaccine	Livebirths
12	Tetanus Diptheria (Td) Vaccine	Pregnant Women
		Children
13	Human Papilloma Virus (HPV) vaccine	Women 10 years old
14	Seasonal Influenza Vaccine	60 years old and above

Source: Chapter 4, Manual of Operations (Booklet 3), National Immunization Program

Universal Health Care Program

Universal health coverage (UHC) is health care framework, which aims to provide affordable and quality health services for everyone. It covers the entire spectrum of basic health services, from prevention to treatment, rehabilitation, and palliative care (WHO, n.d.). The UHC framework was founded on the same principal as the Primary Health Care (PHC) which aims minimize health disparities (WHO, 2019). The UHC was designed to address several health care problems such as quality, high cost and lack of access of health services. In a report highlighted by the World Economic Forum, it was estimated that around 5.7 million of people in low and middle-income countries die each year due to poor quality healthcare service, while around 3 million people die due to the lack of access. Aside from these, it was also highlighted that high cost of health services push millions of people into poverty (World Economic Forum, 2020).

The National Health Insurance Act of 1995 (RA 7875) created the Philippine Health Insurance Corporation (PhilHealth) which shall provide health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens of the Philippines. It was intended to cover all Filipinos but was not made compulsory. Beneficiaries would need to be enrolled and become members for them to be entitled to avail benefits. RA 7875 was amended through RA 9241 (2004) and RA10606 (2012) to expand the coverage of beneficiaries and assistance it provides.

The National Health Insurance Corporation (NHIC) or PhilHealth is the national social health insurance agency in the country. Its mandate is to provide health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens of the Philippines. However, the national government through the Department of Heath still leads healthcare provision, health regulation, facility improvements and human resource deployment as well as capacitation.

On February 20, 2019, Republic Act No. 11223 or Universal Health Care Act was signed by then Pres. Rodrigo Duterte to ensure that all Filipinos are guaranteed equitable access to quality and affordable health care goods and services, and protected against financial risk (Sec. 3b). Section 5 further affirms that every Filipino citizen shall be automatically included into the National Health Insurance Program (NHIP) and Section 6a states that every Filipino shall be granted immediate eligibility and access to preventive, promotive, curative, rehabilitative and palliative care for medical, dental, mental and emergency health service, delivered either as population-based or individual-based health services.

Sections 8 and 9 discusses the details of members and entitlement of NHIP membership. The Philippine Health Insurance Corporation (Philhealth) currently implements the NHIP. In line with this, the membership of PhilHealth also changed and was simplified into two types, direct contributors and indirect contributors. Direct contributors refer to individuals that has the capacity to pay premiums. While the indirect contributors refer to members wherein the national government subsidizes their premiums.

As of 2021, PhilHealth was able to register 98,030,269 beneficiaries with 61,674,303 direct contributors and 36,355,966 indirect contributors (Philhealth Stats and Charts, 2021). This is still lower than the total population of 110,198,654 according to PSA in the same year. With the implementation of RA 11223, the 12.2Million Filipinos who are not registered into Philhealth membership program are automatically covered and are already entitled to Philhealth benefits as long as the goods and services that they will be provided is determined through a fair and transparent HTA process[224].

UHC is in line with SDG target 3.8 which is to achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all" among others.

3.3 Financing Requirements

The Philippine government does not have an estimated total cost requirement needed to achieve the SDGs by 2030. The purpose of this section is to demonstrate how to estimate the cost requirements of selected health national programs linked directly to the SDG targets and indicators, which are being implemented by the Department of Health and the National Health Insurance Corporation (PhilHealth). Cost estimation in this section covers the remaining years from 2022 to 2030.

Estimating the Resource Requirements for SDG 3

To be able to estimate the costs requirements, the intervention-based needs assessment approach was used. It involves specification of interventions (e.g., provision of goods, services or infrastructure) that are required to achieve certain SDGs and apply relevant unit costs to the identified interventions (UNESCAP, 2020). An example of an intervention to a need is the provision of vaccines to children to prevent morbidity and mortality. This approach applies unit costs for each of the specific interventions. Using this method, the estimated needed funds required to address a specific SDG target or indicator under Goal 3 is the sum of the annual product of the unit costs and target population for all the activities of a specific program from 2022-2030.

Resource Requirements

In Table 3.1, the SDG targets and indicators were matched with health programs that are being implemented by the Department of Health and Philhealth at the national Level. This section will discuss the resource requirements needed by these programs in order to attain selected SDG targets. Note that the estimation will only cover selected programs that are directly linked to specific SDG indicators under Goal 3 using the following items and assumptions:

a. Unit costs. Based on the matching of the programs with the SDG targets in Table 3.1, the unit costs were taken from available costs estimates from the program offices implementing the programs of the Department of Health and PhilHealth. Note that if a program addresses multiple indicators and it was already included in the computation of an indicator, it will not be included elsewhere to avoid duplication of entries.
   Inflation rate. The unit costs taken were inflated using the official inflation target rates set by the Development Budget and Coordination Committee (DBCC), an inter-agency economic planning body together with the BSP. The inflation target of the government is defined in terms of the average

[224] Health Technology Assessment (HTA) refers to the systematic evaluation of properties, effects, or impact of health-related technologies, devices, medicines, vaccines, procedures and all other health-related systems developed to solve a health problem and improve quality of lives and health outcomes, utilizing a multidisciplinary process to evaluate the social, economic, organizational, and ethical issues of a health intervention or health technology; Section 4n.

year-on-year change in the consumer price index (CPI) over the calendar year. Latest inflation targets are at 3.0 percent ± 1.0 percentage point for 2021 – 2022. The DBCC and BSP also set the 2023 – 2024 inflation target range at 3.0 percent ± 1.0 ppt. For this report, the 3.0 inflation rate is extended to 2030.

b. Target population. In terms of the target population, two (2) methods are used in the estimation.
   i. Based on latest number of affected cases of specific target population/groups. For example, estimated cancer patients are based on the estimated number of cancer inflictions per year. The target population are indicated as specified in the SDG targets and indicators.
      Growth rates. The growth rates for these programs are assumed based on DOH data. For instance, in the case of Malaria, the projected growth rate is -5%.
   ii. Based on specific age-ranges or groups. For instance, for safe motherhood program, the specific target population are aged 15 to 49 years old while the Adolescent Health and Development (AHD) program are meant for 10–19-year-old individuals. Available population data by single-age year from the 2015 Census of Population (PopCen 2015) (medium assumption) from the Philippine Statistical Authority are used as baseline to provide data of pertinent population per program.
      Growth rates. The 2015 PopCen data as well as the specific target population based on latest data available are projected using the average annual population growth rates provided by the PSA. This study assumes that the growth rate of the population is 1.4% (years 2023-2024) and 1.2% (years 2015-2030) as projected by the PSA.

c. Target rates. With only less than 8 years to go before the 2030 deadline, specific targets should be addressed by 2030. For instance, data records magnitude of 3,988 cases of Malaria in 2017. To estimate the financial requirements to attain zero malaria cases in 2030, assuming the Malaria Control and Elimination program activities continuously address the Malaria epidemic, 308 cases are targeted and eliminated each year from 2018-2030.

3.4 Estimated Costs of Selected Programs

This section provides the estimated costs given the unit costs, target groups and rates that were considered for the selected programs in this report.

Safe Motherhood Program

According to the PSA, in 2020, 1,975 women were identified as having died of maternal causes in the country (PSA, 2022). Since there is no data on the number of pregnant women available for this estimation, the data on livebirths from the PSA was used as proxy for pregnant women.

Philhealth provides maternal care package (MCP) provided under Philhealth Circular 2015-0025. The MCP includes antenatal period, entire stages of labor, normal delivery and immediate post-partum period including follow-up visit. The MCP Package provides PhP 6,500 for hospital delivery and PhP 8,000 for deliveries in infirmaries/dispensaries/birthing homes or maternity clinics. For purposes of the estimation in this report, we will consider the higher amount of P8,000.

The estimated total financial requirements for this program from 2022 to 2030 are detailed in Table 3.3. A total budget of 98.3B (if 100% coverage starting in 2022) or 89.8B (gradual increase in coverage using 78% in 2020).

Newborn Screening Program

Under Philhealth Circular 2018-0021 or the “Enhancement of PhilHealth Newborn Care Package”, the Philhealth-covered essential health services for newborns are increased by including the expanded newborn screening, which includes 28 disorders. It also covers essential newborn care such as provision of Vitamin K, eye ointment, vaccines for hepatitis B and BCG, professional fee and hearing screening tests. The total costs of the package shall be Php 2,950 per newborn.

Table 3.3 shows the estimated total financing requirements for this program for 2022-2030 as Php 37B (if 100% coverage starting in 2022) or Php33.8B (gradual increase in coverage using 75.8% in 2019).

HIV, AIDS and STI Prevention and Control Program

The latest Philhealth Circular (2021-0025) on Outpatient HIV-AIDS package provides P30,000 per year (7,500 per quarter). This can be availed by confirmed case patients in DOH-designated treatment hubs. The package covers drugs and medicines, laboratory examinations, including Cluster Difference 4 (CD4) level determination test and test for monitoring of anti-retro viral drugs (ARV) toxicity and professional fees of providers. This is also reflected as part of the SDG-Related benefits of Philhealth in its website.

According to the latest HARP data in April 2022, there are 98,990 cases since 1984. Using this as base data in 2022, the estimated total financing requirements for this program for 2022-2030 is Php 67.3B (if 100% coverage starting in 2022) or Php57.9B (gradual increase in coverage using 52% in 2020). Please note that this estimation only covers the treatment component of the program.

National Tuberculosis Program

Philhealth Circular 014, series of 2014, provided the latest guidelines to PhilHealth TB-DOTS benefit package. The TB DOTS package has a fixed case rate of four thousand pesos (Php 4,000.00) which are to be given to health care institution in two separate payments: P2,500 after the intensive phase and P1,500 after the continuation (maintenance) phase. This is still the current amount being provided by Philhealth and is part of the SDG-Related benefits in its website.

Using Php4,000 are the unit cost and 340,524 individuals as the target group in 2020; the estimated total financing requirements for this program for 2022-2030 is Php 9B for treatment only at 100% coverage.

Malaria Control and Elimination Program

With the collaboration with different organization through the program, the Department of Health aims a Malaria-Free Philippines by 2030. 2008 Philhealth Circular #25 provides a P600 case rate as Outpatient Malaria Package. This is still the same rate as of date as provide also in the Philhealth's SDG-related benefits.

Using Php600 are the unit cost and 6,088 individuals as the target group in 2020, the estimated total financing requirements for this program for 2022-2030 is Php 17.6M assuming that all cases are given benefits each year and case rates fall by 10% per year to achieve zero malaria cases by the end of 2030.

Philippine Cancer Control Program

Table 3.3 shows the estimation of cases in years 2022 to 2030 based on the estimation rate of cancer over total population by the National Institute of Health and the exponential population growth rate by the PSA. Meanwhile the unit cost is based on the average Philhealth expenditure at PhP 181789 and inflated at 3%. Using these estimates, a total budget of 30.2B would be needed for this program form 2022-2030.

National Family Planning Program

The unit cost used in the estimation for this program covers only the actual costs of family planning commodities, which includes combined oral contraceptives (COC) pills, progestin only pills (POP), Depo Medroxyprogesterone Acetate (DMPA) Vial, Male Condoms, Progestin Subdermal Implant (PSI), PSI Kits, Intra Uterine Device (IUD) TCU 380-A, and Cycle Beads. The target population of males (for male condoms only) and females are from the PSA 2015 population data of 15-49 age groups to achieve 85% coverage rate in 2030. As a result, it was estimated that total financing required for this program to achieve its goal is Php 79.8B through 2022-2030.

Smoking Cessation Program

The unit costs of different pharmacological or nicotine replacement therapies (NRTs) for smoking cessation were provided by the_Chronic Respiratory Disease & Tobacco Cessation/ Prevention of

Blindness Program/ Health and Wellness Program of Person with Disability of the Non-Communicable Diseases Division of the DOH. Since the NRTs are yet to be provided to tobacco smokers, the estimation assumed that all NRTs will be equally be given i.e., 12.5% for each of the 8 NRTs. The target population also considered the decrease of the prevalence rate from 23.8% in 2020 to 16.7% in 2030. The estimation for the program only considered the unit costs of the NRTs and does not include other parts of the program such as Brief Tobacco Intervention and intensive tobacco cessation counseling. Note that this is one strategy in implementing this program in order to meet the SDG target. Other combination of costing of the different pharmacological or nicotine replacement therapies (NRTs) will yield different estimates.

Immunization Program

This estimation covers only 10 out of the 14 vaccines prescribed namely: Tuberculosis Vaccine – BCG, Hepatitis B - (HepB) Vaccine, Polio - Oral Polio Vaccine (OPV), Polio - Inactivated Polio Vaccine (IPV), DPT-HepB+Hib Combination Vaccine (PENTA), Pneumonia - Pneumococcal vaccine (for infants only), Rotavirus Vaccine – Rotarix, Rotavirus Vaccine – RotaTeq, Measles-Mumps-Rubella (MMR) and Japanese encephalitis (JE) vaccine. Combined costs for these vaccines total to 21B from 2022-2030.

Additional immunization costs are for covid-19 vaccines with unit cost of 1,300 for two doses. From 2022-2030, a total of 2.5T is needed for this vaccine.

The table below provides the estimated financial requirements for selected DOH programs for the years 2022-2030. Note the various limitations in the availability of information used in the estimation as mentioned in this section. Most of the estimated numbers covered only selected portions of the program that have available unit costs. They do not cover the costs of delivery in terms of training and human resources needed in delivering the program. Additional note that in the smoking cessation program, the estimation here is just one strategy in implementing this program in order to meet the SDG target. Other combination of costing of the different pharmacological or nicotine replacement therapies (NRTs) will yield different estimates.

Table 3.3. Estimated Financial Requirements for selected DOH programs, by Year, 2022-2030

PROGRAM AND COVERAGE	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
SAFE MOTHERHOOD PROGRAM										
a. 100% coverage	10,478,285,230	10,587,704,224	10,698,265,820	10,809,074,069	10,921,717,980	11,035,535,781	11,150,539,704	11,266,742,110	11,384,155,488	98,332,020,405
b. gradual increase in coverage	8,634,107,029	8,957,197,773	9,286,094,732	9,620,075,921	9,960,606,798	10,307,190,419	10,659,915,957	11,018,873,783	11,384,155,488	89,828,217,901
NEWBORN SCREENING PROGRAM										
a. 100% coverage	3,944,183,221	3,985,370,167	4,026,987,204	4,068,697,086	4,111,097,939	4,153,940,660	4,197,229,856	4,240,970,179	4,285,166,330	37,013,642,643
b. gradual increase in coverage	3,250,006,974	3,371,623,161	3,495,424,894	3,621,140,407	3,749,321,320	3,879,780,577	4,012,551,743	4,147,668,835	4,285,166,330	33,812,684,240
HIV, AIDS AND STI PREVENTION AND CONTROL PROGRAM (Treatment component only)										
a. 100% coverage	2,969,700,000	3,956,860,875	5,000,578,673	6,103,358,363	7,267,804,314	8,496,624,000	9,792,631,843	11,158,753,195	12,598,028,459	67,344,339,722
b. gradual increase in coverage	1,831,425,084	2,630,140,206	3,563,931,101	4,642,847,508	5,877,500,501	7,279,089,523	8,859,430,612	10,630,985,857	12,606,894,144	57,922,244,537
NATIONAL TUBERCULOSIS CONTROL PROGRAM (Treatment component only)	245,177,280	338,526,895	419,314,384	490,493,223	554,125,230	611,709,863	664,368,503	712,960,972	758,158,807	4,794,835,156
MALARIA CONTROL AND ELIMINATION PROGRAM (Treatment component only)	3,287,400	2,952,097	2,609,537	2,259,608	1,902,193	2,227,453	1,164,438	783,858	395,315	17,581,897
PHILIPPINE CANCER CONTROL PROGRAM (Treatment component only)	3,221,282,901	3,254,462,115	3,287,983,075	3,321,849,300	3,356,064,348	3,390,631,811	3,425,555,319	3,460,838,538	3,496,485,175	30,215,152,583
NATIONAL FAMILY PLANNING PROGRAM	7,448,921,535	7,790,411,854	8,137,671,402	8,489,004,002	8,847,801,703	9,212,615,401	9,583,534,412	9,960,649,593	10,344,053,032	79,814,662,935
SMOKING CESSATION PROGRAM	12,076,194,126	12,212,482,935	12,424,572,627	12,494,314,117	12,634,788,452	12,776,841,863	12,920,492,251	13,065,757,515	13,248,460,235	113,853,904,122
IMMUNIZATION PROGRAM	763,166,028	1,156,703,029	1,558,375,794	1,968,146,014	2,386,387,834	2,813,133,102	3,248,513,630	3,692,663,052	4,145,716,850	21,732,805,333

Source of basic data: Philhealth benefit package, DOH program data and PSA population data

3.5 Beyond 2030 Goals

Some of the health programs may have different goals not aligned with the SDGs. As an example, the National Tuberculosis program's long-term goal is to significantly reduce TB burden by decreasing TB mortality rate by 95% and TB incidence by 90% by 2035. This is beyond the 2030 agenda in which the target is to end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases by the year 2030. If the goals are different, the estimated costs would also be different.

Below are two tables of a simulation showing the SDG target to end tuberculosis by 2030 comparing it to the 90% target by 2035 of the DOH-National Tuberculosis Program. While the program covers testing and diagnosis, screening, treatment and prevention strategies, the unit costs used in the tables below is only for treatment and only demonstrates the difference in terms of costing using different targets. The unit cost is 4,000 as per Philhealth circular 014,2014, (PhilHealth TB-DOTS benefit package). Table 3.4 shows the estimated financial requirements amounts to 4.7B from 2022-2030 while Table 3.5 estimates a total of 6.8B to reach 90% incidence in 2035.

Table 3.4. Estimated Financial Requirements for Tuberculosis treatment (100% in 2030), by Year, 2022-2030

Target: 100% (Year 2030)						Total (2022-2030)			**4,794,835,156**
Tuberculosis Treatment	**Estimated Budget**								
Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Unit cost	4000	4041	4083	4125	4167	4210	4254	4297	4342
Beneficiaries	61,294	83,769	102,702	118,911	132,968	145,289	156,188	165,903	174,621
Total cost	245,177,280	338,526,895	419,314,384	490,493,223	554,125,230	611,709,863	664,368,503	712,960,972	758,158,807

Source of basic data: Philhealth TB DOTS benefit package and NTP data

Table 3.5 Estimated Financial Requirements for Tuberculosis treatment (90% in 2035), by Year, 2022-2035

Target: 90% (Year 2035)											Total (2022-2035)			**6,792,289,310**
Tuberculosis Treatment	**Estimated Budget**													
Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Unit cost	4000	4041	4083	4125	4167	4210	4254	4297	4342	4386	4432	4477	4523	4570
Beneficiaries	38,411	54,380	68,674	81,555	93,229	103,864	113,597	122,541	130,790	138,424	145,512	152,110	158,268	164,030
Total cost	153,644,429	219,761,752	280,385,852	336,403,783	388,518,700	437,297,074	483,201,537	526,614,395	567,854,852	607,191,876	644,853,973	681,036,712	715,908,609	749,615,767

Source of basic data: Philhealth TB DOTS benefit package and NTP data

3.6 Medium-Term Expenditure Program (MTEP) for Universal Health Care (UHC)

The latest Medium-Term Expenditure Program of the DOH was published in 2021. It features the estimated budgetary requirements covering the years 2022 to 2026 for the following: (1) attainment of FOURmula One Plus for Health (Universal Health Care Act of 2019 F1 Plus for Health) goals and objectives through the implementation of the Universal Health Care Act of 2019 and its Implementing Rules and Regulations (IRR); (2) continuing COVID-19 response; (3) building health systems resiliency; and, (4) implementation of the Devolution Transition Plan.

FOURmula One Plus for Health (F1+) is the flagship strategy of the Health Department. Originating from the Health Sector Reform Agenda (HSRA) in 1999, it culminated to the adoption of the FOURmula One (F1) for Health as the implementing framework for health reforms for 2005—2010 with four pillars: financing, service delivery, regulation and governance. In line with the goals outlined in the Philippine Development Plan 2017-2022, Ambisyon Natin 2040, and the Sustainable Development Goals, and building on the concept of FOURmula One for Health 2005-2010, the medium-term strategic framework for 2017—2022 expands the four pillars of health reforms to five to include focus on performance accountability towards the Filipino people. FOURmula One Plus for Health or F1+'s tagline is "Boosting Universal Health Care".

Covid Response remains as top priority of the health department. PSA reported that from January to December 2021, a total of 105,723 deaths or 13.8 percent of the total registered deaths were attributed to Covid-19. There are two entries in the 10 leading causes of deaths due to covid-19: COVID-19 with virus identified (3rd leading cause of death in 2021) and COVID-19 with virus not identified (ranked 8th) with 9.7% and 4.1% of the total deaths, respectively[225].

The OECD (2022) defines Health systems resilience as the ability of health systems not only to plan for shocks, such as pandemics, economic crises or the effects of climate change, but also to minimize the negative consequences of such disruptions, recover as quickly as possible, and adapt by learning

[225] Code U07.1 or COVID-19-virus identified is used when COVID-19 is confirmed by a laboratory test. Code U07.2 or COVID-19-virus not identified is used for suspected or probable cases as well as clinically-epidemiologically diagnosed COVID-19 cases where testing was not completed or inconclusive (WHO, 2020)

lessons from the experience to become even better performing and more prepared. The World Health Organization also released the health systems resilience toolkit: a consolidated, fit-for-purpose technical reference package to support countries in strengthening health systems resilience at national and subnational level from policy and planning, through operational and services delivery, to monitoring and evaluation (WHO, 2022). The Philippines can draw from the toolkit and apply it to the local setting to build the national health systems resiliency.

Fourth priority concern included in the MTEP is the devolution transition plan. As discussed in Section 3.1, the DVT will result to selected health programs being fully or partially devolved to the local government units. Partially-devolved programs is planned to be transferred over a span of 3 years. These include Health Facilities Enhancement Program (HFEP); Epidemiology and Surveillance; Human Resources for Health (HRH) Deployment; Family Health, Immunization, Nutrition and Responsible Parenting; Prevention and Control of Communicable Diseases; Prevention and Control of Non-Communicable Diseases.

With these priority items, the latest MTEP has four (4) objectives, namely: 1) To update the estimates for the annual budget preparation starting CY 2023; 2) To estimate financial requirements for continuing COVID-19 response and recover; 3) To provide anticipated requirements of UHC in the new normal and; 4) To integrate the devolution plan in compliance to EO 138 following the Supreme Court decision on the Mandanas-Garcia ruling.

The process of the MTEP development involved the estimation of the fiscal space for health, the different sources of funds for UHC, and the budgetary requirements using the two-tier budgeting approach under different scenarios. According to the MTEP, the two-tier budgeting done in the MTEP considers the ongoing P/A/Ps will most likely have available funding (Tier 1) and new P/A/Ps or expansion of existing P/A/Ps, are still subject for evaluation and approval (Tier 2). It also explored three different scenarios, namely, the High Scenario, Medium Scenario, and Low Scenario. The DOH-OSEC and PhilHealth will require a total budget PhP 2.34T, PhP1.68T and PhP1.22T under High, Medium and Low scenarios from 2023-2026. The high scenario presents the full cost requirements of DOH-OSEC and Philhealth in order to fulfill all strategic plan commitments without any development partner support over the medium term. Meanwhile, medium scenario presents the estimated cost requirements without development partner support. The estimated allocation can also be based on the medium scale which may or may not be inflated using the three percent annual adjustment factor for 60 percent of MOOE for indexed items or those mandatory expenditure items that are affected by changes in the prices of commodities in the medium-term. Lastly, low estimate scenario assumes that the required resource level of the DOH-OSEC and PhilHealth under status quo would either be the minimum scale and scope set by the program or Bureau or the DBM-recommended level based on the 2022 NEP with adjustments attributed to annual inflation rate of three percent for 60 percent of MOOE for indexed items. Status quo is an estimate of how much is needed by the DOH-OSEC and PhilHealth to carry out its ongoing P/A/Ps, with consideration on the absorptive capacity of the agency (DOH-MTEP, 2022).

The MTEP covers all the Public Health DOH programs and activities namely: Public Health Management; Environmental and Occupational Health; Family Health, Immunization, Nutrition and Responsible Parenting (FHINRP); Prevention and Control of Communicable Diseases; and, Prevention and Control of Non-communicable Diseases. Estimates for these programs were estimated using high, medium and low scenarios. These programs total to nearly 580Billion for the years 2023-2026. The 13 programs identified in section 3.2 are under these sub-programs.

According to the DBM, the UHC MTEP has not been approved by the DBM. Its approval was deferred since the DBM cannot provide the full requirement of the MTEP due to limited fiscal space. However, as part of its ways forward, the MTEP recommended that the funding requirement for UHC in the medium term should be realized by the national government so that the DOH and PhilHealth will be able to perform its roles towards the attainment of UHC. In particular, the legislators, DOF, and DBM, should explore other options in expanding the fiscal space for health in the Philippines. Suggested options include earmarking other tax revenues for health, realignment of the overall government budget to priority health programs, incurring manageable foreign debts, and renegotiation with LGUs on their health accountabilities as expected in the Devolution Transition Plans.

3.7 Sources of Financing UHC and Selected Health Programs under SDG 3

The MTEP provided the estimated fiscal space earmarked for health for the years 2022-2026. The pandemic has caused the deterioration of the fiscal positions of the National Government (NG) due to muted revenues, high deficit, and borrowing levels which resulted in a tight fiscal position. To address this, as stated in the MTEP, the government will continue its adoption of the fiscal consolidation strategy, which aims to ensure fiscal sustainability over the medium-term and to gradually bring back the country deficit to pre-pandemic levels. This means that the fiscal space is tight for the coming years.

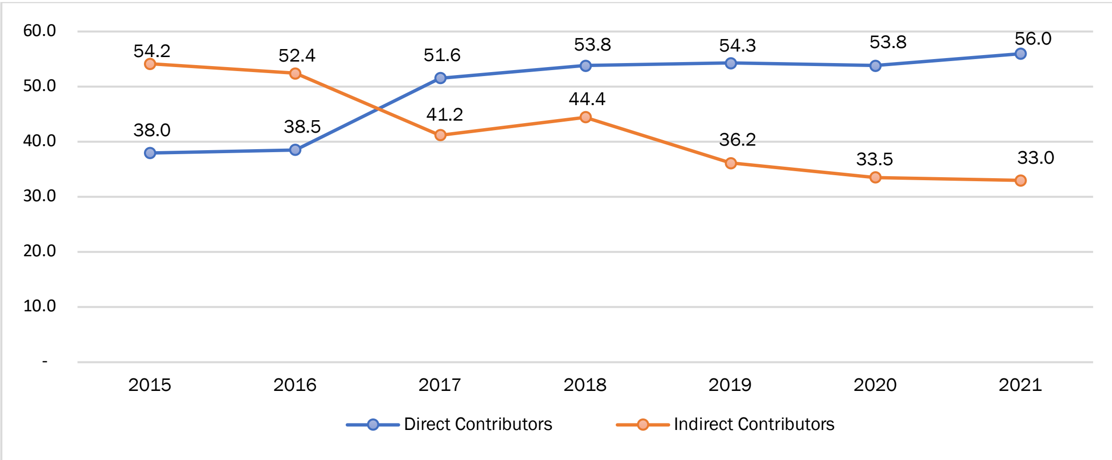
Major source of the UHC program will come from the Sin taxes as provided for in RA no. 10351. President Benigno Aquino III signed into law RA 10351 last December 2012. This act provided the allocation of 80% of the remaining balance of the incremental revenue after deducting the allocations under Republic Act Nos. 7171 (An act to promote the development of the farmer in the Virginia Tobacco producing provinces) and 8240 (An act amending Sections 138, 140, & 142 of the National Internal Revenue Code, as amended, and for other purposes) for the universal health care under the National Health Insurance Program, the attainment of the millennium development goals and health awareness programs; with the twenty percent (20%) shall be allocated nationwide, based on political and district subdivisions, for medical assistance and health enhancement facilities program, the annual requirements of which shall be determined by the Department of Health (DOH). In addition, with the passing of RAs no. 11346 and 11467, which amended and repealed certain provisions of RA no 10351, which takes effect beginning 2022, the allocation for UHC shall be based on the collection in the second fiscal year preceding the current fiscal year. This means that the revenue collected in 2020 from excise tax shall be reserved and distributed through the 2022 budget.

UHC funds will also come from Fifty percent (50%) of the National Government share from the income of Philippine Amusement and Gaming Corporation (PAGCOR). Said share shall be transferred to PhilHealth to improve its benefit packages. Proceeds from the Philippine Charity Sweepstakes Office (PCSO) Fifty percent of the Forty percent of the Charity Fund, net of Documentary Stamp Tax Payments, and mandatory contributions of. A joint circular operationalizing their respective fund allocations for Universal Health Care (UHC) was signed last May 30, 2022. The JC was signed by the Philippine Health Insurance Corporation (PhilHealth), Department of Finance (DOF), Department of Health (DOH), Philippine Amusement and Gaming Corporation (PAGCOR), and Philippine Charity Sweepstakes Office (PCSO). The funds are intended for the improvement of the benefit packages that Philhealth can provide its beneficiaries. Among the benefits that will benefit from the said funds include selected medical and surgical procedures and enhancement of Z benefit packages for selected cancers among others. Said funds shall be released to Philhealth through the GAA starting in 2023[226].

Another source of funds for the UHC are the Premium contributions of members. As shown in Figure 3.1, there is an increasing trend in the proportion of direct contributors since 2015. Direct contributors are employed workers from both private and government, informal/self-earning, OFWs/Migrant workers, Lifetime Members, Kasambahay and others (includes Family Drivers. Filipinos w/ Dual Citizenship, Naturalized Filipino Citizens, PRA Foreign Retirees, Citizens of Other Countries working / residing / studying in the Philippines). On the other hand, indirect contributors include indigents/NHTS-PR beneficiaries, Senior Citizens and those under a Sponsored Program.

[226] https://www.philhealth.gov.ph/news/2022/uhc_funds.pdf

Figure 3.1. Proportion of Direct and Indirect Contributors to Estimated Total Population, 2015-2021



Source of basic data: Philhealth Stats and Charts, 2015-2021

Funds for the UHC and health programs also comes from the annual appropriations of the DOH included in the General Appropriations Act (GAA) as well as the National Government subsidy to PhilHealth also included in the GAA.

For the years 2022-2026, the funds for UHC are estimated to total Php1.29T spread over the 5-year period (Table 3.6). This includes funds from DOH-OSEC and PhilHealth Baseline Budget prior to 2012 Sin Tax Law or RA no. 10351, projected sin tax collections based on new sin tax laws: RA 11346 and RA 11467 for UHC, PhilHealth, Medical Assistance and HFEP14 and DOH-OSEC and PhilHealth Natural Increase or Counterpart Funding from National Government in the NEP or GAA. The estimates are exclusive of the income generated by the FDA, BOQ, HFSRB, DOH Hospitals and other DOH health facilities. The estimates also do not reflect the revenues for UHC and HFEP from offshore gaming revenues per RA no. 1159013, LGU share for health, and the non-budgetary support from official development assistance (ODA).

It is also important to note that the estimates in Table 3.6 does not also include the earmarked shares for PhilHealth from PAGCOR and PCSO as they are intended for the improvements of PhilHealth's benefit packages. Likewise, the premium contributions from direct contributors were included as part of the source of funds for UHC; however, these premium collections are not part of the GAA/NEP funding from the NG.

Using the data from 2025-2026 and considering that the assumptions used are still the same, additional funds for the years 2027-2030 are forecasted to amount to Php 1.37T. From 2022-2030, the total estimated funds for UHC are Php 2.67T. As the forecasting done by the authors in the table below are using linear regression in the MS Excel program, these estimates should be validated by the DOH if they are reasonable.

Table 3.6 Sources of Funds for UHC from MTEP CY 2022-2026 and from Author's Calculations CY 2027-2030, Amount in Billion PhP

Estimated Funds for UHC from MTEP					Estimated Forecasted Funds for UHC assuming the same assumptions are used			
2022	2023	2024	2025	2026	2027	2028	2029	2030
237.02	225.38	250.92	275.86	305.22	314.94	333.63	352.32	371.01

Source: MTEP for UHC 2022-206 and Author's calculations 2027-2030

3.8 Financing Gap for Universal Health Care

As discussed in Section 3.5, the fiscal space earmarked for health in Table 3.6 are included in the second column of Table 3.7 below. Meanwhile, the MTEP Requirements for National Government Subsidy in the next three columns pertains to the total costs of PhilHealth Premium Subsidy for Indirect Contributors and DOH-OSEC including Retirement and Life Insurance Premiums (RLIP) and Special Accounts in the General Fund (SAGF) under the three different scenarios, namely, the High Scenario, Medium Scenario, and Low Scenario. The DOH-OSEC and PhilHealth will require a total budget PhP 2.34T, PhP1.68T and PhP1.22T under High, Medium and Low scenarios from 2023-2026. The last three columns pertain to the funding gap by getting the difference of the fiscal space for health and the MTEP requirements for NG subsidy under the three scenarios.

Table 3.7 below shows the estimated funding gap for the UHC for the period 2022-2030. Kindly note that the estimates for 2022-2026 were taken from the MTEP calculated by the DOH while the estimates for 2027-2030 were forecasted based on the 2022-2026 data considering that the assumptions used are still the same. Under the high scenario, a total of negative Php2.7T represents the huge gap between the fiscal space and the estimated requirements of the DOH-OSEC and Philhealth for UHC. Meanwhile, under the medium and low scenarios, a deficit of -1.16T and -11.9M are estimated.

Table 3.7 Funding Gap for DOH-OSEC and PhilHealth Premium Subsidy for Indirect Contributors in Comparison to the Fiscal Space Earmarked for Health, CY 2022-2026 from MTEP and CY 2027-2030 (*Author's calculation Amount in Millions PhP*)

Year	Fiscal Space Earmarked for Health (A)	MTEP Requirements for NG Subsidy (B)			Resource Gap or Funding Gap (C) = (A-B)		
		High	Medium	Low	High	Medium	Low
2022	237,020	573,059	456,531	329,698	-336,039	-219,511	-92,678
2023	225,378	570,159	401,053	306,974	-344,781	-175,675	-81,596
2024	250,921	577,021	414,535	305,376	-326,100	-163,614	-54,455
2025	275,853	597,639	435,460	311,984	-321,786	-159,607	-36,131
2026	305,219	593,647	432,740	296,083	-288,428	-127,521	9,136
Sub-Total (2022-2026)	1,294,391	2,911,525	2,140,319	1,550,115	-1,617,134	-845,928	-255,724
2027	314,940	602,902	424,111	291,357	-287,962	-109,171	23,583
2028	333,627	609,767	422,794	285,135	-276,140	-89,166	48,492
2029	352,315	616,633	421,476	278,913	-264,318	-69,162	73,402
2030	371,002	623,499	420,159	272,691	-252,497	-49,157	98,311
Estimated Sub-Total (2027-2030)	1,371,884	2,452,801	1,688,540	1,128,096	-1,080,917	-316,656	243,788
Estimated Total (2022-2030)	**2,666,275**	**5,364,326**	**3,828,859**	**2,678,211**	**-2,698,051**	**-1,162,584**	**-11,936**

Source: MTEP for UHC 2022-2026 and Author's calculations 2027-2030

3.9 Other Sources to address Financing Gap for Universal Health Care and other SDG-related Health Programs

Section 3.6 details the sources of funds for the UHC and selected Health Programs under SDG 3 coming from public funds. Other sources of funds that can be tapped for health-related SDGs include the following:

3.9.1 Philippine Public-Private Partnership (PPP) Projects

To accelerate the building of public infrastructures or facilities necessary to achieve national development objectives, PPPs are formed through an agreement between the government and the private sector. PPP projects, which are funded, designed, implemented, and operated by private sector, enable the government to construct public assets and/or provide public services faster (Chapter 2).

The experience brought about by the Covid-19 pandemic has exposed the significant gaps in the country's health care system. While government financing is expected to remain a crucial source of investments in health infrastructure and service delivery, PPPs provide an opportunity to leverage the private sector's financial resources, technical capabilities, and operational efficiencies in delivering much-needed health infrastructure and services The PPP Center developed a knowledge product as a guide on developing solicited health PPP Projects. The aim of the guide is to help implementing agencies in developing health infrastructure projects using the PPP scheme under the BOT law (PPPC, 2021). PPPs in the health sector has not been a priority pre-pandemic times as evidenced by Figure 2.17a in Chapter 2. It shows the estimated costs of operational PPP projects in 2017 with the Health Sector only have 100M, which is minimal as compared to other sectors such as the water sector (395.1B), power sector (258B) and transport sector (226.4B). From 2019-2021, the health sector does not have operational PPP projects (Figure 2.17b, Chapter 2). Figure 2.18a shows that 9.7B as an estimated cost of awarded/for construction/under construction PPP Projects for the health sector.

3.9.2 ODA

Build Universal Health Care (ADB loan $600 million)
In 2021, the Asian Development Bank (ADB) authorized a $600 million policy-based loan to help the Philippines provide quality and equitable health services to all Filipinos as part of its universal health care (UHC) reform program. The new ADB program, Build Universal Health Care, aims to support the government's efforts to improve health-care financing and delivery, as well as to establish tools for tracking health-care providers' performance. The loan will assist the government in increasing funding for UHC, expanding the supply of health facilities and personnel, integrating health care providers, and improving the efficiency of the health system. Additionally, the loan will improve policy implementation and coordination between Department of Health (DOH), Philippine Health Insurance Corporation (PhilHealth) and other government agencies, local government units (LGUs), and the private sector[227].

Supporting Building Up Universal Health Care (UHC)
$2Million Grant Japan Fund for Prosperous and Resilient Asia and the Pacific (JFPR)
The Japan Fund for Prosperous and Resilient Asia and the Pacific (JFPR) will provide $2 million technical assistance (TA) project in the Philippines starting in 2022. Its goal is to support the pilot implementation of UHC policy reforms in selected local government units while also making policy recommendations for future UHC-related programs. By 2024, the expected outputs of the support are: (1) stronger finance and strategic buying for UHC, (2) increased quantity and quality of health facilities and personnel, and (3) greater access to primary care and health promotion services. The TA also supports the ADB's $600-million loan to the Philippines' government for the "Build Universal Health Care Program."[228]

USAID
The US government, through the US Agency for International Development (USAID) and the Stop TB Partnership, donated package of TB tool to help the Philippines improve tuberculosis (TB) services. The tools, worth Php 130 million ($2.6 million), is part of a global initiative called Introducing New Tools Project (iNTP). The iNTP package includes eight ultra-portable chest X-ray machines, 38 portable rapid

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[227] https://www.adb.org/news/600-million-adb-loan-help-philippines-provide-universal-health-care#:~:text=MANILA%2C%20PHILIPPINES%20(19%20November%202021,care%20(UHC)%20reform%20program
[228] https://www.ph.emb-japan.go.jp/itpr_en/11_000001_00748.html

diagnostic machines, Video Observed Treatment (VOT), for 19,000 TB patients, and short-course medicines for TB prevention for 30,000 adults and children. The donation package will support TB services in Valenzuela City and the provinces of Tarlac, Bataan, Laguna, Cebu, and South Cotabato[229].

Global Fund

The Global Fund has disbursed US$655 million to the Philippines, of which US$142 million and US$159 million were for the 2018-2020 and 2021-2023 funding cycles respectively. For 2018-2020, three Principal Recipients managed the grants: Save the Children International (HIV grant); Philippines Business for Social Protection (TB grant); and Pilipinas Shell Foundation Incorporated (Malaria grant). For the 2021-2023 allocation cycle, Philippines Business for Social Protection is managing the TB grant, and the Malaria and HIV grants are being managed by the Pilipinas Shell Foundation Incorporated[230].

3.9.3 Private Sector Investments and Programs

The private sector has played a very important role during the pandemic – fast-paced development of vaccines, production of face masks, PPE, and vaccination campaigns, training and educating employees on public health and safety. It has shown that it can and should be a meaningful partner in building back better – contributing not just funding, but innovation, expertise, technology, fresh ideas, and diverse perspectives of business and employers (UN-Sustainable Development, n.d).

Table 2.9 of Chapter 2 of this report provides sample SDG Contributions of PLCs based on selected sustainability Reports. Under SDG 3, sample contributions are related to Covid-19 vaccination programs by 3 publicly-listed corporations. Table 2.10, provided a list of development programs supported by the private sector as part of their CSR programs. The list is a long list of health-related programs of health and non-health-related companies.

LINKAPIL Program, implemented through the Commission on Filipinos Overseas, has been a good channel of providing development assistance by OFWs and migrants. Data from CFO (Figure 2.34, Chapter 2) shows that from 2010 to 2018, majority of the funds through this program is health-related (ex. medical mission). However, latest data in 2021 shows that health programs or medical missions account to 11.2% of the support through this program.

3.9.4 Public and Private Sector Health Financing – Experience from Other Countries

Labeled Bonds (SDG, Sustainability, Green Sukuk, Sovereign and Health Impact Bonds)

Closing the funding gap for the health sector discussed in Section 3.7 requires significant additional and sustained public and private resource mobilization efforts. Labeled bonds such as SDG, Sustainability, Green Sukuk, Sovereign and Health Impact Bonds represents a new source of sustainable finance. The bonds listed below provide additional funding to support health-related SDG programs and projects. Chapter 2 provides detailed discussion on each of these bonds.

- The world's first health impact bond, Utkrisht impact bond was launched in India in 2017 to support improved maternal and newborn mortality in the state of Rajasthan.
- Indonesia's Green bonds, Sustainability Bonds and Green Sukuk implemented in 2018 also includes to health as part of the selected goals it contributes to.
- The world's first bond in direct support of the SDGs was launched by HSBC in 2017. Among countries, Mexico (February 2020), Paraguay (March 2021), Uzbekistan (July 2021) and Indonesia (September 2021) are the first countries to offer SDG bonds. Thailand issued its Sustainability Fund in August 2020 which will finance projects related to SDGs 3 like public health care.

3.9.5 New Sources/Other Sources of Financing SDG 3 in the Philippines

With experiences of other countries in pursuit of new ways/sources to fund the achievement of the SDGs in the country, the SDG AN2040 Fund is a pending bill in the Senate and Congress. The Fund is

229 https://www.usaid.gov/philippines/press-releases/11-24-2021-us-global-partner-donate-tools-improve-tb-service
230 https://www.theglobalfund.org/media/11448/oig_gf-oig-21-013_report_en.pdf

proposed under SB769 and HB 6790. If the bill is passed, proceeds will come from PCSO, PAGCOR, and sin taxes. (See more info under 2.4.2, Chapter 2).

Summary

The goal of this chapter is to come up with estimate costs of implementing health programs that addresses selected SDG indicators. The estimated financial requirements will provide a measure of how much is needed in order to achieve the 2030 agenda.

The chapter reviewed the existing health programs implemented by the Department of Health, which provides the overall direction and is the leader in all health-related activities at the national level. As per the local government code of 1991 and with the re-devolution based on the Supreme Court Ruling in favor of the petition filed by Governor Hermilando Mandanas, selected programs will be fully-devolved, partially-devolved or may stay with the DOH. As the local budget on health calls for a longer and wider scrutiny as the LGUs, being autonomous, has leeway in budget prioritizations and allocations and therefore may differ from one LGU to another, this study will only cover health programs that would still be implemented by the DOH at the national level whether full or partially-devolved. This process shortlisted 48 programs, which will still be implemented by the DOH and were then compared and aligned with the indicators of Sustainable Development Goal 3 which yielded 14 health programs. They include: Safe Motherhood Program, Garantisadong Pambata Program, Infant and Young Child Feeding Program, Newborn Screening Program, HIV, AIDS and STI Prevention and Control Program, National Tuberculosis Control Program, Malaria Control and Elimination Program, Philippine Cancer Control Program, Violence and Injury Prevention Program, National Family Planning Program, Adolescent Health and Development Program, Smoking Cessation Program, Immunization Program and Universal Health Care Program.

The attempt to estimate the financial requirements used the Intervention-based needs assessment approach, which involves specification of interventions that are required to achieve certain SDGs and apply relevant unit costs to the identified interventions. Unit costs, target population/groups and target rates were estimated for the years 2022-2030 for each of the selected programs using available information found from pertinent pages of the DOH, Philhealth, PSA and other websites. Two different scenarios were also considered for some of the programs in terms of gradual or 100% coverage in the starting year of 2022. Most of the estimated numbers covered only selected portions of the program that have available unit costs. They do not cover the costs of delivery in terms of training and human resources needed in delivering the program.

Some of the health programs may have different goals not aligned with the SDGs. As an example, the National Tuberculosis program's long-term goal is to significantly reduce TB burden by decreasing TB mortality rate by 95% and TB incidence by 90% by 2035. This is beyond the 2030 agenda in which the target is to end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases by the year 2030. If the goals are different, the estimated costs would also be different. The estimation used covered only treatment because it is the only available unit cost. If the target is to end TB in 2030, the estimated financial requirements amount to 4.7B a total of 6.8B is needed to reach 90% incidence in 2035 as per goal of the National Tuberculosis Program.

With the publication of the Medium-Term Expenditure Program for Universal Health Care in 2021, the DOH and Philhealth estimated financial requirements to implement the UHC for the years 2022-2026. The process of the MTEP development involved the estimation of the fiscal space for health, the different sources of funds for UHC, and the budgetary requirements using the two-tier budgeting approach under different scenarios. It also explored three different scenarios, namely, the High Scenario, Medium Scenario, and Low Scenario. The DOH-OSEC and PhilHealth will require a total budget PhP 2.34T, PhP1.68T and PhP1.22T under High, Medium and Low scenarios from 2023-2026. The high scenario presents the full cost requirements of DOH-OSEC and Philhealth in order to fulfill all strategic plan commitments without any development partner support over the medium term. Forecasting for the years 2027-2030, with the assumption that all assumptions made in the calculations for 2022-2026

remain the same, financing gap are estimated to be -Php2.7T, -1.16T and -11.9M under the high, medium and low scenarios.

This chapter was able to show that even though the health sector is a priority, there are still many gaps that needs to be addressed. With already earmarked funds, the funding gap is still huge. Closing the funding gap for the health sector requires significant additional and sustained public and private resource mobilization efforts. These funds can come from PPP Projects, Overseas Development Assistance, Private Sector Investment and Programs and most recently, Labeled bonds.

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CHAPTER 4

INFF in the Philippines: Building Blocks Assessment

Background on the Integrated National Financing Framework

The importance of the adoption of an Integrated National Financing Framework (INFF) is at the front and center of the Addis Ababa Action Agenda (AAAA) set forth in 2015. The Agenda supports the implementation of the 2030 Sustainable Development Agenda through a global framework for financing sustainable development by aligning all financing flows and policies with economic, social and environmental priorities. The AAAA emphasizes the central role of domestic resource mobilization, and the importance of aligning private investment with sustainable development along with public policies and regulatory frameworks to set the right incentives[231].

An INFF is a tool to implement the Addis Ababa Agenda at the country level. It intends to assist governments and their partners to build a more integrated approach in financing the SDGs by strengthening alignment of public and private investments with longer term sustainable development objectives. It aims to establish greater coherence in public and private financing policies and foster collaboration among stakeholders in each area of financing. There are four building blocks of an INFF as shown in Figure 4.1.

Figure 4.1. Building blocks of INFF

Source of Figure: UNDP, Development Finance Assessment Guidebook

[231] https://www.un.org/sustainabledevelopment/blog/2015/07/countries-adopt-addis-ababa-action-agenda/

These include (1) assessment and diagnostics, (2) financing strategy, (3) monitoring and review and (4) governance and coordination.

The assessment and diagnostics building block aims to provide a complete picture of national financing needs, available financing sources and the constraints and risks countries face when financing their sustainable development. In the context of the INFF approach, it lays the foundation for the development of an effective financing strategy.

Another key pillar of INFF is financing strategy. The financing strategy spells out the ways of the government for mobilizing and optimizing available resources and opportunities from domestic and international sources to finance needed SDG investments set out in the country's development plan. The strategy is intended to strengthen the alignment and vertical and horizontal integration of financing policies with the country's development plan.

Monitoring and review of how existing policies and strategies in the country address financing needs given trends, risks and constraints is another important building block of an INFF. This requires monitoring systems that generate the necessary inputs to enable decision makers and program implementers to regularly examine trends in SDG targets, financial/investment requirements for reaching the targets, and map out available resources taking into account changing circumstances brought about by risks and/or policy shocks.

Governance and coordination is another key component of the INFF. It recognizes the importance of governance mechanisms that are participatory, inclusive, gender equitable, transparent and accountable to ensure that the INFF is responsive to needs and priorities across society. These mechanisms will ensure that the information gathered through the monitoring and review building block is used for the effective implementation of the financing strategy.

The INFF approach builds integration in three levels: (1) planning and financing strategies, (2) public and private policies, and (3) collaboration across public and private sectors.

Figure 4.2. Three Levels of Integration under the INFF Approach

The last development finance assessment using the INFF framework, particularly in the context of the 2030 SDG agenda, was conducted in 2017 (published in 2018). The said study examined development finance covering 6 building blocks: (1) leadership and institutional coherence, (2) vision, (3) financing strategy, (4) financing policies, (5) monitoring and evaluation, and (6) accountability and dialogue. For mapping and analysis of the financial landscape and identification of bottlenecks and opportunities, it utilized data from development initiatives calculations based on multiple sources. At the time of the assessment, some of the existing elements that are deemed important for an INFF are still being finalized i.e. PDP-RM for 2017-2022. On the other hand, the first development finance assessment in the country done in 2014 provided a broad comprehensive survey of the existing policy and institutional arrangements and resource flows in the country. The 2014 DFA pointed out the importance of a well understood development finance and aid landscape to further shape the country's policy development framework, future reforms and a coherent financing strategy for sustainable development[232].

The INFF is recognized as a tool that could support the Philippine government in strengthening the enabling framework and financing solutions to transform the country's financing landscape, in enhancing support for the "We Recover as One" Roadmap for Covid-19, and to bridge the financing gaps in the achievement of the SDGs in the country[233].

This section of the study aims to provide information on recent developments in the Philippines in the 4 INFF building blocks. It would also examine if there are any existing gaps and opportunities particularly in the context of achieving the 2030 sustainable development agenda. The analysis of the INFF building blocks would take into account the challenges and implications brought about by the Covid 19-pandemic and the implications of the full devolution transition policy and the Mandanas-Garcia Ruling in financing the SDGs.

4.1 Assessment and Diagnostics

There are four elements of the assessment and diagnostics building block. This include financing needs, financing landscape, risks and binding constraints. Ideally, assessments are undertaken in an iterative manner, so that findings from the risk assessment, for example, also inform financing needs assessments (UN Development Finance, 2020). In the context of the time bound SDG agenda, this implies having the necessary tools to know what and where the SDG financing needs and gaps are at particular points in time while taking into account the national sustainable development agenda including emerging policy developments and priorities. Regular and comprehensive assessments can inform key stakeholders to identify opportunities where resources can be directed and optimized.

The state of this INFF building block was examined by looking into existing mechanisms in the country to determine financing needs financing landscape, risks and binding constraints particularly in the context of achieving the country's commitment to the 2030 SDG agenda.

4.1.1. Financing Needs

Financing needs in the Philippines are informed by national, regional and local development plans and investment programs. Central to the assessment, identification and prioritization of financing needs is the Philippine Development Plan (PDP) which is the main catalyst for concerted action towards meeting the country's long term development vision and international commitments including the SDGs. Priorities and strategies for achieving these priorities are cascaded in sectoral plans, public investment program and in the national and medium term expenditure program of the government. More elaborate strategic action plans for thematic concerns i.e. Philippine Disaster Risk Reduction Management Plan, Gender and Development Plan, National Plan of Action for Children, and Philippine Action Plan for Sustainable Consumption and Production are likewise formulated and identifies specific policy action towards achieving the vision and goals on these thematic issues. Meanwhile, at the sub-national level, local development plans i.e. Comprehensive Development Plan (CDP), Local Development Investment Program, guided by the PDP and PIP strategic directions and priorities as well as those provided in the national strategic action plans, further provide local specific information on needs and priorities that require resource support given existing development trends and priorities at the local level.

[232] DFA 2014 p. 1
[233] https://www.manilatimes.net/2021/09/18/business/top-business/integrated-financing-network-launched/1815174

The Philippine Development Plan (PDP) serves as a central implementation mechanism for policy and program action for the realization of the long term vision and sustainable development agenda for the country. The PDP 2017-2022 is the country's first medium term development plan that is anchored in the long-term vision for the country (referred as Ambisyon Natin 2040) and the 2030 SDG Agenda. The PDP maps out the country's strategic directions and priorities for the medium term. To achieve the AN2040 vision and the 2030 SDG Agenda, the goals have been translated into coherent strategies and policies in the PDP[234]. The PDP, with its results-based orientation, is accompanied by Results Matrices (RM). The PDP-RM lays out information on the indicators and medium-term targets given development goals, strategies, priorities and desired societal outcomes in the PDP. The RM also includes assumptions for the targets.

The Philippine government adopts the "whole of government and whole of society" approach for crafting and implementation of its development plan. For instance, the PDP 2017-2022 was approved in February 2017 by the National Economic and Development Authority (NEDA) Board following a series of Cabinet level and technical interagency discussions and stakeholders' consultations. Programs, and projects are identified by government agencies in support of the PDP and are embodied in the Public Investment Program (PIP). Meanwhile, the implementation strategies required to achieve the SDGs which are found in the PDP, and the subsequent sectoral plans are mainstreamed and localized through the Regional Development Plans (RDP) and Comprehensive Development Plans (CDP) at the regional and local level[235].

The PDP serves as the de facto SDG roadmap. It sets out the overall framework and expected outcomes to guide the preparation and execution of public investment programs (PIP), budgets and financing strategies. The PDP provides benchmarks and standards from which the progress and realization of development programs, projects and activities can be examined and assessed. The PDP and the PIP therefore are deemed central for informing financing needs and priorities in the country.

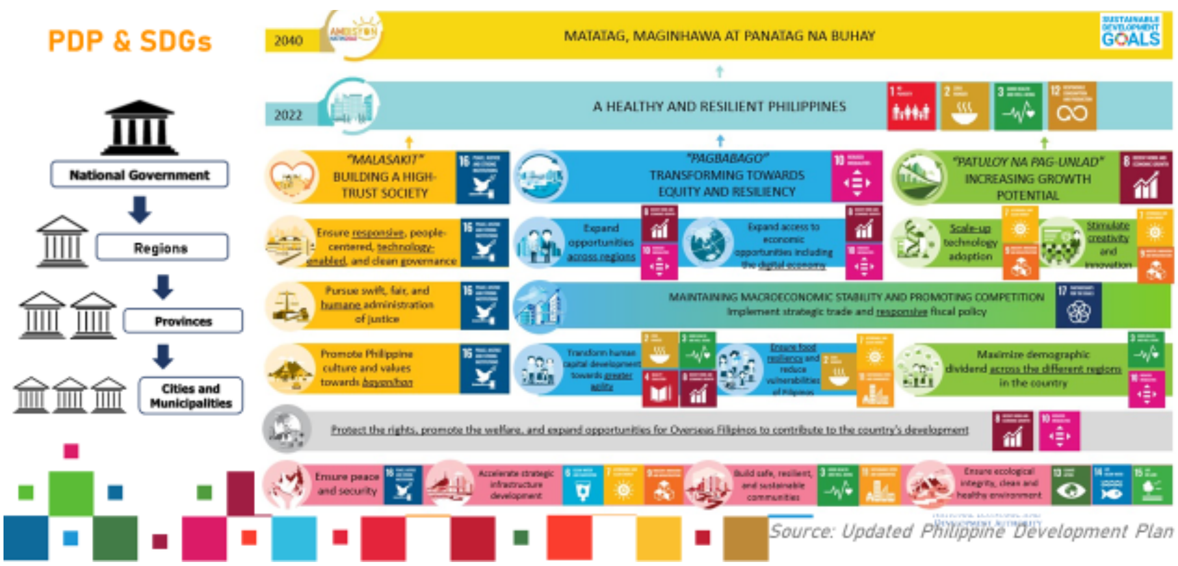
The AmBisyon Natin 2040 (AN 2040) is the result of a long-term visioning process that began in 2015 drawing from the results of the conduct of a national survey and focus group discussions, technical studies that identified strategic options for realizing the vision, and consultations from government agencies, private sector, academe, and civil society. The AN 2040 was approved and adopted, by virtue of Executive Order No. 05 (s. 2016) of the President of the Republic of the Philippines, as the country's 25-year long term vision and a guide for development planning. The AN 2040 manifests the State's long running commitment to ensure that all socioeconomic programs and activities shall be programmed within the context of well formulated and consistent long, medium and term development plans and policies to promote both the growth of the economy and the equitable distribution of that growth to the members of the society[236]. In line with this, as articulated in Executive Order 05 s. 2016, the four PDP's to be crafted and implemented until 2040 shall be aligned with the country's long-term vision.

Meanwhile, as a member of the United Nations General Assembly, the Philippines has earlier committed to the 2030 Sustainable Development Goals Agenda which was adopted with the UN GA Resolution 70/1 in 2015. The government has since strengthened the localization of the SDGs in the country with the integration of the SDG agenda in the planning, budgeting, program implementation and monitoring processes in the country. It adopted a whole of government and whole of society approach in crafting and implementing policies and program action towards meeting sustainable development goals and commitments. All government agencies and instrumentalities including GOCCs and local government units in the country are directed to adopt and implement the PDP and the Public Investment Program (PIP), for the period 2017-2022, whether or not they receive funding through the General Appropriations Act (GAA)[237].

[234] Drawn from Executive Order 27 by the President issued in 2017
[235] SDG-NEDA website, January 2022
[236] As required by Administrative Code of 1987 (EO 292)
[237] Section 1 of EO No. 27

The SDGs have been aligned with the long-term vision of having a strongly rooted, comfortable and secure life (Matatag, Maginhawa at Panatag na buhay) in the PDP 2017-2022. Specifically, SDG indicators are included as part of the PDP-Results Matrices (RM) and are aligned with the goals, objectives, expected development outcomes, benchmarks and targets of the development strategies and priorities set in the different chapters of the Plan. The integration of the SDGs in the PDP is illustrated in Figure 4.2.

Figure 4.3. Incorporation of the SDGs in the PDP



Source: NEDA SDG Secretariat (2022)

The PDP is accompanied by a results matrix (RM). The RM is an instrument intended to provide a results-based orientation to the PDP. The matrix contains a list of indicators and targets within the medium term (for a period of 6 years) which would facilitate measurement and monitoring of the achievements of set objectives and expected outcomes laid out in the PDP. The PDP-RM provides benchmarks that guides planning and investment programming across sectors and levels of government. It also provides measurable standards from which performance of the government and its instrumentalities at the national and local levels may be assessed particularly in terms of contributing towards achievement of national development goals.

While the PDP RM has been aligned with the SDGs, it is observed that there are indicators identified in the 2030 Nationally Determined Numerical Targets for SDGs that are not in included in the PDP-RM 2017-2022. There are also no indicators included for SDG 12 and SDG 17 in the RM.

Of the 173 indicators in the 2030 Nationally Determined Numerical Targets, 70 are in the PDP-RM:

- SDG 1 - 6 indicators
- SDG 2 - 7 indicators
- SDG 3 - 25 indicators
- SDG 4 - 9 indicators
- SDG 5 - 3 indicators
- SDG 6 - 1 indicator
- SDG 7 - 2 indicators
- SDG 8 - 5 indicators

- SDG 9 - 4 indicators
- SDG 10 - none
- SDG 11 - 2 indicators
- SDG 12 - none
- SDG 13 - 1 indicator
- SDG 14 - 1 indicator
- SDG 15 - 2 indicators
- SDG 16 - 2 indicators
- SDG 17 - none

The correspondence of the PDP with the SDGs is further shown in Table 4.1.

Table 4.1. Correspondence of the PDP and the SDGs

<table>
<tr><th rowspan="2">SDG</th><th rowspan="2">PDP Chapter</th><th rowspan="2">Measure/Indicator Based on RM</th><th colspan="2">Target</th></tr>
<tr><th>SDG Target</th><th>PDP Target</th></tr>
<tr><td>SDG 1- No Poverty</td><td>Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos</td><td>• Number of deaths attributed to natural disasters per 100,000 population
• Number of deaths attributed to human-induced disasters per 100,000 population
• Number of missing persons attributed to natural disasters per 100,000 population
• Number of directly affected persons attributed to natural disasters per 100,000 population</td><td></td><td>• 0
• 0
• 0
• 0</td></tr>
<tr><td></td><td>Chapter 12- Building Safe, Resilient, and Sustainable Communities</td><td>• Proportion of families with owned or owner-like possession of housing units
• Proportion of families with access to secure tenure</td><td>• ≅100 (Global)
• ≅100 (Global)</td><td>• 77.68
• 98.26</td></tr>
<tr><td></td><td>Chapter 19: Accelerating Infrastructure Development</td><td>• Proportion of cities/municipalities served by water districts (WDs) with 24/7 water supply increased (%, cumulative)
• Proportion of cities/municipalities served by sewerage or septage management facilities to total number of cities/municipalities increased (%, cumulative)
• Proportion of households (HHs) with access to safe water supply to total number of HHs increased (%, cumulative)
• Proportion of HHs with access to improved sanitation to total number of HHs increased (%, cumulative</td><td></td><td>• 90.00
• Target to be determined
• 95.87
• 95.95</td></tr>
<tr><td></td><td>Chapter 20:</td><td>• Percentage of LGUs with climate and</td><td>•</td><td></td></tr>
</table>

	Ensuring Ecological Integrity, Clean and Healthy Environment	disaster risk-informed plans increased (%)		
SDG 2-Zero Hunger	Chapter 8: Expanding Economic Opportunities in Agriculture, Forestry, and Fisheries and Ensuring Food Security	• Prevalence of moderate or severe food insecurity in the population based on the Food Insecurity Experience Scale	•	
	Chapter 10: Human Capital Development Towards Greater Agility	• Proportion of households meeting 100 percent recommended energy intake increased (%) • Prevalence of stunting among children under 5 decreased (%) • Prevalence of wasting among children under 5 decreased (%) • Prevalence of overweight among children under 5 decreased (%) • Prevalence of Vitamin A deficiency among children aged 6 months to 5 years old decreased (%) • Prevalence of Anemia among a) 6 mos. to 5 years old; b) pregnant; c) lactating; d) 60 years old and up; e) and women of reproductive age (15-49 years old, non-pregnant and non-lactating) • Prevalence of exclusively breastfed children among 0 to 5 months old increased (%)	• ≈100 • 18.8 • <5 • No increase • • ≈0 • 100	• 32.2 • 28.8 • 9.0 • ≤3.9 • <15 • 6.5 • 11.6 • 7.9 • 9.8 • 6.0
	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Prevalence of moderate or severe food insecurity in the population, based on the Food Insecurity Experience Scale	•	•
SDG 3-Good Health and Well Being	Chapter 10: Human Capital Development Towards Greater Agility	• Maternal mortality ratio decreased (per 100,000 live births) • Neonatal mortality rate decreased (per 1,000 live births) • Infant mortality rate decreased (per 1,000 live births) • Under-5 mortality rate decreased (per 1,000 live births) • Mortality rate attributed to cardiovascular disease, cancer, diabetes, and chronic respiratory diseases decreased (number of deaths per 100,000 population	• 6.5 • 9.8 • 20.69 • No PDP Targets	• 108 • 10 • 15 • 22.0 • 367.1

		aged 30-70 years old) • Death rate due to road traffic injuries decreased (per 100,000 population) • Adolescent birth rate (aged 15-19 years) (per 1,000 women in that age group) decreased • Tuberculosis incidence decreased (per 100,000 population) • Malaria incidence decreased (per 100,000 population) • Number of newly diagnosed HIV cases decreased • Percentage of drug abuse cases who completed treatment increased (%) • Age-standardized prevalence of current tobacco among persons aged 15 years and older • Proportion of births attended by skilled health personnel increased (%) • Proportion of births delivered in a health facility increased (%) • Proportion of women of reproductive age (15-49 years old) who have their unmet need for modern Family Planning (FP) decreased (%) • Proportion of fully immunized children increased (% • Percentage of health facilities with no stock out of essential drugs and vaccines increased (%) • Percentage of women ages 15-49 who received antenatal care from skilled health personnel for the most recent birth increased • Percentage of women age 15-49 with a postnatal check-up in the first two days after birth increased • Out-of-pocket health spending as percentage of total health expenditure (%) • Percentage of population covered by social health insurance	• 0.05 • 4.45 • 30.3 • ≈0 • ≈0 • ≈0 • No Global/PDP Target • 15.28 • ≅100 (Global) • ≅100 • No Global/PDP Target • ≅100 (Global) • ≅100 (Global) • 43.47 • ≈100	• 8.6 • 37.0 • 510.0 • 1.05 • 18,900 • 88 • 51.6 • 18 • 99.0 • 95.0 • 5.0 • 95.0 • 90.0 • 95.0 • 95.0 • Target to be determined • 100
	Chapter 11: Ensuring Food Resiliency of Filipinos	• Out-of-pocket health spending as percentage of total health expenditure • Percentage of population covered by health insurance	• 43.47 • ≈100	• Target to be determined • 100
	Chapter 13: Reaching for the Demographic Dividend Across all Regions	• Under-5 mortality rate (per 1,000 live births) decreased • Adolescent birth rate (aged 15-19 years) (per 1,000 women in that age group) decreased	• 20.69 • 30.3	• 22.0 • 37.0

		• Prevalence of stunting among children under 5 decreased (%)	• ≈100	• 28.8
	Chapter 19: Accelerating Infrastructure Development	• Road traffic accident rate reduced (in number of incidents per 100,000 population)	•	• 10.0
SDG 4- Quality Education	Chapter 10: Human Capital Development Towards Greater Agility	• Functional literacy rate increased (%) • Net enrollment rate increased • Completion rate increased • Proportion of learners achieving at least "nearly proficient" level in NAT increased (%) • Certification rate of Technical and Vocational Education Training (TVET) graduates increased (%) • Ratio of male to females in tertiary education • Ratio of male to female enrollees in higher education • Ratio of male to female trainees in TVET • Percentage of Faculty with MS/MA degree/s increased • Percentage of Faculty with Ph.D. degree/s increased • Number of TVET Trainers trained in Trainers Methodology • Percentage of passing rate of licensure examinees increased	• 100% • • Increasing	• Target to be determined • 92 • 1:1.2 • 45.00 • 19.00 • 11,000 • 38.39
	Chapter 13: Reaching for the Demographic Dividend Across All Regions	• Proportion of learners completing levels of education (Completion Rate) increased (%)		•
	Chapter 19: Accelerating Infrastructure Development	• Proportion of public schools with connection to electricity to total number of public schools increased (%, cumulative • Proportion of public schools with adequate water and sanitation facilities to total number of public schools increased (%, cumulative) • Proportion of public schools with internet access to total number of public schools increased (%, cumulative)		•
SDG 5s Gender Equality	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Proportion of violence against women cases reported in DSWD served • Proportion of child abuse cases reported in DSWD served		• 100 • 100
	Chapter 20: Ensuring Ecological	• Number of free patents issued increased		• 72,000

	Integrity, Clean and Healthy Environment	• Number of issued Certificate of Ancestral Domain Title (CADTs) increased		• 12
SDG 6 – Clean Water and Sanitation	Chapter 20: Ensuring Ecological Integrity, Clean and Healthy Environment	• Percentage of priority water bodies within water quality guidelines increased (e.g., biochemical oxygen demand (BOD), dissolved oxygen (DO), potential of hydrogen (pH), temperature, phosphorus (P), total suspended solids (TSS), and fecal coliform • Percentage of priority water bodies within water quality guidelines increased (e.g., biochemical oxygen demand (BOD), dissolved oxygen (DO), potential of hydrogen (pH), temperature, phosphorus (P), total suspended solids (TSS), and fecal coliform		•
SDG 7- Affordable and Clean Energy	Chapter 19: Accelerating Infrastructure Development	• Power requirements met (% available capacity over peak demand) • Proportion of households (HHs) with electricity to total number of HHs increased (%, cumulative)		• 139 • 100
SDG 8 – Decent Work and Economic Growth	Chapter 9b- Expanding Economic Opportunities in Services	• Tourism GVA as proportion of GDP increased (%) • Tourism employment as a proportion to total employment (%)	•	• 10.1 • 14.4
	Chapter 10: Human Capital Development Towards Greater Agility	• Percentage of youth NEET decreased (cumulative) • Labor productivity in industry sector increased (% growth) • Labor productivity in service sector increased (% growth)	•	• 17.0 – 19.0 • 4.40-4.65 • 5.35-5.61
	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Number of child laborers ('000)	•	• 0
	Chapter 13: Reaching for the Demographic Dividend Across All Regions	• Percentage of Youth NEET (%) decreased - cumulative	•	• 17.0–19.0
	Chapter 15: Ensuring Sound Macroeconomic Policy	• Proportion of adults (15 years and older) with an account at a bank or other financial institutions or with a mobile-money-service provider	• 53.3%	• Not a survey year
SDG 9 – Industry, Innovation and Infrastructur e	Chapter 9a: Expanding Economic Opportunities in Industry	• Manufacturing GVA as a proportion of GDP increased (%) • Manufacturing GVA per capita (in increment) increased (PHP) • Manufacturing employment as a proportion to total employment		• 16.8-17.0 d, g • 2,147- 2,500 d, h

		increased (%)	• For reporting only	• 8.3-8.6k
	Chapter 9C: Expanding Access to Economic Opportunities in I&S for Startups, MSMEs, and Cooperatives	• Proportion of small-scale industries' GVA in total industry GVA increased	•	• To be determined
	Chapter 14: Vigorously Advancing Science, Technology, and Innovation	• R&D expenditure as a proportion of GDP increased (in percent, incremental) • Number of Researchers per million population increased (incremental) • Number of Science, Technology, Engineering, and Mathematics (STEM) enrollees in higher education institutes (HEIs) increased (in million, incremental) • Number of STEM graduates in HEIs increased • Number of STEM enrollees in high school increased • Number of STEM graduates in high school increased • Number of scientific articles published in Web-of-Science (Social Science and Science Citation Indexes) by researchers affiliated with Philippine institutions • Number of Balik Scientists Engaged increased (incremental) • Number of government Chief Information Officers (CIO) trained and employed in government agencies • Number of government employees with certifications in intermediate to advanced digital skills • Number of ICT Innovation Networks established fostering STI culture	• 0.5% or 1.0% 1/	• Increasing • 300 • 2.03 • 50,000 • 542,650 • 231,084 • Increasing • 151 • Increasing • Increasing • 35
	Chapter 19: Accelerating Infrastructure Development	• Travel Time (decreased) via land per key corridor • Air passenger movement increased (in number of passengers, cumulative) • Cargo shipped via air increased (international and domestic) (MT, cumulative • Passengers transported by sea increased (in number of passengers, cumulative) • Cargo shipped increased (international and domestic) (MT,		• 38,331,790 • 328,931,087 • 93,273,505 • 328,931,087

		cumulative) • Number of vehicles carried by Roll-on/Roll-off (RORO) vessels increased • Passenger trips via rail in Metro Manila increased (in % share to total passenger trips, cumulative)		• 6,837,140 • 19
SDG 10 – Reduced Inequalities	Chapter 21: Protecting the Rights, Promoting the Welfare, and Expanding Opportunities for Overseas Filipinos	• International remittance costs as a proportion of the amount remitted		• <3.0
SDG 11 – Sustainable Cities and Communitie s	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Number of deaths attributed to natural disasters per 100,000 population • Number of deaths attributed to human-induced disasters per 100,000 population • Number of missing persons attributed to natural disasters per 100,000 population • Number of directly affected persons attributed to natural disasters per 100,000 population		• 0 • 0 • 0 • 0
	Chapter 12: Building Safe, Resilient, and Sustainable Communities	• Proportion of urban population living in informal settlements decreased	• <1%	• 2.35
	Chapter 20: Ensuring Ecological Integrity, Clean and Healthy Environment	• Percentage of highly urbanized and other major urban centers within ambient air quality guideline value (i.e., Particulate Matter (PM10) and PM2.5) increased (%) • Percentage of LGUs with climate and disaster risk-informed plans increased (%)	• 100%	• Increasing •
SDG 12 – Responsible Consumptio n and Production				
SDG 13 – Climate Action	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Number of deaths attributed to natural disasters per 100,000 population • Number of missing persons attributed to natural disasters per 100,000 population • Number of directly affected persons attributed to natural disasters per 100,000 population	• Deaths – 0Missing – 0 • Affected persons – decreasing trend	• 0 • 0 • 0
	Chapter 20:	• Percentage of LGUs with climate		•

	Ensuring Ecological Integrity, Clean and Healthy Environment	and disaster risk-informed plans increased (%		
SDG 14 – Life Below Water	Chapter 20: Ensuring Ecological Integrity, Clean and Healthy Environment	• Coverage of protected areas in relation to marine areas (%)	•	• Maintained
SDG 15- Life on Land	Chapter 20: Ensuring Ecological Integrity, Clean and Healthy Environment	• Forest Cover increased (Million ha, cumulative) • Area of terrestrial protected areas (including inland wetlands and caves) under National Integrated Protected Areas System (NIPAS) effectively managed increased (in ha, cumulative		• Increasing •
SDG 16- Peace, Justice and Strong Institutions	Chapter 5; Ensuring Responsive, People-Centered, Technology-Enabled, and Clean Governance	• Percentile rank in the WGI-Control of Corruption Indicator improved • Percentage of families who have bribed or were asked for a bribe by at least one public official in the past 12 months	•	• 60
SDG 17- Partnership for the Goals				
Cross Cutting	Chapter 11: Ensuring Food Resiliency and Reducing Vulnerabilities of Filipinos	• Total government expenditures in Social Protection Programs as a percentage to GDP • Share of total government expenditures on Social Protection to Total Budget	•	• With targets for years 2021 and 2022 only • Target to be determined; no targets for previous years

Meanwhile, it is observed that there are indicators identified in the Nationally Determined 2030 SDG Numerical Targets which are not in the current PDP-RM. Among these are SDG 1 indicators i.e., proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural), proportion of population living below the national poverty line, by sex and age. According to the NEDA-SDG secretariat, while these indicators are classified as Tier 1, standards for these indicators i.e., by age group are yet to be established to date. The exclusion of some of the indicators, progress and gaps in the achievement of desired outcomes for these Goals cannot be measured and assessed, and may result to underestimation of needed strategies, investments and financing to accelerate the achievement of the Goal.

Public Investment Program

Aside from the RM, the PDP is accompanied by a Public Investment Program (PIP). The PIP elaborates on a rolling list of priority programs, and projects (PAPs) to be implemented by the national government (NG), government-owned and controlled corporations (GOCCs), government financial institutions (GFIs), and other national government offices and instrumentalities that are geared towards the achievement of goals and targets set in the PDP and the RM.

The development finance assessment exercise conducted in 2017 pointed out that while programmes and projects included in the PIP may be financed in partnership with the private sector or through ODA, specific funding gaps that could be filled by non-state actors are not articulated in the PIP.

Localization of the SDGs and the PDP-RM

The implementation strategies to achieve the SDGs, which are found in the PDP and the subsequent sectoral plans, are mainstreamed and localized through the Regional Development Plan and Comprehensive Development Plans (CDP) at the regional and local level. To ensure convergence, complementation, and harmonization of priorities as spelled out in the PDP and the SDGs, policies affecting planning and budgeting are issued[238].

For example, guidelines were provided by the National and Economic and Development Authority (NEDA) and the Department of the Interior and Local Government (DILG) for the localization of the PDP 2017-2022 Results Matrices (RM) and the SDGs through the issuance of DILG-NEDA Joint Memorandum Circular No. 01 Series of 2018. In particular, said policy issuance aims to provide guidance on the institutionalization of 4 key areas: (1) formulation of provincial RMs that entails determination of applicable provincial and city/municipal level indicators, baselines, and targets based on the established regional RMs and in accordance with the local development plans; (2) formulation of RMs of cities/municipalities in the National Capital Region; (3) ensuring LGU commitment to implement PPAs and allocate budgets for the achievement of the targets; (4) annual assessment of contributions of cities, municipalities and provinces in the attainment of the PDP-targeted priorities and outcomes, and consequently achievement of the PDP and the SDGs.

Sectoral and Strategic Action Plans

There are sectoral and strategic action plans that further point out specific needs and priorities, and defines or sets longer term targets (beyond 6 years and some until 2030). On the other hand, there are still gaps. For example, the National Disaster Risk Reduction Management Plan 2020-2030 – contains a list of activities with timeline but no quantitative targets. The Department of Health (DOH) Medium Term Expenditure Program (MTEP) for the Universal Health Care includes targets until 2026 but still fall short of the 2030 SDG agenda and nationally determined numerical SDG targets. The DSWD Refreshed Strategy 2028, while containing targets particularly for the implementation of the 4Ps program for 2024 and 2028, have no mention of the necessary resource requirements to achieve the targets.

Government Budgeting System

The existing government budgeting system provides a solid foundation for linking the annual budget with the PDP and the SDGs so that limited resources are allocated and spent on programmes that achieve the desired societal goals and outcomes (Manasan, 2020). Meanwhile, financing plans- particularly sources of funds and planned spending, for the implementation of the PAPs are informed through the country's National Expenditure Program (NEP) and the Medium-Term Expenditure Program (MTEP).

A 2020 study by Manasan reviewed the existing planning and budgeting systems prior to the pandemic to assess how the government fiscal policy supports the SDGs. It pointed out that the Philippines planning and budgeting systems are already well placed in terms of capacity to support the achievement of the SDGs. Aside from the alignment of the PDP and RM with the SDGs, the assessment highlighted that the results and performance-based orientation of the country's budgeting system provides a solid foundation to link the annual budget with the PDP and the SDGs so that limited resources are allocated and spent on programmes that achieve the desired societal goals and outcomes. It emphasized the importance of initiatives toward an SDG expenditure tagging exercise to assist policy makers in evaluating the effectiveness of the SDG-related programmes of various government agencies and in prioritizing its limited

[238] DILG-NEDA Joint Memorandum Circular No. 01 Series of 2018

resources.

4.1.2 Financing Landscape

Data on the financial flows in the country affects the provision of necessary resource support for implementation of programs, projects and activities

4.1.2.1 Public Sector Financial Management

The Budget, Treasury and Management System (BTMS) is one of the tools implemented by the government to achieve better efficiency, transparency and accountability in the use of public resources. In 2019, BTMS was enhanced into a digital platform to further harmonize existing financial information and reporting systems and generate timely data that can be used for policy and decision making. The implementation of the BTMS provides an opportunity to keep track of and generate reports on actual public spending including those projects and programs related to meeting the SDGs at the national and local level. The outputs and recommendations of the on-going SDG budget tagging exercise are intended to be useful for coding related programs/project expenditures in the existing BTMS. Meanwhile, with the SDG tagging in the Public Investment Program Online (PIPOL) system, potential gaps in the amount of investments and number of projects per SDGs can be estimated. To improve such initiative, expanding tagging up to the level of SDG targets may be considered.

Meanwhile, information on financial flows is generated through the Cash Operations Report, Budget, Expenditures and Sources of Financing, and the General Appropriations Act. While data on financial flows are regularly generated from different sources, data is still limited (if not absent) on the resources earmarked or programmed to meet the SDG targets.

4.1.2.2 Private Sector Contribution

Meanwhile, the private sector has been contributing to mobilization of additional financing to support the country's sustainability commitments which include the SDGs. One of which is through raising revenues from labeled bonds which is aligned with the government's - Sustainable Finance Framework and Roadmap. For instance, from at least US$1.8 Billion worth of funds from green bonds jointly raised by the government and the private sector, additional resources have been generated for climate mitigation (US$1B), US$150M for sustainable energy, US$ 413M for renewable energy, and P 15B for green projects. In addition, about US$3.3 Billion has been generated from sustainability bonds from which US$ 1.9B are for climate change adaptation and mitigation and US$150M in blue bonds to support marine protection. About P 21.5 billion pesos (from Covid Action Response bonds) will support pandemic hit MSMEs. Meanwhile at least 10.6% of the 2019 loan portfolios of banks had been earmarked for green financing and social projects. On the other hand, additional data are needed to determine and examine how these investments translate to desired sustainable development outcomes and targets.

In addition, through their CSR and ESG related programs, the private sector continues to support the country's sustainable development agenda, and its investment has increased over time. In 2017 alone, according to a UNDP supported report on transformational business: contributions of the private sector to the UN SDGs covering programs of 75 private companies, at least P40. 7 billion worth of private sector investment on social and sustainable development had been aligned with the SDGs. Top investments (in terms of amount invested) are aligned with SDG 11, SDG 4, SDG 7 and SDG 3; In terms of number of initiatives, most of the private sector programs are aligned with SDG 8 and SDG 12. Latest data gathered from sustainability reports and other sources including company websites indicate that private sector companies continue to support programs that are aligned with the SDGs. On the other hand, we note that there is lack of information particularly on costing of these programs

4.1.3 Risk Assessment

The last assessment done using the INFF framework to capture the systems and initiatives across government, the private sector, civil society, and international partners in relation to financing sustainable development objectives was conducted in 2017 (published in 2018). From the said assessment, the following recommendations were set forth.

The 2018 DFA highlighted that while important elements of the INFF already exist in the Philippines, there is scope to strengthen how government develops and implements policy across all types of financing—especially in relation to financing strategy, financing policies, monitoring and evaluation, and accountability and dialogue. Specific recommendations were categorized in 4 areas that gear towards fostering an integrated financing solution for generation and realignment of resources, better service delivery, and for strengthening transparency and accountability. Recommendations included: (1) the establishment of a long term financing strategy to direct resource mobilization efforts and to maximize impact of all resources- both public and private, (2) development of financing policies for leveraging the untapped potential of private finance and or better and for better coordinating development cooperation, (3) inclusion of financing targets in the PDP-RM, and ensure necessary data are in place to allow timely and consistent monitoring, and (4) enhancement of mechanisms for multi-stakeholder dialogue in order to strengthen the role of non-stake actors in sustainable development.

Table 4.2. 2017 Development Finance Assessment, Recommendations, Identified Next Steps, and Status of Implementation

2017 DFA Recommendations	Identified Next Steps	Status
1. Establish a long-term holistic financing strategy to direct resource mobilization efforts and to maximize impact of all resources- public and private	• Consultation between NEDA, DOF, DBM and other relevant government agencies and inter-agency committees on the value of developing such a strategy. • Commission phase 2 of a development finance assessment under the guidance of NEDA, DOF and other key government agencies in order to assess and present options on how to structure a holistic resources mobilization strategy to meet the objectives of the PDP and the SDGs—including at the subnational level; and provide initial analysis to inform such a strategy	A Sustainable Finance Framework and Roadmap was developed and launched with proceeds of identified instruments to be allocated for social and green projects (aligned with SDGs. (Further details and discussion provided in section on Sustainable Financing)
2. Develop financing policies for leveraging the untapped potential of private finance and for better coordinating development cooperation	Consult with relevant agencies and actors involved in planning for or mobilizing remittances, development cooperation and private capital on how to more effectively leverage their potential in future. For remittances, this should include an additional step—i.e., reviewing existing work on specific instruments used to channel remittances to long-term investment and considering if/ how these could be applied in the Philippines. For private finance, consultations should cover the role of the private sector in public investment projects, main challenges and options for overcoming them (with the view of	

	freeing resources, such as concessional ODA, for purposes that the private sector is less likely to be able to contribute toward) Led by NEDA, DOF, DBCC and other relevant government agencies and inter-agency committees.	
3. Include financing targets and indicators in the PDP-RM and ensure necessary data systems are in place to allow timely and consistent monitoring	Based on estimates of costs and types of investments identified in the financing strategy and policies, undertake further work to identify annual and medium- term funding targets for specific financing flows (e.g., commercial investments, development cooperation and remittances) for inclusion in the PDP-RM. In consultation with relevant stakeholders, develop input, output, outcome and impact indicators to monitor mobilization and use of such funding against selected targets. Review existing data systems and identify overlaps and gaps vis-à-vis the data requirements of selected indicators and consider if/how these could be integrated to maximize effective use of monitoring. Led by NEDA and PSA in consultation with local government, private sector and development partners.	- SDG indicators have been included in the PDP RM except for SDG 12 and SDG 17. Moreover, there are indicators in the nationally determined 2030 SDG numerical targets that are not included in the PDP-RM 2017-2022. - There are also no financing targets for meeting the SDGs
4. Enhance mechanisms for multi-stakeholder dialogue in order to strengthen the role of non-state actors in sustainable development	Consultations between government, private sector umbrella organizations (e.g., Makati Business Club), development partners and civil society representatives on how the PDF could be strengthened as a national-level multi-stakeholder dialogue platform and Regional Development Councils as subnational platforms, and whether and how more focused platforms would benefit each party. Review lessons learned from the experiences of other countries that have successfully set up multi-stakeholder dialogue platforms, including public–private fora, coordinated development partners' consultation mechanisms, and civil society fora. Led by NEDA in consultation with development partners, representatives of the private sector and civil society.	- Stakeholders Chamber established in support of the Sub-Committee of the SDGs created in 2019 (details provided under Governance and Coordination section) - Securities and Exchange Commission (SEC) MC (2019)- issued in February 2019 to provide guidelines for publicly listed companies assess and manage their non-financial performance across economic, environmental and social aspects of their organization and enable PLCs to measure and monitor their contributions towards achieving universal targets of sustainability such as the UN SDGs as well as national policies and programs i.e., Ambisyon Natin 2040

Philippines Voluntary National Review (VNR). One of the mechanisms by which the country reports on the progress on the sustainable development goals is the Voluntary National Review. Taking off from the first VNR in 2016, the country conducted its second VNR in 2019 with focus on the progress in achieving Goals 4 (Quality Education), 8 (Decent Work), 10 (Reduced Inequalities), 13 (Climate Action), 16 (Peace, Justice and Strong Institutions), and 17 (Partnership for the Goals). "According to the second VNR of the

Philippines conducted in 2019, the country has employed a whole-of-government and whole-of-society approach to SDG implementation. National actions are grounded in laws to ensure robustness. Cross-sectoral coordination and orchestration of actions are done through existing institutional mechanisms. Stakeholders are informed and engaged in discussions. An SDG website was developed to provide a platform for broader engagement, including the youth and the Filipino diaspora.

The 2022 VNR has just been completed following previous VNRs in 2019 and 2016. The latest VNR currently focuses on selected SDGs, particularly Goals 4, 5, 15, and 17, to contribute to focus areas of the High-Level Policy Debate.

4.1.3 Risk Assessment

Fiscal Risk Statement. Macroeconomic parameters that are considered in the government's budget preparation and thereby in its annual fiscal program are periodically reviewed. A fiscal risk statement is being prepared annually by the Development and Budget Coordination Committee (DBCC). The DBCC is comprised of the Department of Budget and Management (DBM), the National Economic and Development Authority (NEDA), the Department of Finance (DOF), and the Central Bank of the Philippines. The DBCC is the government body that reviews and approves the macroeconomic targets, revenue projections, borrowing level, aggregate budget level and expenditure priorities. It also provides recommendations, on the consolidated public sector financial position and the national government fiscal program, to the Cabinet and the President.

The fiscal risk statement informs policymakers and program implementers on the country's overall macroeconomic performance and outlook as well as adjustments in the planned fiscal program taking into account projected risks and impacts of shocks and other recent developments on key indicators. It provides a snapshot of the impacts and risks to financial flows and is indicative of actual and/or projected adjustments in development priorities. The latest fiscal risk statement is as of 2022.

4.1.4 Binding Constraints

SDG Performance Audit. In 2018, a report was prepared by the Commission on Audit on the country's preparedness in the implementation of the SDGs. The audit assessed how the Philippine Government has provided the necessary enabling environment for integration of the 2030 SDG agenda in national context, the means of implementation, and the mechanisms established for monitoring, follow up, review and reporting of progress towards implementation of the SDGs. The report identified areas for SDG integration into national context that are completed, not yet completed/incomplete, and not done yet. While the report laid out important progress in the implementation of the SDGs in the country, it also pointed out key issues relating to the partial integration of the SDGs in the PDP-RMs as well as gap in operationalizing inclusiveness and leaving no one behind principle of the 2030 SDG agenda. Another important issue raised is the lack of information in the Socio-Economic Report (SER) on the extent on the integration of the SDGs in the PDP. Central concern on these issues is that they may lead to unfunded programs relating to the affected SDGs not being monitored and assessed, and non-engagement of key stakeholders to foster the core SDG principles of inclusivity and that no one is left behind.

Other related assessment and studies. A recent study on financing for development in the Philippines by Flores and Pacapac (2021), supported by Social Watch Philippines and OxFam, emphasized the importance of transparency and accountability to guarantee efficient and judicious use of funds in the context of challenges of fighting poverty, economic and gender inequalities, and of the Covid19 pandemic. It pointed out the need for aid to focus on self-reliance based on localization, untying assistance and support for progressive revenue raising. It highlighted to consider for a "debt brake" if government exceeds manageable levels and for donors to emphasize grants over loans. A study by Manasan (2020), supported by the UN ESCAP, pointed out that the Philippine planning and budgeting systems are well placed in terms of their capacity to support the achievement of the Sustainable Development Goals

(SDGs).

A World Bank assessment (2019) on the Philippines Financial Sector highlighted that there is opportunity for deepening financial markets for green growth, by addressing several market and institutional barriers. The study points out that with limits in public spending, there is great need, but also a significant opportunity for the private sector to contribute to green inclusive growth, including finance for climate resilience and mitigation efforts. One of its recommendations, to scale up green equity and debt financing in the Philippines, is the use of blended vehicles in which concessional finance from public and/or development agencies is used to share some of the risks with private sector investors, otherwise unwilling or unable to invest. It further suggested the introduction of a green investment fund, which would blend concessional finance with private capital to invest in strategic green priorities set by the government.

Sources of data for assessment and diagnostics

Financial Flows and the SDGs

Major existing sources of data/information for the conduct of monitoring and review of financial flows and their uses are the cash operations report (COR) of the Bureau of Treasury, and the Budget of Expenditures and Sources of Financing (BESF) of the Department and Budget and Management, the SDG Watch and STATDev by the Philippine Statistics Authority (PSA), and the ODA Portfolio Review by the National Economic and Development Authority.

The cash operations report (COR) is generated by the Bureau of Treasury. It contains information on revenue, expenditures, financing and debt service. Report is being generated monthly and annually. The budget, expenditures and sources of funds (BESF), mandated by the Constitution, on the other hand, maintained by the Department of the Budget and Management (DBM) contains macroeconomics assumptions, public sector context (including overviews of LGU and GOCC financial positions), breakdown of the expenditures and funding sources for the budget year, the current and the previous years. A budget and treasury management system (BTMS) is in place to standardize and automate the budget utilization of the spending agencies. Guidelines on the adoption and use of the BTMS for budget utilization was provided by DBM through issuance of Memorandum Circular in 2019. The adoption and use of the said system is deemed by the government as the core and foundation of an integrated financial management information system (FMIS) and the sole means for obligating, disbursing, and reporting all government expenditures. The adoption and use of the BTMS for budget utilization covers all national government agencies (NGAs) for budget utilization and fiscal and financial reporting. The BTMS-BU is expected be used by the concerned government agencies to carry out expenditures in accordance with the GAA.

Private Sector Contribution

Data on private investment for SDGs is monitored through the Sustainability Report prepared and submitted by publicly listed companies (PLCs) in line with the Securities and Exchange Commission (SEC) Memorandum Circular 2019-4 issued in February 2019. Said policy issuance of the government through the SEC MC 2019-4 provides guidelines to help PLCs in the assessment and management of non-financial performance across economic, environmental and social aspects of their organization, and enable the measurement and monitoring of their contributions towards achieving universal targets of sustainability including the SDGs as well as national policies and programs i.e., AmBisyon Natin 2040.

Meanwhile, data on the status of the achievement of the SDGs and targets set in the PDP is being consolidated and maintained by the Philippine Statistics Authority (PSA) through the SDG Watch. The SDG Watch provides information on baseline data, targets, and latest data for tracking SDGs based on a list of indicators. Data for the generation of the indicators come from available sources from national surveys conducted by the PSA as well those from other concerned government agencies and international development organizations) with selected levels of disaggregation mostly at the national level and for some indicators at the regional level.

Data consolidated draws from information provided by concerned government agencies and development partners. Latest update is as of March 2020. Reference periods of information contained in the SDG watch are different making it difficult to come up with a comprehensive assessment of the progress in all of the SDGs by the country at a particular point in time. Updated data also takes time to be readily available. Data are not also disaggregated enough to provide the necessary inputs for the monitoring and review of development initiatives at the national and sub-national level. These pose a major challenge difficult in setting and adjusting targets during the planning and budgeting process. Targets for needs to be addressed given gaps identified and the plans and budgets prepared and implemented by duty bearers may not necessarily take into account the actual situation on the ground.

Assessment

1. While mechanisms are in place to assess and diagnose the progress of achieving the SDG agenda, additional information are still needed to be able to clearly inform decision makers and program implementers with the nature and extent of needs, and in turn with financing/resource gaps to be addressed to achieve the 2030 SDG agenda. For instance, the PDP only sets out indicators and targets (aligned with the SDGs) for a period of 6 years (currently for 2017-2022). There is no national comprehensive plan that defines or sets out targets until 2030 that take into account the actual status/progress in all of the SDGs since some of the available data are outdated.

In turn, existing investment plans and budgets is likewise constrained for the same reference period. The lack of targets for all SDGs beyond 2022 to attain the 2030 SDG Agenda limits a longer-term analysis and assessment of the needs to be addressed especially with the anticipated lingering impacts of the pandemic coupled with other risks and shocks to which the country is exposed to.

On the other hand, there are existing agency plans with targets until 2026 like the Department of Health Medium Term Expenditure Program (MTEP) for the Universal Health Care. The DSWD, which is the country’s lead agency for implementation of social protection programs, adopted a “refreshed DSWD strategy 2028”. The DSWD strategy document, on the other hand, while containing targets particularly for the implementation of the 4Ps program for 2024 and 2028, have no mention of the necessary resource requirements to achieve the targets.

2. Contributions of local governments are not explicitly captured in the enhanced PDP-SDG-RMs. The RM is intended not only a planning but a performance assessment tool. While it already incorporates measures/indicators for achievement of the SDGs, the nature and extent of disparities in progress at the sub-national is not yet widely captured by the design of the RM. This is particularly important in line with full devolution transition policy issued in 2021. The current RM generally covers indicators and targets at the national and regional levels. While the process for the preparation of the RM-reports takes into account inputs at the provincial/municipal/city level through the Provinces, the existing RM reporting template (per 2018 DILG-NEDA JMC) provides inputs that can only be aggregated at the provincial level.

With greater resources and responsibilities devolved to municipalities and cities with the implementation of the Mandanas-Ruling, an enhanced RM reporting tool would facilitate greater transparency and accountability in the utilization of the fiscal transfers to the LGUs. This can also serve as a tool and guidance for setting benchmarks for planning and targeting of needed action by key duty bearers at the local level.

There are studies and evidences that reveal the limitations in applicability and availability of indicators at the provincial level, and the limited disaggregation at the HUC, city, and municipal levels. A recent PIDS study (2021) found that the current RMs are not linked to the local LDIP[239]. This poses a concern such that desired national development outcomes, priorities and targets including those for the SDGs are not or may not be incorporated in the preparation of local development and investment plans. Further examination needs to be done on the extent by which this is attributed to lack of necessary and relevant data to generate the identified indicators at the local level, and/or to the limitations in local capacities to generate and incorporate and use the identified SDG indicators in the preparation of local plans and budgets. Earlier analyses also point out the need to pursue alignment of national-local PDP-RM and SDG targets given efforts of the government towards localization of the SDGs, and to leverage on the use of the community-based monitoring system (CBMS) to fill in SDG data gaps at the local level (See for example Cua 2019; Manasan 2020; Reyes, 2018).

3. There is no (or lack of) regular, comprehensive and consolidated assessment and diagnostics of the country's SDG achievements with articulation of actual financing gaps for pursuing the 2030 SDG agenda. Comprehensive information is lacking in terms of what the needs are across all of the SDGs and what resources are required to achieve specific targets for all the goals, given progress at particular points in time, to achieve the 2030 SDG agenda. The Philippines uses the Voluntary National Review (VNR) to report on its progress on the SDGs. The first VNR in the country was conducted in 2016 and focused on the lessons learned from the MDGs and how to build on its gains towards the SDG agenda. A second VNR was conducted in 2019 which focused on the progress in 6 of the 17 SDGs (Goals 4, 8, 10, 13, 16 and 17). The latest VNR currently being undertaken focuses on Goals 4, 5, 15 and 17 though focus on health are part of the main messaging for the report (drawing from discussions from SDG secretariat).

The first development finance assessment (in the context of the SDGs) was conducted in 2017 and mapped out recommendations towards more integrated financing solutions. It highlighted the bottlenecks, challenges and opportunities in mobilizing financing for sustainable development. It stressed the country's need for support in strengthening the link between national and sectoral plans and national budgeting processes and financing strategies. According to the assessment, national and sectoral plans are not mandatory considerations in in the formulation of the annual national budgets. It also emphasized that country's financing gap is significant.

Meanwhile, assessment and diagnostic tools i.e., the SER and SDG watch, are not regularly updated. The implementation of the PDP, the main mechanism for the implementation of the SDGs in the country, is monitored through the Socio-Economic Report (SER) (VNR, 2019). The latest SER available online in NEDA website as of June 2022 is 2018, and followed by the 2021 SER published in July 2022. Each chapter of the PDP and SER are intended to be used as platform for assessing the contributions and consistency of the country's actions with the global commitments of the SDGs[240].

Another assessment and diagnostic tool is the SDG Watch, maintained by the PSA, which serves as a repository of baseline data, target data, and latest data, providing information on the available data for tracking the progress of the Philippines in achieving the SDGs. Latest SDG watch results as of writing of this report is March 2020. The latest available update of the PSA reports on 94.0% or 78 indicators out of 83 indicators that are expected to have updates since the last updating of the SDG Watch in October 2019.

4. There is limited (or lack of integrated) information on how the set SDG targets, programs, projects and activities are funded by the different stakeholders from the public and private sector at the at the national and local level. These pose challenge and limitation in capturing and tracking of the actual resource contributions of the different development stakeholders and corresponding gaps at a particular point in time towards meeting specific SDGs especially given the "whole of government and whole of society" approach in pursuing the sustainable development agenda.

[239] Sicat, Castillo and Madawin (2021). Assessment of the Provincial/NCR Local Government Unit Result Matrices (P/NCR LGU RMS) in the Localization of the Philippine Development Plan (PDP) 2017–2022 and the Sustainable Development Goals (SDGs). Retrieved from https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps2119.pdf

[240] Drawn from https://sdg.neda.gov.ph/socioeconomic-report/

The lack of a more comprehensive and frequently updated assessment report limits opportunities for the public, private sector and other development partners to have a common reference for identifying key SDG concerns and target-specific areas to be addressed, for a more strategic and better targeted prioritization of SDG program beneficiaries, for enhancement/calibration of existing SDG initiatives/investment programs, and for exploring possible areas for partnership among stakeholders, at a particular point in time, and across time. It also poses difficulty in determining investment requirements to fast track the realization of targets, and for more comprehensive mapping for all possible resource/financial sources to meet the SDGs by 2030.

5. The limitations in existing national statistical system continue to pose challenge in the conduct of more comprehensive assessment and diagnosis of progress in achieving the SDGs and in turn coming up with a financial plan. Data to generate the country's measures/indicators for achieving the SDGs as set out in the PDP largely draw from the national statistical system. Differences in the reference periods and levels of disaggregation of available data from the national statistical system make it difficult to conduct a more comprehensive analysis of needs and gaps that reflect actual situation vs SDG targets at particular points in time, and to track actual progress of the country towards meeting all the SDGs by 2030.

The strategies, targets and indicators set in the PDP and RMs are expected to be reflected in the investment plans, sectoral and other development plans at the regional and local level. Limitations in availability and access to updated and more granular data needed by policymakers and program implementers constrains crafting or calibration of these plans at the national and local level since some of the SDG data are outdated or are not available in time for the planning and budgeting period. In particular, it limits the diagnosis of the magnitude, nature and extent of needs to be addressed and prioritized, the design of appropriate and targeting of PPAs, and identification of resource requirements to reach the SDG goals and targets by 2030.

To address the data gaps for the generation of local level SDG indicators, and to better facilitate the use of relevant SDG indicators for local planning and budgeting, the community-based monitoring system (CBMS) can already be used. The CBMS was designed as an LGU-based tool that can generate regular and necessary disaggregated data for use in local development processes. Since the adoption of CBMS as a tool for local planning by many LGUs in 79 of the 81 in the country 2000 till the enactment of the CBMS law in 2019, empirical evidences indicate how the adoption of CBMS has enabled and operationalized the localization of development goals and other thematic concerns including the MDGs and the SDGs among others.

6. The Philippine Development Plan (PDP), while anchored on a long-term sustainable development vision (Ambisyon Natin 2040) for the country, contains strategies and targets of the government for the medium term. On the other hand, longer term targets and strategies are mapped out in existing strategic action plans of the government such as in the National Disaster Risk Reduction Management Plan (NDRRMP) – the updated plan has a current timeline of 2020-2030 with corresponding targets, and links to selected SDG.

A long-term planning horizon provides opportunities to examine and lay out strategies and wider options to achieve the long-term goals and vision set for the country. This would enable planning and setting of targets and plan for needed interventions and alternative policy/program options/measures that take into account long-term implications of shocks to desired sustainable development outcomes. Based on experience of other countries, there is merit in preparing a long-term development plan aside from crafting a medium-term development plan.

In Indonesia, for example, as legislated by law (Article 4 of Law No. 25/2004) a 20-year development plan is drawn up to ensure achievement of development goals. For instance, its current long-term plan RPJPN is for the period 2005-2025. Separate medium-term plans are also prepared which ran parallel to the new government taking office at particular period. The Medium-term plans can set their own priorities in the process of national economic development provided that these priorities are aligned with RPJPN.

4.2 Financing Strategy

The financing strategy is deemed to be at the core of an INFF as it provides a roadmap for financing national development strategies and plans (UN, 2021). An integrated financing strategy seeks to bring policies and instruments together, promoting coherence both with sustainable development objectives and between different financing policy areas. The financing strategy intends to facilitate prioritization of financing policy actions that best respond to national goals, needs, and constraints.

There are four components that are deemed important for the financial strategy building block[241]. These include mobilizing and aligning domestic public financing with national priorities, aligning private investment with national priorities, aligning development cooperation with national priorities, and enabling environments and non-financial needs of implementation.

Sustainable financing has gained significant momentum in 2020 and regulators across Asia have stepped up efforts particularly to promote the development of green finance and support the region's transition to a sustainable future[242].

There have been several developments in the Philippines towards fostering ways to finance sustainable development and achieve its commitments towards meeting the SDGs. A sustainable finance framework was adopted and approved by the DBCC in December 2021. Meanwhile, the country's first Sustainable Finance roadmap was launched in January 2022[243]. Maiden offering of green bonds had likewise been initiated by the government this year. Related initiatives by the Securities and Exchange Commission (SEC) on raising green/sustainability bonds, include the following:

a. Issuance of Green Bonds Under the ASEAN Green Bonds Standards in the Philippines (MC No. 12, s. 2018);

b. Issuance of Sustainability Bonds under the ASEAN Sustainability Bonds Standards in the Philippines (MC No. 08 s. 2019); and

c. Issuance of Social Bonds Under the ASEAN Social Bonds Standards in the Philippines (MC No. 09 s. 2019)

These guidelines adopted the ASEAN Green, Social, and Sustainability Bond Standards developed in the ASEAN Capital Markets Forum (ACMF). The ASEAN GBS and SUS were based on the International Capital Markets Association's (ICMA) Green and Sustainability Bond Principles and are intended to enhance transparency, consistency, and uniformity of green and sustainability bonds in the region. These issuances aim to develop a new asset class, reduce due diligence costs, and help investors make informed investment decisions. The proceeds from these bonds are intended to finance or re-finance projects that offer environmental and social benefits.

Earlier on, as part of the government's efforts to increase financing for SDGs, major tax reforms i.e., CREATE relating to increasing SIN taxes have been pushed forward to raise additional funding and allocate proceeds in support of the SDGs. In particular, a legislation was passed in January 2020 through RA 11467 allocating 20% of the revenues collected from excise taxes on alcohol and cigarette products for SDGs based on the targets set by determined by the National Economic and Development Authority

[241] https://inff.org/inff-building-blocks/financing-strategy
[242] https://seads.adb.org/insights/charting-future-green-finance-asia
[243] https://businessmirror.com.ph/2021/10/21/phl-launches-sustainable-finance-roadmap/

(NEDA). Sixty percent (60%) is allocated for the implementation of the Universal Health Care Act of 2019 (RA 11223) while the remaining twenty percent (20%) shall be allocated nationwide, based on political and district subdivisions, for medical assistance, the Health Facilities Enhancement Program (HFEP), the annual requirements of which shall be determined by the Department of Health.

Another major development is the Build Universal Health Care Program supported by the Asian Development Bank. In the midst of the ongoing pandemic, there were proposed legislations in support of ensuring financing for the country's commitments in line with the country's sustainable development agenda. Among these is the SDG Fund-Ambisyon Natin 2040 Fund Act House bill 6790 (filed in Congress in May 2020).

The Sustainable Finance Framework and Roadmap

The country's strategies for financing sustainable development including the SDGs are articulated in the Philippines Sustainable Finance Framework and Roadmap, which were adopted by the Government in October and November 2021, respectively. According to the Roadmap, no formal definition of sustainable finance has been established yet[244]. Proceeds from sustainable financing are intended to be used in projects that seek to achieve sustainable development goals. In a press statement by the Bureau of Treasury, it emphasized that the government will ensure that the use of proceeds is in accordance with the Philippine Development Plan 2017-2022 and Public Investment Program 2017-2022[245].

The Philippines Sustainable Finance Framework was established to support the country's sustainability commitments. Currently, the framework sets out how to raise green, social or sustainability Bonds, loans, and other debt instruments in the international capital markets. It is geared towards the development of the sustainable financing market domestically in the country. It maps out the process that will be used to ensure transparency and disclosure of the use of proceeds, as well as the expected environmental and social impact of eligible green and social projects, in keeping with international best practices. Guidelines have been developed to align eligible public sector projects for funding and aligning these with the SDGs goals in general but not to specific SDG targets yet. Eligible social and green projects/expenditures, aligned with the SDGs, are shown in the Tables below.

Table 4.3. Eligible Social Expenditures

Project Category	Eligibility Criteria
Access to Essential Services 	Healthcare Financing to construct, equip and operate government health facilities for the provision of public or subsidized health services, including hiring and deployment of healthcare workers Projects which strengthen innovations and access to up-to-date technology in the biomedical field (i.e., research support to local scientists) Education Development and operation of schools, training centers and related facilities, including digital learning platforms, as well as training labour force, in order to improve quality of and access to education, promote learning opportunities and vocational training Target Beneficiaries: General population including people from low-income families (indigents) and/or from disadvantaged backgrounds; people with disabilities; the unemployed
Affordable Basic Infrastructure	Programs delivering infrastructure to rural areas to minimize disparities between regions or benefitting disadvantaged populations, including

244 The Philippine Sustainable Finance Roadmap,p.9
245 https://www.bworldonline.com/treasury-says-sustainable-finance-framework-validated-by-outside-consultant/

	Construction, reconstruction, rehabilitation and upgrading of roads to provide access to less connected areas Construction telecommunication equipment for underserved and unconnected populations Providing access to basic sanitation systems including septic tanks Construction, maintenance of equipment e.g., pipework for supply of clean water Provision of electrification facilities Target Beneficiaries: Rural Areas, Underserved and Unconnected Populations, Barangays (smallest administrative division/villages)
Food Security	Guaranteeing effective access to varied, quality food via provision of national and communal irrigation, machineries and equipment, cold storage facilities, food packaging and processing, warehouses, post-harvest centers, rice seeds, crop insurance and production subsidies to small and medium farmers for basic food products Target Beneficiaries: General Population, including farmers and disadvantaged populations
Employment Generation, and programs designed to prevent and/or alleviate Unemployment stemming from socioeconomic crises, including through the potential effect of MSME financing and microfinance	Programs supporting Micro Small and Medium-sized Enterprise (MSMEs) that support employment generation and productivity improvement, including provision of MSME loans and access to technology Target Beneficiaries: MSMEs[246] Programs that provide employment and entrepreneurship opportunities to displaced, disadvantaged and unemployed workers Target Beneficiaries: Informal Sector Workers, Poor, Vulnerable and Marginalized Workers, Eligible beneficiaries of the DILP programme[247]
Socioeconomic Advancement and Empowerment	Programs to support and provide social assistance for persons from disadvantaged socioeconomic backgrounds, such as conditional and unconditional cash transfer (programs and social pension for elderly and persons with disabilities) Target Beneficiaries: Vulnerable groups as identified under the 4Ps program, including Chronic poor households with children aged 0-14 living in poor areas, indigent and marginalized families, itinerant, homeless street families, families in need of special protection, elderly and persons with disabilities
Affordable Housing	The development and/or provision of affordable socialized and low-cost housing, including: Financing of/investment in affordable and inclusive socialized and low-cost housing loan portfolio; Development of program that provides liquidity facility for socialized housing originators and increases loan accessibility for the low-income groups Target Beneficiaries: low-income families (including minimum wage earners), homeless and underprivileged, families residing in informal settlements and danger zones
Covid-19 Expenditure	Manufacturing, logistics and distribution of medical products and supplies essential to medical response, disease control services and vaccinations, R&D expenditure for the provision of emergency medical response and disease control services

[246] Definition of MSMEs in the Philippines is available here: https://dict.gov.ph/wpcontent/uploads/2016/07/8.-SMEs-in-the-Philippines-_Empowering-LGUs-through-ICT-Partnership-withSUCs.pdf
[247] https://bwsc.dole.gov.ph/programs-and-projects-submenu1/dileep.html

	Financing/disbursements to support populations affected by Covid-19, including initiatives designed to prevent or alleviate unemployment Target Beneficiaries: General population including healthcare workers in public/government-ran healthcare facilities, displaced workers, including Oversees Filipino Workers (OFWs), in industries/formal sectors affected by COVID-19, such as MSMEs, tourism, etc., healthcare workers (for priority vaccination), senior citizens (for priority vaccination), persons with comorbidities (for priority vaccination), vulnerable groups, households living in poverty, homeless street families, itinerant indigenous peoples, marginalized, disabled

Source of Table: Sustainable Finance Framework

Table 4.4. Eligible Green Expenditures

Project Category	Eligibility Criteria
Clean Transportation	Investments and expenditure in low energy consuming or low emission transportation, including public transportation and freight trains, as well as non-motorized and active transport solutions and ancillary facilities (e.g., bikeways, walkways) a. Only electrified light rail and mass rapid transit infrastructure will be included
Climate Change Adaptation	Projects that improve Disaster Risk Reduction and Management (DRRM), resilience of biological and ecological systems against impacts of climate change including a. Construction and rehabilitation of flood mitigation structures and drainage systems b. Climate change adaptation infrastructure, such as flood defense and early warning systems c. Broader DRRM initiatives due to climate change
Environmentally sustainable management of living natural resources and land use	Environmentally sustainable agriculture; environmentally sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural terrestrial and marine landscapes. The protection of coastal, marine and watershed environments
Renewable Energy	Projects to support the manufacturing, development, installation, operation, transmission and distribution of renewable energy, including: a. Solar b. Wind c. Geothermal (<100gCO_2/kWh) d. Biomass (<100gCO_2/kWh and sustainable feedstock only[248]) e. Hydropower (<100gCO_2/kWh or power density of >5W/m^2)

Source of Table: Sustainable Finance Framework

Proceeds raised under this Framework will be used to support projects that reflect the Philippines' commitment toward Sustainable Development and the United Nations Sustainable Development Goals ("UN SDGs"), in line with the Philippine Development Plan ("PDP") 2017-2022 and Public Investment Program ("PIP") 2017-2022. A set of criteria have been laid out for the selection of eligible expenditures (aligned with the SDGs) that can be charged to the proceeds

[248] ROP ensures that bioenergy comes from sources that do not deplete existing terrestrial carbon pools. Also, the projects must protect biodiversity and should not involve the burning of peat. The projects will produce bioenergy from agricultural residues or forestry residues.

Sustainable Finance Roadmap. The roadmap was developed to layout the action plans for sustainable finance. Member agencies of the Technical Working Group on Sustainable Finance are expected to create their own detailed strategic plans supporting and operationalizing the roadmap. The roadmap was developed, under the UK's ASEAN Low Carbon Energy Programme, to support the mobilization of financial activities as the country shifts to a circular economy while taking into account issues on increasing population, limited natural resources and extreme vulnerability to climate change. The current road map, however, focuses more on transition to a low carbon economy. Due to lack of available current data within the government on the costs to fund climate mitigation and adaptation projects, as well as costs to achieve the SDGs, the amount of funding needed from private sector and blended finance are not yet determined to date. These concerns are intended to be addressed in succeeding phases of the roadmap. A recent assessment made by Vigeo Eiris (2022) that the national government's Sustainable Finance Framework and Eligible Expenditures Portfolio are in line with international standards on green bonds, social bonds, as well as green and social loan principles[249]. Looking at the current roadmap, the amount of expected resources to be raised from these financing instruments to support the financing gaps for meeting the SDGs are yet to be determined and included in the roadmap.

Programs with Development Partner Agencies

ADB supported Build Universal Health Care Program

The Build Universal Health Care Program seeks to support the government's initiatives to improve the financing and delivery of health services and implement measures to monitor the performance of health service providers. In 2021, a US$ 600 million policy-based loan was approved by the Asian Development Bank (ADB) intended to help the Philippines provide quality and equitable health services for all Filipinos as part of its universal health care (UHC) reform program.

The program is geared to expand the use of digital tools for the sector and ensure sharing of data among health information systems and databases. It will bolster the implementation capacity of the Department of Health and the Philippine Health Insurance Corporation, and strengthen collaboration with other government agencies, local government units (LGUs), and the private sector. It aims to support LGUs' efforts to expand health promotion and help improve access to health care workers and health care facilities, particularly in underserved LGUs.

In addition to the loan, a $2 million technical assistance grant will be administered by ADB from the Japan Fund for Poverty Reduction to support the implementation of health policy reforms in LGUs. ADB will provide technical advice as the government prepares to implement the next set of UHC-related reforms by 2023.

EU Financing Aid for the financing aid for the Copernicus and Bangsamoro Agri-Enterprise Programs

THE Philippine government has secured funding from the European Union for two new agricultural production and disaster resilience programs totaling about P1.71 billion[250].

World Bank

The World Bank Group (WBG) Country Partnership Strategy (CPS) for the Philippines emphasizes on job creation and inclusive growth, with infrastructural development as a key focus area. In sync with this strategy, IFC in the Philippines focuses on reducing impacts of climate change, increasing rural income, promoting sustainable urbanization and helping address governance constraints[251].

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249 IBID
250 https://www.manilatimes.net/2022/02/24/business/agribusiness/ph-secures-p171b-funding-from-eu/1834000
251 https://www.ifc.org/wps/wcm/connect/region__ext_content/ifc_external_corporate_site/east+asia+and+the+pacific/countries/ifc-in-philippinesVN

Private Sector Contributions

Private sector, through their CSR Programs, contributes towards the achievement of the country's SDG agenda. Many of these programs are not yet aligned by design with the SDG agenda and targets. Some of these programs are detailed in the table below:

Table 4.4. SDG Programs of Private Sector

Sector	Program Description	Organization
Education	Text2Teach -Mobile Learning Program- allows teachers to download and choose educational videos on math, science, English and values specifically created for the project	Ayala Foundation
Health	In partnership with local government health offices, First Gen conducts health programs and trains barangay health workers to immediately respond to community health needs in remote areas. The company also helps improve health centers through provision of infrastructure and equipment. First Gen has so far invested nearly P28 million in these programs since 2008.	First Gen Corporation
	EDC provides health development assistance projects to health centers in 47 communities that host its geothermal and wind operations. The company focuses on three key areas: a) capacity-building through health center improvements in infrastructure and equipment; b) improved access to basic health services; and c) heightened awareness on responsible parenthood or other health topics. EDC has already invested about P100 million since it started pursuing health CSR programs in 1993.	Energy Development Corporation (EDC)
	Konsulta MD- mobile-based innovation that is now able to provide health services to remote, marginalized, or socially isolated communities. Konsulta MD offers immediate medical attention at affordable rates. Functioning as a 24/7 health hotline operated by licensed Filipino doctors, the service offers medical advice, healthcare information, and permissible medication over the phone	Joint venture of Globe Telecom and Salud Interactiva.
	FamilyDOC- primary care clinics that brings quality medical services nearer to communities, at an affordable price. offers the combined services of a clinic, a diagnostic facility, and a pharmacy. Its business proposition is to make quality healthcare more accessible and affordable to middle-and lower-middle-class communities. Services are delivered by trained Primary Care Physicians, and medical staff, at price points 10-40% lower than other private providers. households by bringing such services closer to the targeted communities	Ayala Healthcare Holdings Inc.
		Shell Philippines Exploration BV(SPEX) in Palawan
	By distributing vaccines from multinational pharmaceutical corporates (MNCs) to 3,200 community clinics and hospitals in 20	Glovax Biotech Corp.

	provinces (many of which do not have access to vaccinations), the company brings significant social impact, while growing its business. Notably, Glovax has administered over 110,000 vaccines for free since 2003 in partnership with socio-civic organizations as a way to market its services. operates three VaxCen (retail) clinics, providing access to affordable vaccines (priced 25% less than community clinics) available in the Philippines. Glovax aims to scale up its impact by distributing about 3.5 million doses to middle and low income Filipinos until 2018.	
	"Oks ang Bakuna Ko Laban sa Pulmonya- The program provides pneumococcal vaccination at discounted rates to PhilHealth Lifetime Members and their dependents. The partnership is supported by an information campaign to educate older citizens about the benefits of vaccination to prevent pneumococcal infections and complications leading to meningitis and pneumonia. It also informs younger Filipinos about the benefits they can enjoy in their senior years if they continuously pay their premiums, thereby also strengthening PhilHealth's financing campaign.	public-private partnership between PhilHealth and Merck Sharp and Dhome (MSD) Philippines
	Generika offers customers savings of up to 85% on their medicines, while still ensuring that medicines are sourced from reputable local, and international manufacturers. It carries its own house brand of medicines, called Actimed, and wellness products, called Nutrawell.	Generika
	Nourishing Minds -The Filipino Way- The project, established in 2015, aims to support the UN Sustainable Development Goal (SDGs) 2 to end hunger, achieve food security and improved nutrition and promote sustainable agriculture, and SDG 3 to ensure healthy lives and promote well-being for malnourished children in the Baseco, Manila	Hershey and PBSP
	Tuberculosis Control interventions under the Advancing Client-centered Care and Expanding Sustainable Services for TB (ACCESS TB) Project. Through the ACCESS TB Project, $8.5 million was allocated by PBSP to strengthen the public health system and to assist the Department of Health in COVID-proofing its TB control program.	PBSP
	Health, Education, Environment and Livelihood (HEEL) - As the MDGs ended in the 2010s, PBSP continued to align its programs on Health, Education, Environment and Livelihood (HEEL) on the UN Sustainable Development Goals (SDGs). PBSP also adopted the Collective Impact Strategy to solve complex societal problems through the formation of the Water Alliance, Marikina Watershed Initiative and the Bayanihang Pampaaralan. PBSP also scaled up its innovative practices through various Engagement Platforms (EP) that sought to address Sustainable Development Goals (SDGs) by engaging the business sector, academe and research institutions, government, other NGOs, and committed individuals. For 2020, PBSP nurtured four Engagement Platforms, namely the Water Alliance, Zero Extreme Poverty Philippines 2030 (ZEP2030), the Population, Health and Environment (PHE) Network, and the Philippines Partnership for Sustainable Agriculture (PPSA)	PBSP
	In assessing which SDGs are most relevant for their business and	Zuellig Pharma

	where the company can have a significant positive impact, Zuellig Pharma identified SDG 3 as the key focus for their efforts, followed by SDGs 5, 7, 8, 12, 16 and 17 as areas where it can contribute directly or indirectly to address pressing needs. Some of their interventions in the Philippines are as follows: 1.2 million flu doses distributed via various mass vaccination programmes 117,000+individuals vaccinated in ~100 branches of partner drugstores through co-organised programmes 10,000+ people vaccinated by their own HCPs across 13 neighborhoods in Metro Manila Supported government in delivering vaccines to remote areas such as the Visayas and Mindanao	

An earlier UNDP supported study on Inclusive Business Towards the SDGs flagged that there are challenges in including private sector contributions stem from compatibility of companies' business and social metrics with the SDGs. The study highlights the need for a government led and coordinated establishment of a standardized, nationwide and accessible mechanisms for private sector SDG monitoring and reporting. It emphasized the importance of engaging the private sector in developing and rolling out standard business metrics (that make sense to companies) and provision of reporting guidance that will enable private sector's disclosure to be incorporated into the country's national reporting of SDGs progress.

Fostering Diaspora Investment for Development Financing

The government has long recognized the importance and potentials of the use of remittances for development financing. Through the Commission on Filipinos Overseas (CFO), the government has initiated the LINGKOD SA KAPWA PILIPINO (LINKAPIL) or Link for the Philippine Development in 1989 resulting in the forging of broader and deeper partnerships among Filipinos beyond borders. The program was designed with a mechanism for the transfer of various forms of resources from Filipinos overseas to support small-scale, high-impact projects that address the country's social and economic development needs. LINKAPIL was designed to channel resources to four major areas of development assistance: 1) support the education of Filipino youth through scholarship grants, purchase of educational materials, and construction of classrooms; 2) provision of livelihood opportunities by financing income generating activities of marginalized sectors or victims of natural calamities; 3) fueling growth through small infrastructure projects such as water wells, latrines and houses; and, 4) contributing to healthy communities through feeding programs, conduct of medical missions or donation of medicines, medical supplies and equipment.

In 2016 alone, P119.493.475.60 million worth of donations were channeled thru the LINKAPIL Program helping 75,611 beneficiaries from 24 provinces, including Metro Manila252. As of 2021, based on CFO's records, at least P 3.43 billion had been raised which supported local programs on health, education, infrastructure, livelihood and skills transfers.

Another related initiative is the BaLinkBayan Program which that aimed to link overseas Filipinos to social and economic development initiatives in the Philippines and in its various localities. The program developed a one-stop online portal for diaspora engagement which provides a range of options for overseas Filipinos to partner with national and local governments in starting a business, opportunities for donation and volunteer service, and accessing online government services.

BaLinkBayan works at two levels. First, it links OFs to development-oriented diaspora initiatives including investment opportunities in the Philippines through the national portal (www.balinkbayan.gov.ph). Second, it provides options for business and investment opportunities in select partner local governments including automated transactional processes at the local level. The following local governments have partnered with CFO

[252] CFO website

for the development of their localized BaLinkBayan web pages: Sorsogon City, Sorsogon Province, Ligao City, Tabaco City, Legazpi City, Masbate City, Bacoor City, Cagayan de Oro City, Antique, Iloilo City and Naga City (featuring Naga City's online real property tax assessment and payment). CFO also entered into partnership agreements with the provinces of Pangasinan, Iloilo and Aklan, Iriga City, Cuenca, Batangas, and Guinobatan, Albay for the development of their localized BaLinkBayan web pages.

Lessons learned from the implementation of this CFO program model for fostering diaspora engagement for development could further be drawn in enhancing existing governing strategies for greater and more meaningful participation of the private sector (individuals and organizations) towards meeting the SDG agenda.

Recent Laws and Proposed Legislations on SDG Financing

RA 11467 Amending National Internal Revenue Code- was enacted into law on 22 January 2020 and increases the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs). The additional revenue from this measure will fund the Universal Health Care (UHC), additional medical assistance and support to local governments, and the Sustainable Development Goals (SDGs).

SDG Fund-Ambisyon Natin 2040 Fund Act (House Bill 6790)

This proposed legislation filed in Congress in May 2020 will establish an SDG AN2040 Fund to support the Philippines SDG commitment as a Member-State of the United Nations and to realize the visions under AN2040, in consideration of Executive Order No. 5, 2016 formally approving and adopting the NEDA program as the country's main 25-year plan to eliminate poverty and hunger in the country. Based on the latest version of the Bill, funds shall be raised from the PCSO lotto draws; 1% of PAGCOR's net income per year; 1% of collection from sin taxes (allotted for health programs to be set aside for the SDG Fund). The fund will be accessible to LGUs through submission of project proposals that will be assessed and evaluated by an SDG AN 2040 Secretariat. For the implementation of projects, LGUs shall be required to contribute 25% of the total project fund, with the balance of 75% to be sourced from the SDG AN2040 Fund.

Summary of observations

1. The implementation of the country's first sustainable financing framework and roadmap, in the context of meeting the SDGs, is relatively in its nascent stage. The Philippines first sustainable financing framework and roadmap was developed only in 2021, and launched in 2022. The Road map, while already highlighting the intended use of the proceeds from identified financing instruments to be raised towards contributing towards the achievement of the SDGs, currently focuses on "greening the financial system" and financing of sustainable activities with focus on climate change as a critical contributor to achievement of the SDGs. The roadmap does not yet articulate specific targets in terms of the amount of needed resources to finance identified gaps in progress towards achieving the 2030 SDG agenda. With less than 8 years to achieve the 2030 SDG agenda and limitations in the existing roadmap, this poses difficulty in setting the required pace to accelerate progress towards meeting the SDGs by 2030. It also limits opportunities to optimize available and/or new resources that can be drawn from different stakeholders had there been more information on the extent and nature of needed resources to finance development programs/projects towards meeting all the relevant SDGs and targets.

2. There is no existing comprehensive financial plan/strategy that maps out the financial requirements/investment needs, gaps and opportunities to meet the SDGs and targets in the country by 2030. A 2019 published COA Performance Audit for the Implementation of the SDGs in the country pointed out that a financial plan has yet to be developed in spite of foundations from the existing financing policies and identified partnerships for mobilization and sourcing of resources. While a sustainable finance roadmap has been developed in 2020, due to lack of available current data within the government on the costs to fund climate mitigation and adaptation projects, as well as costs to achieve the SDGs, the amount of funding needed from private sector and blended finance has not been determined at the time of the preparation of the roadmap.

With less than 8 years to the envisioned 2030 achievement of the SDGs, additional information is needed to guide more informed planning for financing the country's sustainable development agenda and targets. These include data on the specific and time-bound goals and targets that will be financed by the identified financial instruments/resources, and on the needed investments to achieve the SDG targets. It is also not clear which programs need to be prioritized in the allocation given current status of the SDGs in the country. Taking into account emerging priorities and competing needs across the SDGs in the country, a more elaborate articulation of how much resources are still needed to be raised given cost requirements of programs and given existing resources that are still available from the different sources to date.

A 2021 study (see Flores and Pacapac, 2021) on sustainable financing for development in the country points out to the need to ensure efficient and judicious use of funds in the context of challenges of fighting poverty, economic and gender inequalities, and of the Covid19 pandemic.

3. The existing National Expenditure Program, while calibrating 2022 targets and expenditures for selected sectors i.e. health and environment management aligned with the achievement of the SDGs, have no direct or explicit mention of how the proposed budget will be optimized to meet other SDG needs (pre-pandemic, and those that may have been affected due to impacts of Covid). Prioritized for funding in the NEP for 2022 are allocations for Covid 19 response measures including health care development and social services, and public infrastructure investments. In general, the national budget focuses on containing the spread of the Covid 19 virus and safe reopening of the economy.

4. Government efforts toward enabling the private sector (publicly listed companies) to measure and monitor their contributions towards achieving universal targets of sustainability including that of the SDGs is relatively at the early stages of development. In 2019, a set of guidelines and reporting template on this was issued by the SEC as part of SEC MC No 4 in February 2019. Sustainability reports are required from PCLs as part of their annual reports each year. It is not clear though how these reports/inputs from the private sector are consolidated and/or utilized by the NG for SDG financial planning and monitoring of the country.

5. There seem to be a lack of regular and/or comprehensive report data on private sector investment for SDGs. Additional information is needed to show how the data gathered from the sustainability reports prescribed among PLCs is used (or will be used) to map resource contributions and/or opportunities for collaboration with the private sector for achieving the 2030 SDG agenda.

Experience from other countries

In Indonesia, the financing strategy supports the government to identify and test opportunities to bring in new models that unlock greater financing or impact in specific areas of financing, including: increasing domestic revenue mobilization, strengthening the quality of public spending in areas such as performance budgeting and transfers to local government, effective debt management, leveraging of remittances, and unlocking commercial investment and financing in areas that support more inclusive, sustainable business models. In response to COVID19, the financing strategy ensures that the priorities for financing the SDGs are articulated with a fuller understanding of the socio-economic impacts of COVID-19. In addition, risk management are integrated to ensure that the future risks of pandemics and other exogenous shocks are better mitigated. Regulatory changes have been introduced to strengthen the sustainable investment landscape253.Indonesia's financial services providers have been required to submit either a sustainability report or a sustainable finance action plan (RAKB) since 2019, and all other issuers and public companies have been required to do so from 2020. Indonesia has been a global and regional pioneer for ESG-related bonds issuance, including both shariah compliant254 and SDG-related financing. National policies i.e. regulations on issuance of green bonds, organization of a sustainable finance roadmap which aims to boost Environmental, Social and Governance (ESG) related funding over the years, have helped to increase the focus on sustainable finance. It has explored some innovative financing instruments, including the issuance of the world's first sovereign Green Sukuk, leveraging Islamic finance, blended finance, and social impact investments.

In Vietnam, its strategic financial objectives in the 2021-30 period were set to reach a balance between achieving sustainable finance and major socio-economic developmental goals255.The government has set an

[253] https://www.pwc.com/id/en/publications/esg/indonesia-sustainable-transformation.pdf
[254] Shariah-compliant funds are investment funds governed by the requirements of Shariah law and the principles of the Islamic religion
[255] https://en.vietnamplus.vn/vietnams-financial-strategy-aims-at-sustainable-development/223929.vnp

objective to collect 16-17 percent of the country's GDP to strengthen the State's budget from 2026-30, with 85-87 percent from domestic revenue sources. Among the government's priority strategies include a comprehensive reform of budget management by central governmental agencies, increased local government autonomy and the development of a transparent and sustainable financial market. While aiming for sustainable financing, the government will prioritize strengthening national reserves, social security and investing in human capital. Government spending is to be reduced to 60 percent, from the current level of 62-63 percent, by the end of 2030.

In Thailand, its sustainable finance strategy published in 2021 centers on 5 key strategic initiatives including development of a practical taxonomy, improvement of the data environment, implementation of effective incentives, creation of demand led products and services, and building human capital256.

In Malaysia, emphasis and high level support on sustainable finance has been created through policy tools, initiatives and incentives257. It recognizes that the underlying issue of sustainable development is that companies must move beyond mere 'green' that indicates relentless pursuit of short-term profitability towards long-term sustainability. To bring sustainable finance to the next level, it promotes the involvement of more key players such as state governments, municipals and banking institutions and the expansion of support of more relevant stakeholders. For example, it has established in 2019 the Malaysian Green Financing Task Force aimed to provide recommendations and action plans on how to accelerate the growth of green financing, particularly in renewable energy. After a six months' study on green financing, the MGFT submitted its recommendation containing 21 action items under eight broad strategies to facilitate an estimated RM33 billion in renewable energy financing required to meet the 20 percent national renewable energy target installed capacity by 2025.

Other Tools for Sustainable Financing

SDG Investor Maps. It provides entry points for public-private financing dialogue platforms translating SDG oriented NDP priorities in investor language. It translates SDG needs and policy priorities into actionable investment opportunities. Designed as country specific market intelligence backed by data and evidence. It is intended to strengthen INFF and DFA processes by informing national SDG strategies with market intelligence. Findings are made available through an online platform for easy access by domestic and foreign investors. SDG investor maps have been pilot tested in Brazil, Turkey, Columbia and South Africa.

SDG Investor maps was also recently launched in Indonesia on March 16, 2022, and in Djibouti in February 2022. The Maps identifies investment themes across sectors that not only have significant potential impacts to advance the SDGs but where government policies and sustainable national development needs meet.

SDG Impact Standards. It aims to support impact measurement and SDG finance reporting. In Japan, the SDG Impact Standard for Enterprises has been translated into Japanese in response to high demand from Japanese enterprise community. The impact standard document includes action steps to guide enterprises to properly integrate operating sustainably and contributing positively to sustainable development and the SDGs into their organizational systems and decision-making.

4.3 Monitoring and Review

In the context of an integrated financing framework, four important elements are deemed important for the monitoring and review building block258. First is monitoring progress in different financing flows and policy areas. Second is strengthening coherence among already existing tracking and monitoring systems and closing gaps in the architecture. Third is assessing whether the financing strategy itself is succeeding in increasing overall coherence and alignment of financing and related policies. Fourth is transparency and accountability mechanisms.

Monitoring and review, as part of the INFF approach, entails tracking changes in different financing flows using a wide set of data, such as Sustainable Development Goal– (SDG-) relevant expenditure in public budgets. The

[256] https://www.bot.or.th/English/AboutBOT/Activities/Pages/JointPress_18082021.aspx
[257] https://www.msfi.com.my/initiatives/
[258] https://inff.org/inff-building-blocks/monitoring-and-review

impact of these flows on national priorities are assessed using monitoring systems. For example, some countries have integrated SDGs into their budgetary performance evaluation system. The review of impacts of development cooperation with agreed, country-specific indicators for development results, on the other hand, are enabled by country results frameworks.

The Philippines has an existing National Monitoring and Evaluation Framework. The monitoring and review components of development projects/initiatives are expected to draw or align with the principles of the said national framework. On the other hand, international development partners supported initiatives are assessed using country partnership frameworks.

Meanwhile, there are proposed legislations call for further strengthening the monitoring and evaluation of development financing in the country. These include Senate Bill 1885, filed in October 2020, which gears towards the institutionalization of a national evaluation policy that is interlinked with results-based management approaches and builds upon current and future integrated M &E systems. The proposed legislation aims to improve the use of funds from the national budget, domestic and foreign loans, grants and donations taking into account the desired objectives, results, and timeline for achieving these results and objectives. Another related legislation which highlights the importance of monitoring and review of the use of development funds and resources geared to achieve the SDGs is the SDG Council Act, filed in August 2020 (House Bill 7504). Said proposed legislation calls for the creation of an SDG Council under the National Economic and Development Authority (NEDA) that would ensure that targets in achieving the 17 SDGs are being met and would ensure the integration of SDGs in the policies, plans and programs of national government agencies and local government units[259].

Crucial to the conduct of monitoring and review is the establishment and maintenance of monitoring systems that would generate the necessary data and information that can serve as basis or evidence on how much resources are available and accessible from different sources at particular points in time, and how much of these resources are being spent by duty bearers both at the national and local level towards the desired SDGs and targets. These data would facilitate the identification of gaps in available resources.

As in assessment and diagnostics building block, data/information from the cash operations report (COR) of the Bureau of Treasury, and the Budget of Expenditures and Sources of Financing (BESF) of the DBM, the SDG Watch and the ODA Portfolio Review by the NEDA, are also crucial for monitoring and review.

The budget, expenditures and sources of funds (BESF), mandated by the Constitution, on the other hand, maintained by the Department of the Budget and Management (DBM) contains macroeconomics assumptions, public sector context (including overviews of LGU and GOCC financial positions), breakdown of the expenditures and funding sources for the budget year, the current and the previous years. A budget and treasury management system (BTMS) is in place to standardize and automate the budget utilization of the spending agencies. Guidelines on the adoption and use of the BMTS for budget utilization was provided by DBM through issuance of Memorandum Circular in 2019. The adoption and use of the said system is deemed by the government as the core and foundation of an integrated financial management information system (FMIS) and the sole means for obligating, disbursing, and reporting all government expenditures. The adoption and use of the BTMS for budget utilization covers all national government agencies (NGAs) for budget utilization and fiscal and financial reporting. The BTMS-BU shall be used to carry out expenditures in accordance with the GAA.

Data on private investment for SDGs is also being monitored through the Sustainability Report required to be submitted by publicly listed companies (PLCs).

Sustainability Report. To help publicly listed companies (PLCs) in the country assess and manage non-financial performance across economic, environmental and social aspects of their organization and enable PLCs to measure and monitor their contributions towards achieving universal targets of sustainability including the SDGs as well as national policies and programs i.e. AmBisyon Natin 2040, sustainability reporting guidelines were

[259] https://mb.com.ph/2020/09/19/lanao-solon-seeks-creation-of-sdg-council/

provided by the Securities and Exchange Commission (SEC) with the issuance of SEC Memorandum Circular 2019-4 in February 2019.

Sustainability reporting guidelines for publicly listed companies have been developed (with issuance of SEC MC No 4-2019) to facilitate monitoring of contributions of private sector towards achieving sustainable development outcomes as set out in the 2030 SDG agenda and the AmBisyon Natin 2040. Reported PAPs of PLCs are a mix of organization focused and client focused. Some of the programs/activities reported are not (or cannot be) directly aligned or linked with the country's SDG indicators and targets. Some of the reported programs are shown in the Tables below.

Table 4.5. Examples of SDG Contributions of PLCs based on Selected Sustainability Reports

SDG Goal	Contribution to SDGs	Company
SDG 1	Allows clients to participate in capital markets through their financial literacy program, online platform, and low investment rates	COL Financial Group, Inc.
SDG 2	Provides affordable and accessible food products	Monde Nissin Corporation
SDG 3	Rolled out a vaccination program for employees	Shakey's Pizza Asia Ventures Inc.
SDG 4	ACE Scholarship Program - financially supports underprivileged youth to in taking courses on quick service restaurant operations, agriculture, and technical-mechanical skills	Jollibee Foods Corporation
SDG 5	Most executive positions in the corporation are held by women	Puregold Price Club, Inc.
SDG 6	Complies with the Clean Water Act (157 wastewater treatment facilities)	Puregold Price Club, Inc.
SDG 7	Use of LED lamps in all Puregold and S&R stores	Puregold Price Club, Inc.
SDG 8	Farmer Entrepreneurship Program - trains smallholder farmers on agro-entrepreneurship which involves corporate purchasing, supply chain management, e-commerce, and market options.	Jollibee Foods Corporation
SDG 9	Invested P50.8 million in digitalization and industry technology	2GO
SDG 10	Employed 238 individuals from indigenous communities and vulnerable sectors; Trained 4,325 employees on technical and behavioral skills	Puregold Price Club, Inc.
SDG 11	Employment of personnel residing near stores	AllDay Marts, Inc.
SDG 12	Promotes use of eco-friendly bags instead of plastics	AllDay Marts, Inc.
SDG 13	Prefers use of bikes or non-motorized means to deliver food	Max's Group, Inc.
SDG 16	Established anti-corruption practices, data privacy practices, whistleblowing policy, and gender diversity at the board level	Max's Group, Inc.

Source: https://edge.pse.com.ph/, accessed on May 17, 2022

Table 4.6. Sample Sustainability Reports – Section on Product or Service Contribution to UN SDGs

Key Products & Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Meat Alternatives (Quorn Foods products)	SDG 2: ZERO HUNGER - Reduction of food waste and repurpose where possible - Nutrition strategy and management system - Supplier screening to access policies for employees SDG 3: HEALTH & WELL-BEING - Incentivize colleagues to participate in wellness activities - Extend healthcare	The Quorn brand is recognized and marketed as a sustainable source of protein. Failure to progress with the SDGs could have a negative impact on the Brand and hence the business.	Quorn Foods has commissioned a report to measure progress against all SDGs. Those considered a priority achieve the greatest focus and score reasonably well. These inform the business's action plans surrounding SDG improvement. Action plans are in progress to improve the performance rating of all SDGs. Furthermore, Cauldron branded products are now Carbon Neutral since January 2022.

Monde Nissin Corporation 2021 Sustainability Report

Farmer Entrepreneurship Program (FEP)

Societal Value / Contribution to UN SDGs	**1 – No Poverty (1.1, 1.2, 1.4)** **8 – Decent Work and Economic Growth (8.3, 8.5)** The FEP, established in 2008, aims to help the community improve the income capacity of the smallholder farmers. We introduce and train the farmers to the processes of agro-entrepreneurship, enabling them to understand corporate purchasing, supply chain management, e-commerce and market options. By organizing and equipping them for collective marketing, they become viable direct suppliers of corporate buyers. Overall, 17 FEP farmer groups with a total of 637 members have become accredited suppliers of the Jollibee Group
Potential Negative Impact of Contribution	Issues on food safety, rejection of supply and e-commerce processing may pose risks to our farmers as they may not be well-versed in these areas.
Management Approach to Negative Impact	On food safety concerns, we assist our farmers in securing Good Agricultural Practices (GAP) certifications to ensure that they adhere to food safety requirements. To mitigate the risks of the rejection of farmer supply, we collaborate with local implementing partners in providing training, technical assistance, value chain financing and post-harvest

Jollibee Foods Corp. (JFC) 2021 Sustainability Report

Source: https://edge.pse.com.ph/. Accessed on May 17, 2022.

Public Financial Management and Reporting Systems

Financial management systems are in place for purposes of efficiency, transparency and accountability in the use of resources. These include the public financial management system, and the budget and treasury management system (BTMS).

In 2019, a new Budget and Treasury Management System (BTMS) was launched by the Department of Budget and Management (DBM), in partnership with Globe Telecom and FreeBalance, Inc. The BTMS is an integrated and fully-automated platform for a sustainable Government Resource Planning (GRP) solution that is extensible, flexible and adaptable to reforms as well as suits a wide range of public financial requirements. The system is expected to strengthen fiscal responsibility as it will enable the tracking of the government's financial status real time. It is envisioned to provide more reliable and timely information that can be used for policy and decision making through an improved and harmonized government financial process.

The SDG Watch

Data on the status of the achievement of the SDGs and targets set in the PDP is being consolidated and maintained by the Philippine Statistics Authority through the SDG Watch. The SDG Watch provides information on baseline data, targets, and latest data for tracking SDGs based on a list of indicators. Data for the generation of the indicators come from available sources from national surveys conducted by the PSA as well those from other concerned government agencies and international development organizations) with selected levels of disaggregation mostly at the national level and for some indicators at the regional level.

Data consolidated draws from information provided by concerned government agencies and development partners. Latest update in the SDG Watch is as of April 2022 following the last update published in March 2020.

The SDG Watch is a useful and organized platform for consolidating available relevant data from different duty bearers/stakeholders to track progress in the different SDGs. It also provides an avenue to make information on the country's SDG progress publicly available. On the other hand, the reference periods of information contained in the SDG watch are observed to be different across all the goals. For instance, the latest SDG Watch show indicators for SDG 1 (proportion of poor population) that are based on data for 2018, while those for SDG 3 refer to 2017 (i.e., proportion of births delivered in health facility, and under five mortality). Some of the indicators are also outdated. Indicators for SDG 1, for example on population living below the national line, are generated from 2018 data. On the other hand, SDG 3 indicator on HIV infections is as of 2021 while tuberculosis incidence is as of 2016 data. The differences in reference periods of the data as well as lack of more recent data make it difficult to come up with a comprehensive assessment of the progress in all of the SDGs by the country at a particular point in time and to determine the extent of setback brought about by the Covid 19 pandemic and other recent shocks. In turn, appropriate and timely interventions to address actual SDG needs and priorities cannot be accurately determined.

Data disaggregation currently being reported in the SDG watch is still limited. Data are not yet disaggregated enough to show situation of subgroups of population and across cities, municipalities and barangays. Thus, it is not possible to be able to identify and assess existing disparities in meeting the SDGs as it relates to sub-population groups and across communities. These implies a major challenge in setting and/or, if necessary, adjusting targets during the planning, budgeting and resource mobilization process at the national and sub-national levels. With these noted data limitations, it be hard to determine what and how much actual resources are needed and should be prioritized at particular points in time given the 2030 timeline for meeting the SDG nationally determined numerical targets.

Voluntary National Review

In the last VNR conducted in 2019, it highlighted that while platforms for coordination and monitoring the SDGs are in place, more disaggregated data are still needed to be able to measure the extent to which the country is able to leave no one behind.

CBMS and SDGs

The enactment of the CBMS law in 2019 provides an opportunity to generate the necessary data and relevant disaggregation to better diagnose SDG needs and priorities, and identify gaps that require further investments. The CBMS is being adopted by many local government units in the country since 2000 till the enactment of the CBMS law (RA 11315) in 2019, particularly to fill in information gaps for preparation and implementation of local development plans. It also facilitated the preparation of the country's first sub-national MDG report and has complemented efforts the localization of the SDGs.

Implications of the Full Devolution

Under the full devolution transition policy per Executive Order 138 issued in 2020, results-based M&E systems are expected to be established by the DILG, DBM, DOF and other NGAs to ensure that the LGUs have assumed the devolved functions effectively. This policy development implies greater resources and responsibilities of LGUs for delivery of public services including those that would contribute towards the achievement of the SDGs. It is important therefore that necessary tools i.e., data/indicators are in place to enable effectively capture, monitor and assess the utilization of available local resources for the SDG targets, and facilitate identification of any resource gap (some LGUs may have greater needs compared to others depending on the progress in specific goals/targets on the ground).

Recent Legislations towards Institutionalization and Strengthening Monitoring and Evaluation

Under the SDG Council Act (HB 7504), an SDG Evaluation System is being proposed to be established to be used to assess the programs of local government units being implemented in pursuit of the SDGs. Under the proposed measure, the Council, to be chaired by NEDA, is expected to develop, and implement an incentive and reward system, based on merit, to encourage the establishment of private sector and local government programs that aid in the fulfillment of the SDGs.

Appropriate funding shall be allotted in the General Appropriations Act to operationalize and implement the activities upon ratification of the proposed measure into law. If enacted, it would be important for the design of the evaluation system to be aligned with the existing national standards for monitoring and evaluation in the context of the SDGs. The proposed legislation aims to ensure that the country's targets in achieving the 17 SDGs are being met and the SDGs in the policies, plans, and programs of all government agencies and local government units (LGUs) are integrated.

4.4. Governance and Coordination

To help countries raise resources for their national sustainable development objectives, greater coherence of financing policies – both across sectors and financing policy areas (horizontal synergies) and between financing and sustainable development priorities (vertical synergies). Enhancing this coherence depends on effectiveness of governance including institutions and processes responsible for the formulation and implementation of financing policies.

The Philippines adopts a whole of government and whole of society approach in the implementation of the sustainable development goals. To effectively and efficiently implement the financing strategies and its intended outcomes towards meeting the 2030 SDG agenda given set timeline, existing processes and activities of key stakeholders and duty bearers would have to be aligned and to the extent possible synchronized. With the full devolution policy of certain functions of the executive branch to local governments with the issuance of EO 138 in 2021, this also implies greater role and accountability for duty bearers at the sub-national level to deliver services that are geared towards meeting the SDGs targets.

Institutional Mechanisms

1. Inter-Agency Sub-Committee on the SDGs. The committee, established by the DBCC in 2019, is tasked to lead the design and execution of the INFF. The DBCC is the government body that reviews and approves the macroeconomic targets, revenue projections, borrowing level, aggregate budget level and expenditure priorities and recommend to the Cabinet and the President of the consolidated public sector financial position and the national government fiscal program. The Committee is expected to help authorities align plans and projects with SDG targets[260]. It will also provide advice on policy integration and resource allocation, SDG-related reports

[260] https://www.bworldonline.com/dbcc-creates-sub-committee-on-sdgs/

such as the Voluntary National Review, the monitoring of programs for the SDGs and other stakeholder engagements.

The Committee is composed of the Undersecretary for Planning and Policy from National Economic and Development Authority (NEDA) as its Chair, and the Department of Budget and Management (DBM) as its Co-Chair. The DBM and NEDA shall jointly determine the members of the Sub-Committee on the SDGs. Meanwhile, the NEDA-Regional Offices are enjoined by the SDC to create a Regional Sub-Committee on the SDGs to assist in the advocacy, coordination, and implementation of the SDGs at the local level.

The sub-committee was established to monitor the country's progress on the SDGs, review SDG-related programs and policies, and submit recommendations to the cabinet level of the DBCC. Among the major expected outputs of the sub-committee are advice on the policy integration and resource allocation, SDG-related reports such as the Voluntary National Review, monitoring of programs for the SDGs, and stakeholder engagements.

The Sub-Committee on the SDGs is designated to assist in the coordination of the implementation of the SDGs in the Philippines. It is tasked to adopt a multi-sectoral approach, engaging local governments, development partners, civil society, the private sector and other stakeholders throughout the development of the INFF.

In support of the Sub-Committee on the SDGs, technical working groups (TWG) in Economics, Environment, Social and Peace, Security, and Governance as well as stakeholders chamber are established to provide inputs to the Sub-Committee on the SDGs. An SDG Secretariat, based at NEDA, was created to provide technical and secretariat support to the Sub-Committee on the SDGs , the TWGs and the stakeholders chamber.

The TWG will (1) monitor the implementation of the SDG Annex of the Socioeconomic Report (in coordination with the concerned NEDA technical staffs); (2) coordinate with government agencies to explore cross-sector programs for the SDGs; (3) prepare focus reviews and reports in relation to addressing policy, program, activities, project needs to meet the SDGs; (4) submit and present sectoral reports to the Sub-Committee on the SDGs.

The stakeholders' chamber will (1) facilitate partnership projects between non-government stakeholders and the government; (2) assist in funneling non-government actions towards SDG-relevant initiatives through pledging sessions by non-government actors;(3) set and communicate clear engagement objectives and create an engagement design and plan;(4). consolidate inputs and feedback from different stakeholders through reports, program, and partnership recommendations and position statements for consideration of the Sub-Committee on the SDGs.

Among the major expected outputs to date of the sub-committee are advice on the policy integration and resource allocation, SDG-related reports such as the Voluntary National Review, monitoring of programs for the SDGs, and stakeholder engagements.

2. Philippines Inter-Agency Technical Working Group for Sustainable Finance (ITSF). In accordance with the existing Sustainable Finance Roadmap, the ITSF is established to promote the integration of inclusion and sustainability issues into the macroeconomic policies and regulations. These covers conducting research and analysis to identify risks and barriers that may be used to effectively embed sustainability into policies and regulations. Part of its tasks is to provide support in the identification of the right mix of policies and incentives that would enable the transition to a circular economy.

On the other hand, the ITSF has the function of formulating its own rules and other internal policies on rules of procedure, identifying pipeline of sustainable investments, mobilizing various sources of public and private financing, and harmonizing and coordinating projects and policies across all government agencies, among others. The ITSF was established to support and contribute to the acceleration of the development of a sustainable economy and to explore a range of initiatives to increase the supply of sustainable finance.

With the full devolution policy taking effect in the country, it would be equally important to ensure the alignment with SDG targets of plans and activities of focal points i.e., Committee on Devolution, for implementation of the full devolution policy. In particular, this would be an opportunity to tap and optimize the utilization of the Growth and Equity Fund to finance and prioritize SDG related programs/projects, or align projects/programs to be financed by the Growth and Equity fund with the SDG 2030 targets.

3. Committee on Devolution. Created under Executive Order 138, the Committee will be composed of officials of the Department and Budget and Management (DBM), the DILG, the NEDA, the DOF, and of the Leagues of municipalities, cities and provinces, Liga ng mga Barangays, and the Union of Local Authorities of the Philippines. Among its key functions are to oversee and monitor the implementation administrative and fiscal goals of EO 138, and report on the implementation of the DTP and the Growth Equity fund, among others.

4. Philippine Development Forum (current role/activities in line with the SDGs to be confirmed/verified with NEDA/DOF)

Proposed Legislations

Efforts towards strengthening governance and coordination mechanisms that are inclusive of key stakeholders for the achievement of the SDGs is evident with proposed legislations such as the establishment of the SDG Council (HB 7504) or the SDG Council Act.

SDG Council (HB 7504) –SDG Council Act. Filed in Congress in August 2020, the measure proposes the creation of an SDG Council under the National Economic and Development Authority. The proposed council, to be chaired by the NEDA, shall be comprised of key officials/designated representatives from the Department of Finance, Department of Budget and Management, the DILG, the LPP, the LMP, the Mindanao Development Authority, and the BARMM. If the proposed bill is enacted, the Council shall be tasked to: (1) establish an evaluation system in accordance with the criteria set forth in the Act; (2) develop an incentive and reward system, based on merit, to encourage the establishment of private sector and local government programs that aid in the fulfilment of the SDGs; (3) establish and main exhibition, seminars and similar activities; (4) prescribe the procedures for the exercise of its power and functions as well as the performance of its duties and responsibilities; (5) be the authorized coordinating body of the government to consolidate and record the whole of nation approach in attaining the SDGs; (6) perform other functions as may be necessary to carry out the provisions of the Act.

A sustainable finance institute is being explored by the Government to put together expertise and policy support for green finance in the country (Businessworld, October 2021)261. The establishment of the institute would centralize knowledge and provide policy support and market development. It is envisioned to provide support through the participation of experts from the academe, private firms, and public agencies. The proposed establishment of the institute draws from the experience of other countries with similar bodies coordinating their sustainable finance ecosystems i.e. the UK Green Finance Institute or the Malaysian Sustainable Finance Initiative.

Coordination with the Private Sector, Development Partner Agencies and Other Stakeholders (NGOs, POs)

There are indications of a more active stance and growing interest among the private sector towards engaging in activities for sustainable development. On the other hand, there seem to be a lack of information consolidating the SDG program initiatives of the private sector with that of the public sector.

INFF and Sustainable Financing in other countries

Indonesia[262]

In Indonesia, key stakeholders of the INFF are BAPPENAS and the Ministry of Finance (MOF). BAPPENAS has the mandate to coordinate the country's SDGs implementation, while MOF is responsible for budget preparation and state treasury management. INFF implementation in the country involves other relevant governments including the Presidential Staff Office, the Financial Services Authority, and the Coordinating Ministry for Economic Affairs, among others. An SDG Financing Hub is being planned within BAPPENAS to become a key vehicle for the implementation of the INFF. The Hub will play a convening, coordination, and coherence-building role to build a more holistic approach to financing sustainable development and developing innovative financing schemes to mobilize private investments.

[261] Business World (October 21, 2021). "Gov't looking to set up sustainable finance institute"
[262] Drawn from the country experiences documented in the INFF website

The Government of Indonesia is noted as a leading example for the implementation of the INFF particularly in terms of progress towards a more systematic, holistic approach to financing national sustainable development objectives. Among the key outputs of Indonesia's INFF is a planned integrated and gender responsive financing strategy that brings together policy, governance approaches and financing instruments across public and private finance.

The INFF in Viet Nam supports its 2030 Finance Strategy, Medium-Term Investment Plan and Medium-Term Budget Plan to deliver the following results: (a) strengthened resource allocation for the new national Socio-Economic Development Plan and national SDG priorities; (b) improved effectiveness of public investment through better integration across government; and (c) increased private sector investment and quality foreign direct investment flows that support the development of green, productive domestic enterprises.

Its overall financial strategy is to ensure financial resources for realization of socio-economic, defense and security tasks. The Vietnam Government has set specific targets until 2030 in terms of its financial inflows and expenditures to ensure efficient management of its resources. Total revenue from taxes and charges is expected to account for about 13-14 percent in the 2021-2025 period and around 14-15 percent in the subsequent five-year period. Domestic revenue, excluding revenue from crude oil, is estimated to make up 85-86 percent of total State budget revenues by 2025 and 86-87 percent by 2030. The Government will strive to lower recurrent expenses to below 60 percent of the State budget expenditures while increasing development expenditures to 29 percent in the 2021-2025 and continue this course in the following years. The Government will work to gradually reduce budget overspending to 3.7 percent of GDP on average in the 2021-2025 period and down to 3 percent by 2030. Public debt, Government debt, and foreign debt will not exceed 60 percent, 50 percent, and 50 percent respectively in the 2021-2025 period. By 2030, foreign debt will be brought down to below 45 percent. The value of stock market capitalization is estimated to reach 100% of GDP by 2025 and 120 percent of GDP by 2030. The Government targets to develop the insurance market comprehensively to meet diverse demands of individuals and organizations and the sector is expected to account for around 3-3.3 percent of GDP by 2025 and 3.3-3.5 percent by 2030. Direct expenditures from the State budget to public non-business units will be reduced by 10 percent on average in the 2021-2025 period and 15 percent in the 2026-2030. To achieve the above goals, the Government will expedite completion of financial institutions, and innovate financial mechanisms and policies in favor of the development of human resource, science and technology, and innovation. The Government will step up modernization and development of digital financial platforms associated with the process of digital transformation. It will also mobilize and steer financial resources to infrastructure development and post-COVID pandemic recovery.

Malaysia

The Government of Malaysia undertakes various approaches to improve and expand the country's financial landscape in response to challenges brought by the COVID-19 pandemic and other fiscal and non-fiscal challenges. The adoption of the Shared Prosperity Vision 2030 (SPV2030) and the 12th Malaysia Plan (2020 – 2025) allows the government to develop a financing strategy that ensures and accelerates the achievement of the SDGs in Malaysia regardless of the issues faced by the country. The INFF in Malaysia aims to support the national Roadmap 2020-2025, analyze the development finance landscape, estimate the cost of scaling up and sustaining SDG projects, and design a national SDG Financing Strategy.

On top of and/or aligned with the INFF are some of Malaysia's sustainable finance initiatives which include the FTSE4Good Bursa Malaysia Index, Malaysian Green Financing Taskforce (MGFT), and the Joint Committee on Climate Change (JC3). The FTSE4Good Bursa Malaysia Index, launched in 2014, encourages Environmental, Social, and Governance (ESG) investments and practices in Malaysia as well as the country's shift to a low carbon and sustainable economy. The MGFT, which includes financial regulators, institutional investors, banks, asset managers, and government agencies involved in the renewable energy sector, was established by the Securities Commission Malaysia (SC) in 2019 to provide recommendations related to renewable energy and energy efficiency initiatives in Malaysia. The JC3, led by the SC and Bank Negara Malaysia in collaboration with Bursa Malaysia and other industry representatives, was established in 2019 to build the climate change resilience of Malaysia's financial sector through risk management, governance and disclosure, product and innovation, and engagement and awareness.

In order to promote sustainable finance, the Green Technology Financing Scheme (GTFS) was established by the Ministry of Environment and Water, Credit Guarantee Corporation Malaysia Berhad (CGC) and Malaysian Green Technology and Climate Change (MGTC) in 2010-2017 and in 2018-2020. The GTFS is a financing scheme made available to producers of green technology, users of green technology, and Energy Service Companies (ESCOs) in order to finance investment for the production of green products, utilization of green technology, and energy efficient projects/energy performance contracting.

Another incentive pioneered by the Government to support green financing in Malaysia is the launching of the Sustainable and Responsible Investment (SRI) Sukuk and Bond Grant Scheme by the SC in 2021 to incentivize issuers of bonds and sukuk in Malaysia that are aligned with the green, social, and sustainable standards.

Cambodia

In light of the dominance of private financing over public financing and of external over internal sourcing in Cambodia's financial landscape, as mentioned in the National Strategic Development Plan 2019-2023 of Cambodia, the government recognizes the need to enhance resource allocation and mobilization processes and reshape sectoral technical working groups to enhance human and institutional capacities. This draws importance to identifying other financial flows to address the CSDGs.

The Government of Cambodia aims to accelerate the achievement of the CSDGs through the development of a financing framework. The INFF will help lay out all sources of financing, provide policy inputs, and construct a database or compile data to be used for performance-based budgeting and tracking of SDG resources. This will facilitate scaling up of Cambodia's resources.

The UNDP is in charge of building the tax audit capacity of Cambodia's General Department of Taxation, providing advice and/or inputs related to the issuance of Khmer Riel bonds, supporting the institution of the Cambodia Impact Fund, analyzing the impact of cross border transfers within ASEAN on remittance flows, reviewing the national Chart of Account, and developing a tool for monitoring and tracking of CSDG-related expenditures in the national budget system. The UN Capital Development Fund (UNCDF), on the other hand, is expected to conduct an in-depth assessment of Cambodia's financial strategies and explore options related to increasing public revenues and selling debt instruments, among others.

To complement the INFF and in partnership with the Ministry of Economy and Finance, UNDP and UNCF are implementing a project on "Unlocking Cambodian Women's Potential through Fiscal Space Creation" which creates more funding for the CSDGs. The project aims to set up a credit guarantee facility which promotes productivity in the garments, tourism, and light manufacturing sectors and helps the government develop a more sustainable economy. These two joint programs combined seek to address SDG goals 1, 5, 8, 10, and 17 and link all development resources to support the government in "responding to systemic challenges in socio-economic recovery and building long-term resilience".

Summary

The INFF approach can be applied to macro or sectoral financing strategies. For the purposes of this study, the concern centers on financing strategies for achieving the 2030 SDG agenda with focus on SDG 3 to provide more concrete examples.

The integrated national financing framework approach builds integration at 3 levels: (1) integrating plans and financing policies, (2) integrating public and private financing policies, and (3) collaboration across public and private sectors. In the case of the Philippines, there is already an integration of plans and financing policies though there are still areas for further improvement especially given shifts in investment priorities and setbacks in achievements of SDGs targets in the light of the Covid 19 pandemic and other policy shocks. The same is true for public and private policies wherein greater alignment is needed towards achieving the SDG agenda. With limitations in fiscal space amidst competing development needs, there is scope for greater collaboration between public and private sector to foster more efficient use of available resources and more impactful programs and interventions towards meeting the SDGs. Private sector herein refers to private businesses, CSOs and NGOs. On the other hand, development partners – including multilateral funding institutions also play an important role in financing the SDGs. There is scope for enhancing collaboration with development partners particularly in terms of improving the financing strategies for meeting the SDGs.

There have been several developments since that development finance assessment in 2017. Many of which are beyond the 4 areas of concern action steps identified in the earlier report.

Some of the key findings and assessment in terms of the 4 building blocks are discussed below.

INFF Building Block 1: Assessment and Diagnostics

1. The Philippine Development Plan (PDP), which is the main catalyst for action for the country's sustainable development commitments, provides basis for identifying and prioritizing needed investments to meet the countries long-term and sustainability commitments. While the SDG agenda has been mainstreamed in the PDP and its accompanying Results Matrices (RM), there are noted gaps that have implications for investment planning, budgeting, resource mobilization, program implementation and impact monitoring.

2. Alignment of the PDP and the country's long-term vision (AN 2040) with the SDG agenda has been strengthened with the incorporation of SDG indicators in the PDP-RM. The existing PDP-RM provides measures and targets for the achievement of development goals and expected outcomes. On the other hand, while SDG indicators (Tier 1 indicators) have been incorporated, the latest enhanced PDP-RM does not include indicators for 2 of the 17 goals- SDG 12 (Responsible Consumption and Production) and SDG 17 (Partnership for the Goals). Moreover, there are also indicators and relevant disaggregation in the 2030 Nationally Determined Numerical Targets that are not part of the existing PDP-RM. Among these are indicators for Goal 1- proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural), proportion of population living below the national poverty line, by sex, age, employment status and geographical location. – which would flag disparities in conditions across sub-population groups and would determine who are being left behind.

3. The exclusion (or delay in inclusion since standards are still being developed or finalized?) of indicators and in turn targets for some SDGs pose risks of not achieving the desired outcomes for these goals since they would not be part of needs assessment and in turn investment planning. The indicators with the relevant disaggregation that are not yet included in the PDP-RM would have facilitated better analysis and identification of segments of population or communities that are being left behind in the process of development planning.

4. While there are existing mechanisms to track investments for development commitments in the country, the total amount of investment gaps cannot be measured and tracked at this time. Resource/Financing requirements to address existing gaps to meet the SDGs is difficult to measure for meeting the targets necessary information to assess and diagnose needed SDG investment and financing gaps towards meeting the 2030 SDG targets. For instance, while data on public sector budget, expenditures and sources of financing are regularly updated and available, alignment of public spending with the SDGs is difficult to determine given available data.

5. There is no (or lack of) regular, comprehensive and consolidated assessment and diagnostics of the country's SDG achievements with articulation of actual financing gaps for pursuing the 2030 SDG agenda.

6. The extent of contributions of local governments towards achieving the sustainable development goals and targets are not captured in the enhanced PDP-SDG-RMs since most of the indicators and targets are mostly aggregated at the national and if with disaggregation at most at the regional levels only.

7. The limitations in existing national statistical system continue to pose challenge in the conduct of more comprehensive assessment and diagnosis of progress in achieving the SDGs and in turn coming up with a financial plan.

8. Recent data on financial landscape points out to tighter public fiscal space and shifts in public spending priorities. Trends suggest concerns on implications of the limited resources and shifts in national expenditure programs in achieving SDG targets.

INFF Building Block 2: Financing Strategy

9. From 2016-2022, the national government expenditure program had shown significant investments in infrastructure development and human capital development. On the other hand, there is lack of information to indicate and assess gaps in public spending vis a vis total investment requirement for programs and projects aligned with meeting the 2030 SDG targets.

10. There have been several developments in the Philippines towards fostering ways to finance the country's sustainable development commitments. Among these are the approval and launch of a Sustainable Finance Framework, and Sustainable Finance Roadmap. The Framework and Roadmap were formulated particularly to support the development of a green and sustainable economy.

11. The implementation of the country's first sustainable financing framework and roadmap, in the context of meeting the SDGs, is relatively in its nascent stage. The Philippines first sustainable financing framework and roadmap was developed only in 2021, and launched in 2022. The Road map, while already highlighting the intended use of the proceeds from identified financing instruments to be raised towards contributing towards the achievement of the SDGs, currently focuses on "greening the financial system" and financing of sustainable activities with focus on climate change as a critical contributor to achievement of the SDGs. The roadmap does not yet articulate specific targets in terms of the amount of needed resources to finance identified gaps in progress towards achieving the 2030 SDG agenda. With less than 8 years to achieve the 2030 SDG agenda and limitations in the existing roadmap, this poses difficulty in setting the required pace to accelerate progress towards meeting the SDGs by 2030. It also limits opportunities to optimize available and/or new resources that can be drawn from different stakeholders had there been more information on the extent and nature of needed resources to finance development programs/projects towards meeting all the relevant SDGs and targets.

12. The country has no national comprehensive blueprint yet that lays investment requirements and gaps to achieve the identified 2030 SDG Nationally Determined Numerical Targets. While sectoral and strategic plans i.e., MTEP for UHC (2020-2023), DSWD Refresh Strategy 2028, Philippine Disaster Risk Reduction and Management Plan (2020-2030), and the Gender Equality and Women's Empowerment (GEWE) Plan 2019-2025, incorporate the SDG agenda, the time horizon and extent of available information on resource requirements to achieve the targets of the plans vary. This poses difficulty to come up with a comprehensive assessment and diagnosis of SDG related needs, priorities and investment gaps across the 17 SDGs at particular points in time with reference to 2030 SDG agenda.

13. A 2019 published COA Performance Audit for the Implementation of the SDGs in the country already pointed out that a financial plan has yet to be developed in spite of foundations from the existing financing policies and identified partnerships for mobilization and sourcing of resources. The government has fostered the development of a financial roadmap to ensure support for the achievement of the country's sustainability commitments including the 2030 SDG Agenda. While the roadmap was designed towards greening the economy and financial system, proceeds from identified financial instruments i.e., green/SDG bonds, etc. Due to lack of available current data within the government on the costs to fund climate mitigation and adaptation projects, as well as costs to achieve the SDGs, the amount of funding needed from private sector and blended finance has not been determined at the time of the preparation of the roadmap.

14. With less than 8 years to the envisioned 2030 achievement of the SDGs, additional information is needed to guide more informed planning for financing the country's sustainable development agenda and targets. These include data on the specific and time-bound goals and targets that will be financed by the identified financial instruments/resources, and on the needed investments to achieve the SDG targets. It is also not clear which programs need to be prioritized in the allocation given current status of the SDGs in the country. Taking into account emerging priorities and competing needs across the SDGs in the country, a more elaborate articulation of how much resources are still needed to be raised given cost requirements of programs and given existing resources that are still available from the different sources to date.

15. The existing National Expenditure Program, while calibrating 2022 targets and expenditures for selected sectors i.e., health and environment management aligned with the achievement of the SDGs, have no direct or explicit mention of how the proposed budget will be optimized to meet other SDG needs (pre-pandemic, and

those that may have been affected due to impacts of Covid). Prioritized for funding in the NEP for 2022 are allocations for Covid 19 response measures including health care development and social services, and public infrastructure investments. In general, the national budget focuses on containing the spread of the Covid 19 virus and safe reopening of the economy. While it cannot be assumed that SDGs

16. Government efforts toward enabling the private sector (publicly listed companies) to measure and monitor their contributions towards achieving universal targets of sustainability including that of the SDGs is relatively at the early stages of development. In 2019, a set of guidelines and reporting template on this was issued by the SEC as part of SEC MC No 4 in February 2019. Sustainability reports are required from PCLs as part of their annual reports each year. It is not clear though how these reports/inputs from the private sector are consolidated and/or utilized by the NG for SDG financial planning and monitoring of the country.

17. The private sector, as part of their business operations to ensure adherence to Economic, Environment Social, and Governance (EESG) disclosure policy and sustainability reporting standards, have supported programs that are aligned with the SDGs. On the other hand, there are challenges in examining the extent of their contribution and investments. For one, there is lack of a comprehensive and consolidated database on private sector investment for SDGs at particular points in time and across time that can facilitate mapping of overall contribution of the private sector towards.

18. Based on consultations with groups of corporate foundations, there are differences in the stages of engagement of the private sector towards meeting the SDG agenda in the country. From initial consultation meetings with selected groups, there seem to be an uneven level of knowledge among the private sector in the country about the overall-SDGs priorities, gaps, and related investment requirements in the country. Prioritization of programs to be funded by private sector rely on local presence/existing local partners in the site, and available relevant information from concerned government agencies.

INFF Building Block 3: Monitoring and Review

19. The Philippine government has continued to develop its monitoring systems to ensure efficiency, transparency and accountability in the delivery of public service. Innovations have been implemented to digitize reporting and monitoring platforms. The ecosystem for generation of needed data was further improved for more informed, responsive, and timely policy and program implementation while taking into account the country's sustainable development commitments.

20. In terms of monitoring the country's progress in meeting the SDGs, existing mechanisms are in place to facilitate more regular monitoring of trends in achieving the SDGs. These include the SDG Watch, the SER, and the Voluntary National Review (VNR) provide useful information that can serve as inputs for needed program action in line with meeting the SDGs. On the other hand, while SDG indicators are being monitored, source of basic data for generating the indicators come from different sources and are collected at different points in time. This poses difficulty to completely assess the progress across all the SDGs and identify priority areas that need program action at particular points in time. This also constraints identification of needed resources to meet actual gaps in achieving the 2030 SDG targets. Meanwhile, data disaggregation is still limited thus makes it impossible to come up with a more comprehensive diagnostics of gaps on which sub-groups of population or specific communities (municipalities, cities or barangays) are being left behind in terms of meeting the set SDGs goals and targets.

21. Data ecosystem has been strengthened to provide more useful inputs for policymaking and program action by generating more disaggregated data. The CBMS Law (RA 11315) enacted in 2019 aims for a nationwide implementation (covering all cities and municipalities) of the community-based monitoring system to generate the necessary disaggregated data that can be used for planning and program implementation. The enactment of the CBMS law results from the lessons learned in the adoption of the system by many LGUs as a tool for planning, budgeting and program implementation (including for localization of the MDGs and the SDGs) in the country since 2000 till the enactment of the law. While CBMS can fill in data gaps to aid monitoring and assessment of SDG progress, the PSA led nationwide implementation of CBMS is still in its early stages to date.

22. The BTMS was one of the tools implemented by the government to achieve better efficiency, transparency and accountability in the use of public resources. In 2019, BTMS was enhanced into a digital platform to further harmonize existing financial information and reporting systems and generate timely data that can be used for policy and decision making. The implementation of the Budget, Treasury and Management System (BTMS) provides an opportunity to keep track of and generate reports on actual public spending including those projects and programs related to meeting the SDGs at the national and local level. The outputs and recommendations of the on-going SDG budget tagging exercise would be useful for coding related programs/project expenditures in the existing BTMS.

23. Meanwhile, with the SDG tagging in the Public Investment Program Online (PIPOL) system, potential gaps in the amount of investments and number of projects per SDGs can be estimated. To improve such initiative, NEDA is considering the expansion of tagging up to the level of SDG targets may be considered.

24. The shift from obligated based budgeting to cash-based budgeting system in government steers greater importance of multi-year planning for programs and projects geared towards meeting desired development goals. In the context of achieving desired development goals aligned with the SDGs commitment by 2030, the budget preparation would benefit from a long term and more detailed planning of costs/resource requirements and more detailed mapping of resource gaps and requirements for implementing the relevant programs and projects.

25. The enactment of the CBMS law in 2019 provides an opportunity to generate the necessary data and relevant disaggregation to better diagnose SDG needs and priorities, and identify gaps that require further investments. On the other hand, the planned nationwide roll-out is on its early stages. The CBMS has been adopted by many local government units in the country since 2000 till the enactment of the CBMS law (RA 11315) in 2019, particularly to fill in information gaps for preparation and implementation of local development plans, for budgeting and for program implementation (including the localization of the MDGs/SDGs). Lessons from over 2 decades of development of CBMS in the country and its pilot test in local countries in other developing countries point out to its many valuable uses for evidence-based planning and budgeting and multidimensional poverty analysis among others, while empowering communities in the process.

26. Sustainability reporting guidelines for publicly listed companies have been developed (with issuance of SEC MC No 4-2019) to facilitate monitoring of contributions of private sector towards achieving sustainable development outcomes as set out in the 2030 SDG agenda and the AmBisyon Natin 2040. Reported PAPs of PLCs are a mix of organization focused and client focused. Some of the programs/activities reported are not (or cannot be) directly aligned or linked with the country's SDG indicators and targets

27. Recognizing ODA as a vital source of SDG financing, yearly monitoring of ODAs that are linked to the SDGs has been institutionalized by the government to track the contributions of ODA supported projects with the SDGs 263 . As of July 12, 2022, the latest published ODA Portfolio Review report is for 2020. While the 2021 report has already been prepared by NEDA, it is still being finalized for publication to date.

INFF Building Block 4: Governance and Coordination

28. The country's commitment towards better integration of the SDG agenda in the Philippines governance and development process is further strengthened with the approval of the creation of the Sub-Committee on Sustainable Development Goals (SC-SDG) under the DBCC in December 2019. The creation of the SC-SDG provides opportunity for better coordination and synchronization of plans and programs of concerned agencies in the public sector.

29. The creation of the Interagency Sub-committee on SDGs provides opportunity for strengthening the monitoring of the country's progress on the SDGs, review SDG-related programs and policies, and submit recommendations to the cabinet level of the DBCC. Among the recent activities conducted (planned to be conducted) by the SDG Secretariat include the development of an SDG acceleration roadmap, updating of

[263] https://hlpf.un.org/sites/default/files/vnrs/2022/06222022%20VNR%20of%20the%20Philippines.pdf

National Numerical Targets, and conduct of national and regional stakeholder engagement and consultation workshops.

30. The establishment of regional TWGs and stakeholders chamber provides an avenue to strengthen alignment of programs and resources towards meeting the SDG agenda across levels of government and between public and private sector. The Stakeholders Chamber provides an opportunity to better inform the private sector of existing gaps in meeting the national SDG agenda, map out SDG initiatives and their alignment with the overall SDG agenda, and identify possible areas of partnership between the public and private sector to strategically mobilize the required resources to meet the SDG targets given the set timeline.

31. Meanwhile, the creation of the Integrated Task Force for Sustainable Finance (as part of the development and implementation of the country's first Sustainable Finance Roadmap) manifests the government's commitment to meet the country's sustainability commitments including that of the 2030 SDG Agenda. This fosters the integration of inclusion and sustainability issues into macroeconomic policies and regulations.

32. On the other hand, taking into account the important role of local governments in the delivery of services including those that are geared towards achieving the country's sustainable development commitments, there seem to be a lack of representation of the local government's league and of the DILG (in charge of capacity development of LGUs and focal agency for localization of the SDGs) in both the SDG committee and in the Integrated Task Force for Sustainable Finance.

Annexes

4.1. 2030 SDG Nationally Determined Numerical Targets and the PDP-RM 2017-2022

SDG Goal	No. of Indicators	
	2030 SDG Nationally Determined Numerical Targets	**PDP-RM 2017-2022**
1	23	14
2	7	8
3	28	25
4	15	16
5	22	6
6	8	1
7	4	5
8	9	6
9	5	23
10	7	1
11	5	3
12	1	0
13	4	1
14	1	5
15	9	2
16	11	33
17	13	0

4.2. Mapping of SDG Financing Sources

Financing Sources	Reference Policy Document/Legal Basis	Description
Revenues from increases in excise taxes on alcohol products, e-cigarettes, and heated tobacco products (HTPs).	RA 11467 (enacted January 2020)- amends and adds to the National Internal Revenue Code of 1997, was enacted into law on 22 January 2020. RA 11467 increases the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs).	The additional revenue will fund the Universal Health Care (UHC), additional medical assistance and support to local governments, and the Sustainable Development Goals (SDGs). 20% of the revenues from excise tax on alcohol shall be allocated for SDGs. Specific targets to be determined by NEDA; 60% for the implementation of the Universal Health Care Act of 2019; 20%, based on political and district subdivisions, for medical assistance, the Health Facilities Enhancement Program (HFEP) requirements for which to be determined by DOH
SDG Fund	House bill 6790 (filed in May 2020; referred to; pending under SDG committee)- Sustainable Development Goals and Ambisyon Nation 2040 Fund Act	Creation of an SDG AN2040 Fund is proposed to support the Philippines to meet the SDGs as a Member-State of the United Nations and to realize the visions under AN2040, in consideration of Executive Order No. 5, 2016 formally approving and adopting the NEDA program as the country's main 25-year plan to eliminate poverty and hunger in the country
	Senate bill 768- An Act Establishment the Sustainable Development Goals and Ambisyon Natin Fund (Filed in July 2019; Pending in Economic and Finance Committee as of August 2019)	Proceeds of which shall be raised from the PCSO lotto draws; 1% of PAGCOR's net income per year; 1% of collection from sin taxes (allotted for health programs to be set aside for the SDG Fund). Project proposals to be submitted by LGUs for funding of the SDG fund shall be assessed and evaluated by the SDG AN2040 Secretariat. LGUs shall be required to contribute 25% of the total project fund, with the balance of 75% to be sourced from the SDG AN2040 Fund: Provided, That the LGUs may use up to the maximum of 5% of total project fund for MODE: Provided, that no amount shall be used for personnel services
Growth and Equity Fund	Executive Order (EO) No. 138- Section 8- EO orders the national government to fully devolve functions related to the delivery of basic services to local governments following the 2018 Mandanas ruling. Under Sec. 8 A GEF shall be proposed to congress from FY 2022 and thereafter to address issues of marginalization, unequal development, high poverty incidence and disparities, in the net fiscal capacities of LGUs.	According to the 2022 National Expenditure Program, the P10-billion GEF "shall be used as financial assistance to the identified poor, disadvantaged, and lagging LGUs for the implementation of various infrastructure projects to gradually enable the full and efficient implementation of the functions and services devolved to the local government."
Proposed Bayanihan 3 or Bayanihan to		The bill, which proposes a ₱401 billion stimulus package, was approved by the House of Representatives

Arise as One Bill		on 1 June 2021 and is being deliberated in the Senate. Key components include cash subsidies for affected households, wage subsidies, assistance to displaced workers, support to agri-fishery sector, medical assistance to indigents, nutrition and education programs
Proceeds from Green, Social or Sustainability Bonds, Loans, and other debt instruments in the international capital markets	Sustainable Finance Framework and Road Map	Proceeds raised under this Framework will be used to support projects that reflect the Philippines' commitment toward Sustainable Development and the United Nations Sustainable Development Goals ("UN SDGs"), in line with the Philippine Development Plan ("PDP") 2017-2022 and Public Investment Program ("PIP") 2017-2022. A set of criteria have been laid out for the selection of eligible expenditures (aligned with the SDGs) that can be charged to the proceeds
ADB-DOF UHC Program	ADB website	In 2021, the Asian Development Bank (ADB) has approved a $600 million policy-based loan to help the Philippines provide quality and equitable health services for all Filipinos as part of its universal health care (UHC) reform program. The Build Universal Health Care Program seeks to support the government's initiatives to improve the financing and delivery of health services and implement measures to monitor the performance of health service providers. The program will expand the use of digital tools for the sector and ensure sharing of data among health information systems and databases. It will bolster the implementation capacity of the Department of Health and the Philippine Health Insurance Corporation, and strengthen collaboration with other government agencies, local government units (LGUs), and the private sector. It will support LGUs' efforts to expand health promotion and help improve access to health care workers and health care facilities, particularly in underserved LGUs. In addition to the loan, ADB will administer a $2 million technical assistance grant from the Japan Fund for Poverty Reduction to support the implementation of health policy reforms in LGUs. ADB will provide technical advice as the government prepares to implement the next set of UHC-related reforms by 2023.
Others		
SDG Bonds		In a report by ASEAN, SDG bonds present key opportunities for mobilizing more private capital for SDG investments in ASEAN going forward. Given the existing financing gaps in many SDG sectors beyond infrastructure, energy and buildings, as well as corresponding global demand for sustainability investments, there is a high potential for SDG bonds to become a more important SDG financing instrument for ASEAN countries than they currently are (ASEAN, p. 8).

4.3. Best Practices on Sustainable/SDG Financing in other countries

Country	Tool	Description
Indonesia[264]	SDG Investor Map	Launched in March 2022, map aims to help private sector explore the 18 identified investment themes and business models across six SDG-enabling sectors which are aligned to Government SDG policies that have the potential for deep development impact. Indonesia is the first ASEAN country to launch an SDG Investor Map. The intelligence produced by the Map will also help inform Indonesia's post-COVID-19 "Build Forward Better" strategy, as the Government commits to close the SDG financing gap by encouraging private sector investors and other non-state actors to take a role in SDG investment
	SDG Roadmap	Indonesia has developed an SDG Roadmap that covers indicators and targets for all 17 SDGs. It includes a chapter on financing strategies that include time bound SDG investment projections up to 2030.It The document also identifies the financing distribution needed between the government and non-government entities to achieve projected SDG financing scenarios. It provides estimates of the financing gap or additional investment needs to achieve moderate or high SDG financing scenarios.[265]
	SDG Impact Standards	It is referred as the only management standards in the market that enable organizations to consider all 17 SDGs holistically. It aims to help improve impact integrity and increase the likelihood for an organization's activities to have positive impacts on people and the planet. It covers four set of Standards catering to the following asset classes: Private Equity Funds, Bond Issuers, Enterprises and the OECD/UNDP Impact Standards for Financing Sustainable Development

[264] https://sdginvestorplatform.undp.org/news/indonesia-sdg-investor-map-highlights-sdg-enabling-investments-development-impact
[265] Source: Ministry of National Development Planning/National Development Planning Agency (n.d.). Roadmap of SDGs Indonesia: A Highlight

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CHAPTER 5

Summary and Recommendations

The Covid 19 pandemic and consequently the global economic downturn it has brought upon pose significant challenges in achieving the country's development goals and targets. The continuing pandemic which started in 2020, compounded with other shocks including typhoons Ulysses in 2020, and Rai (Odette) in 2021, the global oil price hike, and disruptions in supply chain, have resulted to major setbacks in desired pace of economic growth, poverty reduction and improvements in quality of life of Filipinos. While fiscal reforms have been instituted by the government to generate more revenues and manage the rise in debt, the combined immediate effects to long run impacts of the aforementioned shocks are expected to place severe pressure in the country's meager public resources. Meanwhile, the magnitude and extent by which these shocks have set us back from our long-term development aspirations and correspondingly the needed investments to keep the country back on track is yet to be determined in existing development plans.

With limited public resources, shifts in public spending priorities particularly to contain the spread of the virus through, and to combat its immediate impacts particularly on the subsistence and livelihoods of the poor and the vulnerable in the course of the pandemic implies trade-offs in the use of existing resources by the government. As the country charts its pathway towards recovery from the pandemic and strengthening the economy, it would be important to determine the implications of these trade-offs particularly with reference to the achievement of the desired long-term and sustainable development goals and outcomes. Meanwhile, with a narrower fiscal space, the role of the private sector as a development actor becomes more apparent. To ensure more efficient and meaningful use of available resources both from the public and private sector, gaps must be identified and quantified with reference to the nationally determined development targets to better inform planning and program implementation.

This study takes stock on the country's progress in meeting the sustainable development goals (SDGS) using the Integrated National Financing Framework (INFF) approach. In particular, it examined the trends in the SDG indicators, and determined progress with reference to the 2030 SDG targets with focus on SDG 3. The study also attempted to looked into the SDG investments made in the country by delving into the public spending earmarked to accelerate progress in the SDGs. In addition, private sector investment as well as international development partners support of the SDGs or related sectors have also been initially mapped out to determine the nature and extent of their contribution towards achieving the SDGs.

5.1. On Progress in Meeting the SDGs

Prior to the onset of the pandemic, the country is already faced with several challenges in meeting the SDGs. Drawing from a 2021 report by the Philippine Statistics Authority (PSA) on the Philippines Pace of Progress, of the 31 main indicators that met data requirement for estimation, only 13 indicators (41.9%) are ahead the path to target while 18 indicators representing 58.1% were behind the path to target as of May 2021. In terms of anticipated progress, only 11.8% targets (4 targets) are on track, (Goal 1) international poverty, (Goal 3) health coverage, (Goal 5) women in leadership, and (Goal 8) per capita economic growth. On the other hand, 64.7 percent of the targets need to accelerate to achieve the target by 2030 which includes indicators under Goals 1, 2, 3, 4, 7, 8, 11, 13, 16, and 17. It should be noted, however, that there are SDG indicators that are not currently being monitored due to limitations of available data and/or desired data disaggregation. Moreover, not all indicators have 2030 nationally determined numerical targets.

To determine the country's progress in meeting the SDGs, our study generated the Accelerated Progress Index (API) for 63 indicators using latest available data for some of the indicators (i.e. poverty incidence, health (on tuberculosis prevalence), unemployment). For generating the API, the UN ESCAP methodology was applied which was also earlier adopted by the PSA.

The country's development progress towards poverty reduction, health, education and unemployment had been hardly hit by the Covid 19 pandemic. In the midst of the pandemic and corresponding needed adjustments to the "new normal, disparities in capacities of population and communities in coping with the impacts of shocks have been magnified. Apart from the loss of human lives due to the virus and its health complications, the prolonged lockdowns and mobility restrictions have left many people out of jobs and income (particularly those in the construction, transportation and informal sector), and children out of school. An examination of data disaggregation of specific SDG indicators also reveals not only the reversals in earlier achievements but the uneven progress in meeting some of the goals.

The API (Anticipated Progress Index) answers the question: "How likely will the targets be achieved by 2030?". According to the results of our study, there are still gaps in achieving the desired sustainable development goals and targets by 2030. For instance, only 8 of the 37 SDG targets with sufficient data are on track. These include targets on: 1.1 international poverty; 1.2 national poverty; 4.4 Skills for employment; 4.a Education facilities; 5.5 Women and leadership; 7.1 Access to clean energy services; 14.5 Conservation of coastal areas; and 17.8 Technological capacity building.

On the other hand, 17 targets need acceleration. Among these are targets relating to: 1.4 equal rights; 1.5 resilience of the vulnerable; 2.2 malnutrition; 3.2 neonatal deaths; 3.7 sexual and reproductive health; 3.8 universal health coverage; 3.9 health impact of pollution; 4.1 effective learning outcome; 4.2 early childhood development; 4.3 TVET and tertiary education; 4.6 adult literacy and numeracy; 6.3 water quality; 8.8 labour rights; 10.2 inclusion (social, economic & political); 11.6 air quality and waste management; 11.b disaster risk management policies; 16.5 corruption and bribery.

Meanwhile, 13 of the SDG targets have regressed including targets on: 2.1 food security; 3.1 reduction of maternal deaths; 3.3 communicable diseases; 3.4 NCDs including mental health; 3.6 road traffic accidents; 4.5 equal access to education; 5.2 violence against women and girls; 6.5 water resource management; 8.1 per capita economic growth; 8.5 employment and decent work; 11.5 resilience to natural disasters; 13.1 resilience and adaptive capacity; and 16.9 legal identity.

Further examination of some of the specific indicators with available data, on the other hand, points out to additional observations that merit consideration in policy and program action if we are to ensure that "no one is left behind" in the course of achieving sustainable development.

On Poverty Reduction

Earlier achievements in poverty reduction in the country had been reversed by the pandemic, coupled with other new shocks that occurred during the period as well lingering impacts of earlier shocks, with a noted rise in poverty incidence in 2021. The COVID-19 pandemic has largely affected people's incomes and jobs resulting from mobility restrictions and long period lockdowns that had to be implemented as part of health protocols to manage the spread of the virus. Poverty has increased to 18.1% in 2021 from 16.7% in 2018, based on the latest results of the Family Income and Expenditures Survey (FIES). This translates to about 20 million Filipinos with income below the minimum amount of income to meet basic food and non-food needs. Based on the latest data, uneven progress in poverty reduction persists across regions. Data shows a rise in poverty incidence in 10 of the 17 regions with the biggest increase in poverty in Region VII (rose by 9.9%) followed by MIMAROPA (rose by 5.7%), Region 1 (4.5%), and Region III (4.4%). Meanwhile, 10 of the 17 regions experienced reversal in progress in poverty reduction in 2021. These include NCR, Region 1-Ilocos, Region III-Central Luzon, Region IVA-CALABARZON, IVB-MIMAROPA, Region V; Region VI; Region VII; Region X; Region XIII.

On Health

Meanwhile, available data on SDG 3 indicators points out to the need for a stronger push to accelerate progress towards meeting desired health outcomes. For instance, the country's progress towards universal access to health care has been reversed in 2020. Data on the state of health insurance coverage among families from the 2020 Annual Poverty Indicator Survey (APIS) revealed that there was a decline in health insurance coverage among families by 10.6%. Health insurance coverage declined from 89.3% in 2019 to 78.8 percent in 2020.

Progress on other goals- particularly for women and children, on the other hand, need further examination using latest available data to be able to determine and assess current status. In the course of our study, we note that several data for generating health outcome indicators are outdated. For example, latest data on maternal mortality is 2011, which was collected from the 2011 Family Health Survey. Data on other health indicators is likewise outdated. These include data on births attended by skilled health personnel and of births delivered in a health facility, neonatal mortality, under-five-mortality; and infant mortality whose latest data is 2017 which were collected from the last completed National Demographic Health Survey.

Meanwhile, latest data on the provision of other health services also indicate need for acceleration in progress. For instance, while results of the 2020 Drug Availability Survey of the DOH indicate that more than half (56%) of public health facilities are properly stocked with selected essential medicines and has increased higher by 1% compared to that in 2019, this is actually 9.4% lower compared to the 2016 record of 65.4%. On the other hand, data from the same survey also shows a decline in access to drug abuse related treatment programs from 2019 to 2020. From 87.6% in 2019, access to treatment programs declined by 4.6% decline (83%) in 2020.

Data from the DOH, meanwhile, revealed a sharp decline in the number of HIV tests conducted in 2020. HIV tests declined by 61 percent - from 1.22M tests conducted in 2019 to only 480,285 tests conducted in 2020. Newly diagnosed HIV infections have been increasing since 2015-2019. In 2020, data from the HIV/AIDS and Anti-Retroviral Therapy Registry (ART) of the Philippines (HARP) of the DOH shows a significant drop in HIV infections diagnosed. On the same year, 8,058 confirmed HIV-positive was reported from a record of 12,778 in 2019. In 2021, the number of cases jumped back to over 12K (12,341) newly diagnosed cases

More regular and updated data are needed to better examine the magnitude and nature of gap that need to be addressed in terms of desired health outcomes that are aligned with the 2030 SDG agenda.

On Education

The pandemic underscores a few realities in access to education. Total enrolment in elementary level is on a decline since SY 2015-2016 (16.48M) to SY 2020-2021 (14.64M). Public school enrolment has been on a decline since SY2015-2016 (14.9M) to SY2020-2021 (13.7M). On the first year of the pandemic, the share of public-school enrolment increased by 3.4%.

At the junior high school level, total enrolment has been increasing from SY 2015-2016 (7.39M) to SY 2020-2021 (8.33M). Public school enrolment has been on the rise since SY2015-2016 (6M) to SY2020-2021 (7M). On the first year of the pandemic, the share of public-school enrolment increased by 2.1%.

Similarly, total enrolment in SHS has been increasing. From 1.46M enrollees in SY 2016-2017, total enrolment jumped to 3.2M students in SY 2020-2021. Public school enrolment has been on the rise. Enrollees in public schools more than doubled from SY2016-2017 (731,981) to SY2020-2021 (1.98M). On the first year of the pandemic, the share of public-school enrolment increased by 6.1%.

Looking at enrolment data across regions for SY2020-2021, marked with the lowest net elementary enrolment rate are: BARMM (69.17%), NCR (81.1%), Region IV-B (86.2%), Region 1 (86.2%), Region 11 (86.3%), and Region 5 (87.3%).

Meanwhile. some regions have consistently reported lower net enrolment rates for junior and senior high school compared to other regions from SY2015-2016 to SY2020-2021. These include BARMM, Regions 9 (%), 12 (%), 10 (%), and 5 (%).

At JHS level, in SY 2020-2021, a reduction in net enrolment rate was seen in 9 of the 17 regions compared to the previous SY. These include Regions 5 (7.2%), Region NCR (4.5%), Region XI (3.8%), Region IV-A(3.4%), Region VII (3.1%), Region III (1.6%), Region IV-B (0.4%), Region X (0.2%).

Except for the NCR (wherein a 5.8 percent reduction in enrolment rate), a rise in net enrolment rate in senior high school was seen in the rest of the regions for SY 2020-2021.

Meanwhile, looking at latest available data by gender, there are more male learners compared to females in elementary level. While more than half of the total elementary school enrollees are male children over the years, data shows a decline in the percentage of enrolment of males since 2017-2018 (52.1%) to 2020-2021 (51.8%). On the other hand, in JHS, more than half of the enrollees are female children from SY 2015-2016 to SY 2017-2018. However, starting SY 2018-2019 (49.9%) to date (49.2%), the percentage of female students to total enrollees has declined. At the SHS level, there are more female learners compared to males. On the first year of the pandemic, the share of male learners at the SHS level declined from the previous school year while that of female learners increased. Latest data on SHS enrollment, on the other hand indicate a decline in female learners.

Additional data on the characteristics of these children are needed to better understand the drivers in the movements of learners in and out of education at particular points in time.

On Advancing Decent Work

Prior to the onset of the pandemic, the country was on track and close to reaching its 2030 target of reduction in unemployment of 5%. On the other hand, in 2020, unemployment rate rose to 10.3%. While this was reduced to 7.8% in 2021, it is still higher than the pre-pandemic unemployment rate of 5.3%.

Uneven in progress towards reducing unemployment across age group and gender persist. Latest available data by age group shows highest unemployment rate remains among 15-24 years old. In July 2021, unemployment among the youth in the labor force has increased by 1.48% compared to unemployment rate in this age group in the same reference period in 2019.

Meanwhile, in 2020, unemployment among the youth peaked at 22.35% (in July 2020) which is way higher than the same period in 2019 (14.44%). While 2021 data for the same reference period shows a decline in unemployment rate (15.92%) among this age group, it is still higher than the pre-pandemic level.

Looking at available gender disaggregated data on unemployment, unemployment rate among females has increased by 2.48% in July 2021 compared to the same reference period in 2019. On the other hand, unemployment rate among males increased by 1.41%.

On the other hand, while the national underemployment rate has gone down to 13.80% (as of July 2022) from pre-pandemic level (19.09% in July 2019), uneven progress is seen across regions. Underemployment rate in 9 of the 17 regions has increased from their 2019 level. These include Regions CAR (increased by 6.06%), I (2.33%), IVA-CALABARZON (1.61%), VI (7.98%), VII (2.28%), XII (6.04%), XIII (7.71%), BARMM (3.57%), and NCR (1.5%).

Amidst the current state of the aforementioned indicators, is a growth in labor force participation rate. Based on latest data, Labor Force Participation Rate (as of July 2022) has increased by 3.1% (at 65.2%) compared to the same reference period in 2019 (62.1 %). Labor force participation rate among males has increased to 76.4% (as of July 2022) which is higher compared to the same quarter in 2019 (75.3%). Meanwhile, female labor force participation rate is marked at 53.9% (as of July 2022) higher by 5.2% than in the same quarter in 2019. This increase in labor force participation rate, adds further pressure in addressing existing gaps in progress towards meeting the Decent Work Agenda.

5.2. On Financing Landscape

The Philippine government has continued to institute policy measures aimed at strengthening the country's fiscal position to support its development strategies and programs towards its long-term societal goals and development aspirations for the Filipino people, and achieve its sustainability commitments including the 2030 SDG Agenda.

On the other hand, the economic downturn and consequent development challenges brought about by the COVID-19 pandemic coupled with natural disasters and other global shocks i.e. supply chain disruptions, oil price hike and rising inflation among others that affected the country has narrowed sources of development financing and shifted public spending priorities.

On the first year of the pandemic, the country experienced a deep dive in domestic private investment as well as decline in government revenues and international private borrowing. In addition, inflows of foreign direct investment and remittances also slightly declined. On the other hand, data shows a surge in domestic borrowing and ODA, and a rise in portfolio equity. ODA flows had increased and continued to be an important source of development financing. In 2021, domestic private investment, government revenues, remittances, and FDI have increased. Government Borrowing (Domestic) increased while private borrowing (international) remains steady. Portfolio equity declined. While slight improvements have been noted in some of the financial flows in 2021 as well in 2022 with the easing of mobility restrictions and gradual re-opening of the economy, growth in investment flows from public and private sector remain unstable with the pandemic still on-going coupled with other shocks.

Fiscal Landscape

Latest data on the country's financial flows indicate limited fiscal space - exacerbated by the ongoing Covid 19- pandemic and emerging demands to cushion and mitigate its short run and medium-term impacts while pursuing the country's long term development agenda and sustainability commitments. Public fiscal space to support the country's development agenda is further narrowed by needed measures towards recovery and rebuilding the economy, to provide necessary stopgap measures and social protection support particularly to sectors/groups of population/communities that have been adversely affected by the pandemic, and cushion additional/other risks of emerging shocks (i.e. volatility in financial markets due to "global policy normalization", supply chain disruptions, climate related shocks, and political uncertainties, among others).

Public deficit has been on the rise since 2016 and has more than doubled in 2020 and 2021 from pre-pandemic level. Cash Operations Report of the Bureau of Treasury (as of 2021) indicate that the public deficit shows an increasing trend since 2015 (P121.69 Billion) to 2019 (P660.24 Billion). In 2021, this has surged to P1.67 Trillion. Data indicates a widening of fiscal gap from 3.4% of GDP in 2019 to 8.6% of GDP in 2021. The significant rise in public deficit since the pandemic began indicates a narrower fiscal space to address competing demands for needed emergency and short-term response, and to initiate recovery and rebuilding measures while pursuing the country's long term development agenda and sustainability commitments.

Public spending has significantly increased during the pandemic from which P 716.9B had been allocated for Covid 19-related measures (of which P 616.02B had been spent as of Dec. 2021, DBM). To date, additional demands for public service delivery are emerging with the continued pandemic and its prolonged consequences, combined with the lingering impacts of earlier shocks that hit the country prior to 2020, as well as the impacts of other shocks (rise in oil prices, supply chain disruptions, shifts in technologies, among others) while the pandemic is ongoing.

Meanwhile, the economic contraction resulting from the health pandemic has led to lower government revenues and lower revenue-to-GDP ratio. Debt (as a % of GDP), on the other hand, significantly increased in 2021. With the slowdown in growth in financial flows, data also shows shifts in public spending priorities during the pandemic.

In 2021, social and economic services continue to be among the top public spending priorities taking up 66.4% of total public expenditures. On the other hand, with the rise in spending on debt service-interest payments (from 10% in 2019 to 11.8% in 2021) and net lending (from .5% in 2019 to .6% in 2021), data shows a decline in spending in social services by .4%. On the other hand, this slight reduction in share of social services (37.4%) also indicate shifts in spending across social sectors. The shares of expenditures on health, social security, welfare, and employment services and subsidy to LGUs increased in 2021 while spending on education, culture and manpower development declined.

Meanwhile, the share of expenditures for debt-service interest payments has risen from 10% in 2019 to 11.8% in 2021. Debt (as a % of GDP) significantly increased in 2021. Government debt as a percentage of the GDP had been on a steady decline from 2013-2019. In 2020, debt to GDP ratio has ballooned to 54.6%, and has reached 60.5% in 2021.

For 2022, data from the BESF 2022, shows an increase of 1.3% in the share of social services to total budget (P5.03T) compared to its allocation in 2021. There is also a .6% increase in general public services. On the other hand, percentage allocation for the rest of the sectors declined: economic services (by .1%), defense (.1%) and debt service (1.6%) while budget share of net lending remains the same. Comparing the budget allocations on the onset of the pandemic (2020), allocation for social services has declined by 2.3% and for general public services by 2.4%, while the allocations for the other sectors have increased: debt service by 1.4% and net lending by .1%; defense by .3%; and economic services by .1%. As borrowings significantly increased, the government needs to raise P249 billion more revenues annually to repay. For 2022, allocation for Debt service payments amounts to: P512 billion (BESF).

The country's surge in debt level, as well as emerging demands for public service delivery amidst on-going shocks, have put a strain on the country's finances, prompting the need for the implementation of a fiscal consolidation and resource mobilization plan. This requires raising more revenues and improvement in tax administration, and for the government to channel resources from unnecessary and non-priority expenses to productive spending. Among the key concerns, particularly in the context of this study, is the optimization of use of available resources that can be tapped from the public and the private sector in order to address gaps in SDG financing towards achievement of the country's 2030 sustainable development agenda and targets.

5.3. Financing the SDGs

Amidst the gaps in progress towards meeting the 2030 SDGs and the narrowing fiscal space, additional sources of financing are being tapped by the government. New strategies for generating additional resources for SDGs are also being explored. In this process, the role of non-government actors including the private sector and international development partners has become more evident.

Public Sector

Proceeds from tax reforms particularly SIN TAXES have been earmarked to support additional financing for SDGs. This was facilitated by enactment of RA 11467- which was enacted into law in January 2020 which amended and added provisions to the National Internal Revenue Code of 1997. RA 11467 increases the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs). The additional revenue is earmarked for the Universal Health Care (UHC), additional medical assistance and support to local governments, and the Sustainable Development Goals (SDGs).

From 2019 to 2021, SIN taxes around P 200B had been generated in support of programs aligned with achieving Universal Health Care.

Meanwhile, there have been new and proposed legislations will widen the local resource base to help accelerate the achievement of the SDGs. With LGUs at the forefront of delivery of public services, additional resources for LGUs following the Mandanas Ruling provide opportunity for delivery of devolved public services towards meeting the SDGs at the local level. In line with this, a Growth Equity Fund- with reference to the Full Devolution Transition Policy - has been approved amounting to P 1.2 Billion in 2022- to assist the poorest LGUs in the implementation of the devolved services. The Growth Equity Fund (GEF), according to Executive Order 131 issued in 2021, is intended to address issues on marginalization, unequal development, high poverty incidence and disparities in the net fiscal capacities of LGUs.

Private Sector

Meanwhile, the private sector has been contributing to mobilization of additional financing to support the country's sustainability commitments which include the SDGs.

One of which is through raising revenues from labeled bonds which is aligned with the government's - Sustainable Finance Framework and Roadmap. For instance, from at least US$1.8 Billion worth of funds from green bonds jointly raised by the government and the private sector, additional resources have been generated for climate mitigation (US$1B), US$150M for sustainable energy, US$ 413M for renewable energy, and P 15B for green projects. In addition, about US$3.3 Billion has been generated from sustainability bonds from which US$ 1.9B are for climate change adaptation and mitigation and US$150M in blue bonds to support marine protection. About P 21.5 billion pesos (from Covid Action Response bonds) will support pandemic hit MSMEs. Meanwhile at least 10.6% of the 2019 loan portfolios of banks had been earmarked for green financing and social projects. On the other hand, additional data are needed to determine and examine how these investments translate to desired sustainable development outcomes and targets.

In addition, through their CSR and ESG related programs, the private sector continues to support the country's sustainable development agenda, and its investment has increased over time. In 2017 alone, according to a UNDP supported report on transformational business: contributions of the private sector to the UN SDGs covering programs of 75 private companies, at least P40. 7 billion worth of private sector investment on social and sustainable development had been aligned with the SDGs. Top investments (in terms of amount invested) are aligned with SDG 11, SDG 4, SDG 7 and SDG 3; In terms of number of initiatives, most of the private sector programs are aligned with SDG 8 and SDG 12. Latest data gathered from sustainability reports and other sources including company websites indicate that private sector companies continue to support programs that are aligned with the SDGs. On the other hand, we note that there is lack of information particularly on costing of these programs.

Diaspora Investments Complement Resources for the SDGs

Overseas Filipinos have been supporting programs in the country that align with the SDGs. Through the government's BalinkBayan program, Overseas Filipinos are connected to diaspora investment opportunities while also being guided with managing their hard-earned resources. In 2021 alone, around P 5.8M had been generated from OF Remittances and supported local development programs on infrastructure, skills transfer, health, education and livelihood. Data from Commission on Filipinos Overseas, indicate that resource flows from diaspora investment (OF remittances)- particularly through the BalinkBayan Program, have supported local level activities that are aligned with the SDGs particularly SDG 8, 9, 10, 11 and 17. About P3.4 Billion have been raised from OF remittances since 2010.

ODA Support Aligns Well with the SDGs

Meanwhile, the role of international development partners has also become more evident amidst the fiscal bind. ODA rose by 47 percent from 2019 to 2020. Data on ODA, from the 2020 ODA Portfolio Review of the NEDA, shows that ODA has continued to be an important source of financing, and resources from which have been aligned with the SDGs. For 2020, a total of 122 programs and projects, which were financed by 62 loans and 60 grants, supported the achievement of the 17 SDGs. The top three SDGs that are largely supported by ODA loans and grants (in terms of number of related programs and projects) are SDG 9 (Industry, Innovation and Infrastructure) – with 51 supported initiatives, SDG 1 (No Poverty)- with 27 supported programs, and SDG 4 (Quality Education), with supported 26 projects.

While latest official data from the 2021 ODA Portfolio Review is yet to be published to date, there are reports that indicate the continued support of international development partner agencies for programs that are aligned with the SDGs particularly SDG 1, 3. 4 and 8. Some examples include those supported programs by the FAO on Agriculture and Agribusiness Enterprises in Mindanao for Sustainable Development and enhancing farm tourism in the Philippines for inclusive rural development; and IFAD for Agricultural Development: Fisheries, Coastal Resources and Livelihoods Project (FishCORAL) which are aligned with SDG 1. Examples of partnership programs aligned with SDG 3 are the Build Universal Health Care Program supported by the ADB, the Introducing New Tools Project (iNTP) supported by the USAID and Stop TB; health and social development projects by JICA; and the Livelihood Project for PLHIVs during the COVID supported by the UN Joint Programme on HIV and AIDS Secretariat. Aligned with SDG 4, programs are also supported by UNESCO on Better Life for Out-of-School Girls to Fight Against Poverty and Injustice in the Philippines; ILO support on Skills for Prosperity (SfP) Project; and by UN Children's Fund: strengthening capacity to improve the system for quality, equitable and inclusive education. Aligned with SDG 8, programs are supported by EU: Financing Aid for the Bangsamoro Agri-Enterprise Program and for the National Copernicus Capacity Support Action Program for the Philippines (CopPhil); UNEP: Transforming Tourism Value Chains project; and by the International Trade Centre in support to women-owned MSMEs to increase their trade through e-commerce.

As of January 2022 alone, according to DOF, a total of USD22.55 billion in budgetary support financing has been raised from the various country partnership programs with international development partners (i.e. ADB, World Bank, AIIB, AFD, JICA, KEXIM-EDCF and foreign currency denominated global bonds). In addition, grant and loan financing amounting to a total of USD3.25 billion have been contracted in support of various projects to be implemented by agencies involved in COVID-19 response.

On the other hand, additional data with corresponding disaggregation are required for a more comprehensive diagnostics and assessment. In particular, these data are needed to determine and examine how these additional resources and investments translate to desired national sustainable development outcomes and targets across all the 17 SDGs (set in the PDP-RM and the nationally determined 2030 SDG numerical targets).

Challenges in SDG Financing

From our study, we have noted some challenges that need to be addressed for financing the SDGs in the country. A key concern is the lack of cost estimates for financing specific programs that would address identified gaps in progress towards meeting the nationally determined 2030 SDG goals and targets. For example, with reference to the health sector, the latest DOH MTEP covers up to 2026. Some available cost estimates for selected programs i.e. for TB and HIV, are only up to 2023.

In addition to the lack of cost estimates, another challenge is the absence of assessment at the level of the implementing agencies on how far they are in reaching the SDGs goals and targets[266]. The cost estimates will follow as soon as they have identified the interventions to fill the gap in achieving the SDGs targets. Another consideration is the availability of a costing standard that will help implementing agencies in the determination/ computation of their medium-term requirements.

While financial requirements and sources are contained in some sectoral /strategic action plans, it is difficult to assess the overall investment requirements and gaps for meeting the time-bound SDG commitments in the country. For this study, we attempted to demonstrate how critical the generation of cost requirements for specific program interventions as input for determining better strategies to finance and meet the SDG targets with focus on SDG 3 to cite specific examples. A methodology was developed for generating cost estimates in the context of nationally determined SDG 3 goals and targets. The estimation of financial requirements aims to provide a quantitative measure of resources needed in order to achieve the 2030 SDG agenda for health.

Based on our study, there is no existing national plan that comprehensively maps out the SDG investment gaps in the country and that articulates the financing strategies to fill in the gaps to meet the nationally determined 2030 SDG targets[267]. Information gathered from the conduct of policy dialogue with stakeholders from the private sector and international development partners indicate that among the challenges identified in investing for SDGs include the lack of concrete link between national development priorities and the SDGs (clarity of goals and measures).

Meanwhile, while there are policy measures that have been initiated to mobilize/raise revenues and support the SDGs, there is no available consolidated data on total investments / available and programmed funds as well as relevant SDG financing data disaggregation that are aligned with meeting the nationally determined SDG goals and targets. Said data would facilitate more informed investment decision among key stakeholders, better designed and more targeted program interventions that are aligned with meeting the SDG gaps. During the policy dialogue with key stakeholders, it was also pointed out that a major challenge in SDG financing is the lack of data on SDG financing and/or investment gaps that would enable better alignment of investment support and priorities.

Specific challenges in SDG Financing identified from the policy dialogues with the private sector and international development partners that have been conducted as part of the study include the following:

1. Difficulty in collaborating and dealing with concerned national government agency
2. Difficulty in collaborating and dealing with local government where the program will be implemented
3. Difficulty in getting permits or clearances from concerned government agency
4. Unwillingness of NGA to provide counterpart resources
5. Unwillingness and inability of LGUs to provide counterpart resources
6. Lack of updated and granular data needed to design projects/programs and to monitor impacts of projects/programs

[266] DBM, November 2022. DBM-FPRB COMMENTS ON THE 2022 DEVELOPMENT FINANCE ASSESSMENT: SDG FINANCING IN THE PHILIPPINES

[267] The SDGs are considered in the formulation of the PDP 2023-2028. Efforts are underway in the preparation of a plan, at the implementing agency level, aimed to realize the targets set in the PDP which are parallel to the achievement of the SDGs.

Meanwhile, some of the key areas of concern in SDG financing pointed out from the policy dialogue with the government are as follows:

1. Lack of efforts to disaggregate national SDG targets by LGUs
2. Lack of information on whether there is enough fiscal space to meet the SDG targets, how much of the financial requirements are to be sourced from borrowing, and how this affects debt trajectory
3. Gap in the dissemination of the PDP-SDG results matrix
4. Need for capacity building for LGUs to utilize local data
5. Lack of priority bill related to the SDGs in the Legislative-Executive Development Advisory Council (LEDAC) agenda
6. Lengthy process in accessing climate funds
7. Lack of overarching cooperation framework to identify the roles of each stakeholder in the achievement of the SDGs (e.g. which agencies can provide capacity building on the SDGs)

Opportunities for SDG Financing

Meanwhile, there are opportunities that can further be explored and optimized particularly to foster the participation of the private sector for financing the SDGs.

Based on the data gathered by our study, the private sector has been generating additional resources through labeled bonds. Labeled bonds present key opportunities for mobilizing more private capital for SDG investments going forward. Given the existing financing gaps in many SDG sectors beyond infrastructure, energy and buildings, as well as corresponding global demand for sustainability investments, there is a high potential for labeled bonds to become a more important SDG financing instrument than they currently are. There is merit in drawing lessons from strategies and best practices of other countries i.e. Indonesia on the use of labeled bonds in generating additional resources for SDG financing.

Moreover, the country's promotion of diaspora investment for development has been cited as one of the best practices in diaspora engagement. The continued support of Overseas Filipinos for various social development programs in the country indicates their commitment to give back to the country particularly to their hometowns. There is scope for advancing diaspora investment towards meeting the SDG agenda by providing guidance on how resources from Overseas Filipinos can support more impactful and programs that are aligned with the national sustainable development goals and targets. In line with this, the development of area-based bonds to expand diaspora investments can also be explored to generate additional resources for SDGs.

Recognized as a stable source of financing, the value of investments in remittances is essential in driving growth in the country. The report mentioned of LINKAPIL program, which transfers resources from Filipinos overseas to support projects that address social and economic development needs of the country. Similarly, there is also the BaLinkBayan portal which further promotes diaspora engagements and links them to opportunities. As the new PDP 2023-2028 lays out priorities for sustainable development, the Commission on Filipinos Overseas (CFOs) may find it within their interest to integrate such priorities in these meaningful initiatives to strengthen alignment and to ensure that contributions are linked to the country's sustainable development agenda[268].

Meanwhile, there are other tools that can further be examined aligned with financing the SDGs. One of these is the development of SDG investor maps to generate data and insights regarding SDG-enabling investment opportunities at the country level. This tool provides entry points for public-private financing dialogue platforms translating SDG oriented NDP priorities in investor language. It translates SDG needs and policy priorities into actionable investment opportunities. Designed as country specific market intelligence backed by data and evidence. Findings are made available through an online platform for easy access by domestic and foreign investors. SDG investor maps have been pilot tested in Brazil, Turkey, Columbia and South Africa, and more recently Indonesia in 2022. SDG Investor maps identifies investment themes across sectors that not only have significant potential impacts to advance the SDGs but where government policies and sustainable national development needs meet. The tool aims to bridge the gap between interest and investment in SDGs and business models that can deliver meaningful and investable prospects. Specifically, SDG Investor Maps translate country specific SDG-needs and policy priorities into concrete investment opportunity areas. The use

[268] NEDA, November 16, 2022. Recommendations on Draft Report, Financing the SDGs

of donation-based crowdfunding platforms which facilitate transactions between funders and fundraisers by coordinating activities of different stakeholders can also be further examined.

As the government gears towards promoting innovative measures and utilizing private sector investments in development, SDG Investor Maps may be further studied to encourage stakeholders in bridging financing gaps in SDG implementation and drive progress in potential lagging SDGs[269]. Maximizing the SDG Stakeholders' Chamber and/or mobilizing the JP-INFF fund to support this may be considered. In addition, further enhancement of existing donation-based crowdfunding is worth looking into and may be put forth for consideration of the members of the SDG Stakeholders' Chamber in terms of possible initiatives for future collaboration[270].

5.4. On the INFF Building Blocks

The implementation of the INFF approach fosters integration in three levels: (1) planning and financing strategies, (2) public and private policies, and (3) collaboration across public and private sectors.

The INFF approach can be applied to macro or sectoral financing strategies. For the purposes of this study, the concern centers on financing strategies for achieving the 2030 SDG agenda with focus on SDG 3 to provide more concrete examples.

The integrated national financing framework approach builds integration at 3 levels: (1) integrating plans and financing policies, (2) integrating public and private financing policies, and (3) collaboration across public and private sectors. In the case of the Philippines, there is already a general integration of plans and financing policies though there are still areas for further improvement especially given shifts in investment priorities and setbacks in achievements of SDGs targets in the light of the Covid 19 pandemic and other policy shocks. The same is true for public and private policies wherein greater alignment is needed towards achieving the SDG agenda. With limitations in fiscal space amidst competing development needs, there is scope for greater collaboration between public and private sector to foster more efficient use of available resources and more impactful programs and interventions towards meeting the SDGs. Private sector herein refers to private businesses, CSOs and NGOs. On the other hand, development partners – including multilateral funding institutions also play an important role in financing the SDGs. There is scope for enhancing collaboration with development partners particularly in terms of improving the financing strategies for meeting the SDGs.

On Assessment and Diagnostics

The complete situation of national financing needs, available financing sources and the constraints and risks in meeting the nationally determined 2030 SDG targets cannot be determined and assessed given available data and information.

While the SDG Agenda has been taken into account and incorporated in the country's overall development framework and consequently in the planning and budgeting processes, there are still gaps that make it difficult to come up with a comprehensive assessment of:

1) the current progress and magnitude of situation in achieving the 2030 targets for the 17 SDGs at particular points in time
2) determine the extent of who are being left behind in the country's path towards inclusive and sustainable development
3) map out SDG investment gaps and financing sources towards meeting the 2030 nationally determined SDG targets

The SDG agenda is mainstreamed in the national development framework and strategies through the Philippine Development Plan (PDP) and its accompanying Results Matrices (RM). Priority investment areas toward achievement of the PDP-RM targets and outcomes are mapped out in the PIP. The Public Investment Program (PIP) contains a list of priority programs and projects aimed at contributing to the achievement of the societal goal and targets in the PDP and are responsive to the outcomes and outputs set out in the Results Matrices (RM). The PDP with the RM and PIP are crucial mechanisms for assessment

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and diagnostics at the national. The goals, strategies and targets in the PDP-RM and PIP are cascaded in sectoral and local development plans (region/province/municipal/city) and budgets (as mandated by EO 27 by the President issued in 2017).

While the PDP (and consequently the PIP and other sectoral and strategic actions plans by NGAs and other government instrumentalities including the LGUs) is anchored on the long term vision and aspirations for the country (AN 2040) and takes into account the Philippine's 2030 SDG Agenda commitment, there is no long term national plan that defines all measures/indicators or sets out targets for sustainable development commitments until 2030 that would have better provided a more comprehensive benchmark for assessing and diagnosing gaps in desired goals and needed interventions for priority program action given timeline for achievement of the goals.

On the other hand, while there are sectoral and strategic action plans that defines or sets targets beyond 6 years, there are still gaps. For example, the National Disaster Risk Reduction Management Plan 2020-2030 – contains a list of activities with timeline but no quantitative targets. The Department of Health (DOH) Medium Term Expenditure Program (MTEP) for the Universal Health Care includes targets until 2026 but still fall short of 2030. The DSWD Refreshed Strategy 2028, while containing targets particularly for the implementation of the 4Ps program for 2024 and 2028, have no mention of the necessary resource requirements to achieve the targets.

The PDP-RM provides benchmarks that guide planning and investment programming across sectors and levels of government. While SDG indicators (Tier 1 indicators) have been incorporated in the PDP-Results Matrices (RM) 2017-2022, and have been aligned with the country's long term development goals and desired outcomes as set out in Ambisyon Natin (AN) 2040, there some SDG indicators that are not in the current PDP-RM (SDG 12- Sustainable Consumption and Production and 17-Partnership for Goals). There are indicators identified in the 2030 Nationally Determined Numerical Targets for SDGs that are not part of the PDP-RM i.e. For example, SDG 1.1.1 Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural), and SDG 1.1.2 Proportion of population living below the national poverty line, by sex and age among others. Furthermore, the magnitude and extent of disparities in SDG progress at the sub-national is not yet widely captured by the design of the RM. Contributions of local governments (all municipalities/cities) are not captured in the PDP-SDG-RMs.

Available data disaggregation is still limited to be able to comprehensively assess who are being left behind. Some examples of needed disaggregation raised during the consultations with key stakeholders from the private sector and international organizations are on gender disaggregated data on financial inclusion, disability, and local level data. Meanwhile, based on our study, many of the data for generating the indicators for instance in terms of health i.e. maternal mortality, infant mortality, neonatal mortality) are outdated.

Mechanisms for assessment and diagnostics of available public financing sources, constraints and risks are in place. On the other hand, available data from existing public financial management system i.e. cash operations report, and national budget, expenditures and sources of financing among others, in general, are not (yet to be) sufficiently linked to SDG indicators and targets.

For assessing and diagnosing the state of SDG investments and financing, there are crucial information gaps. For instance, there is no data on the total SDG investments as well as available sources of SDG financing in the country at particular points in time and across time. Available data from public financial management systems, while regularly monitored and generated, are not directly linked to the SDGs. Work is still in progress in terms of SDG budget tagging at the national and local levels.

Meanwhile, there is also no consolidated data yet on the SDG contributions of the private sector. While there is an existing sustainability reporting system which facilitate reporting of SDG contributions of the PLCs, the system is currently designed to capture non-financial contributions of the PLCs. Disclosure of financial investments in SDG and specifications of these investments (i.e. for which particular SDG goals and targets are the PLCs programs contributing to) are not required in the reporting template thus there is variation in the information that can be generated in the reports. There are programs reported that are not directly aligned with the national SDGs priorities and targets. On the other hand, there are earlier efforts i.e. UNDP supported 2017 Transformational Business Report, that have been initiated to facilitate the documentation of private sector contributions in meeting the SDG Agenda. Data used for the study, on the other hand, are collected from different sources and reference periods. An updated report is still forthcoming which aim to cover SDG initiatives of more private sector organizations.

While the sustainable development agenda has been mainstreamed in the country's planning and budgeting process, and financing instruments have been identified through legislations and policy issuances to generate additional resources for meeting the country's sustainability commitments i.e. 2030 SDG Agenda and PARIS agreement, there is still no comprehensive national blue print that spells out: (a) alignment of development financing strategies with the required investments to meet the gaps towards achieving the 2030 SDG goals and targets. There is no reference document that takes into account the complete and current picture of the achievement in the 17 goals and the LNOB principle, and (b) SDG investment areas for resource sharing between public and private sectors given SDG investment gaps and existing capacities at particular points in time.

While financial requirements and sources are contained in some sectoral /strategic action plans, it is difficult to assess the overall investment requirements and gaps for meeting the time-bound SDG commitments due to (a) limited (if not absence) of disaggregated details of cost requirements/estimates of needed programs to meet SDG 2030 targets, and (b) specific details in the budget cannot be directly linked or aligned with the nationally determined indicators and targets across the 17 SDGs.

On Financing Strategy

The development of the country's first sustainable finance roadmap provides an opportunity for generating additional resources in support of the SDGs among other sustainability commitments. A Sustainable Financing Framework and Roadmap have been recently developed in the country to mobilize resources to support the country's sustainability commitments with focus on the transition to a low carbon economy. The Road map, which highlights the intended use of the proceeds from identified financing instruments to be raised to contribute towards the achievement of the SDGs, currently focuses on "greening the financial system" and financing of sustainable activities with focus on climate change as a critical contributor to achievement of the SDGs. On the other hand, while the Roadmap identified instruments to generate additional resources for SDGs, it is not yet linked to the nationally determined 2030 SDG goals, indicators and targets. Specific targets on desired outcomes i.e. target projected revenues to be raised from identified sources i.e. green bonds, etc. in support of the national sustainable development agenda or to fill in gaps in meeting the country's nationally determined SDG 2030 targets are also not covered in the Roadmap. Moreover, while the roadmap recognizes the role of the private sector in financing for sustainable development, targets on planned resource distribution to address gaps in SDG financing – between public and private sector are yet to be determined. A related issue to this is the lack of data on cost estimates of resource requirements for needed SDG programs to meet gaps from 2030 goals/targets. Data on SDG financing requirements is needed to guide public and private sector investment decisions and resource mobilization planning.

On the other hand, while there are mechanisms in place for the integration of policies in public and private sector that can support financing of the SDGs, there are still gaps. Some common issues raised during the policy dialogue with the private sector, the international development partners and with the government include (1) cumbersome administrative procedures; (2) lack of disaggregated data on the SDGs needed in informing policies and designing, implementing, monitoring, and evaluating SDG-related projects and programs; (3) lack of data on existing investments for the SDGs and gaps in SDG financing; (4)lack of coordination among stakeholders in meeting the 2030 agenda

On Monitoring and Review

Existing systems are already in place to facilitate more regular monitoring of trends in achieving the SDGs, and to generate the necessary inputs for policymaking and program implementation. These mechanisms include the SDG Watch, Socio-Economic Review (SER), and Voluntary National Review (VNR). However, source of basic data for SDG indicators comes from different sources, and are collected at different points in time. Some are very outdated. This makes it impossible to determine overall progress at particular points in time and facilitate more evidence-based prioritization of needs and appropriate interventions in time for the preparation of plans and budgets. Data disaggregation is still limited. While the CBMS Law has been passed in 2019 that could fill in some of the data gaps, CBMS roll out is still on its early stages. Initial implementation will not cover all cities and municipalities. CBMS can facilitate the generation of the needed data disaggregation for the localization of the PDP-SDG RMs.

Meanwhile, the government has provided guidelines in 2019 for the private sector particularly PLCS to report on their SDG contributions through the sustainability reporting system. On the other hand, as noted in earlier sections of this report, it is hard to track specific amount invested by PLCs on SDGs based on sustainability reports alone since PLCs are not required to disclose total amount spent on each SDG-related product/service/practice they have listed. The reporting system is limited to PLCs and only aim to capture their non-financial contributions thus disclosure of SDG financial investments is not required.

On Governance and Coordination

The creation of the Sub Committee in SDGs under the DBCC, and the Integrated Task Force for Sustainable finance established focal points for achieving sustainable development commitments. The establishment of the Interagency Sub-committee on SDGs in 2019 strengthens monitoring of the country's progress on the SDGs, review SDG-related programs and policies, and submit recommendations to the cabinet level of the DBCC. Among the major expected outputs of the sub-committee are advice on the policy integration and resource allocation, SDG-related reports such as the Voluntary National Review, monitoring of programs for the SDGs, and stakeholder engagements. The creation of the Integrated Task Force for Sustainable Finance fosters the integration of inclusion and sustainability issues into the macroeconomic policies and regulations.

On the other hand, it is observed from the composition of the Sub-committee in SDGs that there is lack of representation of the local government units in the committee. The LGUs, play a crucial role, particularly in the country's SDG localization strategy and in delivery of needed SDG program action. Thus, securing their commitment and ownership for needed SDG policy and program action would be equally important.

Recommendations and Ways Forward

Drawing from the results of the study, work is still in progress in many of the important elements of the building blocks for an integrated financing framework in the country to support the acceleration of achievement of the desired sustainable development outcomes and targets.

1. Greater Integration in Planning and Financing

To foster more integrated planning and financing towards meeting the 2030 SDG agenda, further work is needed to enhance the existing assessment and diagnostic tools and to facilitate a more comprehensive and regular SDG progress reporting. On the other hand, the development of the country's sustainable finance roadmap provides an opportunity to better align the use of existing and new financial resources- both in the public and private sector- towards addressing investment gaps across all SDGs given current progress.

Meanwhile, recognizing the important role of local governments in the country's SDG localization strategy and recent developments aligned with the full devolution policy implementation, capacity building support need to be fostered at the local level particularly to help LGUs better align their development and investment plans and budgets with the SDGs. Some of the specific recommendations are discussed in the sub-sections below.

a. Improved assessment and diagnostic tools

Among the areas for improvement are in line with the enhancement of the PDP-Results Matrices, the strengthening of the SDG data ecosystem, and the mapping of SDG investment and financial flows both in the public and private sector.

The needed enhancements of the PDP-Results Matrices (RM) entail the inclusion of missing SDG indicators i.e. SDG 12-Sustainable Consumption and Production and 17-Partnership for Goals. Moreover, the incorporation of additional disaggregation (i.e. gender disaggregated data on financial inclusion, disability, sub-location among others) would facilitate a more comprehensive SDG progress tracking, and investment planning. These would also aid in identification of geographical areas/sub-groups of population being left behind and need intervention. In addition, there is also a need for better alignment of the PDP-RM SDG indicators and targets with those in the nationally determined 2030 SDG indicators and targets.

In addition, the strengthening of the SDG data ecosystem needs to be continued to enable more informed policymaking, program implementation and investment decisions by duty bearers. This entails generation of missing and/or additional data/indicators, at particular points in time and across time, for regular and more comprehensive SDG progress tracking and better diagnosis of needed interventions and program action. This would be facilitated through (1) annual updating of SDG indicators with relevant data disaggregation, (2) processing of all SDG related data from existing national surveys, administrative records, and local registries, (3) triennial conduct of community-based monitoring system (CBMS) for all LGUs to generate local level data for the SDG indicators, and (4) incorporation of additional questions in existing surveys to generate necessary additional SDG indicators.

Moreover, there is a need to foster and accelerate the mapping of SDG investment and financial flows both in the public and private sector to better optimize available resources for SDGs and inform investment gaps aligned with achieving the 2030 SDG agenda. In the public sector, this would be facilitated by the generation of baseline and regular data on SDG revenues generated by source, budget by sector/source of funding, actual utilization/spending by SDG. Available data from existing public financial management system could be further processed and consolidated to generate SDG financial/investment data/year with disaggregation. In line with this, outputs from the on-going SDG budget tagging would be useful. The SDG tagging in the Public Investment Program Online (PIPOL) system would provide estimates on potential gaps in the amount of investments and number of projects per SDGs. To improve such initiative, NEDA is considering the expansion of the tagging up to the level of SDG targets.

Meanwhile, the mapping of private sector SDG investment and financial flows would aid the determination and better valuation of private sector contributions in the country's SDG agenda. This would be facilitated by the generation of baseline and regular data on SDG earmarked/actual revenues generated by source, and on the actual utilization/spending by SDG/sector (by PLCs, NGOs/CSOs, others) at particular point in time and across time. This would entail (1) processing and consolidation of SDG financial/investment data/year with relevant disaggregation –per SDG/year from existing sustainability reports of PLCS, (2) identification of other sources of private sector data on SDGs and/or related sectoral investments with relevant disaggregation at particular points in time and across time, and (3) generation of consolidated data on share of private sector to total SDG investments in the country with reference to national SDG investments /per Goal.

As the government gears towards promoting innovative measures and utilizing private sector investments in development, SDG Investor Maps may be further studied to encourage stakeholders in bridging financing gaps in SDG implementation and drive progress in potential lagging SDGs. Maximizing the SDG Stakeholders' Chamber and/or mobilizing the JP-INFF fund to support this may be considered.

c. More Regular and Comprehensive SDG Progress Report

More comprehensive SDG progress reporting is needed for more-informed identification of existing gaps in SDG Progress vs 2030 SDG nationally determined numerical targets. On the other hand, the identification of resource requirements for the plans and programs to bridge gaps in current SDG progress vs desired outcomes is equally important to better guide the SDG financing plan.

There is also merit in inclusion of risk and impact assessment in progress reporting for meeting the SDGs i.e. Covid 19, natural disasters, economic shocks etc., which would better inform the identification of needed plan of action to prepare for and cushion the impacts of future similar shocks for accelerating progress in the achievement of desired development outcomes.

d. Enhanced Sustainable Finance Roadmap to cover all SDGs

Planning for needed investments to ensure the achievement of the SDGs and targets, and mobilizing the needed resources for these investments would require the following action steps:

- Identification and assessment of financing requirements for all SDGs
- Incorporation of measures/indicators and financing targets to meet the identified investment gaps in SDGs
- Generation/estimation of data on costs of SDG program interventions
- Identification of additional strategies and resource mobilization activities for SDG financing- across all 17 goals to meet 2030 SDG targets

Meanwhile, with the formulation of the new PDP 2023-2028 which operationalizes the socio-economic agenda and key priorities of the new administration for the next six years, it may also be worth revisiting the Sustainable Finance Framework of the Philippines, which is anchored on the previous PDP (2017-2022)[271]. This is to foster alignment and coherence. With the recent commitment of the Philippines to its Nationally Determined Contribution (NDC) or in reducing 75 percent of its greenhouse gas emissions by 2030, redoubling efforts on climate action is also needed. Reviewing and/or updating the current selection criteria, especially for eligible social and green expenditures may be explored, with the consideration of (a) prioritization between SDGs (for climate mitigation and adaptation projects, this may be consulted with CCC based on the Climate Change Expenditure Tagging (CCET) results), (b) positive and negative interlinkages between SDGs, and (c) impact attribution (evidence contribution to SDG progress), just to name a few.

e. Inclusion of 2030 SDG investment projections in PDP

To further strengthen investment and sectoral planning, there is merit in the inclusion of 2030 SDG investment projections in the PDP. The PDP sets the overall framework and strategy for pursuing the sustainable development agenda in the country. In line with this, better alignment of investment and sectoral plans will be facilitated by:

- Determination of financing requirements to meet 2030 Nationally determined SDG targets
- Specification of financing gap or additional investment needed to achieve SDG financing scenarios
- Identification of benchmark/target for SDG Resource Sharing/Distribution – public and private / per SDG

These would also be useful benchmarks for better reporting of contributions of different stakeholders towards meeting the country's SDG agenda.

f. Inclusion of 2030 SDG financing scenarios in all sectoral plans

The sectoral plans further concretize the program action agenda to achieve the expected development outcomes and targets for each sector. To ensure alignment of goals and targets, it would also be equally important to have the following included in all sectoral plans while being guided by the nationally determined 2030 SDG indicators and targets:

- Determination of financing requirements for sectoral plans and programs to meet 2030 SDG targets
- Specification of financing gap or additional sectoral investment/s needed to achieve SDG financing scenarios

[271] NEDA, November 2022. Comments and Recommendations on the Draft SDG Financing Report

- Identification of target SDG Resource Sharing/Distribution – public and private for the sector

g. Inclusion of 2030 SDG financing scenarios in all local development plans

Local development plans facilitate the operationalization of strategies and programs at the lowest administrative levels. To ensure better alignment of program action at the local level to achieve the desired 2030 SDG targets, having the following in all local development plans including municipal and city development plans would likewise be important:

- Determination of financing requirements of local development plans and programs to meet 2030 SDG targets
- Specification of financing gap or additional investment needed to achieve SDG financing scenarios
- Identification of target SDG Resource Sharing/Distribution – public and private

h. Capacity building support

Recognizing the important role of LGUs in the country's SDG localization agenda, there is merit in strengthening capacity building support at the local level (including not only provinces but municipalities and cities as well) particularly in terms of generation and use of local level data and indicators for SDG investment planning, mobilizing resources for SDGs financing, and impact monitoring.

Further capacity building support to foster alignment of use of additional resources from Mandanas Ruling and from other locally generated resources, including those mobilized with support from the private sector and international development partners, also provides an opportunity to optimize available resources at the local level towards meeting the SDG agenda. This will also help LGUs in better reporting and valuation of their financial contributions in the country's sustainable development goals and targets.

2. Integration of Policies in Public and Private Sector

To foster better integration of policies in public and private sector, there is a need to further strengthen the enabling environment through policies and legislation. Greater capacity building support is likewise needed for more coherent and greater synergy in SDG program action within and across the public and private sector both at the national and local levels. Moreover, regular monitoring and review of the implementation of policies towards meeting the country's nationally determined sustainable development goals and targets would ensure needed interventions and adjustments at particular points in time.

Public-private partnerships (PPPs) play a crucial element in pursuing strategies to meet sustainable development goals and targets both at the national and local level. Aside from supporting gaps in financing infrastructure programs, the private sector can also generate complementary /additional resources for developing and implementing innovative solutions for better data sharing and capacity building for more efficient, sustainable, and impactful SDG program investment decisions.

Based on the consultation with the private sector, the willingness of concerned national government agency and of local government units to collaborate/partner and willingness of local government unit to collaborate/partner tops the list of factors that drive private sector investment in SDG related programs. Aside from willingness of NGAs and LGUs, other important factors include the provision of counterpart resources from NGA, provision of counterpart resources from LGU, and ease in securing permits/clearances for programs and projects.

Among the specific areas/recommendations for consideration in policy and program action to address current challenges faced in SDG financing drawn from the policy dialogue with the private sector refer to:

a. Reduction in administrative burden for securing permits or clearances for programs and projects

b. Construction of a regularly updated and consolidated database on existing investments for SDGs

c. Generation of data (more granular data) and information on institutionalization and sustainability prospects of programs to be supported

d. Provision of fiscal incentives - something similar to RA 8525 (An act establishing an "adopt-a-school program," providing incentives therefor, and for other purposes) especially for MSMEs

e. Recognizing in a formal way those who have contributed towards completion of the SDG Agenda not necessarily in terms of volume of resources but those who have created impact. recognition of impactful SDG initiatives and through the institutionalization of the programs implemented by organizations.

f. Regular reporting on how the government and private sector are affecting the communities (identifying areas of contribution of each sector)

g. Conduct of capacity building on impact monitoring, needs identification and prioritization, program design and resource mobilization, and costing of programs

On the other hand, among the specific recommendations for program action drawn from the policy dialogue with international development partners include:

a. Improvement of/reforms in the procurement process particularly expedite the approval process for programs and projects

b. Establishment/revival of a government led-donors forum

c. Set up of a multi-donor trust fund

d. Facilitate data sharing arrangements with the government

e. Clarification of government priorities, plan of action and areas for financing where donors could come in

f. Regular reporting on SDG related outcomes of programs and projects

g. Generation and utilization of non-traditional data (big data, panel data)

h. Conduct of value for money analysis of programs

i. Creation of a regularly updated and consolidated database on allocation of ODA by SDG

3. Strengthened Collaboration Across Public and Private Sector

Based on the results of our study, some of the areas for enhancements to further strengthen collaboration across public and private sector are as follows:

a. Foster greater coordination between and among NGAs and LGUs on critical program action to meet the nationally determined sustainable development goals and targets. There is merit in considering the representation of Leagues of Provinces/Municipalities/Cities and/or League of Local Development Planners in the Sub-Committee would provide an opportunity to secure commitments of the LGUs for the integration of the SDGs in the local development agenda in consideration of the big role of LGUs in the country's localization strategy of the SDGs.

b. Regular Government-led dialogue with the private sector and international development partners on the 2030 SDG Agenda – would provide an opportunity to discuss the country's progress towards meeting the nationally determined sustainable development goals and targets, and build consensus on key areas of policy reforms and needed program action and secure support/commitments to meet the gaps in achieving the goals and targets.

c. Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs- documentation/mapping of best practices have recently been initiated under the Stakeholders Chamber (which was convened this year). There is value in having a more comprehensive documentation of best practices – across public and private sector - in implementing and institutionalization of programs towards meeting the 17 SDGs.

During the consultation meetings with stakeholders from the government, private sector and international development partner organizations, there are common recommendations for consideration to encourage greater investments in SDGs. These include the following:

• to loosen stringent requirements and reduce red tape to encourage more investments, reduce transaction costs, and facilitate progress in the approval and coordination of SDG-related measures

• to support the data collection of more granular data on the SDGs

• to work on a consolidated database on and monitor all investments channeled towards achieving the SDGs

• to organize regular discussion/consultation among all stakeholders to discuss progress related to meeting the SDGs, challenges encountered, and best practices

Proposed Roadmap

The recommendations proposed above can be done in phases as each activity depends on inputs from the other activities. For instance, in the short run, the following specific recommendations can be considered to be implemented or initiated:

- Identification and assessment of financing requirements for all SDGs
- Determination of financing requirements for sectoral plans and programs to meet 2030 SDG targets
- Generation/estimation of data on costs of SDG program interventions
- Incorporation of measures/indicators and financing targets to meet the identified investment gaps in SDGs
- Enhancement of the PDP-Results Matrices to cover all SDGs and in greater alignment with the 2030 nationally determined numerical SDG targets
- Enhancement of the Sustainable Roadmap to include measures and targets for all SDGs
- Mapping of SDG investment flows in public and private sectors
- Work on a consolidated database on and monitor all investments channeled towards achieving the SDGs
- Specification of financing gap or additional sectoral investment/s needed to achieve SDG financing scenarios
- Identification of target SDG Resource Sharing/Distribution – public and private for the sector
- Inclusion of 2030 SDG Investment Projections in PDP, all sectoral plans, and all local development plans
- Establishment/revival of a government led-donors forum
- Creation of a regularly updated and consolidated database on allocation of ODA by SDG
- Clarification of government priorities, plan of action and areas for financing where donors could come in
- Improvement of/reforms in the procurement process particularly expedite the approval process for programs and projects
- Facilitate data sharing arrangements with the government
- Support the data collection of more granular data on the SDGs
- Conduct of capacity building on impact monitoring, needs identification and prioritization, program design and resource mobilization, and costing of programs
- Foster greater coordination between and among NGAs and LGUs on critical program action to meet the nationally determined sustainable development goals and targets.

- Loosen stringent requirements and reduce red tape to encourage more investments, reduce transaction costs, and facilitate progress in the approval and coordination of SDG-related measures
- Reduction in administrative burden for securing permits or clearances for programs and projects
- Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs

Meanwhile, in the medium term, the following can be geared to be accomplished or initiated:

- Identification and assessment of financing requirements for all SDGs

- Identification of additional strategies and resource mobilization activities for SDG financing- across all 17 goals to meet 2030 SDG targets
- organize regular discussion/consultation among all stakeholders to discuss progress related to meeting the SDGs, challenges encountered, and best practices
- Identification of target SDG Resource Sharing/Distribution – public and private for the sector
- Provision of fiscal incentives - something similar to RA 8525 (An act establishing an “adopt-a-school program,” providing incentives therefor, and for other purposes) especially for MSMEs
- Set up of a multi-donor trust fund
- Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs
- Support the data collection of more granular data on the SDGs
- Regular Government-led dialogue with the private sector and international development partners on the 2030 SDG Agenda
- Loosen stringent requirements and reduce red tape to encourage more investments, reduce transaction costs, and facilitate progress in the approval and coordination of SDG-related measures
- Inclusion of 2030 SDG Investment Projections in PDP, all sectoral plans, and all local development plans
- Generation of data (more granular data) and information on institutionalization and sustainability prospects of programs to be supported
- Generation and utilization of non-traditional data (big data, panel data) for SDG monitoring and reporting
- Construction of a regularly updated and consolidated database on existing investments for SDGs
- Conduct of value for money analysis of programs
- Regular reporting on how the government and private sector are affecting the communities (identifying areas of contribution of each sector)
- Regular reporting on SDG related outcomes of programs and projects

In the long run, the following activities can be continued to be implemented

- Regular monitoring and review
- Regular reporting on how the government and private sector are affecting the communities (identifying areas of contribution of each sector)
- Regular reporting on SDG related outcomes of programs and projects
- Conduct of value for money analysis of programs
- Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs

Integration / Activities	Year			Responsible Partner/s
	Short-run (2022-2024)	Medium-term (2022-2028)	Long-term (2022-2040)	
1. Greater Integration in Planning and Financing				
1.1. Improved Assessment and Diagnostic Tools	X	X	X	NEDA with DBM and DOF
1.1.1 Enhanced PDP-SDG Results Matrix	X			NEDA with concerned government agencies
1.1.2.Strengthened data ecosystem for more informed policymaking and program implementation	X	X	X	
1.1.3 Mapping of SDG investment flows	X	X		
1.2 More Comprehensive and Regular-SDG Progress Report	X	X	X	NEDA, PSA with concerned government agencies
1.3.Enhanced Sustainable Finance Roadmap to cover all resource requirements for all SDGs	X			DOF with NEDA and DBM
1.4 Inclusion of 2030 SDG Investment Projections in PDP, all sectoral plans, and all local development plans	X	X		NEDA, DOF, DBM with concerned government agencies
1.5. Capacity building support for LGUs	X	X		NEDA, DBM and DILG
2. Greater Integration in Public and Private Policies				
2.1 Strengthened Enabling Environment through policies and legislation	X	X		NEDA with concerned government agencies
2.2. Capacity Building for Greater Coherence in SDG Program Action	X	X		
2.3 Regular Monitoring and Review	X	X	X	
3. Strengthened collaboration across public and private sectors				
3.1. Greater coordination between and among NGAs and LGUs on critical program action to meet nationally determined sustainable development goals and targets	X	X	X	NEDA, DBM, DILG with Leagues of local governments (ULAP, LPP, LMP, LCP and LLDP)
3.2. Regular Government-led dialogue with the private sector and international development partners on the 2030 SDG Agenda	X	X		NEDA with DOF
3.3. Knowledge exchange on best practices and innovative solutions to address challenges in meeting the SDGs	X	X		NEDA with DILG

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