



YEAR 10

ALTERNATIVE BUDGET

FISCAL YEAR

2016



Huling Pagkakataon sa Tunay na Matuwid na Paggugol

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Fiscal Year 2016

Huling Pagkakataon sa Tunay na Matuwid na Paggugol

Macroeconomic and Social Development Context of
the 2016 Budget; Alternative Budget Proposals
for Agriculture, Education, Environment, Health,
Persons with Disabilities and
Social Protection; Sources of Financing;
Special Feature: Tracking Yolanda Funds for
Resiliency and Sustainable Development



Foreword

It has been a decade since Social Watch Philippines (SWP) convened the Alternative Budget Initiative (ABI). The consortium has now blossomed to around one hundred and sixty strong civil society organizations and individuals conducting research and lobby efforts in coming out with annual budget analysis, campaigning against lump sum funds, and engaging the national government and the legislature in the budget process by coming out with a civil society-crafted alternative budget, otherwise called as the Orange Book.

Throughout the years, the effort of the consortium to directly engage through the budget process has led to the forging of partnerships with concerned agencies and champion legislators, expansion of the ABI network to more organizations and individuals who share SWP and ABI's development vision through budget advocacy, and the continuing presence of the ABI in House and Senate to present alternative budget proposals.

The ABI work has definitely gained significant strides in carrying out citizens' participation in public finance through the budget as a tool to effect change towards improving people's lives. Through our initiative, we continue to elevate an empowered citizenry at the center of good governance and the pursuit to sustainable development, affirming that citizens are all taxpayers who have the right and stake in influencing how the people's money is being spent.

The P3.002-trillion 2016 National Budget is particularly important to be strictly monitored as it still remained vulnerable to abuse and misuse. We found significant red flags in the retained provisions allowing status quo to hold – with the executive branch authorized to perpetuate artificial savings & discretionary budget transfers, amidst the controversies created by the Priority Development Assistance Program (PDAF) and the Development Acceleration Program (DAP), the practices in both of which were declared unconstitutional by the Supreme Court.

The Filipino people have declared their condemnation of pork barrel and budget abuses. Petitions have been filed before the Supreme Court against PDAF-like funds and DAP-like budget transfers; while court proceedings are on-going against officials who were charged in the fraudulent spending of pork barrel funds.

However, the Basic Law of the Land has still been violated because the framework for DAP and pork barrel still exist. The national budget still contains lump sum appropriations with PDAF- and DAP-like characteristics and mechanisms.

We have been stuck at counting the leaves while we overlook the entire forest. By focusing largely on the budgets of agencies, Congress essentially yields its Power of the Purse to the Executive by passing a budget with most if not all lump sums, PDAF-like funds as well as savings and realignment provisions kept intact.

Hence, SWP and ABI have remained steadfast amidst the challenges that have come the way of our budget advocacy. "*Huling Pagkakataon sa Tunay na Matuwid na Paggugol*" is a fervent hope that despite the budget vulnerabilities that continued to be set in place for the past budget years, the government will take as an opportunity to adopt our alternative budget proposals in order to forge a responsive and truly people-centered national budget.

With the 2016 Budget essentially passed on to the incoming administration by July 2016, aspirants for public office should be able to articulate their position on the 2016 Budget and how they stand on important issues affecting the national budget – such as the diminishing Power of the Purse, discretionary lump sum funds, budget transfers and realignments, persistence of pork barrel, and the distortion of budget terms such as the meaning of errata as applied to the budget and the redefinition of savings. Importantly, we call on candidates to pronounce their concrete platform of government and policies on instituting reforms to the budget and public finance.

In that regard, “*Huling Pagkakataon sa Tunay na Matuwid na Paggugol*” should also serve as a springboard for SWP-ABI and its network of campaigners to urging the next administration to come up with an approach in pursuing development and tackling the multi-dimensional problems of poverty, hunger and unemployment that goes through the lens of the poor and vulnerable. As we have experienced, a huge budget does not certainly ensure that economic growth is enjoyed by all, and a large portion is being utilized for partisan political purposes. It has to focus instead on the sectors where the poorest are and where unemployment is highest.

As the Filipino people vote for new officials in the upcoming elections, SWP and ABI advocates should be able to popularize the importance of the budget as an election issue and as a genuine equalizer in addressing poverty and inequality. The Filipino people should be able to recognize that budgetary transfers and realignments are brought about by continued existence of pork, lump sums, and erroneous definition of savings and will make it difficult for the reduction of poverty, inequality and hunger as well as employment generation to prosper. To ensure a dignified and resilient future, we should choose leaders based on platforms on the budget and public finance which pursue sustainable development, uphold the Constitution and maintain balance of power in the government.

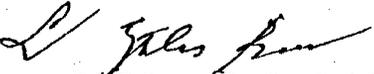

PROF. LEONOR MAGTOLIS BRIONES

Table of Contents

Foreword.....	iii
PART 1: Macroeconomic and Social Development Context of the 2016 Budget	1
Assessment of the 2016 National Budget	1
Abstract.....	1
The 2016 Macroeconomic Framework.....	1
Revisiting the “Midnight Insertions” in the 2015 National Budget.....	2
Importance of the Budget in National Development	2
Macroeconomic Assumptions in the 2016 National Budget	3
Social Development Situation: Poverty, Hunger and Employment.....	4
Employment Profile	6
SWS: Alternative Poverty Assessment.....	7
SWS Self-Rated Poverty Survey Results.....	7
The Proposed 2016 National Budget	9
The 2016 Fiscal Program	10
2016 Revenue Program.....	11
2016 Deficit Financing Program.....	11
Debt Service: Interest Payments and Principal Amortization.....	12
2016 Expenditure Program	13
Expenditure Allocation by Sector	14
2016 Regional Allocation	15
Special Purpose Funds	16
Automatic Appropriations	17
Unprogrammed Funds	17
Vulnerabilities of the 2016 National Budget	18
Summary	21
Concluding Remarks.....	21
References.....	22
PART 2: Alternative Budget for Fiscal Year 2016	23
Alternative Budget Proposal for Agriculture & Fisheries	23
Substantial increase in budget but barely dramatic results	23
Findings of budget tracking and monitoring.....	24
2016: Final Year to Make a Lasting Impact	25
Alternative Budget Proposal for Agriculture	26
Alternative Budget Proposal for Education	30
The Philippine Education Landscape.....	30
PNoy ‘Prioritizing’ Education in the National Budget and Agenda.....	30
Government’s Increasing Investment in Education	30
DepEd Reported Milestones: Where and how far did the budget go?.....	31
The Proposed 2016 Education Budget.....	33
Higher Budget Does Not Translate to Higher Outcomes; Institutions Slow to Deliver Expected Results.....	33
Budget Still Way Behind International Benchmarks.....	33
EFA Goals Not Delivered.....	35
Out-of-School Children and Youth Still Prevalent.....	36
Numbers Do Not Reflect Actual Improvements, Shortages Persist	36
Classrooms Shortage.....	37

Teachers Shortage.....	37
Shortage of Textbooks and Learning Kits	38
Provision for Education in Yolanda-Affected Areas	39
Not Enough Programs Reaching the Indigenous People, Isolated Sectors.....	39
Quick Fixes Will Not Work; Evaluate and Prioritize Expenditures	40
The Alternative Budget Proposal for Education 2016.....	41
Investing in Teachers for Quality Education	41
On Teaching Items: New Hiring, Deployment and Redeployment.....	41
Teacher Training.....	42
Medical subsidy for teachers	42
Allowance for teachers	42
Inclusive Education: Investing in Programs to Reach the “Unreached”, Including	
Targeting of Girls and Women	42
Indigenous Peoples Education	42
Expand Alternative Learning System (ALS) learners.....	42
Resource centers for Persons with Disabilities (PWDs).....	43
Madrasah Education.....	43
Investing to Achieve Functional Literacy for All.....	43
Life skills and Literacy: Aiming for functional literacy and lifelong learning for all	43
DRRM/Education for Sustainable Development (ESD).....	43
Health and Nutrition Program.....	43
Gender program	44
School Governing Fund/School Governing Council Activities.....	44
Policy Recommendations.....	46
Annex A: PNoy’s Ten-Point Education Agenda	47
Annex B: Education Services in the Budget Priorities Framework.....	48
Alternative Budget Proposal for Environment	50
Introduction.....	50
State of the environment (SOEN) 2015	50
Land Degradation, Water and Air Pollution	51
A guide to the carbon footprint of the Philippines.....	51
Increasing environment and climate expenditures.....	52
2016 CCET Results.....	54
Yellow-tagged and Red-flagged PAPs in the proposed 2016 National Budget	57
We must focus on our vulnerabilities	64
Conclusion: Need for a radical break with business as usual	71
Alternative Budget Proposal for Health	73
Whole Government Approach to Health/Health in All Policies.....	73
Water, sanitation, and hygiene.....	75
Access to safe water supply	76
Investing in water for health	76
Sanitation and Hygiene	77
Food and Nutrition.....	78
Roads: A Public Health Concern	82
Roads and Access to Health Services	82
Examining the Health Resources	83
The Health Sector Allocation.....	85
The FY 2016 Department of Health Budget.....	88
Priorities.....	89
Top 10 highest allocation.....	89

Bottom 20 lowest allocation	90
Double burden of disease and the chronic problems in the healthcare delivery system.....	91
Chronic Workforce Shortage	91
On Administrative Fragmentation	92
Health Policy Fragmentation	93
Health outcomes that matter	94
Key Health Strategic Thrusts and Performance Indicators.....	94
Financial Risk Protection.....	94
Access to Quality Care.....	95
Attainment of MDGs	96
Missed Measures, lost opportunities.....	97
Alternative Health Budget Proposals.....	98
Health workforce	98
Health Promotion: Putting health in the hands of the people	101
Integrative Health: Health is the Responsibility of All.....	103
PhilHealth: Key in Ensuring the Health of Filipinos.....	104
Older people’s participation in the promotion of the primary health care and wellness programs (pilot program).....	108
Persons with Disabilities.....	110
The HIV epidemic in the Philippines.....	110
Reproductive Health	116
Strengthening Good Governance in Medicines	119
Yolanda Funds for Resiliency and Sustainable Development.....	122
Children and Youth.....	122
A Better Democracy, A Better “Health for All”: Citizen’s Participation in the Health Budget.....	128
Sources of financing	129
Summary of Alternative Budget Proposals for Health	130
Endnotes.....	135
Alternative Budget Proposal for Persons with Disabilities	139
Our contention	139
Alternative Budget Proposal for Persons with Disabilities.....	143
Alternative Budget Proposal for Social Protection.....	145
The DSWD budget and its aims.....	145
A look at the scorecard	146
4Ps by the numbers	148
What is an Open Budget? What is convergence?	151
Alternative budget recommendations	155
Summary of Proposed Increases in the FY 2016 National Budget	158
Proposed Sources of Financing.....	159
Special Feature: Tracking Yolanda Funds for Resiliency and Sustainable Development	172
Funding the Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP).....	172
Extent of Yolanda-Fund Releases.....	175
Major Observations Related to the Implementation of the Yolanda CRRP	177
Recommendations.....	180

Table of List and Figures

List of Tables

Table 1. Macroeconomic Assumptions for the 2016 National Budget	3
Table 2. Drivers of Growth.....	4
Table 3. Probability of Meeting the MDGs	4
Table 4. Poverty and HDI Data, ASEAN Countries.....	6
Table 5. 2016 Fiscal Program	10
Table 6. Top 12 Agencies with the Biggest Allocation in the National Budget, 2013-2016, in Billion Pesos	15
Table 7. Special Purpose Funds (SPFs), in Million Pesos.....	16
Table 8. Automatic Appropriations, 2013-2016, in Million Pesos.....	17
Table 9. Unprogrammed Funds, 2013-2016, in Million Pesos.....	17
Table 10. Provisions in the 2016 NEP that Raises Budget Vulnerability.....	19
Table 11. Performance of Agriculture/Fisheries in terms of % Growth.....	23
Table 12. ABI Agriculture Cluster Alternative Budget Proposals	26
Table 13. Agriculture and Fisheries Budget in the GAA, 2008-2015 and Proposed 2016 Budget	28
Table 14. Participation Rate for SY 2014-2015.....	31
Table 15. Increment in Basic Education Spending (2010-2016).....	33
Table 16. Public expenditure per pupil as a % of GDP capita, 2008-2013	34
Table 17. 2013-2014 World Economic Forum (WEF) Global Competitiveness Report	35
Table 18. Philippines' Identified EFA Gaps.....	36
Table 19. Children 5-17 Years Old Currently Not Attending School, By Age Group, Philippines (2009-2013), in Thousands	37
Table 20. DepEd Preliminary Estimates Provisions forr K to 12	38
Table 21. DepEd-identified projected vacancies in teaching slots	38
Table 22. ABI Education Cluster Alternative Budget Proposals.....	44
Table 23. Ten Point Education Agenda of the Aquino Administration.....	47
Table 24. Education Services in the Budget Priorities Framework, NBM 124.....	48
Table 25. CC Expenditures, FY 2015-2016 (in Billion Pesos).....	55
Table 26. CC Expenditures by Top Agencies, FY 2016 Proposed Budget	55
Table 27. Yellow-tagged PAPs in the 2016 Proposed Budget	57
Table 28. Red-Flagged High Carbon PAPs in the 2016 Proposed Budget.....	62
Table 29. Red-Flagged Lump Sum appropriations in the 2016 Proposed Budget	64
Table 30. Water Supply and Sanitation Infrastructure Projects Proposed Allocation for FY 2016 (In PhP '000).....	69
Table 31. Environment-related Yolanda Rehabilitation and Recovery Budget Proposal under Yolanda CRRP.....	71
Table 32. Top 10 Causes of Mortality, Philippines 2010	75
Table 33. DOH FY 2016 Budget Physical Targets.....	84
Table 34. Health Sector Allocation of National Government Expenditures (in Billion Pesos) FY 2005-2015).....	85
Table 35. National Health Accounts, Selected Asian Countries (2010-2013)	86
Table 36. Total Health Expenditure by Source of Funds, 2011-2012	87
Table 37. Health Care Financing Indicators: Target Versus Actual Levels, 2012-2013	87
Table 38. Top 10 DOH Highest Allocations Programs/Activities/Projects	89

Table 39. Bottom 20 Lowest Allocations	90
Table 40. Utilization of private and public healthcare facilities by wealth quintile	91
Table 41. Numbers of healthcare workers in government	92
Table 42. Decentralization as described in the Local Government Code	93
Table 43. Key Healthcare-related programs as listed by DOH, 2015	93
Table 44. Department of Health Physical Accomplishments (2013-2015)	95
Table 45. Summary of Alternative Budget Proposals for Health	130
Table 46. ABI Persons with Disabilities Cluster Alternative Budget Proposals	144
Table 47. DSWD Budget	145
Table 48. Number of Families Reached by CCT	149
Table 49. Breakdown of 4Ps Budget, 2015-2016	150
Table 50. PMT Error Rates	151
Table 51. Budget for Social Protection Services	152
Table 52. Sustainable Livelihood and Employment Program	154
Table 53. ABI Social Protection Cluster Alternative Budget Proposals	156
Table 54. Summary of Proposed Increases in the FY 2016 National Budget	158
Table 55. Contestable FY 2016 Budget Items (Departments/Agencies)	159
Table 56. Contestable FY 2016 Lumpsum Budgets (Special Purpise Funds)	168
Table 57. Contestable FY 2016 Lumpsum Budgets (Unprogrammed Fund)	170
Table 58. Contestable FY 2016 Total Lumpsum Budgets	171
Table 59. Summary of Proposed Sources of Financing for the 2016 National Budget	171
Table 60. Distribution of CRRP funding, by Cluster	172
Table 61. Purposes of RA 10634-SAA 2013, in Pesos	174
Table 62. Purposes of RA 10652-SAA 2014, in Pesos	174
Table 63. 2016 NEP, Proposed Appropriations for Calamity-Related Activities	175
Table 64. Yolanda Fund Releases to Agencies Compared to Approved CRRP Funding, in Billion Pesos	176
Table 65. DSWD Emergency Shelter Assistance Budget Requirement and Amount Disbursed, in Mililon Pesos	177
Table 66. Fund Sources for Typhoon Yolanda (FY 2013-2016), Released and Proposed as of 31 October 2015	178
Table 67. Yolanda Funding Requirement compared to Fund Releases, as of October 31, 2015	179
Table 68. List of Yolanda Rehabilitation and Recovery Budget Proposal under Yolanda CRRP	182

List of Figures

Figure 1. Government Share in the GDP ;Contribution of Agriculture to the GDP	4
Figure 2. Poverty Incidence and Subsistence Incidence of the Population in Percent	2
Figure 3. Poverty Incidence in 5 ASEAN Countries	6
Figure 4. Unemployment and Underemployment, in Million Individuals	7
Figure 5. Self-Rated Poverty by Population, in Percent	8
Figure 6. Self-Rated Hunger by Population, in Percent	8
Figure 7. The National Budget, 2016, in Trillion Pesos	10
Figure 8. Sources of Revenue, FY 2013-2016	11
Figure 9. Sources of Tax Revenue, FY 2013-2016	11
Figure 10. Comparative Financing Program, 2013-2016, in Billion Pesos	12

Figure 11. NG Debt Service Expenditures, in Billion Pesos	13
Figure 12. Various Funds in the National Budget, 2011-2016, in Billion Pesos.....	14
Figure 13. Expenditure Allocation By Sector, 2013-2016	14
Figure 13. Expenditure Allocation By Sector, 2013-2016	14
Figure 14. Regional Distribution of the National Budget, 2013-2016, in Billion Pesos	15
Figure 15. Investments in Basic Education.....	30
Figure 16. DepEd Data on Constructed Classrooms	32
Figure 17. DepEd Data on Teacher Items.....	32
Figure 18. DepEd Data on Proposed Public SHS and Private Schools with SHS Permits.....	32
Figure 19. National government spending in education, % of GDP, ASEAN 5, 1995-2013	34
Figure 20. Overall GHG Emission from non-LUCF Sectors (INC 1999).....	52
Figure 21. DENR Budget for FY 2006-2016 (In PhP ‘000).....	53
Figure 22. Climate Change Commission Budget for FY 2010-2016 (In PhP ‘000).....	54
Figure 23. Share of CC Expenditures by Component, FY 2015-2016	56
Figure 24. Share of CC Expenditures by Strategic Priority/Typology, FY 2015-2016.....	56
Figure 25. Poverty moving down slowly viz ASEAN neighbors and MDGs standards	65
Figure 26. Poverty Incidence and Subsistence Incidence among Population (%), 2006 2009, 2012, 2013 1 st sem, 2014 1 st sem	65
Figure 27. Poverty Incidence among Population, FY 2006-2012	66
Figure 28. Self-rated Poverty.....	66
Figure 29. Hunger “persistently high”	67
Figure 30. Farm-To-Market Road Development Program (FMRDP) Annual Budgets for FY 2010-2016 (In PhP ‘000).....	67
Figure 31. Farm-To-Market Road Development Program (FMRDP) Regional Allocation for FY 2010-2016 (In PhP ‘000).....	68
Figure 32. Water Supply and Sanitation Infrastructure Projects Proposed Allocation for FY 2016 (In PhP ‘000).....	69
Figure 33. Allocation for Sitio/Rural Electrification Project- Annual Budgets for FY 2010-2016 (in PhP ‘000).....	70
Figure 34. DOH Budget by Component (2012-2016).....	86
Figure 35. Total Health Expenditure (THE) as % of GDP, Philippine National Health Accounts (2005-2013)	86
Figure 36. The DOH Budget by major comparison (in Billion Pesos).....	88
Figure 37. DOH Budget from 2010-2016.....	88
Figure 38. PhilHealth Benefit Payments, 2006-2014	105
Figure 39. Health Expenditure, by Source of Funds, 2006-2013	105
Figure 40. Distribution of reported HIV cases by year.....	111
Figure 41. HIV Prevalence among MSM in 5 cities.....	111
Figure 42. High-risk behavior among MSM.....	111
Figure 43. HIV prevalence among PWID in Cebu	112
Figure 44. Prevention and treatment coverage	112
Figure 45. The HIV Care Cascade.....	113
Figure 46. The widening resource gap in the Philippines’ AIDS response.....	114
Figure 47. Total number of PLHIV, 2010-2030	114
Figure 48. Annual number of new HIV infections, 2010-2030.....	115
Figure 49. Annual treatment cost.....	115
Figure 50. Snapshot of the impact investment and resource needs for each investment options in 2022	116

Figure 51. Comparison of school attendance between all household beneficiaries vs. households with children with disability member.....	139
Figure 52. Reasons for not going to school among children among aged 6-14 in 4Ps families who are not attending school (with no grade completed) by family size, share to total (%).....	140
Figure 53. Average daily wage/salary workers, by educational attainment, 2011	141
Figure 54. Education and Income among persons with disabilities.....	141
Figure 55. Comparison of poverty incidence between households with persons with disability members and the general population	142
Figure 56. Malnutrition Prevalence Survey	153
Figure 57. Yolanda CRRP Funding Requirement	172
Figure 58. Distribution of the Yolanda Total Funding Requirement, Top 14 Agencies, and by Province, in Million Pesos	173
Figure 59. Summary of DBM Budget Releases for Yolanda	176

PART 1: Macroeconomic and Social Development Context of the 2016 Budget

Assessment of the 2016 National Budget

By Professor Emeritus Leonor Magtolis Briones and
Professor Jocelyn C. Cuaresma¹

Abstract

The 2016 National Budget remains vulnerable to abuse and misuse. Similar to previous years' budgets of the Aquino administration, the 2016 National Budget contains provisions allowing the executive branch to declare savings, augment budgets of agencies and transfer funds, all of which have been declared unconstitutional by the Supreme Court in relation to its decisions of July 1, 2014 on the unconstitutionality of the Development Acceleration Fund and the National Budget Circular No. 541, among others. The 2016 National budget was signed into law by President Aquino on December 22, 2015. It is its final budget, a budget it will pass on to the incoming administration by July 2016.

The Social Watch Philippines advocates have been watching the drafting (contents and priorities), the legislation and implementation of the national budget. The 2016 budget is particularly important to be strictly monitored amidst the controversies created by the Priority Development Assistance Program (PDAF) and the Development Acceleration Program (DAP), the practices in both of which were declared unconstitutional by the Supreme Court.

The 2016 Macroeconomic Framework

The 2016 budget is the Aquino Administration's sixth and last budget tool to achieve what it promises for the country. In this budget, President Benigno S. Aquino III submitted to Congress a Php3.002 trillion budget for 2016 to enable it to fulfill its commitments under the 5 key results of its Social Contract with the Filipino people. The government promised to disaggregate lump sum funds, limit the number and magnitude of Special Purpose Funds to the National Disaster Risk Reduction and Management Fund (NDRRMF), Contingent Fund, Statutory Shares of Local governments and other funds whose details could not be determined during the budget preparation stage, follow total resource budgeting and performance-based budgeting, and otherwise provide strategic support to programs and projects carried under the public-private-partnership (PPP) arrangements. It was said to be guided by the intent to sustain the growth momentum and the pursuit of good governance, anti-corruption and disaster-risk adaptation (NBM No. 123, January 28, 2015 Budget Call for CY 2016). To harmonize budgeting and accounting, it introduced the Unified Account Code

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Structure (UACS). It promised to enhance local government capacity and citizen engagement in the national budget process and at the same time address the poverty situation through their involvement in the planning and implementation of anti-poverty and basic community projects under the Bottom-Up-Budgeting (BUB) program.

This paper assesses the 2016 national budget based on the intents and commitments of the national government vis-à-vis the socio-economic realities of the Filipino people and the economy.

Revisiting the “Midnight Insertions” in the 2015 National Budget

Looking back to the questioned “midnight insertions” contained in a six hundred twenty nine double pages of errata submitted by the DBM to Congress to amend the 2015 National Expenditure Program on the eve of the budget’s approval on its Second Reading (newsinfo.inquirer.net, September 29, 2014). The DBM’s errata had the effects of reprioritizing some projects, realigning funds and impounding savings, in effect putting to naught all the Congressional deliberations and prioritization that the House and the Senate has done and insisting on the priorities of the President during and within the legislation phase of the budget. More than this, the act of the DBM is a violation of the separation of powers of the branches of government, a dishonor on the principle of check and balance in government, and blatant show of unwarranted political dominance of the executive branch. This continues to happen despite the Supreme Court’s decision on the unconstitutionality of the declaring savings and their cross-border utilization in the 2014 and previous years’ budgets of the Aquino Government. Furthermore, the government promised to continue the geographic focus of the 2015 budget on provinces with the highest poverty incidence, most number of poor families and those with multiple climate and geo-hazard vulnerabilities. Suffice it to say at this point that the trend in the distribution of the 2015 and all previous budget had been concentrated to Metro Manila and Luzon, and that national budget decisions (allocation and disbursement) had always been under the control of the national government and national government agencies.

Importance of the Budget in National Development

If we must, though we need not overemphasize, the national budget is the most important law that Congress legislates annually. It is the most powerful instrument of the government in responding to poverty alleviation, to climate change vulnerabilities, to low quality of public health and education services, to inflation and to unemployment. The budget can be an instrument for the redistribution of income and wealth and hopefully help close the resource gap between the rich and the poor. It can be used to provide education and health services, as well as training and capacity building and fund projects to create employment. It can be used to stabilize the economy and control inflation.

It is thus imperative to ask questions on the fiscal role and performance of government in the economy, and the government’s budget policies, thrusts and priorities. It is important to ask questions on what are the government’s explicit priorities in the national budget and also about less spoken of but equally important budget items including items that are not explicitly presented. The need to demand accountability from the government is a task on the shoulders of all of us. We must engage the Executive in discourses on longstanding issues on the connection between socio-economic needs and budget priorities, special purpose funds,

budget commitment to climate change adaptations, transparency and accountability, and citizen engagement in many of these.

Macroeconomic Assumptions in the 2016 National Budget

The year 2016 poses as much socio-economic challenges to the Philippines as the previous years. Amidst the euphoria brought about by the government's successful handling of the Asia-Pacific Economic Cooperation (APEC) Summit in Manila last November 17-20, this achievement was done at the cost of billions lost in massive traffic all over the metropolis and the resulting loss in income due to the declared APEC work holidays. Skeptics and hopefuls have hoped that the APEC expenditures will all translate not only in stronger cultural relations and goodwill with our colleagues in the APEC but will generally contribute to the projected economic performance of the economy in succeeding years.

Table 1. Macroeconomic Assumptions for the 2016 National Budget

PARTICULARS	2013	2014	2015	2016	2017
	Actual	Adjusted	Projected	Projected	Projected
Real GNI Growth %	7.5	6.5-7.5	6.7-7.7	7.1-8.1	6.6-7.6
Real GDP Growth %	7.2	6.5-7.5	7.0-8.0	7.5-8.5	7.0-8.0
Inflation %	3.0	3.0-5.0	2.0-4.0	2.0-4.0	2.0-4.0
364-Day T-bill Rate %	0.7	1.5-4.0	2.0-4.0	2.0-4.0	2.0-4.0
FOREX (P/US \$)	42.45	42-45	42-45	42-45	42-45

Source: FY 2016 BESF, based on NEDA & BSP data.

For 2016, the government projected a GNI and GDP growth rates of at least 7.1% and 7.5%, respectively. The inflation rate, set at the 3% average, hopefully will be sustained since a one percentage point increase will raise potential revenue, but whose potential collection still hinges on the efficiency of government collecting agencies. This is the challenge to the Aquino Administration on its final year and to the incoming administration by mid-2016. The achievement of the macroeconomic projections hinges on prevailing conditions and government responses to challenges that include the need to raise the consistently low level of government spending and its relatively small contribution to GDP growth, the challenge of the revitalization of the agriculture sector upon which 2/3 of the working population depends, and the challenges of the adverse effects of climate change, among others.

Raising the productivity and efficiency of the agricultural sector remains a challenge in 2016 as in previous years. The agriculture sector will remain key to the growth of the national economy, but as Figure 1 and Table 2 show, the more than two decades of neglect of the agricultural sector have kept its productivity low. Government spending has been consistently low since the 1990s, contributing just about one-third to one-half of 1% from the 1990s to 2014. The sector's contribution to GDP growth is thus not surprising to hover around 1%.

**Figure 1. Government Share in the GDP; Contribution of Agriculture to the GDP
(Balisacan, August 3, 2015)**

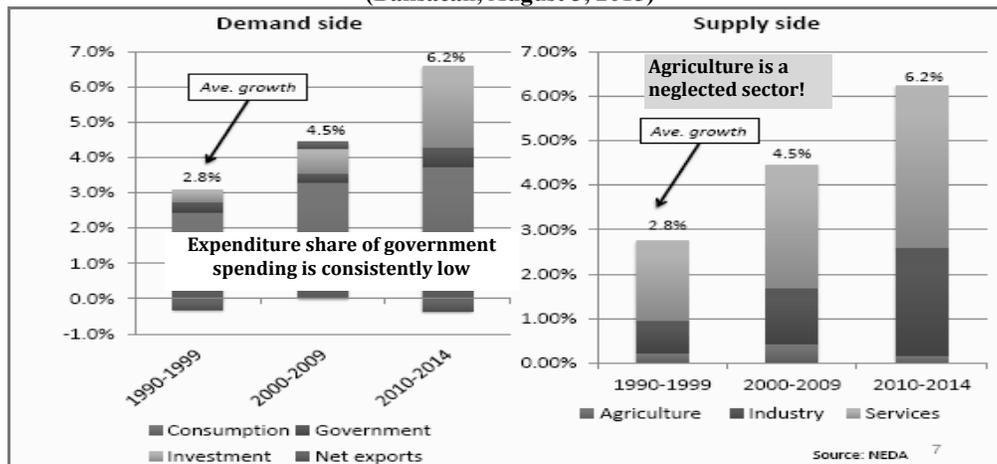


Table 2. Drivers of Growth (Source: National Accounts of the Philippines, (PSA-NSCB))

Sector		FY 2013	FY 2014	1 st Sem 2015
Supply side	Agriculture, Hunting, Forestry & Fishing	1.1	1.6	0.3
	Industry	9.2	7.9	5.8
	Services	7.0	5.9	5.8
Demand side	Household Consumption	5.6	5.4	6.1
	Government Consumption	5.0	1.7	2.9
	Capital Formation	27.7	5.4	14.3
	Imports	4.4	8.7	10.6
	Exports	-1.0	11.3	5.0
<i>Gross Domestic Product</i>		7.1	6.1	5.3
<i>Gross National Income</i>		8.1	5.8	4.6

Social Development Situation: Poverty, Hunger and Employment

Data from the NEDA (Balisacan August 3, 2015) on the Philippine performance in achieving the Millennium Development Goals shows that the probability of the Philippines' meeting some of the goals is "high", but is otherwise "low" in a significant number of them. We may have lowered food poverty, incidence of tuberculosis, etc., but the probability of meeting the target on cohort survival, gender disparity, maternal mortality, access to reproductive health and HIV/AIDS is Low.

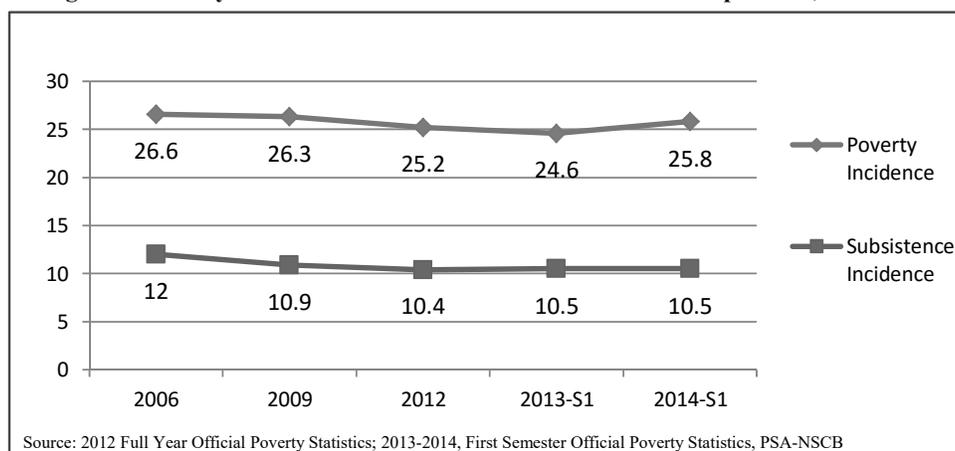
Table 3. Probability of Meeting the MDGs

HIGH	MEDIUM	LOW
<ul style="list-style-type: none"> • Food poverty • Education <ul style="list-style-type: none"> ○ School participation ○ Empowering women 	<ul style="list-style-type: none"> • Income poverty • Nutrition <ul style="list-style-type: none"> ○ Underweight children 	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> ○ Cohort survival • Gender disparity <ul style="list-style-type: none"> ○ Education

<ul style="list-style-type: none"> • Infant & under-5 mortality • Malaria morbidity • Tuberculosis incidence • Access to safe water • Access to sanitary toilet facilities (100%) 		<ul style="list-style-type: none"> ○ Political participation • Maternal mortality • Access to reproductive health HIV/AIDS
Source: Balisacan August 3, 2015.		

The graphs on poverty show that the Philippines fared poorly in lowering the level of poverty in the country. As of May 2014, the NSCB reported the government's inability to achieve targets in 19 out of 28 MDG indicators, and the NEDA reported on the probability of the Philippines missing its MDG poverty targets. Specifically, the PDP-poverty-reduction goal of 20-23% this 2015 and 18-20% next year fall short of the MDG target of 17.2% by 2015, or half of the poverty incidence of about 34.4% in 1991. The 25.8% poverty incidence as of 1st semester of 2014 is still much higher than the MDG target of 17.2% by 2015. Based on statistics from the NSCB, the Philippines showed no improvement in poverty reduction for the past eight years. Official poverty statistics in the first semester of 2014 reported that on the average, 25.8% of the population which translates to more than 25 million Filipinos live in poverty. Between the full years of 2006, 2009, 2012 to the first half of last year, poverty incidence among population was virtually unchanged. This means around 3 out of 10 Filipino families are poor. Multiply these rates with the total number of families/individuals, it can be said that poverty is still widespread. At the regional level, the Philippines moves quite slowly on poverty reduction compared to its ASEAN neighbors. Poverty incidence in the Philippines was much lower than that in Indonesia and Vietnam in the 1990s. But these countries have successfully reduced their poverty incidence to lower than 20% and 5%, respectively, as of 2011.

Figure 2. Poverty Incidence and Subsistence Incidence of the Population, in Percent



Based on the annual Per Capita Poverty Threshold of PhP18,935 in 2012, individuals below this poverty level of income has to survive with just PhP51.87 a day. While most of our ASEAN neighbors particularly Vietnam, Cambodia, Indonesia and Thailand have successfully lowered the proportion of their population below their respective poverty line as of 2012, the Philippines' poverty incidence remained almost unchanged at 25.2%. In terms of the United Nations' Human Development Index (HDI), the Philippines' rank is similarly not impressive compared to the rank of other ASEAN member countries

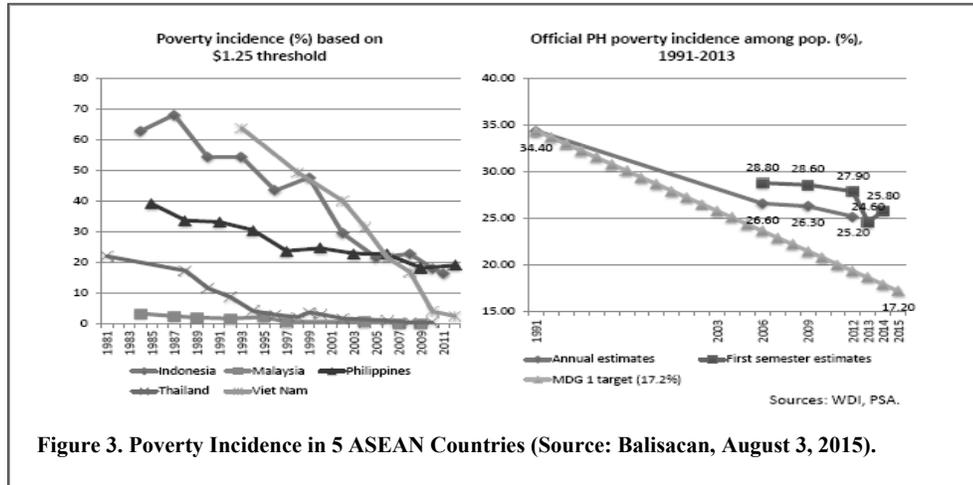


Figure 3. Poverty Incidence in 5 ASEAN Countries (Source: Balisacan, August 3, 2015).

Table 4. Poverty and HDI Data, ASEAN Countries

Country	Poverty Incidence (in percent)	Number of population below the national poverty level of income	HDI, 2013 (UN)	HDI Rank (UN, rank out of 187 countries)
Brunei Darussalam	0.852	30
Singapore	0.901	9
Malaysia	1.7 (2012)	509,116	0.773	62
Indonesia	11.4 (2013)	28,365,252	0.684	108
Thailand	13.2 (2011)	9,009,132	0.722	89
Vietnam	17.2 (2012)	15,429,931	0.638	121
Cambodia	18.9 (2012)	2,827,931	0.584	136
Philippines	25.2 (2012)	25,044,894	0.660	117
Myanmar	25.6 (2010)	15,628,893	0.722	89
Lao PDR	26.0 (2010)	1,727,440	0.569	139

Source: data.worldbank.org; www.asean.org; www.un.org; www.adb.org.

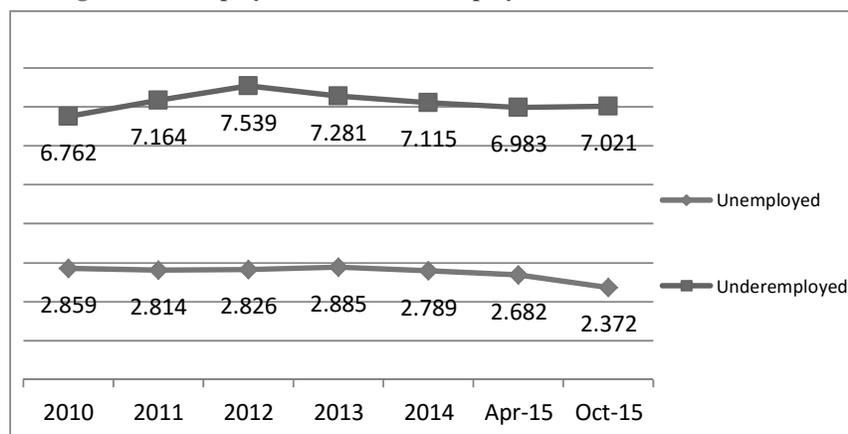
Employment Profile

The agricultural sector employs 29.6% of the total number of gainfully employed (of 39,779,000 in October 2015 (<https://psa.gov.ph>), but contributes just about 10.03% to the GDP. In comparison, the services sector employs 54.5% of the total employment and contributes an equivalent percentage of 56.72%. The Industry sector's performance is relatively impressive. It employs 15.9% of the total employed and contributes 33.25% to the GDP. Among the occupation groups, laborers and unskilled workers make up the largest group of 31.5% of the labor force. The low labor productivity and the low income of agricultural labor account for the poverty of a significant number of the country's labor force. Hence, if the national budget is to tackle problems of poverty, hunger and unemployment, it has to focus on the agricultural sector where the poorest are, where productivity is lowest and where unemployment is highest. The 2016 budget should be used as tool to address the gaps and distributional issues surrounding the inclusive growth that the government has been trying to achieve.

Unemployment decreased by 8 % in the 1st Quarter of 2015, but remained steady over the last five years. Unemployment among the 25 to 44 age group is as high as 42.3%; the unemployment of the age group 15 to 24 is similarly very high at 48%. The challenge to government is to raise the employability of the young members of the labor force. The high rate of unemployment and under employment is largely mirrored in the educational attainment profile of the labor force, where only 33.3% have completed high school, and only 22.6% have finished college. Unemployment is higher among women at 63.4%.

The state of underemployment remains stubbornly high: 56.1% of those employed have worked less than 40 hours a week, and a significant proportion of 42.9% have to work more than 40 hours a week perhaps because of the low wage earned from main employment.

Figure 4. Unemployment and Underemployment, in Million Individuals



*Excludes Leyte in April-October 2014, Jan-Apr 2015

Source: Labor Force Survey, Philippine Statistical Authority- NSO

SWS: Alternative Poverty Assessment

Social Weather Stations (SWS) data on self-rated poverty shows that on the *average*, 5 out of 10 Filipinos consider themselves Poor as of the third quarter of 2015. In comparison, the *PSA-NSCB reported that almost 2 out of 10 (19.7%) Filipino families are poor in 2012 (NSCB Full Year Poverty Statistics, 2012)*. While these are two different sets of data, both shows similar trend of stagnant poverty rates.

SWS Self-Rated Poverty Survey Results

The SWS 3rd Quarter Survey, conducted from September 2-5, 2015, stated that 50% (estimated 11.0 million) of families surveyed rated themselves as *Mahirap* or Poor. This is marginally lower by 1% during the 2nd quarter (estimated 11.2 million families).

The September 2015 survey also found that 35% (or an estimated 7.8 million) of families considers the type of food they eat as *Mahirap* or Poor, termed by SWS as Food-Poor. This is 2 points above the 37% (est. 8.1 million) Self-Rated Food-Poor in June 2015, and 6 points below the 41% four-quarter average of 2014 (SWS Chart 1).

According to SWS, the Self-Rated Poverty rate nationwide in the third quarter of 2015 was due to declines in Balance Luzon and Metro Manila, combined with an increase in the Visayas and steady rate in Mindanao. The Survey revealed that self-Rated Poverty fell in Balance Luzon by 5 points, from 43% in June to 38% in September; and it fell in Metro Manila by 1 point, from 33% to 32%. However, it stayed at 70% in Mindanao (Social Weather Stations, 2 November 2015).

Meanwhile, the number of Filipinos suffering from hunger increased in Q3 2015 and still generally high. The Third Quarter 2015 Social Weather Survey, conducted from September 2-5, 2015, found 15.7% or an estimated 3.5 million families experiencing involuntary hunger at least once in the past three months. This is 3.0 points above the 12.7% (est. 3.0 million families) in March 2015 (Social Weather Stations, 4 November 2015).

The 15.7% total Hunger in September 2015 consists of of 14.1% (est. 3.1 million families) who experienced Moderate Hunger and 1.6% (est. 361,000 families) who experienced Severe Hunger. Moderate Hunger rose while Severe Hunger fell slightly between June and September 2015 (SWS Chart 2).

The national Hunger rate of 15.7% consisted of Hunger in Metro Manila at 18.3% (est. 553,000 families), in Balance Luzon at 14.7% (est. 1.4 million families), in the Visayas at 9.3% (est. 399,000 families), and in Mindanao at 21.7% (est. 1.1 million families) (Social Weather Stations, 4 November 2015).

The measure of Hunger refers to involuntary suffering because the respondents answer a survey question that specifies hunger due to lack of food to eat (Social Weather Stations, 4 November 2015).

IN SUMMARY, The country's socio-economic situation remains precarious. The poverty situation of more than 25 million Filipinos is absolutely unacceptable amidst the rising level of the government budget and claims of economic growth. Alternative assessment on poverty and hunger by the non-government sector is proves the dissatisfaction of people on the way poverty is being addressed. Compared to out ASEAN neighbors, the Philippines has a lot of

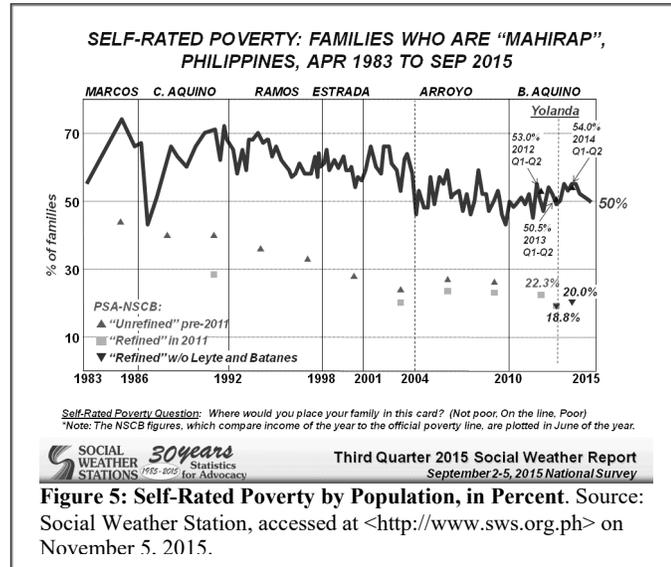


Figure 5: Self-Rated Poverty by Population, in Percent. Source: Social Weather Station, accessed at <<http://www.sws.org.ph>> on November 5, 2015.

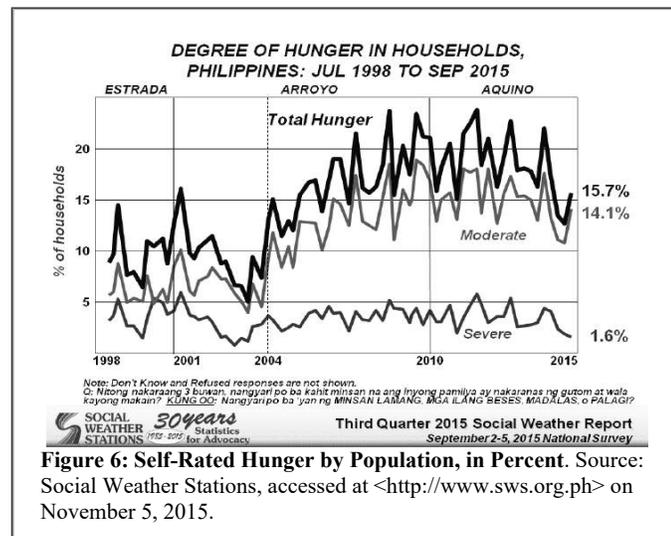


Figure 6: Self-Rated Hunger by Population, in Percent. Source: Social Weather Stations, accessed at <<http://www.sws.org.ph>> on November 5, 2015.

catching up to do in poverty alleviation and raise the competitiveness of its population and economy. The national budget rising as it is to Php3.002 trillion this 2016, an election year, can definitely make significant dent if utilized in proper places.

The Proposed 2016 National Budget

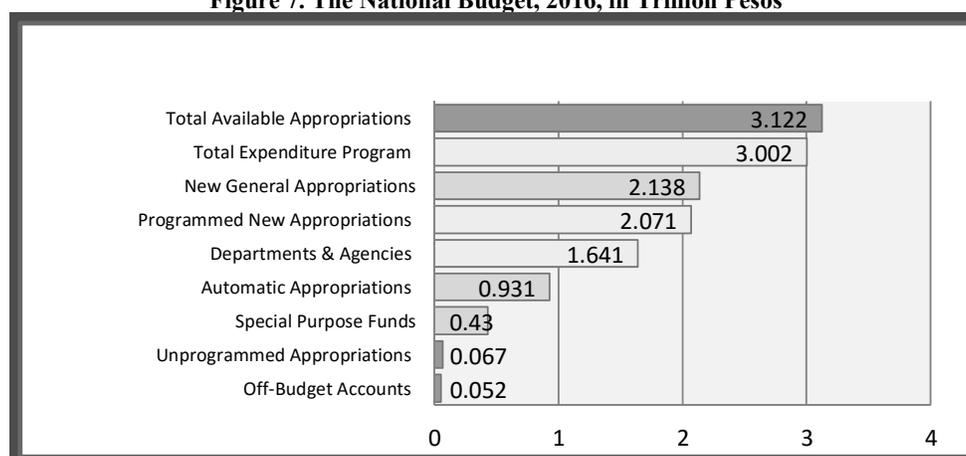
The role of the budget in national development has been emphasized time and again by the Social Watch Philippines (SWP), fiscal transparency and accountability being SWP's major advocacy. The government, all its branches and departments equally recognize the role of the budget as the oil that drives the bureaucracy. The national budget is government's most important tool in getting things done. It can be an instrument for the redistribution of income, provide education and health services, as well as training and capacity building and fund projects to create employment. The budget can be used to stabilize the economy and control inflation. As a piece of legislation, it is the most essential one that the legislative branch of government has to pass annually. The significance of the 2016 proposed budget is highlighted by the fact that it will be the Aquino government's sixth and final budget. It is also an election year's budget. Half of the 2016 budget will be spent by the current administration and the other half will be the budget of the new administration by July 2016.

In all its State of the Nation Address, the Aquino administration has blamed the Arroyo administration for the economic maladies that the country was into prior to his term of office. President Aquino described the economy in the last ten years as one suffering from low income growth and with incredibly high levels of inequality in employment and income opportunities office (Speech during the APEC CEO Summit, Manila, November 16, 2015). The dire economic situation drove President Aquino to do away with trickle-down economics and adopt an "inclusive growth" approach to economic growth that it supported with fiscal reform measures of zero-based budgeting, bottom-up budgeting, development of websites called *Budget ng Bayan* and *Pera ng Bayan* to bring about greater transparency and accountability in the budget system. Given the numerous budget reforms and the doubling of the national budget over the last six years, the Aquino administration has its own share of administrative inefficiencies. The national economy may have achieved economic growth, but the benefits truly came only in small trickles for the low income group. If the Millennium Development Goals (MDGs) is used as a measure of performance, the government like its predecessor did unsatisfactorily in its commitments.

As in any national budget, the question is how the budget will be funded, and how it will be utilized. Every Filipino expects to benefit from the national budget, especially those who have less in life, through the programs and projects that the budget will fund. Beyond the numbers, there is much to be explained and to be understood about many items and provisions in the national budget. To begin with, the 2016 National Expenditure Program (NEP) has grown to Php3.002 trillion. This is higher by 15.2% than the 2015 National Budget. The budget of the Aquino government, as mentioned, has doubled rising at an annual average of 13.72%. (See Figure 5). Of the Php3.002 trillion budget, only Php2.138 trillion (71.2%) are due for scrutiny by Congress. The difference, comprised of the Off-Budget Items and the Unprogrammed Fund, are presented in lump sum amounts. If the last two items are added to the Total Expenditure Program, the total appropriations available for 2016 become Php3.122 trillion. These preliminary statements show the complexity of the budget and the

more there is a need to have it understood by every Filipino and the more that the Filipino people should demand transparency and accountability in its implementation.

Figure 7. The National Budget, 2016, in Trillion Pesos



The 2016 Fiscal Program

The 2016 national budget of PhP3.006 trillion is based on the assumption that PhP2.696 trillion will be collected through taxation. The proposed level of expenditures compared to the expected level of revenue collections easily translates to a projected deficit of PhP308.7 billion, higher by 8.8% than the previous year, but otherwise 322% higher than the programmed deficit in 2014.

Table 5. 2016 Fiscal Program

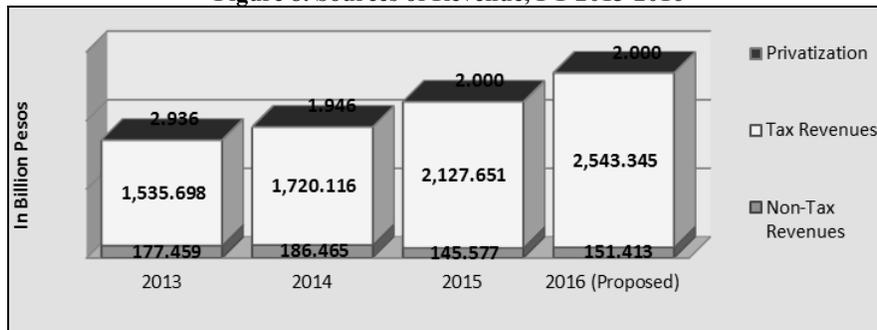
PARTICULARS	2013 (Actual)	2014 (Adjusted Program)	2015 (Program)	2016 (Proposed)
Levels in Billion Pesos				
Revenues	1,716.1	1,908.5	2,275.2	2,696.8
Disbursements	1,880.2	1,981.6	2,558.9	3,005.5
Surplus/(Deficit)	(164.1)	(73.1)	(283.7)	(308.7)
Obligation Budget	1,969.9	2,019.1	2,606.0	3,001.8
Per cent of GDP (%)				
Revenues	14.9%	15.1%	16.3%	17.5%
Disbursements	16.3%	15.7%	18.4%	19.5%
Surplus/(Deficit)	-1.4%	-0.6%	-2%	-2%
Growth Rate (%)				
Revenues	11.8%	11.2%	19.2%	18.5%
Disbursements	5.8%	5.4%	29.1%	17.5%
Surplus/(Deficit)	(32.4%)	(-55.5%)	(288.1%)	(8.8%)
Obligation Budget	9.3%	2.5%	29.1%	15.2%

Source: FY 2015 & 2016 BESF, based on DOF, DBM, NEDA, BTr data.

2016 Revenue Program

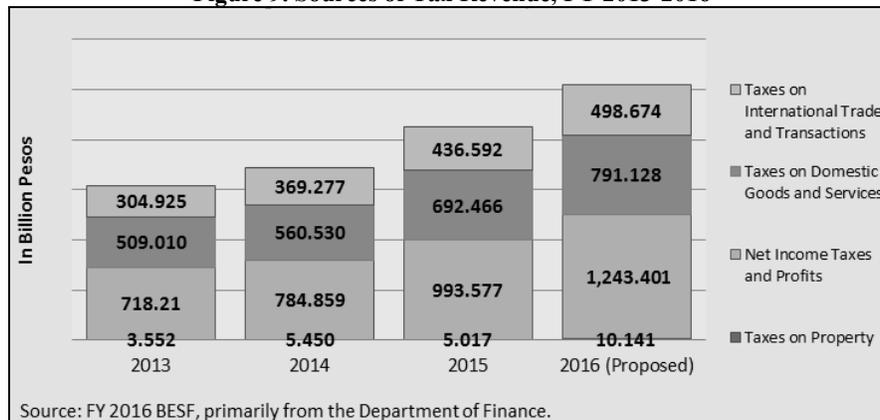
The revenues will largely be drawn from tax revenues, which will be sourced out from taxes on property, international trade and transactions, domestic goods and services, and net income and profits. Revenue from indirect taxes such as the 12% value-added tax (VAT) and the sin taxes on cigarettes and liquor (under RA 10351 or the Sin Tax Law of 2012) will comprise almost half of the tax revenue base. Generally, indirect taxes are not desirable because they are regressive in nature, i.e., affect everyone regardless of socio-economic status. What is desired is decreased dependency on indirect taxes and increased tax revenue collection effort of direct taxes, which is progressive.

Figure 8. Sources of Revenue, FY 2013-2016



Source: FY 2016 BESF, primarily from the Department of Finance.

Figure 9. Sources of Tax Revenue, FY 2013-2016



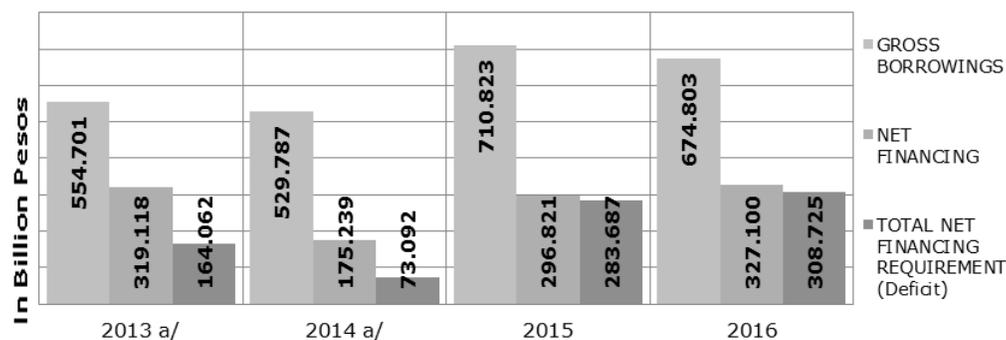
Source: FY 2016 BESF, primarily from the Department of Finance.

2016 Deficit Financing Program

Since the projected revenues falls short of the total obligation budget, the government will resort to borrowing. For 2016, a total of PhP674.803 billion worth of domestic and foreign borrowings is set to support the net financing requirement of the government projected at PhP308.725 billion. Of the gross borrowings, the government only receives a net of P327.1 Billion due to costs of borrowing and other related charges. Thus while government plans to borrow a total of PhP674.803 Billion, net total borrowing will amount to PhP327.1 billion or 48.5% of the planned borrowing from both domestic and foreign sources. Based on data from 2013 to 2016, the 2015 and 2016 net total borrowing are closer to the net financing requirement of the government. For 2013 and 2014, the government appeared to have over-

borrowed or fallen into a debt trap considering that the net total foreign borrowing for the years mentioned exceeded the deficit financing requirement by 29.6% and 58.3%, respectively. The 2014 data is overwhelmingly striking because the government needed just PhP73.092 billion to finance the deficit for that year.

Figure 10. Comparative Financing Program, 2013-2016, in Billion Pesos



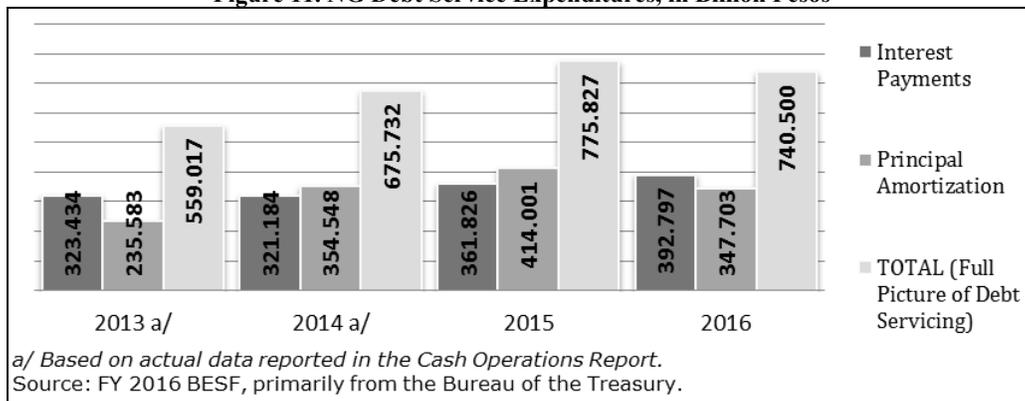
a/ Based on actual data reported in the Cash Operations Report (COR).
Source: FY 2016 BESF, primarily from the Bureau of the Treasury

Debt Service: Interest Payments and Principal Amortization

The DBM defines Debt Service as the “sum of debt amortization and interest payments including commitment fees and other charges on foreign and domestic borrowings” (<http://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2015/GLOSSARY.pdf>). But in practice, only the Interest Payment portion is treated as a budget item; the annual Principal Amortization is treated as a non-fiscal transaction. The “Principal Amortization” of outstanding debt is automatically deducted from borrowings for the year. While this method of presentation may be rationalized from the budget perspective, it does not change the fact that in terms of cash requirements, the Bureau of Treasury has to raise funds both for interest and principal payments and that the government’s Cash Program is actually much larger than the budget itself.

By DBM’s definition, non-fiscal transactions refer to expenditures that are non-fiscal in character; this includes debt payments on assumed liabilities, among others. To be able to get the whole picture of the Debt Service of government, one must put together the Interest Payments (from the New Appropriations-Automatic Appropriations) and the Principal Amortization (from the Debt Financing Program). The practice of reflecting only the Interest Payment in the budget started under the Cory Aquino administration even as the Commission on Audit (COA) continued to reflect Debt Service as to include both the Interest and the Principal Amortization.

Figure 11. NG Debt Service Expenditures, in Billion Pesos

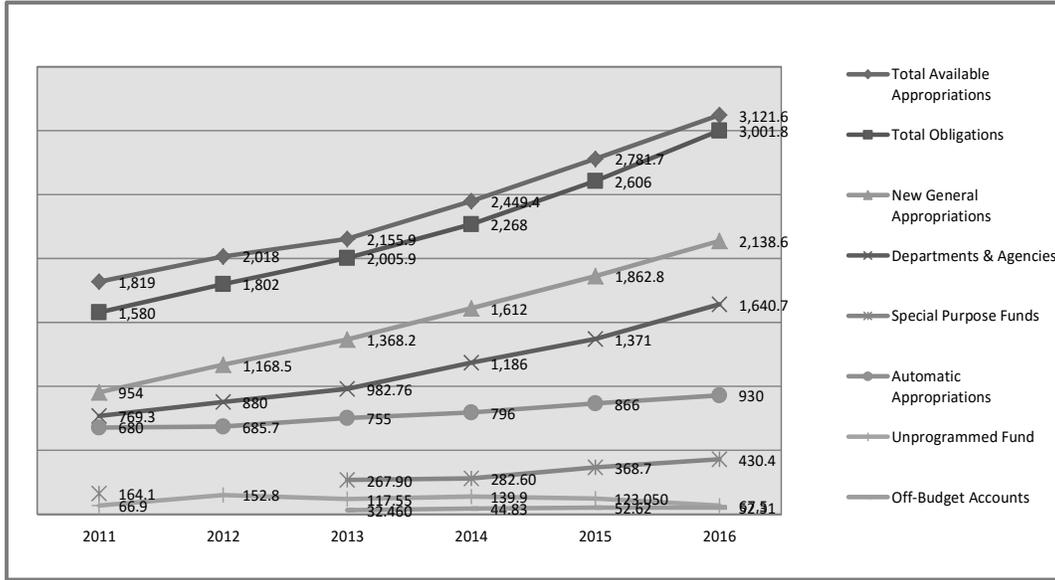


2016 Expenditure Program

The Programmed New Appropriations is composed of the budgets of Department and Agencies and the Special Purpose Funds. In the 2016 NEP, this amounts to PhP2.071 trillion out of the PhP3.002 trillion obligation budget. The Programmed Appropriations and the Unprogrammed Fund (UF) amounting to PhP2.138 trillion comprise the Total New General Appropriations, which is equivalent to 71.2% of the budget. The remaining 28.8% accounts for the Automatic Appropriations amounting to PhP930.7 billion and the Off-Budget Items of PhP52.3 Billion.

The UF is submitted to Congress without the necessary details. In which case, no separate appropriations law is needed to spend the allocated amount if and when the provisions for the expenditure of UF are fulfilled. While lower than in previous budgets, the PhP67.5 Billion in UF is still very material. It will be recalled that the past administration availed of Unprogrammed Funds when the Special Purpose Funds were not sufficient. In the same vein, Off-Budget Accounts and Direct Remittances to the Office of the President are not scrutinized by Congress.

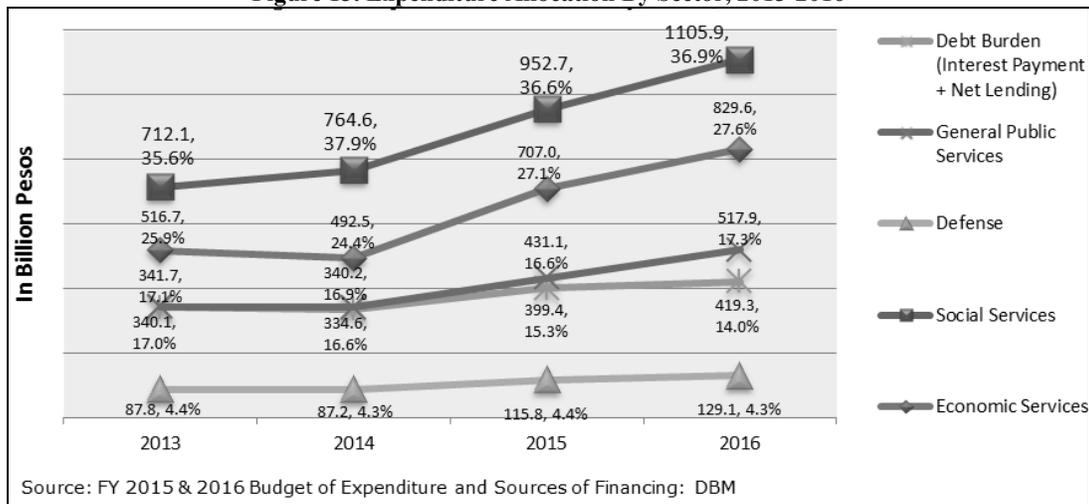
Figure 12. Various Funds in the National Budget, 2011-2016, in Billion Pesos



Expenditure Allocation by Sector

The Sectoral Allocation of the national budget showed some favorable trends such as the sustained and slightly increased allocation for Social Services, followed by sustained portions for Economic Services. The Debt Service, although increasing in nominal terms, appears to get a lower proportion of the national budget at 14% for 2016. It should again be emphasized that allocated for Debt Service is treated (under the Sectoral Allocation of the Budget) to mean Interest Payments and Net Lending, in contradiction to DBM’s and to standard definitions of Debt Service (see Figure 12).

Figure 13. Expenditure Allocation By Sector, 2013-2016



By department, significant trends in the distribution of the 2016 budget are noticed compared to previous years. The budget priority given to basic education and to public works remains

unchanged. The Department of Education and the DPWH continue to receive the biggest allocation in the 2016 budget as in previous years. Their respective budgets have also experienced remarkable annual increases of 22.8% and 55%, respectively. The biggest gainer is the DOH: its budget has grown by 56.2% annually and is allocated Php123 billion for 2016. The DSWD budget has similarly increased at 40.7% annual average to reach Php104 billion in 2016.

Table 6. Top 12 Agencies with the Biggest Allocation in the National Budget, 2013-2016, in Billion Pesos

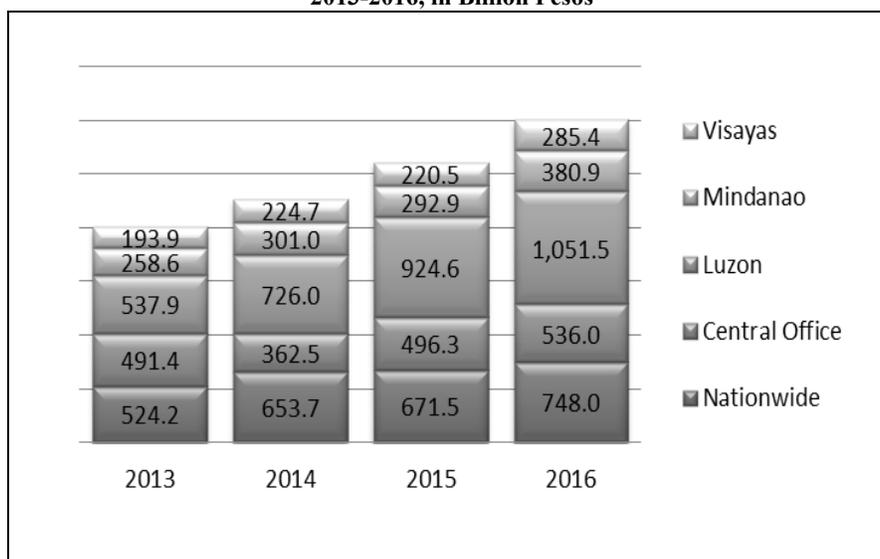
Department	2011 GAA	2011 Rank	2012 GAA	2013 GAA	2014 GAA	2015 GAA	2016 NEP	2016 Rank	Ave. Annual Increase, %
DepEd	192.312	1	201.821	232.595	281.774	321.060	411.440	1	22.8
DPWH	100.826	3	109.833	155.517	206.634	290.471	378.345	2	55.0
DILG	86.853	4	92.880	91.164	100.295	104.567	124.153	3	8.6
DOH	32.427	7	42.769	51.075	84.357	87.597	123.615	4	56.2
DND	104.505	2	106.905	80.420	82.265	99.925	115.843	5	2.2
DSWD	34.255	6	48.772	56.334	83.305	108.078	104.016	6	40.7
DA	34.758	5	52.932	64.474	68.597	48.698	47.883	7	7.6
SUCs	22.035	9	22.097	32.771	35.935	42.280	43.767	8	19.7
DOTC	31.185	8	33.242	34.185	45.461	52.874	43.453	9	7.9
ARMM	11.180	12	11.718	13.172	19.615	24.300	28.492	10	31.0
Judiciary	13.621	10	15.076	17.006	18.560	20.261	25.892	11	18.0
DENR	12.276	11	16.991	23.136	23.346	21.018	22.843	12	17.2

Source: GAA 2013-2015; 2016 NEP: DBM

2016 Regional Allocation

The regional allocation of the 2016 national budget does not appear to follow the incidence of poverty. While the number of poor families is higher in the Visayas and Mindanao regions, the bigger bulk of the national budget continue to weigh heavily in favor of Luzon and the central offices of national government agencies in Metro Manila. Both in absolute amount and in growth rate, the budget for Luzon continue to be the biggest. The combined allocation for Visayas and Mindanao is equivalent to just 63.4% of Luzon's allocation.

Figure 14. Regional Distribution of the National Budget, 2013-2016, in Billion Pesos



Source: 2014-2016 National Expenditure Program: DBM

Special Purpose Funds

Under the Aquino administration, Budgetary Support to GOOCs has jumped to PhP125 billion, doubling from the 2015 level, and rising at an annual average of 214.5% from 2011. Budgetary support to GOCCs comes in the form of direct subsidy, equity and net lending, net of tax subsidy and loans outlay. Each item under the Special Purpose Funds (SPFs) needs closer monitoring. Unfortunately, GOCCs getting subsidy from the national government, which experience losses and deficits, but at the same time distribute excessive personal benefits to their personnel should be subjected to budgetary inquiry. Subsidies to GOCCs when these are not deserved should be removed.

The Metropolitan Manila Development Authority is a national government office and not a local government unit. Placing its budget allocation under the budget category, “Allocation to LGUs” bloats this item and makes the budgetary support to LGUs appear larger than what it actually is. The MMDA should therefore be relocated in the national budget and placed as one of the offices under “Other Executive Offices” where it should belong.

One can notice the decline in the number of SPFs for 2016, but the total amount allocated did not decline, but instead rose to Php430 billion or by 16.7% from 2015 or by 32% annually from 2011. It is further noticeable that no amount is identified for Rehabilitation & Reconstruction Program Fund, the DepEd School Building Program, which we believe should receive an annual allocation.

Table 7. Special Purpose Funds (SPFs), in Million Pesos

PARTICULARS (in '000)	2011 GAA	2012 GAA	2013 GAA	2014 GAA	2015 GAA	2016 NEP	Ave. Annual Increase, %
Budgetary Support to GOCCs	10,689.9	21,576	44,664.5	46,255.2	62,483.7	125,322.5	214.5
Allocation to LGUs	13,257.4	18,303	17,529.4	19,588.8	33,471.3	56,527.6	65.3
NDRRM/Calamity Fund	5,000	7,500	7,500	13,000	14,000	38,895.5	135.6
Contingent Fund	1,000	1,000	1,000	1,000	2,000	4,000	60.0
Miscellaneous Personnel Benefits Fund	70,657.5	109,297	69,089.2	53,535.1	117,381.1	96,482.5	7.3
Pension and Gratuity Fund	35,000	34,438	98,715.1	120,495.9	126,668.5	109,204	42.4
E-Government Fund	1,190	1,000	1,000	2,478.9	1,000	--	(3.2)
International Commitments Fund	3,174.8	2,683	2,636.7	4,815.6	10,724.6	--	47.6
Rehabilitation & Reconstruction Program Fund	--	--	--	20,000	1,000	--	
DepEd-School Building Program	1,000	1,000	1,000	1,000	--	--	--
Feasibility Studies Fund	--	--	--	400,000	--	--	
Priority Development Assistance Fund	24,620	24,890	24,790				
PAMANA FUND	--	1,764					
TOTAL	165,589.6	225,463	267,925	282,569.6	368,729.2	430,432.2	32.0

Source: GAA 2013-2015: DBM; FY 2016 National Expenditure Program

Automatic Appropriations

According to DBM, automatic appropriations refer to appropriations programmed annually or for some other period prescribed by law, by virtue of outstanding legislation which does not require periodic action by Congress. Included under this category are expenditures authorized under Presidential Decree (PD) 1967, RA 4860 and RA 245, as amended, for the servicing of domestic and foreign debts, Commonwealth Act 186 and RA 660, for the retirement and insurance premiums of government employees, PD 1177 and Executive Order 292, for net lending to government corporations, and PD 1234, for various special accounts and funds. The point is that, while these are automatic appropriations, Congress still has a duty to look into the details of these accounts, especially the interest payments for debt service.

Unprogrammed Funds

Unprogrammed funds are also contested items in the proposed budget. While it is said that amounts authorized in these funds shall be released only when the government's revenue collection exceed the original revenue target, details of their intended utilization are not specified, making these items in the UF highly discretionary (see Table 9). The item, "budgetary Support to GOCCs" is similarly provided for under the UFs on top of what are provided in the SPFs.

Table 8. Automatic Appropriations, 2013 to 2016, in Million Pesos

PARTICULARS (in '000)	2011 NEP	2012 GAA	2013 GAA	2014 GAA	2015 GAA	2016 NEP
Debt Service- Interest Payment	357,090	333,107	333,902	352,652	372,863	392,797
Internal Revenue Allotment	286,944	273,309.6	302,304	341,544.7	389,860.4	428,619.5
Pension of Ex-Presidents/Wives	0.331	0.331	0.331	0.331	0.331	0.331
Grant Proceeds	325	1,094.1	545.8	6.45	140.9	64.4
Customs Duties and Taxes; incl. Tax Expenditure Fund	15,000	33,043	26,900	26,900	25,475	25,475
Net Lending	15,000	23,000	26,500	24,950	26,500	26,500
Retirement and Life Insurance Premiums	22,419	23,270.9	28,125.6	28,859	30,139.5	31,240.1
Special Accounts in the General Fund	13,742	26,834.4	19,240.1	21,116.7	21,250.3	25,999
Tax Refunds	1,000	9,969.2	15,518.6	-	-	-
Rewards and Incentives Fund			2,182.8	-	-	-
TOTAL	711,520.3	723,628.5	755,219.2	796,029.2	866,231.4	930,695.4

Source: GAA 2013-2015: DBM; FY 2016 National Expenditure Program

Table 9. Unprogrammed Funds, 2013 to 2016, in Million Pesos

PARTICULARS	2011 GAA	2012 GAA	2013 GAA	2014 GAA	2015 GAA	2016 NEP
Budgetary support to GOCCs	8,614	25,214.5	16,826.4	3,036.3	5,533.2	
Support to Foreign-Assisted Projects	10,806.7	1,224.8	2,226.6	6,124.5	3,095.3	1,500
Support to Infrastructure Projects and Social Programs	26,598	26,000	23,000	20,000	20,000	25,000
General Fund Adjustments for Use of Excess Income by Agencies	6,500	1,000	1,000	1,000	200	200
Strategic Government Reforms	2,000					
Support for Pre-School Education	902					
Collective Negotiation Agreement	8,487.8					
Payment of Total Administrative	3,000		3,000	243		

Disability Pension						
Debt Management Program		85,182.5	60,363	1,000		
Disaster Risk Reduction & Management		14,200				
AFP Modernization Program			10,632	5,000	10,000	10,000
Risk Management Program			0	20,000	30,000	30,000
People's Survival Fund			500	500		
Disaster Relief & Mitigation Fund				3,000		
Reconstruction & Rehabilitation Program Fund				80,000	20,000	
Payment of Taxes under BOT Contract of MRT3					6,520	
MRT3 Rehabilitation & Capacity Expansion					7,428.8	
Trade Remedies Fund					4,384	
General Fund Adjustments for the Share of the ARMM pursuant to RA 9054					800	800
Share of DOH from the Incremental Revenue from Excise Tax					10,694.7	
Equity Value Buy-Out of the Metro Rail Transit Corporation					4,400	
TOTAL		66,908	152,822	117,548	139,903.8	123,056
					67,500	

Source: GAA 2013-2015: DBM; FY 2016 National Expenditure Program

Vulnerabilities of the 2016 National Budget

The 2016 Proposed National Budget remains vulnerable to misuse and misallocation for a number of reasons: (1) significant portions remain inaccessible to Congressional scrutiny; and (2) provisions allowing the President to declare and utilize savings, and transfer savings to other branches of government, defying the principle of separation of powers and weakening checks and balances between the three branches.

Out of the total proposed budget of PhP3.002 trillion for 2016, only the budgets of departments and agencies totaling PhP1.641 trillion is subject to detailed scrutiny by Congress. This is equivalent to only 54.7% of the 2016 budget since the rest are in the form of Automatic Appropriations (31%) and Unprogrammed Funds (2.2%). The billions of pesos assigned under SPFs, Unprogrammed Funds and the Off-Budget Remittances explain why the national budget is highly vulnerable to misuse.

Another source of vulnerability is the inclusion of highly contested provisions on the definition of savings, augmentation and realignment of funds, which are found in previous years' GAA and retained in the 2016 budget. It is emphasized that the 1987 Constitution allows the President to "transfer funds in the "Office of the President". However, the term "Office of the President" has been loosely and liberally interpreted by the Office of the President/DBM to mean the "Executive Branch", if not the "Whole of Government" and this is highly questionable.

Savings, augmentation and realignment of funds were resorted to by the DBM, enabling it to undertake the Disbursement Acceleration Program, which the Aquino administration described as a stimulus package designed to fast-track public spending and push economic growth. Based on the Supreme Court's February 2015 decision declaring with finality that the DAP is unconstitutional, the DBM's acts of declaring savings, augmenting items in the

budget and realignment and transfer of funds even to the legislative and judicial branches all go against the separation of powers between the co-equal branches of government, and is tantamount to the usurpation of legislative powers by the executive branch. For example, the budget for the construction of 16,000 school buildings could have easily been legislated in favor of DepEd and need not be subject to augmentation and fund transfers to serve political interests. Similarly, cross-border fund transfers was done by the President under the DAP, raising the vulnerability to misuse of the previous and current year's budgets. For example in 2014, the President allocated and transferred funds to the Cordillera People's Liberation Army (PhP1.5 million), the Moro National Liberation Front (PhP1.8 million), the ARMM (PhP8.6 million), the Bangko Sentral ng Pilipinas (P30 billion), and the COA (PhP143 million). This makes any annual budget vulnerable to misuse, primarily because transferring funds is practically a legislative power that only Congress may exercise. Under the Development Acceleration Program (DAP), the President even transferred funds in favor of the Congress for its e-library worth PhP43 million. It also must be pointed out that the [Office of the] President has its own set of discretionary funds: Confidential Funds, the President's Social Fund coming from the remittances of the PAGCOR, Intelligence Funds, and Contingency Funds. The Office of the President has these funds that it can tap legally in cases of emergencies, calamities and unforeseen events without resorting to unconstitutional means. These funds, like the various Special Purpose Funds, can only be dispensed with through an expressed approval of the President, suggesting that the President wields the Power of the Purse.

The 2016 National Budget contains many red flag provisions on the authority to create and use savings, augment budgets of any agencies and realignment of funds, specifically reflected in the General Provisions Sections 63-68 (2016 NEP).

Table 10. Provisions in the 2016 NEP that Raises Budget Vulnerability

2016 NEP Provision	Title of Section	Remarks
Sec.63	Meaning of Savings	<p>This section defines how savings may be created, or provides basis to declare savings:</p> <ol style="list-style-type: none"> 1. Discontinuance or abandonment of a P/A/P 2. Non-commencement or inability of an agency to obligate an allotment 3. Improved systems and efficiencies in the implementation of P/A/Ps 4. Lower contract cost than that provided in the approved budget 5. Unused Personnel Services costs. <p>What is clear in this section is how or where savings can come from, but the authority to spend/utilize the same is not provided for. It remains that only the offices/constitutional bodies enumerated in the Constitution may utilize savings in their respective offices for their respective purposes.</p>
Sec. 64	Meaning of Augmentation	The section clarifies that the constitutional offices that were authorized by the Constitution to use savings in their respective appropriations may resort to "augmentation" to cover a deficiency in any of their respective existing P/A/Ps in cases of unforeseen modifications and re-assessment of budget resources.
Sec. 65	Priority in the Use of Savings	This section states that the use of savings shall prioritize the payment of compensation, year-end bonus and cash gift, retirement gratuity, and terminal leave benefits.
Sec. 66	Rules in the Realignment of Funds	<p>This section is highly defective as it authorizes not only Constitutional Offices to realign funds, but now includes "departments, bureaus and offices of the national government, SUCs and the DBM. To wit:</p> <p>Sec. 66. Rules in the Realignment of funds. As a general rule, departments, bureaus and offices of the national government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend what is programmed in their respective appropriations in this Act. In exceptional circumstance, realignment may be made within a P/A/P subject to approval of the following:</p>

		<p>(a) <i>The heads of agencies for: (i) realignment of an object of expenditure (Salaries and Wages, Travelling expenses, or Investment Outlays) within an allotment class (Personnel Services, MOOE or Capital Outlays); and (ii) project modifications authorized in the special provisions in this Act;</i></p> <p>(b) <i>The DBM in the following realignments: (i) for the payment of magna carta benefits authorized under Section 47 hereof; (ii) from one allotment class to another; (iii) from one operating unit to another; (iv) within a special purpose fund; and (v) within the purpose authorized under the Unprogrammed Appropriations; and</i></p> <p>(c) <i>The President of the Philippines for the payment of intelligence funds within the executive branch.</i></p> <p>(Italicization is supplied for emphasis)</p>
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The 1987 Constitution construed the concept of “savings” very strictly that it enumerated those offices that may be authorized to transfer funds, augment items and use savings, but only within their respective budgets, to wit:

Article VI Legislative Department Section 25(5) No law shall be passed authorizing any transfer of appropriations; however, the President, the President of the Senate, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, and the heads of Constitutional Commissions may, by law, be authorized to augment any item in the general appropriations law for their respective offices from savings in other items of their respective appropriations.).

This renders Section 63 of the 2016 NEP completely out of conformity with the constitutional provision on savings and is problematic on various grounds:

1. It did not reiterate that only the Constitutional offices are authorized to declare savings. Instead, the Section clearly implies that the DBM/any government agency as stated in Section 66 can declare savings at any time.
2. The time period when savings can be declared is not specified;
3. The incidence of savings puts decisions to declare and use them in the hands of the DBM, since savings may be declared from appropriations that “have not been released”; “release of funds” is fully controlled by the DBM. Furthermore, the commencement of P/A/Ps is to a degree dependent on the actual release of funds.
4. Section 63(a) and (b) needs to be clarified. The phrase, “Discontinuance or abandonment of a P/A/P by the head of the agency concerned for justifiable causes not attributable to the fault or negligence of the agency” is vague, highly discretionary and needs further guidelines. It does not clearly state “Who is to declare savings?”, “When can savings be declared?”, “What could be considered “justifiable causes”?”
5. Section 65(d) implies that savings can be declared even during the procurement phase when the difference between the approved budget for a contract and the contract award price has been established. The declaration of savings during this phase is questionable since the project has not even started.

Section 64 on Meaning of Augmentation is highly flawed and subject to interpretations that can equally be flawed. The phrases “unforeseen modifications or adjustments” and “re-assessment” are vague and catch-all phrases that allow undue exercise of discretion to any concerned agency.

Section 66 of the 2016 NEP presents itself as a very dangerous provision as it talks not only about “savings” as defined in Section 63, but of the indirect grant of authority on every

government agency to “realign” funds in their respective programmed appropriations as stated in Section 66(a) and 66(b). Section 66(a) and 66(b) practically implies an abdication of the power of Congress to legislate the national budget in favor of heads of agencies and the DBM. The difference between “declaration of savings” and “augmentation” being gray and thin-lined, Section 66 in effect authorizes the DBM to exercise legislative function of allocation, which only Congress should exercise. The section authorizes the DBM to source funds from one allotment class to another, from one operating unit to another, within a SPF, and within the purpose authorized under the Unprogrammed Appropriations. On the basis of the GAA, the DBM/President/Executive Branch in reality decides on actual amount of public funds to be released, when to release, and to whom these will be released.

Summary

Sections 63 to 66 of the 2016 NEP/Budget make the national budget vulnerable to misuse, and thus must be stricken out. No less than Php33.185 billion worth of pork barrel-like funds were lodged across key agencies including budgetary overstatements, errata, arbitrary amendments and DAP-like realignments. All these weaken Congressional power over the purse and invite patronage and create a situation to fuel a superior-subordinate relationship between the executive and the legislative branches. The above provisions on savings, augmentation and realignment of funds are reminiscent of Sections 70 and 73 in the 2015 General Appropriations Act (GAA), which clearly are in violation of decisions of the Supreme Court on the Disbursement Acceleration Program (DAP) and the Priority Development Assistance Fund (PDAF) and should have been stricken out by both Houses of Congress.

Concluding Remarks

The 2016 national budget must be guarded against the undue exercise of fiscal authority of the executive branch of government and the legislative branch’s loose exercise of their Power over the Purse. As an annual legislative exercise, legislators must put it in their agenda to scrutinize Special Purpose Funds, Automatic Appropriations and of Unprogrammed Funds. The billions of pesos accessed through these funds are reason enough for Congress to guard against undue appropriation and utilization of public funds. The separate roles of the three branches of government and the definite scope of these separate roles were carefully emphasized in two recent Supreme Court decisions – one on the Priority Development Assistance Fund (PDAF) and on the Development Assistance Program (DAP). The Legislative Branch of Government exercises the power of the purse, the Judiciary, the power of the pen, and the Executive branch the power of the sword. In reality, the power of the purse is not exclusively exercised by the Legislature, which sharing of power is obvious in the whole budget process.

SWP poses challenges to candidates in the coming 2016 Elections to take a stand on issues concerning the diminished Power of the Purse of Congress, on discretionary lump sum funds, on the policy on savings, realignments and fund transfers, on the persistence of pork-barrel like items in the budget. We challenge the candidates to make their positions known on the limit to election spending and themselves voluntarily release information on their own election-related expenses, to take a stand on disaster and climate change adaptation financing, and to grapple clearly the issues surrounding the proposed Bangsamoro law. These budget

issues must be taken up by those running for election because these issues concern every Filipino that they are all wanting to serve.

The SWP has relentlessly called on citizens and the media to help ensure that Congress scrutinize the lump sum funds. The PDAF may be removed as an item in the budget, but its spirit continues to exist in another form and name. The SWP has consistently raised the danger of misusing the national budget and monitored the utilization of its component parts including the Special Purpose Funds (SPFs), pork barrel funds, unprogrammed funds, automatic appropriations, among others. We continue to monitor as well the government's implementation of the MDGs and conducts assessments of international issues related to poverty, unemployment, social protection and the environment, among others. We reiterate the integration of certain lump sum funds into the regular budgets of agencies, the provision of direct allocation for the rehabilitation of calamity stricken areas including that for Yolanda, and for greater access by the public to the financial reports of government in the name of transparency and accountability.

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PART 2: Alternative Budget for Fiscal Year 2016

Driving Investments in Agri-Fisheries into Concrete Outcomes

Alternative Budget Proposal for Agriculture & Fisheries

Substantial increase in budget but barely dramatic results

2016 is the final year that the Aquino administration can have an influence in the country's budget. It was during this administration that the agriculture-fisheries sector got the biggest increase in its budget. It is also during this term when many of the agri-fisheries proposals of the Alternative Budget Initiative (ABI) Agriculture group were integrated in the national programs. Among the budget line items that gained allocation are coconut, fisheries, insurance, credit, farmers' registry, and fish landing sites.

The combined budget in the last three years for agriculture and fisheries (excluding the Department of Agrarian Reform) amounted to P270 Billion, P144 Billion higher than the combined budget for 2008 to 2010 (See Table 13).

The performance of agriculture and fisheries continues to post modest growth since 2011 amidst the substantial budget allocation for its programs.

Table 11. Performance of Agriculture/Fisheries in terms of % Growth

Major Production Areas	2010	2011	2012	2013	2014
Agriculture	-0.12	2.34	2.92	1.15	1.83
Crops	-2.77	4.82	4.14	0.09	3.25
Palay	-3.04	5.78	8.08	2.26	2.87
Corn	-9.34	9.32	6.25	-0.4	5.33
Coconut	-0.81	-1.95	4.05	-3.26	-3.97
Livestock	1.48	1.99	1.1	1.75	1.02
Hog	1.11	2.22	1.71	1.95	
Poultry	3.72	4.34	4.53	4.2	0.27
Fisheries	0.72	-4.07	-0.04	1.23	-0.15
Farmgate prices	5.39	8.98	-1.7	2.33	7.74
Value of agriculture production (in trillion)	P1.25	P1.4	P1.4	P1.5	P1.6

For years, the ABI Agriculture Group has been pushing for increase in the budget of the DA and its related agencies. The group has been relentless in pushing for budget transparency and participation through the Philippine Council for Agriculture and Fisheries (PCAF).

In the last three years of its budget advocacy, the group also engaged in monitoring the agriculture agencies' spending. The DA's system of delivery of services to the farmers needs to be reformed and the agency's poor absorptive capacity has affected its promised outputs.

Findings of budget tracking and monitoring

Among the findings of the ABI Agriculture Group in the course of its monitoring of the agriculture programs are the following:

- The physical targets in infrastructure projects like irrigation were not met.
- The target beneficiaries were not reached because of flawed registry or targeting system.
- The programs were not in line with the LGUs' programs and needs of the communities.
- The location of actual projects cannot be ascertained. The DA Regional Field Units (RFUs) directly implemented the projects and did not inform or coordinate with the LGUs or provinces. Even with the devolution of the delivery of agriculture services, the RFU does the procurement of goods and services.
- Some municipalities have lesser projects than the others and the LGUs attributed this to lack of capacity to develop proposals.
- The implementation of many or most of the projects were delayed.
- The beneficiaries have no knowledge of the project details and amount.
- The LGUs were able to maximize Bottom-Up-Budgeting (BUB) or PAMANA in financing local agriculture/fisheries concerns more than the DA programs that were observed to be one-size-fits-all programs and not appropriate to their needs.
- The situation reported by the DA RFUs did not match the situation on the ground as seen by the group.
- The delivery of services appeared to have not followed the guidelines on beneficiary selection.
- Organized farmers and some local businessmen tend to benefit more from the programs.
- The target ports and village landing sites of the PFDA and BFAR were not implemented.

A look at the DA's budget by sector would reveal a low support for personnel. In fact, only 7% of the agency's total budget in 2016 goes to personnel despite the budget increase and target output of the current Administration. The reason they gave was the prohibition in the hiring of new staff with the ongoing rationalization process in the DA.

Insufficient manpower support may hamper program implementation. This is probably one reason why the DA RFUs and the LGUs continue to implement one-size-fits-all projects that are not necessarily appropriate to the needs of local farmers and fisherfolk. The ABI Agriculture group found that some DA RFUs and LGUs were implementing agriculture projects only for the sake of complying with their deliverables but without determining if these projects are appropriate or will benefit the target beneficiaries.

Recently, the group was monitoring the agriculture and fisheries projects in Region 5 and the most notable observation was the uncoordinated delivery of support services by the DA RFUs units with the province and the LGUs. At least for this region, the projects seemed to not follow any logic.

2016: Final Year to Make a Lasting Impact

The problems cited above will be aggravated by other challenges expected to plague the agriculture and fisheries sector, such as further market liberalization, El Niño that may intensify in 2016, and other potential extreme events brought by climate change. What other investments are needed to hasten and sustain growth, and propel the income and competitiveness of Filipino farmers, fishers or producers? How do we ensure that investments are not just structures delivered but also communities trained and capacitated?

1. **Piloting of Comprehensive Participatory and Strategic Municipal Development Planning for Agriculture and Fisheries in one province per region.** Poor coordination, unmet needs of farmers and fisherfolk can be addressed by urging LGUs to do comprehensive, participatory municipal development planning for agriculture and fisheries. The comprehensive plan can help identify the projects, costs and sources of financing per year. This plan can serve as the basis for funding of the DA RFUs, and other possible sources of institutional support (including IRA funded, other agencies, etc.). Patronage politics that fair selection of projects and beneficiaries can also be avoided. Any deviation from the plan should not be encouraged. CSO participation through the local Committee on Agriculture and Fisheries will help endorse the plan of the LGU.

2. **Municipal Registry of women and men farmers/fishers** LGUs are encouraged to come up with the registry including the current production assets and projects received from DA. This will guide the LGU in identifying the beneficiaries and the kind of assistance they need.

3. **Exercising Flexibility in Extreme Situations**

The government has to exercise flexibility in determining exceptions to usual government rules (finance and accounting) in order to immediately respond to some pressing concerns during emergency situations caused by natural disasters, market liberalization that could potentially result to a widespread loss of livelihood, and other situations when the government is required to take drastic or time-bound actions. In such cases, competitiveness measures will have to be fast-tracked to protect the farmers and fishers.

4. **Stronger Public Oversight of Agriculture Funds**

With the huge funds provided for agriculture and fisheries, oversight and monitoring of the spending for projects will have to be strengthened to ensure that funds are really used for its intended purpose. If there will be comprehensive planning and the RFUs will be reoriented towards funding LGU programs and services, then they can focus more on monitoring projects and capacitating LGUs to efficiently implement the plans.

4.1. **Funding of monitoring activities of the Regional Agriculture and Fisheries Council (RAFC)'s and Municipal Agriculture and Fisheries (MAFC)'s** The RAFCs and MAFCs are composed of government and private sector for broad-based monitoring and coordination of the agricultural and fisheries modernization programs. Its national counterpart is the Philippine Council for Agriculture and Fisheries, formerly National Agriculture and Fisheries Council (NAFC). These are clearly defined in the Implementing Rules and Regulations Pursuant to Republic Act 8435 or Agriculture and Fisheries Modernization Act (AFMA).

5. **Organizing and strengthening farmers and fisherfolk organizations and cooperatives.** The CSOs' organizing of farmers and fisherfolks has to be supported to facilitate access to government support programs and services. These groups can partner with the government in the social preparation of the agriculture-fisheries programs and community mobilization and empowerment.
6. **Development of Local and Appropriate Technologies.** Inappropriate intervention is a major issue in the project implementation across different concerns, such as, seeds, machinery, irrigation designs, and others. What should be promoted are programs based on community needs, preferences and options to develop self-reliance in the communities. For example, the concept of community seedbanking. While we support this intervention, we think its purpose should be directed in giving wider access to different seeds that have been tried and tested and found to be adaptable in the area instead of just becoming a seed storage for emergency purpose as what the DA currently designed it. The promotion of the municipal seed development program should promote selection not just for main crops but also for other crops planted in the area. If this will be done, we might see lower reports of poor germination due to long-period storage and low usage of farmers because they are simply not adaptable to the area.
7. **Fisherfolk Settlement pursuant to Section 108 of RA 8550 or the Philippine Fisheries Code.** The DA and BFAR, together with the National Anti-Poverty Commission (NAPC) should establish the Fisherfolk Settlement (FS) through the Fisherfolk Shelter for Stewards program. A joint agreement has been forged between DA-BFAR and NAPC for the latter to spearhead the FS program implementation with the assistance of BFAR.

Alternative Budget Proposal for Agriculture

**Table 12. ABI Agriculture cluster
Alternative budget proposals:**

Budget Proposals	Details	Amount (in PhP)
Pilot province in every region.		
<ul style="list-style-type: none"> Comprehensive, Participatory and Strategic Municipal Development Planning 	P1 million/municipality x 20 LGUs/province x 14 provinces from each region	280,000,000
<ul style="list-style-type: none"> Capacity building on project proposal making, project management, etc. 	P500 thousand x 20 LGUs/province x 14 regions	140,000,000
Municipal registry process	P500 thou x 20 LGUs/province x 14 regions	140,000,000
Flexibility mechanisms during emergency situation but with stricter oversight	<ol style="list-style-type: none"> COA provisions on alternative financial reporting and documentations during emergency situations Procurement rules LGU implementation even with pending liquidation (subject to stricter oversight) 	

Stronger Oversight of DA RFUs	Re-orientation of staff roles and responsibilities in the DA RFU using existing internal monitoring budget	
Monitoring of MAFC	Monitoring activities of MAFC (P50,000/annual budget of MAFCs x 1500 municipalities)	75,000,000
Community Organizing and Organizational Strengthening of Farmers/fishers/rural women's organizations	P1 Million x 20 LGUs x 14 regions	280,000,000
Piloting of Fisherfolk Settlement		300,000,000
<i>Release of Agriculture Related Yolanda rehabilitation budget under Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP)</i>	<ul style="list-style-type: none"> • <i>PCA to finance coconut-related projects for LGUs</i> • <i>DA & DAR to finance various projects for Yolanda-affected areas and farmers</i> • <i>Fill the budget gap between the investment requirement under the Yolanda CRRP and the remaining allocation based on DBM reported releases as of June 2015 (P88.9 billion)</i> 	
Provision of banca and other fishing paraphernalia for affected fishermen; Government facilities; Assistance to affected farmers (irrigation)/aquaculture	To be implemented by DA-OSEC with BFAR	6,789,564,055
Coconut Tree Disposal and Utilization; Coconut Fertilization	To be implemented by the Philippine Coconut Authority	7,676,115,161
Irrigation facilities, post-harvest facilities, potable water supply, farms to market roads	To be implemented by DAR-OSEC	2,019,296,279
TOTAL ALTERNATIVE BUDGET PROPOSALS (in PhP)		17,699,975,495

The ABI Agriculture Cluster

Alyansa Agrikultura • Southeast Asia Regional Initiatives for Community Empowerment (SEARICE) • Rice Watch and Action Network • Katipunan ng Bagong Pilipina (KABAPA) • NGOs for Fisheries Reform (NFR) • Center for Empowerment and Resource Development (CERD)

**Table 13. Agriculture and Fisheries Budget in the GAA,
2008-2015 and Proposed 2016 Budget**

Department of Agriculture	2008	2009	2010	2011	2012	2013	2014	2015	2016
OSEC	2,305,085,000	2,520,201,000	34,255,654,000	30,405,017,000	48,667,492,000	56,630,216,000	62,155,559,000	39,001,736,000	39,888,513,000
ACPC	19,198,000	21,121,000	21,245,000	24,364,000	26,010,000	1,028,794,000	53,869,000	2,035,659,000	43,035,000
BFAR	438,338,000	469,998,000	3,307,502,000	2,335,305,000	2,985,626,000	4,609,672,000	4,877,724,000	6,315,172,000	6,602,613,000
NMIS	19,241,000	21,078,000	192,326,000	231,704,000	216,472,000	600,991,000	300,226,000	252,184,000	267,436,000
PCC	27,706,000	43,826,000	670,086,000	599,999,000	493,601,000	465,489,000	474,494,000	399,009,000	470,672,000
BPHRE/PHILMEC	86,948,000	114,053,000	112,976,000	98,216,000	135,665,000.00	167,102,000	195,553,000	204,047,000	237,898,000
FIDA	159,096,000	211,242,000	200,152,000	202,449,000	206,396,000	250,219,000	228,464,000	323,706,000	204,455,000
PCAF	52,368,000	61,074,000	331,188,000	742,605,000	82,328,000	559,513,000	155,797,000	166,027,000	168,054,000
cotton Devt	41,074,000	43,609,000	42,647,000	54,073,000	49,951,000	57,446,000	57,336,000	-	-
Livestock Devt Council	9,421,000	17,100,000	16,447,000	16,989,000	17,952,000	46,754,000	42,914,000	-	-
SUB-TOTAL	3,158,475,000	3,523,302,000	39,150,223,000	34,710,721,000	52,881,493,000	64,416,196,000	68,541,936,000	48,697,542,015	47,887,676,000
Other Agencies/GOCCs							actual		proposed
FERTILIZER AND PESTICIDE AUTHORITY	40,168,000	91,926,000	91,387,000	47,252,000	50,530,000	57,903,000	59,358,000	60,857,000	79,939,000
NATL DAIRY AUTHORITY	102,200,000	82,200,000	-	51,619,000	170,472,000	261,774,000	299,542,000	170,472,000	170,472,000
NATL TOBACCO	115,000,000	140,000,000	-	-	-	-	656,700,000	190,000,000	636,500,000
PCIC	30,500,000	30,500,000	183,771,000	113,771,000	183,771,000	1,183,771,000	1,183,771,000	1,300,000,000	1,600,000,000
PFDA	-	-	-	-	-	-	-	534,000,000	288,627,000
PHILRICE	95,000,000	95,000,000	323,000,000	91,000,000	340,901,000	532,200,000	546,440,000	518,000,000	518,000,000
SRA	-	-	-	-	-	-	-	-	1,798,305,000
NFA	2,000,000,000	4,000,000,000	8,000,000,000	2,500,000,000	4,000,000,000	4,250,000,000	15,247,122,000	4,250,000,000	4,250,000,000
NIA	-	-	-	-	2,060,598,000	1,722,200,000	1,065,683,000	28,750,441,000	32,743,187,000
QUEDANCOR	-	200,000,000	-	-	-	-	-	-	-

PCA	230,000,000	230,000,000	410,690,000	539,915,000	1,182,757,000	1,738,750,000	2,884,190,000	4,085,772,000	1,287,887,000
SUBTOTAL	2,612,868,000	4,869,626,000	9,008,848,000	3,343,557,000	7,989,029,000	9,746,598,000	21,942,806,000	39,859,542,000	43,372,917,000
AFMP including support to GOCCS (PCA,PCIC,Philrice) and Mun Devt Fund (excluding budget for DAR)	23,343,840,000	39,170,037,000.00	-	-	-	-	-	-	-
TOTAL AGRI BUDGET (EXC DAR)	29,115,183,000	47,562,965,000.00	48,159,071,000	38,054,278,000	60,870,522,000	74,162,794,000	90,484,742,000	88,557,084,015	91,260,593,000

Investment for Inclusive, Equitable, and Quality Education and Lifelong Learning for All

Alternative Budget Proposal for Education

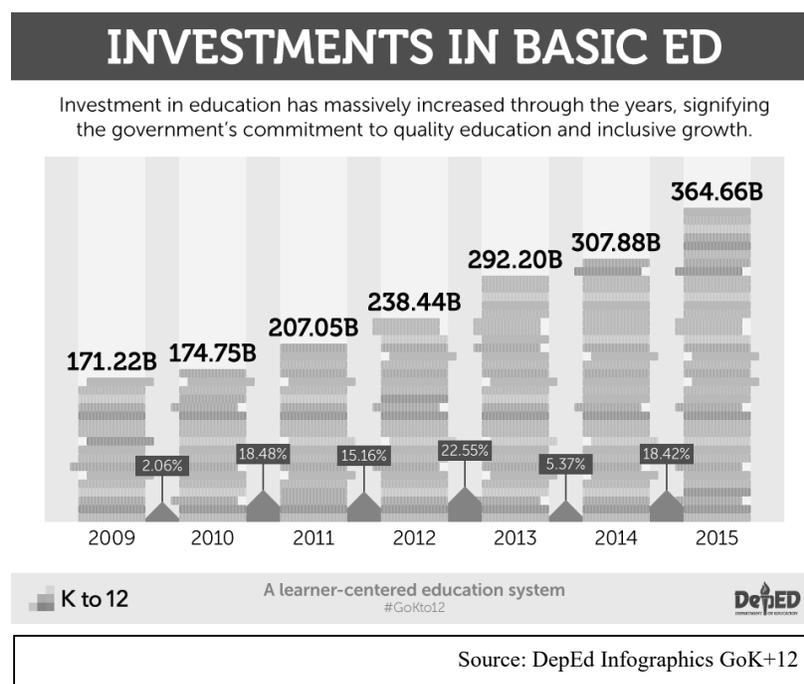
The Philippine Education Landscape

PNoy ‘Prioritizing’ Education in the National Budget and Agenda

Government’s Increasing Investment in Education

Since President Benigno Aquino III’s accession in 2010, investment in education has been increasing every year. This is a welcome development from his predecessor, former President Gloria Macapagal-Arroyo who prioritized debt service at the cost of social services.

Figure 15. Investments in Basic Education



According to the Department of Education (DepEd), the Philippine government’s increasing investment in education is to meet its Education for All (EFA) and Millennium Development Goal (MDG) commitments. These are enumerated in the “**Ten Ways to Fix Philippine Basic Education**”, President Aquino’s education agenda presented in 2010, which laid down the groundwork for the realization of education reforms by the end of his term in 2016. (See Annex 1: PNoy’s Ten Point Education Agenda)

As summed up by DepEd, pursuant to President Aquino’s Ten Point Agenda in Education, its main concern is to confront the problems of declining quality of education, the high rate of unemployed graduates in the country, and to align our education system with international standards and practices.

This also served as the backdrop for the introduction of key reforms, such as, K to 12 or the Enhanced Basic Education Curriculum, considered to be the government's flagship program in education.

DepEd Reported Milestones: Where and how far did the budget go?

From 2010 to 2014, the DepEd reported its accomplishment of constant growth in the Net Enrolment Rate (NER) for Kindergarten (5 years old). It started at 57.2% in 2010, 74.2% in 2011, 77.4% in 2012 and 79.3% for SY 2013-2014. For elementary, the completion rate increased by 2.7 percentage points from school year 2011-2012 to 2012-2013 at 73.7%. For high school, the rate increase was .58 percentage points (74.8%) during the same periods.¹

From the DepEd data obtained by ACT Teachers' Partylist, the participation rate for SY 2014-2015 was 79% for kindergarten, 94.5% for elementary and 86% for secondary. The DepEd Factsheet (October 2013) described the Adjusted NER for elementary and secondary as 'near universal' which are measured at 97.4% and 90.0%, respectively.

Table 14. Participation Rate for SY 2014-2015

	School-age population	Enrolment (DepEd SY 2014)	Net Enrolment Rate (DepEd SY 2014)	Out-of-school
Kindergarten (5 years old)	2.7 million	2.2 million	79 %	574,429
Elementary (6-11 years old)	15 million	14 million	94.5%	838,374
Secondary (12-15 years old)	8 million	7 million	86%	1.1 million

Data from ACT Teachers' Partylist

The number of out-of-school youth in the country dropped to 1.2 million from 2.9 million in 2008 (*World Bank Data Catalog 2015*)². The total number of out-of-school children in primary school age³ is 1,223,909 (590,583 female and 633,326 male). DepEd credits the passage of the Kindergarten Law, the implementation of the K to 12 program, the Alternative Learning System (ALS) and the Pantawid Pamilyang Pilipino Program (4Ps) as major contributors to this development.

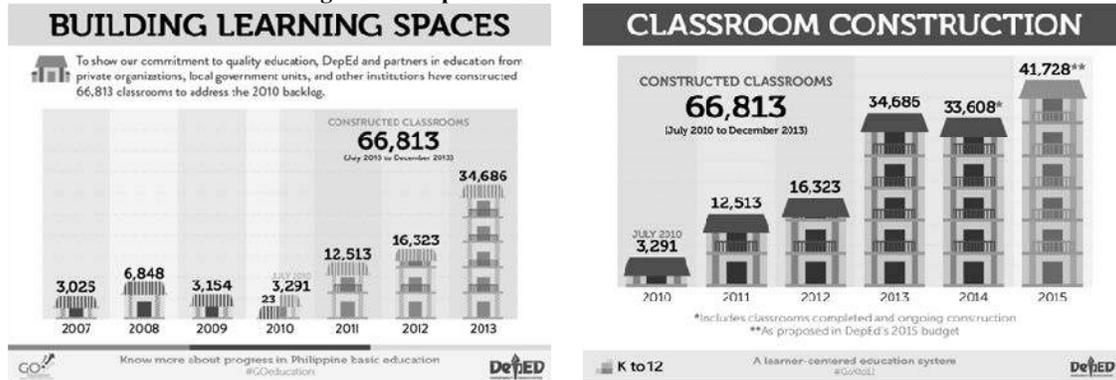
The DepEd also reported that it was able to address the 2010 backlog in key education input. From the gap of 66,800 classrooms in 2010, the country was able to achieve zero-backlog in 2013.

¹ Department of Education Fact Sheet as of October 2013

² The Data Catalog is a listing of available World Bank datasets including databases, pre-formatted tables, reports and other resources.

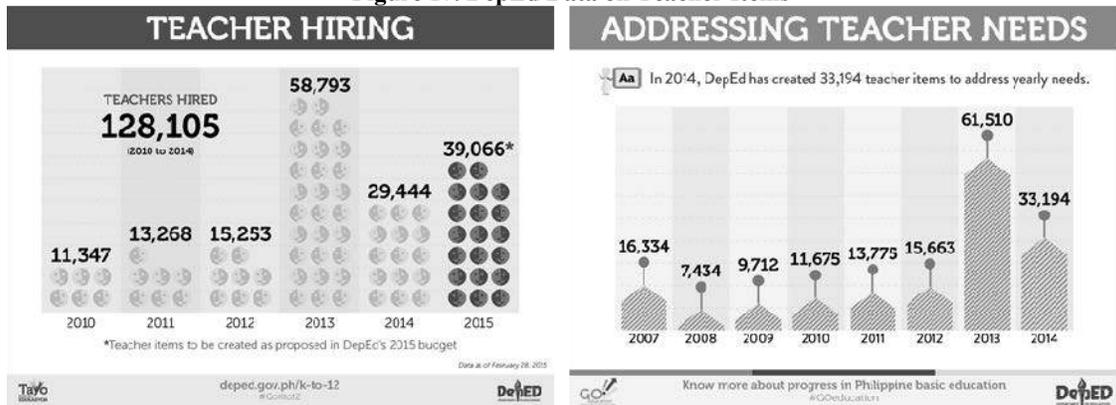
³ Total number of primary school age children who are not enrolled in either primary or secondary schools.

Figure 16. DepEd Data on Constructed Classrooms



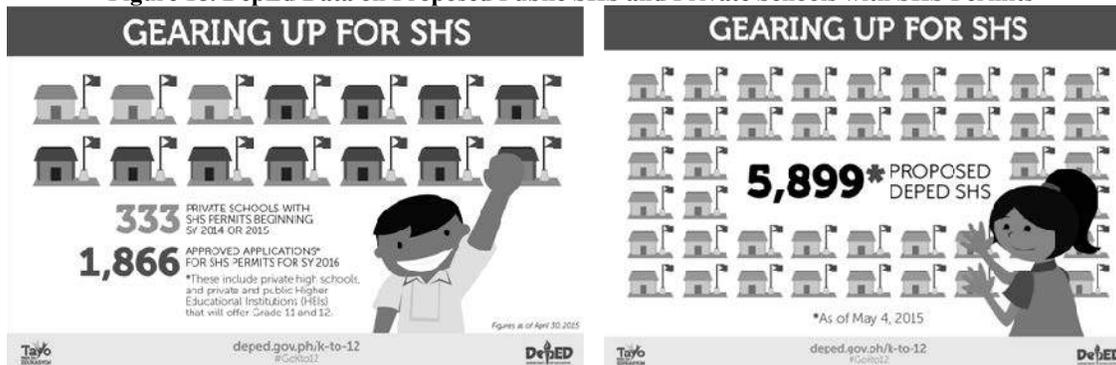
The shortage for teachers reached 145,827 in 2010. The DepEd was able to fill out 128,105 new items for teachers and 33,194 new teaching posts in 2014. On top of these are 43,204 kinder volunteers and LGU-hired teachers.

Figure 17. DepEd Data on Teacher Items



In complying with the requirements of K to 12 and the Senior High School (SHS) Program starting in 2016, the DepEd reported that the 2014 and 2015 budget will provide for 30,000 new classrooms for SHS. However, the DepEd has not provided update if this was accomplished. The initial target for the proposed 2016 budget, (National Expenditure Program), is over 20,000 classrooms for SHS.

Figure 18. DepEd Data on Proposed Public SHS and Private Schools with SHS Permits



The Proposed 2016 Education Budget

The Aquino administration continues to give priority to education in the 2016 national budget. Among all the departments, the DepEd received the highest share in allocation with **P436.5B** out of the total proposed national budget of **P3.002T**. It is **18.9%** higher than the agency's 2015 budget of P347.66 billion. According to the Department of Budget and Management (DBM), the increase will support the National Government's thrust of improving people's access to quality education, including the successful implementation of the K to 12 Program.

In the National Budget Memorandum (NBM) No. 124⁴ on Budget Priorities Framework (BPF) for the Preparation of FY 2016 Agency Budget Proposals Under Tier 2 of the Two-tiered Budgeting Approach⁵, the bases for the proposed 2016 budget in education was defined under Priority Programs for Education Services. (*See Annex 2: Education Services in the Budget Priorities Framework*)

Priority expenditures for 2016 will be the implementation of the Senior High School (SHS) in the K to 12 Basic Education Program, this being the 'transition year'. Four (4) priorities were identified in the BPF, namely:

- Preparations for the introduction of SHS
- Possible displacement of Higher Education Institutions' (HEIs) faculty and staff
- TechVoc Enhancement and Upgrading of Higher Education System
- Early Childhood Care and Development (ECCD)

Higher Budget Does Not Translate to Higher Outcomes; Institutions Slow to Deliver Expected Results

Budget Still Way Behind International Benchmarks

The PNoy administration's budget for education has consistently seen significant increases from 2010 up to the proposed budget for 2016.

2010	10.8%
2011	14.5%
2012	9.1%
2013	22.3%
2014	14.4%
2015	18.6%
2016 (proposed budget)	18.9%

⁴ Department of Budget and Management (DBM) Official Release, March 30, 2015

⁵ In the NBM No. 123, the Two-tiered budgeting approach has been adopted, with on-going and approved projects and programs under Tier 1 separate from that for the new and expanded ones under Tier 2.

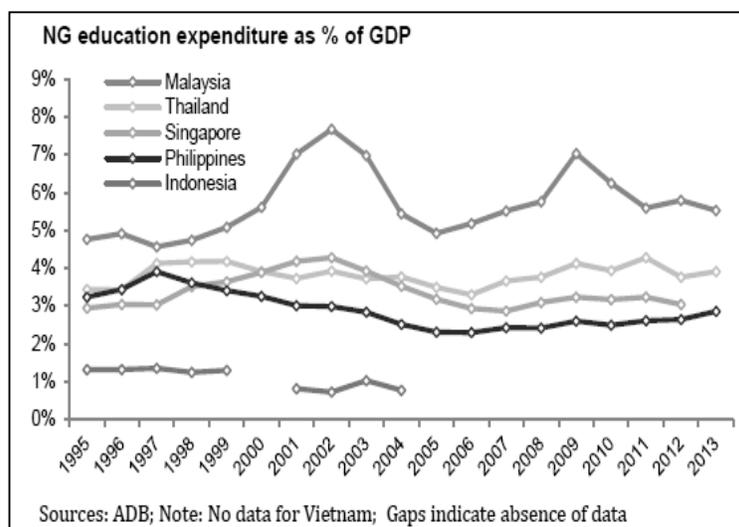
⁶ Source for 2010-2013: ADB Summary Sector Assessment on Education, 2014

Source for 2014-2015: DepEd

These figures may have elevated the share of Deped budget in the national budget and the ratio of education spending to GDP. However, these still fall behind the UNESCO benchmark of 20% of the total national budget and the EFA-recommended six percent GDP ratio⁷ for total education expenditure.

With only an average of 2.5% of GDP, the country's spending level is below the East Asian regional average of 3.6% of GDP and South Asia's average of 3.8%.

Figure 19: National government spending on education, % of GDP, ASEAN-5, 1995-2013



The Philippine government's spending per student is the lowest in the region with only an average of 9.3% of GDP per capita.⁸

Table 16. Public expenditure per pupil as a % of GDP capita, 2008-2013

	Average	Primary	Secondary	Tertiary
Indonesia	15.6	11.9	10.7	24.2
Malaysia	32.6	17.1	19.9	60.9
Philippines	9.3	9.0	9.1	9.7
Singapore	17.2	11.2	17.0	23.4
Thailand	31.7	38.3	37.4	19.5
Viet Nam	32.6	25.3	N.A.	39.8

Source: UNESCO; Year of latest data available varies per country

'Uncompetitive' is how the 2013-2014 World Economic Forum (WEF) Global Competitiveness Report describes the Philippines as it falls behind its ASEAN neighbors.

⁷ UNESCO's 2013/2014 Education for All (EFA) Global Monitoring Report recommends an allocation of 6% of GDP for education

⁸ Public expenditure per student is the public current spending on education divided by the total number of students by level, as a percentage of GDP per capita.

Under the health and primary education pillar, the Philippines ranked 96th out of 148 countries worldwide. It is the 3rd least competitive among 10 Southeast Asian countries, slightly better than Cambodia (99th) and Myanmar (111th).

Although the country's overall competitiveness index improved, the health and education pillars lagged behind.

Table 17. 2013-2014 World Economic Forum (WEF) Global Competitiveness Report

Country/Economy	GLOBAL COMPETITIVENESS INDEX	BASIC REQUIREMENTS				EFFICIENCY ENHANCERS						SOPHISTICATION FACTORS	
		First pillar: Institutions	2nd pillar: Infrastructure	3rd pillar: Macroeconomic Environment	4th pillar: Health and primary education	5th pillar: Higher education and training	6th pillar: Goods market efficiency	7th pillar: Labor market efficiency	8th pillar: Financial market development	9th pillar: Technological readiness	10th pillar: Market size	11th pillar: Business sophistication	12th pillar: Innovation
Singapore	2	3	2	18	2	1	1	2	7	34	17	9	
Malaysia	24	29	29	38	33	46	10	25	6	51	26	25	
Brunei Darussalam	26	25	58	1	23	55	42	10	56	71	131	59	
Thailand	37	78	47	31	81	66	34	62	32	78	22	60	
Indonesia	38	67	61	26	26	64	50	103	60	75	15	33	
Philippines	59	79	96	40	96	67	82	100	48	77	33	69	
Vietnam	70	98	82	87	67	95	74	56	93	102	36	76	
Lao PDR	81	63	84	93	80	111	54	44	91	113	122	68	
Cambodia	88	91	101	83	99	116	55	27	65	97	92	91	
Myanmar	139	141		125	111	139	135	98	144	148	79	143	

2013-2014 World Economic Forum (WEF) Global Competitiveness Report

EFA Goals Not Delivered

The gains of the past and current EFA-related programs and projects improved the country's performance in most of the EFA indicators. However, some gaps still have to be addressed.

According to the UNESCO EFA Global Monitoring Report 2015 "Education for All 2000-2015: Achievements and Challenges", only a third of the 164 governments that pledged to achieve universal primary education and five other EFA goals⁹ by 2015 were able to fulfill their commitment. The EFA Review 2015 that the Philippine government submitted to UNESCO acknowledged the remaining gaps to fully achieve the country's EFA targets.

⁹The EFA goals, adopted in Dakar, Senegal in 2000 are early childhood care and education, especially for the most vulnerable and disadvantaged children; universal primary education, or access to and complete free and compulsory primary education of good quality for all children; equitable access to appropriate learning and life skills programs for youth and adults; a 50% improvement in levels of adult literacy by 2015; gender equality; and improved quality education.

Table 18. Philippines' Identified EFA Gaps
(Philippine Education for All 2015 Review)

INDICATOR	GAP (in percentage points)
<i>Grade 1 entrants with some form of early childhood care and development experience</i>	18%
<i>Kindergarten Net Enrolment Rate</i>	23%
<i>Elementary Net Enrolment Rate</i>	5%
<i>High School Net Enrolment Rate</i>	35%
<i>Completion Rate to finish basic education</i>	25%
<i>Eradication of basic illiteracy</i>	4%
<i>Eradication of functional illiteracy</i>	14%

Out-of-School Children and Youth Still Prevalent

The Philippines still ranks high among the countries with sizable number of out-of-school children. Noteworthy is the conflicting data on the number of OSC/OSY. The PIDS/UNICEF study indicated a drop in number to 1.2M from 2008 to 2012. However, the Philippine Statistics Authority (PSA) reported in 2013 that children, 5-17 years old not attending school were 3.249 M.

Table 19. Children 5-17 Years Old Currently Not Attending School
By Age Group, Philippines (2009-2013)
(In Thousands)

Age Group	2009	2010	2011	2012	2013
PHILIPPINES	4,344	4,153	3,660	3,500	3,249
5-9 years old	1,646	1,477	1,175	909	812
10-14 years old	771	763	649	688	628
15-17 years old	1,927	1,913	1,836	1,904	1,809

Source: Philippine Statistics Authority, 2013

In the 2013 Functional Literacy, Education and Mass Media Survey (FLEMMS) which covered around 36 million population aged 6 to 24 years, the number was at 4 million Filipino children and youth or one in every ten.¹⁰

Numbers Do Not Reflect Actual Improvements, Shortages Persist

Even with huge government investment, the delivery of services remains slow. The education system's long-standing woes persist such as the perennial problem of shortage and lack of necessary resources i.e. classrooms and school buildings, teachers, textbooks and learning materials, chairs, etc.

¹⁰ Out-of-school children is defined in the FLEMMS as persons aged 6 to 14 years who are not attending school while out-of-school youth as persons aged 15 to 24 years who are not attending school, have not finished any college or post-secondary course, and are not working.

Classrooms Shortage

While the government has allotted budget for classrooms under the Basic Education Facilities Fund for Construction of Classrooms, the actual implementation of the school building program has been moving at snail's pace.

In 2014, a total of P37.7 billion was appropriated for the construction of 43,183 classrooms and another P2.85 billion for the repair of 9,502 classrooms. For 2015, the amount increased to P45.7 billion for the construction of 41,728 new classrooms and 455 technical-vocational workshops. Another P2.93 billion was allocated for the repair of 9,500 classrooms. However, a review on the spending of these allocations, as conducted by the Senate finance committee in May and June 2015 revealed a huge backlog.¹¹

- Out of the 43,183 classrooms that were supposed to be constructed in 2014, only 7,051 have been completed as of May 31, 2015;
- In 2015, not a single classroom was completed out of the 41,728 targeted for construction

The 2014 completion rate translates to a deficit of 36,132 classrooms. With very dismal completion rate in 2015, the total classroom gap can balloon to more than 77,000. Even with the availability of big budget funds, the capacity of the agency for implementation lags behind.

The slow implementation of DepEd's school building program will be disastrous for the public school system already burdened by the massive requirements of the K to 12 program.

Teachers Shortage

Hastening up the process of hiring new teachers also remains a problem. The DepEd received P9.35 billion in 2015 to fund 39,066 new teaching positions. The General Appropriations Act (GAA) for 2015 mandates that the appointments must be made before the start of the school year. However, the process has been hounded with delays as well.¹²

- None of the 39,066 teachers were hired in time for the opening of classes in June 2015.
- As of May 2015, DepEd was still processing the appointment papers of about 1,800 who will occupy positions in 2014.

On top of the public school system's existing staff shortage, the DepEd needs to hire 81,637 new teachers between 2016 and 2017 during the rollout of the Senior High School program under the K to 12 system. This is based on the assumption that some 1.4 million Grade 10 finishers of public junior high school will enroll in public senior high school when academic year 2016-2017 begins.

¹¹ Interview with Senator Chiz Escudero, Marvin Sy | Philippine Star – Sat, Jul 18, 2015

¹² "Recto to DEPED: Speed Up Teacher Recruitment", Rappler.com, July 18, 2015

DEPED PROJECTED SHS ENROLMENT (2016) TOTAL : 1,416,483	Table 20. DepEd Preliminary Estimates Provisions for K to 12					
	Provisions	Acad	TVL	Sports	A&D	Total
426,433 (Via Voucher)	Students	637,403	637,403	70,823	70,823	1,416,452
352,360 (From Private HS)	Classrooms	15,936	15,935	1,771	1,771	35,411
639,650 (Public)	Teachers	23,903	23,903	2,656	2,656	53,117

The projected vacancies in teaching slots identified by the DepEd are as follows:¹³

Table 21. DepEd-identified projected vacancies in teaching slots

Subjects	Projected Teaching Vacancies
• Technical Vocational Education and Training	9,900 to 15,634
• English	5,197 to 8,178
• Social Science	5,529 to 8,697
• Humanities	2,665 to 4,171
• Math/Statistics	4,626 to 7,267
• Advance Math	382 to 609
• Physical Science	4,022 to 6,313
• Life Science	3,640 to 5,707
• Information and Communications Technology	2,560 to 3,982
• ABM/Economics/Entrepreneurship	4,043 to 6,356
• Philosophy	2,162 to 3,412
• Physical Education	1,737 to 4,055

Shortage of Textbooks and Learning Kits

The DepEd admitted it has not yet bought over 49,000 science and math equipment using its P2.56-billion allocation from the 2014 budget.¹⁴

The department is still bidding out contracts for over 82,000 science and math equipment, coming from the 2014 and 2015 allocations. The budget for grades 1 to 3 science and math kits for 38,689 schools was **P2.56 billion in 2014** while that for grades 4 to 6 science and math kits for 27,919 schools was pegged at **P4 billion in 2015**.

¹³ “DepEd to need 81k teachers in 2016”, GMA News, June 30 2014

¹⁴ “DepEd admits delay in buying science, math kits”, Jee Y. Geronimo. Rappler.com, July 16, 2015

In preparation for the full implementation of the K to 12 program, DepEd estimates that 69.5 million additional learning materials will be needed for 2015 alone¹⁵.

With the slow pace of addressing the backlogs and the massive requirements that the K to 12 program will entail, the vicious cycle of backlog after backlog piling up on top of the other will persist.

Provision for Education in Yolanda-Affected Areas

DepEd reports that it continues to work at restoring normalcy in Yolanda-affected areas with regards to education. Rehabilitating schools and classrooms in disaster-stricken areas had been a priority in terms of budget allocations. The two regions in the Visayas that were heavily affected by Typhoon Yolanda – Region VIII and Region VII – got the bulk of the appropriation.

According to the funding requirements for the implementation of the Comprehensive Reconstruction and Recovery Plan (CRRP) in Yolanda-affected areas, P9.365 billion was earmarked for DepEd and P 3.556 billion was allocated to CHED. The DepEd share will be used mainly for the construction of new rooms, rehabilitation of damaged schools, and procurement of furniture to replace those damaged by Yolanda. It also allotted more than P770 million for social services, school feeding programs, and purchase of learning kits, materials and computer packages.

In April 2015, DepEd reported the substantial or total completion of projects involving the provision of 6.47 million textbooks; replacement of damaged computer packages; and school nutrition or feeding programs for 327,845 children. CHED reported that scholarships, incentives and other financial assistance amounting to P436.9 million were given to 56,272 student-beneficiaries.

However, the targets for new classroom construction and classroom rehabilitation which were supposed to be ready for the SY 014-2015 were not met. Only 84% out of the total 2,313 new classrooms were built, and a dismal 56% of the 17,335 damaged classrooms went through rehabilitation.¹⁶

Not Enough Programs Reaching the Indigenous People, Isolated Sectors

For almost ten years, the government had very minimal programs to reach the indigenous people and those living in the far-flung areas. The coverage of the alternative learning system remains the same despite the huge number of out-of-school children and youth. The yearly budget allocations remained stagnant at around 500 million.

Similarly, the indigenous people's education remains at the pilot stage and covering only small communities. The budget allocation did not increase from around 100 million and this covered mostly administrative expenses.

¹⁵ www.gov.ph/k-12

¹⁶ Press Briefing of PCOO Sec. Sonny Coloma, 14 April 2015

Madrasah education and special education suffered the same fate, hampering its reach, considering the magnitude of the needs of these programs. The total budget is less than 1% of the total department budget.

The last quarter of the present administration focused on last-mile learners. This policy direction is not entirely new and will cater to the marginalized, isolated and vulnerable sectors. However, the policy will have to be complemented with enough budget.

Quick Fixes Will Not Work; Evaluate and Prioritize Expenditures

Old problems are not going away, new issues are arising, and some problems may be getting worse. It should now be obvious that what the government is carrying out in the education arena is a never-ending stream of partial and quick fixes but never addressing fundamental problems in the education system.

In order to show that the country and government are more or less keeping up with announced targets like putting in place the K to 12 Program in accordance with the schedules of the ASEAN Integration, it has ignored whether the education system has demonstrated essential capabilities to address persistent problems.

Some sections in the education sector call for the postponement or suspension of the flagship program K to 12, pointing out the too many unresolved problems in the system. While they posited not having enough time to iron out the problems in time for the full implementation in 2016, the government maintains that the K to 12 Program is too big and crucial not to commence as planned.

However, changes have been rushed, teachers are not yet prepared for the mammoth tasks that K to 12 entails, and the existing facilities are not enough for the students entering SHS. These, ironically, defeat the supposed reasons why K to 12 is being implemented in the first place, that is, to address the problems of declining quality of education.

The shortcomings and deficiencies need to be addressed and they have to sufficiently fill in the gaps to achieve the K to 12 targets. Present and future spending in education must be carefully evaluated against the target objectives and determine the cost effectiveness of public investment.

The Alternative Budget Proposal for Education 2016

The ABI Education cluster reiterates its position that adequate resources must be invested to improve the quality of education services and access of the poor and marginalized groups to these services. Along this line, it proposes the following key measures:

- Invest for quality education
- Invest in programs to reach the “unreached”
- Investing to achieve functional literacy and lifelong learning for all
- Addressing equity issues
- Improve governance, transparency and accountability

Investing in Teachers for Quality Education

The Dakar Framework identified several approaches to support teachers, including adequate remuneration, strategies encouraging retention, access to training and professional development, and participation in decision making.

On Teaching Items: New Hiring, Deployment and Redeployment

Every year, more teachers are sought to serve the growing student population in the public school system. As DepEd proposes new items for teaching and school principal posts in 2016, a detailed plan with specific timelines on the hiring, deployment and redeployment of teaching positions must be laid down.

Considering the almost 25 million students entering public schools next year and the implementation of the K to 12 program, challenges are expected to arise in the hiring and deployment of teachers. There will be 5 sets of teachers to be provided plantilla items with specific requirements:

1. Teachers for kindergarten;
2. Teachers for primary level (Grades 1 to 3);
3. Teachers for intermediate level (Grades 4 to 6);
4. Teachers for junior high (Grades 7-10); and
5. Teachers for senior high (Grades 11 to 12) with specialization.

The need to establish accountability mechanism for the hiring, deployment and redeployment of teachers was brought about by experiences by ABI members on the ground and reinforced by a study on teacher deployment practices in the country. The said study (Albert, 2012) notes that “*the DBM says, though, that of those teaching items that it approves for creation, some do not always get created; or if they are created, the new teachers are not deployed by DepEd within a reasonable period of time.*” In addition, the current practice of DepEd schools in some areas is to get teachers in grade 1 to teach kindergarten pupils as additional work for additional money.

In this light, the ABI Education cluster proposed an additional 3,000 job items for teachers on top of the DepEd proposal for new teaching items. This will ensure that at the maximum, each teacher will handle the maximum of two classes at three hours each and the teacher-pupil ratio will rise to 1:35. The budget should come from the funds allocated for teachers.

Teacher Training

To achieve quality in Early Childhood Care in Education (ECCE), teachers must receive the high quality training necessary to fulfill the qualifications, and comply with the requirements. Improving the quantity of teachers will not be enough; quality needs improvement, too, with teachers well trained and motivated.

At the core of quality education are teachers who are able to inspire their students and equally provide learning competencies. To do these, teachers need continuous training, knowledge and skills building to keep updated with content, and to improve teaching pedagogy. In addition, re-tooling of teachers becomes necessary with the implementation of the K to 12 program. ABI Education cluster proposes a budget of P3,000 per teacher for 500,000 teachers for continuous training/knowledge building plus an additional P6,000 (as per DepEd standard for amount of training) for in-service training of 80,000 teachers who will teach in SHS.

Medical subsidy for teachers

DepEd requires teachers to undergo X-Ray and other laboratory tests, prior to the start of every school year. To cover expenses for said DepEd requirements, as well as medicines for those afflicted with tuberculosis and other respiratory diseases, ABI Education cluster proposes health fund amounting to P1.5 billion pesos computed at P3000 per teacher. The teachers' health expenses shall be reimbursed against this fund. Another alternative is for DepEd to negotiate the inclusion of said medical services for teachers in the Philhealth benefits.

Allowance for teachers

ABI Education cluster calls the attention of the national government to pay what is due to teachers under the Magna Carta for Teachers. In this light, an additional P24 billion for teachers is proposed, computed at 4000/teacher per month for 12 months for 500,000 teachers.

Inclusive Education: Investing in Programs to Reach the “Unreached”, Including Targeting of Girls and Women

Indigenous Peoples Education

The ABI Education cluster proposes the provision of community learning centers in 35 indigenous peoples' communities amounting to an additional budget of 12,250,000 for their education. Each center is allocated 350,000 to cover construction/repair of the center, production of learning materials, reading materials, and supplies. This also includes curriculum and module development for IP education to contextualize and customize the modules to the local situation.

Expand Alternative Learning System (ALS) learners

Provide budget and proactively seek 1 million ALS learners. The current budget of P1,000 per learner is not sufficient to provide for a copy of the module and additional reading materials for each of the ALS learners. ABI Education cluster proposes P3 billion pesos budget for ALS service delivery to an additional 1 million learners at P3,000/learner.

The budget includes the reproduction of ALS modules for elementary and high school accreditation and equivalency program of DepEd and other learning materials. In addition, the ABI Education cluster proposes the review of ALS curriculum and modules to integrate food security, environmental protection and gender dimension.

Resource centers for Persons with Disabilities (PWDs)

ABI Education cluster proposes the building of resource center for PWDs. It proposed an additional budget of 7,000,000 to set up resource centers for 20 communities with the most number of PWDs. Each center is allocated P350,000 to cover construction/repair of the center, production of learning materials, reading materials, other materials and supplies. The proposed budget also includes allocation for customized modules, flexible delivery and friendly facilities for PWD learners, especially those who will engage in Alternative Learning System decado for the differently-abled.

Madrasah Education

ABI Education proposes an additional P20,000 each for 459 Madrasah schools nationwide to support the training of Madrasah teachers on teaching pedagogies and the reproduction of learning materials.

Investing to Achieve Functional Literacy for All

Life skills and Literacy: Aiming for functional literacy and lifelong learning for all

ABI Education cluster believes in programmatic literacy programs outside of the school system. The Literacy Coordinating Council together with the DILG has already identified barangays with the lowest literacy rates. The LGU efforts in eradicating illiteracy in these barangays need to be supported, with DepEd providing a possible road map with a corresponding budget to facilitate a programmatic approach in eradicating illiteracy. The ABI Education cluster proposes reaching out to about 2 million youth and adults in a national functional literacy program (not the Accreditation and Equivalency for high school). There are a lot of good practices in adult functional literacy programs that need to be harnessed, standards installed, and relevant assessments tools developed.

DRRM/Education for Sustainable Development (ESD)

ABI Education cluster proposes a budget of P500 million pesos to reorient and train teachers in education for sustainable development. The budget includes reproduction of training kit on ESD for Yolanda areas and others that have high risks for typhoons and flooding. The budget also includes materials development for the learners and production of corresponding training kit. The breakdown in computation is P1000/teacher x 500,000 teachers.

Health and Nutrition Program

ABI Education cluster proposes to extend the nutrition program of Deped from 120 feeding days to 240 feeding days. This will ensure sustained participation in education of the identified severely wasted and wasted students throughout the school year. The budget also includes twice the proposed provision of iron tablets and hygienic material as well as twice

the proposed financial assistance of 10,000 to 4,360 schools (20 schools per division). The breakdown is at P3,840,000,000 x 2 = P7,680,000,000.

Gender program

The Gender and Development (GAD) Plan of Deped reflects a low level of awareness on GAD issues and concerns among the teachers. ABI Education cluster proposes P1 million pesos for the evaluation of the Deped Gender and Development (GAD) plan, budget and its implementation. It is also proposed in the bicameral committee of Congress to conduct an evaluation on the compliance of the DepEd curriculum and textbooks with GAD. This evaluation should be done in cooperation with the Philippine Commission on Women and civil society groups.

School Governing Fund/School Governing Council Activities

ABI Education cluster proposes a fund of P445,400,000 pesos to actively engage school governing councils in discussing, planning, monitoring and assessing the K to 12 implementation in their localities. The budget allocation includes P200,000 each for 2,227 districts for their school governing councils to discuss, plan, and engage DepED in the planning monitoring and assessing implement of senior high school.

**Table 22. ABI Education cluster
Alternative Budget proposals**

Budget Item	DepEd	Education Cluster	Variance
1. Teacher's Package			
Teacher hiring	P9,881,337,000	P9,936,984,000	P 55,647,000
Teacher Training	P 2,483,434,000	P3,983,434,000	P 1,500,000,000
Training for SHS Teachers	P _____	P 480,000,000	P 480,000,000
Health benefits	P _____	P1,500,000,000	P 1,500,000,000
Allowance	P _____	P24,000,000,000	P24,000,000,000
<i>Items-P18,549 minimum salary per teacher x 3,000 more teachers = P55,647,000</i> <i>Training-P3,000 per teacher x 500,000 teachers = P1,500,000,000</i> <i>Training for SHS Teachers- P6,000 x 80,000 = P 480,000,000</i> <i>Health Benefits-P3,000 per teacher x 500,000 teachers = P1,500,000,000</i> <i>Allowance-P4,000 per teacher x 500,000 teachers x 12 months = P24,000,000,000</i>			
2. Inclusive Education including targeting of girls and women	2.1 P110,400,000 2.2 P682,613,000 2.3 P370,299,000 2.4 P708,706,000	P122,650,000 P3,682,613,000 P377,299,000 P717,886,000	P12,250,000 P3,000,000,000 P7,000,000 P9,180,000
<i>2.1 IP Education-P350,000/CLC x 35 CLCs= P12,250,000</i> <i>2.2 ALS-P3,000/Learner x 1,000,000 Learners = P3,000,000,000</i> <i>2.3 PWD/SPED-P350,000/Resource Center x 20 RC = P7,000,000</i> <i>2.4 Madrasah-P20,000 x 459 Madrasah Schools nationwide = P 9,180,000</i>			
3. Abot-Alam/ Life	P1,968,298,000	P5,768,298,000	P3,800,000,000

skills and Literacy			
P1,900 x 2,000,000=P 3,800,000,000			
4. DRRM/ESD	P217,206,000	P717,206,000	P500,000,000
<i>Basis: P1,000 x 500,000 Teachers=P500,000,000</i>			
5. Health and Nutrition Program	P3,840,000,000	P7,680,000,000	P3,840,000,000
<i>Basis: P3,840,000,000 x 2 (to cover 240 days for severely wasted and wasted learners; and add 4,360 schools in the poorest regions) = P7,680,000,000</i>			
6. Gender Program	P12,370,000	P13,370,000	P1,000,000
<i>IM for evaluation of DepEd's gender program and alignment to gender principles</i>			
7. School Governing Fund/SGC Meeting	P1,000,000,000	P1,445,400,000	P445,400,000
<i>Basis: 200,000 for piloting x 2,227 districts =P445,400,000</i>			
SUB-TOTAL: PhP39,150,477,000			
<i>Release of Education-related Yolanda rehabilitation budget under Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP): Objective to fill the budget gap between the investment requirement under the Yolanda CRRP and the remaining allocation viz DBM reported releases as of June 2015 (P88.9 billion)</i>			
Budget Item	CRRP approved allocation [P167B memo approval] (In PhP)	Released Amount as of June 30 2015 (In PHP)	GAP/Variance ABI Proposal (In PhP)
Provision of school seats in newly constructed classrooms (119,070 armchairs and 2,646 teacher's table and chair); Repair and rehabilitation of classrooms; Construction and/or renovation of Library Hubs (DEPED)	9,365,453,895	5,721,568,518	3,643,885,377
Repair and reconstruction of Academic Buildings (SUC c/o CHED)	938,991,461	930,768,406	8,223,055
Rehabilitation of CHED Regional	2,616,629,243	4,844,525	2,611,784,718

Office Building (CHED)			
YOLANDA SUB-TOTAL			6,263,893,150
GRAND TOTAL			45,414,370,150

Policy Recommendations

- ✓ Include the hiring of guidance counselor and pre-school teachers
- ✓ Attain Teacher Training for Technical Vocational National Certification Level 2;
- ✓ Increase investments for programs for unreached sectors, such as Abot-Alam program, alternative learning system, madrasah education, indigenous peoples education, resource center for person with disability, and kariton klasrum;
- ✓ Continuing education for adults who did not finish basic education;
- ✓ Higher budget for State Colleges and Universities – 15% increase every year to fund teachers’ development, research and technology
- ✓ Increase accountability through monitoring and tracking of budget for school building and GASTPE

The ABI Education Cluster

Civil Society Network for Education Reforms (E-Net Philippines) • Teachers, Inc. • Teachers’ Dignity Coalition (TDC) • Unang Hakbang Foundation • Philippine Business for Education (PBED) • Ateneo School of Government (ASOG) • Public Services Labor Independent Confederation (PSLink) • Stakeholder Partnerships for Education and Lifelong Learning (SPELL)

Annex A Table 23. Ten Point Education Agenda of the Aquino Administration

Annex A: PNoy's Ten-Point Education Agenda

1. *A 12-year basic education cycle: Expand basic education in the country from a short 10-year cycle to a globally comparable 12 years.*
2. *Preschool for all: All public schools, to offer to all public school children introduction to formal schooling through a full year of preschool.*
3. *Madaris education: Make the full basic EFA available to all Muslim Filipino children anywhere in the country.*
4. *Technical-Vocational Education (TVE): Reintroduce TVE in public high schools to better link schooling to local industry needs and employment.*
5. *A reader by Grade 1: Make each child able readers by the time they complete Grade 1*
6. *Science and math proficiency: Rebuild the science and math infrastructure in schools and universities to encourage more students to become scientists, engineers, technicians, technologists, and teachers, making the country globally competitive in industry and manufacturing.*
7. *Private schools as partners: Expand the Government Assistance to Students and Teachers in Private Education Program (GASTPE) by targeting one million private high school students every year through Education Service Contracting Scheme (ESCS).*
8. *Medium of Instruction (MOI): Make the MOI larger than just the classroom. The country should become trilingual—"learn English well and connect with the world; learn Filipino well and connect with our country; and retain your dialect and connect with your heritage."*
9. *Quality textbooks: Do not tolerate poor textbook quality in schools; hence, textbooks should be chosen based on three criteria—quality, better quality, and more quality.*
10. *Build more schools with local government units (LGUs): Build more schools in areas where there are no public or private schools through a covenant with LGUs in order to realize genuine EFA.*

**Annex B Table 24. Education Services in the Budget Priorities Framework, DBM
National Budget Memorandum No. 124**

Annex B: Education Services in the Budget Priorities Framework

4.2.2 Education Services

For 2016, being a transition year for the implementation of the Senior High School in the K to 12 Basic Education Program, coupled with the need to comply with the education-related MDGs, the DepED, in partnership with CHED and TESDA will have to respond to the concerns on the curriculum quality and relevance as well as the resource requirements for the introduction of Senior High School (SHS). Corollary to these, the mismatch of competencies and job requirements of both industry and business sectors will have to be addressed as well as the minimal improvement and varying performance across regions on basic education outcomes. Although the country has improved its cohort survival and completion rates for both elementary and secondary levels in 2013, these are still lower compared to the other Asian and Pacific countries.

4.2.2.1. Preparing for the introduction of SHS

DepED will have to ensure the following:

- Provision and maintenance of basic education facilities;*
- Support for Government Assistance to Students and Teachers in Private Education (GASTPE);*
- Resources shall be focused on areas with poor educational performance;*
- Progress in the critical areas shall be constantly monitored;*
- Scholarships and financial assistance shall be harmonized;*
- Basic education curriculum as well as learners' and teachers' materials shall be enhanced and developed.*

4.2.2.2. Possible displacement of Higher Education Institutions (HEIs) faculty and staffs

CHED in coordination with DepED and DOLE shall devise interventions to mitigate the adverse impacts of the initial implementation of SHS from 2016 to 2020 particularly on the affected HEI teaching and non-teaching staff. The provision of necessary assistance, incentives, scholarships and grants will be sustained.

4.2.2.3. TechVoc Enhancement and Upgrading of Higher Education System

With the inclusion of technical-vocational livelihood track in the enhanced basic education curriculum, Technical Vocational Education Training capacity will need to be continuously aligned with the K to 12 requirements. This is to equip SHS graduates with middle level skills that will offer them better employment opportunities or become entrepreneurs. Thus, improved TVET programs and partnerships will have to be in place, including adjustments in the curriculum content of higher education to be aligned with labor market demands and international standards.

4.2.2.4. Early Childhood Care and Development (ECCD)

Investments in ECCD are important because studies indicate that interventions in the early years tend to provide children with greater opportunities and better outcomes relating to education, physical growth and health and consequently in productivity. This becomes more relevant in the case of poor and disadvantaged children who experience various risks factors such as the lack of access to: basic water and sanitation infrastructures; quality health services; quality day-care centers and preschools; inadequate nutritional inputs; and parents with low education levels.

PNoy's 2016 Budget: A budget for a low-carbon development and resilient future?

Alternative Budget Proposal for Environment¹

Introduction

On November 30, 2015, President Aquino joined the other world leaders in the opening of the Paris climate talks on a much-hoped-for agreement that could prevent our planet from getting hotter at 2 degrees Centigrade. Ahead of his coming, the Philippines made an offer of a generous CO₂ emissions reduction that should put a high-emitting country like the United States to shame.

On October 1, 2015 the Climate Change Commission (CCC), chaired by the President himself, put on the table the country's Intended Nationally Determined Contribution (INDC) to reduce in 2030 our CO₂ emissions by 70 percent from current levels. The offer is our country's stake in the Paris climate negotiations of the 21st Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP21).

The Philippine INDC is a mixed bag of unconditional and conditional commitments. Though it only includes numbers from two sectors---energy and transport---one could say it is ambitious enough for a country that has little or no mitigation obligation in the climate convention. But in another sense, you could also say that it is about time to make such a commitment, even a more ambitious one, if only to make good on our pledge to shift to a more sustainable path of development which we had pledged as early as the 1992 Earth Summit in Rio de Janeiro.

It is about time we did an economy-wide clean up consistent with our 1992 policy goal to achieve sustainable development and our commitment to implement the 2030 Agenda for Sustainable Development which highlights 17 Sustainable Development Goals (SDGs). As we strive to eradicate poverty and reduce inequality, we must mind all the sectors generating carbon emissions, such as fossil-intensive energy, carbon-intensive industry, chemical-intensive conventional agriculture, improper and largely unregulated land use, continuous land degradation and deforestation, and waste production.

State of the environment (SOEN) 2015

The assessment of performance on the environment side is a mixed bag, captured in different assessment taglines. "Good conservation efforts, bad air quality," says Rappler. "Environmental degradation least of Pinoys' worries," says Pulse Asia, adding their survey result of an increase to 48 percent approval from 45 percent.

The Department of Environment and Natural Resources (DENR) boasts of an overall improvement in the state of our environment. This is supposed to be evidenced by the positive performance in the following areas and indicators:

¹ This narrative is formulated by the ABI Environment & Climate Change Cluster. It is largely written by Isagani R. Serrano of the Philippine Rural Reconstruction Movement, with research assistance from Alce Quitlig of the ABI Secretariat

- Increased forest cover from 6.9 M has to 7.8 M has (NGP impact?)
- Cadastral survey 91% complete: 1,493 of 1,634 cities & municipalities
- Geohazard maps completed for all 1,634 cities & municipalities on a scale of 1:10000
- Biodiversity protection improved: PH Eagle, tamaraw, marine turtles (GEF funding)
- NCR ambient air quality: TSP reduction by 23%
- Water pollution/clean up: adoption of 329 esteros in NCR
- Water bodies clean up agreements nationwide: 549
- Dumpsite closure: 341 or 36 percent of the 900 dumpsites in the country have been closed or controlled.

Land Degradation, Water and Air Pollution

We could assume moderate to severe land degradation from the mountains to the coasts, spanning forests, agricultural lands, inhabited/built up zone, coastal areas. To begin with, the Philippines which is about one-third plain and two-thirds slopes and mountains has been fast urbanizing. In the absence of a strong land use policy, the largely spontaneous urban sprawl results in land use patterns that are detrimental and harmful to the environment and food security, let alone security of human settlements.

Conversion of agricultural lands, to say nothing about land grabs, is rampant. We might wake up one day with vast tracts of lands left and right of Maharlika Highway from Luzon to Mindanao already in the hands of new owners and small farmer tillers massively displaced and adding to the jobless population.

The National Greening Program (NGP), with its slow-onset impact on land protection or carbon sequestration, cannot be expected to yield instant and dramatic results. Its performance since 2010 and in 2014 to the first semester 2015 needs further review.

Extractives industries, like gold mining, in different parts of the country have altered mountain and lowland ecosystems. Existing coal plants continue to harm local communities wherever they are sited. With several new coal plants in the pipeline, we can expect more pollution of land, water and air.

A guide to the carbon footprint of the Philippines

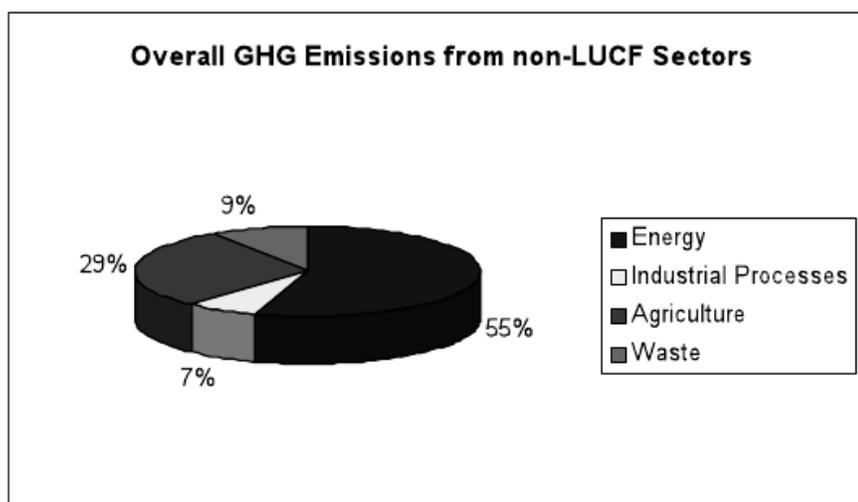
The greenhouse gas (GHG) inventory, a component of our national communication or report to the United Nations Framework Convention on Climate Change (UNFCCC), indicates the carbon foot print of the Philippines and where mitigation of CO₂ and equivalent emissions should happen.

The figure below (Figure 1) shows where our emissions are coming from. It tells us the relative contribution of the different sectors in generating CO₂ and equivalent emissions. It can serve as reference guide for budget analysis as well as planning and budgeting for low-carbon development and building resilience. As well, it is our reference baseline for tracking how our country is making progress in low-carbon development, assuming an up-to-date annual GHG inventory. It also tells us where our action should be directed, in terms of programs, activities and projects (PAPs) that will need government budget.

In the future we need to also differentiate inequality in emissions by region (eg. between NCR and Mindanao) and by class (e.g. ‘over-emitters’, ‘under-emitters’, ‘sustainers’).

Moreover, we also have to account for the contribution of sustainable practices in agriculture, fisheries, forest and watershed protection, and ecological waste management to emissions reduction. eg., comparing how much carbon healthy soils or degraded lands can really hold.

Figure 20: Overall GHG Emission from non-LUCF Sectors (INC 1999)



The Philippines' Initial National Communication (INC) conservatively projected an increase in emissions from 100,738 ktons CO₂-eq in 1994 to 195,091 ktons CO₂-eq in 2008, an annual growth rate of 4.8% over 14 years. Changes in land use and forestry, which have significant emission production or reduction potentials are not yet factored in.

The energy contributes the most. This may be explained by the fossil intensification of the government's energy program and its bias towards coal, oil and gas. It also speaks of the government's leadership, or lack of it, in making the shift to renewable energy and more sustainable energy regime.

The comparatively lower contribution of industry to our total CO₂ emissions is a telling evidence of lack of an industrial policy, let alone a green-type of industrialization.

Agriculture contributes a third of our total CO₂ emissions. Between the Initial National Communication (INC 1999) we submitted to the UNFCCC in 1994 and the Second National Communication (SNC) in 2009, agriculture registered an increase, suggesting fossil intensification of agricultural production. It also suggests that organic farming and sustainable agriculture which is already mandated by a legislation, in contrast to conventional agriculture, is barely making a dent on land rehabilitation and in making progress toward land degradation neutrality (LDN). Only one percent of the target 5 percent of some 11 million hectares of agricultural lands has been converted to organic agriculture. Government financing of Organic Agriculture Act of 2010 needs to be enhanced to be able to deliver its goals and targets.

Increasing environment and climate expenditures

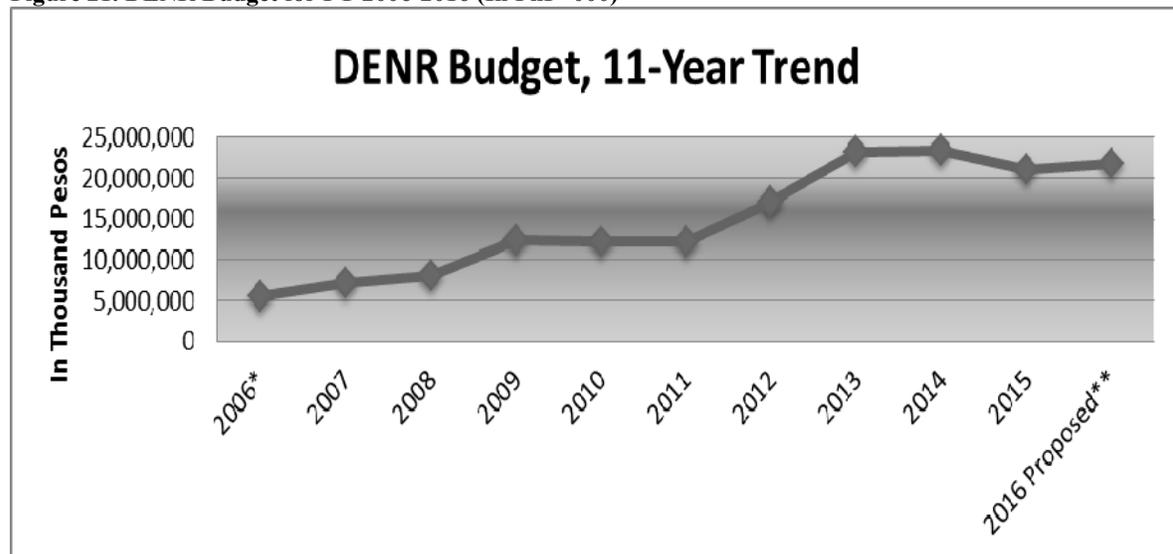
Expenditure for the environment has been increasing through the years. Likewise, expenditures for climate mitigation and adaptation, disaster risk reduction, and capacity

building have also been increasing since the creation of the Climate Change Commission (CCC) and completion of the National Climate Change Action Plan (NCCAP). However, delay in the implementation of the Local Climate Change Action Plan (LCCAP) as mandated by the Climate Change Act of 2010 undermines the capacity to address climate and disaster concerns at the local level.

Based on the Department of Budget and Management (DBM) Budget Order, the DENR would get a share of PhP 22,843,120,000 from the National Expenditure Program (NEP) in 2016. In the DBM's two-tiered budget scheme, DENR will get as follows: Tier 1 -- P 18,345,712,000 and Tier 2 -- P 4,497,408,000.

The NGP, the banner program of the DENR and the PNoy government, gets a lion's share of P10.192 B for a target of 344,486 hectares of areas planted and 564,730,409 of seedlings produced.

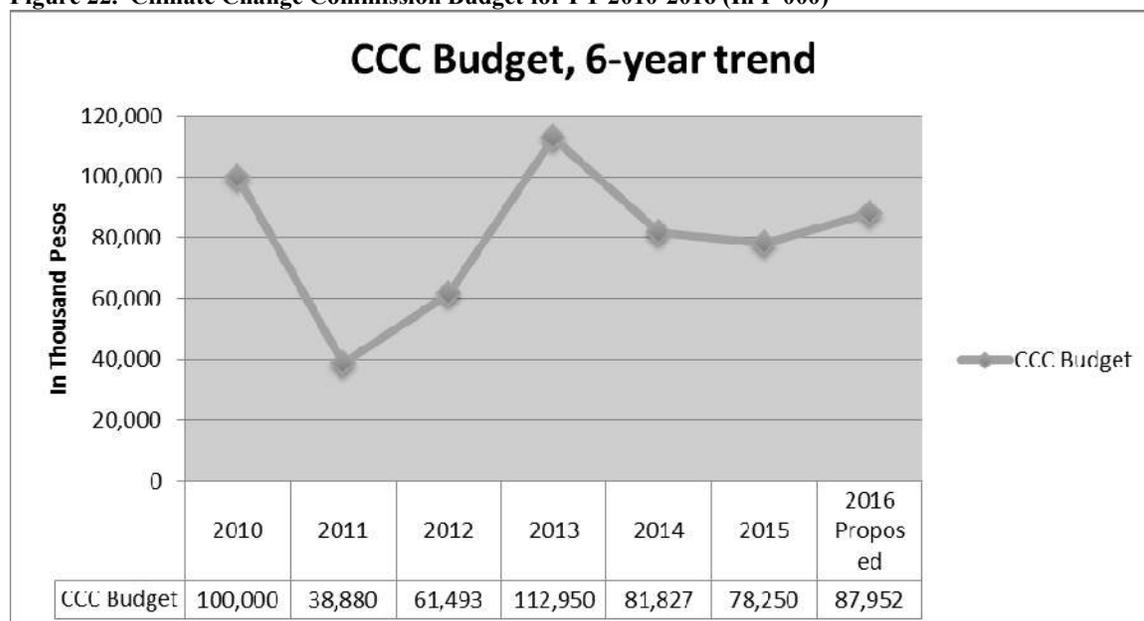
Figure 21. DENR Budget for FY 2006-2016 (In PhP '000)



*Re-enacted budget

**Ratified by both Houses of Congress

Sources: General Appropriations Acts 2006-2015; Conference Committee Report Summary of 2016 General Appropriations Bill

Figure 22. Climate Change Commission Budget for FY 2010-2016 (In P'000)

Sources: General Appropriations Acts 2006-2015; General Appropriations Bill 2016

Note that the allocation of the CCC has been uneven since its inception in 2010. Starting at P100 million in the 2010 GAA, it has gone down to P38.88 million the year after, then increased by 191% in the next two years, and posting a highest budget of P112.95 million in the 2012 GAA. The CCC budget decreased and largely maintained an average of P82.7 million allocation in the next three budget years (2013-2015), and P87.952 million proposed allocation in 2016.

This, however, may simply indicate varying needs in CCC's climate oversight function, and not because of reduction in climate expenditures which are spread across the economy.

2016 CCET Results

The 2016 Climate Change Expenditure Tagging (CCET) exercise came out with a total climate expenditures amounting to P132.0-B or 4.40% of the 2016 NEP. This is a slight drop in climate spending share of P133.6-B or 5.13% of the General Appropriations Act (GAA) in 2015.

The CCET is a process of identifying, reporting, and tracking Programs, Activities, and Projects (PAPs) that address adaptation and mitigation concerns related to climate change. The National Government Agencies (NGAs) submit a climate change expenditure form (BP Form 201F) to the DBM during the budget preparation and upon approval of the NEP and the General Appropriations Act (GAA).

The CCC and the DBM jointly initiated the CCET through a Joint Memorandum Circular in December 2013. The CCET aimed to (a) identify, tag and prioritize climate change-related activities for all government agencies; and (b) take stock of relevant climate change-related programs, projects and activities to enable oversight and line department managers to track and report climate change-related expenditures.

The 2016 CCET exercise saw the broad participation of NGAs, with 63 agencies, 20 of these departments, submitting their Form F. In both FY2015 and FY2016, 52 NGAs submitted the Quality Assurance and Review (QAR) forms and 42 NGAs submitted Form F.

Table 25. CC Expenditures, FY 2015-2016 (in Billion Pesos)

GAA FY 2015		OSBP FY 2016		NEP FY 2016	
Total Appropriations	CC Expenditures	Total Appropriations	CC Expenditures	Total Appropriations	CC Expenditures
532.2	133.6	636.1	143.8	609.8	132.0
<i>5.13 of GAA FY 2015</i>		<i>4.79% of NEP FY 2016</i>		<i>4.40% of NEP FY 2016</i>	

Source: NGAs Climate Budgeting FY 2016, World Bank Technical Assistance Mission meeting presentation, September 30, 2015

Table 26. CC Expenditures by Top Agencies, FY 2016 Proposed Budget

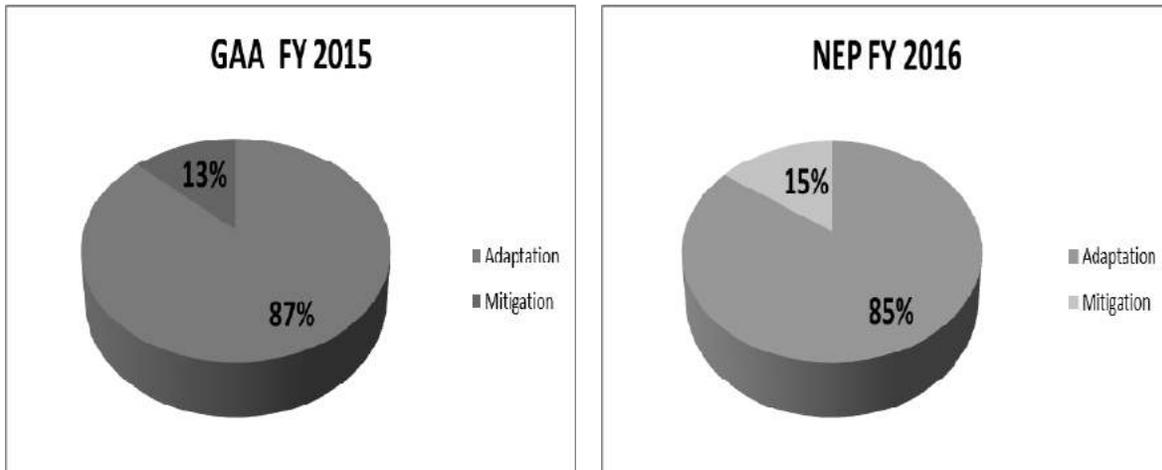
NGAs with CC Expenditures greater than P1 Billion PhP	Total Appropriations (in PhP)	CC Expenditures (in PhP)	Share of CC Expenditure (in %)
DPWH-OSEC	378,345,417	95,247,549	25.2
DENR-OSEC	18,821,938	12,909,271	68.6
DOTC-OSEC	35,887,964	8,121,266	22.6
DA-OSEC	39,888,513	7,159,092	17.9
MMDA	1,959,245	1,851,760	94.5
Total with CCET (63 NGAs)	609,752,138	131,978,714	21.6
NEP FY 2016	3,002,000,000		

Source: NGAs Climate Budgeting FY 2016, World Bank Technical Assistance Mission meeting presentation, September 30, 2015; FY 2016 National Expenditure Program, DBM

Climate change expenditures account for a small part of the national budget. These represent an even much smaller percentage of the country's GDP.

For Fiscal Year 2016, climate appropriations are focused on a few large PAPs, with more than 90 percent coming from only four Departments, namely, DPWH, DENR, DOTC, and DA. The DPWH accounts for 72 percent of climate appropriations in the FY2016 NEP, most of these for flood control protection. Other increases in budgetary allocations from FY2015 GAA are attributed to the DENR's NGP, the DOTC's LRT expansion, and DA's appropriation for irrigation and farm-to-market roads (FMRs).

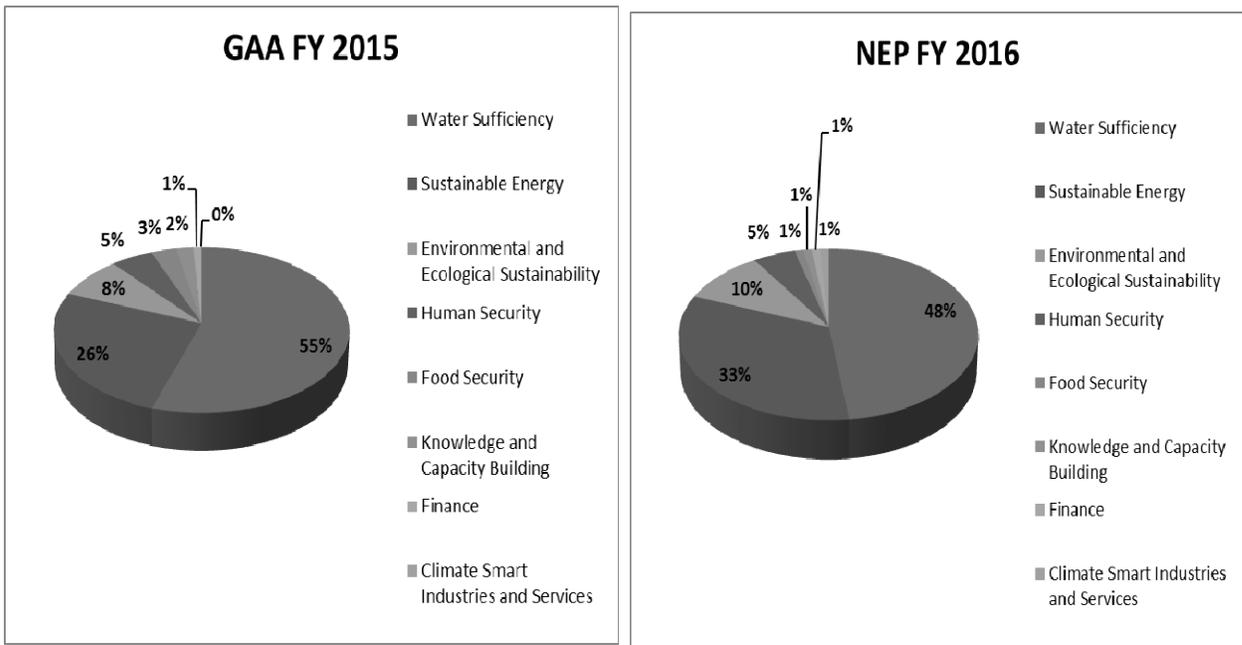
Figure 23. Share of CC Expenditures by Component, FY 2015-2016



Source: NGAs Climate Budgeting FY 2016, World Bank Technical Assistance Mission meeting presentation, September 30, 2015

The Philippines is a highly vulnerable low carbon-emitting country with no climate mitigation obligation under the United Nations Framework Convention on Climate Change (UNFCCC). As such, the country necessarily spends more for climate adaptation. Adaptation expenditures constitute up to 85 percent of the NEP FY 2016 and up to 87 percent of the GAA FY 2015. On the other hand, the expenditures for climate mitigation account for only 15 percent of the NEP FY 2016 and 13 percent of GAA FY 2015.

Figure 24. Share of CC Expenditures by Strategic Priority/Typology, FY 2015-2016



Source: NGAs Climate Budgeting FY 2016, World Bank Technical Assistance Mission meeting presentation, September 30, 2015

The strategic priorities in the National Climate Change Action Plan (NCCAP) do not necessarily correspond to the strategic priorities indicated in the Philippine Development Plan (PDP). However, the two should be harmonized, if they cannot be merged in a single planning document.

According to the Asian Development Bank's (ADB) regional review of climate expenditure requirements involving four Southeast Asian countries, including the Philippines, climate change adaptation should be approximately 0.2-0.6% of the country's annual GDP and mitigation should account for 0.6% of the annual GDP and directed to the energy, transport, and industry sectors. The latter should not include costs for mitigation measures under the agriculture and forestry sectors. (ADB, April 2009. The Economics of Climate Change in Southeast Asia: A Regional Review).

Yellow-tagged and Red-flagged PAPs in the proposed 2016 National Budget

The table below shows the results of the Alternative Budget Initiative (ABI) Environment/Climate Change Cluster's process of color tagging the programs, projects and activities in the 2016 national budget. Ideally, even Personnel Services (PS) should be covered but only Maintenance and Other Operating Expenses (MOOE) and Capital Outlay (CO) were tagged. Green tag represents ABI's advocacy programs, yellow tag represents uncertainty, and red flag represents contradiction.

The exercise found that the same PAPs that were yellow-tagged and red-flagged in the 2015 budget appeared in the 2016 budget again. The items in the CCET of the Climate Change Commission were tagged as green.

The color-coded tagging and flagging exercise derives from ABI's whole budget approach. From this perspective, the National Budget is treated as one piece or tapestry from which the parts must add up and multiply and lead to sustainable development. However, planning and budgeting, not to mention financing of plans and budgets, as usual, don't add up and in fact produce counterproductive results.

The PAPs on energy, industry, agriculture, land use change, and forestry were tagged according to their contribution to emission. Yellow-tagging yielded budgets amounting to a total of more than P126 billion. Red-flagged projects reached a whopping P835.87-B, covering easy to identify carbon-intensive PAPs, lump sum expense items, and automatic appropriations that undermine or countervail sustainable development budgeting.

Table 27. Yellow-tagged PAPs in the 2016 Proposed Budget

Dept-Office	Budget Item	Allocation (in PhP '000)
ENERGY		
DoE-OSEC	Alternative fuels and technologies development and utilization, energy efficiency and conservation	2,345
DoE-OSEC	Promotion of alternative fuels and technologies development and utilization, energy efficiency and conservation	33,220
DoE-OSEC	Implementation of the National Biofuels Program	2,792
DoE-OSEC	Regulations relating to alternative fuel sand	7,440

	technologies development and utilization, energy efficiency and conservation	
SUB-TOTAL		45,797
INDUSTRIAL PROCESSES/TRANSPORT		
DTI-OSEC	Design and development of plans, programs and policies for industry development	95,408
Dept-Office	Budget Item	Allocation (in PhP '000)
INDUSTRIAL PROCESSES/TRANSPORT		
DTI-OSEC	Formulation of plans, programs and policies relative to industrial training and national competitiveness	36,540
DTI-OSEC	Formulation and development of policies and programs on consumer education and protection	31,604
DTI-OSEC	Design and development of plans, programs and policies for bilateral, regional. And multilateral trade and economic influences and negotiations	159,530
DTI-OSEC	Development of product standards	4,842
DTI-OSEC	Research, evaluation and development of import strategies	17,130
DTI-OSEC	Promotion and development of small and medium industries in the regions	827,303
DTI-OSEC	Development of program for an effective and efficient marketing of commodities for the promotion of domestic trade	27,677
DTI-OSEC	Implementation of trade and investment promotion programs	219,015
DTI-OSEC	Identification and assessment of actual business opportunities for Philippine exporters and promoting the country as an attractive investment area	307,131
DTI-OSEC	Testing of product standards	13,657
DTI-OSEC	Issuance of business licenses, permits, registration and authorities	157,217
DTI-OSEC	Accreditation of conformity assessment bodies	6,924
DOST-ITDI	Research and Development of Technologies in Industrial Manufacturing, Mineral Processing and Energy	82,093
DOST-ITDI	Application of Research and Development Results of Technologies in Industrial Manufacturing, Mineral Processing and Energy	219
DPWH-OSEC	Management of Construction and Maintenance Equipment and Ancillary Facilities	351,444
Dept-Office	Budget Item	Allocation (in PhP '000)
INDUSTRIAL PROCESSES/TRANSPORT		
DPWH-OSEC	Infrastructure Research, Quality Control and Management, Ancillary Facilities	138,221
DPWH-OSEC	Testing Materials Needed in Road, Bridge and Building Construction and Other Public Works	97,752
DPWH-OSEC	Feasibility Study/Project Development/Preliminary and Detailed Engineering-Central Office	400,000
DPWH-OSEC	Regionwide/Nationwide - Roads - National Road Traffic Survey Program (NRTSP) - Automated Traffic Data Collection Program	118,000
DPWH-OSEC	Regionwide/Nationwide - Roads - National Road Traffic Survey Program (NRTSP) - Central Office	4,000

DPWH-OSEC	Regionwide/Nationwide - Roads - Road Condition and Inventory Surveys, Roughness Surveys and Technology Enhancement for RBIA - Road Inventory Surveys, Special Surveys and Technology Enhancement	87,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Road Condition and Inventory Surveys, Roughness Surveys and Technology Enhancement for RBIA - Visual Road Condition Assessment Program	70,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Road Condition and Inventory Surveys, Roughness Surveys and Technology Enhancement for RBIA - National Road Roughness Index Program	45,000
DPWH-OSEC	Regionwide/Nationwide-Others- Research on Construction Materials	100,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Pavement Management System (PMS) Calibration, Assessment, and Validation Program - Central Office	20,335
DPWH-OSEC	Regionwide/Nationwide - Roads - Bridge Management System (BMS) Assessment and Validation Program	47,000
Dept-Office	Budget Item	Allocation (in PhP '000)
INDUSTRIAL PROCESSES/TRANSPORT		
DPWH-OSEC	Regionwide/Nationwide - Roads - Multi Year Programming Scheduling (MYPS) Project	20,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Results Monitoring and Evaluation System	3,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Results Monitoring and Evaluation System including Travel Time Survey Program - Travel Time Survey Program	3,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Sustainability Program on Road Maintenance and Bridge Maintenance after Completion of TCP-II - Central Office	375,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Roads Projects in the MTPIP - Feasibility Study/Business Case Study for Potential Private-Public-Partnership (PPP) Projects and other High Standard Highways	100,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Roads Projects in the MTPIP - Feasibility Study of By-Passes/Diversion Road Projects	100,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Roads Projects in the MTPIP - Feasibility Study of Flyovers, Interchanges, Underpasses, other National Roads	200,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Detailed Engineering Design for National Road Projects	230,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Access Road Projects leading to Airports, Seaports, and Declared Destination	100,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Road Opening Projects including Newly Converted Roads	100,000
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and	100,000

	Detailed Engineering for National Bridge Construction/Replacement Program (Design and Build Bridges)	
Dept-Office	Budget Item	Allocation (in PhP '000)
INDUSTRIAL PROCESSES/TRANSPORT		
DPWH-OSEC	Regionwide/Nationwide - Roads - Preliminary and Detailed Engineering for Mindanao Logistics Infrastructure Network (MLIN) Projects	510,000
DPWH-OSEC	Consultancy Services for Construction Supervision for National Bridge Construction/Replacement Program	286,526
DPWH-OSEC	Project Development and Engineering Services for Autonomous Region in Muslim Mindanao	100,000
DPWH-OSEC	Others- Detailed Engineering Design Various of DPWH Infrastructure Projects	150,000
DPWH-OSEC	Road Upgrading (unpaved to paved) based on Gravel Road Strategies, Traffic Benchmark for Upgrading to Paved Road Standards (HDM-4 Project Analysis) (Intermittent Sections)	39,840,908
DOST-OSEC	General Management and Supervision	2,342,909
DOST-OSEC	Operation of the DOTC Action/Monitoring Center	13,438
DOST-OSEC	Conduct of conferences, seminars and trainings including the granting of scholarships	55,897
DOST-OSEC	Feasibility Studies including Pre-Feasibility and Development Research Studies / Project Management / Preliminary Detailed Engineering and Design of Transport Infrastructure Projects	50,000
DOST-OSEC	Issuance of Certificate of Public Convenience, granting of permits and establishments of routes	300,878
DOST-OSEC	Ports, Lighthouses and Harbors	1,205,500
DOST-OSEC	Traffic Decongestion- Roads and Bridges	458,962
ALGU-MMDA	Transport and Traffic Management	85,827
ALGU-MMDA	Traffic Decongestion	376,068
SUB-TOTAL		50,572,955
Dept-Office	Budget Item	Allocation (in PhP '000)
AGRICULTURE		
DA-OSEC	Agri-business and marketing services	49,062
DA-OSEC	Production Support Services (PSS) on the National Rice Program	3,383,457
DA-OSEC	PSS on the National Corn Program	609,636
DA-OSEC	Implementation of various production support activities	524,554
DA-OSEC	Market Development Services (MDS) on the National Rice Program	16,724
DA-OSEC	MDS on the National Corn Program	6,264
DA-OSEC	Implementation of various market development activities	128,576
DA-OSEC	Extension, Support, Education and Training Services (ESETS) on the National Rice Program	995,786
DA-OSEC	ESETS on the National Corn Program	408,062
DA-OSEC	Research & Development on the National Rice Program	854,031

DA-OSEC	Research & Development on the National Corn Program	96,895
DA-OSEC	Irrigation Network Planning and Contract Management Services- Restoration/Rehabilitation/Construction of Small-Scale Irrigation Projects for the National Rice Program	1,195,906
DA-OSEC	Irrigation Network Planning and Contract Management Services- Restoration/Rehabilitation/Construction of Small-Scale Irrigation Projects for the National Corn Program	35,525
DA-OSEC	Provision of Agricultural Equipment and Facilities (PAEF) for the National Rice Program	614,389
DA-OSEC	PAEF for the National Corn Program	1,093,042
DA-OSEC	Malitubog-Maridagao Irrigation Project Phase II (Agriculture Component)	28,087
DA-OSEC	Casenan Social Measures Project (Quirino)	70,000
DA-OSEC	Implementation and Monitoring of Payapa ay Masaganang Pamayanan (PAMANA) Program	586,786
DA-OSEC	Cordillera Highland Agricultural Resource Management Project Phase II	14,000
SUB-TOTAL		10,710,782
Dept-Office	Budget Item	Allocation (in PhP '000)
WASTE		
DPWH-OSEC	Regionwide/Nationwide - Flood Control - Feasibility Study of Flood Control and Drainage Management in Urban Centers	300,000
DPWH-OSEC	Regionwide/Nationwide - Flood Control - Road Slope Management and Implementation of Pilot Projects (RSMS) - Conduct of Inventory and Validation of Road Slope Management	6,000
DPWH-OSEC	Regionwide/Nationwide - Flood Control - Detailed Engineering Design for Flood Mitigation Structures	400,000
DPWH-OSEC	Regionwide/Nationwide - Others - Feasibility Studies of National Septage & Sewerage Management Program	10,000
DPWH-OSEC	Others-National Septage and Sewerage Program	2,000
DPWH-OSEC	Construction/ Rehabilitation of Water Supply/ Septage and Sewerage/ Rain Water Collectors	1,250,000
ALGU-MMDA	Flood Control and Sewerage Management	282,385
SUB-TOTAL		2,250,385
Land use, land-use change and forestry (LULUCF)		
N/A	N/A	N/A
SUB-TOTAL		0
UNCLASSIFIED		
DENR-OSEC	Implementation of the Payapa at Masaganang Pamayanan (PAMANA) Program	84,176
DOST-PAGASA	General Management and Supervision	203,279
DOST-PAGASA	Government Buildings (Locally-funded project)	9,000
DOST-PHILVOLCS	General Management and Supervision	98,175
DOST-PHILVOLCS	Scientific and Technical Documentation and Information Dissemination	1,900

DOST-PHILVOLCS	Multipurpose Facilities	28,000
Dept-Office	Budget Item	Allocation (in PhP '000)
UNCLASSIFIED		
DSWD-OSEC	Standards-setting, licensing, accreditation and monitoring services	58,629
DSWD-OSEC	Recovery and Reintegration Program for Trafficked Persons	23,834
DSWD-OSEC	Pantawid Pamilya Implementation of (Conditional Cash Transfer)	62,655,628
OEO-CCC	Data collection and analysis	567
OEO-CCC	Coordination meetings with stakeholders	5,874
SUB-TOTAL		63,169,062
GRAND TOTAL (in PhP'000)		126,748,981

Source: FY 2016 National Expenditure Program, DBM

Table 28. Red-Flagged High Carbon PAPs in the 2016 Proposed Budget

Dept-Office	Budget Item	Allocation (in PhP '000)
ENERGY		
DoE-OSEC	Exploration, development and production of indigenous energy resources (petroleum and coal energy resources)	5,909
DoE-OSEC	For the oil industry including natural gas	16,185
DoE-OSEC	Promotion of exploration, development and production of indigenous energy resources (petroleum and coal energy resources)	11,414
DoE-OSEC	Promotion of oil industry including natural gas	10,557
DoE-OSEC	Regulation relating to exploration, development and production of indigenous energy resources through research and scientific, physical and calibration testing	8,833
DoE-OSEC	Regulation of oil industry including natural gas	30,943
SUB-TOTAL		83,841
Dept-Office	Budget Item	Allocation (in PhP '000)
INDUSTRIAL PROCESSES/TRANSPORT		
DTI-OSEC	Design, development and implementation of plans and programs for the promotion and facilitation of export expansion schemes	91,321
SUB-TOTAL		91,321
AGRICULTURE		

DA-OSEC	Production Support Services (PSS) on the National Livestock Program	649,239
DA-OSEC	PSS on the National High-Value Crops Program	1,577,390
DA-OSEC	Implementation of various production support activities-Bureau of Animal Industry	80,047
DA-OSEC	Market Development Services (MDS) on the National Livestock Program	6,842
DA-OSEC	MDS on the National High-Value Crops Program	78,905
DA-OSEC	Extension, Support, Education and Training Services (ESETS) on National Livestock Program	304,213
DA-OSEC	ESETS on the National High-Value Crops Program	529,184
DA-OSEC	Research & Development on the National Livestock Program	32,804
DA-OSEC	Research & Development on the National High-Value Crops Program	165,000
DA-OSEC	Implementation of various agricultural research and development activities-Bureau of Animal Industry	68,441
DA-OSEC	Irrigation Network Planning and Contract Management Services-Restoration/Rehabilitation/Construction of Small-Scale Irrigation Projects for the National High-Value Crops Program	121,576
DA-OSEC	Provision of Agricultural Equipment and Facilities (PAEF) for the National Livestock Program	179,467
DA-OSEC	PAEF for the National High-Value Crops Program	446,584
SUB-TOTAL		4,239,692
Dept-Office	Budget Item	Allocation (in PhP '000)
WASTE		
DENR-OSEC	Waste Management-Development, updating and implementation of the Operational Plan for the Manila Bay Coastal Management Strategy pursuant to the SC Decision under G.R. 171947-48	80,000
DILG-OSEC	Manila Bay Clean-up	50,000
ALGU-MMDA	Solid Waste Disposal and Management, for the payment of disposal fees at the following MMDA accredited facilities:	
ALGU-MMDA	Quezon City Sanitary Landfill Facility	284,689
ALGU-MMDA	Rizal Provincial Sanitary Landfill	356,574
ALGU-MMDA	Navotas-Tanza Sanitary Landfill	352,275
SUB-TOTAL		1,123,538
Land use, land-use change and forestry (LULUCF)		
DENR-OSEC	Conduct of Special Studies, Design and Development in Support of Forestry, Mining and Environmental Management operations	149,390
SUB-TOTAL		149,390

GRAND TOTAL (in PhP'000)		5,687,782
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Source: FY 2016 National Expenditure Program, DBM

Table 29. Red-Flagged Lump Sum appropriations in the 2016 Proposed Budget

Lumpsum categories: SPF/UF/AA	Budget Item	Allocation (in PhP '000)
SPF-Allocation to LGUs	Local Government Support Fund (formerly Financial Subsidy to LGUs)	18,400,000
SPF-Contingent Fund	Fund Subsidies for Contingencies	4,000,000
Unprogrammed Fund	Support to Foreign Assisted Projects	1,500,000
Unprogrammed Fund	AFP Modernization Program	10,000,000
Unprogrammed Fund	Support for Infrastructure Projects and Social Programs	25,000,000
Unprogrammed Fund	Risk Management Program	30,000,000
Automatic Appropriations	Debt Service-Interest Payments	392,797,000
Off-Budget Item	Debt Service-Principal Amortization*	347,703,000
GRAND TOTAL (in PhP'000)		829,400,000

Source: FY 2016 National Expenditure Program; Budget Expenditure & Sources of Financing, DBM

We must focus on our vulnerabilities

The Philippines is a vulnerable archipelago located along the world's typhoon highway. This country of 30 million hectares of land and 200 million hectares of territorial waters is home to more than 100M people. From a dominantly rural population of 64M in 1990, the baseline reference of the MDG, the country is now more than 60 percent urbanized and rapidly urbanizing. More than half of its population lives along the long coastline.

The Philippines is a middle income country rich in land and marine resources. Despite continuous growth, its economy, valued at about P9.4 trillion pesos (\$224.75 billion US dollars) at current prices (World Bank 2011), is unable to provide full employment, and worse, much less decent jobs for majority of those already formally employed. The informal economy that is mostly dependent on natural resource, was instrumental for growing the economy. From 2003 onward, the level of poverty has been on upward trend. Inequality on account of location class/sector, gender, generation, physical disability, ethnicity, nationality and culture has worsened.

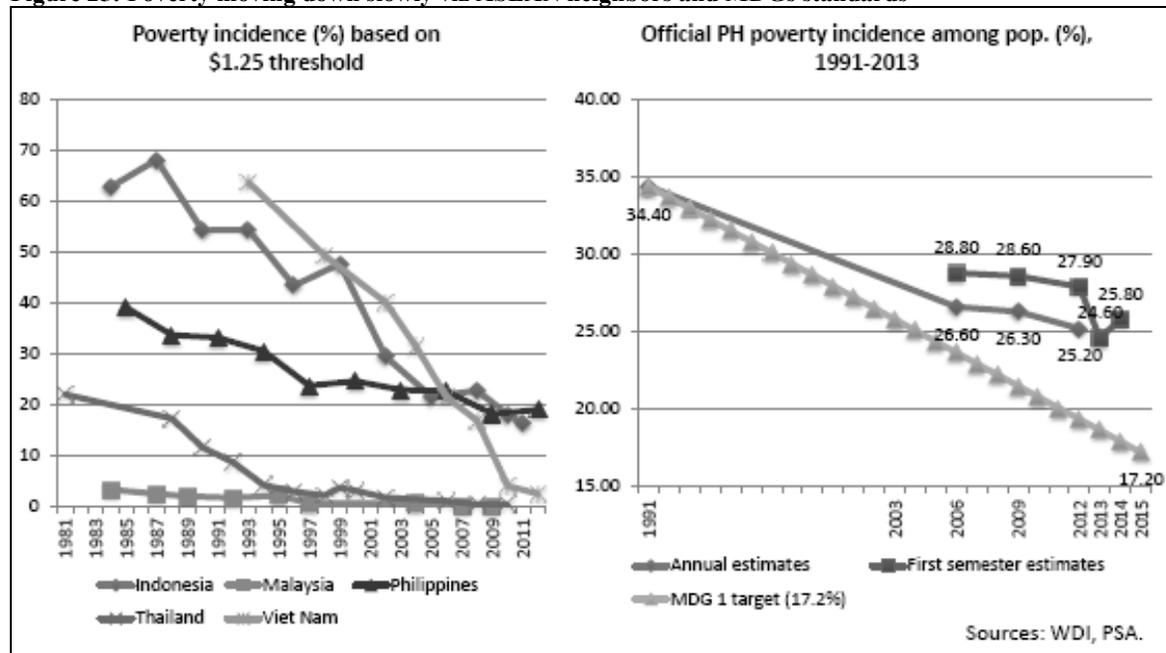
The Philippines ranks third out of the 173 countries that are most at risk, according to by the World Risk Index.² The Index not only looks into the magnitude of frequency of a natural

² World Risk Report 2012. Alliance Development Works with the United Nations University, and The Nature Conservancy; Bundnis Entwicklung Hilft (Alliance Development Works) Berlin.

event, but on the social, economic and ecological factors in a country, including its exposure to natural hazards, susceptibility, coping capacities, and adaptive capacities. Whether natural hazards will turn into disasters depends not only on the intensity of an event but on the society's level of development. There's little or nothing we can do about our country's location in the climate and weather map; we can only adapt and improve on what we have.

Poverty and inequality are at the core of our national vulnerability. At the end of the MDG, we found ourselves falling short of our minimalist target to address such vulnerability.

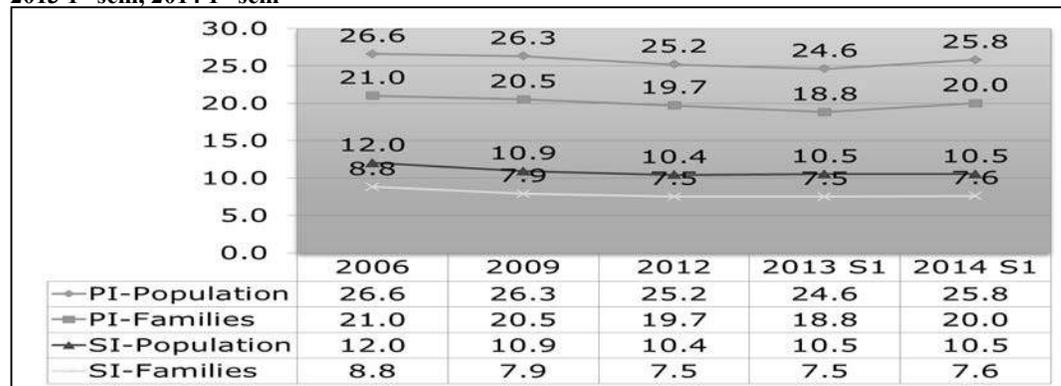
Figure 25: Poverty moving down slowly viz ASEAN neighbors and MDGs standards



Source: Balisacan, A. (2015, August 3). Sustainable Development in the Philippine Context: Performance and Challenges. Philippine Sustainable Development Solutions Launch. InterContinental Hotel Manila: Makati City

Sadly, there has been no improvement in the poverty situation for the past eight years.

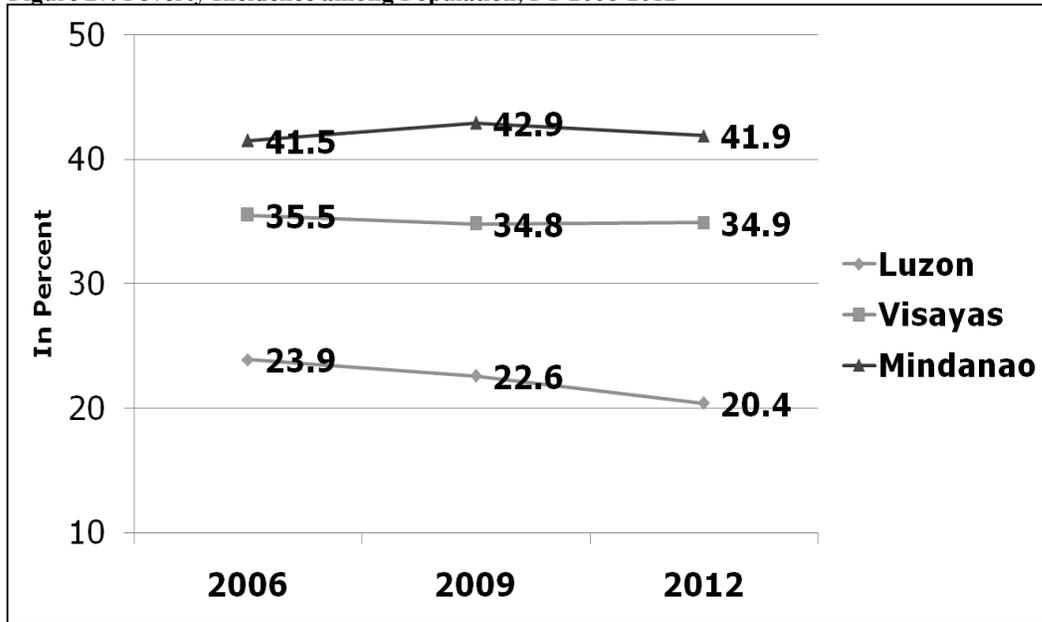
Figure 26. Poverty Incidence (PI) and Subsistence Incidence among Population (%), 2006, 2009, 2012, 2013 1st sem, 2014 1st sem



Source: Philippine Statistical Authority-National Statistical Coordination Board

As before, the poor are mostly in the Visayas and Mindanao.

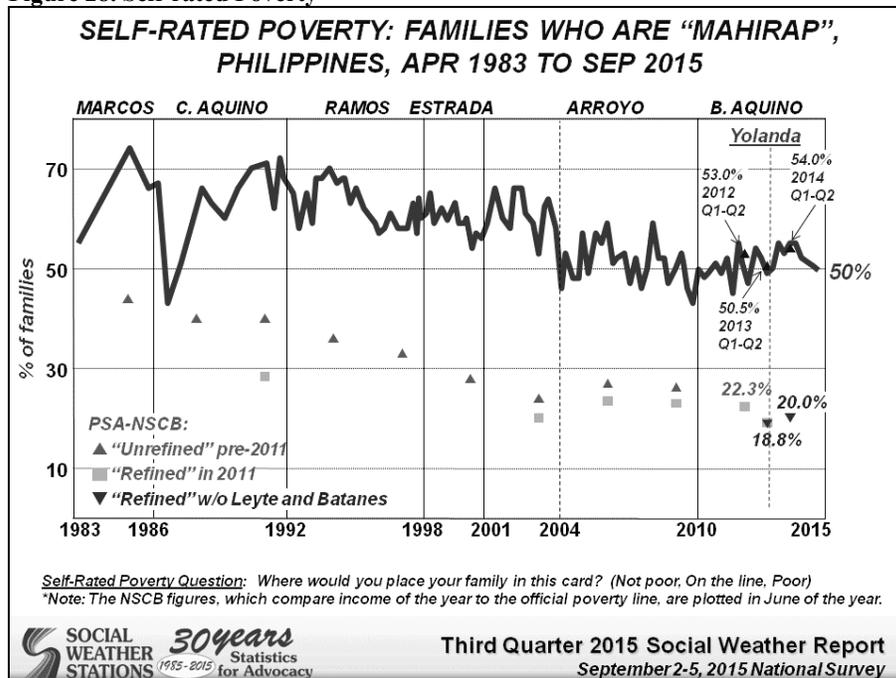
Figure 27. Poverty Incidence among Population, FY 2006-2012



Source: Philippine Statistical Authority-National Statistical Coordination Board

Self-rated poverty remained virtually unchanged.

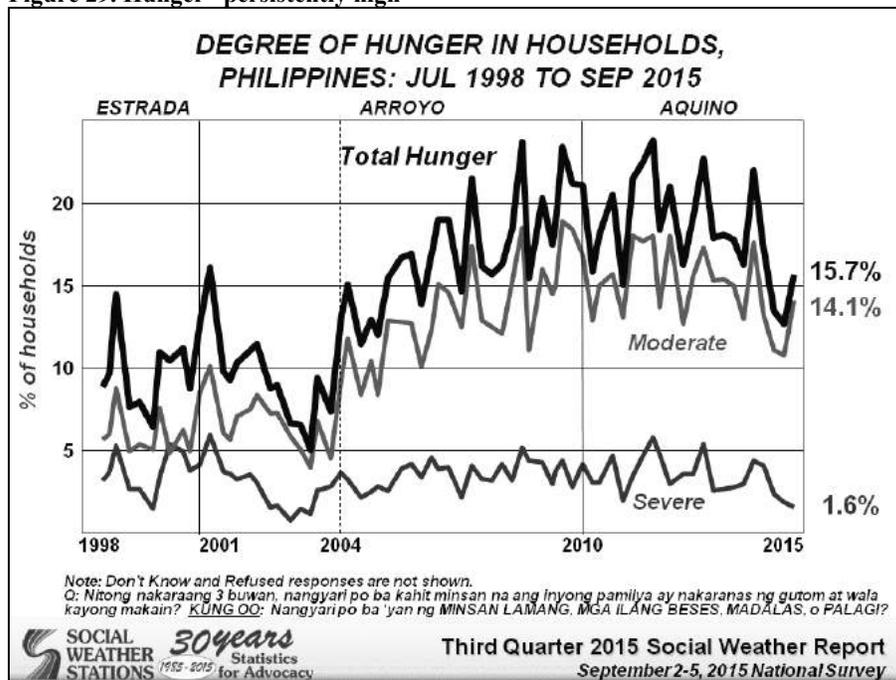
Figure 28. Self-rated Poverty



Source: Social Weather Stations, accessed at <<http://www.sws.org.ph>> on December 19, 2015

Hunger is far from ending, despite all the promises. It has stayed at high levels.

Figure 29. Hunger “persistently high”

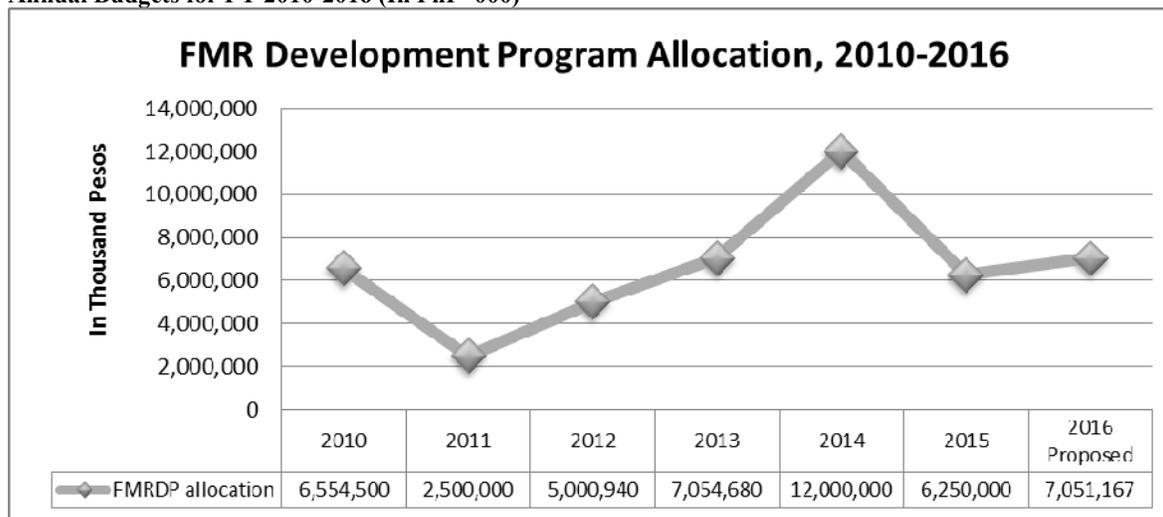


Source: Social Weather Stations, accessed at <<http://www.sws.org.ph>> on December 19, 2015

The vulnerabilities will be addressed by directing the budget expenditures on PAPs that will tackle poverty and inequality. It is strongly recommended to concentrate adequate budget on plugging the gaps in access to three essential access items: rural roads, water and sanitation, and home electricity.

About 15,000 kilometers of rural roads were the deficit at the beginning of the PNoy’s regime. Nearing its end, the administration will still need to bridge gap of 14,000 kilometers. At 10-12 million pesos/km we need only P140 billion to cover the deficit.

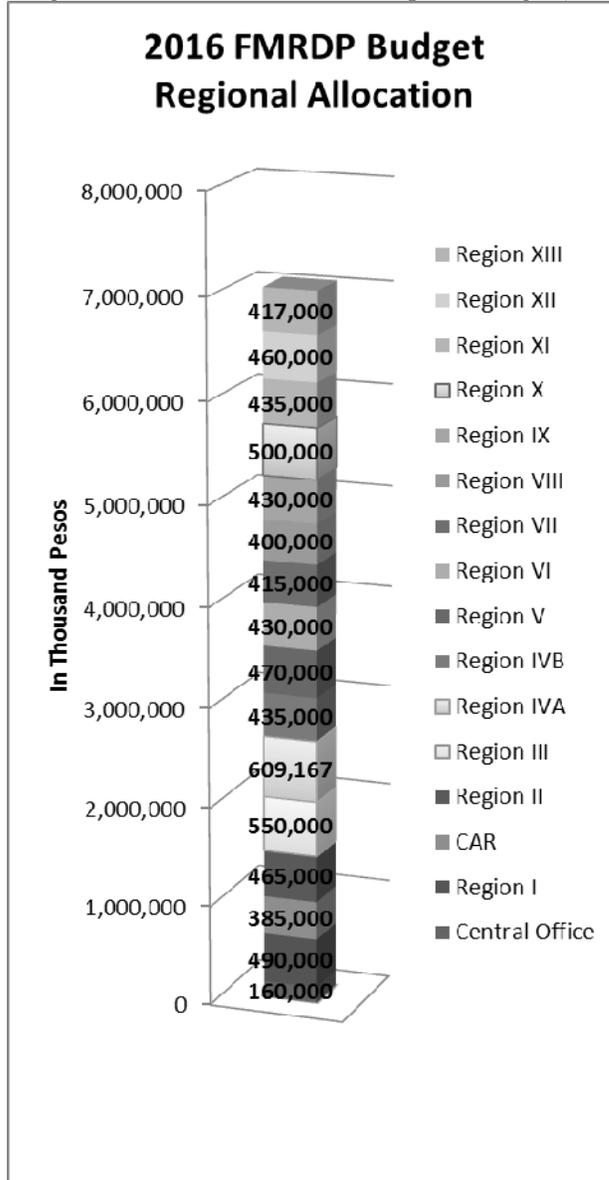
Figure 30: Farm-To-Market Road Development Program (FMRDP) Annual Budgets for FY 2010-2016 (In PhP '000)



Source: Department of Agriculture Budget, GAA 2010-2015, NEP 2016: DBM

We must build the rural roads where they are most needed. As always, Luzon, Regions IVA, III get the priority in FMR allocations. Like before, ARMM is neglected or comes out last.

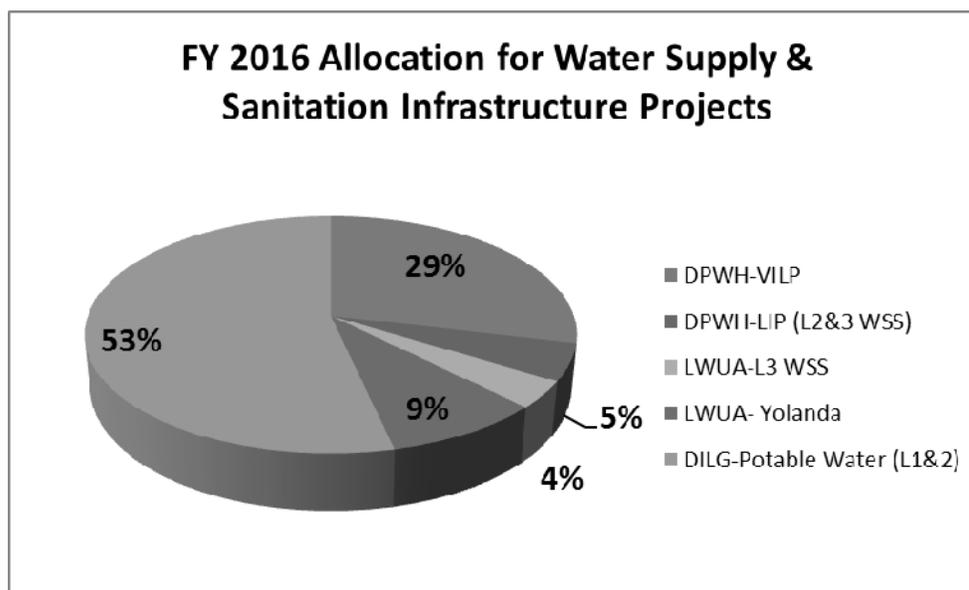
**Figure 31. Farm-To-Market Road Development Program (FMRDP)
Regional Allocation for FY 2016 Proposed Budget (In PhP '000)**



Source: Department of Agriculture Budget, NEP 2016: DBM

We can close the water and sanitation gap by pooling the budget of all line items that have anything to do with water and sanitation. Together, these will provide access to at least Level 1 or Level 2 sanitations facilities and build wherever these are needed.

**Figure 32 & Table 30: Water Supply and Sanitation Infrastructure Projects
Proposed Allocation for FY 2016 (In PhP '000)**

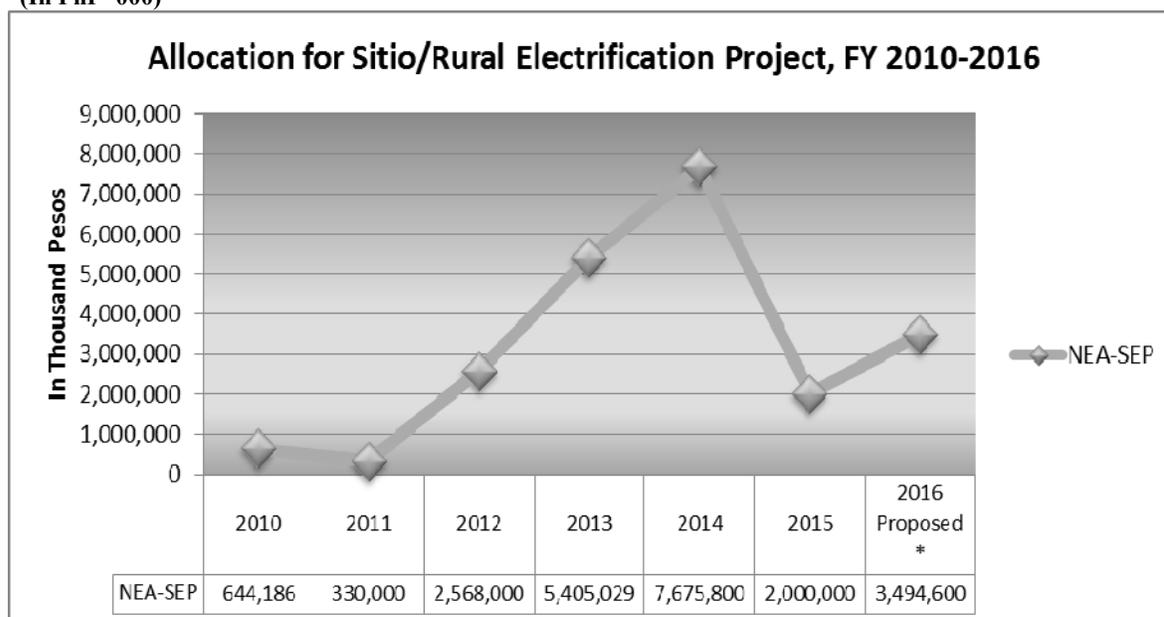


Year	DPWH-VILP	DPWH-LIP (L2&3 WSS)	LWUA-L3 WSS	LWUA-Yolanda	DILG-Potable Water (L1&2)	Total
2016 Proposed	3,142,200	552,750	403,000	991,547	5,870,852	10,960,349

Source: National Expenditure Program 2016: DBM

Electricity for every home need not be an impossible dream.

Figure 33. Allocation for Sitio/Rural Electrification Project--Annual Budgets for FY 2010-2016 (In PhP '000)



Source: National Electrification Administration Budget, General Appropriations Acts 2006-2015; General Appropriations Bill 2016

Building back better from the Yolanda tragedy is possible. This will require addressing squarely the issues raised by the Yolanda budget tracking study undertaken by the Social Watch Philippines.

1. CRRP has no definite fund source.
2. Significant delays in fund releases and slow implementation of recovery & rehabilitation plan
3. Data access and transparency is a major weakness; Poor information system management
4. Absence of a clear central and authoritative agency/body that will implement, oversee, coordinate, monitor and have strong mandate and with budget
5. Lack of citizen participation – from planning, implementation to monitoring and evaluation

The study also recommends the following measures:

- The 2016 budget should have specific allocation for the remaining funding requirements for Yolanda rehabilitation and reconstruction.
- Set up a separate agency/body with the mandate and budget to lead, supervise and coordinate government efforts to prepare for, recover from, and adapt and mitigate risks from all hazards of man-made and natural calamities.
- Establish a clear monitoring mechanism on the status of budget spending and program of work implementation.
- Develop a responsive public information system to ensure access to accurate data, transparency and public accountability of all agencies involved.
- Ensure citizen's participation.

Table 31. Environment-related Yolanda Rehabilitation and Recovery Budget Proposal under Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP)

Dept-Office	Projects	CRRP approved allocation [P167B memo approval] (In PhP)	Released Amount as of June 30 2015 (In PHP)	GAP/Variance ABI Proposal (In PhP)	Remarks
<i>Release of Environment related Yolanda rehabilitation budget under Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP): Objective to fill the budget gap between the investment requirement under the Yolanda CRRP and the remaining allocation viz. DBM reported releases as of June 2015 (P88.9 billion)</i>					
DENR-OSEC	Calamity assistance to EMB personnel (food, medicine, and clothing)	2,144,735,000	576,558,358	1,568,176,642	Remaining allocation viz DBM reported releases as of June 2015 (P88.9 billion) under the Yolanda CRRP; original investment requirement under the CRRP amounts to P2,144,735,000
	Rehabilitation of Office Building, procurement of IT equipment, food and cash for work project, rehabilitation of watershed, rental and repair of vehicles in support of operations at the PENRO, forest protection, rehabilitation and retrieval operations				
	National Greening Program – Mangrove and Beach Forest Development Program				

Source: Yolanda CRRP; Advocacy for Tracking Yolanda Funds for Resiliency & Sustainable Development, Social Watch Philippines, with the support of Christian Aid

Conclusion: Need for a radical break with business as usual

Our commitments to pursue low-carbon development and build a resilient future needs to be indicated in the national budget and how it's to be financed from year one. The 2016 PNoy budget, despite claims to the contrary, is under a business-as-usual mode.

For Agenda2030 we have committed to create a world without poverty and hunger, where there's more equality and fairness, every person enjoys good health, quality education, secure and decent means of life, sustainable human community, and free from the ravages of war, bigotry and hatred. In Paris, we have committed to an agreement to remove threats to human existence.

We would like to see these commitments are for real. We want to see our government investing in job-creating, job-securing agriculture based social economy powered by solar and renewable energy.

The ABI Environment Cluster

Aksyon Klima Pilipinas • Alyansa Tigil Mina • Association of Major Religious Superiors of the Philippines - Justice • Peace, Integrity of Creation Commission (AMRSP-JPICC) • Earth Savers Movement • Earth Day Network Philippines (EDNP), Inc. • Eco Waste Coalition • First Philippine Conservation Incorporated (FPCI) • Foundation for the Philippine Environment • Green Research • Haribon Foundation • Institute for Climate and Sustainable Cities • Kaakbay • Kasama Ka Organik Kooperatib • Kilusan Para sa Makatarungang Lipunan at Gobyerno • No Burn Coalition • One Organic Movement • Partido Luntian • Partnership for Clean Air • Philippine Federation for Environmental Concern (PFEC) • Philippine Movement for Climate Justice (PMCJ) • Philippine Rural Reconstruction Movement (PRRM) • Resilience: Nurturing Disaster-Ready Cities and Communities • Saganang Buhay sa Liga ng Bayan Foundation (SBSB) • Sagip Sierra Madre Environment Society, Inc. • Sibol ng Agham at Teknolohiya (SIBAT) • Social Watch Philippines • Tambuyog Development Center • Tanggol Kalikasan • Upholding Life and Nature (ULAN) • Unang Hakbang Foundation

Claiming our Right to Health

Reframing Universal Health Care and Primary Health Care

Alternative Budget Proposal for Health

This subchapter¹ on health proposals framework is written by ABI Health Cluster and WomanHealth Philippines from the consolidated inputs of members and partners: Mercy Fabros, May-i Fabros, Rosheic Sims, Maria Fatima Villena², Ralph Emerson Degollacion³, Jo-Ann Diosana⁴, Coalition for Primary Care and the Universal Health Care Study Group⁵

The Coalition for Primary Care raised the alarm in its Roadmap to Universal Primary Care, citing the Philippines as in the midst of a healthcare crisis. Even as infectious diseases such as tuberculosis and pneumonia persist as leading causes of mortality, a new scourge has descended upon the country with an epidemic of non-communicable diseases such as stroke, heart attack and cancer that kills 300,000 Filipinos a year.

The burden caused by these diseases has strained the healthcare delivery system to its limits, exacerbating inequities in healthcare access and health outcomes from womb to tomb. A case in point is the low utilization at only 33% of indigent households of their PhilHealth benefits, despite their full coverage, compared to the rich with 88% utilization. Even more disturbing, 66% of deaths among Filipinos are unattended by any healthcare provider.¹

Whole Government Approach to Health/Health in All Policies

Context shapes health outcomes. It is the complementation of multiple development factors that determine the nation's health. Improvement in the health sector accounts for only 20% for the change in health status, while improvements in the social conditions account for the larger 80%.ⁱⁱ It is imperative that the analysis and understanding of the health situation include not only diseases but the social determinants of health,ⁱⁱⁱ such as access to safe and potable water and adequate sanitation, food safety, food sovereignty and security, nutrition and housing, healthy occupational and environmental conditions including roads and public transportation, access to health-related education and information, gender discrimination, culture, among others.

To achieve true Universal Health Care, the social determinants of health need to be addressed as part of the comprehensive health systems approach. As such, the health and well-being of Filipinos should be approached as the responsibility of the whole government, national and local, across agencies and institution. In this way, government resources will be used most effectively and efficiently.

Health in All Policies is an approach to public policies across sectors that systematically takes into account the health implications of decisions, seeks synergies, and avoids harmful health impacts in order to improve population health and health equity.^{iv}

¹ Other ABI Health Cluster members authored alternative budget proposals (names appear in the subchapter on Alternative Budget Proposals)

² Author of subchapters on Food and Nutrition

³ Author of subchapter on Road Safety

⁴ Co-author of cited published online BusinessWorld article "Health Metrics that Matter"

⁵ Authors of cited paper entitled "Evolving Into a Universal Primary Care System"

Health equity is achieved when every person has the opportunity to "attain his or her full health potential" and no one is "disadvantaged from achieving this potential because of social position or other socially determined circumstances. To improve equity in health (including in Universal Health Coverage) it is necessary to change the underlying distribution of the role of social determinants of health.

A few basic examples of areas where change can happen:^v

- 1) Information systems - available data and information systems describe determinants and inequalities in determinants at national level, but links to health must be strengthened and subsets of indicators on health determinants need constant surveillance.
- 2) Strategic directions – Department of Health can support effective implementation of Health in All Policies through consistently embedding strategic directions in relation to health promotion and primary prevention in the health systems performance frameworks and policies.
- 3) Health promotion – Department of Health can also extend existing health promotion and prevention portfolios by:
 - a. Scaling up existing multisectoral and intersectoral work for noncommunicable diseases (NCDs), road traffic accidents, malnutrition, and maternal and child health
 - b. Ensuring disease-specific multisectoral efforts are supported by broader institutions with mandates, budgets, capacities and skills for working intersectorally

Health should go beyond the discourse of medicines and hospitals, but towards what the World Health Organization (WHO) defines as a “*complete state of physical, mental and social well-being, and not merely the absence of disease or infirmity.*” Furthermore, the recognition and fulfillment of the fundamental right of every Filipino to the highest attainable standard of health requires a shift in thinking in order to address the barriers to access health services and participation.

The country needs a clear program to address the pervasive poverty that is the root of the inequities in health status. The Philippine Midterm Progress Report on the MDGs states, “The government’s anti-poverty strategy must focus on agriculture and rural development through asset reforms (agrarian reform, urban land reform, and ancestral domain reform) accompanied by reforms in the agricultural sector, such as investments in productivity improvements and supporting infrastructure. Agrarian reform, together with agricultural modernization, will create the basis or the domestic market for national industrialization.”

The pervasive poverty and inequality that ails the country is the root of the inequity in health. The utilization of public health services is an indicator of political participation which also serves as a social exercise to gather feedback from the people.

Cause of Death	Number affected	Rate per 100,000
1. Diseases of the Heart	102,963	109.5
2. Diseases of the Vascular System	68,553	72.9
3. Malignant Neoplasms	49,817	53.0
4. Pneumonia	45,591	48.5
5. Accidents	36,329	38.6
6. Tuberculosis, all forms	24,714	26.3
7. Chronic Lung Disease	22,877	24.3
8. Diabetes Mellitus	21,512	22.9
9. Nephritis/nephrotic syndrome/nephrosis	14,048	14.9
10. Perinatal disease	12,086	12.9

Source: Slide from Dr. Antonio Miguel L. Dans, presented during the 37th Annual Scientific Meeting of the National Academy of Science and Technology “The Challenges of Non-Communicable Diseases (NCDs): Responding through Multisectoral Action.” July 9, 2015

Most of the top 10 causes of mortality and morbidity (see Table 32) may only be completely addressed by involving other agencies and employing a whole-of-government approach. However, it is still imperative that the Department of Health leads and shepherds the other national bodies and local government units in addressing the health outcomes.

One example is the deaths and disabilities caused by road accidents under the jurisdiction of the Department of Transportation and Communication (DOTC), Department of Public Works and Highways (DPWH), and other concerned government bodies. The roads are no longer safe for the people. ‘Accidents’ is constantly on the top 10 causes of deaths in the country.

Another example is food insecurity, which shapes hunger and malnutrition. These directly impact on health outcomes – stunting of growth, ailments, etc. It is thus imperative that the health outcomes should define the national food production program and therefore, health becomes an integral part of the Department of Agriculture’s mandate. A case for an agriculture-health convergence is synergy in managing Non-Communicable Diseases (NCDs) which aims to “*derive insights from information from the health sector to guide agriculture in responding to needs related to NCD management.*”^{vi}

Water, sanitation, and hygiene

The water, sanitation and hygiene (WASH) sector involves some 30 national agencies in the planning, regulation, resource management, source development, and delivery of services.^{vii} A review of the 2013-2015 budget allocation for some of the key agencies involved, such as the Department of Environment and Natural Resources (DENR), DPWH, DOH, and the Department of Interior and Local Government (DILG) indicates that funding is not yet enough to cover the remaining 3.2 million families or around 16 million individuals without

access to safe water supply in the country. Funding also remains insufficient to effectively implement key legislations such as RA 9275 (Clean Water Act), RA 9003 (Solid Waste Management Act), and the Sanitation Code.

"Water and sanitation is one of the primary drivers of public health. I often refer to it as 'Health 101,' which means that once we can secure access to clean water and to adequate sanitation facilities for all people, irrespective of the difference in their living conditions, a huge battle against all kinds of diseases will be won."

- Dr. LEE Jong-wook, Director-General, World Health Organization.

Access to safe water supply

The Philippine Millennium Development Goal (MDG) target on access to safe water supply and access to sanitary toilet facility is to ensure that, by 2015, 86.8% of the families in the country will have access to safe water supply and 83.8% will have access to sanitary toilet facility.^{viii}

Government initiatives to contribute to the attainment of the goal have been made and the 2010 Philippines' Progress Report on the MDGs suggests that the country is likely to hit the targets. *However*, the report also noted that there is uneven progress in improving access to safe drinking water in urban and rural areas.^{ix}

- The result of the 2014 Annual Poverty Indicators Survey (APIS) shows that of the 22.7 million families, 85.5% percent have access to safe water supply^x and the remaining 14.5% of families use unsafe source of water.^{xi} *Nonetheless*, there are observed disparities among regions. Only seven regions have proportion of families having access to safe water supply at par or higher than the national average ranging from 84.7 to 98.9 percent, namely: Caraga (84.7 %), Region VIII (86.5 %), NCR (90.3%), Region I (90.7 %), Region IVA (90.9 %), Region II (96.0 %), and Region III (98.9 %).
- The National Household Targeting System (NHTS) reports that 455 municipalities remain waterless.^{xii} The main sources of domestic water requirements of households in those municipalities are shallow wells, deep wells, open dug wells, springs and rivers.
- Access to at least 20 liters of clean water each day is the minimum requirement to comply with the right to water. "Not having access" to water and sanitation is a polite euphemism for a form of deprivation that threatens life, destroy opportunity and undermines human dignity.^{xiii}

Investing in water for health

Unclean water and poor sanitation have claimed more lives over the past century than any other cause.^{xiv} Water and sanitation are among the most powerful preventive medicines available to governments to reduce infectious disease. Investment in this area is to killer diseases like diarrhea what immunization is to measles—a life-saver.^{xv}

Water, sanitation, and hygiene go a long way: links to health.^{xvi}	
Diarrhea	Improved water supply reduces diarrhea morbidity by 21%. Improved sanitation reduces diarrhea morbidity by 37.5%. The simple act of hand washing at critical times can reduce the number of diarrheal cases by up to 35%. Additional improvement of drinking-water quality, such as point of use disinfection, would lead to reduction of diarrhea episodes of 45%.
Malaria	Better management of water resources reduces transmission of malaria and other vector-borne diseases.
Schistosomiasis	Basic sanitation reduces the disease by up to 77%
Trachoma	Improving access to safe water sources and better hygiene practices can reduce trachoma morbidity by 27%
Intestinal helminths (Ascariasis, Trichuriasis, Hookworm disease)	Access to safe water and sanitation facilities and better hygiene practice can reduce morbidity from ascariasis by 29% and hookworm by 4%
Japanese encephalitis	Improved management for irrigation of water resources reduces transmission of disease, in South, South East, and East Asia.
Hepatitis A	Safe food and water provide the best protections against Hepatitis A virus and Hepa E Virus ^{xvii} .
Arsenic	The key to prevention is reducing consumption in drinking-water with elevated levels of arsenic, by identifying alternative low arsenic water sources or by using arsenic removal systems
Fluorosis	Coverage for both improved water supply and sanitation lags behind in the poorest communities - in rural areas and in urban/peri-urban slums

“Lack of financing in the Philippine water sector remains one of the biggest constraints to achieving total service coverage in the country.”^{xviii} The World Bank estimates that PhP 93 billion is needed until 2025 for Filipinos to have access to clean water.^{xix} The PhP 93 billion requirement is feasible considering that it accounts for only 10% of the entire budget of the Department of Public Works and Highways (DPWH).^{xx}

The 2006 UNDP Human Development Report says the sources of the problem vary by country: (1) few countries treat water and sanitation as a priority, as expressed in budget allocations; (2) some of the world’s poorest people are paying some of the world’s highest prices for water, reflecting the limited coverage of water utilities in the slums and informal settlements where poor people live; (3) the international community has failed to prioritize water and sanitation in the partnerships for development that have coalesced around the MDGs.

Sanitation and Hygiene

Every day, 41 million Filipinos get ready for work.^{xxi} As part of their morning ritual, they probably all went to the bathroom to unload. Using the latest official data, about eight out of 10 of them go to a toilet facility connected to a septic tank.^{xxii}

More than 20 million Filipinos do not have access to proper sanitation, and about 7 million practice open defecation. The Water and Sanitation Program Sustainable Sanitation for East Asia study (SuSEA 2008) reported that the design of most septic tanks does not conform to the standards prescribed by the Department of Health (DoH).

You may disagree on the number of Filipinos with actual access to sanitation facilities. But the question that needs to be asked is where does human waste go?

Government data show that more than 90% of the country's sewage is not collected or treated properly.^{xxiii} This raw sewage ends up in open water bodies contaminating our water sources. This is a concern even in highly urbanized cities. In Metro Manila, only 7% of the population has access to piped sewerage.^{xxiv} The reality is that many Filipinos who have toilets do not have septic tanks; or if they do, these have open bottoms. Worse, septic tanks may not be regularly desludged; and if sludge is removed, treatment and disposal is still a concern.

The loss in lives, time, income and other resources brought about by poor collection and disposal of human waste should be a serious concern for the Philippine government.

- Around 55 people die every day in the Philippines due to water-borne diseases.^{xxv}
- Two thirds of the estimated economic losses are attributed to the health impact of poor sanitation. In rural Philippines, the economic costs amounted to US\$1.4 billion or PhP 47.8 billion annually, or 1.5 per cent of the country's GDP.^{xxvi}
- Damage to the environment affects the ecosystem and biodiversity.

Different government bodies have multiple initiatives to come up with a comprehensive sanitation plan but the Philippines still has not invested much on proper sewage collection and treatment. For instance, the National Sewerage and Septage Management Program allocation began in 2013, with a total budget of P5.6B as the 40% National Government subsidy spread until 2020. Aside from limiting the program to the 17 Highly Urbanized Cities and for sewerage projects only, the 2014 and 2014 allocation of PhP300 million have not been downloaded to the local government units.

The problem lies in the fragmented approach on sanitation,^{xxvii} and until this is addressed, the diseases and deaths brought about by contaminated water and land will continue to rise.

Food and Nutrition

“The ultimate objective of the right to adequate food is to achieve nutritional well-being. Nutritional well-being is dependent on parallel measures in the fields of education, health and care. In this broader sense, the right to adequate food is to be understood as the right to adequate food and nutrition.” (Code of Conduct on the Human Right to Adequate Food, 1997)

Unprecedented economic growth has been recorded in recent years. Despite this, poverty and consequently hunger plague the country until now. In fact, the Philippine Development Plan launched in 2012 admitted that hunger is still one of the serious problems that need to be addressed. The international hunger ratings show that the Philippines is 29th in the world in terms of hunger incidence (13.1 with the category “serious”), and that the country lags behind Thailand, Malaysia, Vietnam and Indonesia.^{xxviii} The rating since two decades ago has not improved.

Assessing adequate and nutritious food continues to be a challenge in most parts of the country both in terms of under and over nutrition, with women and children faring worst. While there has been a minimal decrease in the number of underweight children from (20.7% in 2007 to 20.2% in 2011), wasting increased between 2003 and 2011 from 6% to 7.3%. It is

estimated that 7.36 million children in the country are malnourished.^{xxxix} Some 4 million children in the country suffer from stunted growth, ranking the Philippines 9th in the world in this regard.^{xxx} The Autonomous Region of Muslim Mindanao (ARMM) has the highest prevalence of underweight children.^{xxxi} Child health and nutrition lie at the core of child development, and in the long run, of national development. Malnutrition and poor health during the critical, early stages of children's lives deeply impact their intellectual and physical development, diminishing their productive capacity as adults.

According to the 2013 World Food Insecurity Report of the Food and Agriculture Organization (FAO), 15.6 million Filipinos were undernourished from 2011-2013, making the Philippines the second biggest malnourished population in Southeast Asia, next to Indonesia.^{xxxii} In the Social Weather Station (SWS) survey in the fourth quarter of 2014, 3.8 million households said they experienced hunger, 13.2 percent experienced moderate hunger while 4.1 percent experienced severe hunger.^{xxxiii}

Pregnant women with children less than 5 years old are also vulnerable, particularly to malnutrition, with close to 12% of lactating mothers underweight.^{xxxiv} Poor nutrition of mothers, both before and during pregnancy, has a direct impact on child development. The effects of malnutrition are permanent, irreversible, and fatal. The lack of access to adequate and nutritious food has detrimental effect on future generations. They persist even during adulthood. It lowers the physical work capacity of adults and diminishes their intellectual performance throughout their entire lifetime. It is the cause of the early onset of chronic degenerative diseases in adulthood.

Conflict and disaster-affected areas are greatly affected by hunger and food insecurity. This could be seen in the SWS survey in 2013 after Super typhoon Yolanda devastated Visayas where 52 percent of Filipinos self-rated themselves as food poor. In 2014, the United Nations World Food Programme (WFP) verified this data with 27 percent of the population in Yolanda-affected areas remained food insecure.

The Philippines is evidently a food insecure nation despite its biodiversity and being an agriculture country. Availability and access to food and food systems are beyond reach by the most vulnerable sectors. Agricultural outputs remain at three percent for almost 30 years now and this is partly due to government's inability to provide strong support services, especially to small and medium farmers.

An annual growth rate of 2% a year (one of the highest in the world) combined with the steady decline of agricultural productivity and food production in the last three years further contributes to persistent hunger and food security problem in the country. The government's policy of encouraging rice self-sufficiency is commendable. However, reality dictates that not enough food is accessible to meet the demands of the people. As a result of which, considerable amounts of rice are being imported.

In order to keep pace with the growing population, the country would have to significantly increase its rice production. Moreover, it would be more effective if the self-sufficiency program will focus not only on rice but to include a diverse range of other staple food. It would also be beneficial if the budget allocated to encouraging rice self-sufficiency was shared to other sectors, such as fisher folks and coconut farmers who are most vulnerable.

Ironically, agriculture workers are vulnerable to hunger due to low rural incomes. Lack of access to productive resources such as land, seeds, water and capital, the vulnerability of the sector to climate change, as well as the armed conflict in some areas of the country had significant impact on their ability to earn a living. Coconut farmers are the poorest agriculture sector and more defenseless to the impact of extreme weather events.

If food security is a problem, then the Filipinos' nutrition is at risk. Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.^{xxxv}

Scanning through the environment of food security and nutrition discourse, most food, health, environment and human rights advocates and movements right now have pitted the framework of food sovereignty against food security. The limitation of food security, according to activists/advocates/movements, is that the central causes of hunger and malnutrition are not being addressed and that a temporary solution of food assistance becomes the order of the day.^{xxxvi}

Food security needs to be tightly connected to nutrition.

The human right to adequate food and nutrition (RtAFN) framework is a recent development. Movements recognize how the WHO and FAO addressed in a fragmented way, the food security and nutrition problems and developed the framework.

It has become a norm among government programs to reduce the *right to food* to the *right to access food stuffs/commodities or calories* especially under the form of food assistance and handouts. However, the government refuses to recognize their obligations to respect, protect and fulfill international or even national human rights law on food and nutrition.^{xxxvii} Another impact is that the interventions developed and promoted such as the provision of food supplements, rich in micronutrients, are passed off as “nutrition”, which should not be the case.

The focus of this proposal will be to ensure the availability, accessibility and quality of food thru the RtAFN. However, there is still a need to look at the holistic nature, and focus on the root causes of hunger and malnutrition to progressively realize it as a human right.

“Food security exists when all people at all times have physical, economic and social access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. The nutritional dimension is integral to the concept of food security”
– Committee on World Food Security (CFS).^{xxxviii}

Within the RtAFN framework, adequate food/nourishment goes beyond mere ingestion of agricultural products or nutrients but the digestion and transformation into body and life.^{xxxix}

The act of feeding family and communities is a social process of transforming nature/food into human nature (i.e. well nourished, healthy, happy, active women and men citizens) reaffirmed in their cultural identity and human dignity.^{xl}

According to the 2012 Food and Nutrition Status in the Philippines, there are five major nutrition problems in Asia and the Pacific Region: (1) Low birth weight; (2) Early childhood growth failure; (3) Anemia; (4) Iodine deficiency disorders; (5) Vitamin A deficiency.^{xli}

In the Philippines, the PDP 2012 identified the country's nutrition problem as:

1. Hunger
2. Malnutrition
3. Overweight, Obesity^{xlii}

The government's strategy is multi-thronged with special focus given to the rural poor's access to resources. On the food security side, various agencies were tasked to produce food work by providing the following: farm to market roads, transport facilities, distribution centers, marketing outlets. On the nutrition side, the interventions are more on supplementation, fortification of food products, food assistance and subsidies and handouts.

Several factors affecting hunger in the Philippines as stated in the draft report of CSOs during the visit of Ms Hilal Elver, UN Special Rapporteur on the Right to Food are:

1. Inflation
2. Unemployment and underemployment
3. Growing population with the steady decline of agriculture productivity
4. Land grabbing affecting indigenous peoples and small holder farmers
5. Lack of government assistance to small holder agriculture
6. Lack of government assistance to the following vulnerable sectors: municipal/artisanal fisherfolk, urban food insecurity of informal sector, women, children, PWDs, conflict and disaster-affected areas
7. Environmental abuse
8. Incoherent government policy on farmer seed system^{xliii}

In various materials reviewed, the global challenges that will greatly affect local food production and security are the following:

1. Competition on agricultural land: urban development (real estate development); mono-crop/GMO plantations
2. Climate change: Agroecology as a frame and approach
3. Agricultural free trade as solution to food and nutrition insecurity
4. WHO and FAO following a fragmented conceptual approach to nutrition and food security
5. Corporate control over the public sphere and people's resources (transnational corporations lording over food and food systems)

The following are the recommendations from the CSO draft report^{xliv}:

1. Support House Bill 3795 (Zero-hunger bill)
2. National Food Policy (executive branch)
3. Strict enforcement of land rights
4. Government assistance to small holder agriculture: Food security and rice sufficiency program ; Agricultural and Fisheries Modernization Act (AFMA) implementation; National Land Use Act passage into law
5. Seed conservation
6. To UN: call for a sustainable fisheries management (i.e. community-based control resource management - CBCRM)
7. Ensure social protection programs for the urban poor/informal sector
8. Address needs of women, children and PWDs
9. Environmental reforms/push for climate justice
10. Government attention to Mindanao

Roads: A Public Health Concern

World Health Organization Western Pacific Region Road Safety Fact Sheet, September 2015^{xlvi}

- About 337,000 people die each year as a result of road traffic crash in the Western Pacific Region.
- In the Philippines, 7,000 people die each year and thousands more are injured due to road traffic crash. The common causes of fatalities are driver's error, defective vehicle condition, and bad road conditions.
- Road traffic injury is the leading cause of death among people aged 15–44 years.
- 95% of the region's fatalities from road accidents occur in low- and middle-income countries. Ironically, the vehicles in these countries comprise only two-thirds of the region's total vehicles plying the roads.
- 69% of those dying on the world's roads are “vulnerable road users”: pedestrians, cyclists and motorcyclists.
- According to the DOTC, there are around 7.5 million vehicles registered in the Philippines (as of 2012) and it is growing by 4.4% annually. They've also issued around 13 million drivers licenses nationwide (as of 2013).^{xlvi}
- Motorized 2 and 3-wheelers now comprise over 50% of the country's registered vehicles.^{xlvi}
- Riders of motorcycles experience the highest incidence of road traffic crash and injuries.^{xlvi}
- Road traffic crash continues to have a considerable impact on the country's GDP with an estimated 2.6% losses every year.^{xlvi}
- RA 8794 or the Motor Vehicle User's Charge on Owners of all Types of Motor Vehicles Law allocates 7.5% of total collection for the Road Safety Fund. In 2012, this amount is equal to PhP 800 million out of the total PhP 11.7 billion collected from vehicle registrations.¹

Roads and Access to Health Services

- The MDG on maternal health is unlikely to be achieved. The 2011 Family Health Survey revealed that maternal mortality rate increased from 162 to 221 between 2006 and 2011.
- Some of the biggest roadblocks to health care in remote areas of the Philippines are the roads themselves^{li}. Inadequate infrastructure is detrimental, particularly to pregnant women.
- “The solution might not be building all these birthing centers. The solution is really to build roads.”^{lii}
- Hemorrhage is the most common cause of death during childbirth. In the rural areas, when hemorrhaging and other birth-related complications arise, it is difficult to receive emergency obstetric care due to poor road conditions and inadequate means of transportation.^{liii}
- The 2013 National Demographic and Health Survey reports that access to a health facility is the third biggest problem in getting health care among women aged 15-49.
- Access to health services is generally better in urban areas where infrastructure is better.

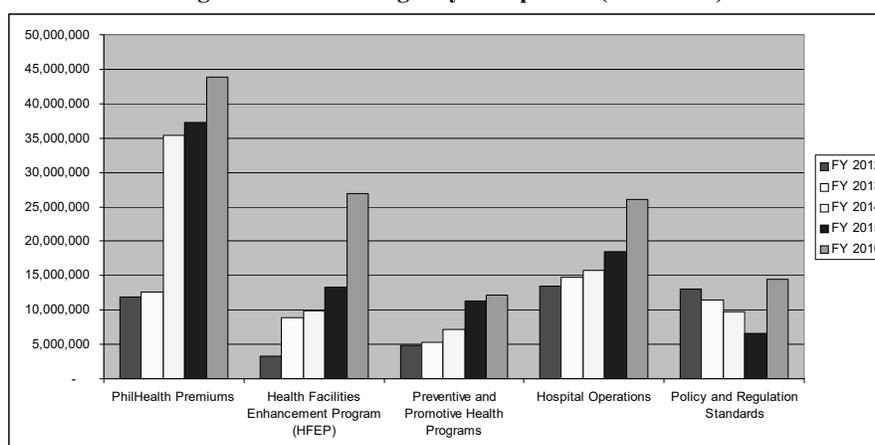
Underinvestment in roads: Only 14% of local roads are paved, compared to 69% of national roads^{liv}For the FY 2016 ABI alternative proposal, the ABI

Environment/Climate Change Cluster proposes an estimated PhP 140 Billion for the construction of rural roads about 14,000 kilometers that costs PhP 10-12 million pesos per kilometer. This 14,000-km farm to market roads are part of the Aquino Administration's commitment. Thus far, around 2,000 have already been constructed.

Examining the Health Resources

“Perhaps 80% of essential care and 70% of desirable health interventions can be delivered at the primary level, but an average of only 10% of health resources are used for primary level care in Asia. Six countries in the Asia Pacific region spent less than 20% on primary health care.”^{lv} (See Table 33 on the DOH budget by key components.)

Figure 34. DOH Budget by Component (2012-2016)



In DOH's comparative analysis of its interventions from the 2010 GAA to the 2014 NEP, the following budget line items were clustered as primary prevention and health promotion: Health Promotion;

- Environmental and Occupational Health;
- Family Health and Responsible Parenting;
- Foreign-Assisted Projects;
- Locally Funded Projects;
- Women's Health and Safe Motherhood II – This has no allocation in 2015.
- Expanded Program on Immunization;
- TB Control;
- Rabies Control Program;
- Elimination of diseases as public health threat such as malaria, schistosomiasis, filariasis, leprosy;
- Implementation of various projects for LGUs – This has no allocation in 2010-2012.
- Quarantine Services and International Health Surveillance;
- Operations of Philippine National AIDS Council Secretariat;
- Public Health Development Program including formulation of Public Health Policies and Quality Assurance;
- Implementation of Doctors to the Barrios and Rural Health Practice Program;
- Non-Communicable Disease Prevention and Control;

- Other infectious diseases and emerging and re-emerging diseases including HIV/AIDS, dengue, food and water-borne diseases;
- Support to Regional Delivery Services; Assistance to the Philippine Tuberculosis Society;
- Monitoring and Evaluation of BuB Projects – This has no allocation in 2010-2014.
- LGU facilities (BHS/RHUs);
- LGU facilities (provincial/district hospitals) – This has no allocation 2010-2013.

The DOH performance indicators and targets for the FY 2016 budget determine the direction of the health system – on both public health service provision and public health administration. Public health administration looks at the implications on health of other policies and programs – water and sanitation, roads, public transportation, food safety, food sovereignty and food security, gender discrimination, culture, among others. Meanwhile, direct health service delivery programs – immunization, health promotion, food and drug regulation, health facilities, health human resources, among others are supposedly evident in the DOH annual budget.

Beyond mortality and morbidity, the DOH budget should also put premium on wellness and well-being, both in its 2016 budget and the health implications in the use or misuse of public funds by other national agencies.

Table 33. DOH FY 2016 Budget Physical Targets

Particulars	2016
National Health Insurance Program	Php 43,836 M
No. of NHHS-PR Indigents covered	15.4 M
No. of Senior Citizens enrolled	2.8 M
Health Facilities Enhancement Program	Php 26,984 M
No. of Barangay Health Stations upgraded	
Birthing Facilities	3,886
PHC-TSE KAP Accredited BHS	796
Rural Health Units/ City Health Centers	2,623
School-Based BHS	3,200
Preventive and Promotive Health Program	
Health Human Resource	Php 7,073 M
Doctors	946
Nurses	15,727
Midwives	3,100
Dentists	324
Public Health Associates	713
Medical Technologists	308
National Immunization Program	Php 3,990 M
No. of children fully immunized	2.2 M
No. of pneumococcal vaccines provided	
infants	428,000
senior citizens	1.2 M
Family Health and Responsible Parenting	Php 3,275 M
<i>of which:</i>	
Micronutrient Supplementation	
No. of children below 5 years old provided with vitamin A	4.4 M
Family Planning	
No. of clients provided with FP commodities & services	2.7 M
TB Control Program	Php 1,080 M
No. of cases treated	253,381
Treatment of Public Health Diseases	Php 793.0 M
No. of persons treated:	
Malaria (No. of Diagnosed & Treated cases)	3,685
Schistosomiasis (No. of mass drug treatment)	2.48 M
Filariasis (No. of mass drug treatment plus ICT and disability kit)	17.9 M
Other Infectious Diseases	Php 1,058 M
No. of HIV/AIDS cases diagnosed and given treatment	35,000
Hospital Staffing Standards	Php 4,336 M
No. of Positions	3,488

The Health Sector Allocation

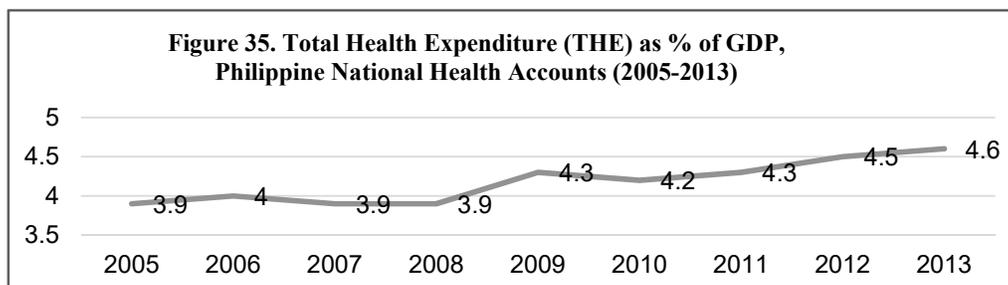
Particulars	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 Adj- usted	2016 Pro- posed
Department/Agencies	12.08	12.18	15.09	15.66	22.20	26.35	31.92	44.90	42.11	48.40	90.31	127.13
Department of Health	10.43	10.56	13.42	14.55	21.15	25.17	30.62	43.47	40.48	48.40	88.41	125.06
Other Executive Offices: Dangerous Drugs Board	0.173	0.122	0.160	0.185	0.139	0.146	0.172	0.171	0.183	0.185	0.1999	0.1959
Department of Agriculture: National Nutrition Council	0.46											
Department of National Defense: AFP Medical Center; Veterans Memorial Medical Center	1.33	1.39	1.37	0.687	0.747	0.792	0.864	0.837	0.949	1.017	0.9158	1.11
Department of Science and Technology: Food and Nutrition Research Institute; Phil. Council for Health Research and Development	0.102	0.101	0.134	0.230	0.164	0.240	0.270	0.422	0.492	0.705	0.789	0.761
Budgetary Support to Government Corporation: Local Water Utilities Administration; Lung Center of the Philippines; National Kidney Transplant Institute; Philippine Children's Medical Center; Philippine Heart Center; Philippine Institute for Traditional and Alternative Health Care; Philippine Health Insurance Corporation	1.77	3.89	3.13	2.91	1.19	4.65	8.58	1.29	0.948	36.58	2.69	2.34
Other Special Purpose Funds: Allocation to Local Government Units; Municipal Development Fund; Municipal Development Fund; Premium Subsidy for Indigents under the NHIP; Miscellaneous Personnel Benefits Fund; Calamity Fund; Rehabilitation and Reconstruction Program; Tax Expenditure Fund; Priority Development Assistance Fund; Health Facilities Enhancement Program*	0.010	0.005	.024	0.076	0.022			4.363	16.96		3.25	3.25
Note: 2005-2012 are actual budgets copied from the Senate LBRMO Budget Facts and Figures "Health Sector: Budget Analysis" 2013 (actual), 2014 (actual), 2015 (adjusted), and 2016 from the BESF added by authors *Originally reported in the BESF under Priority Social and Economic Projects Fund but was transferred back to the DOH												

This accounting of health sector initiatives and allocation across governments is guided by the indicators set forth in the Philippine Development Plan.

The health sector is valued in terms of the immediate thrust of the DOH, government hospitals, anything that has to do with drugs, the Local Water Utilities Administration, food and health research units, and other special purpose funds that can be used to provide direct health service. This is a narrow appreciation and understanding of the health sector, and as such limits the synergy and intersection of resources and mandates of the different government branches, agencies and institutions.

There is a huge discrepancy between the actual health expenditures in the Philippine National Health Accounts by the National Statistical Coordination Board (NSCB) and the Health Sector Allocation in the Budget Expenditures and Sources of Financing (BESF) by the Department of Budget and Management (DBM). The discrepancy is due mainly to the inconsistency in the items considered as part of the health expenditures. An analysis done by the Senate Legislative Budget Research and Monitoring Office (2013) stated that the NSCB

considered other health-related activities such as the allocation for the Philippine General Hospital, which the DBM reports as part of the State Universities and Colleges allocation.



*Source: National Statistical Coordination Board (NSCB) as of August 2015.
Data on the 2012 THE has been revised*

The percentage to the country's GDP of the Total Health Expenditure (THE) has been increasing from 2010 to 2013. The NSCB reported that the 2013 THE of 4.6 percent is higher than the 4.5 percent target as contained in the cycle 1 (2010-2016) of the 2010-2020 Health Care Financing Strategy (HCFS) of the Department of Health (DOH). However, the Philippines has consistently fallen short of the recommended 5-6% of GDP allocated to health.^{lvi lvii lviii}

Table 35. National Health Accounts, Selected Asian Countries (2010-2013)

Countries	Total Health Expenditure as % of GDP				Health Expenditures, Public (as % of total health expenditures)				Out-of-pocket health expenditure (% of private expenditure on health)			
	2010	2011	2012	2013	2010	2011	2012	2013	2010	2011	2012	2013
Indonesia	2.9	2.9	3.0	3.1	37.7	37.9	39.6	39.0	75.8	76.3	75.1	75.1
Malaysia*	4.0	3.9	4.0	4.0	57.3	54.9	55.2	54.8	76.8	77.8	78.0	79.9
Philippines (World Bank Open Data)*	4.2	4.3	4.4	4.4	37.2	30.5	30.4	31.6	83.6	83.0	82.8	82.9
Philippines (PNHA)*	4.2	4.3	4.5	4.6	37.2	30.4	31.1	31.8	62.8	57.7	57.2	56.3
Thailand*	3.8	4.1	4.5	4.6	74.6	77.7	79.5	80.1	55.9	55.8	56.7	56.7
Vietnam	6.4	6.2	6.0	6.0	46.5	45.2	42.6	49.1	83.9	83.2	85.0	85.0

Source: Congressional Policy and Budget Research Department, House of Representatives. Agency Budget Notes, Department of Health (For FY 2015) citing World Bank Open Data. Philippine data from PNHA was added by the authors retrieved from http://www.nscb.gov.ph/stats/pnha/publication/NSCB_PNHA%202005-2011.pdf.

*Major revisions done on data based on the World Bank Open Data as of October 2015

Note: Public health expenditure consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants (including donations from international agencies and nongovernmental organizations), and social (or compulsory) health insurance funds.

Health expenditures, Public: aggregate of local, national, social health insurance, and grants

Despite the slight decrease in the total health expenditure, private sources are still the major contributors, especially Filipino households. From 57.2 percent in 2012, the proportion of out-of-pocket share in 2013 was 56.3 percent

Table 36. Total Health Expenditure by Source of Funds, 2011-2012	AMOUNT (in million pesos, at current prices)		Percent Share in the Total Health Expenditure (2012)	Percentage Share in the Total Health Expenditure (2013)	Growth Rate
	SOURCE OF FUNDS				
	2012 ^{1/}	2013			
GOVERNMENT	89,934	99,684	19.1	18.9	10.8
National Government	55,694	62,827	11.8	11.9	12.8
Local Government	34,240	36,857	7.3	7.0	7.6
SOCIAL INSURANCE	52,570	60,440	11.2	11.5	15.0
National Health Insurance Program	52,457	60,365	11.1	11.5	15.1
Employees' Compensation ^{2/}	112	74	0.0	0.0	(33.9)
PRIVATE SOURCES	324,618	358,984	68.9	68.2	10.6
Private Out-of-Pocket	269,419	296,539	57.2	56.3	10.1
Private Insurance	7,086	9,247	1.5	1.8	30.5
Health Maintenance Organizations	32,273	36,535	6.9	6.9	13.2
Private Establishments	11,603	11,752	2.5	2.2	1.3
Private Schools	4,236	4,911	0.9	0.9	15.9
REST OF THE WORLD	3,987	7,235	0.8	1.4	81.5
Grants	3,987	7,235	0.8	1.4	81.5
ALL SOURCES	471,108	526,342	100	100	

Source: National Statistical Coordination Board
1/ Revised
2/ the abrupt decrease is due to SSS' temporary stoppage of processing and payment of medical services
2/ Percent share less than 0.03 in 2012-2013

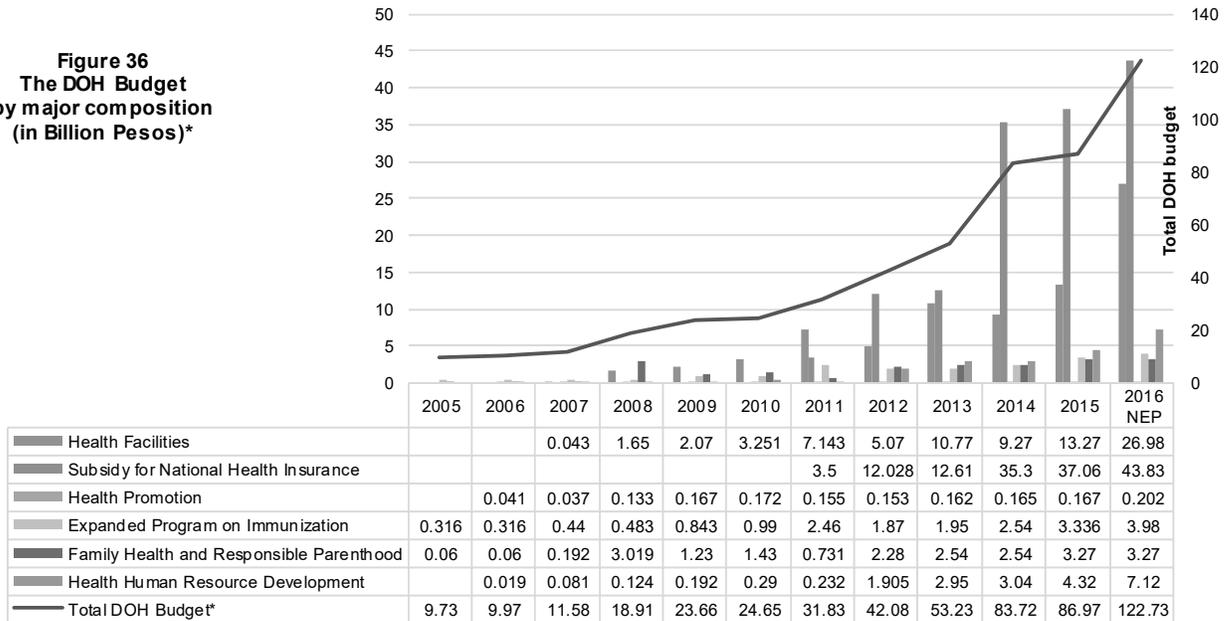
Source: Department of Budget and Management, "Sin Tax Funds: Tungo sa Wastong Paggugol." September 25, 2015

Table 37. Health Care Financing Indicators: Target Versus Actual Levels, 2012-2013			
Indicators	Target ^{1/}	PNHA Estimates	
		2012 ^{2/}	2013
Total health expenditure as percentage of GDP	4.5	4.5	4.6
Government spending on health as percentage of total government spending	6.0	4.9	4.9
Out-of-pocket health spending as percentage of total health expenditure	45.0	57.2	56.3
Local government spending as percentage of the total health expenditure	11.0	7.3	7.0
Local government spending for public health (in billion pesos)	29.0	15.5	16.6
National government spending as percentage of the total health expenditure	10.0	11.8	11.9
National government spending for public health (in billion pesos)	10.0	22.4	21.8
PhilHealth spending as percentage of the total health expenditure	19.0	11.1	11.5

1/ Based on the 2010-2020 Health Care Financing Strategy (HCFS) goal set by the Department of Health (DOH)
2/ Revised

The FY 2016 Department of Health Budget

Figure 36
The DOH Budget
by major composition
(in Billion Pesos)*



*total budget of the DOH Proper only, excluding attached agencies National Nutrition Council, Commission on Population, attached corporation Philippine Institute for Traditional and Alternative Health Care and Corporate Hospitals Lung Center of the Philippines, National Kidney and Transplant Institute, Philippine Children’s Medical Center, and the Philippine Heart Center.

With more money comes greater responsibility. Between two administrations alone, the allocation for the Department of Health increased more than 10-fold -- from P9.97 Billion in 2006 to P122 Billion in 2016. The DOH budget grew on an average of 3 to 4 billion per year, but the sharpest increase was during the Aquino administration, in 2013 soon after the passage of the Sin Tax Law in 2012, which provides 85 percent of its annual incremental revenue to health.

Figure 37. DOH Budget from 2010-2016



Source: Department of Health, “Sin Tax for Health.” September 25, 2015

At a glance, the steep rise in the DoH budget is a testament to the administration's commitment to advance Universal Health Care (UHC), which envisions a health system that leaves no one behind. It is also a strong indicator that the Sin Tax Law is working, given that the bulk of the law's incremental revenues are earmarked for UHC, and that the substantial increase happened soon after its passage, from P53.2 billion in 2013 to P83.7 billion in 2014. The entire health community, both at the local and international level, recognizes the budget increase as an important milestone in health financing.^{lix}

Indeed, the Philippines has been successful, so far in securing resources for health, yet the more difficult task of ensuring that resources actually translate to health outcomes still remains. Even the latest figures for some of the most basic health-specific MDGs, such as maternal mortality and incidence of HIV/AIDS, are still far below the targets despite the seemingly MDG-focused programs of the DOH. Add to that the double burden of non-communicable and communicable diseases that the DOH barely addressed, and you get a grim picture of the challenges ahead.^{lix}

Perhaps the most obvious reason why the impact on health outcomes is not as dramatic as the spike in the health budget is the huge mismatch between DOH programs and the primary causes of mortality and morbidity. The top three causes of deaths in the Philippines have been the same for more than a decade and are continuously increasing the number of deaths every year, yet none of DOH's well-funded programs deals with the prevention of these conditions.^{lix}

Moreover, government spending remains lacking in the UHC building blocks that need the most attention – health workforce and information and research, despite the increases in the budget.

Priorities

Looking at the top five items that have the highest proposed budgets in 2015 (see Figure 3), priority seems to be given primarily to social health insurance and improvement of health facilities and services. Primary health care items and human resource development are trailing behind.

Top 10 highest allocation

Table 38. Top 10 DOH Highest Allocations Programs/Activities/Projects	FY 2016 Allocation	NEP	% share of the Proposed DOH Budget
1. Subsidy for health insurance premium payment for indigent families to the NHIP	43,835,766,000		35%
2. Health Facilities Enhancement Program	26,983,517,000		22%
3. Operation of regional medical centers, sanitarium and other hospitals	10,368,069,000		8%
4. Administration of Personnel Benefits	7,208,302,000		6%
5. Implementation for the Doctors to the Barrios and Rural Health Practice Program	7,042,018,000		6%

6. Operation of special hospitals, medical centers and institutes for disease prevention and control	6,561,947,000	5%
7. Expanded program on immunization	3,989,749,000	3%
8. Family Planning and Responsible Parenting	3,275,078,000	2.6%
9. TB control	1,080,348,000	1%
10. National pharmaceutical policy development including provision of drugs and medicines, medical and dental supplies to make affordable quality drugs available	1,059,799,000	1%

Among the budget items with lowest allocation are the operations of Philippine National AIDS Council Secretariat, monitoring and evaluation of Bottom-Up Budgeting (BUB) projects, non-communicable disease (NCD) prevention and control, health information systems and technology development, health promotion, among others.

Bottom 20 lowest allocation

Table 39. Bottom 20 lowest allocations Budget Item	FY 2016 NEP	% share
Operation of PNAC Secretariat	12,274,000	0.01%
Assistance to private sector health centers	12,435,000	0.01%
Assistance to Philippine Tuberculosis Society	13,317,000	0.01%
Monitoring and evaluation of BUB projects	16,959,000	0.01%
Regulation of devices and radiation health	18,840,000	0.02%
Development of policies, support mechanisms and collaboration for international health cooperation	34,812,000	0.03%
Non-communicable diseases prevention and control	39,030,000	0.03%
Implementation of various projects of LGUs	36,576,000	0.03%
Regulation of health facilities and services	43,666,000	0.04%
Health system development program including policy support	43,772,000	0.04%
Subsidy for health insurance premium under the PAMANA and Bangsamoro Programs	53,566,000	0.04%
Health policy development including essential national health research	56,723,000	0.05%
Public health development program including formulation of public health policies and quality assurance	64,639,000	0.05%
Health human resource policy development and planning for LGU and regional support	79,878,000	0.07%
Quarantine services and international health surveillance	95,077,000	0.08%
National voluntary blood services program and operation of blood centers	125,174,000	0.10%
Health information systems and technology development	134,046,000	0.11%
Epidemiology and disease surveillance	150,826,000	0.12%
Formulation of policies, standards, and plans for hospitals and other health facilities	152,525,000	0.12%
Regulation of food and drugs including regulation of food fortification and salt iodization	202,202,000	0.16%
Health promotion	202,663,000	0.16%

Double burden of disease and the chronic problems in the healthcare delivery system^{lxii}

The inability to manage the double burden of infectious and non-communicable diseases can be traced to three chronic problems that have plagued our healthcare delivery system. First, we face a chronic healthcare workforce shortage, as we continue to be the no. 1 exporter of nurses, and the no. 2 exporter of doctors in the world. Worse, the shortage is more evident in areas where healthcare workers are needed most – in rural and urban public facilities, where they are both underpaid and overworked. Second, our healthcare system has evolved into a fragmented system characterized by 46 separate but overlapping healthcare programs driven by donor initiatives rather than population needs. This has hindered our ability to integrate, harmonize and prioritize solutions to problems in health. Third, our healthcare system is also fragmented administratively, with local government units placed in charge of frontline healthcare delivery. This has politicized the healthcare workforce and has made it difficult for the DOH to orchestrate a unified healthcare program.

Chronic Workforce Shortage

Table 40. Utilization of private and public healthcare facilities by wealth quintile

Income	Public Facility (%)	Private Facility (%)
Poorest	89.6	10.4
Poor	82.4	17.6
Middle	70.7	29.3
Rich	50.0	50.0
Richest	25.8	74.2
Total	66.3	33.7

Of the current population of around 100 million,^{lxiii} 66.3% seek medical care from public facilities (Table 9) ⁶. This is especially true among the poorest, where public facility use is at 89.6%.^{lxiv} Unfortunately, of the 66,000 physicians, 500,000 nurses and 74,000 midwives registered with the Professional Regulation Commission (PRC),^{lxv} only 3,000, 5,000 and 17,000, respectively, work in a public facility as of 2013.^{lxvi} This means that in many areas, for every 20,000 population, there are only ten healthcare workers – usually one physician, two nurses, and seven midwives (Table 10). This number is much less than the 50 per 20,000 threshold set by the WHO, as a target number needed to address just the Millennium Development Goals (MDGs) of maternal and child health.^{lxvii} This estimate excludes manpower needed to address chronic, non-communicable diseases and other infectious diseases.

The summary of estimated deficits in the numbers of doctors, nurses and midwives (Table 10) is based on the threshold densities defined by the WHO. It must be emphasized however, that these estimates are based on highly unreliable data on the number of actively practicing doctors, nurses, and midwives in the country.

Furthermore, the table does not include deficiencies in the supply of dentists, pharmacists, occupational therapists, physical therapists, speech pathologists, medical technologists, nutritionists and other allied medical professionals, including our partners in healthcare, the community health workers. There have been attempts by government to curb this problem. Between 2010 and 2014 for example, the DOH deployed 324 physicians through the Doctors

to The Barrio (DTTB) Program.^{lxviii} However, the impact of these numbers on doctor-to-population ratios is minor.

Despite great limitations in the reliability of data in Table 10, the clear signal is that the private sector of healthcare providers can be used to augment services in the public sector. Furthermore, the relative excess in the supply of nurses may be used to fill gaps in the supply of doctors and midwives.

Table 41. Numbers of healthcare workers in government

	Doctors	Nurses	Midwives
Total number (PRC)	66,000	500,000	74,000
Public sector			
- Target density ^{lxix}	1:1000	2:1000	2:1000
- Target number ^a	63,000	126,000	126,000
- Actual number ¹⁷	3,000	5,000	17,000
- Actual density	0.05:1000	0.08:1000	0.30:1000
- Deficit ^b	60,000	121,000	109,000
Private sector			
- Target density ²³	1:1000	2:1000	2:1000
- Target number ^c	33,000	66,000	66,000
- Actual number ^d	63,000	495,000	57,000
- Actual density	2:1000	15:1000	1.7:1000
- Deficit ^e	-30,000	-429,000	9,000
Total Deficit ^f	30,000	- 308,000	118,000

^a Assuming 63M users in public sector

^b Target number in public sector – actual number in public sector

^c Assuming 33M users in private sector

^d Assuming non-government healthcare workers are all in private practice

^e Target number in private sector – actual number in private sector; negative value means numbers are more than minimum

^f Deficit in public sector + deficit in private sector

On Administrative Fragmentation

In a decentralized system with 7,169 islands, 81 provinces, 144 cities, 1491 municipalities and 42,000 barangays, the absence of a clear mechanism for coordination creates a huge challenge for healthcare management. The Local Government Code of 1991 (Table 42) envisioned an immediate and responsive delivery of health care services grounded on the needs and context of people. Under this code, the DOH is mandated to govern the over-all public health system, and the achievement of national health indicators. On the other hand, local governments (provinces, cities, and municipalities) are tasked with the management of local health systems.

This incomplete administrative devolution has resulted in the fragmentation of health care services. The supply chain in particular, has become splintered mainly because local spending for critical health inputs (e.g. human services) has become politicized, haphazard and insufficient. As a result, great discrepancies exist between national programs and local capacity to deliver, especially in underserved areas.

Table 42. Decentralization as described in the Local Government Code of 1991

Level	Mandate
Barangay	Health and social welfare services which include maintenance of barangay health center and day care center; and services and facilities related to general hygiene and sanitation, beautification, and solid waste collection; [Section 17 (b) (1)(ii-iii)].
Municipality	Subject to the provisions of Title Five, Book I of this Code, health services which include the implementation of programs and projects on primary health care, maternal and child care, and communicable and non-communicable disease control services; access to secondary and tertiary health services; purchase of medicines, medical supplies, and equipment needed to carry out the services herein enumerated; [Section 17 (b) (2) (iii)].
Province	Subject to the provisions of Title Five, Book I of this Code, health services which include hospitals and other tertiary health services [Section 17 (b) (3)(iv)].
City	All the services and facilities of the municipality and province [Section 17 (b) (4)].

Health Policy Fragmentation

Currently, the DOH has 46 distinct healthcare programs addressing various health problems in different sectors of society (Table 43). Typically donor-driven and motivated by commitments to the global community, these programs and projects are developed and implemented in the context of ever-changing health priorities. They may utilize different facilities, and financial and human resources, however similar or interrelated their objectives may be. Such an approach to healthcare delivery has four adverse consequences:

- a. Because planning is independent and uncoordinated, this system usually results in health policies that are either ineffective or inefficient. Narrowly focused health programs fail to benefit from the prioritization and coordination seen in integrated solutions.
- b. The system sometimes leads to disintegrated healthcare rather than a holistic healthcare, failing to pay attention to multiple interacting factors within individuals and within communities. People sometimes find themselves confused on where to go for a specific health concern.
- c. Program fragmentation also contributes to worsening inequities in healthcare. Because some programs favor specific sectors, disadvantaged populations may be left out.
- d. Lastly, these programs overburden healthcare workers themselves. Each new program represents additional responsibilities for providers who are already underpaid and overworked.

Table 43. Key Healthcare-related programs as listed by DOH, 2015.

Source: www.doh.gov.ph

Healthcare-related Programs, Department of Health, 2015		
National Safe Motherhood Program	Smoking Cessation	Women and Children Protection
Oral Health Program	Violence and Injury Prevention	Natural Family Planning
Filariasis Control	National Dengue Prevention and Control	Ligtas Tigdas
Micronutrient Program	National Mental Health	Malaria Control
Belly Gud for Health	Essential Newborn Care	Leprosy Control
Philippine Cancer Control Program	National HIV/STI Prevention	Expanded Program on Immunization
Chronic Obstructive Pulmonary Disease	Newborn Screening	Dental Health
Cardiovascular Disease	Garantisadong Pambata	Infant and Young Child Feeding

National Mental Health Diabetes Prevention and Control Salintubig Program Health and Wellbeing of Older Persons National Prevention of Blindness Unang Yakap Women's Health and Safe Motherhood	Food Fortification Soil-transmitted Helminthiasis Control Schistosomiasis Control National Rabies Prevention and Control Breastfeeding Tsek National Filariasis Elimination Integrated Management of Childhood Diseases	National Tuberculosis Control Persons with Disabilities Occupational Health Food and Waterborne Diseases Prevention and Control Family Planning Emerging and Re-emerging Infectious Disease Child Health and Development Adolescent and Youth
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Health outcomes that matter^{lxx}

Key Health Strategic Thrusts and Performance Indicators

Several indicators to gauge if the agency is on track of achieving its target as indicated in the National Objectives for Health 2011-2016 have either been revised or changed.

There is a gap between the Department's performance indicators, the commitment of the Aquino administration to its Health Agenda, known as "Kalusugang Pangkalahatan", which addresses three (3) major components, namely, (1) financial risk protection, (2) attainment of health-related MDGs, and (3) access to quality health services, and the service delivery and health outcomes that really matter.

Financial Risk Protection

The DOH, together with the Philippine Health Insurance Corporation (PHIC), is on track in achieving the target of 100% coverage to all Filipinos by 2016^{lxxi}. The success can be attributed to the funding boost it got after the enactment of RA 10351 (Sin Tax Law) in 2012 wherein 14.72 million indigent families were automatically enrolled in 2014^{lxxii}. However, it is observed that the target of less than 50% for the out-of-pocket expense's share in the total health expenditure is not being achieved. 2013 data show that out-of-pocket has increased to 57.6%. In addition to it, the social health insurance spending as percentage of the total health expenditure stands at 11.1% in 2013, which is way below the target of 19%.

Table 44. Department of Health Physical Accomplishments (2013-2015)

Particulars	2013	2014	2015
National Health Insurance Program	Php 12,828 M	Php 35,338 M	Php 37,060 M
No. of NHI S-R Indigents covered	5.2 M	14.7 M	15.4 M
No. of Senior Citizens enrolled			
Health Facilities Enhancement Program	Php 13,558 M	Php 13,829 M	Php 13,366 M
No. of Barangay Health Stations upgraded			
Birthing Facilities		1,754	1,661
PHIC-TSEKAP Accredited BHS			17,541
Rural Health Units/ City Health Centers		1,028	2,617
School-Based BHS			3,200
Preventive and Promotive Health Program			
Health Human Resource	Php 2,881 M	Php 2,970 M	Php 4,256 M
Doctors	276	320	398
Nurses	21,929	11,292	13,500
Midwives	2,738	2,700	3,100
Dentists	-	-	214
Public Health Associates	-	-	787
Medical Technologists	-	-	308
National Immunization Program	Php 1,950 M	Php 2,542 M	Php 3,884 M
No. of children fully immunized	2 M	2.07 M	2.2 M
No. of pneumococcal vaccines provided			429,000
infants			
senior citizens			1.4 M

Particulars	2013	2014	2015
Family Health and Responsible Parenting	Php 2,539 M	Php 2,539 M	Php 3,274 M
<i>of which:</i>			
Micronutrient Supplementation			
No. of children below 5 years old provided with vitamin A			4.4 M
Family Planning			
No. of clients provided with FP commodities & services	2 M	2.2 M	2.7 M
TB Control Program	Php 1,021 M	Php 1,062 M	Php 1,094 M
No. of cases treated	180,975	257,972	253,089
Treatment of Public Health Diseases	Php 570.4 M	Php 827.3 M	Php 788.5 M
No. of persons treated:			
Malaria (No. of Diagnosed & Treated cases)	6,962	6,962	4,385
Schistosomiasis (No. of mass drug treatment)	2 M	2 M	2.58 M
Filariasis (No. of mass drug treatment plus ICT and disability kit)	17 M	17 M	17.6 M
Other Infectious Diseases	Php 321.9 M	Php 781.7 M	Php 744 M
No. of HIV/AIDS cases diagnosed and given treatment	6,935	8,030	15,000
Hospital Staffing Standards		Php 2,900 M	Php 6,800 M
No. of Positions		2,152	3,636

Source: Department of Budget and Management, "Sin Tax Funds: Tungo sa Wastong Paggugol." September 25, 2015

Coverage rate and benefit payments have been the primary measures of progress whereas the measures that really matter should have been the amount of out-of-pocket expense and the number of people who were not able to access needed quality health services due to financial hardship.^{lxxiii}

A new initiative, namely, the Medical Assistance Program (MAP) remain to be concern after we have it is a lump sum amount and does not specify or detail its intended beneficiaries.

Access to Quality Care

For the past several years, significant amounts of the DOH budget were allocated for the realization of this component of the UHC. However, data available on some of the indicators, particularly the upgrading and construction of health facilities remain questionable because the list of beneficiary communities or areas is not readily available to stakeholders. Also, it can be noted that much of the funds for this item were underspent in the past year due to problems concerning procurement, acceptance of LGU beneficiaries, and coordination with the Department of Public Works and Highways.

On the access of people to essential medicines, it is observed that such indicator has not been included for several years already while a specific target was indicated in the National Objectives for Health.

This thrust is also masked with indicators that do not necessarily improve access to health care. For example, under the health facilities enhancement program, the most common performance measures such as the number of facilities established, upgraded, and accredited, are useless if these are not informed by actual catchment areas -- the number, socio-demographic profiles, and health conditions of the people they serve. The number of facilities

also need to be accompanied by the number and types of health providers who will render service in each facility, for what good will a facility do in the absence of the health care workforce.^{lxxiv}

On the aspect of health human resources, it can be noted that the indicators didn't consider the proportion of health personnel to population. It didn't consider as well whether the unequal distribution of personnel in urban and rural has already been addressed.

Attainment of MDGs

This thrust aims to address the MDGs on health, specifically maternal health, child health and HIV/AIDS, may have the most number of indicators that are more directly linked with health outcomes, but even so, some of its targets still need to be refined. For instance, in reducing maternal mortality, the single most effective intervention is to ensure that deliveries are attended by skilled health personnel, yet, this is not included in the official performance measures for maternal mortality. Instead, what has been adopted as a key measure is the proportion of facility-based deliveries or pregnant women delivering in facilities.^{lxxv}

The DOH budget in the past few years gave special focus on programs related to three MDG targets. The goal of reducing under-five mortality is on track, thanks to the sustained funding of the national immunization program. However, reducing the maternal death remains to be a big challenge.^{lxxvi}

On the control and elimination of infectious diseases, it can be noted that the DOH indicators are more focused on commodities and number of people who availed rather than the overall outcome. Baseline data are also either outdated, incomplete or non-existent.^{lxxvii}

Moreover, although some of the MDG indicators used are reflective of important health outcomes, what is being measured barely scratches the surface. Even the indicators of access to quality health care services which touch on communicable and non-communicable diseases, reflect a hodgepodge of data. While some are actual health outcomes -- malaria or filaria-free provinces or deaths due to malaria, others are outputs or interventions completed -- number of senior citizens immunized against influenza, provinces with non-communicable diseases registries, or cessation clinics established, or are clumped together such as in HIV/AIDS cases diagnosed and given treatment. Furthermore, critical health outcomes remain missing, such as access to skilled health personnel, despite the inclusion of annual targets on the number of health human resource deployed.^{lxxviii}

All of the indicators measured by the DoH are important. But the missing data, the uneven, intermittent, and selective analyses, and failure to track progress gravely affect the understanding of the complete health picture across time.

Among the eight development goals that the Philippines is committed to achieve by 2015, three popularly identified with health - under-five mortality, maternal mortality and communicable diseases^{lxxix}, have yet to be realized. What is missing in the picture is that the eight goals are not stand alone but rather they are indivisible, cross-cutting and interrelated. One goal cannot succeed without the other. This is because the premise of the MDGs, aside from what is measured counts, is that, for development to be truly inclusive, sustainable and human rights-based, the response and accountability needs to shift towards an approach that

is more comprehensive and multi-stakeholder, moving in sync and not in fragments, connected and not isolated from one other.

Missed Measures, lost opportunities^{lxxx}

To the extent that DoH's selection of its measures and targets is a function of its capacity to collect and produce various types of data, its failure to pay attention to the metrics that matter may partially be a result of the existing poor health information system. The obvious solution then would be to invest in a comprehensive health information system and to boost DoH's information management capacities. After all, the development of a national health information system is crucial to effectively aid policy formulation, which is why it is also one of the six building blocks to achieve UHC. Particularly, DoH needs to generate new data that will capture alcohol prevalence, and sexual and reproductive health outcomes, among others.

Nevertheless, even with the available limited data, much can still be done to sharpen DoH's policy formulation. The underutilization of the DOH budget is definitely a huge disappointment given that many targets have yet to be achieved, but it also provides room to maneuver towards more evidence-based planning.

An urgent task for the DOH is to complete the Evidence-based Human Resources for Health Master Plan, which provides the blueprint for determining, attaining, and retaining the standard number of skilled health professionals and other allied health professionals across the country, as specified in the Implementing Rules and Regulations of the Sin Tax Law. The mapping and connection of the service delivery network, which includes the geotagging of health facilities across the country, can also be achieved before 2015 ends. Disaggregated data on the utilization of PhilHealth benefits, by package, income group, sector, type of facility, and geopolitical divisions, should already be generated and released to effectively guide the development of packages.

The legacy of the MDGs is that what is measured counts, as it shapes policy and determines where resources will go. As Congress deliberates the 2016 DoH budget, may they ensure that the measures that really matter are addressed.

Ultimately, health outcomes that are missed, deliberately or not, means lives lost.

The Department of Health Targets and Indicators^{lxxxi}:

Department of Health 2014-2016 Kalusugang Pangkalahatan Roadmap

Financial Risk Protection

Expand PhilHealth Coverage

- 1) Coverage of all Filipinos]
- 2) Coverage of the poor (NHTS)
- 3) PhilHealth members aware of benefits

Improve PhilHealth Benefit Package

- 4) NHTS-PR enlisted to a primary care provider
- 5) No Out-of-Pocket (OOP) cost for Sponsored Program Claims in Gov't Facilities
- 6) Review and Revision of Case Rates with Co-pay
- 7) Utilization of MAP (%)

Millennium Development Goals +

Reduce Maternal Mortality

- 8) Pregnant women delivering at facilities
- 9) % reduction in maternal deaths from 2012 level
- 10) Women using modern family planning

Reduce Child Mortality

- 11) % reduction in infant deaths from 2012 level
- 12) % reduction in under-five deaths from 2012 level
- 13) Infants fully immunized
- 14) Pentavalent (DPT, Hep B, Hib) 3 doses
- 15) Hepa B vaccine (Birth dose)
- 16) Bacillus Calmette–Guérin (BCG) for TB
- 17) Oral Polio Vaccine (OPV) 3 doses
- 18) Measles Containing Vaccine (MCV) 2 doses

Control and Eliminate Infectious Diseases

- 19) Malaria-free provinces

- 20) Deaths due to malaria (per 100,000)
- 21) Number of malaria cases
- 22) TB Case detection rate, all forms
- 23) TB Treatment Success Rate, all forms
- 24) Senior citizens immunized against influenza
- 25) Senior citizens immunized against pneumonia
- 26) HIV/AIDS cases diagnosed and given treatment
- 27) Filariasis-free provinces
- 28) Post-exposure Prophylaxis against rabies
- 29) School children 12 y.o. and below dewormed

Promote a Healthy Lifestyle and Prevent Non-Communicable Diseases

- 30) Number of provinces with non-communicable disease registries
- 31) Number of smoking cessation clinics established
- 32) Number of RHUs/Health Centers doing MPower
- 33) General population aware of key health messages (Filipinas Go4Health)

Access to Quality Care

Upgrade and Improve Health Units and Hospitals

- 34) All BHS accredited for TSeKaP
- 35) Birthing BHS accredited for MCP [3,898 of 19,489 (20%)]
- 36) RHUs/City Health Centers upgraded (out of 3,074)
- 37) RHUs accredited for TSeKaP, TB-DOTS, MCP Upgrade and Improve Health Units and Hospitals
- 38) LGU hospitals upgraded (out of 664)
- 39) DOH regional hospitals allocation in 2015-2016 upgraded (out of 70)
- 40) Blood Service Facilities
- 41) National Reference Laboratories

- 42) Treatment Rehab Centers
- 43) Quarantine Stations
- 44) Psychiatric Facilities
- 45) RITM Biosafety Lab

Construction of New Health Facilities

- 46) Barangays with Schools but no BHS (TSeKaP accredited)

DepEd-DOH-LGU Dental Health Program

- 47) Provision of mobile dental services

Health human resources deployed

- 48) UHC implementers/DTTB (Doctors)
- 49) Dentists
- 50) Nurses
- 51) Midwives
- 52) Public health associates

Establish a Functional Service Delivery Network

- 53) Number of families assigned to a SDN
- 54) Number of SDN formed

Governance

Improve health governance

- 55) Budget utilization rate (obligation)
- 56) Budget utilization rate (disbursement)
- 57) Improve/Reform Health Systems & Maintain an Effective Health Regulatory System
- 58) DOH hospitals and Regional Offices that are ISO 9001:2008 certified
- 59) DOH hospitals with reformed hospital governance
- 60) % of applications acted upon within FDA Charter timelines (permits, licenses, certifications for health establishments, products, and devices)
- 61) Number of quarantine/isolation rooms established in airports/ports

Alternative Health Budget Proposals

Health workforce

Health Human Resource Subcluster Steering Committee Members: Public Service Labor Independent Confederation (PSLINK); Ang NARS Partylist

The Universal Health Care is defined as "EVERY Filipino shall receive quality and affordable health benefits. A core services that government through the Department of Health is mandated to deliver. The Millennium Development Goals (MDGs) will not be attained if maldistribution and insufficiency of health service providers across the country continues. The Health Human Resources (HHR) is primarily responsible to grant the public "access" to health care. No healthcare can be provided without the professional health care workers delivering QUALITY and AFFORDABLE benefits. The HHR is vital to a functional health system.

Alternative Proposals

1. Budget allocation amounting to P71,097,032,380.96 for salary and statutory benefits under the Magna Carta for Public Health Workers:

- 989 doctors
- 15, 727 nurses
- 3,100 midwives



- 324 dentists
- 308 medical technologists
- 713 public health associates
- 82 physical therapist
- 82 psychiatrists
- 219, 433 barangay health workers

They will provide primary care to 102, 333, 484^{lxxxii} Filipinos. The proposed number of health workers is derived from the DOH NEP with the addition of barangay health workers, one physical therapist per province, and one psychiatrist per province.

The Magna Carta of Public Health Workers (Republic Act or RA 7305) was enacted to ensure that health workers are properly compensated, which will in turn benefit patients through the delivery of quality health care service. Thus, its intention was supposed to be for the benefit of the overall health care delivery service.^{lxxxiii}

Recognizing that the barangay health workers are the frontline in the delivery of health care who selflessly serve with very indecent honorarium, it is only rightful that they receive compensation in the principle of equal pay for equal work of equal value.

In order to realize primary health care, adequate health workers shall be deployed to communities, to barangay health stations, rural health units and public health care facilities.

2. **The existing health personnel under the Doctors to the Barrio (DTTB) and Rural Health Practice Program (RHPP) programs shall be hired for permanent positions even on staggered approach.** Those who were hired on contracts of service shall be upgraded to contractual until they are absorbed to fill the permanent positions.

Precarious work has significantly weakened the platform on which society currently stands. A feeling of powerlessness and fear of demanding change discourage health workers from participating in trade unions and community organizations and institutions.

Quality public service is key to sustained productivity and will facilitate people's access to quality education and health care. This also results to long-term employment opportunities that will contribute to attaining inclusive growth. Quality public services can only be delivered by motivated, well compensated, high morale public servants.

3. Recognizing, Capacitating and Incentivizing the following, as part of the Community Health Team (CHT):

- Integrative Healthcare Specialists – Traditional Community Healer
- Senior Citizens – Harnessing and mobilizing Senior Citizens as part of the CHT can help alleviate the inadequate Primary Care provider. The older persons from the community can be trained in Primary Health Care, integrating traditional and alternative health care, and then they can be part of the CHT.
- Peer Motivators – Peer education is based on the reality that many people make changes not only based on what they know, but on the opinions and actions of their close, trusted peers. Peer educators can communicate and understand in a way that the best-intentioned adults can't, and can serve as role models for change.^{lxxxiv}

4. **Rationalizing the Duties and Responsibilities of the Health Human Resource.** Due to lack in number of human resource, health workers are doing multiple tasks or overburdened. For example, doctors have to carry out clinical, administrative, and public health duties, all at the same time.
5. **Security at work and social protection is one of the conceptual dimensions of decent work.** The government must stop the hiring of government personnel performing core services like the health human resource on contractual basis or fixed term contracts. Health workers are entitled to job security.
6. **Aside from salaries and statutory benefits, the budget should also include training and development which is very vital in Human Resource Planning and Development.**

We envision sustainable health human resource development, macroeconomic context, coupled with social development to attain inclusive growth.

Health workers who enjoy decent work with decent pay provide quality public services translate to quality healthcare delivery system.

Proposed Sources of Funding

Funding for the HRH budget proposal can come from various allocations:

1. FY 2013 – FY2015 Savings from funded unfilled permanent positions

In FY 2013, 10,780 unfilled permanent positions were funded amounting to P3.1B; 11,166 positions for P3.1B in FY 2014; and same number of positions amounting to P3.3B in FY 2015^{lxxxv}. DOH has savings of P9.5B from unfilled permanent positions and this can be utilized to fund the HRH budget proposal.

2. Special Purpose Fund – Miscellaneous Personnel Benefits Fund

Another source of funding is the allocation for the Special Purpose Funds (SPFs) particularly the Miscellaneous Personnel Benefits Fund (MPBF). SPFs are *budgetary allocations in the General Appropriations Act (GAA) allocated for specific purpose. These are lump sum in nature, as the recipient departments or agencies and/or the specific programs and projects have not yet been identified during budget preparation and legislation*^{lxxxvi}. Miscellaneous Personnel Benefits Fund is a special purpose fund which covers the payment of government personnel-related expenditures, with the required amounts and the recipients determined only during budget execution (e.g., Performance-Based Bonuses (determined after evaluation of departments' and civil servants' performance); requirements for the filling up of authorized positions and for the creation of new positions (originally these were provided within agency budgets but now incorporated under this SPF for a complete presentation of the total funding for unfilled positions); and other personnel services deficiencies)^{lxxxvii}. In FY 2015, DOH has P9.1B funding allocation from MPBF^{lxxxviii}.

3. Sin Tax Incremental Revenue

Sin tax incremental revenue earmarked for health, can be utilized for budgetary allocations needed for health human resource, provided that the functions of these health personnel shall include promotion of health.

In the Sin Tax Law Incremental Revenue for Health Annual Report of the DOH, P88.97M was allocated for the deployment of Human Resources for Health specifically for the implementation of Doctors to the Barrios for FY 2014^{lxxxix}.

4. Professional fee reimbursement from PhilHealth

The possible source for the payment of Magna Carta benefits is the professional fee reimbursement from PhilHealth. Currently, these are used by some hospitals to provide honoraria to their workers; in other hospitals, however, it is not clear where these funds are spent for. As opposed to the current practice of funding the benefits from personal services or MOOE “savings,” an option worth exploring is earmarking these PhilHealth professional fee reimbursements for Magna Carta benefits. This will also provide an incentive for hospital workers to encourage patients to enroll in PhilHealth.^{xc}

5. Tax Revenue

Tax revenues are compulsory charges or levied imposed by government on goods and services, transactions, individuals, and entities, among others (e.g. income tax, value added tax, and special taxes such as the motor vehicle tax.

“Taxes work to the benefit of the community, to the taxpayers themselves, and ultimately contributing to nation-building.”^{xcii}

6. NEP 2016 budget under MFO2. Technical Support Services

- a. Assistance to Private Sector Health Centers - 12,435,000.00
- b. HFEP – Other Health Care Facilities – 1,634,861,000

Health Promotion: Putting health in the hands of the people

*Health Promotion and Integrative Health Sub-cluster steering committee members: HealthJustice; Jofiti Villena^{xcii}; Alt*Health; PFNFP-FILTAO; Hope for the Youth Foundation; Ban Toxics*

While the Aquino Health Agenda of Kalusugang Pangkalahatan can be considered as a giant step to improve the delivery of health services in our country, a complementary policy that will temper the rapid increase in health spending of government is deemed necessary. For that very important reason, the ABI Health Cluster is continuously pushing for an increase in the allocation of funds to change/modify the health-seeking behavior of Filipinos and provide the necessary healthy and supportive environment that goes with the change of behavior.

Health records show more than 300,000 Filipinos die from non-communicable diseases (NCDs) such as heart ailments, stroke, cancer and chronic lung disease. The rising incidence of NCDs in the country, it has been noted, is largely caused by increased life expectancies, rapid urbanization and deteriorating lifestyles where smoking, drinking alcohol, eating an unhealthy diet and lacking physical activity take predominance. Creating an “enabling environment” would sway Filipinos to eat healthier and engage more in physical activities. This should include making healthy food more accessible, increasing the price of tobacco products to discourage smoking and providing the public with more walkways and open spaces. It's time to start looking into the viability of making space for physical activities to promote a healthy lifestyle while addressing the traffic congestion, in the metropolis.^{xciii}

It can be noted that the proposed budget of the DOH Health Promotion and Communication Services (formerly the DOH National Center for Health Promotion) for 2016 increased by 100% amounting to P 321.1 million compared to the previous year's P 167.8 million. It is a good step to scale up health promotion activities. However, the proposed budget is still considered small and far from the cluster's proposal of P 1 billion.

This amount shall cover initial interventions in health promotion through robust community organizing:

- a) nationwide public promotion of healthy lifestyle and well-being (including mental health and oral hygiene) using quad-media;
- b) provision of additional incentives to Community Health Teams (CHTs) doing health promotion work;
- c) training of health workers and CHTs on rights-based approach to health towards quality and patient-sensitive health care, i.e., elderly, persons with disabilities, children and adolescents, women, etc.;
- d) accreditation of barangay health workers (BHWs);
- e) community-level promotion and awareness of PhilHealth benefits and procedures, particularly in poor areas;
- f) creation of inter-sectoral/departamental GO-CSO mechanism on health promotion;
- g) inclusion of oral and mental health development to the health promotion programs.

Included in the proposal of children and youth is to enhance the conditions within which healthy development can take place:

- a) Strengthen advocacy on health promotion through providing orientation session for children on proper hygiene, accessing DOH services and right to health;
- b) Develop and distribute child-friendly information materials on said health concerns;
- c) Distribute hygiene kits to children, with contents of hygiene kits according to specific sex and age group; and
- d) Strengthen advocacy and services (appropriate, safe, effective/beneficial, and quality products, services, and information) on Traditional Medicine/Complementary and Alternative Medicine (TM/CAM) in schools as catchment areas.

Alternative Proposals

Target Health Outcome

- 1) Lower smoking prevalence
- 2) Lower alcohol consumption
- 3) Increase in consumption of fruits and vegetables
- 4) Increase in physical activities

Rationale

- 1) Post-2015 Sustainable Development Goals
- 2) National Nutrition Survey

Budget Item	DOH – Health Promotion and Communication Services
GAA 2015	167.8 Million
Proposed Budget 2016 (NEP)	321.1 Million

ABI Proposal	PhP 1 Billion
Variance	678.9 million
Local or National	National
Source of Financing	RA 10351 (Sin Tax Law)

Integrative Health: Health is the Responsibility of All

The proposals of the sub-cluster is based on the foundations and principles of Primary Health Care (PHC), focusing primarily on people's participation, inter-sectoral collaborations and using local, endemic and indigenous resources for people's health.

Therefore, the sub-cluster proposes to the Department of Health (DoH) and the House of Representatives (HoR) to go beyond and further invest financial support to the Philippine Institute of Traditional and Alternative Health Care (PITAHC), the main agency mandated by the Traditional and Alternative Medicine (TAMA) Law or R.A. 8423 to advance and integrate the use of Traditional and Complementary Medicine (T&CM) into the Philippine Health Delivery System. The advancement should be done through promotion, advocacy and more researches.

Together with this proposal is a work-in-progress matrix of why T&CM is a significant public health resource especially now that new threats from climate change, increasing urbanization, etc. are becoming more evident. Today, it is an imperative to have a more holistic perspective on health, which goes even beyond the solutions being offered by modern sciences and biomedicine.

It is in this this regard, the sub-cluster proposes an additional P15 million allocation to the original budget of PITAHC, compared to the original budget of P71 million.

For this year, the focus of the sub-cluster proposal will be the advocacy and promotional strategies (i.e. trainings, IEC and media) of PITAHC. These strategies target mothers, school-age children (Grades 4-6) and community health workers of the ten (10) poorest provinces and the various indigenous communities in the Philippines.

Alternative Proposals

Specific proposals for PITAHC's additional budget particularly on public education under the Social Advocacy Unit:

Target Health Outcome

- Accurate information on the effective, safe and beneficial use of T&CM for prevention and cure of common community diseases.
- Aid the local health units (i.e. BHS, RHU) in preventing and curing diseases that are easily managed at home and save on the limited resources that the local health units have for more serious health concerns.

Rationale

- Health Service Delivery Profile 2012 (WHO & DOH)

- WHO-Western Pacific Region Office (WHO-WPRO) Report on the State of TM/CAM in the Philippines: Pilot Study on the 2002-2010 Strategic Objectives (2010);
- INAM Presentation on Philippine Integrative Medicine 2014;
- Filipino Indigenous Medicine: From Tradition to Mainstream Practice (Galvez Tan 2010);
- PHIC Law

BUDGET ITEM	PROPOSALS AND AMOUNT
GAA 2015	PhP 50 Million
Proposed Budget 2016 (NEP)	PhP 60 million PhP 50 million DBM-approved PhP 10 million PITAHC proposed but 6 million was approved for the ASEAN Conference 2016
ABI Proposal	Itemized: <ul style="list-style-type: none"> • Development of IEC materials on TM/CAM: PhP3,721,150.00 • Development/Strengthening of Curricula of TM/CAM Academic Programs: PhP800,000.00 • Development/Strengthening of Modules of TM/CAM Training Program (short programs): PhP1.7 million • Development/Strengthening of TM/CAM Orientation Modules of Mainstream: PhP1.7 million • Development /Strengthening of TM/CAM Orientation Modules and CME Modules for Mainstream Media Practitioners - PhP2.6 million • Other promotional activities through orientation seminars for medical and TM/CAM practitioners and photo exhibits, videos and other cultural activities: PhP2,848,850 • Monitoring and Evaluation including Participatory mechanisms: PhP1,630,000 Total: 15,000,000.00
Variance	PhP 15 million for public education and advocacy
Local or National	National
Source of Financing	RA 10351 (Sin Tax Law)

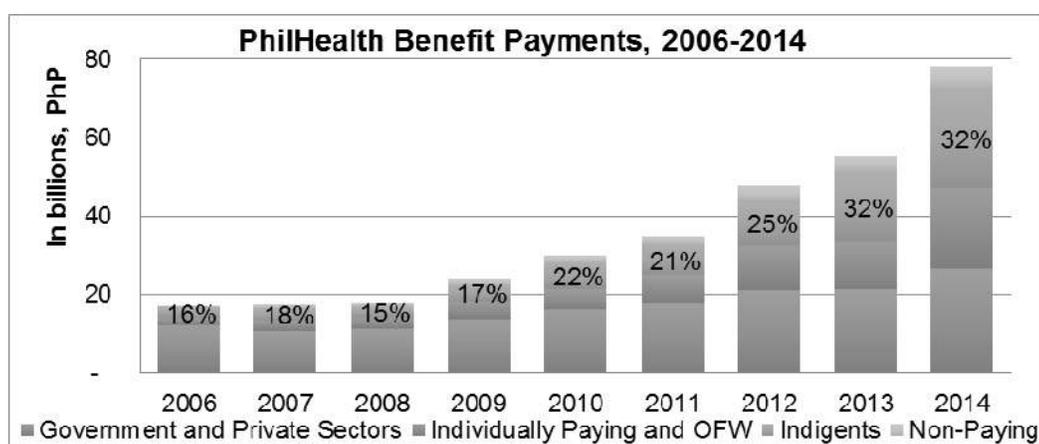
The push for this additional budget by the sub-cluster is dependent on the final Advocacy, Communication, Media Plans to be presented by the agency, for critiquing and final submission for implementation.

PhilHealth: Key in Ensuring the Health of Filipinos

PhilHealth Sub-cluster Steering Committee Members: Action for Economic Reforms; Alyansa ng Mamamayang Naghihirap (ALMANA)

The Aquino Health Agenda for UHC appears to have been making strides in improving the financial risk protection of Filipinos, especially the poor. In just the past five years, total benefit payments to members of PhilHealth have more than tripled from PhP 24 billion in 2009 to PhP 78 billion in 2014. Almost 40% of the increase in payments benefitted the indigents pushing up the indigent sector's share to 32% of total benefit payments, or nearly at par with the share of the government and private sectors.

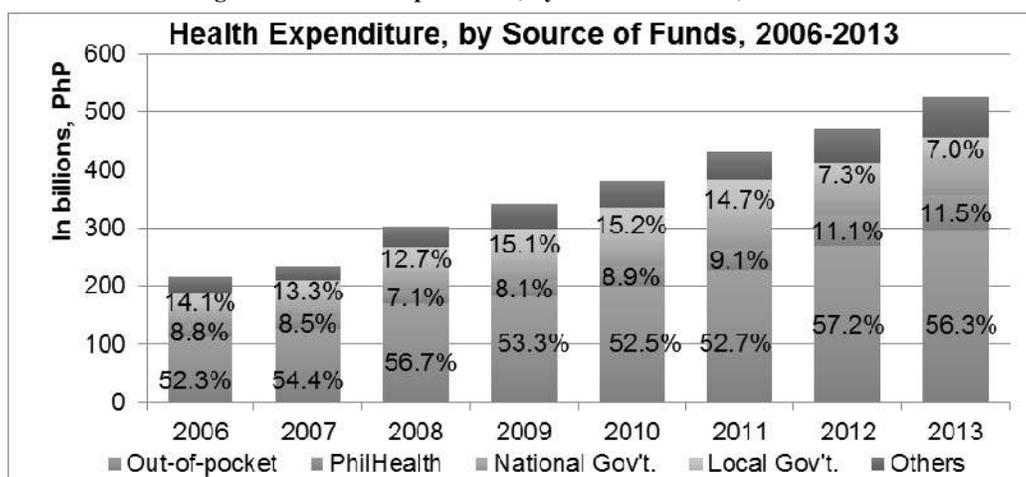
Figure 38. PhilHealth Benefit Payments, 2006-2014



Source: Philippine Health Insurance Corporation Financial Statements, 2006 to 2013

However, despite the doubling of PhilHealth benefit payments from 2009 to 2013, data from the National Health Accounts show only a slight increase in the contribution of PhilHealth to total health expenditure (from 8.1% in 2009 to 11.5% in 2013). Out-of-pocket expense also increased to 56% in 2013, mainly due to the decrease in health spending by local governments. At this rate and with barely a year left for the Aquino administration, the national objectives of increasing PhilHealth's share to 19% and decreasing the share of out-of-pocket payments to below 50% by 2016 seem to be very difficult to achieve, if not impossible.

Figure 39. Health Expenditure, by Source of Funds, 2006-2013



Source: Philippine National Health Accounts, 2006 to 2013

Insofar as majority of the illnesses and services covered by PhilHealth are mostly for inpatient and/or catastrophic care, the slightly increasing PhilHealth contribution to total health expenditure may not also necessarily be translating to improving health outcomes and quality of life. PhilHealth's non-coverage of outpatient and/or preventive care is not at all helpful in encouraging Filipinos to seek the more cost effective primary care services; rather, it pushes many to seek care only when their illness or condition has already worsened.

Adding doubts to the meaning of PhilHealth's increasing benefit payments are the recent suspected fraudulent claims of some eye centers amounting to hundreds of millions of pesos. The impact of the fraud even goes beyond the financial losses and opportunity costs of paying for bogus services; some of the cataract surgeries have allegedly harmed patients and caused them to be blind. Yet, the cataract package is just one of many benefit packages that, in the absence of real-time and effective monitoring mechanisms, are vulnerable to fraud and gaming of providers and even patients.

Although seemingly less grave, other schemes of gaming the system, such as artificially increasing the prices of services or professional fees instead of deducting PhilHealth benefits from the true cost of care or opting for confinement to take advantage of inpatient benefits even if outpatient care would suffice, also create leakages and inefficiencies that render the social health insurance ineffective. But unlike the cataract scam, these schemes are more a result of poorly designed packages and implementation policies than the absence of a functioning monitoring system.

These then raise the following questions: How much of the benefit payments are really protecting Filipinos from financial risks and improving their health and quality of life? What is really driving up benefit payments – artificially rising health care costs, fraudulent claims, or proper utilization of benefits? Who are actually benefitting from the increased payments – well-behaving providers or patients, or those who are cheating the system; needy patients, or those seeking more than what they need?

The abovementioned issues highlight PhilHealth's pivotal role in shaping the health care system. More than ensuring financial risk protection, it can influence health care spending priorities by its coverage or non-coverage of services. PhilHealth has leverage in incentivizing good behavior and penalizing bad behavior of both providers and patients. It is in a good position to regulate and ensure affordability and quality of the health care system. It can also hasten the development of a national health information system through its accreditation and disbursement requirements.

On the contrary, if PhilHealth neglects its role, it will not only waste the limited resources for health but also worsen the status of the health care system. Ultimately, the country's failure to reform PhilHealth will directly and adversely affect the health and lives of Filipinos. For this reason, we propose that the following urgent measures be undertaken to prevent further leakages, contain health care costs, and begin investment on services that truly preserve health.

1. Prevention of fraud and leakages

As of this writing, PhilHealth's information system is still fragmented and has not been consolidated. While PhilHealth is already requiring the use of electronic medical records for its accreditation of providers, its databases are islands that do not speak to each other. There

is not one dashboard that can aggregate all health information and utilization data to facilitate real-time tracking and verification of claims and payments. This obvious setback needs to be addressed immediately and PhilHealth must invest on establishing a functional and integrated health information system, once and for all.

To reinforce PhilHealth's monitoring efforts, a third-party monitoring system should also be instituted to improve the Corporation's transparency and accountability to the Filipino people. Aggregated and disaggregated data gathered by PhilHealth's information system, except those that will jeopardize the confidentiality of patients' health information, must be regularly made available to the public. Availability and accessibility of PhilHealth data on members' benefit utilization and reimbursements to providers by type of disease, sector, and geographical jurisdiction (both provincial and municipal/city levels) must be ensured.

In the meantime, more analyses and studies are needed to understand how coverage or non-coverage of services and how the design of packages are affecting behavior of providers and patients. For example, we can ask the following questions:

- Why does pneumonia have the highest number of claims? Is it due to the high prevalence of this ailment or the lack of controls and ease of claiming payments for the pneumonia case?
- Are providers really deducting PhilHealth benefits from the actual cost of care? If not, what is causing this behavior? Is it because of the uncertainty and delay in receiving payments from PhilHealth, the insufficiency of the case rates relative to the actual cost, or the mere lack of monitoring compliance of providers?
- Are patients being confined really need to be confined or is this more a result of the lack of coverage for outpatient care?
- How are PhilHealth's performance indicators affecting providers and patients behavior? How can PhilHealth improve on its indicators so that stakeholders really contribute to improving health outcomes?

The evidence gathered should then guide continual improvement of existing packages as well as development of new packages, including implementation policies. Inasmuch as we want to ensure that PhilHealth benefits are really responsive to the needs of the Filipino people, a participative and inclusive mechanism should also be infused in this systematic and evidence-based process of developing packages. No longer should packages be offered without a health technology assessment and financial plan to back it up. This way, PhilHealth ensures that proper incentives are in place, and needed benefits and cost-effective services are covered.

2. Containment of health care costs

Faster roll-out of PhilHealth's "No Balance Billing" policy (NBB), including among private providers, is an initial step in regulating health care costs. Simultaneously, a review of the case rates should also be conducted given recent claims of local governments that the rates are not sufficient to cover the actual cost of services. The more public and private providers implement NBB, the greater the pressure for other providers to follow suit, which will then drive health care costs down.

In addition, policies to foster transparency of private providers in their pricing of services and supplies should be instituted. For example, PhilHealth can include in its accreditation requirements the submission of "price lists" of services and supplies, including professional

fees, which should be made available to the public. Making this information public will not only allow patients to have informed choices but also facilitate feedback and monitoring.

3. Investment on cost-effective services

Ultimately, containment of health care costs can only be attained if we devote more resources in keeping our citizens healthy. In the short term, PhilHealth can begin investing in primary care, through the Primary Care Benefit package (PCB), to evolve the country's health care system into a primary care system. As many studies have already pointed out, strong primary care systems are associated with decreased healthcare spending, higher patient satisfaction, and better health outcomes leading to more equitable and accessible healthcare. With primary care providers acting as gatekeepers to the complex health care system, fraud and leakage will also be minimized.

Specifically, we propose that PCB should be made universal and immediately available to all PhilHealth members. While we recognize that insurance premiums must be eventually increased, a national subsidy of P30 billion to provide PCB to all PhilHealth members is initially necessary to gain public support for future premium increases and strengthen social solidarity. Financing can be sourced from government's increased fiscal space, underspending or savings, and/or PhilHealth's reserve fund^{xciv}.

PhilHealth Members to be covered by TSeKaP	Members	Dependents	Total Beneficiaries	Cost (PhP1,800 per family)
Informal Sector	2,023,696	2,662,266	4,685,962	PhP 3.64 B
<i>Kasambahay</i> , Organized Groups, Enterprise Owners & Drivers	72,074	60,134	132,208	0.13 B
Self-employed & Migrant Workers	1,342,823	1,322,169	2,664,992	2.42 B
Government Employees	1,952,447	3,771,110	5,723,557	3.51 B
Private Employees	11,003,394	10,222,297	21,225,691	19.81 B
TOTAL	20,854,988	19,526,037	40,381,025	PhP 29.51 B

In addition, the PCB package must continually evolve to ensure that it creates the proper incentives for providers to deliver the highest quality of care at the most affordable cost, and patients to take care of their health and demand for appropriate care that is just sufficient (not too little and not too much)^{xcv}. It must also be improved to influence private providers in serving the poor population so that it augments the limited capacity of public health facilities^{xcvi}. The PCB must also be adjusted so that it becomes more responsive to local needs^{xcvii}.

In the long run, more interventions closely linked to addressing the social determinants of health should be considered. Simultaneously, PhilHealth's performance indicators must change to become more reflective of health outcomes and the quality of life.

Older people's participation in the promotion of the primary health care and wellness programs (pilot program)

Older Persons Sub-cluster Steering committee members: Center for the Empowerment and Development of Elderly and Seniors (CEDES) and Confederation of Older Persons Organizations of the Philippines (COPAP)

Health is one of the greatest concerns of government both at the national and local levels. It is at the local government level that the issue of health is most pressing and profound.

The country's lack of health human resource is a big factor on the inadequate direct health service in the community. While the Philippines is one of the world's largest exporters of doctors, nurses and other health professionals, the fact remains that there is an utter lack of health providers left in the country.

Having much time on our hands which can be used for more productive and useful endeavors, the older people sector proposes the harnessing of vast, untapped elderly resource if only to help address the dearth for health service providers in the community.

In order to beef up the Local Government Units' Health Teams, three able and committed older persons from each of the 50 randomly selected barangays will be capacitated and trained on the basics of Primary Health Care service, traditional health care modalities, food and nutrition and concepts of fitness and wellness.

They will join the Barangay Health Teams as augmentation and volunteer service providers. They will take blood pressures and blood sugar readings and check on vital signs; demonstrate and promote basic health practices; promote traditional health care modalities and fitness and wellness and assist in other functions as may be required in the furtherance of the Barangay Health Program.

Where there are no existing fitness and wellness programs, they will initiate organized regular aerodance and exercise sessions.

The program will be for pilot implementation in 50 barangays for one year and after which, an impact evaluation will be made to determine viability and effectiveness. Continuation and replication will depend on the results of the pilot Program.

PROPOSALS	AMOUNT
TRAINING (for expenses on Venue, transportation, food, kit, resource persons)	150 Pax X Php 500 x 5 days = Php 375,000
MID-YEAR ASSESSMENT AND YEAR-END IMPACT EVALUATION	150 pax x Php 500 x 2 days = PhP 150,000
EQUIPMENT (Sphygmomanometers, Blood sugar gauges, thermometers, etc.)	PhP 8,000 x 150
DEPLOYMENT	
Honorarium	=150 pax x Php 2,500/mo. X 13 mos. =Php 262,5000 x 13 mos. =Php 3,412,500

TOTAL BUDGETARY REQUIREMENT	PhP 5, 137,500
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Persons with Disabilities

Persons with Disabilities Sub-cluster Steering Committee Member: LifeHaven

Qualified personnel per Region for diagnosing children with possible impairments – We have newborn screening program that is good but what we need next is affordable and available service for diagnosis of possible impairments that have early childhood onset. As of the present, there are very few qualified service providers and, most of the time, the service is very expensive.

Therapists (PT, OT, SP) in provincial hospitals – RA 7277 provides in SECTION 19, "Rehabilitation Centers: The Department of Health shall establish medical rehabilitation centers in government provincial hospitals, and shall include it annual appropriation the necessary funds for the operation of such centers. The Department of Health shall formulate and implement a program to enable marginalized disabled persons to avail of free rehabilitation services in government hospitals." This rehabilitation service is a long-standing need that the government has failed to address, visibly a result of the general shortage of health human resource.

Psychiatric medical services in all regional hospitals – The instance someone is suspected of having psychosocial disability, the first thing that almost always comes to mind is to bring the individual to National Center for Mental Health. This is not surprising since it is practically the only service provider for such concern. Families with members with psychosocial disability spend significant amount of money for regular consultations just for transportation alone especially if they are from the provinces. Irregular evaluation and interrupted medication are major factors that if addressed would help make affected individuals more productive and humanely treated by others. This will also lessen the financial burden to the family.

Maintenance medicines of children with disabilities - Maintenance medicines for children with disabilities (i.e. cerebral palsied, with autism, and others) as out-of-pocket expenditure is a big concern of parents particularly those from the lower economic class. This expenditure, though it takes a large chunk from the family's income, is always a priority (some members of the family, particularly the parents even missing meals for this). Provision of these medicines will lessen the financial impact of disability to the family.

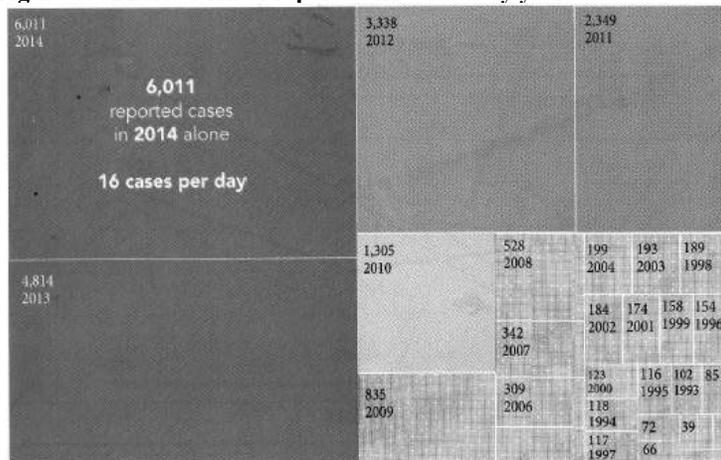
PROPOSALS	AMOUNT
Qualified personnel per Region for diagnosing children with possible impairments	100,000,000.00
Therapists (PT, OT, SP) in provincial hospitals	500,000,000.00
Psychiatric medical services in all regional hospitals	100,000,000,00
Maintenance medicines of Children with Disabilities	10,000,000,00
TOTAL	710,000,000.00

The HIV epidemic in the Philippines^{xviii}

HIV and AIDS Sub-cluster steering committee members: ACHIEVE and Philippine Legislators' Committee on Population and Development (PLCPD)

Although HIV prevalence remains low, at 0.036% of the general population in 2011,^{xcix} the Philippines is witnessing a rapid acceleration of the epidemic among key affected populations. Between 2011 and 2014 alone, the number of new HIV infections surpassed the number of cases reported in the first 25 years of the HIV epidemic in the Philippines (1984-2010).^c At the end of 2014, the country had an average of 16 new HIV infections every day, compared to just one a day in 2007. The majority of the estimated 36,000 people living with HIV in the Philippines live in highly urbanized areas, particularly Greater Metro Manila, Metro Cebu and Davao City.

Figure 40. Distribution of reported HIV cases by year

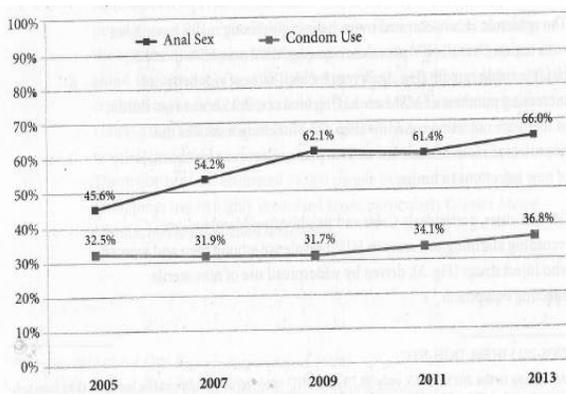
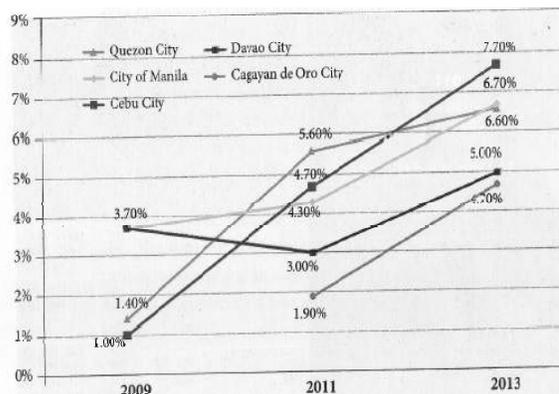


The epidemic is concentrated overwhelmingly among males having sex with males. Overall HIV prevalence among MSM was 3.5% in 2013, but it is rising rapidly (Fig. 41). This was driven by high rates of risk behavior with increasing number of MSM having anal sex but almost two-thirds of them are not using condoms (Fig. 42).^{ci} Modeling indicates that unprotected male-to-male sex will continue to account for the majority of new infections in future.

Certain cities, particularly Cebu and neighboring Mandaue, are recording alarming increases in HIV prevalence among men and women who inject drugs (Fig. 43), driven by widespread use of non-sterile injecting equipment.^{cii}

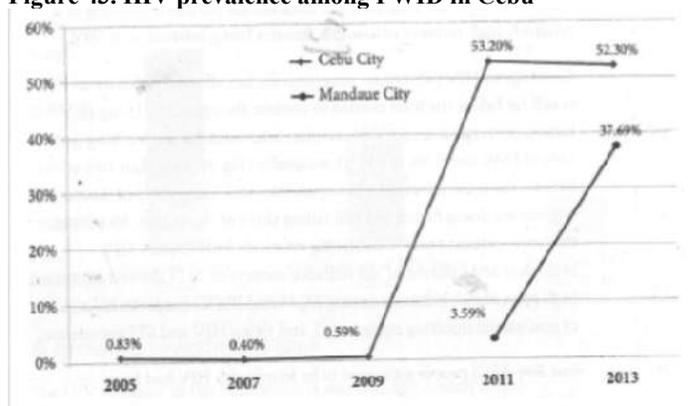
Figure 41. HIV Prevalence among MSM in 5 cities

Figure 42. High-risk behavior among MSM



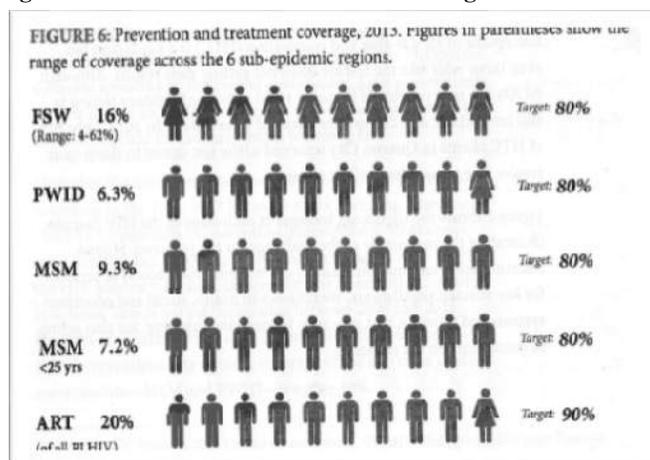
HIV transmission is also occurring between males who inject drugs and males who have sex with males to their female partners, resulting in a relatively high number of low-risk females being infected with HIV.

Figure 43. HIV prevalence among PWID in Cebu



Coverage of HIV prevention programs for key affected populations is still far below the level needed to contain the epidemic. Using HIV testing coverage as a proxy, prevention interventions are reaching just 16% of “Female Sex Workers (FSWs)” and 6.3% of People Who Inject Drugs nationally (Fig. 44). Less than 10% of MSM—the most affected by the epidemic—are being reached. Some regions are doing better, but still falling short of the targets. Moreover, the interventions seem to be having relatively little impact: HIV biological and behavioral surveillance surveys in 2013 showed continued high rates of risk behavior among MSM and PWID (unprotected sex, use of non-sterile injecting equipment), and rising HIV and STI prevalence.

Figure 44. Prevention and treatment coverage

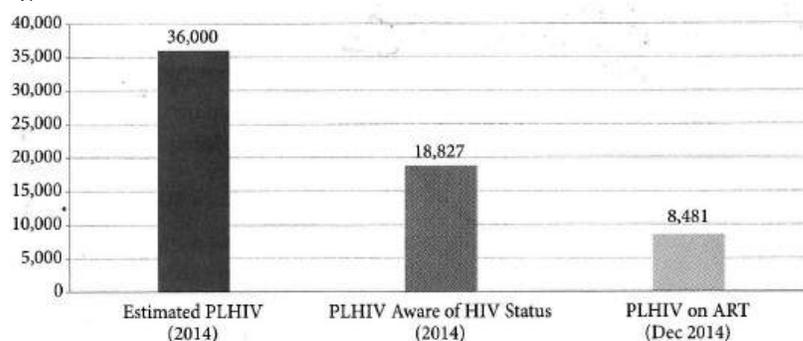


Just 20% of all people estimated to be living with HIV had been diagnosed and were accessing treatment in 2013 (Fig. 44). The vast majority of those in need of Antiretroviral Therapy (ART) do not know their HIV status. Very low uptake of HIV Testing and Counseling (HTC) is a key factor, but even those who take the test are often not getting their

results. Although NGOs can now provide HTC using rapid tests, confirmatory testing is still centralized, and can involve a wait of several days. In 2013, only 30% of HTC clients in Quezon City returned to the test center to claim their results. The rest is ‘lost to care’.

Figure 45 shows the significant leakages at each stage of the HIV cascade, illustrating the magnitude of the challenge for the response. Stigma, discrimination and marginalization are still inhibiting access to services for key affected populations. Weaknesses in health, social and education systems and capacity, and, crucially, inadequate financing, are observed obstacles to the response.

Figure 45. The HIV Care Cascade

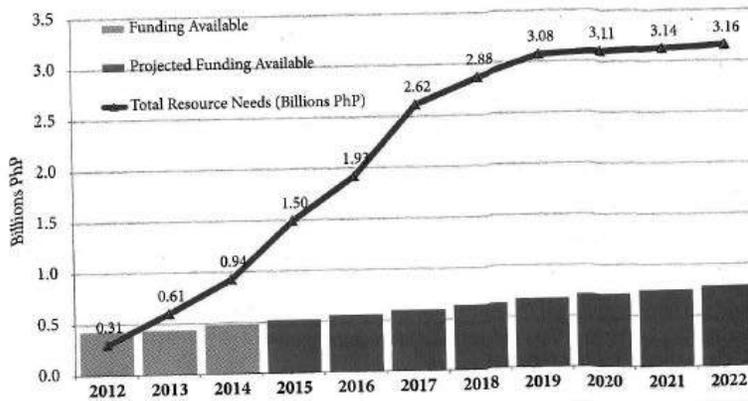


A growing investment gap

The HIV response in the Philippines is still critically underfunded (Fig. 46). Although donor spending in-country has increased steadily over the last three years, the global trend of donor contributions to HIV and AIDS is on a downward trajectory. In the Philippines, domestic spending by the central government, local governments and the private sector is growing, but not good enough to meet the needs. Meanwhile the resource gap is widening fast.

Moreover, the available resources could be used more strategically, according to the 2011-2013 National AIDS Spending Assessment (NASA). Investments in prevention interventions, for example, need to target key affected populations, focusing on areas where the HIV burden is highest, to have the maximum impact on new infections. This is not yet happening. Between 2009 and 2011, just 20% of all AIDS investment in the Philippines was spent on Knowledge, Attitude, and Practice interventions. As a result, coverage of the two most affected communities—MSM and PWID—is under 10%.

Figure 46. The widening resource gap in the Philippines' AIDS response



Investment scenarios

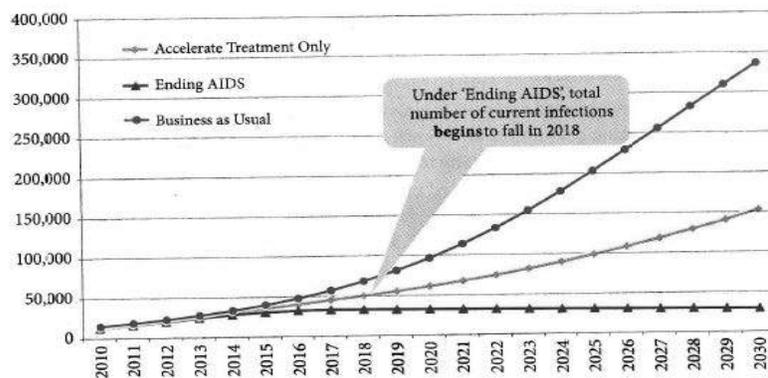
Several policy scenarios were generated. They show how different policy options will impact the trajectory of the epidemic and the investment need. Our proposed budget will be on the “Ending AIDS” Scenario.

Ending AIDS scenario

This envisages a phased scale-up to universal access to ART while optimizing prevention interventions for MSM and PWID, expanding coverage incrementally to reach the targets by 2017. Thus treatment coverage would be scaled up initially to 90% of People Living with HIV with weaker immune system (CD4 less than or equal to 500) before moving to full ‘test and treat’ mode in 2017. Meanwhile, prevention coverage would be scaled up to 90% of MSM and PWID and sustained at present levels for FSW.

‘Ending AIDS’ calls for an average annual investment of P2.3 billion between 2015 and 2030

Figure 47. Total number of PLHIV, 2010-2030

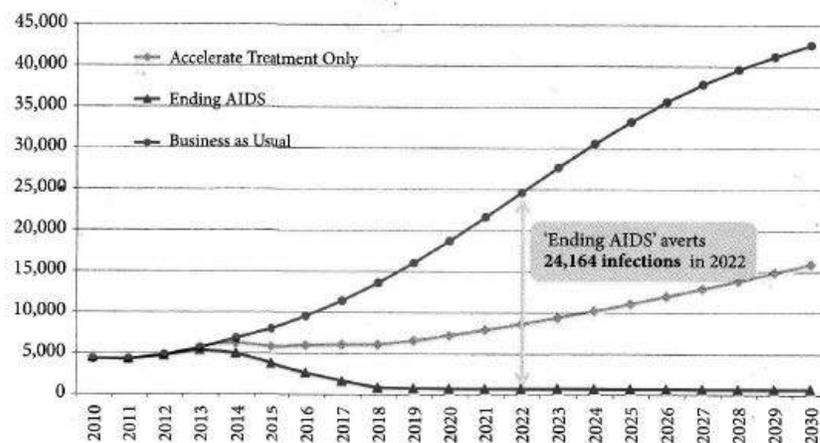


Only the ‘Ending AIDS’ scenario reverses the epidemic, with the number of current infections beginning to decline in 2029. Conversely, the ‘Accelerating treatment only’ scenario results in a fivefold increase in the number of PLHIV by 2030.

Impact on new infections

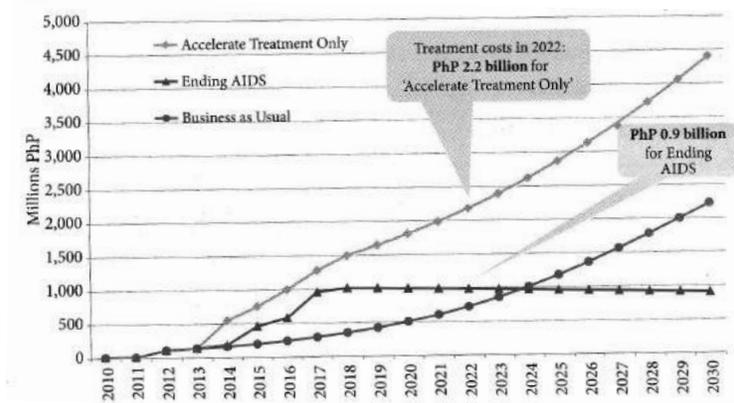
'Ending AIDS' reduces the number of new HIV infections to less than 500 per year by 2020, effectively halting the spread of the epidemic. At that level, HIV is no longer a major public health threat. Accelerating treatment will significantly reduce the number of new cases compared to the baseline due to the prevention benefits of ART, but without intensified prevention efforts as well, a growing number of people will continue to be infected every year, and the opportunity to contain the epidemic will be lost.

Figure 48. Annual number of new HIV infections, 2010-2030



Impact on treatment costs

Figure 49. Annual treatment cost, 2010-2030



Although the initial investment is high, the cost benefits of 'Ending AIDS' will be derived within, as little as 10 years (by 2024) with few new cases to treat and the annual ART cost falls below that of the other scenarios. Under the other scenarios, the ongoing increase in new infections drives up treatment costs incrementally year by year. If there is no additional investment in prevention ('Accelerate Treatment Only'), costs will begin to escalate immediately. The 'Ending AIDS' scenario shows a sudden cost increase in 2017. This represents the expansion of ART coverage from ART initiation at a CD4 count of 500 or less, to treating all PLHIV irrespective of CD4.

Clearly, ‘business as usual’, or no new investment in the response, will allow the HIV epidemic to take hold in the Philippines, with serious implications for public health as well as major social and economic costs. But focusing all investments on accelerating treatment would still lead to a continuous increase in new infections each year. The key to significantly reducing new HIV infections, therefore, is to scale up the prevention coverage of MSM and PWID, sustain prevention coverage of “FSW,” and at the same time, scale-up ART coverage among PLHIV.

The ‘Ending AIDS’ scenario shows that investing in prevention yields significant savings on treatment costs later, making the program affordable over the long term. However, if ART is scaled up without expanding and optimizing prevention coverage of the most affected populations, new infections continue to increase, treatment costs spiral upwards, and the program quickly becomes unsustainable.

Figure 50. Snapshot of the impact investment and resource needs for each investment options in 2022

	Baseline	1 Business as Usual	2 Accelerate Treatment Only	3 Ending AIDS by 2022
	2013	2022	2022	2022
New Infections	5,730	24,649	8,391	485
PLHIV (Current Infections)	27,721	133,134	76,384	34,156
PLHIV on ART	3,902	22,559	68,844	30,803
Deaths	848	3,374	528	326
Resource needs	P0.3 billion	P0.8 billion	P1.9 billion	P2.5 billion

Note: the resource need figures refer to 2022 only, not the average annual resource needs over the period 2015-2022

The message from the scenarios is clear: only ‘Ending AIDS’ scenario will stop and reverse the epidemic before 2022.

Reproductive Health

RH Sub-cluster steering committee and drafting team members: Philippine Center for Population and Development; Catholics for Reproductive Health; Forum for Family Planning and Development; Samahan ng Mamamayan - Zone One Tondo Organization (SM-ZOTO); WomanHealth Philippines

Despite the enactment of RA 10354 (Responsible Parenthood and Reproductive Health Care Act of 2012), the family health services have not been trickling to provinces where these are most needed. Without robust Responsible Parenthood / Reproductive Health (RP/RH) law implementation, a poor woman will be exposed to injury or death twice in her lifetime. Once pregnant, a poor woman’s risk is multiplied further by her minimal access to skilled birth attendance and emergency obstetric care. Even if she survives the unintended pregnancies, the poor woman and her family will have to cope with the huge financial, physical and emotional responsibility of raising another child.

The 2013 National Demographic and Health Survey (NDHS) report indicates that women from the poorest quintile want 3.3 children on average but end up with 5.2. Each pregnancy

and childbirth comes with risks. On average, 15% of pregnant women will experience a serious maternal complication (WHO 2009), and 221 of every 100,000 births will lead to a maternal death (NSO 2011).

The country's Contraceptive Prevalence Rate is at 48.9% and there has been no significant increase in the last 10 years. Modern contraceptives account for 36.9% and Traditional Methods with 12. This means that 50.1 % do not use any family planning method. The poorest women have the highest unmet need for family planning at 28%. The top reasons for non-use of modern family planning methods are fear of side-effects (41%), second most common reason is that women think that they are not likely to get pregnant, and the third is the cost of sustaining use of modern contraceptives (Gutmacher 2010).

Sexual and Reproductive Health of Adolescents and Youth

One out of five Filipinos is an adolescent, while females account for almost half of the total adolescent population. In the 2015 projection, Filipino adolescents will be around 20 percent of the country's total population. The University of the Philippines Population Institute (UPPI) conducted the Young Adult Fertility and Sexuality 4 (YAFS4) study among Filipino youth (15-24 years of age) about their sexuality and fertility, risk behaviors, and their determinants.

The study revealed that one out of three engaged in sex before marriage. From 1994 to 2013, the proportion increased to 14 percent. More males (12.5 percent in 1994 and 19.7 percent in 2013) engaged in premarital sex than females (from 4.0 percent in 1994 to 14.1 percent in 2013). The percentage of females also increased, thus the narrowing gap compared to males. Of the total number of respondents, 16.9 percent were 15-19 year old males and females.

In the 25-49 age group of women, the percentage of women having their first sexual intercourse increased sharply from age 15 to age 18.

Pregnancy is considered "adolescent or teenage pregnancy" when the pregnant has not yet reached legal adulthood, which is usually within 13 to 19 years. The Philippine Statistics Authority's (PSA) 2012 presentation in the first National Summit on Teen Pregnancy showed there were 12 girls who were under 15 years old who gave birth to their third baby in 2010. These girls most likely gave birth for the first time at age 12 or even younger. To be more definite, the PSA presented data on increasing births to women aged 13-19 from 2006-2010.

It is a known fact that the percentage of teens with children or are pregnant increased over the past decade. In a span of a decade, the number of girls aged 15 years old and below giving birth to their first child increased two-fold. From 616 in 2000, the figure rose to 1,260 in 2010. On the other hand, among 15-19 year old women, the figures reached 174,075 from 103,724, marking an increase of almost 70 percent. All in all, in 2010, 24 babies per hour were born to women below 20 years old. This adds up to 569 per day compared to only 14 births per hour from the same age group or 345 babies born daily a decade earlier.

This is further emphasized by the fact that in the ASEAN region, the Philippines ranked as one of the countries with the highest rate of early pregnancy, with one out of 10 pregnant women being a child. In this situation, it is critical that universal access to reproductive health in terms of commodities, options and services are made accessible to young people. Health needs must be addressed by government programs.

In April 2014, the Supreme Court, however, upholds the requirement for minors to seek ‘permission’ from their parents before receiving reproductive health services (Section 23 (a)(2)(ii) ‘insofar as it penalizes a health service provider who will require parental consent from the minor’ was declared unconstitutional).

Among the teen-aged girls who had been or were pregnant, those belonging to the poorest quintile were five times more likely to be pregnant or to have children than young girls belonging to the richest quintile^{ciii}. Unprotected sex was reported at 78% of the sexual initiation of young couples who were not married (YAFS 4). Even among teen agers who were already married or living in, only 14% were using contraceptives though 83% did not want to have children^{civ}

Sexuality Education

Comprehensive health care also means access to information and recognition of the sexual and reproductive health and rights (SRHR) of adolescents and their capacity to make personal decisions. Sexuality education, a critical factor in ensuring sexual and reproductive health and well-being of people, especially of adolescents and youth, continues to be a contentious issue primarily owing to the stance of conservative groups led by the Catholic hierarchy. There are, however, ongoing efforts to define what “age-appropriate” sexuality education for students is, in both public and private school systems, as provided by the RP/RH Law.

Misconceptions and poor reproductive health outcomes

DOH consistently increases its annual budget but its priority is skewed on the curative rather than preventive side. Decades of anti-family planning/reproductive health campaigning and misconceptions have contributed to the low contraceptive prevalence as evidenced by the top reason for non-use cited above. Even among health and medical professionals, there is a divide on when life begins – moment of conception or implantation. So much misconception and misinformation about the RPRH Law abounds. Increasing the demand and utilization of RH services necessitates a massive awareness and education campaign to change behaviours and complement the services that will be provided. Even if the allocation is sufficient to address supply, if the demand is low due to resistance and non-compliance out of fears and misconceptions, the budget will not be used. Against this backdrop and prioritizing the need to reduce poor reproductive health outcomes, especially of poor women of reproductive ages and young girls vulnerable to teen pregnancy, more budget allocation on family health is urgently called for.

Rights to Sexual and Reproductive Health of Indigenous Peoples

The National Indigenous Women Gathering held in October 2012 and attended by 42 indigenous women from 14 tribes within the country, came up with a National Indigenous Women Declaration 2012.²⁹ This paper contains their issues with current government programs and policies that discriminate against them since their customary ways and traditions are not considered or recognized. Based on their reproductive rights issues, they call for the following:

- 1) Stop criminalizing the traditional midwives from indigenous communities.

- 2) Allow the traditional birth giving for women who have undergone regular prenatal check-ups.
- 3) Provide training and certification to traditional midwives, and pass local ordinances that recognize them and the right of indigenous women to choose their own method of birth giving and care for themselves.
- 4) Remove the 1,500 charge for every birth in health centers especially for those who are 4Ps beneficiaries.

Indigenous People-Maternal, Neonatal and Child Health and Nutrition (IP MNCHN), a multi-sectoral partnership initiative for the period of 2012 - 2016 was launched in Mindanao in November 2012. Based on the UNFPA's 2013 report, they are supporting the ongoing integration of traditional knowledge and practices associated with sexual and reproductive health of indigenous people into national and local policies. They conducted gender and cultural sensitization of health service providers, senior staff and policy advisers of the National Commission on Indigenous People (NCIP). They also provided reproductive health supplies and outreach health services to ensure availability and access to modern, safe and effective methods of birth spacing, including the provision of culturally-sensitive information on family planning and midwifery scholarships to young indigenous women.

The proposed sources of financing for these programs are the Department of Health; Department of Social Welfare and Development for Family Development Sessions, Sin Tax, Gender and Development Budget.

Strengthening Good Governance in Medicines

Access to Medicines Sub-cluster Steering Committee and drafting team members: Medical Action Group; Kilos Damit; and Coalition for Health Advocacy and Transparency; Ayos na Gamot sa Abot Kayang Presyo

The current state of access to medicine and quality of pharmaceutical products is dismal and detrimental to realizing universal health care. ABI proposes the following to address this:

1. Accounting for Budgetary Allocation for Drugs, Medicines and Vaccines

To account for the substantial amounts allocated for the procurement of medicines every year, and in compliance with the conditions for budget approval, the DOH should provide the following information regularly and in a transparent manner: (1) detailed list and breakdown of medicines that will be procured; (2) distribution list per health care facility; and (3) inventory and/or movement of medicines.

The information will facilitate determination of whether (a) there was equitable distribution throughout the country; (b) medicines reach poor households under the National Household Targeting System for Poverty Reduction (NHTSPR); (c) medicines actually address local/specific health needs; and (d) the health commodities are procured at the best possible prices.

2. Ensuring the Safety, Efficacy and Quality of Medicines

As the guardian of the people's health, and potentially the largest single buyer of medicines through Philhealth, the DOH should have the technical capacity to assess and ensure the safety, efficacy, quality and cost-effectiveness of drugs, medicines and vaccines procured for

public distribution and use.

Adequate resources must be provided to the Food and Drug Administration (FDA) to ensure that it is capable of effectively carrying out its important regulatory functions that will safeguard consumers and patients against substandard and counterfeit medicines. As provided in the Cheaper Medicines Law (RA 9502), the FDA should be allowed to retain income generated for use in upgrading its resources including manpower, laboratory equipment and facilities, inspection and monitoring capacities, and information technology. A strong FDA is crucial for the health of Filipinos. Currently, in addition to the voluminous load of registered products and licensed establishments under its review, the FDA has to deal with the problem of thousands of unlicensed establishments and unregistered products of doubtful efficacy and safety that are for sale to consumers. Moreover, FDA handles the implementation of emergent laws without the corresponding adjustment in manpower and budget.

Under the RA 9711 or the FDA Strengthening Law, the FDA would undergo a five-year transition period into new organizations. After which time, it is hoped that it will be able to sustain itself on the basis of its income. It will be shifting to the new FDA which will reorganize into four-focused centers. During this period of development, it would urgently need support to address deficiencies in infrastructure, equipment, and manpower. Until the Department of Budget and Management approves this five-year business plan, the office's income sustainability would still remain uncertain.

3. Streamlining the Drug Management Process

It is recommended that the DOH invest in developing an effective and efficient model for pharmaceutical management that takes into consideration the current and future demands for medicine access programs, national health priorities as regards access and availability of medicines, and the legal framework for government procurement (RA 9184). Resources must also be dedicated to capacitating the DOH Central Office, Regional Center for Health Development, and retained hospitals in maximizing the use of the said pharmaceutical management model to ensure regular access to medicines, in line with the thrusts of *Kalusugang Pangkalahatan*.

The supply chain management system will (1) ensure transparency in and efficiency of the procurement process; (2) increase the level of technical capacity in warehousing, logistics and inventory management; (3) ensure the quality of medicines throughout the entire supply chain; and (4) ensure an appropriate system for managing drug donations, particularly during health emergencies.

4. Working with Local Governments

Local government units (LGUs) likewise allocate budget for the procurement of drugs and medicines for hospitals and health facilities that are managed by them, as well as for distribution to their constituents through rural health units and barangay health stations. It has been observed that there is a disconnect between the policies and strategic directions at the national level, on the one hand, and the efforts of local governments to deliver health products and services and manage their resources for health, on the other.

It is recommended that the DOH collaborate with LGUs (possibly through their leagues) in linking their health programs so that the objectives for better health outcomes are achieved

and resources are maximized. Such collaboration will address gaps, eliminate overlaps, and ensure prudent and wise spending of scarce government resources as well.

Investing in an extensive information and education campaign may facilitate this process.

5. Strengthening Transparency and Accountability in Access to Medicines Initiatives

Civil society must work with the DOH (and its attached agencies, regional offices and retained hospitals) in instituting a monitoring scheme that will provide information on:

- a. Level of utilization of budget allocated for specific medicine access programs (MAPs)
- b. Actual availability of medicines in identified health facilities and target access points
- c. Ease or difficult of access by target beneficiaries
- d. Level of public awareness and information about the medicine access programs
- e. Results and outcomes of the specific medicine access programs.

The said scheme or tool should be able to provide information and evidence that will be useful for both planning and decision-making purposes at the national, local and facility levels, as well as monitor and track results, outcomes and the impact of access to medicines initiatives.

PROPOSALS	AMOUNT
<ul style="list-style-type: none"> • Capacity building activities • CSO monitoring activities in relation to drug procurement and utilization • Advocacy 	PhP 12,000,000.00

Other recommendations:

- For budget to be maximized and utilized, and since the DOH is the single biggest buyer of medicines, the Department of Health should base their decisions on which medicines and vaccines to purchase on a cost-effective study. This is of course, aside from the need to ensure that it adheres strongly to transparent bidding, among others.
- Expand coverage of Medicines Access Program (MAP) especially in far flung areas.
- Civil society monitoring of government procurement and disbursements of medicines.
- Medicines procurement should be driven by local demands and not based solely on national government decision
- CSO monitoring of whether the demands are met and the supply is appropriate.
- A cap with respect to time in the bureaucratic process (study, bidding, procurement, and disbursement) to avoid wastage and ensure that supply meets demand.
- National government to work closely with pharmaceutical providers (assuming all bidding processes are met) to create access points for medicines delivery in the provinces. This will aid the timely distribution of medicines and will decrease national government's burden in transporting as well as ensuring effective distribution when needed.
- Ensure medicines especially those in the National Drug Formulary as well as drugs for disasters or humanitarian situations are always available. Regular monitoring of agencies involved in disaster (e.g. Department of Health) and making them accountable.

- Aggressive information dissemination on Rational Use of Medicines (as provided in RA 9502). This is still not being implemented. This will create options for Filipinos to buy medicines that are needed. It will also give the people the right to choose whichever health modalities (not only medicines). In addition, this will pave the way for increasing health promotion programs with budgetary support.

Yolanda Funds for Resiliency and Sustainable Development

ABI Health Cluster proposes the financing of the funding gap in the construction of Phase 1 of Eastern Visayas Regional Medical Center destroyed by Typhoon Yolanda Hospitals, Rural Health Units (RHUs), and Barangay Health Units (BHU) Health Services; Prevention of communicable & non-communicable diseases; Recovery and Rehabilitation Program for Typhoon Yolanda based on the Memo-Comprehensive Rehabilitation and Recovery Plan (CRRP) approval as of July 2015:

Program	Memo-CRRP Approval (167 Billion)	Releases of 52 Billion, as of October 2014	Releases of 88.9 Billion, as of June 30 2015	Derived Actual release for 2015 (88.9 Billion – 52 Billion)	GAP
Construction of Phase 1 of Eastern Visayas Regional Medical Center destroyed by Typhoon Yolanda Hospitals, RHUs, and BHUs Health Services; Prevention of communicable & non-communicable diseases; Recovery and Rehabilitation Program for Typhoon Yolanda	3,206,950,144	1,953,350,000	1,953,350,000	-	1,253,600,144

Children and Youth

Children and Youth Sub-cluster steering committee and drafting team members: DAMPA; Children Protection and Youth Empowerment; Children and Youth Organization; SM ZOTO; Save the Children; World Vision; Inclusive Mobility; Ang Karapatan ng Kabataan Atinng Protektahan (AKKAP); Lilok Foundation; Norfil Foundation; Community Physioteraphy and Rehabilitation Facilitators (CPREF); and Community-based Rehabilitation-Samahan ng mga Magulang na Ininiingatan ang Lahat ng Batang Espesyal (CBR-SMILE)

“Anumang sakit ng lipunan, bata ang unang makakaramdam...”

The Philippines recorded a total of 92,097,978 household population or non-institutional population in the 2010 Census of Population and Housing (CPH), an increase of 15.8 million from the 76.3 million household population counted in the 2000 CPH.

Of the household population in 2010, 33.4 percent were under 15 years of age or 30.7 million. Children below 5 years old comprised 11.1 percent of the household population in

the entire country. Children aged 5 to 9 years accounted for 11.2 percent of the household population, and those aged 10 to 14 years, another 11.0 percent. By comparison, in 2000, children under 15 years old accounted for 37.1 percent of the household population in the country. Children below 5 years of age comprised 12.7 percent of the total household population.

In terms of the distribution by age and sex, there were more males than females in age groups 0 to 54 years in 2010, with the males comprising 51.0 percent of these age groups. In contrast, there were more females than males in the older age group 55 years old and over. The males in these age groups made up 45.9 percent.

In 2010, the median age of the country's population was 23.4 years, which means that half of the household population was younger than 23.4 years. This is higher than the median age of 21.3 years recorded in 2000. The country's median age for males in 2010 was 22.9 years, while that for females, 23.9 years.

Child's Rights Guiding Principles

The guiding principles are crucial to understanding how to fully implement programs for the children. They provide the means by which the substantive articles are interpreted and achieved. In keeping with the indivisibility principle of human rights, each of the guiding principles must be considered alongside each article.

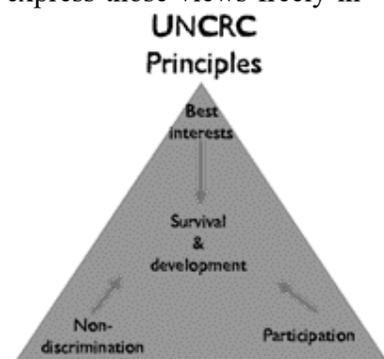
They are often described as instrumental rights – rights of good process that children should enjoy. It has been said that through adopting this approach, the Convention becomes more than a mere list of obligations and instead acquires a soul.

The guiding principles of the Convention include non-discrimination; adherence to the best interests of the child; the right to life, survival and development; and the right to participate and respect for children's views and opinion. They represent the underlying requirements for any and all rights to be realized.

Children's Health Sphere

Right to participate and respect for children's views and opinions

Article 12 of the United Nations Convention on the Rights of the Child (UNCRC) guarantees to every child capable of forming his or her views the right to express those views freely in all matters affecting him or her. It also recognizes the right of the child to have those views given due weight in accordance with the child's age and maturity. Together, these represent the right of the child to be heard and to participate in decisions made concerning him or her. Article 12 places a legally binding duty on all States that have ratified the UNCRC, including Philippines. Its implementation also represents a moral imperative for adults to respect children as autonomous beings and rights-holders, and to promote and vindicate their right to be heard in all decisions taken concerning them.



source: www.childrensrightrwhales.org.uk

To date, attention has focused on ways to involve children in a meaningful way in the areas of policy development, budget allocation and governance in both the statutory and voluntary sectors. Little has been done to identify whether children are involved in decision-making in the private sector and to develop models of communication appropriate to this area. This proposed budget aims to fill this gap by exploring the extent to which children are listened to in the healthcare setting. It does so by recording the experiences and attitudes of children, parents and health sector; and auditing the programs, budget, training and educational materials of health sector.

It explains best practice in the area of participation with children in the healthcare setting, identifies barriers to implementing this best practice and makes recommendations as to how the best practice that does exist can be developed and mainstreamed throughout the healthcare environment. This research examines within a legal framework the extent to which children's voices are being heard in the healthcare setting.

Its key strength is the combination of a range of stakeholder perspectives combined with a program and budget audit to advance a unique and focused understanding of the issue addressed.

Right to life, survival, and development

These are rights to the resources, skills and contributions necessary for the survival and full development of the child. They include rights to adequate food, shelter, clean water, formal education, primary health care, leisure and recreation, cultural activities and information about their rights. These rights require not only the existence of the means to fulfill the rights but also to have access to them. Specific articles address the needs of child refugees, children with disabilities and children of minority or indigenous groups.

Right to security and protection

These rights include protection from all forms of child abuse, neglect, exploitation and cruelty, including the right to special protection in times of war and protection from abuse in the criminal justice system.

Alternative Proposals

The framework of the Department of Health and its over-all goal to improve the health status of adolescents and to enable them to fully enjoy their right to health is a welcome development. However, improvement on health status should be universal and inclusive across all ages of children. Children should not only be seen as recipients of services but actors in attaining their right to health, thus recognizing their evolving capacities. This framework recognizes the four (4) principles of the UNCRC – survival and development, participation, non-discrimination, and best interest of the child.

What is crucial is to analyze how the budget for children's health is programmed and delivered and how children can access these programs and services. Government's investment on the health of the newborn and of the under-five age group is critical in ensuring a strong foundation for children's health and in addressing the MDG Goal 4 in reducing child mortality. However, the health needs of children above 5 years old, including adolescents, have fallen into the cracks and remained unaddressed. This is evident in the key

findings of the National Demographic Health Survey of 2013, showing that the mortality rate for infant during the five-year period preceding the survey is 23 deaths per 1,000 live births or one in every 43 babies dies before his/her first birthday. The mortality rate for under-5 is 31 deaths per 1,000 live births or one in every 32 babies dies before reaching his/her fifth birthday.

Support is given to children's immunization and micronutrients supplementation as part of addressing the primary and preventive health care. However, children's changing needs have moved from merely physical health but towards including their mental health as well. There has been increasing number of cases of depression and aggressive behavior among children and young people which pushes them to engage in activities that place their health at risk such as substance abuse and alcoholism among others. There have also been reported cases of suicide among children, but these have been treated merely as incidences or news rather than as mental health issues.

Children's right to health can be best achieved through responsive government programs and services and through children being able to participate actively in the designing, planning, implementation, and monitoring and evaluation of these programs and services. The children's proposals across all sub-clusters should be included in government health programming and budgeting to ensure children's right to health is given due consideration. In addition are the following inter-agency collaborative actions to ensure synergistic and complementing programs in comprehensively addressing children's health:

1. Addressing concerns on the children and young people's health-seeking behavior through an interagency intervention: values of children on health through the education curriculum and making health facilities and health workers child-friendly
 - a. Strengthen the role of schools as key players in promoting school health and nutrition
 - b. Come up with a comprehensive school health program that will encompass children of all ages
2. Inclusion of disaster preparedness in the regular agency programming based on local data in order to determine the necessary programs for implementation
3. Approaching comprehensive adolescent health framework as a joint program within the Department of Health. While the radical efforts of the Central Office to come up with a comprehensive adolescent health and development framework is commendable, the budget allocation seem to go mainly to adolescent vaccines, adolescent sexual and reproductive health training and advocacies. Other adolescent health issues and concerns—tobacco consumption among children and young people for instance—will be more effectively addressed through harmonized interagency initiatives.
4. On adolescent sexuality and pregnancy:
 - a. Teaching health promotion and sexuality and reproductive health education in educational institutions
 - b. Promote the creation of an enabling environment for adolescent mothers through automatic inclusion to the Department of Social Welfare and Development's Pantawid Pamilyang Pilipino Program (4Ps), facilitating their automatic enrolment to the National Health Insurance Program as sponsored members
5. Health Human Resource Development in the national and local government

- a. Integrating the UN Convention on the Rights of the Child (UN CRC) in developing modules for capacity-building of health service providers
 - b. Hiring of health service personnel (one doctor, one nurse) per Barangay Health Unit focusing on children's health considering that there is no one to one correspondence in program management in the local and the central government
6. Health Facilities
- a. Rehabilitation centers for children to address issues on drug/substance abuse
 - b. Enhancement of facilities for children in hospitals should be done to include children's ward including special sections for treating children within outpatient department/emergency room child protection unit; and adolescent-friendly facilities within children wards, maternity wards and labor rooms. Consultation and engagement with children and groups working on children's rights should also be done prior to these enhancement and construction of new facilities.
 - c. In order to ensure children's safety during disasters, the provision of separate toilets for girls and boys in evacuation centers is also proposed.
7. Health and Nutrition

ISSUE	Results/outcomes	Relevant DA Budget lines	Recommended actions/programs
<p>Malnutrition is an underlying cause in one-third of under-five deaths. Millions of children are dying before their fifth birthday because of the combined effects of maternal malnutrition, a poor diet and infection, and the fact that they and their mothers can't get the food they need. Millions more are having their bodies and brains stunted by chronic hunger. The poorest and most vulnerable children are the most affected. (Save the Children Every One Campaign 2012)</p> <p>The national prevalence rate of growth stunting among children under 5 is 33.6 percent and the wasting rate is 7.3 percent (2011 National Nutrition Survey, Department of Science and Technology - Food and Nutrition Research Institute)</p> <p>Limited access to food is</p>	<p>Survival and Development:</p> <p>Nutrisyon at masusustansyang pagkain</p> <p>Prevention: Pag-iwas sa malnutrisyon</p> <p>Tamang pagkain Regular na pagkain</p> <p>Participation: Tamang kaalaman sa pangangalaga sa sarili at mga serbisyong dapat matanggap.</p>	<p>Agricultural and Fishery Policy Services</p>	<p>Develop and adopt policies that promote the integration of nutrition and food security into agricultural programs.</p> <p>Adopt policies to improve the availability and affordability of nutritious foods.</p> <p>Conduct research to develop the evidence-based integration of nutrition and agriculture to improve child nutrition.</p> <p>Conduct research to study the impact of agriculture on health, and the impact of agricultural interventions on rates of malnutrition,</p>

<p>related to parents' unemployment or inadequate income and to large family size.</p> <p>The State of the World's Children 2012 report reveals that that from 2006 to 2010, 21% of infants were born with low birth weight, 22% of children below 5 years old were underweight, while 7% percent and 32% percent were attributed to children who suffered from wasting and stunting, respectively (UNICEF 2012).</p> <p>According to the 2nd Philippine National Plan of Action for Children 2011–2016, despite an annual decline of 0.5% among underweight children from 2003 to 2005, undernutrition remains to be a public health problem among infants and young children. Undernutrition has been reported as the cause of at least 53% percent of under-five deaths.</p> <p>The 2008 National Nutritional Survey also reports that despite the decline in the prevalence of underweight, stunting, and wasting among children under five and school-age children, yearly figures (from 1990) remain way below the annual percentage point reduction from 2000 needed to achieve MDG targets.</p>			<p>Include nutritional indicators in agricultural plans and programs</p>
			<p>National Programs of the DA</p> <p>Promotion of and support to farming systems that promote household nutritional needs – collaborate with the National Nutrition Council for such programs.</p> <p>Provision of support to small-scale farmers especially women farmers in the form of resources and knowledge, and ensuring agriculture nutrition interventions are suited to the land they own</p> <p>Integrate education about nutrition In all agricultural and fisheries programs, encouraging farmers to spend their increased incomes on more nutritious food</p> <p>Design and implement programs to provide more appropriate support to women farmers.</p> <p>Promote urban gardening and other innovations in areas where there is no access to agricultural land</p>

<p>“Studies show that when improved nutrition is made an explicit objective of agricultural programmes they can lead to increases in the quantity, nutritional quality and affordability of the food families eat.” (Save the Children. A Life Free from Hunger.</p>		<p>Farm to Market Roads</p>	<p>Prioritize region where poorest farmers are to improve access to markets</p>
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A Better Democracy, A Better “Health for All”: Citizen’s Participation in the Health Budget

In a society, like the Philippines, wherein representative democracy is elite-dominated and political culture and governance practices are patronage-driven, better governance outcomes can be achieved by exercising the people’s right to participate in governance. People’s participation does not only bring back the state closer to the people, it fosters deeper democratic practices that will ultimately result in an empowered citizenry.

“The more you institutionalize grassroots people’s participation and involvement, the more you facilitate the forward and bottom-up transmission of what social needs are and how they can be addressed through public finance, resulting to better social outcomes. Consequently the more people will opt to join, legitimizing the whole democratization process.”^{cv}”

Currently, there are available spaces for participation in the government’s development planning and budget process. At the national level, reforms in the budget process under the Aquino administration allow for institutionalized civil society organizations (CSOs) participation in the crafting of budget of selected government agencies. The bottom-up budgeting (BUB) also calls for CSO participation.

In addition, the Congressional budget hearings remain a venue for people’s involvement. At the local level, there are also institutionalized spaces for people’s participation. Membership in the local development councils and local health boards are just a few arenas wherein the citizens can have a voice. Apart from institutionalized participatory spaces, there are also reformers in government, like the ones in DOH, who are open to engagement with civil society even in the absence of formal venues. Civil society can likewise claim participatory spaces by consistently engaging the government even in the absence of formal venues. In fact, the current engagement of CSOs with DOH, which began in 2006, was a space that the civil society claimed.

However, participatory spaces are not power-neutral. Invited participatory spaces are laden with power inequalities and power relations. For example, DBM’s Budget Partnership Agreement (BPA) is not just exclusionary; it also suggests a tokenistic participation from civil society. By design, it deprives civil society organization of opportunity to be involved in planning and decision-making as it limits CSOs’ participation in monitoring of government programs (i.e. in budget execution and not in budget preparation).

Reforms in the design of existing participatory spaces, like the BPA, should be undertaken to encourage substantial, broad-based/grassroots participation, and respect for the autonomy of civil society. In particular, documentary and reporting requirements of the BPA should be flexible to enable grassroots CSOs and the marginalized groups to participate. A prior consent from the government agency in the release of information and findings by the CSOs should be lifted as this conditionality curtails CSOs' autonomy and undermines transparency and accountability in governance.

The setting up of CSO Desk across all agencies will streamline peoples' participation in the budget. Participation should not only take place in the agency planning and budgeting. Equally important is civil society participation in the Development Budget Coordination Committee (DBCC), a body that determines the macro-economic framework of the budget, including the sectoral allocation of the national budget.

Citizens' participation is not only deemed essential in good governance but it is also an enabling right to the fulfillment of Filipinos' right to health care. A bigger challenge for CSOs and ordinary citizens is building their political and technical capacity to be able to make a difference in the exercise of their right to participate. Critical to this is the institutionalization of a law on Freedom of Information that shall ensure peoples' access to pertinent information and shall serve as a deterrent to corrupt practices in the government. This is especially relevant to the delivery of public health care which has been subject to many corrupt practices, a tool for furthering patronage and prone to profit motives for big corporations. Needless to say, the effective claim-making of people's right to health require the access to information.

Sources of financing

If identification of sources of health financing is based on the primary causes of mortality and morbidity in the country, using the lens of the social determinants of health, then other sources should be tapped such as the Motor Vehicle User's Charge given that the 5th leading cause of mortality is road accident.

Policy	Fund	Agency
Department of Health	General Fund	DBM, DOF
PhilHealth	PhilHealth Reserves	PhilHealth Board
Excise Taxation on Tobacco and Alcohol (RA 10351)	80% of incremental revenue	DOH, PhilHealth
Motor Vehicle User's Charge (RA 8794)	80% Special Road Fund 7.5% Special Road Safety Board 7.5% Special Vehicle Pollution Control Fund 5% Special Local Road Fund	DPWH, DOTC, other stakeholders
Clean Air Act (RA8749)	Fines and Penalties collected by EMB and LTO as stipulated by the law	DENR
Gaming and Amusement Tax (RA 6631/8407, 6632/7953)	Share of Franchise Tax/VAT	
Malampaya Fund		
Mining Fees/Fines		

Table 45. Summary of Alternative Budget Proposals for Health

Summary of Alternative Budget Proposals for Health			
<i>Note: The proposals were drafted with eight (8) Alternative Budget Initiative Health Sub-clusters: Health Promotion and Integrative Health; Children and Youth; Reproductive Health; HIV and AIDS; Older Persons, Persons with Disability; Health Human Resource; Access to Medicines; and PhilHealth.</i>			
<i>The proposals of some sub-clusters are not expressed in terms of pesos and centavos (see below) but equally substantial proposals on framework, implementation of programs, activities, and projects, and policy recommendation.</i>			
ABI Proposal	NEP 2015	ABI Proposal	Variance (ABI Proposed less NEP)
Social Determinants of Health			
Water, Sanitation, and Hygiene		PhP 93,000,000,000	
Food and Nutrition <ul style="list-style-type: none"> • Support House Bill 3795 (Zero-hunger bill) • National Food Policy (executive branch) • Strict enforcement of land rights • Government assistance to small holder agriculture: Food security and rice sufficiency program ; Agricultural and Fisheries Modernization Act (AFMA) implementation; National Land Use Act passage into law • Seed conservation • To UN: call for a sustainable fisheries management (i.e. community-based control resource management - CBCRM) • Ensure social protection programs for the urban poor/informal sector • Address needs of women, children and PWDs • Environmental reforms/push for climate justice • Government attention to Mindanao 			
Roads: A Public Health Concern <i>Road safety and access to health services</i> <i>ABI Environment/Climate Change Cluster's proposal on rural roads</i>		PhP 140,000,000,000	
Health Human Resource			
Salary and statutory benefits such as the Magna Carta for Public Health Workers of 989 doctors, 15, 727 nurses, 3,100 midwives, 324 dentists, 308 medical technologists, 713 public health associates, 82 Physical Therapist, 82 Psychiatrists, and 219, 433 barangray health workers to provide primary care to 102, 333, 484 ⁶ Filipinos.		PhP 7,121,896,000	PhP 71,097,032,380.96
The existing health personnel under the Doctors to the Barrio (DTTB) and Rural Health Practice Program programs shall be hired to permanent			

⁶ http://www.nscb.gov.ph/pressreleases/2015/PR-2015_18May_psgc.asp

positions even on staggered approach.			
Recognizing, Capacitating and Incentivizing the following, as part of the Community Health Team: <ul style="list-style-type: none"> • Integrative Healthcare Specialists • Senior Citizens • Peer Motivators 			
Rationalizing the Duties and Responsibilities of the Health Human Resource.			
Security at work and social protection is one of the conceptual dimensions of decent work.			
Training and development which is very vital in Human Resource Planning and Development.			
A Billion for Health Promotion			
<ul style="list-style-type: none"> • Nationwide public promotion of healthy lifestyle and well-being (including mental health and oral hygiene) using quad-media, • Provision of additional incentives to Community Health Teams (CHTs) doing health promotion work, • Training for health workers and CHTs on rights-based approach to health towards quality and patient-sensitive health care, i.e., elderly, persons with disabilities, children and adolescents, women, etc., • Accreditation of barangay health workers (BHWs), • Community-level promotion and consultations of PhilHealth benefits and procedures, particularly in poor areas, • Creation of inter-sectoral/departmental GO-CSO mechanism on health promotion, and • Inclusion of oral and mental health development to the health promotion programs. <p>Included is the proposal of children and youth to enhance the conditions within which healthy development can take place</p>	PhP 202,663,000	PhP 1,000,000,000	
Integrative Health: Health is the Responsibility of All <ul style="list-style-type: none"> • Development of IEC materials on Traditional Medicine/Complementary or Alternative Medicine (TM/CAM) • Development/Strengthening of Curricula of TM/CAM Academic Programs • Development/Strengthening of Modules of TM/CAM Training Program (short programs) • Development/Strengthening of 	PhP 55,646,000	PhP 15,000,000	

<p>TM/CAM Orientation Modules of Mainstream</p> <ul style="list-style-type: none"> • Development /Strengthening of TM/CAM Orientation Modules and CME Modules for Mainstream Media Practitioners • Other promotional activities through orientation seminars for medical and TM/CAM practitioners and photo exhibits, videos and other cultural activities • Monitoring and Evaluation including Participatory mechanisms 			
Upholding Children’s Right to Health Care			
<ul style="list-style-type: none"> • Develop and adopt policies that promote the integration of nutrition and food security into agricultural programs • Adopt policies to improve the availability and affordability of nutritious food • Conduct research to develop the evidence- based integration of nutrition and agriculture to improve child nutrition • Conduct research to study the impact of agriculture on health, and the impact of agricultural interventions on rates of malnutrition • Include nutritional indicators in agricultural plans and programs • Promotion of and support to farming systems that promote household nutritional needs • Collaborate with the National Nutrition Council for such programs • Provision of support to small-scale farmers especially women farmers in the form of resources and knowledge, and ensuring agriculture nutrition interventions are suited to the land they own. • Integrate education about nutrition • In all agricultural and fisheries programs, encouraging farers to spend their increased incomes on more nutritious food • Design and implement programs to provide more appropriate support to women farmers • Prioritize regions where poorest farmers need access to markets • Promote urban gardening and other innovations in areas where there is no access to agricultural land 			
<ul style="list-style-type: none"> • Addressing concerns on the children and young people’s health-seeking behavior 			

<ul style="list-style-type: none"> through an interagency intervention Inclusion of disaster preparedness in the regular agency programming based on local data in order to determine the necessary programs for implementation Approaching comprehensive adolescent health framework as a joint program within the Department of Health Adolescent sexuality and pregnancy Health Human Resource Development in the national and local government Health Facilities 			
Protecting the Rights of All: Including Persons with Disabilities			
<ul style="list-style-type: none"> Qualified personnel per Region for diagnosing children with possible impairments Therapists (PT, OT, SP) in provincial hospitals Psychiatric medical services in all regional hospitals Maintenance medicines of Children with Disabilities 		PhP 710,000,000	
Older people's participation in the promotion of the primary health care and wellness programs			
Basics of Primary Health Care service, traditional health care modalities, food and nutrition and concepts of fitness and wellness capacity building for older persons		PhP 5, 137,500	
Strengthening Good Governance in Medicine			
<ul style="list-style-type: none"> Accounting for Budgetary Allocation Drugs, Medicines and Vaccines Ensuring the Safety, Efficacy and Quality of Medicines Streamlining the Drug Management Process Working with Local Governments Strengthening Transparency and Accountability in Access to Medicines Initiatives <p>Alternative Proposal is for:</p> <ul style="list-style-type: none"> Capacity building activities CSO monitoring activities in relation to drug procurement and utilization Advocacy 		PhP 12,000,000	
'Ending AIDS'			
<ul style="list-style-type: none"> PhilHealth: Key in Ensuring the Health of Filipinos Prevention of fraud and leakages Containment of health care costs Investment on cost-effective services (PCB should be made universal and available to all PhilHealth members) 		PhP 2,300,000,000 PhP 29,510,000,000	

Reproductive Health <ul style="list-style-type: none"> • <i>Sexual and Reproductive Health of Adolescents and Youth</i> • <i>Sexuality Education</i> • <i>Ending misconceptions and poor reproductive health outcomes</i> • <i>Rights to Sexual and Reproductive Health of Indigenous Peoples</i> 			
Yolanda Funds for Resiliency and Sustainable Development – Department of Health		PhP 1,253,600,144	
Total		PhP 338,897,632,525	

The ABI Health Cluster

Access Health International • ACHIEVE INC. • Action for Economic Reforms (AER) • Active Youth Movement (AYM) • AKBAYAN • Alliance of Progressive Labor (APL) • ALMANA • Alternative Health Foundation (Alt*Health) • ANAK Youth of KABATAAN • Ang Kapakanan ng Kabataan ating Protektahan (AKKAP) • Ang NARS Partylist • Ayos na Gamot sa Abot Kayang Presyo (AGAP) • Babae Plus • Bagong Silangan Youth Federation (BSYF) • Ban Toxics • Brilliance Homeowners Association • Bulig Kami Parents Association of Samar • Catholics for Reproductive Health (C4RH) • CBR Smile, Inc. • Center for Empowerment and Development of Elderly and Seniors (CEDES)/PAMANA • Center for Emergency Aid & Rehabilitation Inc. (CONCERN) • Child Protection Unit Network (CPU-NET) • ChildFund Philippines • Childhope Asia • Children and Youth Organization (CYO) • Children Talk to Children (C2C) • Children’s Legal Rights and Development Center (CLRDC) • Coalition for Health Advocacy and Transparency (CHAT) • Coalition of Services of the Elderly, Inc. (COSE) • Community Physiotherapy and Rehabilitation Facilitators • Confederation of Older Persons Associations Philippines (COPAP) • CORRINAI Housing Cooperative • Damayan ng Maralitang Pilipinong Api, (DAMPA) Inc. • Dario River Alliance Housing Cooperative (DRAHC) • Dream House Ville Home Owners Association • EDUCO • Family Planning Organization of the Philippines (FPOP) • FCTC Alliance Philippines (FCAP) • Forum for the Family Planning and Development • Freedom from Debt Coalition-KUMPAS • Gintong Silangan Philippines • Golden Agers • Good Neighbors International • Gumamela Neighborhood Association • Health Integrated Development and Services (HIDS) • Healthcare Without Harm • HealthJustice • Hope for the Youth Foundation, Inc. • Inclusive Mobility • Kababaihan Pilipinas • Kagduma Hu mga Higaonon (KHI) Inc. • KAIBHAN INC. • Kaisahang Buhay Foundation • Kalipunan ng mga Sektor sa Caloocan (KASECA) / LGU Caloocan • Kalusugan ng Mag-ina, Inc. • KAMAO • Kampanya Para sa Makataong Pamumuhay • Katalingban para sa Kalabuan • Katipunan ng mga Mamamayan ng Bagong Pilipinas Inc. (KMBPI) • Katungod Han Samareña Federation • Kilos Damit • Kilusan ng Mamamayan sa Bagong Milenyo (KMBM) • Labor Education and Research Network (LEARN) • Life Haven, Inc. • Lilak (Purple Action for Women) • MAKALAYA • Malabon City Brgy. Health Workers Federation and Malabon Integrated Entrepreneur, Inc. (MINE) • Mga Gawa • National Anti-Poverty Commission (Women, Children, Urban Poor, and Youth and Students Basic Sector) • National Council for Social

Development (NCSD) • Norfil Foundation, Inc. • Open Heart Foundation • PAMANA • Pambansang Koalisyon ng Kababaihan sa Kanayunan (PKKK) • Partido Manggagawa • Partnership for Clean Air, Inc. • Peer Counselling Foundation • Peer Educators Movement for Empowerment of Pasay, Manila, Caloocan, and Quezon City (Peer Ed PMACQ) • Philippine Center for Population and Development • Philippine Coalition on the U.N. Convention On The Rights of Persons with Disabilities • Philippine Federation for Natural Family Planning (PFNFP-FILTAO) • Philippine Legislators' Committee on Population and Development (PLCPD) • Philippine Partnership on Children with Disability • Philippine Rural Reconstruction Movement (PRRM) • Philippine Society of General Internal Medicine (PSGIM) • Philippine Society of Sexual & Reproductive Health Nurses (PSORHN) • Piglas Kababaihan • Plan International • Psoriasis Philippines • Public Services Labor Independent Confederation (PSLINK) • Saganang Buhay sa Liga ng Bayan (SBSB) • Samahan ng mga Mamamayan ng Zone One Tondo Organization (SM-ZOTO) • Kasarian-Kalayaan, Inc. (SARILAYA) • Save the Children • Sentro ng Progresibong Manggagawa • Socialista • Tahanang Walang Hagdan • TLF Sexuality, Health and Rights Educators Collective Inc. (TLF SHARE) • Unified Filipinos Service Workers (UFSW)-National Federation of Labor • Universal Health Care Study Group • UP Diliman Gender Office • Visayas Health Ministry of United Methodist Church • WomanHealth Philippines • Women's Education, Development, Productivity and Research Organization, Inc. (WEDPRO) • World Vision Development Foundation, Inc. • Young People's Action for Change (YPAC) • Youth Leader's Club of Antipolo • Youth Meets the Children Organization (YMETCO)

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- ^{lxi} Diosana and Fabros
- ^{lxii} The whole subsection was fully drawn from the source: Coalition on Primary Care and UHC Study Group. "Evolving Into a Primary Care System." June 26, 2015.
- ^{lxiii} Philippine Statistics Authority, National Statistical Coordination Board, www.nscb.gov.ph. Accessed April 27, 2015.
- ^{lxiv} Department of Health. National Objectives for Health, 2011-2016. Retrieved from <http://www.doh.gov.ph/content/national-objectives-health-2011-2016.html>. Accessed July 21, 2014.
- ^{lxv} Professional Regulation Commission, 2014. Retrieved from <http://www.prc.gov.ph>. Accessed July 21, 2014.
- ^{lxvi} Health Human Resource Development Bureau. National Database of Selected Human Resource for Health. Retrieved from <http://www.hhrdb.doh.gov.ph/ndhrhs/RPA0021.php>. Accessed Dec 2013.
- ^{lxvii} Achieving the health-related MDGs. It takes a workforce! Retrieved from http://www.who.int/hrh/workforce_mdgs/en/. Accessed July 21, 2014.
- ^{lxviii} Department of Health Press Release, July 23, 2014. Retrieved from <http://www.doh.gov.ph/content/healthcare-workforce-priority-kalusugan-pangkalahatan.html>. Accessed May 4, 2015.
- ^{lxix} World Health Organization. A Universal truth: No Health Without a Workforce. WHO 2014
- ^{lxx} Portions were taken from this source: Diosana, Jo-Ann and Fabros, Maria May-i. Health Metrics that Matter. Business World Online. October 11, 2015 from <http://www.bworldonline.com/content.php?section=Opinion&title=health-metrics-that-matter&id=116757> accessed on January 26, 2016.
- ^{lxxi} Department of Health. 2012. National Objectives for Health 2011-2016. Philippines. Page 25.
- ^{lxxii} Philippine Health Insurance Corporation. 2014.
- ^{lxxiii} Diosana, Jo-Ann and Fabros, Maria May-i. Health Metrics that Matter. Business World Online. October 11, 2015 from <http://www.bworldonline.com/content.php?section=Opinion&title=health-metrics-that-matter&id=116757> accessed on January 26, 2016.
- ^{lxxiv} Diosana and Fabros
- ^{lxxv} Diosana and Fabros
- ^{lxxvi} Diosana and Fabros
- ^{lxxvii} Diosana and Fabros
- ^{lxxviii} Diosana and Fabros
- ^{lxxix} Despite the focus of the DOH to address the indicators outlined in the Millennium Development Goals 4, 5 and 6, the improvement may not be that significant at all.
- ^{lxxx} Full quote from Diosana, Jo-Ann and Fabros, Maria May-i. Health Metrics that Matter. Business World Online. October 11, 2015 from <http://www.bworldonline.com/content.php?section=Opinion&title=health-metrics-that-matter&id=116757> accessed on January 26, 2016.
- ^{lxxxi} In the next several months, to fast-track the provision of services in order to reach the health-related MDGs, the Department of Health would focus on the following "High Impact Breakthrough (HIB) Hi-5 for Health" in 43 provinces which have high poverty incidence, high poverty magnitude, vulnerable to shocks and disasters, and those in double category areas: (1) Maternal Care; (2) Infant Care; (3) Under Five; (4) Halt HIV-AIDS; (5) Establishing Service Delivery Networks
- ^{lxxxii} http://www.nscb.gov.ph/pressreleases/2015/PR-2015_18May_psgc.asp
- ^{lxxxiii} <http://dirp4.pids.gov.ph/ris/pn/pidspn1104.pdf>
- ^{lxxxiv} http://www.unicef.org/lifeskills/index_12078.html
- ^{lxxxv} Staffing Summary FY 2015 (Department of Health – Office of the Secretary)
- ^{lxxxvi} DBM website (A Brief on the Special Purpose Funds in the National Budget)
- ^{lxxxvii} DBM website
- ^{lxxxviii} GAA FY 2015
- ^{lxxxix} Sin Tax Law Incremental Revenue for Health Annual Report, DOH Website
- ^{xc} <http://dirp4.pids.gov.ph/ris/pn/pidspn1104.pdf>
- ^{xci} <http://www.gov.ph/section/briefing-room/department-of-finance/bureau-of-internal-revenue-department-of-finance/>
- ^{xcii} Individual participation
- ^{xciii} Philippine Daily Inquirer. For your health, share the road, docs urge. January 29, 2016. Accessed from <http://lifestyle.inquirer.net/220763/for-your-health-share-the-road-docs-urge> on January 30, 2016.
- ^{xciv} The ending balance of the PhilHealth reserve fund was PhP 120 billion in 2014.
- ^{xcv} There is an ongoing debate on whether the PCB should be providing general health checks for all members, both healthy and sick, as it is currently designed, or providing primary care for those who are sick. Studies have shown that general health checks are very costly to provide but are not beneficial in reducing morbidity and mortality.

^{xcvi} Currently, only government facilities can be accredited as a PCB provider since it is still uncertain if private facilities will be willing to provide primary care to indigents at the current PhP 1,800 per family budget.

^{xcvii} For example, the current prescribed fix allocation of the per family payment rate (PFPR) is restricting local public health providers from using the capitation to subsidize the transportation cost of patients that need to be referred to other facilities. Other local governments may also find that the prescribed 15% of PFPR is insufficient to compensate health workers.

^{xcviii} Source: Investment Options for Ending AIDS in the Philippines by 2022: Modeling different HIV Investment Scenarios in the Philippines from 2015 to 2030. A paper commissioned by UNAIDS Philippines. January 2015.

^{xcix} Philippines 2012 Global AIDS Response Progress Report, PNAC

^c Philippine HIV Situation 2014 Update (presentation), UNAIDS Philippines

^{ci} 2005-2013 IHBSS, DOH-NEC

^{cii} According to the 2013 IHBSS, only 30.7% of PWID used Sterile equipment the last time they injected, suggested that 70% of PWID are using needle/syringes that are contaminated—this may be due to sharing with friends, using discarded need needed, being injected by professional injectors.

^{ciii} NSO [Philippines] and ICF Macro. (2009). *Philippines National Demographic and Health Survey 2008*. Calverton Mary Land: National Statistics Office and ICF Macro.

^{civ} NSO [Philippines] and ICF Macro

^{cv} Miraflor, J. 2012. “Participatory Budgeting towards Participatory Universal Healthcare: A Framework of Engagement on the Health Budget and Health Financing Policy for the Civil Society and People’s Movements”. Unpublished.

Accessibility: Key to Inclusion and Participation in Community Life

Alternative Budget Proposal for Persons with Disabilities

Our contention

Persons with disabilities face numerous barriers that hinder inclusion and participation in community life. These barriers are encountered in practically all stages of their life – when accessing health services, getting an education, obtaining employment, making a living, starting a family, and even up to securing retirement.

The latest World Health Organization (WHO) figures showed that persons with disabilities comprise 15% of the total population. In the Philippines, the 2010 Census of Population and Housing (2010 CPH) indicated that out of the 92.1 million household population in the country, 1,443,000 persons or 1.57 percent had disability¹.

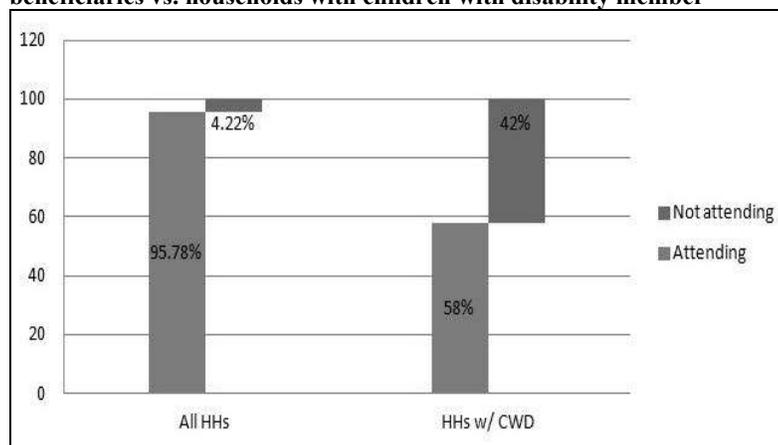
The 2010 Philippine census may be erroneously low because of many factors but nonetheless, with around 100M Filipinos, this still translates to 1,500,000 Filipinos with disabilities. Using the WHO estimate of 15% of the population, there are about 15,000,000 Filipinos with disabilities.

Even without looking at statistical data and population demography, it is not hard to imagine that the sector has the following characteristics:

- Lower educational achievements
- Lower levels of employment
- Poorer health outcomes
- Higher rates of poverty
- Increased dependency and reduced participation

The limited available data support the above assumptions.

Figure 51. Comparison of school attendance between all household beneficiaries vs. households with children with disability member



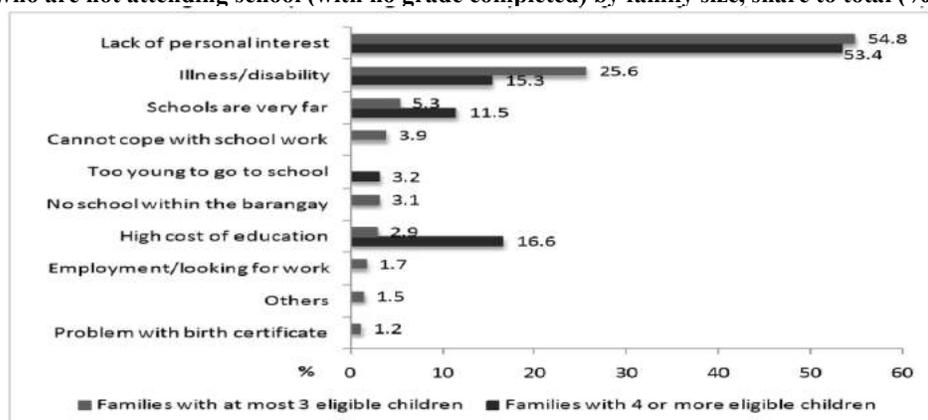
¹ <https://psa.gov.ph/content/persons-disability-philippines-results-2010-census>

Source: Incorporating Disability in the CCT Program and 4Ps Implementation Status Report (4Q of 2012)

The above figure from “Incorporating Disability in the CCT Program and 4Ps Implementation Status Report (4Q of 2012)”, shows that 42% of households who have children with disabilities are not sending their children to school. This is ten times more than the 4.22% prevalence in all households².

The Convention on the Rights of Persons with Disabilities (CRPD)-Compliant Budget Advocacy paper in 2013 stated that of the identified 609 poor municipalities, only 99 have Special Education (SPED) Centers in primary level and only 53 in the secondary level. This shows that even if the children with disabilities wanted to go to school, they have no access to primary level SPED Center in 84% of poor municipalities and in 91% of poor municipalities for secondary level. Even this remedial measure of building SPED Center which tends to perpetuate segregation (in contrast to accommodations for inclusive education), has not enough number to address the right to education of children with disabilities. One major factor contributing to this is lack of accessible schools.

Figure 52: Reasons for not going to school among children among aged 6-14 in 4Ps families who are not attending school (with no grade completed) by family size, share to total (%)

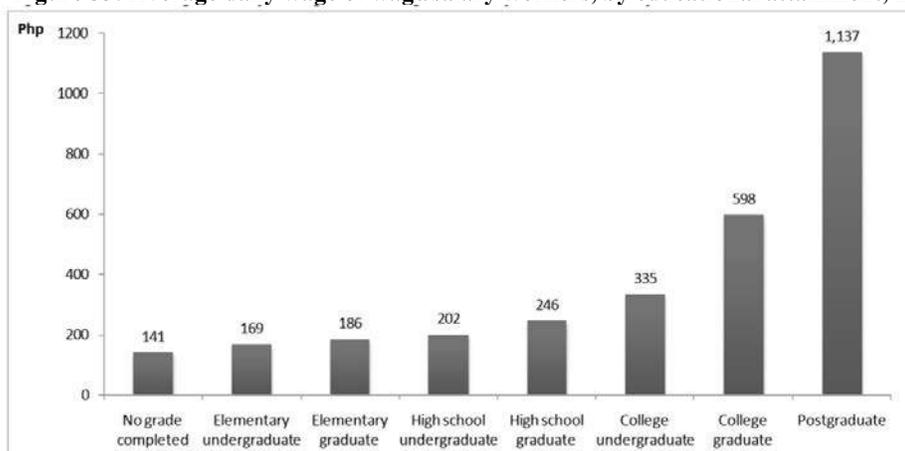


Source of basic data: APIS 2011, NSO

Source: Promoting Inclusive Growth Through the 4Ps [Discussion Paper Series No. 2013-09]

In the above figure, disability is the second most common reason for not going to school among children aged 6 to 14 of 4Ps families.

² <http://crpdparallelreport.net.ph/?p=21>

Figure 53: Average daily wage of wage/salary workers, by educational attainment, 2011

Source of basic data: LFS (July 2011), NSO

Source: Promoting Inclusive Growth Through the 4Ps [Discussion Paper Series No. 2013-09]

Figure 54: Education and Income among persons with disabilities

IDE-JETRO INSTITUTE OF DEVELOPING ECONOMIES http://www.ide.go.jp/

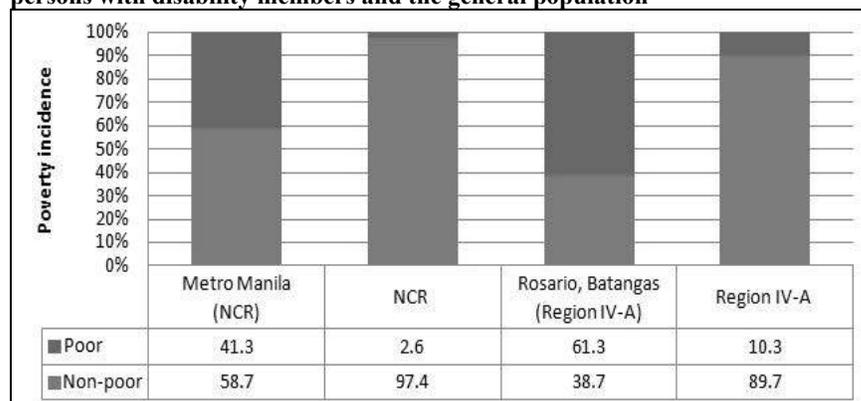
Implications

- High rate of return on education
 - A one-year increase in years of education raises income by 24.7% on average.
 - While the educated get very high income, the uneducated earn miserably.
- Low average income of female PWDs
 - Female PWDs earn a third ($e^{1.115}=3.05$) of income of male with the same education, age, marital status, and disability.

Source: The Least Privileged among People with Disabilities: A Statistical Experiment [by Soya MORI and Tatsufumi YAMAGATA (IDE-JETRO)]

With low or no education, it is expected that income would be low also. A paper by Soya MORI and Tatsufumi YAMAGATA (IDE-JETRO) stated that one additional year of education raises income by 24.7%, on the average. While the educated get very high income, the uneducated earn miserably low.

Figure 55: Comparison of poverty incidence between households with persons with disability members and the general population



Source: Philippine Institute for Development Studies (PIDS), Yap-Reyes-Tabuga et. al.

The poverty incidence in households with persons with disabilities in both urban and rural areas oscillates from 40 to 60%.

It is a known fact that access to public health services of poor households is in a dismal state. Relating this to the higher incidence of poverty in households with persons with disabilities will give you the picture of the poor health condition of the sector.

The major key factor that will address the problems of poor health, low education, unemployment, exclusion and non-participation in community life is providing accessibility.

Accessibility of the physical environment, of information, and of communication is a major contributing factor to guarantee inclusion and participation in the community of persons with disabilities. It is important that it is one of the general principles of UN Convention on the Rights of Persons with Disabilities with a full article dedicated to accessibility. Article 9 of CRPD paragraph 1 states:

“To enable persons with disabilities to live independently and participate fully in all aspects of life, states parties shall take appropriate measures to ensure persons with disabilities access, on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas.”

R.A. 7277 CHAPTER 6 – Accessibility Sections 25 to 27 deal on Barrier-Free Environment, Mobility, and Access to Public Transport Facilities. This law cites Batas Pambansa Bilang 344, otherwise known as the Accessibility Law. BP 344 is an act to enhance the mobility of disabled persons by requiring certain buildings, institutions, establishments and public utilities to install facilities and other devices was approved February 25, 1983.

It is ironic that the Philippine government ratified the UNCRPD in 1998 when it already has the Accessibility Law (BP344) in effect since 1983. Yet, the compliance to its own law is very poor. As a State Party to UNCRPD, the Philippine government has the responsibility to implement the Convention. However, even the State Report presented a very unsatisfactory access audit finding. The Department of Public Works and Highways (DPWH), in its access audit in 2010, found that 4,994 out of 6,285 monitored buildings were found to be non-compliant to its national law on accessibility.

Alternative Budget Proposal for Persons with Disabilities

Department of Transportation and Communications (DOTC)

Regional awareness-raising regarding rights of persons with disabilities in relation to the mandate of DOTC

TOTAL: PhP 4,800,000.00

Rationale:

Lack of awareness regarding rights of persons with disabilities in relation to the mandate of the DOTC adds to the obstacles facing persons with disabilities³ when commuting through public means of transport or with their own means of transportation. Prioritization and special treatment is not what the sector is advocating for. Respect for the rights of persons with disabilities as presented by UNCRPD starts with knowing about these rights. Regular awareness-raising activities will ensure this.

Department of Public Works and Highways (DPWH)

- 1. Regional awareness-raising regarding the rights of persons with disabilities, Accessibility Law (BP 344) in particular**

TOTAL: PhP 4,800,000.00

- 2. Regional accessibility compliance monitoring team**

TOTAL: P50,000,000.00

Rationale:

An allocation of P50 million is recommended to the Department of Public Works and Highways to ensure the compliance and monitoring of BP 344 or the Accessibility Law. The law was found to have the most number of violations which has resulted to continuous deprivation of free movement of persons with disabilities in the Philippines.

Accessibility does not end with having ramps in the building. Women with disabilities have more requirements for privacy and toilet facilities. Full navigability/accessibility of structures, toilets in particular, and need-appropriate (i.e. for the deaf, blind) signage should always be ensured by accessibility monitoring teams.

³ <http://crpdparallelreport.net.ph/?p=21>

**Table 46. ABI Persons with Disabilities cluster
Alternative budget proposals**

Budget Item	GAA 2015 (IN PhP)	NEP 2016 (in PhP)	ABI-Persons with Disabilities cluster Proposal (in PhP)	Variance [ABI Proposal less NEP] (in PhP)
Department of Transportation and Communications (DOTC)				
Regional awareness-raising regarding rights of persons with disabilities in relation to mandate of DOTC	None	New Budget Item	4,800,000.00	4,800,000.00
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS				
Regional accessibility compliance monitoring team	None	New Budget Item	50,000,000.00	50,000,000.00
Regional awareness-raising regarding rights of persons with disabilities, Accessibility Law (BP 344) in particular	None	New Budget Item	4,800,000.00	4,800,000.00
TOTAL				59,600,000.00

The ABI Persons with Disabilities Cluster

Alyansa ng May Kapansanang Pinoy • Autism Society Philippines • Call Foundation for the Blind • Deafblind Support Philippines • Government Union for the Integration of Differently Abled Employees • Katipunan ng mga May Kapansanan sa Pilipinas • Las Piñas Persons with Disabilities Federation • Leonard Chesire Disability Philippines • Life Haven, Inc. • My Refuge • National Organization of Visually Impaired Empowered Ladies • New Vois Association • Nova Foundation • Parents Association of Visually Impaired Children • Philippine Association for Children with Developmental and Learning Disabilities • Philippine Alliance of Persons with Chronic Illness • Philippine Chamber of Massage Industry for Visually Impaired • Philippine Deaf Resource Center • Philippine Federation of the Deaf • PUNLAKA • Quezon City Federation of Persons with Disabilities • Tahanang Walang Hagdanan • Visually Impaired's Brotherhood for Excellent Services • Women with Disabilities Leap to Social and Economic Progress

Saan nga ba tayo papunta?

Alternative Budget Proposal for Social Protection

The DSWD budget and its aims

In 2015, DSWD promised to deliver the following Key Result Areas (KRAs):

- Poverty reduction and the empowerment of the poor and vulnerable
- Just and lasting peace and the rule of law
- Integrity of the environment and climate change adaptation and mitigation

The same deliverables are promised in 2016 but with a budget slightly lower than that granted under the 2015 General Appropriations Act (GAA).

Table 47. DSWD Budget

'000	2015 GAA	2016 NEP	Change
General, Administrative, & Operations Support	P1,246,427	P1,874,554	50.4%
Programs & Activities	P84,943,687	P88,062,788	3.7%
Projects	P21,667,087	P13,743,172	-36.6%
Total New Appropriations	P107,857,201	P103,680,514	-3.9%

The increase in the 2016 General, Administrative & Operations Support is largely due to a proposed new allocation to beef up regional support services. In the case of Projects, the budget for the Comprehensive Program for Street Children, etc. has, otherwise, been halved from P86.5MM to P36.7MM while the allocation for Bottom Up Budgeting (BUB) went down by 20 percent, from P2.7B to P2.2B. The support for KALAHI-CIDSS declined and the budget previously allocated for PAMANA and the normalisation process has been reduced.

The KRAs adopted by the DSWD are three of the five thematic areas of the 16-point agenda of President Aquino's Social Contract with the Filipino People. These were grouped to facilitate "coordination, harmonization, complementation, and synergy among the Departments and other Government instrumentalities [in pursuing] national development goals and objectives, as disaggregated into annual performance targets."¹ As Chair of the Human Development and Poverty Reduction Cluster, the DSWD is the lead agency assigned to coordinate government efforts on poverty reduction and the empowerment of the poor and vulnerable by:

- a. Making education the central strategy for investing in our people, reducing poverty and building national competitiveness;
- b. Recognizing the importance of advancing and protecting public health;
- c. Building of the capacities and creation of opportunities among the poor and the marginalized;
- d. Increasing social protection and engaging communities in their own development;

¹ Executive Order (EO) No. 43 dated May 13, 2011

- e. Promotion of equal gender opportunities in all spheres of public policies and programs; and
- f. Ensuring effective coordination of national government programs for poverty reduction at the local level²

As the government’s flagship poverty reduction program, the Pantawid Pamilyang Pilipino Program (4Ps) is under the Human Development and Poverty Reduction Cluster. Thus, the first KRA—reducing poverty and empowering the poor and vulnerable—is most important for the DSWD.

The inclusion of achieving a just and lasting and peace among DSWD’s deliverables appears to be linked to the agency’s role in implementing and monitoring Payapa at Masaganang Pamayanan (PAMANA). It is a program exclusively intended for projects in conflict-affected areas identified by the Office of the Presidential Adviser on the Peace Process (OPAPP). The P427.5 million budget for this project in 2016 is lower than the P760.1 million allocation in 2015. While not a member of the Security Cluster which has primary responsibility for achieving this KRA, the budget is lodged with the DSWD.

As a member of the Climate Change Adaptation and Mitigation Cluster, DSWD has some direct responsibilities for the third KRA which is to ensure the integrity of the environment and adopt climate change adaptation and mitigation measures. The agency is in charge of preparing for and managing “the risks and/or threats associated with natural and man-made phenomena.”³ The agency is supported by its budget of P2.2 billion for assistance to victims of disasters and natural calamities in the 2016 budget, the same amount approved in 2015.

A look at the scorecard

The Philippine Development Plan (PDP) 2011-2016 translated the Social Contract into actionable plans to be achieved within the term of President Aquino. The Results Matrices (RM) were developed in order to track the government’s progress in the implementation of the plan.

According to then Director General of the National Economic and Development Authority (NEDA) Cayetano Paderanga, the RM embodies “the ‘whole of government’s management approach for results, a mechanism that highlights shared responsibilities and collaborative practices among the country’s various sectors. This approach aims to incorporate results-orientation in the planning, budgeting, implementation and monitoring and evaluation processes of development.”⁴ The RM are intended to “facilitate the tracking of gains achieved and serve as a tool to monitor and evaluate the progress of the Plan [. . . and serve as the] instrument to continually refine the overall accountability framework for results, by the government for the Filipino people.”⁵

Completing the feedback loop, the Philippine Statistical Authority (PSA) created the Statistical Indicators on Philippine Development (StatDev). It will “monitor the achievement of the economic and social development goals set forth in the Philippine Development Plan

² EO No. 43, Sec. 7

³ EO No. 43, Sec. 10

⁴ National Economic Development Authority, “Philippine Development Plan 2011-2016 Results Matrix” (2011), p 1.

⁵ *Ibid.*

(PDP)...” PSA has been sharing the results in its website.⁶ Looking at the results, the key outcomes for the social development sector has been less than stellar:⁷

- **Poverty Incidence**
Target: From 26.6% in 2006 to 18%-20% in 2016
Performance: At 25.8% in the 1st semester of 2014, the target of 18%-20% in 2016 will likely not be achieved.
- **Completion rate in the elementary level**
Target: Up from 72.18% in 2009 to 82.52% in 2016
Performance: At 78.4% in School Year 2013-14, it is still way below the target 82.52% in 2016.
- **Net enrolment rate in elementary level**
Target: Up from 88.09% in 2009 to 100% in 2016
Performance: At 92.5% in SY 2014-15; down from 93.8% in SY 2013-14 and 95.1% in SY 2012-13.
- **Net enrolment rate in secondary level**
Target: Up from 59.52% in 2009 to 93.34% in 2016
Performance: At 62.8% in SY 2014-2015, down from 64.9% in 2013-14 and 64.2% in 2012-13.
- **Prevalence of underweight children under 5**
Target: From 20.6% in 2008 to 12.7% in 2016
Performance: At 19.9% in 2013, this is slightly better than the 20.2% reported in 2011.
- **Under 5 mortality rate per 1,000 live births**
Target: From 34 in 2008 to 25.5 in 2016
Performance: At 31 in 2013, it is barely lower than the 30 reported in 2011.
- **Maternal mortality rate per 100,000 live births**
Target: From 95 in 2010 to 50 in 2016⁸
Performance: The 221 record in 2011 is even higher than the 95 in 2010, thus, the target of 50 in 2016 may be far from getting achieved.

In evaluating the effectiveness of its good governance and application of the rule of law, the government stated its goal of “improved scores on the indices (primarily those relating to the

⁶ <http://www.nscb.gov.ph/stats/statdev/default.asp>. Last accessed on December 30, 2015.

⁷ Data on poverty incidence taken from “Chapter 1: Macroeconomy” of Stat Dev (http://www.nscb.gov.ph/stats/statdev/2014/ch1_macroecconomy.asp. Last accessed on December 30, 2015). Other data culled from the same report’s “Chapter 7: Social Development” (http://www.nscb.gov.ph/stats/statdev/2014/ch7_social.asp. Last accessed on December 30, 2015).

⁸ PDP Results Matrix, p 67. According to the website of the Philippine Commission on Women (<http://www.pcw.gov.ph/statistics/201405/statistics-filipino-women-and-mens-health-and-family-planning>. Last accessed December 30, 2015), the maternal mortality rate was already “an estimated 162 deaths from the Family Planning Survey (FPS) in 2006.” StatDev uses the 2006 data as base, i.e., MMR of 162 (http://www.nscb.gov.ph/stats/statdev/2014/ch7_social.asp. Last accessed on December 30, 2015).

control of corruption and ruling justly) and percentile ranks in the WGI, MCC and EDB Indices/Ranks to make the Philippines at par with neighboring countries."⁹ The StatDev presents mixed results. What is unusual is that an administration whose battlecry is “Daang Matuwid” was given sad ratings on the following.

- **Control of Corruption**

Target: Above the median performance in the MCC scorecard

Performance: In 2010-2012, performance was below the median, although it recovered to less than half a point above the median in 2013.¹⁰

- **Rule of Law**

Target: Above the median performance in the MCC scorecard

Performance: Like in control of corruption target, the rate in 2010-2012 was below the median and recovered slightly and got less than half a point above the median in 2013.

In the KRA on the environment and climate change, the performance indicator for DSWD is to ensure the “resilience of natural systems enhanced with improved adaptive capacities of human communities” with the goal of reducing the average annual damage and losses due to natural disasters, environmental hazards, human-induced and hydro- meteorological events, as well as, the reduction of the loss of lives and casualties.¹¹ On this indicator, the StatDev rated government’s performance as poor:

- **Resilience of natural systems enhanced with improved adaptive capacities of human communities**

Target: Decrease in average annual damages and losses from P19.3 million in 2009, the average for 2004-2010

Performance: P40 million in 2012

Given the complexity of issues related to governance and the improvement of the adaptive capacities of human communities to environmental changes, it is not proper to put all the burden of delivering the KRAs to DSWD. Rather, it questions the coherence of the metrics used by the government when it touts a performance-informed budget.

4Ps by the numbers

Since 2010, the 4Ps has dominated the operations and budget of DSWD with over P239 billion spent from 2010 to 2015. The 4Ps as a poverty alleviation strategy is anchored on the assumption that completing the education of children will help end inter-generational poverty in the family. Through cash transfers, indigent households with children aged 0-14 are given assistance to improve their health, nutrition and education in line with the program’s objectives of: (a) providing social assistance and (b) promoting social development.

As stated in a government study: “The former (cash transfer) aims to alleviate the poor’s immediate needs, hence it can be termed as a short-term poverty alleviation measure [while]

⁹ PDP Results Matrix, p 28. Meaning of acronyms: WGI-Worldwide Governance Indicators; MCC-Millennium Challenge Corporation; and EDB-Ease of Doing Business (PDP Results Matrix, p 9-10, 12).

¹⁰ StatDev, “Chapter 6: Good Governance and the Rule of Law.”

http://www.nscb.gov.ph/stats/statdev/2014/ch6_governance.asp. Last accessed December 30, 2015.

¹¹ PDP Results Matrix, p 28 and 88.

the latter (health, education, nutrition) aims to break the intergenerational poverty cycle by investing in human capital.”¹²

The most recent StatDev report, however, paints a different picture of the status of education as well as of the health and nutritional situation of the poor 4Ps beneficiaries. As discussed in the previous section, the net enrolment rate in the elementary level has been going down, from 95.1% in SY 2012-2013 to 92.5% in SY 2014-15. However, the number of children completing elementary level rose from 70.9% in SY 2011-12 to 78.4% in SY 2013-14, only 4 percentage points shy of the target of 82.52% in 2016. On the other hand, its impact is hampered by declines in the net enrolment in the secondary level from 64.2% in 2012-13 to 62.8% in SY 2014-2015. The premise of ending intergenerational poverty in the 4Ps is in clear danger of failing because the drop-out rate among children before completing their basic education has not been arrested.

Table 48. Number of Families Reached by CCT

	2015 GAA	2016 NEP	Change
Regular CCT	4,309,769	4,402,253	2.15%
Modified CCT (MCCT)	126,963	218,377	72.00%
Total	4,436,732	4,620,630	4.14%
Average Cash Grant/Household	P12,653	P12,125	-4.18%

Source: GAA 2015; NEP 2016: DBM

The prevalence of underweight children under 5 has not dropped significantly nor has the under 5 mortality rate per 1,000 live births. This is despite the grant of P500/month for 4Ps families with children aged 0-5 to cover their health and nutrition expenses and for children aged 0-5 who are required to undergo regular preventive health checks and be given the complete set of vaccines.

Pregnant women must also avail of pre- and post-natal care and should be attended during childbirth by a trained medical professional. Despite this and Family Development Sessions during which classes in health, nutrition, and proper hygiene, among others, are given, the maternal mortality rate (MMR) stayed at 3-digit levels per 100,000 live births.

Finally, the country's poverty incidence has barely moved. The total number of households currently covered, according to DSWD's Program Implementation Status Report for the 2nd Quarter of 2015 is 4,391,768, lower than the earlier estimate of 4,436,732 for 2015.¹³

¹² Celia M. Reyes, et. al., "Promoting Inclusive Growth Through the 4Ps." Discussion Paper Series 2013-09, Philippine Institute for Development Studies (January 2013), p 4.

¹³ The number of poor families reached is taken from the DSWD budget presentation in the National Expenditure Program for FY 2015 and 2016.

The estimated number of poor families in 2012 is as reported by the National Statistical Coordination Board (NSCB) in a press release dated December 9, 2013 (http://www.nscb.gov.ph/pressreleases/2013/NSCB-PR-20131213_povertypress.asp). Last accessed December 30, 2015).

Table 49. Breakdown of 4Ps Budget, 2015-2016

P*000	2015 GAA		2016 NEP		Change
	Amount	%	Amount	%	
Cash Grants	56,139,595	90.08%	56,025,013	89.40%	-0.20%
Trainings/Manuals, IEC Materials, etc.	278,940	0.45%	278,940	0.45%	0.00%
Monitoring & Evaluation	429,298	0.69%	434,298	0.69%	1.16%
Cost of Service	1,077,677	1.73%	1,187,156	1.89%	10.16%
Bank Service Fees	700,000	1.12%	781,732	1.25%	11.68%
Salaries, Wages, & Administrative Expenses	3,672,980	5.89%	3,958,489	6.32%	70.63%
Capital Outlay	24,400	0.04%	-	0.00%	-100.00%
Total	62,322,890	100.0%	62,665,628	100.0%	0.5%

A breakdown of the 4Ps budget for 2015 and 2016 provides clear indication of the level of administrative and program support that it gets for the training parent leaders from among 4Ps beneficiary households and delivering the Family Development Sessions.

Design and implementation issues that will negatively impact the outcomes of 4Ps were pointed out by members of the Social Protection Cluster and other NGOs in various meetings organized by DSWD beginning 2010 when the program's expansion was being rolled out. Among these were the effectiveness of the targeting system, the focus on elementary school children when a bigger problem existed in transitioning children from elementary to high school, and the invisibility of children with special needs in the program design. The groups also questioned the adequacy of the cash transfer as the cost of going to and from school could be as much as P400/month/student, which is already above the P300/month/child subsidy under the program, leaving nothing for their other school-related expenses.

Reyes, et. al., referred to the same issues when they wrote:

. . . the 4Ps is targeting young children but the [school] attendance rate of young children is already high . . . if the objective is to improve their future income-earning capacities, interventions should ensure that children could reach the higher education ladder. At the very minimum, children should be given the opportunity to finish, at least, high school. . . In the current design of the Philippine 4Ps, the education subsidy targets only poor households with children aged 6–14, thus many of these households do not actually stay in the program long enough to benefit from it. Children who are 14 years old and are selected to participate this year will have to cease to receive benefits once they reach the age of 15.¹⁴

In the same study, they also called attention to the spot-check surveys conducted by AusAID and the World Bank which found day care centers and school infrastructure in poor state, as well as a lack of teachers in schools where children of family-beneficiaries attend.¹⁵

¹⁴ Promoting Inclusive Growth, p 19-21.

¹⁵ p 9.

Finally, in a forum organized by the Social Protection Cluster in July 2015, the presenter from DSWD showed the following table indicating the error rates of the proxy means test (PMT), a statistical model that estimates the income of households which it has been using:

Members of Congress, NGOs and the public in general have been raising doubts about the correctness of DSWD's list of poor households. This came to a head when President Aquino, in his 2015 State of the Nation Address (SONA), made reference to an Asian Development Bank (ADB) report which had become controversial. The report mentioned that "improvements are needed in the [Philippine] program's targeting system" to reduce an estimated leakage rate of 30%. The President dismissed such comment saying that the ADB report referred to information from another report that used data from 2009.¹⁶

This explanation even became more notable when we learned that the new PMT (referred to in the table as 2013 PMT) was approved only in July 2013. The new Listahan, the government's information management system that identifies who and where the poor are, using the new PMT has become available only now. The bulk of today's 4Ps beneficiaries were taken from the list of poor households surveyed using the 2009 PMT model which precisely has an inclusion error of 22-25% and an exclusion error of 31-35%. We do not expect the impact of the new listing to be felt until after the end of this administration.

Table 50. PMT Error Rates

Error Rates	2009 PMT Model	2013 PMT Model
Exclusion Error	31-35%	6.8-19.3%
Inclusion Error	22-25%	10.6-13.8%

What is an Open Budget? What is convergence?

Without 4Ps, the DSWD's budget shrinks to P41.1 billion, P2.2 billion of which is allocated for Bottom-Up Budgeting projects. The appropriations for services, especially for those in difficult circumstances were reduced by P732.5 million, sustainable livelihood projects by P674.6 million, and various programs/projects for LGUs by P758.6 million. This leaves just P24.4 billion for DSWD's regular programs on social protection, 84% of which is taken up by only three items:

- supplemental feeding which increased by 15% to increase each child's meal allocation and expand the number of children in the program to 2,150,621 from 2,053,383.
- social pension for indigent senior citizens which went up, finally, to cover indigent senior citizens aged 60 and above as required by law and not only those 71 years old and above in previous years

¹⁶ The report referred to is "To Foster Inclusive Growth, Tackle Inequality and Climate Change" in ADB's Learning Lessons series. The reference to the need to improve the government's targeting system is made in page 3 of the report and pointed to a 2013 study the Philippine Institute for Development Studies (PIDS) that referred to "a leakage rate of nearly 30%."

Table 51. Budget for Social Protection Services

'000	2015 GAA	2016 NEP	Change
Services for Center-based Clients	P1,059,506	P1,095,464	3.4%
Assistance to PWDs & Older Persons	P11,607	P11,801	1.7%
Assistance to Victims of Disasters & Natural Calamities	P2,238,905	P2,237,324	-0.1%
Supplemental Feeding Program	P3,360,383	P4,053,022	20.6%
Recovery & Reintegration of Trafficked Persons	P23,635	P23,834	0.8%
Social Pension for Indigent Senior Citizens	P5,962,628	P7,511,203	26.0%
Services for Those in Esp. Difficult Circumstances	P5,028,662	P582,907	-88.4%
Sustainable Livelihood Program	P4,063,216	P8,934,761	119.9%
Total	P21,748,542	P24,450,316	12.4%

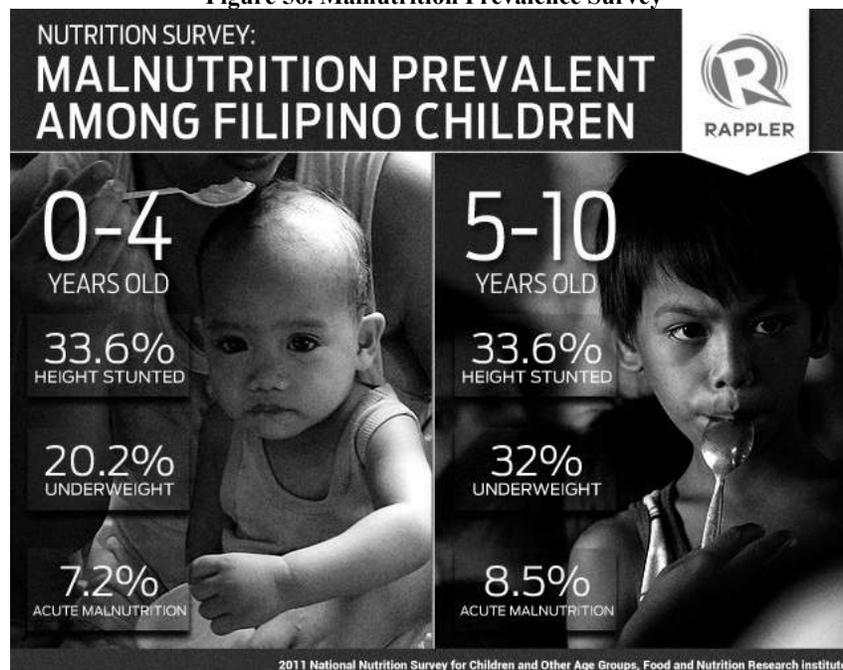
- sustainable livelihood program which was more than doubled to accommodate increase in the number of families facilitated for employment in short-term cash-for-work projects from 113,647 in 2015 to 208,352 in 2016.

While we are pleased with the above increases in the three budget items, these are not broad enough and do not address the needs of other sectors. The supplementary feeding program is pitched only toward children in day care centers, or 2-4 year olds, leaving children 0-2 years out of the loop. Meanwhile, the needs of school age children (5 and above year olds) are simply assumed addressed by the public school system's health and nutrition centers. This calls into question what convergence, defined by DSWD as "a strategy of pooling together efforts and resources from various stakeholders—government, private sector, non-government and people's organizations, and other members of civil society to address the needs of the poor and the disadvantaged," means in practice.¹⁷

According to a report by Rappler (<http://www.rappler.com/move-ph/issues/hunger/41822-child-nutrition-bill-establish-school-feeding-program>), the data of the Department of Education (DepEd) itself for 2012-2013 acknowledges that "over half a million or 534,054 Filipino school children suffer from stunting due to undernourishment." Another report (<http://www.rappler.com/move-ph/issues/budget-watch/26489-healthdev-deped-fails-keep-students-fit>) cited the "National Nutritional Status Data for 2010 - 2011 which revealed that the rate of malnutrition in pre-elementary and elementary students in the country is still at 16% or 2 million out of 13 million."

¹⁷ National Expenditure Program FY 2016, Volume III, DSWD, p 120

Figure 56. Malnutrition Prevalence Survey



As Chair of the Human Development and Poverty Reduction Cluster and prime mover of the government's poverty reduction program, the DSWD cannot allow child hunger and malnutrition to perpetuate as its effects on children will continue to adulthood. A UNICEF report confirmed that "undernutrition can trap children, families, communities and nations in an intergenerational cycle of poor nutrition, illness and poverty."¹⁸

With only P11.8 million in the budget to assist persons with disabilities, an amount also shared with older persons, DSWD just underscored the invisibility of this sector. This despite at least 1.4 million, or 1.57% of the total population getting recorded as persons with disability under the 2010 Census of Population and Housing. The NHTS-PR Profile of the Poor in the Philippines as of July 1, 2011, also reported that there are 305,729 poor households nationwide who have members with a disability.¹⁹

As far back as 2004, a World Bank report stated, "disabilities are a significant factor of extreme poverty in developing countries. Unless disabled people are included in the poverty reduction strategy of Poverty Reduction Strategy Papers (PRSPs), it is unlikely that most of the Millennium Development Goals will be met. Second, disabled persons form a large group of population that is currently excluded from contributing to the economic and social development of their countries. Bringing them into the mainstream of economic activities would lead to a substantial increase in welfare and GDP."²⁰

The government's budget, in particular DSWD's, which professes to reduce poverty and empower the poor and vulnerable must take the situation of persons with disabilities into greater account.

¹⁸ This is discussed at length in UNICEF report on "Improving Child Nutrition," April 2013, p 1.

¹⁹ NHTS-PR Profile of the Poor in the Philippines as of July 01, 2011, p 5.

(http://listahanan.dswd.gov.ph/download/reports/profile_of_the_poor/_profile%20of%20the%20poor-021213.pdf)

²⁰ World Bank. 2004. Poverty reduction strategies : their importance for disability. Washington, DC: World Bank. p ii. (<http://documents.worldbank.org/curated/en/2004/06/16350091/poverty-reduction-strategies-importance-disability>).

Table 52. Sustainable Livelihood Employment Program

	2014	2015	2016 (Projected)
Households Given Capital Seed Fund	142,066	265,175	170,470
% Regular CCT Households	3.56%	6.15%	3.87%
Households Facilitated for Employment	60,885	113,647	208,352
% Total CCT Households	1.47%	2.56%	4.51%

Due to the lower expected demand for micro-enterprise loans among 4Ps families to which the program is primarily targeted, the sustainable livelihood program is now skewed toward providing employment.

In urban areas, much of the available work, however, is street sweeping and short-term in nature, i.e., for 6 months or less as the same job is allocated to 2 or more persons on a sequential basis. In terms of the whole program, moreover, the key challenge of enhancing people's skills and moving them to regular employment for sustainable impact is still not being addressed. This is a matter discussed previously with the DSWD and included in the Social Protection Cluster's report on the 2015 budget, "Running In Place."

The government has taken pains to mandate its various agencies to hold budget consultation meetings. Most of these meetings, however, merely serve as venues for agencies to explain their plans and programs with the open forum deemed as the consultation. As the International Budget Partnership (IBP) already considers this as compliance to the proviso of providing the public with adequate opportunities to engage in the budget process, it has rated the Philippine government highly on its progress on the Open Budget Process. More reassuringly, the IBP has recommended that the Philippine government prioritize the following actions to improve budget participation:

- Provide detailed feedback on how public perspectives have been captured and taken into account
- Hold legislative hearings to review and scrutinize Audit Reports
- Provide detailed feedback on how public assistance and participation has been used by the supreme audit institution."²¹

The above are apart from other recommendations on improving transparency and improving oversight. Included in the recommendations to "in both law and practice, ensure the legislature is consulted prior to the virement of funds in the Enacted Budget and the spending of contingency funds that were not identified in the Enacted Budget."

Having an Open Budget process should mean: (a) the people and government agree on shared goals with clear and meaningful outcomes, (b) including stakeholder consultations in developing the strategy for achieving goals, and (c) having a strong and broad-based support for a transparent monitoring and evaluation system. The 4Ps illustrates how the budget

²¹ Open Budget Survey 2015: Philippines (<http://www.internationalbudget.org/wp-content/uploads/OBS2015-CS-Philippines-English.pdf>)

process has been captured by an elite, comprising of multilateral and other aid agencies for whom conditional cash transfers (CCTs) was a popular poverty reduction program. With the offer of loans attached to their policy advocacy, the Philippines' version of the CCT, the 4Ps, was implemented and quickly expanded using essentially a generic conditional cash transfer program.

The design disregards data showing that the education sector has a huge problem transitioning children from grade school to high school. As this immediately lowers the number of children completing basic education, it negatively impacts the very objective of eliminating inter-generational poverty. It also sets aside information on supply-side preparedness, e.g., functionality of barangay health centers, state of schools near the residence of beneficiaries, availability of day care centers, etc.

The position of government then was that supply would be able to catch up with the demand, and that there is sufficient flexibility in the program design to respond to actual experience on the ground. After 5 years, the program's outcomes judged on the basis of its stated objectives leave much to be desired. This also points to the need to make government more tightly accountable for outcomes and results.

Budgets should more properly reflect the will of the people and all efforts must be geared to promote a real dialogue that allows people to articulate their needs and propose their own tentative solutions. A change in the current consultation process is required so that substance is emphasized not just its form. The discourse should also be informed by a greater reliance on local research with funds made available for evaluating the impact of local programs and identifying recommendations to improve the program implementation.

Alternative budget recommendations

In line with government's efforts to reduce poverty but paying particular attention to groups that have been relegated to the margins, the Social Protection Cluster strongly recommends the adoption of a budget that:

- Equalizes opportunities for persons with disabilities to enable them to live independently and participate fully in all aspects of life with choices equal to others²²
- Expands programs for at-risk children and disconnected youth to help them re-connect with the community and create a better future for themselves
- Respond to the needs of families in emergencies, both natural and man-made

Accordingly, the following are proposed:

²² Art. 9 and 19, United Nations Convention on the Rights of Persons with Disabilities.

**Table 53. ABI Social Protection cluster
Alternative budget proposals**

	Title of Project	Objective	Amount Needed
Equalize opportunities for PWDs	Personal Assistance Service	Equalize opportunities to persons with disabilities who require assistance to accomplish their daily tasks and enable them to work and engage in other socio-economic activities.	P7,654,050
	Sign Language Interpretation Service to Access Justice	Ensure access to justice of deaf victims/petitioners.	P2,000,000
	Peer Counselling Seminar Workshop	Promote a positive self-image among persons with disabilities, build their relationship with peers, and facilitated their becoming agent of change.	P13,600,000
	Capacity Building Workshop	Raise awareness on the implementation of Administrative Order No. 19 series of 2010 entitled "Guidelines on the Implementation of the Comprehensive Program for Children/Persons with Disabilities (C/PWDs)"	P 19,840,000
Expand programs for at-risk children and disconnected youth	Expansion of existing and establishment of new regional rehabilitation centers for Children in Conflict with the Law (CICLs)	Stop the incarceration of CICLs in municipal/city jails while awaiting court disposition of their cases.	P150,000,000
	Establishment of an agricultural camp as required by RA 9344 (amended by RA 10630)	Set up separate a place where CICLs after conviction can serve their sentence away from adult prisoners to facilitate their rehabilitation and re-integration into society.	P50,000,000
Expand programs for at-risk	Deepening of day care center	Reduce incidence of children dropping out of school in the early	P100,000,000

	Title of Project	Objective	Amount Needed
children and disconnected youth	program to ensure children are reading-ready upon enrolment in kindergarten	grades because of lack of interest in school.	
	Child-led national consultation on the status of children	Submit the first national report on children by children.	P20,000,000
Respond to the needs of families in emergencies, both natural and man-made	Assignment of lead social worker/s from DSWD-HO in relocation areas and areas experiencing emergencies	Ensure the seamless transition of newly relocated families, esp. children, into their new environment and facilitate their access to public services on the local and national level. Support the stability of families.	P13,500,000
		TOTAL	P376,594,050

The ABI Social Protection Cluster

Coalition of Services of the Elderly • Save the Children • Unang Hakbang Foundation • Women's Legal and Human Rights Bureau • Life Haven, Inc. • Philippine Deaf Resource Center • Philippine Association for Citizens with Developmental and Learning Disabilities • Katipunan ng mga Mamamayan ng Bagong Pilipinas Inc. (KMBPI) • Philippine Chamber of Massage Industry for Visually Impaired • Hope for the Youth Foundation, Inc. • Christian Aid in the Philippines • United Nations Children's Fund (UNICEF) • Trinitarian Center for Development, Trinity University of Asia • ERDA Foundation • SCOPE • Filtao MPC • New Tribes Mission • Putting Baston Advocacy • Lunduyan Center

Summary of Proposed Increases in the FY 2016 National Budget

Table 54. Summary of Proposed Increases in the FY 2016 National Budget

Details	Amount (PhP)
Agriculture & Fisheries	17,699,975,495
Education	45,414,370,150
Environment	1,568,176,642
Health ¹	338,897,632,525
Persons with Disabilities	59,600,000
Social Protection	376,594,050
TOTAL (PhP)	404,016,348,862

¹ See specific sources of financing for Health in the Alternative Budget Proposals for Health in pp. 98-129 of this book

Proposed Sources of Financing

Table 55. Contestable FY 2016 Budget Items (Departments/Agencies)

Departments/Agencies					
Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DA-OSEC	Line 14 Page 100 Vol II-A HB 6132	Production Support Services on the National Rice Program (Central Office)	217,066	M/C	These allocations are allocated under the DA Secretary and one lodged under the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DA-OSEC	Line 24 Page 113 Vol II-A HB 6132	Extension Support, Education and Training Services on the National Rice Program (Central Office)	112,054	M/F/C	These allocations are allocated under the DA Secretary and one lodged under the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DA-OSEC	Line 23 Page 101 Vol II-A HB 6132	Production Support Services on the National Livestock Program (Bureau of Animal Industry)	180,330	M/C	These allocations are allocated under the DA Secretary and one lodged under the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DA-OSEC	Line 29 Page 102 Vol II-A HB 6132	Production Support Services on the National Corn Program (Central Office)	96,431	M/C	These allocations are allocated under the DA Secretary and one lodged under the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DA-OSEC	Line 38 Page 103 Vol II-A HB 6132	Production Support Services on the National High Volume Commercial Crops (Central Office)	124,029	M	These allocations are allocated under the DA Secretary and one lodged to the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DA-OSEC	Line 46 Page 104 Vol II-A HB 6132	Production Support Services on the promotion and development of organic agriculture (Central Office)	8,620	M/C	These allocations are allocated under the DA Secretary and one lodged to the Bureau of Animal Industry, over and on top of the regional allocations for these respective programs. The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DepEd-OSEC	Line 1 Page 535 Vol II-A HB 6132	Department of Education Computerization Program	6,832,816	F/C	Due to the absence of special provisions directing their utilization, these projects should be carefully evaluated as to the urgency & necessity considering that there are crucial regular programs in the DepEd that are

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DepEd-OSEC	Line 53 Page 533 Vol II-A HB 6132	Science and Mathematics Equipment	2,440,346	C	under-funded such as the Alternative Learning System, Medical & Services & Training for Teachers, MOOE for schools, & others identified by the ABI. Due to the absence of special provisions directing their utilization, these projects should be carefully evaluated as to the urgency & necessity considering that there are crucial regular programs in the DepEd that are under-funded such as the Alternative Learning System, Medical & Services & Training for Teachers, MOOE for schools, & others identified by the ABI.
OEO-CHED	Special Provision 5 Page 419 & Line 36 Page 421 Vol II-B HB 6132	Provision of assistance, incentives, scholarships and grants (Central Office)	1,860,315	M	The amount of P986,231,000 shall be used for the grant of financial assistance to deserving students through the Tulong Dunong Program under the P2.866 billion Provision of assistance, incentives, scholarships and grants (Central Office) budget item. Since the purpose of the remaining P1.9 billion was not disclosed, we recommend its reallocation to ABI proposals.
DOE-OSEC	Line 45 Page 992 Vol II-A HB 6132	Exploration, dev't. & production of indigenous energy resources (petroleum & coal resources)	5,909	P/M	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum and gas. This should be rechanneled to ABI proposals.

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DOE-OSEC	Line 7 Page 993 Vol II-A HB 6132	Promotion of exploration, development and production of indigenous energy resources (petroleum and coal energy resources)	11,414	P/M	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum and gas. This should be rechanneled to ABI proposals.
DOE-OSEC	Line 30 Page 993 Vol II-A HB 6132	Regulation relating to exploration, dev't. & production of indigenous energy resources through research, scientific, physical & calibration testing	8,833	P/M	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum and gas. This should be rechanneled to ABI proposals.
DENR-OSEC	Line 3 Page 1014 Vol II-A HB 6132	Conduct of special studies, design and development in support of forestry, mining and environmental management operations	149,390	P/M	Mining always is a red flag as the impact of mining to the environment cannot be denied. This should be rechanneled to ABI proposals.
DOH-OSEC	Line 28 Page 1173 Vol II-A HB 6132	Health Facilities Enhancement Program	27,073,517	C	The HFEP is an opportunity for misuse, in absence of clear monitoring and evaluation mechanism. DOH must add in their performance indicators how many of the originally proposed facilities under HFEP are functioning, PhilHealth-accredited, and how many health human resource were assigned to the facility (whether deployed by the national or local government). Until these recommendations are accomplished, the amount is proposed for realignment to ABI proposals.

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DOH-OSEC	Special Provision 10 Page 1156 & Line 6 Page 1187 Vol II-A HB 6132	Assistance to Indigent Patients either confined or Out-Patient in Government Hospitals / Specialty Hospitals / LGU Hospitals / Philippine General Hospital / West Visayas State University Hospital (Central Office)	1,022,903	M	Special Provision 10 (Page 1156 Vol II-A HB 6132) indicates an allocation of P2,352,345,000 for "for hospitalization and assistance to indigent and poor patients," but the appropriated amount as reflected in the budget item is P1,022,903,000. There is a discrepancy of P1,239,442,000 which would have been lodged under other key budget items in the DOH-Central Office. If that is the case, this should be clarified and reflected in the corresponding budget line item. This is also apart from the issue on the vagueness of selection of the recipients of the said assistance, which was not disclosed in its special provision. If not clarified, we recommend that the P1.023 billion be rechannelled to ABI proposals.
DILG-OSEC	Line 46 Page 1204 Vol II-A HB 6132	Implementation and Monitoring of PAMANA Program (Central Office- Locally-funded project-Roads and Bridges-Local Roads)	98,648	M	There is a need to identify the specific local roads to which this budget will be allocated. Since there are no special provisions as to the manner of release of the fund, being lodged in the Central Office without any guidelines is cause for concern. Otherwise, this should be reallocated to ABI proposals.
DILG-OSEC	Line 30 Page 1205 Vol II-A HB 6132	Konkreto at Ayos na Lansangan ang Daan Tungo sa Kaunlaran-KALSADA project (Locally-funded project-Roads and Bridges-Local Roads)	74,529	M	There is a need to identify the specific local roads to which this budget will be allocated. Since there are no special provisions as to the manner of release of the fund, being lodged in the Central Office without any guidelines is cause for concern. Otherwise, this should be reallocated

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DILG-OSEC	Line 41 Page 1208 Vol II-A HB 6132	Civil Society Organization/People's Participation Partnership Program (Locally-funded project)	22,000	M	There is a need to provide details of what this project is all about and more importantly, a justification of the amount being proposed. CSOs are generally voluntary in nature and would welcome opportunities for participation in governance as art of their mission and without compensation. On what will this amount be used for?
DOLE-OSEC	Line 19 Page 1292 Vol II-A HB 6132	Conduct of training, livelihood and enterprise development and other capacity building programs for students, youths, and disabled workers and for the rural workers including programs for self-organization for plantation workers (Central Office)	3,439,535	M	The amounts herein are substantially higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DOLE-TESDA	Line 37 Page 1335 Vol II-A HB 6132	Operation of the TESDA Regional and Provincial Offices, including Regional Technical Education & Skills Development Centers (PTESDCs) (Central Office)	771,545	M	The amounts herein are higher than the allocations for some regions. There is no sense for the OSEC to be receiving these huge amounts when the regions are already provided for.
DOLE-TESDA	Special Provision 3 Page 1333 & Line 21 Page 1339 Vol II-A HB 6132	Training for Work Scholarship Program (Central Office)	971,000	M	While Special Provision 3 (Page 1333 Vol II-A HB 6132) reiterates that TESDA shall prioritize poor regions or provinces (as identified in the PSA-NSCB official poverty statistics) in the selection of students, the concentration of this allocation still lies in the TESDA Central Office when respective regions have already been provided for. This amount is recommended to be

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DSWD-OSEC	Special Provision 4 Page 229 & Line 22 Page 234 Vol II-B HB 6132	Assistance to victims of disasters and natural calamities (Central Office)	912,324	M	Special Provision 3 (Page 1552 Vol II-B HB 6132) states that P1,325,000,000 will be lodged for for Quick Response Fund. Since there is no provision directing the fund release of the remaining P912.324 million of the total P2,237,324,000, we recommend this for reallocation to ABI proposals.
DSWD-OSEC	Special Provision 6 Page 230 & Line 11 Page 239 Vol II-B HB 6132	Sustainable Livelihood Program- Microenterprise Development (Central Office)	3,373,271	M	While Special Provision 6 (Page 230 Vol II-B HB 6132) states that P674,642,000 will be allocated for for Bottom-up Budgeting projects, there is little information on how the P3.373 billion budget for Microenterprise Development will be utilized aside from the number of families to be served (170,470 families). The lack of details (e.g. manner of selection of recipients) of this huge amount concentrated in the Central Office is a cause for concern. Hence, we recommend this for reallocation to ABI proposals.

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
DSWD-OSEC	Special Provision 6 Page 230 & Line 21 Page 239 Vol II-B HB 6132	Sustainable Livelihood Program- Employment Facilitation (Central Office)	5,573,088	M	Special Provision 6 (Page 230 Vol II-B HB 6132) states that P674,642,000 will be allocated for for Bottom-up Budgeting projects. This allocation is over and on top of the regional allocations for the respective program. The amount herein is even higher than the allocations of all regions. There is no sense for the OSEC to be receiving this huge amount when the regions are already provided for. While number of recipients was identified (208,352 families), the absence of provision on the selection of recipients is a cause for concern. Hence, we recommend that this amount be reallocated to ABI proposals.
DTI-OSEC	Line 47 Page 283 Vol II-B HB 6132	Design, development and implementation of plans and programs for the promotion and facilitation of export expansion schemes	91,321	M	It can be noted that the budget of DTI does not define the “green jobs” that is being pushed after the Rio+20. In the parlance of addressing climate change, ABI believe that “green jobs” should be at the center of it especially in discussion the mandate and programs of DTI. This should be rechanneled to budget proposals identified by the ABI.
DOTC-OSEC	Line 37 Page 326 Vol II-B HB 6132	PPP Strategic Fund	200,000	C	We recommend that budget item be removed in favor of the ABI proposals for persons with disability esp. pertaining to the promotion of the accessibility law

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
ARMM	Special Provision 4 Page 538 & Line 43 Page 593 Vol II-B HB 6132	Payapa at Masaganag PamanyaNAn (PAMANA) Program- Office of the Regional Governor Proper	2,373,834	M/C	P3,543,291,000 will be appropriated for the PAMANA program, with ARMM regional offices of the DSWD (P890.4 million), CHED (P114.6 million), DOST (P68.7 million), TESDA (P45.8 million) and DPWH (P50 million) "to implement projects in conflict-affected areas identified by OPAPP." There is no sense for the Office of the Regional Governor to be receiving these huge amounts when the ARMM regional offices of aforementioned agencies are already provided for.
ARMM	Line 55 Page 593 Vol II-B HB 6132	Bangsamoro Regional Inclusive Development Program for Sustainable Growth and Equity (BRIDGE)- Office of the Governor Proper	120,000	M/C	This budget item has to be removed since the Bangsamoro Bill has not yet been enacted. Likewise, there is no provision detailing its specific purpose and the manner of fund release. We recommend this to be rechanneled to ABI proposals.
SUB-TOTAL Contestable Budget Items (in PhP '000)			58,165,978	For realignment	Sources of Financing for Proposed Amendments to HB 6132

Table 56. Contestable FY 2016 Lumpsum Budgets (Special Purpose Funds)

Special Purpose Funds					
Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
Allocation to Government Units	Line 42 Page 753 Vol II-B HB 6132	Local Government Support Fund (formerly Financial Subsidy to LGUs)	18,973,571	M	Special provisions authorize the expenditure of P200,000,000 for Financial assistance to LGUs to support various priority programs and projects of LGUs (SP 1), P11,700,388,000 for Bottom-up Budgeting projects (SP 2) and P6,500,000,000 for Rehabilitation and upgrading of provincial roads (SP 3). We argue that these budgets be reallocated to ABI proposals because of the ff: 1) allocation for financial assistance for LGUs have vague guidelines 2) BuB projects have already been lodged in respective agencies and 3) Budget does not make sense considering DPWH and other agencies have already lodged huge budgets for infrastructure projects across the country.
National Disaster Risk Reduction and Management Fund (Calamity Fund)	Line 38 Page 766 Vol II-B HB 6132	Aid, Relief and Rehabilitation Services to Communities/Areas Affected by Calamities including Training of Personnel, and other Pre-Disaster Activities	8,740,000	M	This should not be treated as calamity fund and should be used for more proactive disaster action. It should be realigned to NDRRMC, Climate Change Commission, DENR and directly to appropriate implementing agencies. Please see proposed amendments on DENR, DA, and related budget items.
Contingent Fund	Line 44 Page 758 Vol II-B HB 6132	Fund Subsidies for Contingencies ¹	4,000,000	M/C	Special provision includes augmenting Presidential travel expenses through this fund although there is already such a budget under OP. It is suggested that the special provision be revised to delete said proviso and deduct a significant amount to be reallocated to ABI proposals. (for reduction)

¹ Clarify the allocation proposed for Presidential travel expenses under the Contingent fund, then realign such amount to the proposed amendments to HB 6132

Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
National Disaster Risk Reduction and Management Fund (Calamity Fund)	Line 43 Page 766 Vol II-B HB 6132	Repair and Reconstruction of Permanent Structures, including Capital Expenditures for Pre-Disaster Operations, Rehabilitation and Other Related Activities	10,260,000	C	This should not be treated as calamity fund and should be used for more proactive disaster action. It should be realigned to NDRRMC, Climate Change Commission, DENR and directly to appropriate implementing agencies. Please see proposed amendments on DENR, DA, and related budget items.
National Disaster Risk Reduction and Management Fund (Calamity Fund)	Line 46 Page 766 Vol II-B HB 6132	Adaptation Projects and Activities of Local Government Units and Community Organizations (People's Survival Fund)	1,000,000	M/C	This should be rechanneled to Climate Change Commission to serve as lead agency to implement the IRR to initiate mechanisms for localized climate change action anchored by the People's Survival Fund
SUB-TOTAL Contestable Special Purpose Funds (In PhP '000)			42,973,571	For realignment, reduction	Sources of Financing for Proposed Amendments to HB 6132

Table 57. Contestable FY 2016 Lumpsum Budgets (Unprogrammed Fund)

Unprogrammed Fund²					
Agency (Attached)	Line No. / Page No. / Vol. No.	Prog/Proj	Amount (in PhP '000)	P/M/C	Issues and Proposals for Rationalizing
Unprogrammed Fund	Line 32 Page 774 Vol II-B HB 6132	Support to Foreign Assisted Projects	1,500,000	M/C	This item should be realigned to the respective agencies' programmed foreign assisted projects and not be formed under one-liner lump sum. Likewise, we recommend further review of this budget whether it is beneficial to the general public or not. We also suggest that this be reallocated to ABI proposals.
Unprogrammed Fund	Line 28 Page 774 Vol II-B HB 6132	AFP Modernization Program	10,000,000	M/C	Special provision states that the purpose is merely to cover deficiencies for other PAPs. It does not make sense considering the huge allocations already set aside for national defense. Reallocate to ABI proposals.
Unprogrammed Fund	Line 23 Page 774 Vol II-B HB 6132	Support for Infrastructure Projects and Social Programs	23,677,000	M/C	Special provision states that the purpose is merely to cover deficiencies for other PAPs. It does not make sense considering the huge allocations for infrastructure and social programs in key agencies. Reallocate to ABI proposals.
Unprogrammed Fund	Line 30 Page 774 Vol II-B HB 6132	Risk Management Program	30,000,000	M/C	Special provision states that this will be used to cover commitments and obligations by the national government in the concession agreements relative to PPP projects. We argue that PPP projects and concession agreements have to be further reviewed if they are beneficial to the general public or not. We recommend that this be reallocated to ABI proposals.
SUB-TOTAL Contestable Unprogrammed Funds (In PhP '000)			65,177,000	For realignment, further evaluation	Sources of Financing for Proposed Amendments to HB 6132

² While the amounts authorized in these funds shall be released only when the government's revenue collection exceed the revenue targets, it should be noted that the proposed PhP67.5 billion is very material. We propose that all items should be integrated and factored in the General Appropriations Act to gain appropriation cover and would be part of the Programmed New Appropriations for appropriate agencies.

Table 58. Contestable FY 2016 Total Lumpsum Budgets

SUB-TOTAL Contestable Lumpsums (In PhP '000)		108,150,571	For realignment, reduction, further evaluation	<i>Sources of Financing for Proposed Amendments to HB 6132</i>
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**Table 59. Summary of Proposed Sources of Financing
for the 2016 National Budget**

Summary of Proposed Sources of Financing for the 2016 National Budget	Amount (In PhP)
Department/Agencies Lump sum Items	58,164,978,000
Special Purpose Funds	42,973,571,000
Unprogrammed Appropriations	65,177,000,000
TOTAL	166,315,549,000

Source: Department of Budget and Management. 2016 General Appropriations Bill (HB 6132)

Special Feature: Tracking Yolanda Funds for Resiliency and Sustainable Development

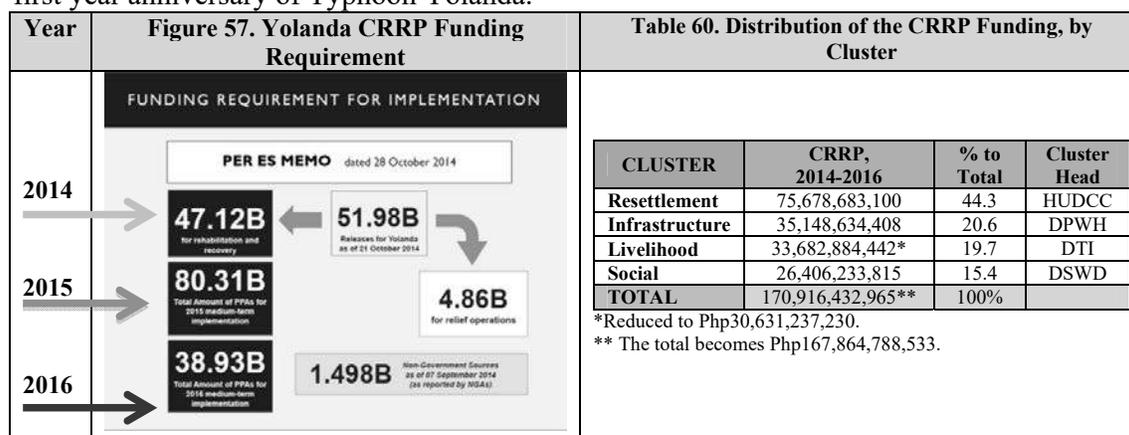
By Associate Professor Jocelyn C. Cuaresma¹

Funding the Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP)

Typhoon Yolanda will forever be etched in the minds of the more than 3.424 million families (16,078,181 individuals) who were adversely affected. Yolanda hit the country on November 8, 2013, made six landfalls and left behind 6,200 deaths, 28,600 injured and thousands more who remained buried in the debris. Some 550,900 houses were destroyed and 589,400 more damaged. All in all, casualties and damages were counted in 44 provinces, 57 cities, 591 municipalities and 12,122 barangays in 9 regions of the country, particularly affecting the three Visayas regions 6, 7 and 8 where some of the poorest families live.

Tracking the funding and implementation of the Yolanda Comprehensive Rehabilitation and Recovery Plan (CRRP) is part of the advocacy of Social Watch Philippines (SWP). This portion of the report intends to share the results of the budget tracking activity of the SWP Research Team with the intent to promote transparency in government budgeting and help ensure that government funds are properly spent. Tracking the funds for the rehabilitation of the Yolanda affected areas is an effective exercise to monitor the utilization of government funds, monitor the implementation of Yolanda programs and projects and exact greater transparency and accountability from government implementing agencies.

The Comprehensive Rehabilitation and Recovery Plan (CRRP) was the government's response to rehabilitate and reconstruct the lives and properties of the people in the Yolanda-affected areas. Formulated by the Office of the Presidential Assistant for Rehabilitation and Recovery (OPARR) under the leadership of Former Senator Panfilo Lacson, the CRRP is a Php170 billion plan to fund the programs and projects to rebuild the lives of people in the 171 Yolanda-affected priority cities and municipalities in the next three years (2014 to 2016). The CRRP was approved by President Aquino on October 29, 2014, a few days before the first year anniversary of Typhoon Yolanda.



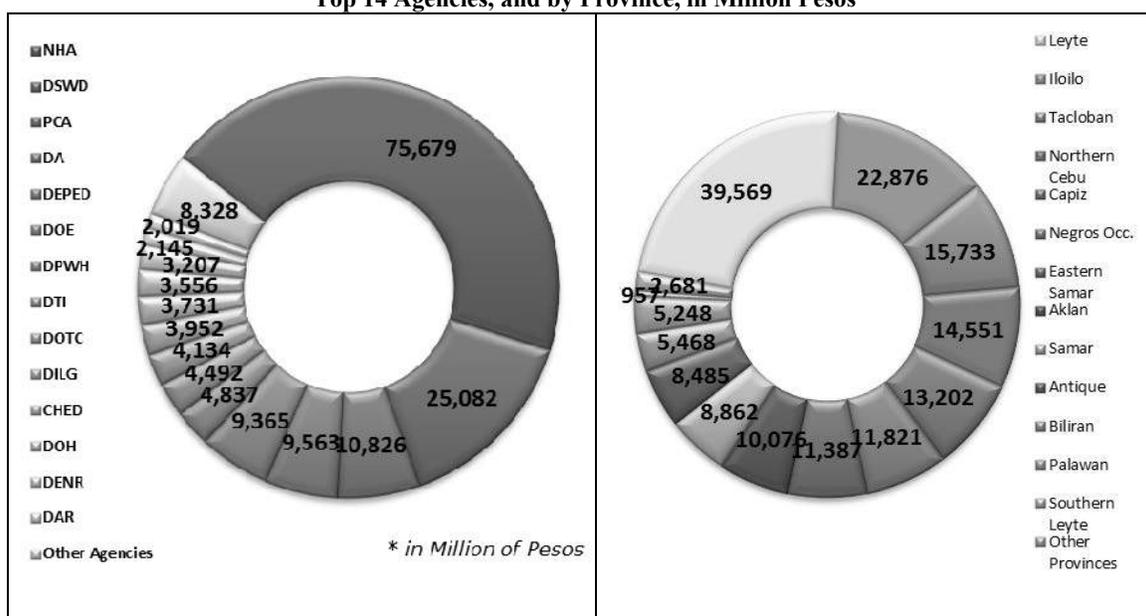
Source: DBM.

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As planned, the government allocated the amount of Php47.12 billion for 2014 and Php80.31 billion for 2015 to fund Yolanda rehabilitation programs and projects. The remaining Php38.93 billion was planned for release in 2016. By cluster, the total funding requirement was distributed in favor of Resettlement (Php75.678 billion), Infrastructure (Php35.148 billion), Livelihood (Php33.682 billion) and Social Services (Php26.40b billion). After several months since Yolanda struck, the Social Watch Philippines (SWP) observed that rehabilitation and reconstruction efforts in the Yolanda-affected communities are far behind the planned rehabilitation plan.

The implementation of the CRRP was assigned to national government agencies led by the Housing and Urban Development Coordinating Council (HUDCC) / National Housing Authority (NHA) for resettlement projects, the Department of Public Works and Highways (DPWH) for infrastructure projects, the Department of Trade and Industry (DTI) for livelihood projects, and the DSWD for social services projects. As shown in the two pie charts below, the biggest amount of Php75.679 billion is meant for permanent housing projects to be undertaken by the NHA. Another Php525.082 billion was to be administered by the Department of Social Welfare and Development (DSWD) to fund the Emergency Shelter Assistance (ESA), food for work and livelihood projects. Based on the extent of devastation, it was determined that Php39.569 billion will be allocated for Leyte Province, Php15.733 for Tacloban City, and Php22.876 for Iloilo Province, and so on.

Figure 58. Distribution of the Yolanda Total Funding Requirement, Top 14 Agencies, and by Province, in Million Pesos



When the government passed the Php14.6 billion 2013 Supplemental Appropriations (RA 10634), the expectation was that there will be direct allocation for Yolanda rehabilitation considering that it was passed precisely because of the extensive devastation caused by Yolanda. Surprisingly, no specific amount for Yolanda rehabilitation was specified. Although RA 10634 is wholly a fund for calamities, it contained only general provisions where Yolanda rehabilitation will have to share, if not compete with areas (without prejudice to these areas) that equally needed immediate and overdue budgetary attention, i.e., rehabilitation of areas damaged by the Bohol earthquake, typhoons “Labuyo”, “Odette”,

“Pablo”, “Sendong”, “Santi” and “Vinta”, siege and unrest in Zamboanga City. The RA 10634-SAA 2013 provided that the use and release of the P14.6 billion supplemental budget shall be used for, to wit:

“relief and rehabilitation services, and the repair, rehabilitation and reconstruction of permanent structures, including other capital expenditures for disaster operations and rehabilitation activities in areas affected by disasters and calamities, both natural and man-made including, but not limited to, the areas devastated by typhoons “Labuyo”, “Odette”, “Pablo”, “Sendong”, “Santi” and “Vinta”, as declared by the National Disaster Risk Reduction and Management Council, the siege and unrest in Zamboanga City, the magnitude 7.2 earthquake in Bohol and Cebu, and the massive onslaught of super Typhoon “Yolanda” which severely hit the Central Philippines, including Leyte, Eastern Samar, Northern Samar, Capiz, Aklan, the northern part of Antique, the northern areas of Cebu, Iloilo, Palawan, Romblon, Biliran, Southern Leyte, Negros Occidental and Negros Oriental.” (Sec 2, RA 10634).

The Quick Relief Fund (QRF) released under RA 10634 was similarly generally released for purposes of relief in the Yolanda affected areas and also in areas damaged by previous calamities. Clearly, the government is delayed in meeting the funding requirements for the rehabilitation of areas previously visited by calamities.

It took a second supplemental budget for the government to directly allocate PhP10.084 billion for Yolanda rehabilitation out of the PhP22.467 billion-2014 Supplemental Appropriations (RA 10652) passed on December 23, 2014, where it allocated specifically to support Yolanda rehabilitation projects. At this point, the allocation for relief and emergency assistance are differentiated from funds for rehabilitation and recovery. For the first time, direct allocation for the rehabilitation of Yolanda affected areas was made: PhP2.084 billion to fund the DSWD’s Emergency Shelter Assistance for typhoon Yolanda victims, and PhP7.999 billion to cover the cost of the NHA’s construction of 27,313 units of permanent housing for Yolanda victims.

Table 61. Purposes of RA 10634-SAA 2013, in Pesos

Purpose		Amount
A.	Calamity Fund/NDRRMF	11,200,000,000
1.	Aid, relief & rehabilitation, training of personnel, other pre-disaster activities	
2.	Repair & reconstruction of permanent structures	
B.	Quick Response Fund	3,400,000,000
	DSWD-OSEC	3,400,000,000
TOTAL		14,600,000,000

Source: RA 10634, approved on December 26, 2013.

Table 62. Purposes of RA 10652-SAA 2014, in Pesos

Agency	Purpose	Amount
DSWD	Emergency Shelter Assistance for victims of Typhoon Yolanda	2,084,480,000
NHA	Construction of 27,313 units of permanent housing for victims of typhoon Yolanda	7,999,978,000
	TOTAL of Appropriations for YOLANDA PPAs only	10,084,458,000
	Appropriations to various agencies for 26 various purposes	12,383,150,000
TOTAL		22,467,608,000

Source of data: RA 10652-SAA 2014, passed on December 23, 2014.

One would expect that the 2015 budget would have contained some direct appropriations for Yolanda rehabilitation. Unfortunately, the 2015 National Budget which was approved in October 2014, similarly did not contain any clear or direct provision for Yolanda rehabilitation. In effect, budget releases for Yolanda-CRRP depended on the discretion of the

President/DBM. The government could have easily allotted amounts directly intended to rehabilitate the Yolanda affected areas as well as the Bohol Earthquake affected areas, Sendong-affected areas, etc. in succeeding budgets without the need for the BDM to declare savings, augment and transfers funds to raise money for calamity rehabilitation purposes.

For 2016, the total proposed calamity-related fund is PhP70.161 billion. Of this amount, PhP18.895 billion is meant for Yolanda Rehabilitation and Reconstruction Program specifically for the rehabilitation, reconstruction, aid and relief projects of 14 different implementing agencies – DA, BFAR, DENR, DOF, DOH, DOLE, TESDA, DOT, DTI, DOTC, CHED, HLURB, NCIP and PCA. PhP44.391 billion is clearly intended to fund Yolanda rehabilitation programs. The amount shall fund the Yolanda PPAs for 2016 of 14 different government agencies. The proposed amount for NDRRMF itself is PhP38.895 billion. No amount is specified per agency. Under the NHA, PhP25.601 billion was proposed for 2016 for Housing Assistance for Calamity Victims-Permanent Housing for Typhoon Yolanda Victims.

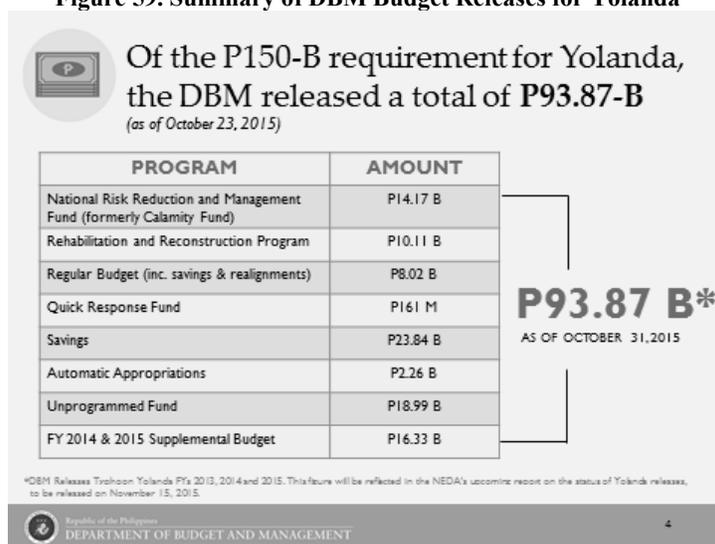
Table 63. 2016 NEP, Proposed Appropriations for Calamity-Related Activities

<i>2016 NEP, in Pesos</i>	MOOE	CO	TOTAL
NDRRMF	22,716,871,000	16,178,660,000	38,895,531,000
<i>NDRRMP</i>	<i>8,740,000,000</i>	<i>10,260,000,000</i>	<i>19,000,000,000</i>
<i>YOLANDA Rehabilitation and Reconstruction Fund (YRRF)</i>	<i>13,226,871,000</i>	<i>5,668,660,000</i>	<i>18,895,531,000</i>
<i>People's Survival Fund</i>	<i>750,000,000</i>	<i>250,000,000</i>	<i>1,000,000,000</i>
National Housing Authority-Permanent Housing for Typhoon Yolanda Victims Rehabilitation & Reconstruction Program Fund		25,601,000,000	25,601,000,000
			0
TOTAL of RRRPF, NDRRMF & NHA			64,496,531,000
Quick Response Fund (Distributed among 7 NGAs – DSWD, DND, DPWH, DEPED, DA, DOH and NIA)			5,665,000,000
GRAND TOTAL			70,161,531,000

Extent of Yolanda-Fund Releases

Certain lessons should be learned in the way the CRRP was funded and implemented, which should inform government budgeting and implementation of projects of urgent nature. The DBM said it had released as much as PhP93.87 billion as of October 23, 2015, which covers about 55.2% of the planned PhP170 billion for the rehabilitation of the Yolanda-affected areas.

It is observed from the figure below that the DBM has lowered the CRRP budget requirement from PhP170.916 billion to PhP150 billion. It is also rather clear that funding for Yolanda was sourced from items completely at the discretion of the DBM/President when such funds could have been easily legislated by Congress, instead of sourcing this out from Unprogrammed Funds and Automatic Appropriations, which are both highly discretionary and uncertain.

Figure 59. Summary of DBM Budget Releases for Yolanda**Table 64. Yolanda Fund Releases to Agencies Compared to Approved CRRP Funding, in Billion Pesos**

1. Agencies with fund releases bigger than planned	Planned Budget per CRRP	DBM Releases as of October 23, 2015	Amount in Excess of Planned Budget	Excess Amount as % of Planned
DSWD	25,082,105,265*	30,713,329,655	5,631,224,390*	22.45
DPWH	4,492,382,645	4,627,839,171	135,456,526	3.01
DILG	3,731,129,361	4,479,912,486	748,783,125	20.07
DOE	4,837,467,428	951,079,000	42,971,572	0.89
NEA		3,929,360,000		
DOF	74,850,000	2,000,000,000	1,925,150,000	2,572.0
2. Agencies with fund releases lower than planned	Planned Budget per CRRP	DBM Releases as of October 23, 2015	Unfunded or Unreleased Amount, in Pesos	Unfunded Amount, in %
NHA	75,678,680,000	27,052,616,000	48,626,064,000	64.25
PCA	10,825,628,853	2,868,690,000	7,956,938,853	73.5
DA	9,128,592,335	2,774,289,785	8,185,500,154	74.7
DA-BFAR	1,831,197,504			
DEPED	9,365,453,895	5,721,568,518	3,643,885,377	38.9
DTI	3,920,377,382	17,881,500	3,902,495,882	99.5
DOTC	3,952,276,780	2,314,227,790	1,638,048,990	41.45
CHED w/ SUCs	3,555,620,704	4,844,525	2,620,007,773	73.7
SUCs		930,768,406		
DOH	3,206,950,144	1,953,350,000	1,253,600,144	39.1
DENR	2,144,734,000	1,176,558,358	968,175,642	45.1
DAR	2,097,554,583	100,000	2,097,454,583	99.9
DOLE	1,652,866,074	1,006,227,698	646,638,376	39.1
DOST	532,106,987	31,000,000	501,106,987	94.2
LWUA	380,105,965	334,098,784	46,007,181	12.1
LGUs, others	2,762,623,912	36,831,947	2,725,791,865	98.7
3. Agencies in CRRP whose fund releases were not indicated	Planned Budget per CRRP	DBM Releases as of October 23, 2015	DBM Fund Releases	
DOT	1,341,767,000	Not indicated	0	
HLURB	51,300,000	Not indicated	0	
NAPC	1,616,493,400	Not indicated	0	
NCIP	65,240,500	Not indicated	0	
NTC	1,775,000	Not indicated	0	
OPAPP	15,400,000	Not indicated	0	
Supreme Court	374,731,633	Not indicated	0	
TESDA	959,644,226	Not indicated	0	
4. Agencies NOT in CRRP but whose fund releases were counted under the CRRP	Planned Budget per CRRP	DBM Releases as of October 23, 2015	DBM Fund Releases	

DBM	Not in CRRP	2,751,493	2,751,493	
DOJ	Not in CRRP	52,000,000	52,000,000	
NEDA	Not in CRRP	29,538,600	29,538,600	
NFA	Not in CRRP	111,205,000	111,205,000	
NIA	Not in CRRP	103,620,000	103,620,000	
NPC	Not in CRRP	101,480,000	101,480,000	
TRANSCO	Not in CRRP	1,500,000,000	1,500,000,000	
TOTAL [1+2+3 +4]		170,916,432,965	93,875,040,795	

Sources: DBM press releases of October 2015. *DSWD: P314,842,950 for Food Security; P20,612,169,215 for ESA; P4,155,094,100 for Livelihood.

In terms of fund releases to implementing agencies, 6 agencies received funding beyond the planned amount; more than 16 agencies, SUCs and LGUs still have remaining balances for release till 2016; extent of releases to 8 agencies are not specified in the DBM report; and 7 agencies not specified in the CRRP were reported to have been released funds related to Yolanda. (See Table 64).

Releases to the NHA for permanent housing of Yolanda victims are deficient by 64.2%. The 2016 Budget allots an additional PhP25.601 billion for NHA permanent housing, but this is still insufficient (by PhP23.025 billion) to cover the PhP75 billion funding requirement to build back better and create more resilient housing for the Yolanda affected families.

Based on data from the DSWD, the department's Emergency Shelter Assistance (ESA) was able to serve a very high percentage of 96% of the total targeted number of families affected by Yolanda. The DSWD disbursed Php18.388 billion out of the PhP20.612 billion allocation for the ESA program, to the benefit of families whose houses were either totally or partially destroyed by Yolanda². While the level of accomplishment of appears to be high and the funds almost fully disbursed, data from the affected localities show that the bulk of release of ESA happened only during the second to third quarter of 2015 or almost two years after Yolanda. The much delayed release of the ESA defeats its purpose and nature as an "emergency" shelter assistance. (See Table 65).

Table 65. DSWD-Emergency Shelter Assistance Budget Requirement and Amount Disbursed, in Million Pesos, as of November 5, 2015

Regions	Target Number of Families*	Families Served (Actual)	Budget Requirement	Amount Disbursed	Amount yet to be Disbursed
Region IV-B	8,389	4,833	165.590	82.410	83.180
Region VI	465,363	468,833	8,238.725	8,169.330	69.395
Region VII	120,900	98,196	2,413.345	1,941.080	472.265
Region VIII	433,677	415,683	9,192.990	8,195.650	997.340
TOTAL	1,028,329	987,545	20,010.650	18,388.470	1,622.180

Source: DSWD Assistant Secretary Vilma B. Cabrera. Powerpoint Presentation, "Yolanda Recovery and Rehabilitation Efforts, as of 05 November 2015.

Major Observations Related to the Implementation of the Yolanda CRRP

The funding and implementation of the Yolanda-CRRP illustrates the government's strengths and weaknesses in public budgeting. The unprecedented devastation drove the government to prepare the usual post-disaster needs assessment (PDNA by the NDRRMC), but more than that was to ask the NEDA to formulate the Rehabilitation Assistance on Yolanda (RAY-Build Back Better and Implementation for Results) and to create the OPARR to formulate the

² Under the DSWD-ESA, a family whose house is assessed as Totally Destroyed will receive Php30,000; a family whose house is assessed as Partially Destroyed will receive Php10,000.

CRRP. The NEDA-RAY estimated a Php360 billion investment funds needed to build back better the Yolanda affected areas. The CRRP's estimated of funding needs was smaller at Php170 .91.6 billion and was approved by the President, despite the fact that the approval came a few days prior to the first year anniversary of Yolanda. In a nutshell, the government took great strides in assessing the extent of devastation and planning the rehabilitation efforts, but the funding and implementation side leave much to be desired. Based on the experience in the implementation and funding of the Yolanda-CRRP, there are budget practices which need reexamination and improvement.

1. *The Yolanda-CRRP was not fully budgeted by the government. Except in the 2014 SAA and 2016 GAA, the government did not include provisions in the appropriations law of 2015 that would directly allocate funds for the Yolanda-CRRP.*

As it happened, funding for the CRRP was sourced from various sources, which is not necessarily questionable, but certainly brings uncertainty in funding. Funds were sourced from many places including the "savings" declared or to be declared by the DBM which happened within the frame of the Development Acceleration Program. The government could have easily provided budget items intended for Yolanda programs and projects in the Supplemental Appropriations of 2013 and 2014 and in the 2015 GAA.

Table 66. Fund Sources for Typhoon Yolanda (FY2013-2016), Released and Proposed, as of 31 October 2015 (Amounts in Pesos)

FUND SOURCE	FY 2013	FY 2014		FY 2015		FY 2016	TOTAL
		RELEASED		PROPOSED	PROPOSED		
FY 2012 Budget							
• Calamity Fund, Continuing Appropriations	76,971,739						76,971,739
FY 2013 Budget, RA 10352							
• Calamity Fund	991,538,261						991,538,261
• Calamity Fund, Continuing Appropriations		1,727,949,086					1,727,949,086
• Regular Budget/Savings/ Realignments within Agency	4,385,175,891						4,385,175,891
• Regular Budget/Savings/ Realignments within Agency-Continuing Approps.		2,325,707,265					2,325,707,265
• Overall Savings	19,576,939,731						19,576,939,731
• Unprogrammed Fund	1,705,720,000						1,705,720,000
FY 2014 Budget, RA 10633							
• NDRRMF		11,170,300,000					11,170,300,000
• NDRRMF-Continuing Appropriations			41,026,336				41,026,336
• Regular Budget/ Savings/ Realignments within Agency		554,897,493					554,897,493
• Regular Budget-Continuing Appropriations			751,932,518				751,932,518
• Rehabilitation & Reconstruction Program (RRP)		6,236,527,595					6,236,527,595
• RRP-Continuing Approp.			3,781,845,028				3,781,845,028
• Quick Response Fund		161,604,000					161,604,000
• Overall Savings		4,265,880,000		10,007,281,625			14,273,161,625
• Automatic Appropriations		2,155,595,486	100,153,755				2,255,749,259

• Unprogrammed Fund (Support to FAPs)		1,788,392,000				1,788,392,000
FY 2015 GAA, RA 10651						
• NDRRMF			160,335,755			160,335,755
• Unprogrammed Fund						
○ RRP Fund			9,314,000,000			9,314,000,000
○ Support for Infra. Projects & Social Programs			6,180,520,000			6,180,520,000
SUPPLEMENTAL APPROPRIATIONS						
• RA 10634, 2013		6,247,570,838				6,247,570,838
• RA 10652, 2014			10,084,458,000			10,084,458,000
FY 2016 NEP (Proposed)						
• Regular Budget					27,252,147,058	27,252,147,058
• Special Purpose Fund					18,895,530,522	18,895,530,522
GRAND TOTAL	26,736,345,622	36,724,423,763	30,414,271,410	10,007,281,625	46,147,677,580	150,030,000,000
		Php93,875,040,795				

2. Significant delays in fund releases and slow implementation of recovery & rehabilitation plan

At the macro level, DBM fund releases on a yearly basis were insufficient to cover the planned investments. The planned releases for 2016 will also not sufficient to fully cover the CRRP funding requirement.

Table 67. Yolanda Funding Requirement compared to Fund Releases, as of October 31, 2015

Details	2014	2015	2016	TOTAL
Planned Budget per CRRP	47.12	80.31	38.93	166.36 [or 97.3% of the original CRRP planned investments of P170.916 billion].
Released per DBM, as of Oct. 31, 2015	26.736	36.724	30.414	93.875
Funding Gap	20.384	43.586	8.516	72.485

Source: DBM, http://www.dbm.gov.ph/?page_id=14137

At the agency level, at least 7 agencies including NHA, PCA, DA, DTI, CHED, DAR, DOST are yet to receive more than half of the planned Yolanda rehabilitation funds.

Serious delay in fund releases is evident in the Emergency Shelter Assistance (ESA) Program of the DSWD, thus defeating the “emergency” nature of the assistance. The ESA guidelines are similarly highly discriminatory of families whose income is higher than the Php15,000-monthly income cut-off and of local government employees. In many areas, the grant of ESA (of Php30,000 or Php10,000, depending on whether one’s house was totally or partially damaged, respectively) and inclusion in the ESA-list of beneficiaries became highly discretionary on the part of the government official making the assessment. This was attested to by participants in the 4 SWP-forums held in Iloilo, Tacloban and Palawan, who were themselves victims of Yolanda.

3. Weak or absence of citizen participation from the planning, implementation to monitoring and evaluation of Yolanda programs and projects, specifically the permanent resettlement and the ESA

The absence of citizen participation was highly evident in implementation of the permanent housing projects for Yolanda-affected families. In the areas visited by the SWP research team, it was learned that household-beneficiaries of permanent housing have not been called to participate in the deliberations of the Local Inter-Agency Committee (LIAC) for Resettlement, chaired jointly by the NHA and the Mayor. Participants in the 4-SWP forums aired that they have not been consulted, have not seen any list of beneficiaries of permanent housing, and wished that they be engaged by the NHA/LGU to monitor the progress of the housing projects.

4. *Data on CRRP implementation from implementing agencies are difficult to obtain*

It can be stated here that data on government accomplishments on Yolanda were generally difficult to obtain. While some government officials have granted interviews, more detailed information on Yolanda budget releases and project status were not made available.

5. *Absence of a clear central and authoritative agency/body that will implement, oversee, coordinate, monitor and have strong mandate and with budget*

The dissolution of the OPARR (that came with the resignation of Senator Lacson on February 10, 2015) weakened the organization support to oversee the implementation of the CRRP. The tasks of the OPARR were transferred to the NEDA and the OCD, which agencies have their own mandates to fulfill.

Recommendations

The massive devastation that Yolanda brought about and the gargantuan effort that rebuilding from it requires, most definitely warranted a grand reconstruction and rehabilitation plan. But a plan, no matter how grand, is never enough. Certainly, it had to be coupled with the commensurate, extra-ordinary will and commitment from the government and its agencies responsible to manage its delivery.

The one hundred sixty seven billion CRRP plan is impressive, but as this research has shown, its implementation so far has been profoundly disappointing. Thousands of Yolanda victims remain homeless and unable to resume sustainable economic activities, two years after the effort to rebuild began.

But indeed, how can one expect successful program delivery if there is no clear fund source to begin with? How can one expect efficient program delivery if there is no clearly defined leadership to manage the overall effort? How can one expect timely program delivery if capacity to deliver is not at all addressed and delay in release of necessary funds is not acted upon?

What is needed for 2016 is a renewed will and commitment to do justice to Yolanda victims and to all other victims of calamities. We specifically and humbly put forward the following recommendations:

1. Conduct a thorough evaluation and an audit on what is slowing down the recovery and rehabilitation efforts, who is responsible and how to decisively resolve the snags.

2. Ensure the exercise of strong and decisive leadership which will rise above political squabbles and disentangle the major bottlenecks to fund releases and utilization. Consider the creation of a central agency/body with the mandate and budget to lead, supervise and coordinate government efforts to prepare for, respond to, recover from and adapt and mitigate risks from all natural and man-made hazards.
3. Ensure that funds that should go specifically to implementation of Yolanda PPAs are clearly identified, earmarked, and moved quickly, by ensuring that processes to avoid delays in fund releases are in place.
4. Build capacities at the frontline, particularly LGUs and local communities. To ensure this, it is imperative that LGU budget share is increased and an equitable system of budget allocation for Rehabilitation and Reconstruction Fund (RRF) is in place.
5. Publish data on progress in implementation. Ensure transparency and public accountability of all agencies involved. If the government truly upholds transparency and accountability, data and information should be clear and accessible to the people. In particular, DBM needs to provide data disaggregation of the P88.9 billion allegedly already released for Yolanda reconstruction and rehabilitation.
6. Develop a responsive public information system to ensure data access and accuracy. For the concerned sectors and interest groups to be able to track public funds intended for their purpose, disaggregated data should be released to identify budget items for Yolanda reconstruction alone and those for other equally important disasters that struck the country. Ensure that data is disaggregated by agency, by disaster and by local reach, especially among the marginalized and vulnerable sectors.
7. Ensure citizens' participation in all aspects of DRR and climate change adaptation, from policy development, planning, budgeting, implementation, monitoring and evaluation at local and national levels. It is important that the information is clear to facilitate meaningful citizens' participation and accountability. The Government should develop an efficient platform that will serve as repository of information and pave the way for citizens' tracking of progress in reconstruction and rehabilitation efforts for Yolanda and overall DRR efforts in the future.
8. Adopt the proposal of the Alternative Budget Initiative for the creation of budget items in the 2016 National Budget for the release of budgets which will fill or close the budget gap between the investment requirement under the Yolanda Comprehensive Rehabilitation and Reconstruction Program (CRRP) and the remaining allocation viz DBM reported releases as of June 2015 (P88.9 billion), as detailed in the table below.

**Table 68. List of Yolanda Rehabilitation and Recovery Budget Proposal
under Yolanda CRRP**

Dept-Office	Programs/Projects	CRRP approved investment requirement [P167B memo approval] (In PhP)	Released Amount as of June 30 2015 (In PHP)	GAP/Variance ABI Proposal (In PhP)
CHED	Rehabilitation of CHED Regional Office Building	2,616,629,243	4,844,525	2,611,784,718
SUCs c/o CHED	Repair and reconstruction of Academic Buildings	938,991,461	930,768,406	8,223,055
DA-OSEC with BFAR	Provision of banca and other fishing paraphernalia for affected fishermen; Government facilities; Assistance to affected farmers (irrigation)/ aquaculture	9,563,853,840	2,774,289,785	6,789,564,055
DA-OSEC with DA-EMB	Calamity assistance to EMB personnel (food, medicine, and clothing); Rehabilitation of Office Building, procurement of IT equipment, food and cash for work project, rehabilitation of watershed, rental and repair of vehicles in support of operations at the PENRO, forest protection, rehabilitation and retrieval operations; National Greening Program – Mangrove and Beach Forest Development Program	2,144,735,000	1,568,176,642	576,558,358
DAR-OSEC	Irrigation facilities, post-harvest facilities, potable water supply, farms to market roads	2,019,296,279	0	2,019,296,279
DEPED-OSEC	Provision of school seats in newly constructed classrooms (119,070 armchairs and 2,646 teacher's table and chair); Repair and rehabilitation of classrooms; Construction and/or renovation of Library Hubs	9,365,453,895	5,721,568,518	3,643,885,377
DENR-OSEC	Calamity assistance to EMB personnel (food, medicine, and clothing)			
DENR-OSEC	Rehabilitation of Office Building, procurement of IT equipment, food and cash for work project, rehabilitation of watershed, rental and repair of vehicles in support of operations at the PENRO, forest protection, rehabilitation and	2,144,735,000	576,558,358	1,568,176,642

	retrieval operations			
DENR-OSEC	National Greening Program – Mangrove and Beach Forest Development Program			
DOH-OSEC	Construction of Phase 1 of Eastern Visayas Regional Medical Center destroyed by Typhoon Yolanda Hospitals, RHUs, and BHUs Health Services; Prevention of communicable & non-communicable diseases; Recovery and Rehabilitation Program for Typhoon Yolanda	3,206,950,144	1,953,350,000	1,253,600,144
DOLE-TESDA	Vocational Education and Technical Skills Training	855,075,397	0	855,075,397
DOLE-TESDA	Office Buildings- TESDA OFFICES/TRAINING CENTERS/TECHNICAL SCHOOLS	103,168,829	0	103,168,829
National Commission on Indigenous Peoples	Shelter Assistance to Indigenous Communities	34,500,000		34,500,000
National Commission on Indigenous Peoples	Livelihood support for Indigenous Peoples	30,740,000		30,740,000
National Housing Authority	Assistance to families in “no-build” zones; Implementation of the FY 2013 Emergency Housing Assistance for Calamity Victims Programs Construction of additional permanent housing of Yolanda victims in Regions IV-B, V, VI, VII, and VIII; Construction of housing units	75,678,683,100	22,738,616,000	52,940,067,100
Philippine Coconut Authority	Coconut Tree Disposal and Utilization; Coconut Fertilization	10,544,805,161	2,868,690,000	7,676,115,161
TOTAL		119,247,617,349	39,136,862,234	80,110,755,115

We, therefore, urge Congress to take action to review and adopt appropriate legislative measures to cover the inadequacies and gaps in preparing for, mitigating and responding to disasters such as Yolanda, including our recommendation to close the gap of Yolanda CRRP investment requirement. Likewise, we urge the relevant agencies of the government to conduct a comprehensive review of the Yolanda disaster response experience, identify the issues and gaps in the rehabilitation and reconstruction efforts, and seriously consider above recommendations to improve the institutional response, enhance inter-agency coordination, and strengthen overall DRR management.

References

DBM. 2016 National Expenditure Program.
 OPARR. Yolanda Comprehensive Rehabilitation and Recovery Plan. August 1, 2014.
 2011 to 2015 General Appropriations Acts
 2013 and 2014 Supplemental Appropriations

Acronyms

APEC - Asia-Pacific Economic Cooperation
 ASEAN – Association of Southeast Asian Nations
 BESF – Budget of Expenditures and Sources of Financing
 BFAR – Bureau of Fisheries and Aquatic Resources
 CHED – Commission on Higher Education
 CO – Capital Outlay
 COA – Commission on Audit
 CRRP – Comprehensive Rehabilitation and Recovery Plan
 DA – Department of Agriculture
 DAP – Development Acceleration Program
 DAR – Department of Agrarian Reform
 DBM – Department of Budget and Management
 DENR – Department of Environment and Natural Resources
 DEPED – Department of Education
 DILG – Department of the Interior and Local Government
 DOE – Department of Energy
 DOF – Department of Finance
 DOT – Department of Tourism
 DOTC – Department of Transportation and Communication
 DPWH – Department of Public Works and Highways
 DSWD – Department of Social Welfare and Development
 DTI – Department of Trade and Industry
 ESA – Emergency Shelter Assistance
 FY or CY – Fiscal Year; Calendar Year
 GAA – General Appropriations Act
 GOCCs – Government Owned and Controlled Corporations
 HDI – Human Development Index
 HLURB – Housing and Land Use Regulatory Board
 LGUs – Local Government Units
 LIAC – Local Inter-Agency Committee
 LWUA – Local Water Utilities Administration
 MDGs – Millennium Development Goals
 MOOE – Maintenance and Other Operating Expenses
 NCIP – National Commission on Indigenous People
 NDRRMC – National Disaster Risk Reduction and Management Council
 NDRRMF – National Disaster Risk Reduction and Management Fund
 NEDA – National Economic and Development Authority
 NEP – National Expenditure Program
 NHA – National Housing Authority
 NSCB – National Statistical Coordination Board
 NTC – National Telecommunications Commission

OPARR – Office of the Presidential Assistant for Rehabilitation and Recovery
PCA – Philippine Coconut Authority
PDAF – Priority Development Assistance Fund
PDNA – Post Disaster Needs Assessment
PS – Personal Services
QRF – Quick Response Fund
RA – Republic Act
SAA – Supplemental Appropriations Act
SONA – State of the Nation Address
SPFs – Special Purpose Funds
SUCs – State Universities and Colleges
SWP – Social Watch Philippines, Inc.
SWS – Social Weather Station
TESDA – Technical Education and Skills Development Authority
UF – Unprogrammed Funds
VAT – Value-Added Tax

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abaihan sa Kanayunan (PKKK) • Partido Manggagawa • Partnership for Clean Air, Inc. • Peer Counselling Foundation • Peer Educators Movement for Empowerment of Pasay, Manila, Caloocan, and Quezon City (Peer Ed PMACQ) • Philippine Center for Population and Development • Philippine Coalition on the U.N. Convention On The Rights of Persons with Disabilities • Philippine Federation for Natural Family Planning (PFNFP-FILTAAO) • Philippine Legislators' Committee on Population and Development (PLCPD) • Philippine Partnership on Children with Disability • Philippine Rural Reconstruction Movement (PRRM) • Philippine Society of General Internal Medicine (PSGIM) • Philippine Society of Sexual & Reproductive Health Nurses (PSORHN) • Piglas Kababaihan • Plan International • Psoriasis Philippines • Public Services Labor Independent Confederation (PSLINK) • Saganang Buhay sa Liga ng Bayan (SBSB) • Samahan ng mga Mamamayan ng Zone One Tondo Organization (SM-ZOTO) • Kasarian-Kalayaan, Inc. (SARILAYA) • Save the Children • Sentro ng Progresibong Manggagawa • Socialista • Tahang Walang Hagdan • TLF Sexuality, Health and Rights Educators Collective Inc. (TLF SHARE) • Unified Filipinos Service Workers (UFSW)-National Federation of Labor • Universal Health Care Study Group • UP Diliman Gender Office • Visayas Health Ministry of United Methodist Church • WomanHealth Philippines • Women's Education, Development, Productivity and Research Organization, Inc. (WEDPRO) • World Vision Development Foundation, Inc. • Young People's Action for Change (YPAC) • Youth Leader's Club of Antipolo • Youth Meets the Children Organization (YMETCO)

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