The Philippines continues to grapple with persistent poverty and income inequality despite recent economic growth. Approximately 16.4 percent or 4.51 million Filipino families live below the national poverty line. Informal employment is widespread, leaving many without social protection or decent working conditions. Small-scale producers, especially in rural areas, struggle to access markets, limiting their income potential.

The country is also highly vulnerable to disasters, ranking as the most at-risk globally. These risks, along with other vulnerabilities, pose considerable challenges to livelihoods, particularly in the agriculture sector, which employs a significant portion of the population.

In the Bangsamoro region, decades of conflict and instability have further complicated the livelihood situation. Economic marginalization, limited access to basic services, and high poverty levels are persistent issues.

Marginalized groups such as women, youth, indigenous peoples, and persons with disabilities face additional barriers to accessing education, healthcare, and decent work.

To address these challenges, the 2023-2028 Philippine Development Plan prioritizes job creation and poverty reduction. The Philippine Government aims to steer the economy towards a high-growth path that is inclusive to all Filipinos. This includes transforming production sectors to generate more quality jobs by modernizing agriculture and agri-business, revitalizing industries through expansion of domestic production and supplier base and reinvigorating the service sector. The goal is to achieve economic and social transformation for a prosperous, inclusive, and resilient society.
Thematic areas

Supporting social enterprise and MSME development as the backbone of Philippine economy

Micro-, small-, and medium enterprises make up 99.5 percent of business establishments in the country, providing 63 percent of employment to the Philippine workforce and contributing about 40 percent to the country’s Gross Domestic Product (GDP). In support of the economic backbone of the country, UNDP, over the years, has implemented numerous programs and capacity building activities aimed at developing and enhancing the skills, knowledge, and attitudes of social entrepreneurs and MSME owners, especially those belonging to marginalized groups. Initiatives have focused on developing business acumen, financial literacy, and capacities in marketing and product development, as well as enhancing their supply chain participation and access to markets.

Our Solutions

Under its forthcoming Country Programme Document (CPD) for 2024-2028, UNDP aims to contribute to a more integrated, innovative, inclusive, and sustainable economy. One of its major goals is to generate decent work and livelihood opportunities for the Filipino people, with a special focus on those left behind.

Even prior to the new Country Programme, UNDP Philippines has been implementing initiatives to enhance economic opportunities, promote inclusive growth and build resilience among communities, especially the marginalized and vulnerable populations including women, youth, indigenous peoples, internally displaced persons, and former combatants and their communities. UNDP's sustainable livelihood work revolve around:

✓ Building/ Strengthening Capacities
✓ Enterprise development
✓ Value chain development
✓ Resilience building/ Climate-resilient livelihoods
✓ Jobs creation
✓ Protection and safety nets
✓ Post-conflict reintegration and transformation
✓ Recovery and Stabilization
✓ Innovation
✓ Meaningful and inclusive community engagement
✓ Partnerships and collaboration
✓ Jobs creation
✓ Recovery and Stabilization
✓ Innovation
✓ Meaningful and inclusive community engagement
✓ Partnerships and collaboration
Strengthening value chain integration and facilitating market linkages to promote business growth

In line with building the capacities of MSMEs, UNDP efforts are also concentrated on promoting business growth by improving access to markets and enhancing integration in supply chains. Facilitating both backward and forward integration, UNDP has been providing opportunities for MSMEs to gain financial assistance and access to quality production inputs (e.g. seeds and seedlings of high-value crops, machineries). UNDP also builds MSME capacities to adopt value addition processes and to develop and diversify product offers. Fulfilling its integrator role, UNDP facilitates collaborations and linkages with government service providers and private sector institutions to help MSMEs reach wider markets and ensure they receive the necessary support to thrive economically and socially.

Contributing to a productive and resilient agricultural sector

Agriculture is among the major sectors in Philippine economy, employing around 25 percent of the labor force and contributing 9 percent of the country’s GDP in 2023. However, it is also one of the sectors most vulnerable to climate change. Support to the agricultural sector is integral to ensuring food security, reducing poverty, and promoting sustainable development. UNDP has been supporting smallholder farmers and fisherfolk by providing them with access to modern agricultural equipment and quality farm inputs that will enhance their production, processing, and marketing/distribution capacities and enable them to manage their farms more autonomously and improve their livelihoods. UNDP has also been working to strengthen their resilience to climate change by promoting climate-smart agricultural practices and supporting the adoption of sustainable farming techniques.

Supporting post-conflict recovery and transformation in the Bangsamoro region

As a longstanding and trusted partner to the Bangsamoro peace process, UNDP plays a crucial role in supporting post-conflict recovery and transformation efforts in the Bangsamoro region. Through various programs and initiatives, UNDP helps to build sustainable livelihoods for communities affected by conflict. These include supporting the reintegration of former combatants into society through skills training, values transformation training, entrepreneurship courses, and access to economic opportunities. UNDP has also been providing support to economically empower marginalized groups and sectors, including women, youth, indigenous peoples, and internally displaced persons in the Bangsamoro region and in Bangsamoro communities outside the core Bangsamoro territory. By focusing on livelihood support, UNDP contributes to the overall peacebuilding process, helping to create stability and spur economic development in conflict-affected areas.
Promoting biodiversity-friendly livelihoods and circular economy

UNDP has also been supporting biodiversity-friendly livelihood and business enterprises to support conservation and sustainable use of biodiversity, especially in indigenous people’s communities. Examples of these include initiatives that support organic farming, sustainable forestry/agroforestry, biodiversity-based products, and community-based conservation initiatives. Additionally, UNDP promotes the adoption of circular economy principles to reduce environmental impact and create new economic opportunities, jobs and engagement with the informal waste sector and vulnerable groups.

Piloting innovative solutions

Through its various programs and partnerships, UNDP has demonstrated a commitment to finding innovative and sustainable ways to improve the livelihood and economic opportunities of vulnerable and marginalized communities. Examples include the development of digital marketplaces to connect enterprises with buyers especially during the COVID-19 pandemic; piloting renewable energy solutions to improve post-harvest processes in remote fishing villages; and supporting a pioneer camp agri-ecotourism development as a potential model for transforming camps and reintegrating former combatants into productive civilian life.

Possible areas for collaboration

Area-based programming in fragile- and conflict-affected contexts

Area-based programming addresses complex development challenges through an integrated, inclusive, and participatory approach. It involves coordinating interventions across sectors, such as local governance, livelihoods, and social cohesion, and working with multiple stakeholders that bring diverse perspectives and resources together for more sustainable, contextually appropriate, and impactful interventions.

Supporting value chain integration of small-scale producers and MSMEs

Supporting the value chain participation of small-scale producers and MSMEs is vital for economic development, poverty alleviation, and inclusive growth. Multistakeholder collaboration with governments, businesses, and civil society is crucial to creating an enabling environment, providing targeted support, and implementing solutions that address the diverse needs and constraints faced by these enterprises.
Climate-proofing livelihood support and impact investments on climate and nature-based solutions

Collaborative efforts are crucial to ensure that diverse perspectives, resources, and expertise are brought together to address the multidimensional aspects of climate change adaptation and mitigation in livelihoods. Impact investments in climate and nature-based solutions offer a collaborative approach to addressing climate change and biodiversity loss by providing funding, expertise, partnerships, risk-sharing mechanisms, and policy influence.

Scaling innovative systems and solutions

Collaboration in scaling innovative systems and solutions entail knowledge sharing, pooling of resources, building capacities, and advocating for supportive policies to amplify the impact of innovative solutions and reach more beneficiaries.