



ALTERNATIVE BUDGET

Fiscal Year
2017



Special Feature:

Investing in Children Through Child Sensitive Alternative Budget

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Fiscal Year 2017

Budget for Real Change?

Macroeconomic and Social Development Context of
the 2017 Budget; Alternative Budget Proposals
for Agriculture, Education, Environment, Health,
Persons with Disabilities and
Social Protection; Proposed Amendments;
Special Feature: Investing in Children Through Child
Sensitive Alternative Budget



BUDGET FOR REAL CHANGE?
Alternative Budget Fiscal Year 2017

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The views expressed in this book are those of the authors' with inputs from the concerned cluster members and do not necessarily reflect the views and policies of the Save the Children Philippines.

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FOREWORD

President Rodrigo Roa Duterte (PRRD) came to power on the promise of real change. His first budget, the 2017 National Budget promises to set in motion the process for real change.

Here is how it's taglined: *A budget for and by the people. A budget for real change--in the here and now.* How sweet!

Erosion of faith in the government, identified to be the core problem, is attributed as the result of long periods of unmet needs, such as, relief from hunger and poverty, security against crimes and lawlessness, ease of travel to and from workplaces, and job opportunities and skills for productivity, among others.

The nagging puzzle that the budget seeks to solve which is also foremost in people's mind is why, despite the much-ballyhooed fast GDP growth, reduction in poverty and inequality is agonizingly slow.

So how is the 2017 budget going to be different? Will it reduce poverty and inequality in a more significant way and faster? Will it initiate a break with the stubborn GDP 'religious' paradigm which is at the root of why the working people and the environment always get sacrificed in the name of development?

Right off, we could say it will not be breaking with the dominant growth paradigm. At most, it will be striving to make changes within this paradigm to be more inclusive in benefit terms for the heretofore excluded among our people and regions. It will be a bit more mindful of delivering on the much-awaited outcome, reduction of poverty and inequality.

The 2017 National Budget is a growth budget, without apologies. On top of huge allocations for education, health, and social welfare, it is basically a budget in keeping with the regime's mantra of "build, build, build" to set the stage for the golden era of infrastructure in the Philippines.

The PRRD Administration is clear on what it wants---to industrialize and modernize the economy. The main social development outcomes being promised are (a) reduction of poverty to 14 percent at the end of its term in 2022 from PNoy's poor legacy of 26 percent and (b) more equality by geography, if not by class. These outcomes are supposed to be delivered through inclusive growth while avoiding harm on the environment.

The poverty target is more than double the pathetic six-year achievement of the P-Noy regime. However, it may be too low to realize the country's commitment to the 2030 Agenda for Sustainable Development to end poverty by 2030.

Growth would be spurred through increased public spending on infrastructure and energy, agriculture and rural development. This is welcome to us if it will be green infrastructure, renewable energy, and organic, sustainable agriculture and green rural development.

Sad to say, some signals point to development-as-usual. Sustainable agriculture and rural development, based on fundamental reform of land ownership remains unclear even as talks of modernization of the countryside is pretty much up in the air. Big projects dominate the infrastructure plan. We are disappointed with the amount of spending for infrastructure that have the most meaning to the poor---rural roads, water and sanitation, and home electricity.

What will power such growth likewise stands to question. According to the Department of Energy (DOE) Secretary Alfonso G. Cusi, coal is here to stay. And if he has his way, too, our country will also be powered by nuclear energy.

The inclusion part holds some promise as it suggests regional development and financing outside Metro Manila and support for micro, small, and medium enterprises within the general thrust of de-concentration and decentralization away from Metro Manila. The primate metropolis has long been getting an unfair share of wealth and power at the expense and sufferance of other regions. This is also very much welcome to us.

The deficit spending is not yet a big issue for us. Our hope is, the budget will deliver the kind of growth that's able to pay our debts back, and justly. Our issue, and a continuing one at that, is the automatic debt appropriations that have been bleeding our resources dry and yet keeping us in debt forever. We should learn from our \$2-B BNPP debt that at the end of it all we're left saddled with \$22 B loss for a folly that's hard to live down.

It also comes as a big disappointment to us that the budgeting ways of old die hard. We still observe pork-like practices in the first Duterte budget. Here and there, we still find items suggesting inordinate executive discretion and privilege.

Overall, we welcome the changes indicated in the 2017 National Budget although these are as yet, far from the real change that we want to see from the perspective of sustainable development.



ISAGANI R. SERRANO
Co-Convenor

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PART 1: Macroeconomic and Social Development Context of the 2017 Budget

ALTERNATIVE ANALYSIS OF THE 2017 BUDGET: Duterte's First, A Budget for Real Change?

By Jocelyn C. Cuaresma and Alce C. Quitilig

Abstract

This article presents an alternative analysis of the 2017 National Budget, comparing the budget priorities with the development objectives, priorities and agenda of the Duterte administration. The National Expenditure Program (NEP) is also examined and compared to the approved budget to track important changes and shifts in budget priorities.

From the NEP to the GAA, some agencies definitely gained by having a budget bigger than what was proposed. This goes against fiscal prudence since the agency is not prepared to manage a budget bigger than what it has proposed. What is new in the 2017 national budget is the introduction of three new Special Purpose Funds (SPFs) in favor of local governments under the Local Government Support Fund, such as the Financial Subsidy to LGUs (PhP2.3B), Assistance to Disadvantaged Municipalities (PhP18B), and the conditional Matching Grant to Provinces for road repair, rehabilitation and improvement (PhP39B). In general, the trend in budget allocation is sustained, with the social services sector, particularly education, getting the biggest slice of the budget pie, which the Social Watch Philippines (SWP) supports. However, monitoring the implementation of the budget is vital in ensuring the promise of real change.

INTRODUCTION: The 2017 Budget and Its Role in the Economy

The role of the budget in the national economy is already well-established (Musgrave and Musgrave 1987; Tanzi 1991; Briones 1996; SWP 2015). President Rodrigo Roa Duterte in his inaugural speech on June 30, 2016 and in his Budget Message, identified the core problems of the economy and the government that his administration must confront and must give priority in the budget. He identified these as the 'erosion of faith in government', and their very symptoms in 'graft and corruption'. The President promised to bring forth real change in the government and society using the government's most important fiscal tool, the national budget.

The 2017 National Budget, the first under the Duterte administration, is a whopping P3.35 trillion and higher by 11.6% than the 2016 National Budget. The President sees the 2017 budget as an expansionary budget, expected to contribute 21% to the 2017 GDP.

Accordingly, the government designed the 2017 budget around its priorities and principles, to wit:

- a. Just and disciplined fiscal policy
- b. Social order and equitable progress
- c. What you see is what you get: An “era of credible Budgets” in which people see in the budget what they will get in terms of services and benefits
- d. Accountability to the people
- e. Local governments as able partners in development

This paper assesses the 2017 national budget against its stated objectives. The paper is divided into three parts. Part 1 discusses the macroeconomic situation to lay down the rationale used by the government to justify the level and allocation of the budget. Part 2 renders an analysis of the 2017 budget itself against the objectives set forth by the government. Part 3 contains the summary of findings and conclusions.

The Macroeconomic Situation

The National Economy and the 2017 National Budget

The national economy was not really that strong when President Rodrigo Duterte took over in July 2016. The poverty situation has not improved over the last nine years. Poverty incidence slightly improved from 2009 to 2012, worsened in the first semester of 2015 but decreased to almost 5 percentage points in the full year of 2015.

Figure 1 shows that poverty incidence worsened from 2012 to the 1st semester of 2015. It should be noted, however, poverty incidence suddenly dropped for the whole year of 2015, reaching a low of 21.6%. The National Economic and Development Authority (NEDA) attributed this to the implementation of the Conditional Cash Transfer (CCT) program, improvement in incomes, especially of the bottom three deciles, and decrease in consumer price inflation. Despite this development, the poverty rate falls short particularly when measured against the government’s goal of lowering it to 17.2% by 2015 under the Millennium Development Goals. Since the CCT program has been running since 2007, questions surround the sudden decline in poverty as this happened only one time over the period of nine years. The question remains on whether it will be sustainable for the long term or not.

With a still significant poverty rate, and a population growth rate of 1.87% average, the result is uncontrolled rise in the number of poor population. As of August 2015, the Philippine population was recorded by the PSA at 100,981,437 individuals, 21.9 million of them are poor.

Poverty incidence (PI) is defined as the proportion of Filipinos with income below PhP9,064/household/month, as of the full year of 2015. On the other hand, subsistence incidence is the proportion of Filipinos in extreme poverty or those with income that fall below the food threshold of PhP6,329/HH/mo. Compared with the ASEAN countries in 2013, the Philippine poverty rate is shamefully the highest in the region.

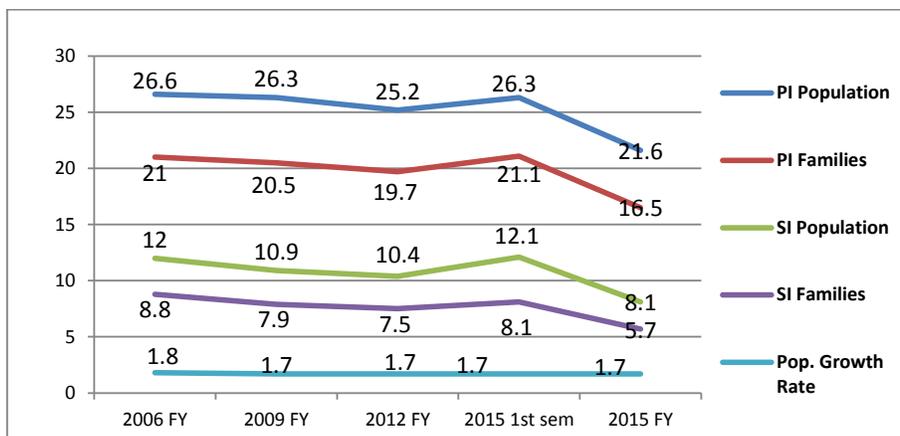


Figure 1. Poverty Incidence (PI) & Subsistence Incidence (SI) among Population, in %

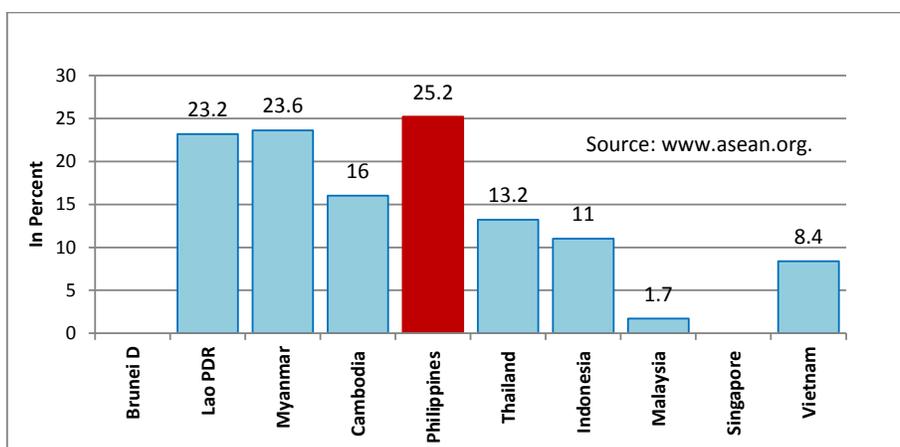
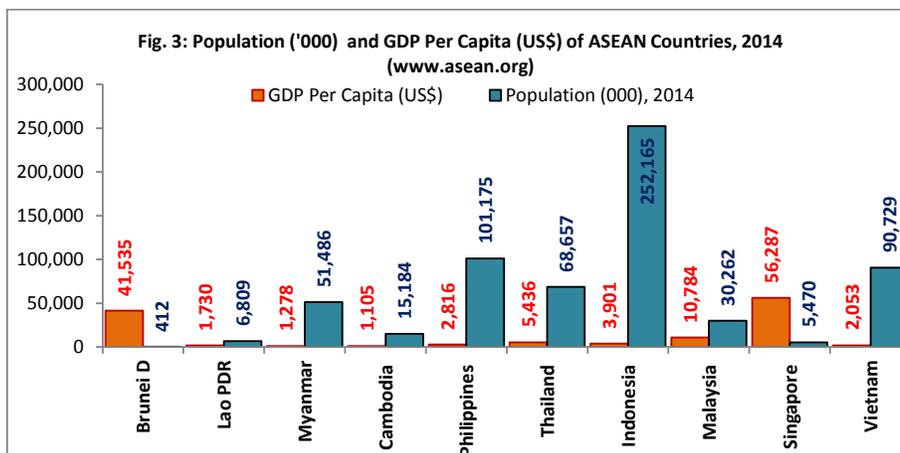
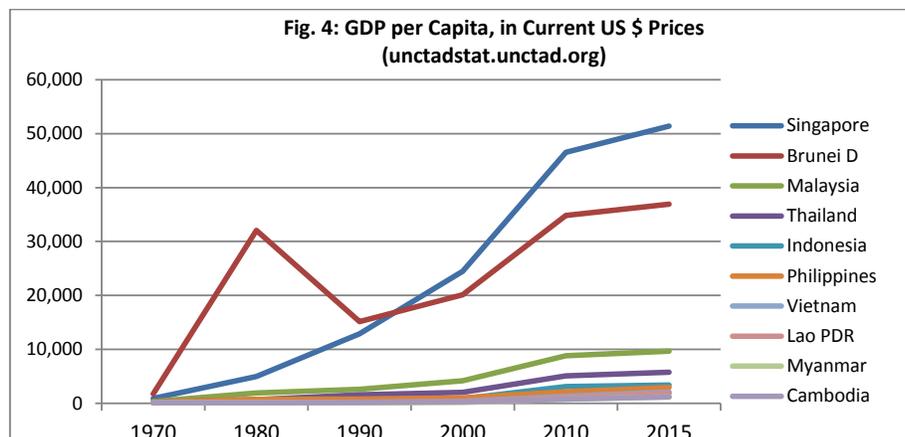


Figure 2. Population below the national poverty line, in %, 2013

In addition to the failure to significantly reduce the poverty rate, the Philippines' GDP per capita falls below that of its five ASEAN colleagues. The Philippines has to examine more seriously its development policies and priorities to achieve for its people with better success the socio-economic affluence it has been aspiring for over the last five or more decades.





Macroeconomic Assumptions, FY 2015-2019

The statistics in Table 1 were the main parameters applied in setting budget priorities for 2017 and in the next two years. As discussed above, the average performance of the Philippine economy is capped by its inability to significantly reduce poverty and having the highest percentage of the population below the poverty level. The country's GDP per capita has been consistently lower than that of Thailand and Malaysia since the 1970s. In the next three years (2017-2019), real GDP is projected to grow by 7.8% average yearly, which is a big challenge, considering that the economy grew by only 5.8% in 2015.

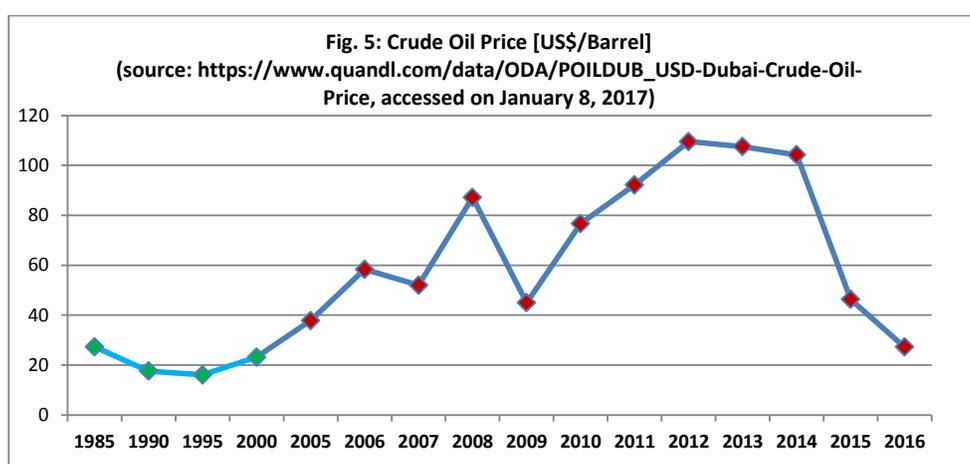
The macroeconomic fundamentals of the Philippines remain volatile. The current foreign exchange rate of PhP49.812 to 1US\$ as of January 8, 2017 is already 4 percentage points higher than the projected exchange rates for 2017 to 2019.

The actual price of Dubai crude oil per barrel in November 2016 is already higher than the lower bracket in the government's projected estimate of \$40-\$55 per barrel. Crude oil prices from 2005 to 2015 are significantly higher than the crude oil prices from 1985 to 2005, suggesting that prices could continue to rise over the next ten years. The US LIBOR rate, as of January 6, 2017, is at 1.68456%, higher than the lower bracket of the government's projected LIBOR rate of 1.0-2.0%. The population growth rate of 1.6%, inflation rate of 1.4% and a lowering of the value of the pesos by 6% can easily keep the country at its steady state.

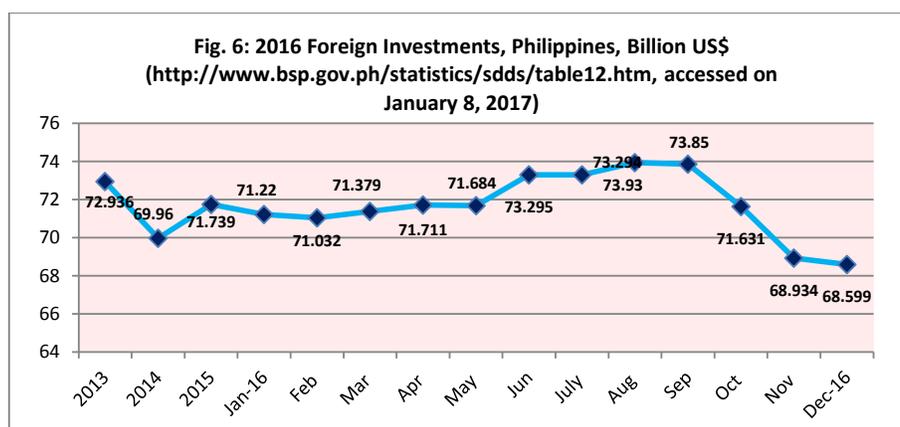
Table 1. Macroeconomic Assumptions, Fiscal Year 2017-2019

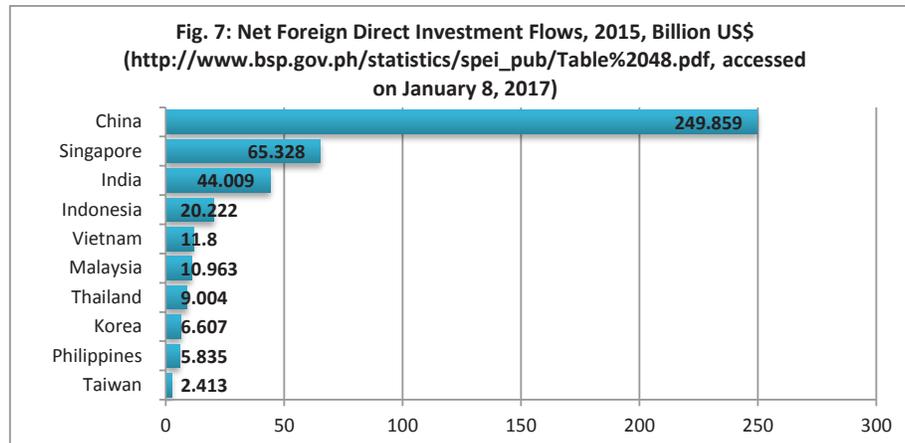
Particulars	2015 Actual	2017 Projection	2018 Projection	2019 Projection
Nominal GDP (in PhP Million)	13,307,265			
Low		15,937,446	17,564,659	19,358,011
High		16,375,877	18,293,465	20,429,363
Real GNI Growth (%)	5.8	6.5-7.5	6.8-7.8	6.6-7.6
Real GDP Growth (%)	5.9	6.5-7.5	7.0-8.0	7.0-8.0
Inflation Rate (%)	1.4			
Target		2.0-4.0	2.0-4.0	n.a.

Forecast		2.0-4.0	2.0-4.0	2.0-4.0
Population (in Millions)	100.98	104.92	106.6	108.27
Unemployment Rate (%)	6.3	n.a.	n.a.	n.a.
364-Day Treasury Bill Rate (%)	2.1	2.5-4.0	2.5-4.0	2.5-4.0
Foreign Exchange Rate (PhP/US\$)	45.5	45-48	45-48	45-48
LIBOR, 6 months (%)	0.5	1.0-2.0	1.5-2.5	1.5-2.5
Dubai Crude Oil (US\$/barrel)	50.92	40-55	45-60	50-65
Exports of Goods Level (in US\$ Billion)	43.3	47.3	51.0	56.1
Imports of Goods Level (in US\$ Billion)	65.0	76.5	84.9	95.0
Trade Balance	(21.7)	(29.2)	(33.9)	(38.9)
Current Account Balance (US\$ Billion)	8.4	3.0	n.a.	n.a.
Percent of GDP	2.9	0.9	n.a.	n.a.
Gross International Reserves (US\$ Billion)	80.7	86.3	n.a.	n.a.
Equivalent Months of Imports	10.1	8.9	n.a.	n.a.

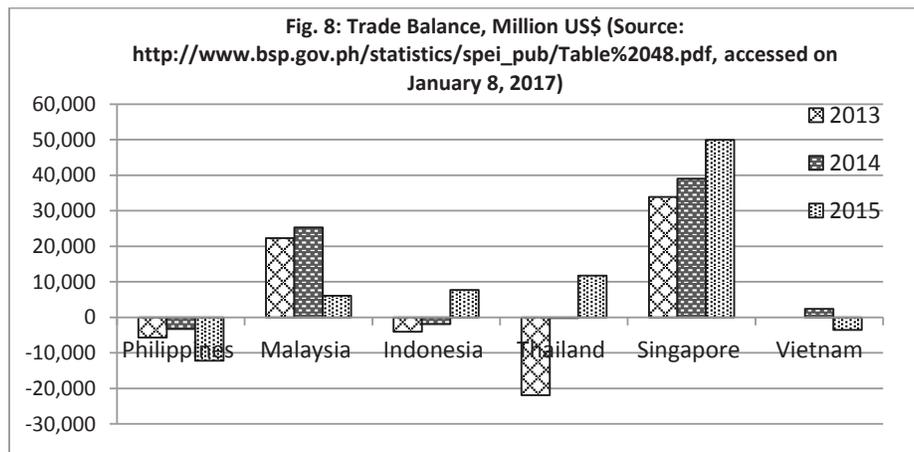


The Gross International Reserves as of December 31, 2016, amounts to US\$81.045 billion, equivalent to 9.1 import cover. The trend in foreign investments since 2014 is declining. As of December 31, 2016, investments have been valued at US\$68.599 Billion, lower than the monthly levels over the last 24 months. Foreign investments peaked in August 2016 at US\$73.930 Billion. In terms of net foreign direct investments of the Philippines, compared to Asian countries, the former ranks second to last as of January 2017.





The Philippines' Trade Balance has been negative in the last three years. Indonesia and Thailand also experienced negative trade balances, but they have both recovered in 2015. The Philippines, however, continue to have difficulty reversing its trade performance.



Drivers of Growth

In current prices, the national economy grew by 9.3% and 9.6% in 2013 and 2014, respectively. In 2015, GDP growth rate slump to 5.2%, but recovered to 8.6% in 2016. The services sector is definitely the major source of the economy's growth, although the contribution of the industrial and manufacturing sector remains significant at 31%. It is the contribution to the GDP of the agricultural sector which continued to decline during the period.

Table 2. Sources of Economic Growth, 2013 to 2015, in billion pesos & current prices

Sectors	2013	2014	2015	Annual Ave. Growth Rate
Amounts				
Agriculture, Fishery, forestry	1,298.356	1,431.289	1,366.063	2.6
Industry	3,590.267	3,958.771	4,094.87	7.0
Service	6,649.788	7,255.212	7,846.332	9.0
% of GDP				
Agriculture, Fishery, forestry	11.25	11.32	10.27	10.95
Industry	31.12	31.31	30.77	31.07

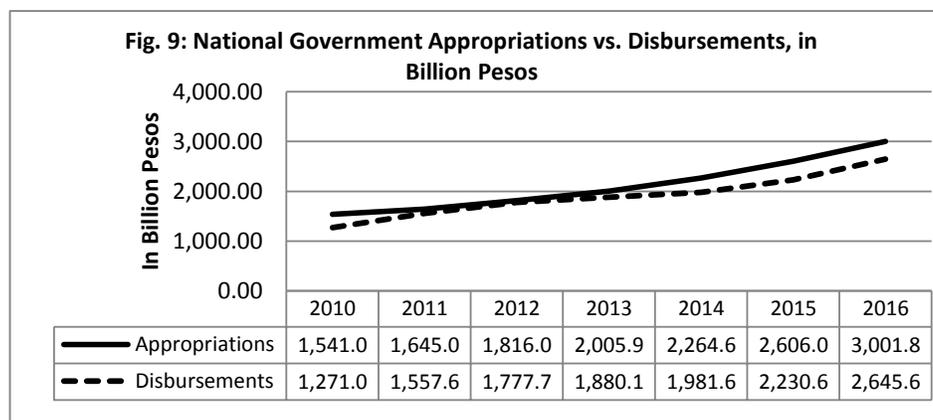
Service	57.63	57.37	58.96	57.98
Growth Rates				
Agriculture, Fishery, forestry	3.9	10.2	(4.6)	3.2
Industry	8.8	10.3	3.4	7.5
Service	10.6	9.1	8.1	9.3

Source of data: http://www.bsp.gov.ph/statistics/spei_pub/Table%2029.pdf

Highlights: The 2017 Budget for Real Change

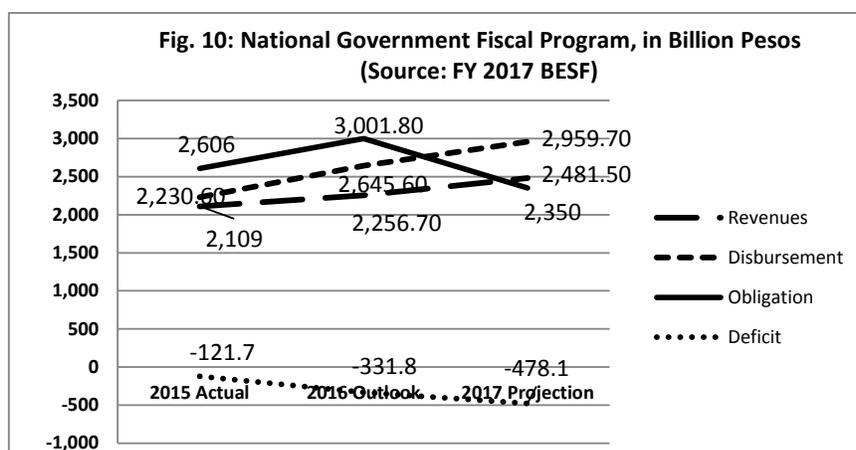
Patterns of National Government Spending

The national appropriations grew by 15.8% annually from 2010 to 2015 under the Aquino administration. In contrast, actual disbursements were a little lower at 15.1% annual average. This led to an underspending total of PhP1.179 trillion in six years (excluding 2016), or an average of PhP196.6 billion a year. The underspending was more pronounced in 2010, 2014 and 2015 when the planned programs and projects of the agencies did not have allocation or the funds were not released. The agencies' lack of capacity to absorb the funds has generally caused the slow implementation of programs, activities and projects (PAPs).



2017 Fiscal Program

The government's 2017 fiscal program, as gleaned from the Budget of Expenditures and Sources of Financing (BESF) is inconsistent with the approved 2017 National Budget. As shown in Figure 10, the government planned to lower the 2017 Obligations to PhP2.35 trillion pesos. On the contrary, the Planned Disbursement of PhP2.959 trillion is much higher than the Target Revenues and the Target Obligations. Given the larger amounts of Disbursements, the government deficit continues to widen and is expected to reach PhP478.1 billion this year, 2017.



Unpacking the 2017 National Budget

The national budget is like a huge box that must be unpacked. The 2017 National Budget or Republic Act 10924 has Total Programmed Appropriations of PhP3.35 trillion. If the PhP67.5 billion in Unprogrammed Appropriations is added, the 2017 National Budget is a staggering PhP3.417 trillion. Expenditure items under the Unprogrammed Funds can be funded only when government's revenue collection exceeds its target or when windfall revenues are collected. However, these are still included in the 2017 General Appropriations Act (GAA) to make sure funds will be allocated to these projects once funds become available.¹

Of the Programmed Appropriations, PhP2.499 trillion (or 74.6%) represents the New Appropriations, thus, was scrutinized and approved this year by Congress. The remaining PhP918.013 (25.4%) billion in Automatic Appropriations does not require the annual approval of Congress.²

The Programmed New Appropriations of PhP3.35 trillion, also called the Total Expenditure Program, is comprised of the budget for departments and agencies, Special Purpose Funds (SPFs) and Automatic Appropriations. SPFs are presented either with or without detailed allocation of expenditures.

Table 3. Unpacking the 2017 National Budget, in Billion Pesos

Items	2015 GAA	2016 GAA	2017 NEP	2017 GAA
TOTAL AVAILABLE APPROPRIATIONS	2,729.064	3,069.300	3,417.500	3,417.49
• Programmed New Appropriations	1,739.769	2,071.105	2,431.987	3,350.00
○ <i>New Appropriations</i>	1,862.825	2,138.605	2,499.487	2,499.487
○ <i>Automatic Appropriations</i>	866.239	930.695	918.013	918.013
• Unprogrammed Appropriations*	123.056	67.500	67.500	67.500
TOTAL EXPENDITURE PROGRAM/ PROGRAMMED NEW APPROPRIATIONS	2,606.008	3,001.800	3,350.000	3,350.000
• Departments and Agencies	1,371.039	1,662.817	1,951.822	1,968.8
• Special Purpose Funds	368.729	408.288	547.665	463.19
• Automatic Appropriations	866.239	930.695	918.013	918.013

Source of basic data: GAA, NEP.

¹ See discussion on Unprogrammed Funds in succeeding sections

² See discussion on Automatic Appropriations in succeeding sections

The Duterte administration's bias towards fighting crime and keeping peace and order, rebuilding people's faith in government, and fighting graft and corruption is mirrored in the budget priorities. In his Ten-Point Socioeconomic Agenda, the President vowed to prioritize poverty reduction, if not alleviation, infrastructure development, and social services, among others.

By Sector and Expense Class

Over the last three years, the social services sector has received the biggest slice of the national budget. Together with the allocation for the economic sector that got the second biggest share, these account for more than 2/3 of the national budget, in line with the government's vision to raise the general socio-economic status of the country. The allocation for all sectors increased in 2017, except for interest payments, which suggests a better management of government debts or being able to spend more for the socio-economic sector. However, interest payment is only one part of the debt service. Its consideration must include the principal amortization to complete the whole picture.

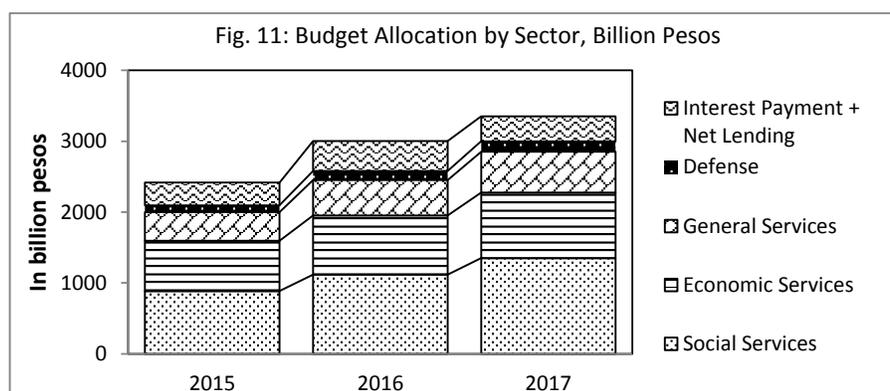
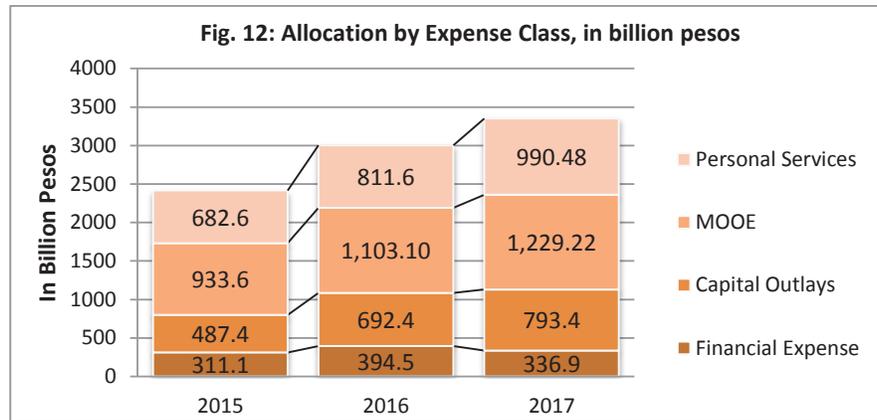


Table 4. National Budget Allocation by Sector, in billion pesos

Sectors	2015 GAA	% Share	2016 GAA	% Share	2017 GAA	% Share
Social Services	886.643	36.71	1,119.81	37.3	1,351.46	40.33
Economic Services	707.994	29.31	834.029	27.78	923.954	27.57
General Services	404.190	16.74	497.975	16.59	575.367	17.17
Defense	97.248	4.03	130.687	4.35	148.677	4.44
Interest Payment & Net Lending	319.060	13.21	419.297	13.97	351.642	10.49
TOTAL	2,415.135	100	3,001.798	99.99	3,351.10	100.00

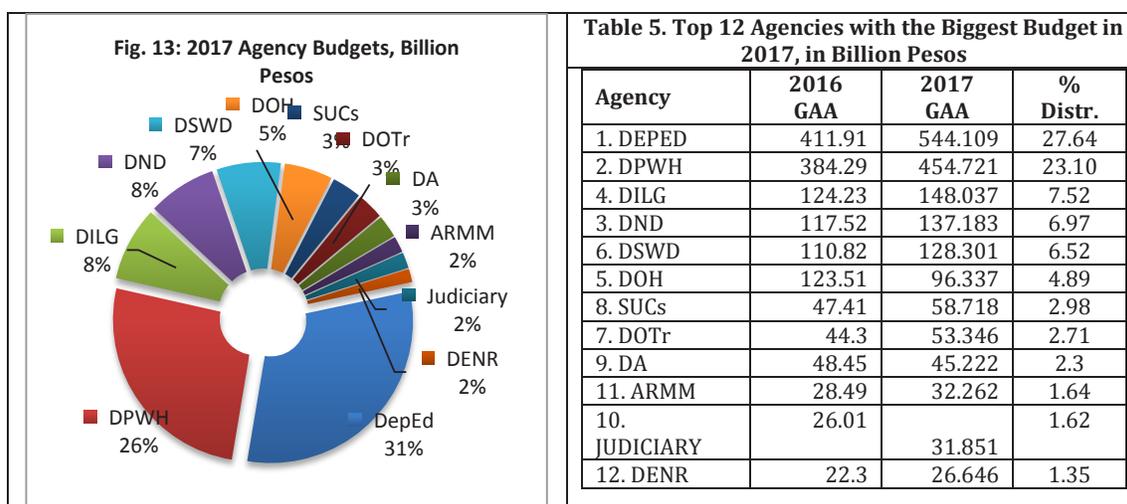
By expense class, the 2017 budget allocations for Personal Services (PS) and Capital Outlay (CO) increased. PS gained as much as 22.8% due to the implementation of the salary increase of government personnel on its second year, midyear bonus and raise in the pension. The Maintenance and Other Operating Expenses (MOOE) budget allocation also gained by 10.2%. Of the PhP1.229 trillion for MOOE, PhP554.9 billion (45.6%) is for allocation to LGUs, including the Internal Revenue Allotment (IRA) and other transfers. PhP131.05 billion (10.8%) is allotted for budgetary support to GOCCs. In effect, only PhP530.05 billion (43.6%) is for the actual maintenance of government facilities and services.



Capital Outlay (CO) increased by 15.6% from last year. Of the PhP793.4 billion budget for CO, PhP454.721 billion goes to DPWH, of which PhP430.26 billion or almost 95% will be spent for national road network, flood facilities and services, and other infrastructure projects. This is enhanced by PhP12.288 billion from the Motor Vehicles User's Charge collections intended for the Special Road Support Fund (PhP10.01 billion), Special Road Safety Fund (PhP1.041 billion) and Special Local Road Fund (PhP1.237 billion).

By department, the Department of Education (DepEd) remains the biggest recipient, in terms of budget support, and has the biggest increase in the budget from last year. The budget allocations for the Department of Health (DOH) and the Department of Agriculture (DA) for 2017 decreased by as much as PhP29 billion and PhP3.7 billion, respectively.

However, it should be clarified that key government owned and controlled corporations in agriculture, such as the Philippine Crop Insurance Corporation (PCIC) and the National Irrigation Administration (NIA) have substantial allocations for crop insurance to farmers, and implementation of irrigation systems and provision of subsidy for irrigation service fees. The PCIC got PhP2.5 billion and the NIA received PhP38.38 billion. The subsidy for national health insurance for indigents amounting to PhP53 billion, was lodged in the Philippine Health Insurance Corporation (PhilHealth) under the Budgetary Support to Government Corporations (BSGC) as well.



Gainers and Losers: From NEP to GAA

The approved budget of some government agencies is smaller than the amount proposed. Such is the case of the Department of Labor and Employment (DOLE), Department of Environment and Natural Resources (DENR), Department of Social Welfare and Development (DSWD), and Department of Interior and Local Government (DILG). Agencies that received a higher approved budget are Commission on Higher Education (CHED), Department of Health (DOH), Department of Justice (DOJ), Department of National Defense (DND), and Department of Public Works and Highways (DPWH), among others.

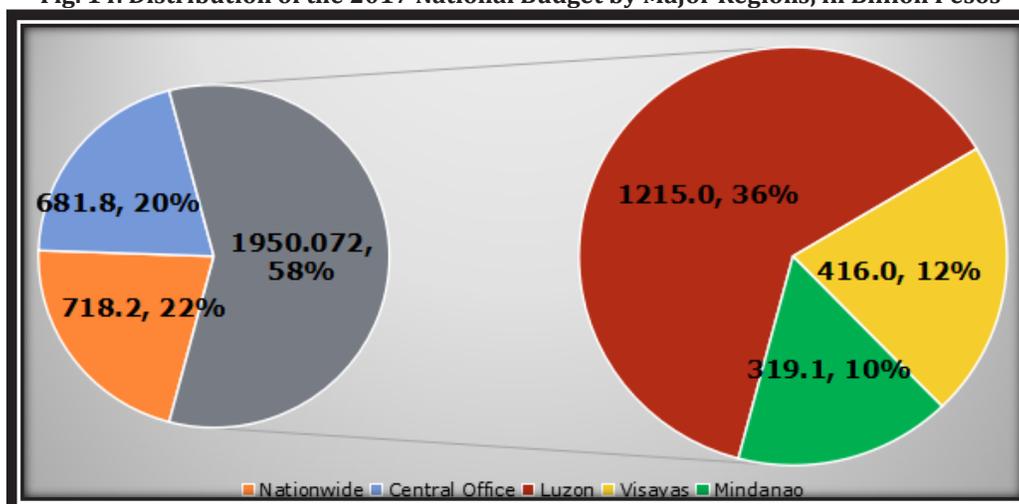
The huge difference between the proposed and the approved budget of the CHED is highly questionable considering that the budget of any amount must be defended first before the Department of Budget and Management (DBM) and then, before the House of Representatives and the Senate. In the case of CHED, the additional budget of PhP6.209 billion is no small amount and was not subjected to systematic planning as to purpose, distribution and utilization.

This budgetary decision raises doubts on the budgetary process and renders questionable the procedures and rules the government itself has put in place to rationalize the whole budget process. Considering the effort of the agencies in preparing and defending their budgets before the two Houses of Congress, it is unfortunate that their budget were slashed while other agencies get more than what they have proposed. The biggest gainers in the budget from 2016 to 2017 are the Office of the President, whose budget jumped by more than 613%, and the CHED, with a budget increase of more than 231%. The budget situation of four agencies – DOLE, DOH, Department of Foreign Affairs (DFA) and DA is unfortunate, since their approved 2017 budget was slashed by 37.4%, 22%, 19.75% and 6.6%, respectively. But as mentioned above, other budgets for agriculture are lodged under BSGC.

Table 6. 2017 Budget Allocation by Departments, in Billion Pesos

Departments	2016 GAA	2017 NEP	2017 GAA	% Change from 2017 NEP to 2017 GAA	% Change from 2016 GAA to 2017 GAA
DepEd	411.905	543.234	544.109	0.16	32.1
DPWH	384.287	445.667	454.721	2.03	18.33
DILG	124.229	148.732	148.037	(0.47)	19.16
DND	117.521	134.287	137.183	2.16	16.73
DSWD	110.817	129.808	128.301	(1.16)	15.78
DOH	123.511	91.983	96.337	4.73	(22.0)
DOTr	42.681	53.128	53.346	0.41	24.99
DA	48.448	44.567	45.222	1.47	(6.66)
DENR	21.843	28.671	26.646	(7.06)	21.99
DOF	18.743	21.301	21.501	0.94	14.71
DOST	18.029	20.617	20.773	0.76	15.22
OP	2.826	19.991	20.171	0.9	613.76
SUCs	47.415	56.090	58.718	4.68	23.84
- UP	11.81	13.099	13.512	3.16	14.41
DFA	20.676	16.588	16.593	0.03	(19.75)
CHED	5.636	12.496	18.705	49.69	231.88
DOJ	12.966	15.017	15.579	3.74	20.15
DOLE	18.272	13.216	11.439	(13.4)	(37.4)
ARMM	28.492	40.574	32.262	(20.48)	13.23
Judiciary	26.007	31.624	31.851	0.72	22.47
Congress	13.558	13.658	14.976	9.65	10.46

By region, the usual pattern of budget distribution persists where funds are generally concentrated in the top three regions of National Capital Region, and Regions III and IV-A, and with Mindanao getting the smaller budget share. The figure below shows that 58% or PhP1.950 trillion of the PhP3.35 trillion will be allocated to the 16 regions, 20% of which will go to the Central Office and 22% for nationwide distribution. The biggest slice of PhP1.215 trillion or 36% of total budget will go to Luzon and PhP416 billion or 12% is allotted to the Visayas region. Mindanao will get the combined amount of PhP319.1 billion or only 10% of the total budget. The allocation for Luzon is found to be higher by PhP496.8 billion or 14% than the PhP718.2 billion allocation nationwide.

Fig. 14. Distribution of the 2017 National Budget by Major Regions, in Billion Pesos

New Special Purpose Funds and Items in the Budget

The Priority Development Assistance Fund (PDAF) was last seen in the 2014 budget. The Priority Development Assistance Fund (PDAF) was last seen in the 2014 budget. Seemingly similar to PDAF, there are two new Special Purpose Funds (SPFs) that can now be found in 2017 budget. These are the (1) Assistance to Disadvantaged Municipalities (ADM), and (2) Conditional Matching Grant to Provinces (CMGP). Meanwhile, the Health Facilities Enhancement Program (HFEP), a big-ticket item under the DOH, has PhP46.632 billion, and is meant to fund health facilities (capital outlay) such as barangay health centers, rural health units, community and district hospitals and provincial hospital and medical centers all over the country. The health facilities are categorized as follows:

Table 7. Details of the Health Facilities Enhancement Program, 2017 GAA, in thousand pesos

HFEP, 2017 GAA	Amount	% Dist.
1. Barangay Health Stations	694,000	2.87
2. Rural Health Units & Urban Health Centers	1,168,640	4.83
3. Public/LGU Hospitals	8,554,831	35.4
4. Special Hospitals, Medical Centers & Institutes For Disease Prevention & Control	477,800	1.97
5. Regional Medical Centers, Sanitaria & Other Hospitals	4,718,426	19.5
6. Dangerous Drug Abuse Treatment & Rehabilitation Centers	570,900	2.36
7. Other Health Care Facilities	8,009,399	33.1
o <i>Other Health Care Facilities-CO</i>	451,600	
o <i>Psychiatric Facilities</i>	339,963	
o <i>Blood Services Facilities</i>	300,000	
o <i>Reference Laboratories</i>	450,455	
o <i>Quarantine Stations-CO</i>	258,097	
o <i>Cancer Centers-CO</i>	4,906,000	
o <i>Medical Transport-CO</i>	561,810	
o <i>Military & PNP Hospitals</i>	447,720	
o <i>Hospitals under Other NGAs</i>	293,754	
GRAND TOTAL	24,193,996	100.0

The Assistance to Disadvantaged Municipalities (ADM) is another new item in the National Budget. As presented in the 2017 GAA, the ADM shall be used to fund Core Local Access Road, Evacuation Facility, Potable Water Supply, and Small Water Impounding Projects in selected municipalities nationwide. No allocation is set aside for the ARMM. If being disadvantaged is characterized by the magnitude of poverty and if regional level poverty is compared with the regional distribution of the ADM, the allocations will show that the poor regions do not necessarily get greater allocation than the others.

Table 8. 2017 Assistance to Disadvantaged Municipalities, in million pesos

Region	No. of Prov./Mun.	Core Local Access Road	Evacuation Facility	Potable Water Supply	Small Water Impounding Project	TOTAL	Poverty Incidence, %
NCR	1/1	18.211	0	0	0	18.211	4.5
CAR	6/75	753.703	69.969	99.546	4.500	927.718	20.6
R-1	4/116	1,590.691	110.942	137.670	82.277	1,921.581	17.2

R-2	5/89	1,067.246	104.764	131.862	20.264	1,324.136	16.5
R-3	7/116	1,482.375	249.546	239.163	28.500	1,999.584	13.0
R-4A	5/123	1,350.017	285.738	390.891	17.363	2,044.009	10.4
R-4B	5/71	447.213	171.062	237.954	22.500	878.729	22.0
R-5	6/107	810.238	195.054	328.955	18.500	1,352.747	30.9
R-6	5/98	1,058.198	144.716	168.243	5.000	1,376.157	22.2
R-7	3/97	863.454	91.660	411.273	13.231	1,379.617	33.1
R-8	6/136	980.211	288.471	429.125	22.304	1,720.112	39.3
R-9	3/67	662.105	22.445	161.494	0	846.044	30.9
R-10	5/84	669.540	48.546	403.181	5.772	1,127.039	34.9
R-11	5/43	383.595	72.409	119.162	7.215	582.381	20.5
R-12	4/45	447.910	31.526	142.670	1.500	623.606	37.4
R-13	6/67	506.703	139.812	184.573	5.496	836.583	35.3
Negros Island Reg.	2/38	322.204	29.012	113.874	7.218	472.308	35.1
ARMM		0	0	0	0	0	53.4
TOTAL	78/1,373	13,413.614	2,055.672	3,699.636	261.640	19,430.560	21.1

Conditional Matching Grant to Provinces (CMGP)

The CMGP amounts to PhP18.03 billion, distributed to 78 provinces nationwide for road repair, rehabilitation and improvement. According to the special provisions, allocation is based on equal share, percentage share based on unpaved roads and percentage share based on land area. Regions IV-B, IX and X will receive the highest CGMP allocations this 2017.

Table 9. 2017 Conditional Matching Grant to Provinces (CMGP), in pesos

Region	# of Provinces	CMGP Allocation	% Distr.
CAR	6	1,099,128,259	6.1
I	4	620,192,811	3.44
II	5	1,207,058,625	6.69
III	7	1,026,625,004	5.69
IV-A	5	621,309,360	3.45
IV-B	5	1,748,990,862	9.7
V	6	889,437,957	4.93
VI	5	1,008,905,000	5.6
VII	3	663,095,900	3.68
VIII	6	1,110,404,837	6.16
IX	3	1,050,433,971	5.83
X	5	1,628,778,405	9.03
XI	5	1,645,305,420	9.12
XII	4	1,331,442,663	7.38
XIII	5	1,186,494,570	6.58
NIR	2	606,365,759	3.36
ARMM	2	586,030,598	3.25
TOTAL	78	18,030,000,001	100.00

Putting together the amounts allocated for the HFEP and new SPFs in the 2017 GAA shows that the NCR gets the highest amount, mainly to fund health facilities and services, the region being the location of most tertiary hospitals and similar health facilities in the country. Poverty incidence is definitely not a criterion in the fund allocation.

Table 10. HFEP and New Special Purpose Funds (ADM, CMGP), 2017 GAA, in million pesos

	HFEP	ADM	CMGP	TOTAL	Poverty Incidence
Total	24,193.996	19,340.560	18,030.000	61,564.556	
Special	1,222.009	0	0	1,222.009	
DOH-CO	9,534.389	0	0	9,534.389	
NCR	5,332.301	18.211	0	5,350.512	4.5
IV-A	551.732	2,044.009	621.309	3,217.05	10.4
III	699.01	1,999.584	1,026.625	3,725.219	13.0
II	612.199	1,324.136	1,207.059	3,143.394	16.5
I	517.555	1,921.581	620.193	3,059.329	17.2
XI	435.808	582.381	1,645.305	2,663.494	20.5
CAR	359.875	927.717	1,099.128	2,386.72	20.6
IV-B	428.721	878.729	1,748.991	3,056.441	22.0
VI	749.651	1,376.157	1,008.905	3,134.713	22.2
IX	576.103	846.043	1,050.434	2,472.58	30.9
V	581.724	1,352.747	889.438	2,823.909	30.9
VII	461.187	1,379.617	663.096	2,503.9	33.1
X	796.223	1,127.039	1,628.778	3,552.04	34.9
NIR	--	472.308	606.366	1,078.674	35.1
XIII	265.52	836.583	1,186.494	2,288.597	35.3
XII	272.562	523.606	1,331.443	2,127.611	37.4
VIII	108.715	1,720.112	1,110.405	2,939.232	39.3
ARMM	--	--	586.031	586.031	53.4

Special Purpose Funds

The list of Special Purpose Funds (SPFs) is longer this year, with the addition of three new funds to benefit local governments. Some of the SPFs have details of distribution, while the others are understandably, in lump sum, such as, the National Disaster Risk Reduction and Management Fund (NDRRMF) or Calamity Fund. The government promised to reduce the lump sum funds this year, and did not provide any amount for the PDAF since 2015, and Rehabilitation and Reconstruction Program since 2016. Of the three new SPFs, the CMGP allocation of PhP18.03 billion will be utilized for hard projects, which makes the fund highly discretionary, and subjective, and no different from a pork barrel fund.

Table 11. Special Purpose Funds in the GAA, in Billion Pesos

SPECIAL PURPOSE FUNDS	2015 GAA	2016 GAA	2017 GAA
TOTAL SPECIAL PURPOSE FUNDS	368.729	408.288	552.8
○ <i>Budgetary Support to GOCCs</i>	62.484	103.453	137.758
○ <i>Allocation to Local government units</i>	33.471	57.204	73.156
○ <i>National Disaster Risk Reduction and Management Fund (Calamity Fund)</i>	14,000	38.895	15.755
○ <i>Contingent Fund</i>	2.0	2.5	5.5
○ <i>Misc. Personnel Benefits Fund</i>	117.381	96.262	89.102
○ <i>Pension and Gratuity Fund</i>	126.668	109.973	141.918
○ <i>E-Government Fund</i>	1.0	-	0
○ <i>International Commitments Fund</i>	10.725	-	0
○ <i>Health Facilities Enhancement Program</i>			24.194

○ Assist. to Disadvantaged Municipalities			19.341
○ Conditional Matching Grant to Provinces			18.030
○ Budgets of DOE-attached Corporations			28.046
○ Rehab. & Reconstruction Program	1.0	-	-
○ DepEd-School Building Program	-	-	-
○ Feasibility Studies Fund	-	-	-
○ Priority Development Assistance Fund	-	-	-
Automatic Appropriations	866.231	930.695	918.013
Unprogrammed Appropriations	123.056	67.500	67.5
Debt Service-Principal Amortization			312.403

Automatic Appropriations

The total amount of Automatic Appropriations is almost one-third of the total obligations of the government, although the amount is lower this year than in 2016. The biggest items are the Internal Revenue Allotment (IRA) of local governments, and the Interest Payments on government debt. The IRA increases annually by default, since 50% of the amount is computed on the basis of population. Interest payment is also subject to market conditions on interest rate, exchange rates, and the price of crude oil, among other factors.

Table 12. Automatic Appropriations, in billion pesos

Items	2015 GAA	2016 GAA	2017 GAA
Internal Revenue Allotment	372.863	428.619	486.885
Debt Service- Interest Payment	389.860	392.797	334.877
Retirement & Life Insurance Premiums	30.149	31.240	37.871
Net Lending	26.500	26.500	16.765
Grant Proceeds	140.902	64.410	0
Customs Duties and Taxes, including Tax Expenditure Fund	25.475	25.475	19.500
Special Accounts in the General Fund	21.250	25.999	22.115
Pension of Ex-Presidents/Wives	0.331	0.331	
Tax Refunds	-	-	-
Rewards and Incentives Fund	-	-	-
TOTAL AUTOMATIC APPROPRIATIONS	866.239	930.695	918.013

Unprogrammed Funds

The composition of the Unprogrammed Funds (UF) this year has changed and reduced to 10 items. The items to be funded under the UF shall have to wait for excess revenue collections or new revenue collection, not considered in the original revenue collections as reflected in the Budget Expenditure and Sources of Financing (BESF). Be that as it may, the items herein must have sufficient information on purpose and utilization, since the use of the UF can be discretionary on the DBM and/or the President.

Table 13. Unprogrammed Funds in the GAA, in billion pesos

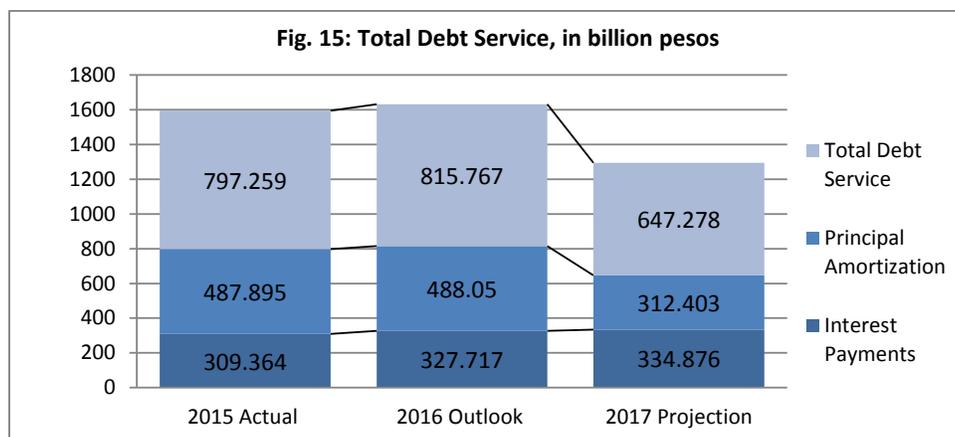
Unprogrammed Funds,	2015 GAA	2016 GAA	2017 GAA
Budgetary support to GOCCs	5.533	-	4.000
Support to Foreign-Assisted Projects	3.095	1.500	7.915
Support to Infrastructure Projects and Social Programs	20.000	17.677	11.951
AFP Modernization Program	10.000	10.000	5.000
Risk Management Program	30.000	30.000	29.000
General Fund Adjustments for Use of Excess Income by Agencies	0.200	0.200	0.200
General Fund Adjustments for the Share of the ARMM pursuant to R.A.9054	0.800	0.800	0.800
Payment of Taxes under BOT Contract of MRT3	6.520		
Rehabilitation and Reconstruction Fund / Program	20.000		
MRT 3 Rehabilitation & Capacity Expansion	7.429		
Trade Remedies Fund	4.384		
Share of the DoH from the Incremental Revenue from Excise Tax	10.695		
Equity Value Buy-out of the Metro Rail Transit Corporation	4.400		
For the Payment of Total Administrative Disability of Living Post WW II Veterans		1.323	
Land Bank of the Philippines-Loan Portfolio (Priority & Other Priority Areas)		6.000	
Support for the Capability Enhancement Program of the PNP			5.634
Provision of Scholarship to Faculty Members & HEI Administrators			1.000
Provision for payment of arrears of LTO-IT Service			2.000
TOTAL UNPROGRAMMED APPROPRIATIONS	123.056	67.500	67.500

Borrowings and Debt Service Expenditures

Since the projected revenues fall short of the total obligation budget, the government will resort to borrowings. For 2017, a total of PhP631.294 billion in domestic and foreign borrowings is set to support the net financing requirement of the government projected at PhP478.123 billion. Of the gross borrowings, the government receives a net of only PhP545.294 billion due to costs of borrowing and other related charges. The 2014 and 2015 data are striking because PhP529.787 billion in 2014 and PhP609.61 billion in 2015 were loaned to finance actual deficits of only PhP73.092 billion in 2014 and PhP121.689 billion in 2015. This strongly suggests that the borrowed money had to be used to amortize maturing debts. It is debt for debt all over again.

The principal amortization is not reflected in the national budget. The “debt service” reflected in the budget is equivalent only to interest payments. It does not include payment for principal. While this method of presentation may be rational from the budget perspective, it does not change the fact that in terms of cash requirements, the Treasury has to raise funds both for interest and principal payments. Thus, the cash program is usually larger than the budget itself.

The earlier practice was to include both interest and principal in the budget. Thus, actual cash expended and the national budget tended to reflect similar levels. During the Cory Aquino administration, only interest payments were reflected in the budget even as the Commission on Audit continued reflecting debt service as interest and principal.



In the next three years, the national budget is expected to muster budget deficits much higher than previous years. This year, total (gross) borrowings in 2017 will reach PhP631.3 billion, with a mix of 80:20 in favor of domestic sources. This will be used to finance the PhP478.1 billion deficit, settle PhP89.3 billion in maturing debt obligations, contribute PhP45 billion to the Bond Sinking Fund, and maintain sufficient cushion of cash in the Treasury.

This year's deficit, which is bigger by 23% than last year, will further rise by 10% annually in the next two years. This is not good for the economy, as DBM Secretary Benjamin Diokno himself said, because the economy's expected growth is lower at 7.5%. Outstanding debt amounts to PhP6.090 trillion as of end-2016.

The national government debt is still high at 42.8% of GDP this year and is targeted to reach 41.6% of GDP in 2017. By 2018, it is projected to be at 40% and 35% by 2022. Nonetheless, it has been on a decline, since 2010 at 52.4% of GDP. The government will spend PhP334.876 billion for debt payments-interest payments which is covered in the expenditure program. The principal amortization is programmed at PhP312.403 billion, but this is not included in the budget. Nonetheless, the Treasury will still have to raise funds for both interest and principal. Hence, the total amount for debt payments is PhP647.279 billion.

Table 14. Data on Budget Deficits and Borrowings, in billion pesos

Year	Budget deficit	Deficit Growth rate, %	% of [expected] Disbursements	Total Borrowings	Debt Service [DS]-Principal	Outstanding NG Debt as % of GDP
2015	121.6		5.5	700.822	390.386	44.7
2016	388.9	219.8	14.7	674.803	347.703	42.7
2017	478.2	23.0	16.2	631.3	351.6	41.6
2018	527	10.2	15.0	695.4		39.75
2019	580.8	10.2	14.9	609.6		38.08

2017 Revenue Program

Revenue Collection will continue to be tempered by the efficiency of the revenue-collecting agencies and the honesty of taxpayers. Expected revenue collections of PhP2.48

trillion will be able to cover only 74% of the PhP3.35 trillion budget. Some 44% of expected revenues will come from taxes on net income and profits. Amidst the proposed lowering of the income tax, collections from this source are still expected to increase in the next three years. The resulting deficit of PhP478.1 billion in 2017 will be funded by borrowings. The projected revenue from 2017 remains short of the approved budget for 2017. The same goes for the projected revenue for 2018 to 2019 and the projected budget for 2018 to 2019.

Table 15. Comparison of Expected Revenue Collections and the Approved GAA, in Billion Pesos

	2015	2016	2017	2018	2019
Expected Revenue Collections	2,108.96	2,256.71	2,481.54	2,990.12	3,326.51
Total Gross Borrowings	609.61	695.424	631.294	Not Available (NA)	NA
Total Net Borrowings (net of Amortization)	242.851	516.804	546.076	NA	NA
Total Available Appropriations	2,729.055	3,069.299	3.350	NA	NA

The revenue collection performance of the government presents many areas for improvement. Besides the fact that Philippine tax rates are the highest in Asia, revenue collection effort needs to be further improved since collection efficiency is still by and large hampered by tax evasion and smuggling. Tax revenues comprise 93% of total revenue collection target, amounting to PhP2.313 trillion. But more than half of the tax base, or PhP1.8 trillion of tax revenues, will come from indirect taxes, which include Value Added Tax (VAT). PhP1.347 trillion will be obtained from income taxes.

In general, the tax system as a whole is regressive, having to counter revenue loss from infusing more equity into the income tax system by an expansion in the coverage of indirect taxes. The proposed tax reform package is a mixture of intents to achieve greater equity at the same time that revenues had to be generated through other taxes. As proposed in the first of several packages of tax reforms, the government plans to increase the threshold of personal income tax exemption to PhP250,000, change the tiers and lower the tax rates; expand the VAT base by eliminating exemptions except on medicines, health and education, and senior citizens and persons with disabilities; reform the excise taxes in petroleum products by adjusting to inflation, and that of the automobile. The tax reforms shall be complemented by the improvement of systems and capacity of the Bureau of Internal Revenue and the Bureau of Customs, relaxation of the Bank Secrecy Law to curb tax evasion.

Summary of Findings and Conclusions

The 2017 GAA amounts to PhP3.35 trillion. Of this amount, only 74.6% is actually legislated and passed by Congress. The other 25% comprise the automatic appropriations, which do not need Congress' approval on a yearly basis. On the other hand, if Debt Service-Principal Amortization is added to the annual budget, the actual budget this year will be PhP3.758 Trillion. In reality, only 66.51% of the 2017 budget was deliberated upon and approved by Congress.

Table 16. Summary of the 2017 General Appropriations

Items, 2017 GAA	In Billion Pesos	% to total
Total New Appropriations	2,499.487	74.6
Budgets of DOE-Attached Corporations	28.046	0.75
Automatic Appropriations	918.013	24.43
Sub-total	3,445.546	
Debt Service-Principal Amortization	312.403	8.31
Grand Total	3,757.949	100

The Duterte Administration is bold enough to make breakthrough budget and fiscal policy decisions in its first year in office. The 2017 budget as originally proposed by the previous administration is practically of the same character and priorities as in the previous years.

The new administration managed to create its own mark in the 2017 budget by reallocating certain amounts and introducing new SPFs. Notable are the significant increases in the budget of the Office of the President, and the Commission on Higher Education. By sector, the allocation for the Social Services Sector and for Infrastructure remains considerable and in line with government priorities and commitment to attain targets under the Sustainable Development Goals 2030.

The 2017 budget and the projected budget in the next three years are seen to depend on an increasing amount of borrowings. This is not necessarily problematic as long as the borrowing does not grow faster than the economy, is used prudently, raises government's productivity, and does not eat up the bigger portion of the national budget.

The PDAF did not appear in the 2017 budget as it is, but in practice, legislators go to the departments/agencies to propose programs, activities and projects (PAPs) for their respective communities, a practice that is not discouraged by the DBM. This act of legislators goes against the principle of separation of powers of the branches of government, and renders questionable the performance of the legislators' task to scrutinize with impartiality and disinterest the budget submitted by the individual departments/agencies, when their pet projects are embedded in the latter's budget proposals.

While it supports the lawmakers' desire to provide services for their constituents, SWP believes that it is more appropriate for legislators to actively participate in the Local Development Councils (LDCs), in accordance with Sections 107 and 109 of Republic Act 7160 or the Local Government Code. In this way, the projects of legislators can better be incorporated into the local development plans.

SWP and the Alternative Budget Initiative (ABI) stand with Senator Panfilo Lacson in arguing that pork allocations still persist in the 2017 GAA. SWP lauds Senator Lacson for pushing the removal of the House-sponsored PhP8.3 billion worth of ARMM infrastructure projects lodged under DPWH.

The introduction of the new SPFs and allocating huge budget for HFEP in favor of local government units is seen as favorable to the government's desire to shift to a federal system of government. Whether or not a federal system of government will be able to

address problems of inefficiency, low capacity and corruption at the local government level, the increased allocation to LGUs is bound to be received and spent (by the LGUs) and should foster greater capacity and improved local services. The implementation of the policies and programs to be funded by the new SPFs must be closely monitored.

The budget priorities of the government are now the policies set in the 2017 GAA. Its “freshness” and promise of “real change” now hinge on its implementation. In effect, the 2017 spending of the Duterte administration shall be monitored to assess its effectiveness in attaining its objective of real change.

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About Social Watch Philippines

In early 1997, Social Watch Philippines (SWP), was convened by non-government organizations following the parallel CSO forum on social development during 1995 World Summit for Social Development in Copenhagen. SWP is a member of the global network with the mandate to monitor the implementation of government commitments to world summits on social development commitments and commitments on poverty, employment, women, environment, and the Millennium Development Goals (MDGs).

Since it was set-up, SWP has annually put forward a strategy of advocacy, awareness-building, monitoring, organizational development and networking. The network started with 27 CSOs and individuals and by this time it has grown to more than 200 organizations and individuals. SWP’s three main programs are:

- *Monitoring of social development*
- *Alternative Budget Initiative (ABI)*
- *People’s Public Finance Institute (PPFI)*

The Alternative Budget Initiative. *SWP comes out with annual budget analysis and engages the national government and the legislature in the budget process by coming out with a civil society crafted Alternative Budget. The alternative budget proposals, which started in 2006 for the 2007 national budget, consist of proposals for increased allocation for MDG related programs, particularly on health, education, environment, agriculture, social protection and for persons with disabilities (PWDs) with crosscutting issues on gender and climate change. It also contains analysis of the macroeconomic assumptions and proposed sources of funding.*



PART 2: Alternative Budget for Fiscal Year 2017

Analysis of Agriculture Agencies' Performance and 2017 Alternative Proposal

Alternative Budget Proposal for Agriculture and Fisheries

Introduction

In the last six years, agriculture and fisheries attained an average annual growth of 1.7 percent despite significant public investment in the sector. (Table 17 and Table 18). For 2015, the actual expenditures were even higher than what was allocated in the GAA by around PhP23 billion pesos.

Table 17. Department of Agriculture Budget and Growth Rates

Year	DA Budget (GAA)	Growth Rates	
		Agriculture, Fishery, and Forestry	GDP
2011	38.1	2.6%	3.7%
2012	60.9	2.7%	6.6%
2013	74.2	1.1%	7.2%
2014	90.5	1.6%	6.1%
2015	88.6	0.3%*	5.3%*
2016	91.3		
Average		1.7%	5.8%
*First Semester			

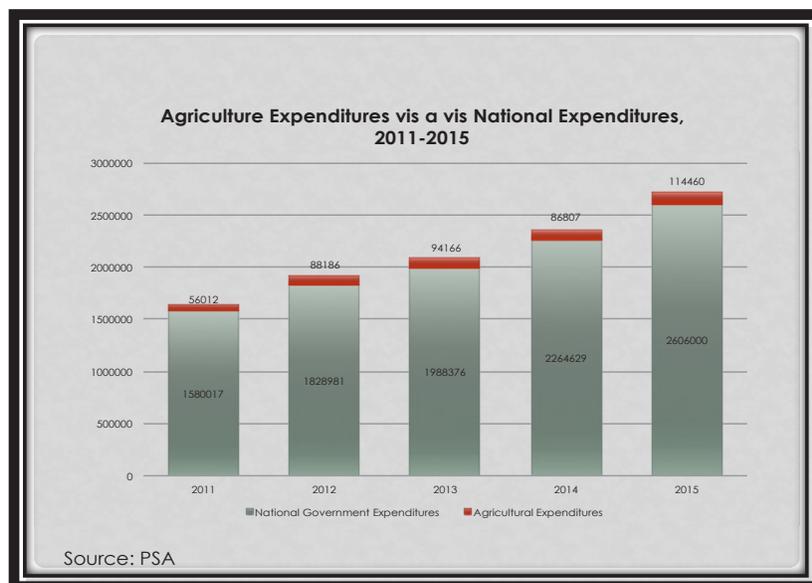


Figure 1

11 - 2015

Further scrutiny of the Department of Agriculture's (DA) performance in its major programs would reveal its failure to meet even its own targets.

Table 18. Agency Targets versus Actual Performance

	Target 2015	Units	Actual Performance	Target 2016	Est. Year-end Performance
Palay	4.08	Mt/na	3.89 18.15	4.08 20.09	18.136
Bangus	443,130	Metric tons	384,425	459.00	
Tilapia	350,326	Metric tons	261,210	252	
Chicken	1.72	MMT	1.613	1.82	
Hog	2.10	MMT	2.1	2.1	
New Irrigation	27.672	Hectares	12,376 for this year 28,256 (carry-over)	19,600	
Beneficiaries	40810	Beneficiaries	17,619 (year) 24,008 (carry-over)	69,274	
Sector Resilience	39.37	Billion pesos 8 plus El nino effects for 2015	22.58	40.41 (2016 baseline)	

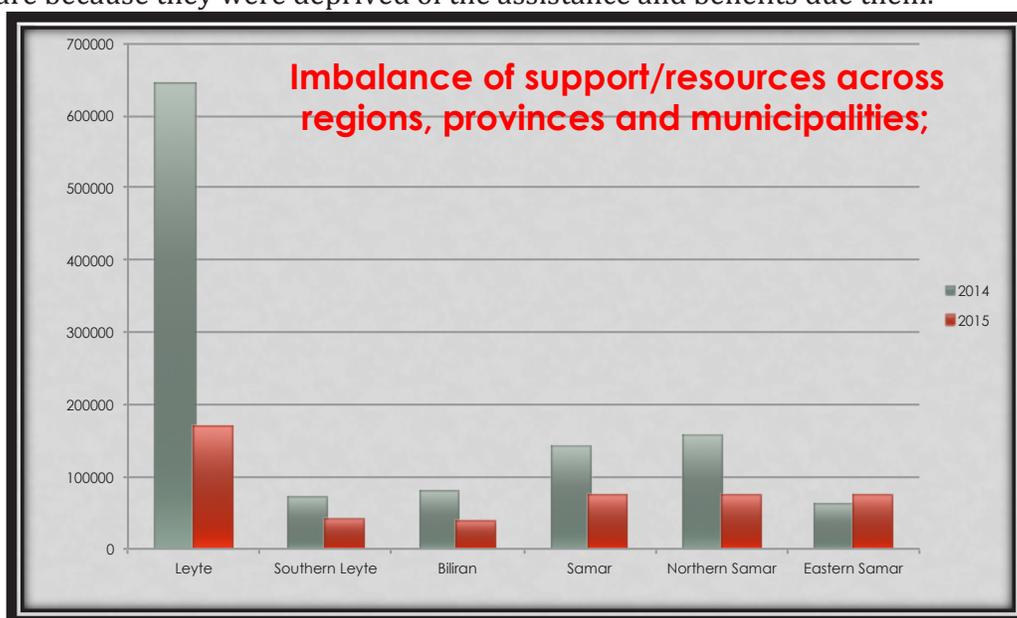
What then are the problems?

Members of the Alternative Budget Initiative (ABI) were involved in the tracking of fund utilization of DA's regional field units (RFUs). So far, what we have found out are the following:

Poor absorptive capacities of agriculture-related agencies

The Department of Budget and Management (DBM) report on fund utilization indicates that a total of PhP8 billion pesos remain unobligated in 2015. Fund utilization is still unsatisfactory and therefore, programs and services are not optimally implemented and delivered, considering that majority of the poor are in the agriculture and fisheries sector.

A good case in point is DA Region VIII. The region is host to two of the poorest provinces—Eastern Samar and Northern Samar, and was ravaged by Typhoon Yolanda in 2013. While the government continues to be criticized for the very slow response in the region, the DA RFU 8 has refused some projects as a result of its poor fund utilization and spending capacity. A look at the distribution of agriculture financing for the region especially for farm-to-market roads (FMRs), post-harvest, irrigation and farm machineries by municipality showed that some did not even receive allocation from the DA. The mere fact that funds were allocated but not used while many LGUs in Samar did not even receive these explains the dismal performance of the agency despite the huge funds allocation. What made the situation even worse is the hardship that beneficiaries have to endure because they were deprived of the assistance and benefits due them.



**Figure 17: Distribution of Fund Allocation by Province, 2014 - 2015 (in '000)
Covering FMRS, Post-harvest, Irrigation, Farm Machines**

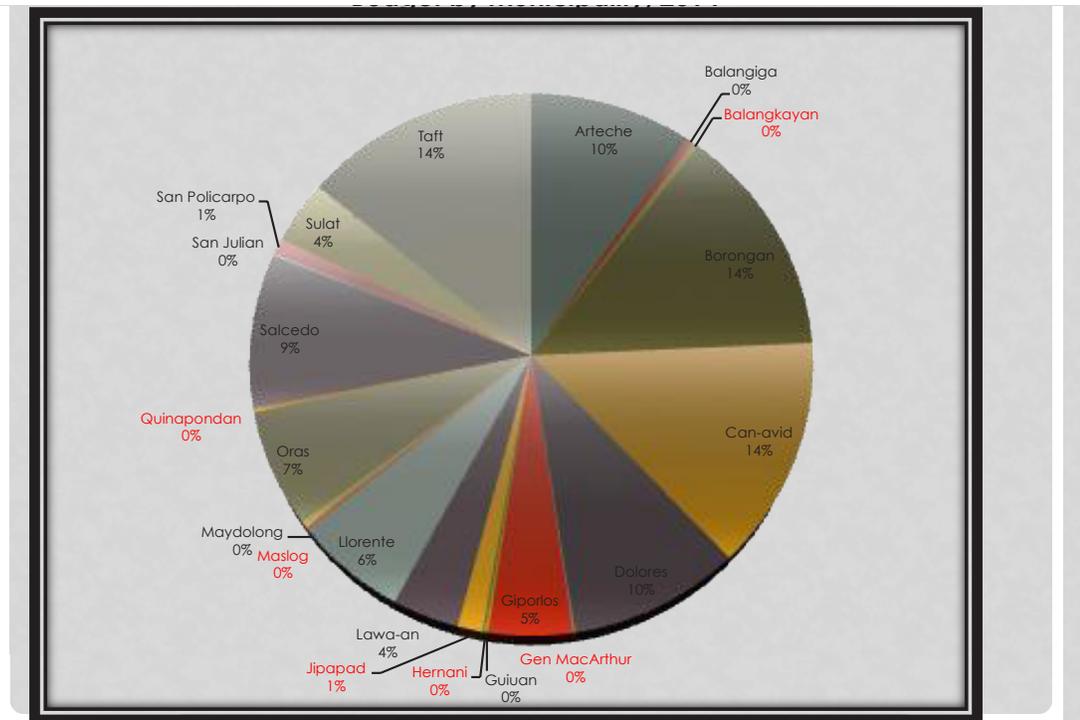


Figure 18. Distribution of FMR, PH, Irrigation, Farm Machineries Budget by Municipalities, 2014

Delayed implementation by 1-2 years, some even 3 years

In the budget tracking exercise, the group observed that projects scheduled for 2013 or 2014 were delivered to beneficiaries in 2015 and 2016. Meanwhile, local agriculture and fisheries sectors face the threat of global liberalization as local producers pit against the influx of imported agricultural products. It is for this reason that the DA needs to fast track the delivery of programs to help farmers and fishers improve their production and compete fairly against the free entry of competing products from other countries. Failure to assist the sectors can be disastrous to the livelihoods of these sectors, and will put the country's capacity for food self-sufficiency in danger.

Inaccessible funding support to LGUs

Disparity in the number of projects by municipality was apparent with some getting more than the others, while those that are actually in need are not getting enough support. When asked, some LGUs reasoned that they lack the people with skills to write the required proposal. For the program implementation to be inclusive, the selection criteria have to be clear and mechanisms have to be in place to properly identify the needed programs and services in the area.

Table 19. Case Study: No. of Projects by Municipalities, 2015

Municipalities	No. of Projects (DA, BUB, PAMANA)
Casiguran	20
Castillo	24
Donsol	8
Magallanes	9
Pilas	15
Barcelona	11
Bulan	12
Gubat	13
Bulusan	8
Irosin	11
Juban	10
Matnog	5
Prieto Diaz	5
Sta. Magdalena	1
Sorsogon	41

Mechanical Delivery of Programs—quantity over quality

With increased budget in the DA RFUs but still without additional number of personnel, the pressure to deliver and meet the targets was greater than before. In effect, the delivery of goods was of primary importance and the utilization of these goods and the resulting benefits to the people were overlooked. Hence, machines were found unused or not fully utilized two years after the delivery because the beneficiaries were not trained and taught on how to use these. Some necessary components are lacking to fully operationalize the programs while some were found not appropriate to the needs of the locality.

Rightful Beneficiaries Not Getting the Agriculture Support

Across regions, well-off farmers, LGU staff and/or their association, businessmen and their workers were the ones getting the support from the DA. The government needs to exert more effort in reaching out to their target beneficiaries who are most in need of these support services and assistance.

Will President Duterte deliver?

The thrust of this administration as far as agriculture is concerned has not changed. This is characterized by the following:

- improvement of farm productivity to enhance the country's food security;
- increase in income and generation of income opportunities for farmers, fisherfolks, and other rural workers by expanding the linkage between industry and services;
- improvement of the sector's resilience to risks and climate change; and

- ensure social justice, equity, productivity and sustainability in the use of agricultural resources

Although no concrete plans have been laid down yet, this administration's statements promised the following:

- free irrigation service fees
- recasting or abolition of the National Food Authority (NFA)
- redelegation of agriculture technicians to the national government thru an agreement with the Department of Interior and Local Government (DILG)

Free irrigation service

Offering the irrigation service to farmers for free translates to reduction of the farmers' operations cost by PhP0.40 centavos per kilo of palay per hectare. This has been proposed by the ABI Agriculture Working Group in 2015 because the Philippines is the only one of two countries still charging irrigation fees to their farmers. All the other rice-producing countries have either free irrigation service or subsidized by their own governments. This proposal can bring immediate relief for the farmers but the program's sustainability has to be studied further.

The proposal will need PhP 2.5 billion pesos to 5 PhP billion pesos, which according to the National Irrigation Administration (NIA) is not included in the PhP36 billion budget proposal for 2017.

Re-delegation of Agriculture Technicians to DA Central Office

Funding is no longer an issue but the delivery of programs is definitely problematic. There are provinces and municipalities where the programs of the DA are not even known to the local officials. Reaching out to the real beneficiaries has also been a problem. It is not surprising to hear that despite the growing budget, little progress is realized on the number of poor farming households. The question is how the re-delegation of agriculture technicians to national government will address this.

This is, definitely, a complicated and contentious matter, to say the least, that may not even be resolved within the 2017 budget cycle. This proposal does not seem to be considered in the DA's proposed budget.

Dealing with the PCA problem

The Philippine Coconut Authority (PCA) is another sad story. ABI Agriculture proposed an increase of more than a billion pesos in the PCA's budget in 2011. The agency received PhP1.2 billion pesos in 2012, PhP1.7 billion pesos in 2013, and even higher allocation in 2014 and 2015.

PCA was also one of the recipients of the funds for the Yolanda Rehabilitation and Reconstruction Program (YRRP) because Leyte and Samar are top coconut producing provinces in the country. The money for coconut rehabilitation would have made a major difference in the economic recovery of these provinces if only the funds were delivered

to the beneficiaries. The PCA is one of the agriculture agencies that failed in the implementation of YRRP.

Ironically, a Commission on Audit report would reveal that the agency has not used an aggregate sum of PhP4.320 billion pesos in 2013 and 2014. The beneficiaries were denied the support they badly needed and a lost opportunity to save lives and livelihoods of coconut farmers—considered to be among the poorest sectors in agriculture.

NFA reforms

A move to abolish NFA is now being revived under the new administration in light of the ballooning debt of the agency and calls to let go of the rice self-sufficiency target of the DA. As a government owned and controlled corporation, it is supposed to earn and generate income in its performance of its mandate.¹ However, it has incurred debts amounting to a total of Ph175 billion pesos by 2015.

A look at NFA's records would show that its sales of local or imported rice to individual or institutions are over a 9-year period amounted to a total of PhP243 billion pesos. However, the operational costs of the agency reached PhP297 billion, registering losses of PhP54 billion pesos.

The national government's budget support to NFA is only about PhP37 billion pesos for the same period, not even enough to cover the financial charges incurred from importation loans in 2007-2015. The interest charges alone for the same period already cost the agency PhP64 billion pesos.

Budget Recommendations

1. Encourage LGUs to conduct strategic participatory comprehensive planning for agriculture and fisheries. The DA should support the LGUs' plans and let them implement the plans and projects;
2. Provide direct funding support to LGUs' rice competitiveness measures to ensure that local rice industry can ably compete with the liberalized entry of imported rice with the anticipated lifting of Quantitative Restriction. In the menu of possible LGU support includes: seeds, fertilizers, irrigation water fee subsidy, construction of new irrigation services, and machines for harvesting and planting. Priority beneficiaries are members of farmers organizations, thus, the support for community organizing is essential.

¹ NFA's mandate is to ensure national food security and stabilize supply and prices of staple cereals both in the farm and consumers. Formerly named, the National Grains Authority, it was created under Presidential Decree (PD) No. 4 dated September 26, 1972. It became the National Food Authority (NFA) through PD No. 1770 dated January 14, 1981 with the original mandate, to promote the integrated growth and development of the grains industry, to provide food security in the staple cereals in times and places of calamity or emergency, both natural or man-made, and to promote the stabilization of supply and prices of staple cereals both at the farm gate and consumer levels.

3. DA and RFUs with the participation of local civil society organizations should strengthen the monitoring of LGU implementation programs, activities and projects.
4. Private sector monitoring of NIA and PCA, including utilization of funds from coco levy
5. To reduce the NFA's losses and debts, a higher budget for NFA in the General Appropriations Act for the next five years is being proposed to serve as revolving capital for the agency for rice buffer stock and palay procurement from local farmers. The amount should at least approximate the rice subsidies that this administration promised to support and will ensure ample supply of palay and rice for disaster response. Procurement of palay instead of rice guarantees longer shelf life for our buffer stock and will prevent losses. Thus, the budget should include improvement of NFA's warehouses and facilities to ensure quality stocks while in storage. It is ironic that certain sectors call for NFA's abolition when other national agencies, local governments, and local and international non-government organizations (NGOs) rely heavily on its services.
6. In line with the proposal to reform and strengthen the NFA, we propose to reconstitute the composition of the NFA Council. The presence of bank representatives in the council reeks of conflict of interest because the banks finance the NFA's importation through loans. It is not surprising that the NFA opts for rice importation rather than increasing the rate of procurement of domestic rice produce. In lieu of bank representatives in the Council, we call on government to appoint farmers groups and other industry stakeholders. All importation decisions of the council shall be backed by solid basis and approved by the President. A Commission on Audit report in 2014 indicated that the validity and propriety of rice importation of 1.800 million metric tons (MT) amounting to US\$818.825 million made from November 2013 to September 2014 could not be fully assessed. They did not find the Inter-Agency Committee (IAC) reports on the rice situation in 2013 and 2014 that should have justified the decision on the volume of rice importation. There was also no document containing the approval of importations by the President of the Philippines.

Table 20. 2017 Alternative Budget Proposals for Agriculture

Proposals	Objectives	Details	NEP	ABI Agri Proposals
Comprehensive agri-fish planning support to least competitive 500 rice producing municipalities	<ul style="list-style-type: none"> • To identify local priorities in agriculture/fisheries for 6 years including support for rice sector 	Ph100,000 x 500 LGUs	0	50,000,000
Free irrigation fees	<ul style="list-style-type: none"> • As Pres. Duterte promised to farmers 	Ph0.40/kilo x 13,934, 000 MT Palay x 1000 kilos	0	Realign a min of 2.5B (to a max of 5 bil) of the proposed 36B

Direct support to rice competitiveness to the same areas	<ul style="list-style-type: none"> To augment/support in part the needed programs to realize the LGUs plan particularly for rice 	Ph5million x 500 LGUs	0	2,500,000,000
Private sector monitoring of PCA	<ul style="list-style-type: none"> To ensure plans and programs of PCA/NIA 	Ph5,000,000 Ph5,000,000	0 0	5,000,000 5,000,000
NFA subsidy for rice procurement, police and to reduce loan dependence to banks and reduce	<ul style="list-style-type: none"> To fulfill Pres. Duterte's promise to provide rice to 4.4 million poor To reduce bleeding to NFA's resources To provide seed money for NFA operations To help improve NFA's facilities 	40 billion rice/palay procurement subsidy (can be frontloaded if not as additional seed capital instead of loaned)	5,100,000,000	24,900,000,000
Total			5,100,000,000	29,960,000,000

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)

EQUITABLE EDUCATION BUDGET FOR REAL CHANGE: Ensuring Inclusive, Equitable Quality Education and Lifelong Learning Opportunities for All Filipinos

Alternative Budget Proposal for Education

Philippine Education under a New Context

Sustainable Development Goal 4 or Education 2030 – A New Global Framework for Education

Building on the successes and lessons of the Millennium Development Goals (MDGs), world leaders in the United Nations Sustainable Development Summit in September 2015 adopted a new set of goals to serve as global framework in ending poverty, protecting the environment, democratic governance, and peace building. The Sustainable Development Goals (SDGs) provide clear guidelines and targets for all countries to adopt in accordance with their own priorities and for mobilization of stakeholders and resources towards these common goals.

In achieving the SDGs, education plays an important role. World leaders have recognized that the success of SDGs is driven by the education goal encapsulated in the SDG 4. It sets the education commitments of nations and this was further supported by the world education community through the Incheon Declaration-"Education 2030 Framework for Action: Towards inclusive and equitable quality education and lifelong learning for all ", signed in May 2015.

SDG 4 attends to the 'unfinished business' of the Education for All (EFA) agenda and the education-related MDGs, and addresses global and national education challenges. It focuses on achieving access, equity and inclusion, quality and learning outcomes, within a lifelong learning approach.

Table 21. SDG Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
4.1 By 2030, ensure that all girls and boys have complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes;
4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education;
4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university;
4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship;

4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations;

4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy;

4.7 By 2030, ensure that all learners acquire the knowledge and skills through education to promote, among others, sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development;

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

4.b By 2020, expand globally a significant number of scholarships available to developing countries, in particular to least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries;

4.c By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States.

SDG4 will be a pivotal step in the further development of Philippine education system. The Philippines needs to create an enabling environment for the realization of the new education goals which is broader than the K-12 program. There must be sound policies and planning, efficient implementation arrangements and a significant and well-targeted increase in public spending on education.

Pursuing the reform gains and addressing the challenges in the Education Sector

The new government of President Rodrigo Duterte promised to pursue a “human” approach for development with improvements in social welfare, food, housing, health, and education. For education, he has instructed the education agencies – DepEd, Technical Education and Skills Development Authority (TESDA) and the Commission on Higher Education (CHED) to work closely and address the challenges in the full implementation of the K-12 program.

The DepEd's new vision and agenda for the sector is focusing on “Quality, Accessible, Relevant, and Liberating Basic Education for All”. On raising the quality of education, DepEd will fully implement the K-12 curriculum; provide critical education inputs such as classrooms, teachers, learning materials, and computer packages; and improve the learning outcomes. Its mandate is to make education accessible to every Filipino child by improving the gross and enrollment rates, reduction of drop-out rate, and reaching to more out-of-school children and youth through the expansion of Alternative Learning System (ALS). The challenge is to make education relevant to the urgent needs as well as opportunities for our nation and make education truly liberating.

The focus of DepEd on accessible education for all Filipinos particularly for marginalized, excluded and vulnerable sectors, and out-of-school children and youth is a positive step for education advocates among civil society organizations, in pursuant to the SDG goal of “no one left behind”.

The priority given to strengthen ALS to reach those who are outside the formal school system is a great move to ensure right to education of all Filipinos. This program as well as other community-based learning systems will cater to the 4 million Filipino children and youth not attending school.

Teachers as well as non-teaching personnel are also on top of DepEd’s priorities under Secretary Leonor Briones which does not only mean hiring but more importantly, addressing teachers’ economic rights and welfare to improve their condition. DepEd started consultations with teachers groups to look into the implementation of the Magna Carta for Public School Teachers or Republic Act 4670, which is now on its 50th year in existence. Among the areas being examined is on how the law has protected and improved the socio-economic condition of public school teachers as envisioned by its champions.

The new DepEd Chief has committed to reform program and financial management to make sure that the agency will deliver efficient and effective service to its clientele. Secretary Briones has time and again emphasized that there is a need for bigger budget for the education sector and ensure that this will be spent well.

Recent data from the DepEd showed a “sustained and unprecedented growth in the national budget, from PhP174.5 billion pesos in 2009 to PhP433.5 billion in 2016”. The budget for basic education has “increased by 148 percent in the last six years.”

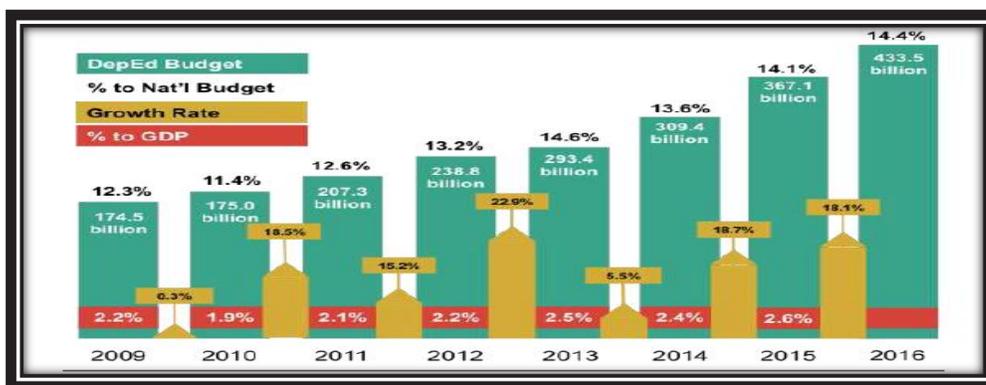


Figure 19. DepEd Budget vis-à-vis various parameters

Despite government’s increasing investment on education in nominal terms, the funding remains steady in real terms. The Philippines’ level of investment is not more than 3 percent of Gross Domestic Product (GDP), below the international benchmark of at least 6 percent of GDP to be allocated for education.

However, the budget for education is still inadequate considering the gaps in critical education inputs, the enormous requirements for the full implementation of the K-12 program, and the realization of SDG4.

Meanwhile, the delivery of services remains slow and the DepEd admitted the problem of underutilization of its budget in the previous years. As of June of 2016 alone, the agency reportedly reached 1.3 level of efficiency on procurement which means it has procured only 1.3 percent of its projected expenses.

Table 22. Gaps and requirements in 2017 for the K-12 implementation

	Classrooms	Chairs	Teachers	Instruction/Learning Materials
Constructed/Distributed/Hired/Delivered (2010-2016)	118,686	3.624 million	195,302	299.1 million
Backlog/Ongoing Procurement or Processing	66,463	2.2 million	34,436	179.6 million
Target for 2017	47,492	66,492 sets	53,831	55.8 million

The 2017 Proposed Education Budget

The proposed budget for education is PhP699.95 billion or 20.9 percent of the total national budget.

It was proposed that the DepEd get PhP570.4 billion budget, or 31 percent higher than the current allocation. It has the highest budget among government agencies for 2017. It includes PhP2.8 billion for miscellaneous personnel benefits fund for the new teachers.

For the implementation of K-12 program, the funding will go to construction of 37,500 classrooms, hiring of 53,831 additional teachers, and provision of assistance for 2.7 million students who will be diverted to private schools. They added funding for ALS expansion, to strengthen the capacity of teachers, education leaders and DepEd personnel, complementation of private and public school institutions, and provide additional basic resources to support the curriculum needs of the K-12 system.

The proposed budget for state universities and colleges (SUCs) is higher by 18.3 percent at PhP58.8 billion, from the PhP49.7 billion budget this year.

The proposed PhP6.9 billion budget for TESDA will cater to 293,333 participants of their training for work scholarship program.

The proposed PhP13.4 billion for CHED will fund the expansion of its student financial assistance program and improvement of the K to 12 transition program. Below are some of the highlights of the proposed budget for education in 2017.

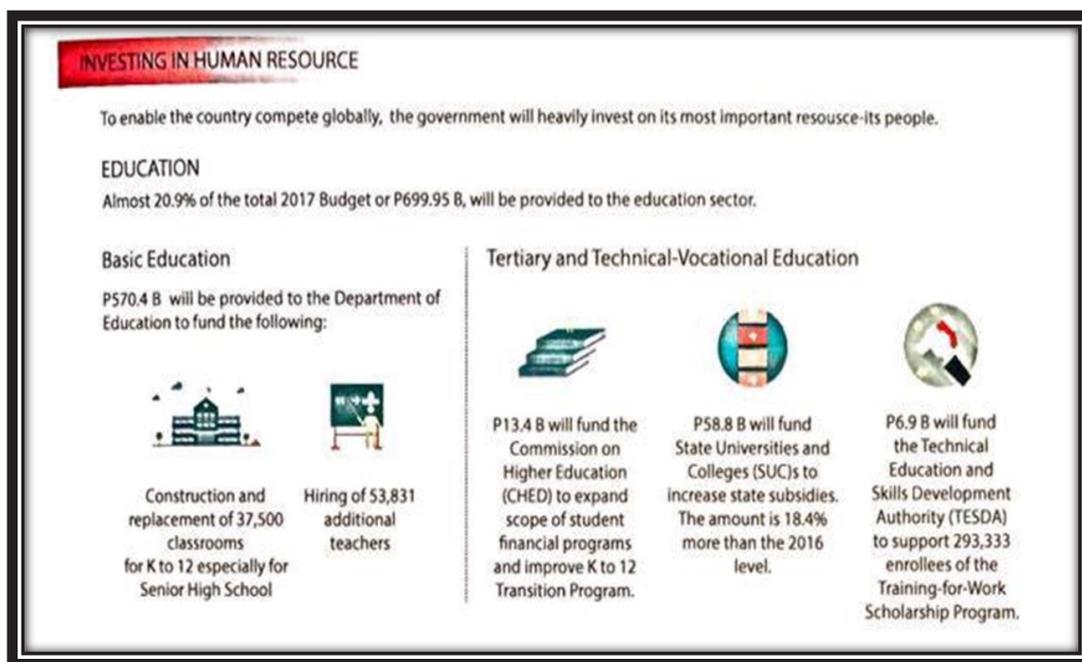


Figure 20. 2017 Budget priorities for the Education sector

People’s Education Agenda – equitable access to free, integrated, relevant, and holistic basic education for all and lifelong learning, with special focus on marginalized, excluded, and vulnerable sectors

The Universal Declaration of Human Rights states that, “*Everyone has the right to education*”. This means that all children have the right to receive the kind of education that does not discriminate on any grounds and that specific measures be taken by the State to implement these rights in all learning environments. This is the principle behind the present goals for education as affirmed in SDG 4 on “Ensuring Inclusive and Equitable Quality Education and Lifelong Learning Opportunities for All”.

In the Philippines, the lack of equity, quality and learning opportunities for children, youth and adults especially those belonging to the marginalized, excluded and vulnerable sectors (MEVs) such as indigenous peoples (IPs), Moro people, persons with disabilities (PWDs), children in situations of emergencies and conflict, out-of-school children/youth/adults (OSCYA), still persist. Sadly, these sectors have still not received the attention they deserve and are still left behind in education as a result of disparities linked to poverty, ethnicity, gender, and disability.

Barriers to education that have different impact on the MEVs have not been adequately tackled and addressed. In fact, the meager budget allocation for programs that cater to these marginalized and disadvantaged groups made the situation even worse with less than 1% of the total budget given for basic education.¹

¹ Source: DBM Website, Annual General Appropriations Act (GAA), Deped Budget, 2014

Built on the challenges and barriers to inclusive and equitable quality education and lifelong learning opportunities for all, E-Net Philippines, a national network of civil society organizations that advances education rights for all Filipinos and lead organization for the ABI Education Cluster, initiated and facilitated a series of island education forum and agenda-building¹. These were held to discuss current education issues and gather concrete recommendations to reform the education system with great consideration to the specific issues, particular contexts, and different needs of the marginalized, excluded and vulnerable sectors.

The education agenda will serve as priorities of civil society campaigning for education reforms. Below are specific recommendations which require government funding and support:

Table 23. People's Education Agenda

	MINDANAO (Education for the People of Mindanao – Formal Education, IPs, Moro, OSY/Adults)	VISAYAS (Education in Situation of Disasters and Emergencies)	NCR & LUZON (Education for the MEVS – PWDs, IPs, OSY)
On Reforming Formal Education Free, Equitable and Inclusive Quality Education	<p>1. Build more public schools with sufficient facilities and teachers especially in remote and vast towns in Mindanao, upgrade the learning facilities in public schools, allocate additional funds for teachers in poor and remote areas, provide transportation subsidy and housing allowance;</p> <p>2. Intensify feeding program for school children especially in</p>	<p>Budget for Disaster Risk Reduction (DRR) Programs, Resilient Schools and Safe Alternative Learning Spaces/Centers to Ensure Education Continuity: Acquire property intended for school buildings:</p> <ol style="list-style-type: none"> 1. Construct school buildings with complete facilities outside of danger zones; 2. Prioritize the repair and reinforcement of unsafe schools; 	<p>1. Continue to expand public investment on education and allocate adequate resources:</p> <ul style="list-style-type: none"> • Increase public spending on basic education; support areas where there are higher incidence of school exclusion and drop-outs; • Prioritize pre-primary provision in marginalized rural and urban poor areas in order to provide equitable education opportunities;

¹ Mindanao (July 27, 2016, Davao City); Visayas (August 25, 2016, Tacloban City, Leyte); NCR/Luzon (September 2, 2016, Quezon City); National Education Forum (September 22-23, 2016, Ateneo de Manila, Quezon City)

	<p>poor communities, and address their health problems;</p> <p>3. Increase the budgetary support to local government units in ensuring quality education in primary, secondary and tertiary especially in the poorest regions of Mindanao;</p> <p>4. Enhance the capacity of SUCs and local universities and colleges to accommodate and provide higher education to students belonging to low income and poor families.</p>	<p>3. Construct all new schools including those that are part of the long-term provincial development plan, uses disaster-resistant designs and standards;</p> <p>4. Plan for, assign , and provide appropriate budget support for safe temporary learning spaces or alternative learning centers to ensure protection and continued education access for different age groups in times of disaster and emergencies;</p> <p>5. Provide schools and alternative learning centers with basic teaching and learning materials already adjusted to include DRR aspects;</p> <p>6. Provide psycho-social support and guidance on how to cope with disasters;</p> <p>7. Ensure all schools in risk-prone areas have first aid kits, pre-stocked emergency life-</p>	<ul style="list-style-type: none"> • Continue to expand public investments in school infrastructure, and coverage and quality improvement in rural areas and urban slums where the need is greatest.
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		<p>support supplies and education materials for students and teachers and transportation vehicles for dual purpose – for school transportation especially of children residing in far-flung barrios and for evacuation in times of disaster or calamities;</p> <p>8. Establish school-wide early warning mechanism and ensure everyone in school and community knows how to respond to early warning signals and implement regular drills of safety measures, especially in disaster-prone areas;</p> <p>9. Put up functioning WASH, and health facilities;</p>	
<p>Teachers' Concerns Improving Teachers' Conditions, Raising Teachers' Dignity</p>	<p>1. Increase the salary of teachers by way of legislation;</p> <p>2. Fully implement the MAGNA CARTA FOR TEACHERS (RA 4670) to improve the teachers' welfare and benefits, such as, salary upgrading, payment of step increments, special hardship allowances,</p>	<p>1. Include disaster risk reduction management (DRR) in pre-service and in-service training content for school administrators, teachers, para-teachers, volunteers and child caregivers;</p> <p>2. Provide technical assistance and funding support to</p>	<p>1. Upgrade teachers condition in terms of welfare, salaries and benefits so these will not be barriers for them to perform well;</p> <p>2. Recruit and deploy teachers favoring rural and urban poor areas where there are large number of OSCY to address</p>



	<p>and medical benefits, among others;</p> <p>3. Conduct skills training on specialization to address teacher/subject mismatch;</p>	<p>teachers and caregivers on teaching DRR, using child-friendly methods, and activity-based approach instead of just giving lecture;</p> <p>3. Draw up clear-cut policy on hazard pay/hardship pay for teachers;</p> <p>4. Increase salary or compensation package commensurate for teachers as professionals;</p> <p>5. Hire additional teaching staff during emergency and disaster situations and train them on disaster mitigation, prevention and preparedness.</p>	<p>disparities in access and availability of education;</p> <p>3. Fund the full implementation of the Magna Carta provisions.</p>
<p>On Madrasah Education Continuing Support for Expansion of Madrasah Education</p>	<p>1. Strengthen government support and increase in budget for Madrasah Education for establishment of schools, training, professionalization and additional compensation for teachers, sufficient and appropriate instructional and</p>		



	<p>learning materials, and development of curriculum and manual;</p> <p>2. Continuously enhance the standard madrasah curriculum and its materials for balanced education;</p> <p>3. Improve existing governance and monitoring system</p> <ul style="list-style-type: none"> ● Restore the Office for Madrasah Education Program with a dedicated Undersecretary; ● Create mechanisms for Fund Assistance for Muslim Education; ● Deploy additional Arabic Language, Islamic Values Education (ALIVE) Coordinators who are not multi-tasking but focusing on ALIVE. 	
<p>On Indigenous People's Education (IPED) <i>Access to Quality, Culture-based Education of the Indigenous Peoples</i></p>	<p>1. Increase government support through substantial budget allocation to expand coverage of indigenous peoples'</p>	<p>1. Increase DepEd budget for IP Education (IPED) not just for administrative purposes but for efficient and sufficient delivery of IP education</p>

	<p>education among children, youth and adults;</p> <ol style="list-style-type: none"> Adequately fund IP education in every division/district and school; Higher budget allocation for schools in areas with high concentrations of IP communities; Substantially provide for subsidies and technical support and services to help indigenous communities build their community-based schools; Provide for living allowances and incentives for IP masters, IP teachers, community learning facilitators and focal persons per tribe who will sit in the local education governance; Hire IP teachers in which pure IPs who do not embrace foreign belief and practicing Indigenous Knowledge System Practicing Values (IKSPV) are 1st priority; 2nd priority are IP 	<p>programs; institute clear policies on budget access, control and transparency;</p> <ol style="list-style-type: none"> Include IP education in Special Education Fund (SEF) allocation; Earmark funds of ancestral lands for the construction of DepEd school buildings for IPs under usufruct agreement; Support infrastructure of road, water and sanitation facilities, and transportation for IP PWDs. Recognize and support, through provision of subsidies to existing local education systems and programs initiated by IPs; Grant free education and scholarships to IP students in the secondary and tertiary levels with subsidies for transportation, food, school supplies and dormitory; Allocate budget for documentation of local
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	<p>mestizas/mestizos; 3rd priority are non-IPs who are culturally-sensitive and well-trained and oriented by IP masters;</p>	<p>knowledge/practices and traditions and development and reproduction of relevant and appropriate instructional and learning materials (curriculum, modules, etc.) that are culture-based and culture sensitive;</p> <p>8. Give better compensation and benefits to IP teachers that are at par with public school teachers, and subsidies for elders as well;</p> <p>9. Grant scholarships for IP teachers pursuing master's degree;</p>
<p>On Out of School Children and Youth Education/Alternative Learning System (ALS) A Genuine Parallel Learning System (not second class) and Viable Learning Vehicle to Reach the Unreached and Those Left Behind in Education</p>	<p>1. Allocate significant financial support for expansion of coverage of ALS learners, establishing learning centers, curriculum development and module production at par with K-12, salaries and subsidies of ALS coordinators and mobile teachers;</p> <p>2. Establish learning centers and facilities that are close to where the learners are, community-</p>	<p>1. Prioritize support for students belonging to poorer families, DepEd providing subsidies, such as, free transportation, school feeding and other assistance to enable them to complete their studies;</p> <p>2. For poorer households, subsidize cost for 'other fees' through LGUs; give poor families alternative livelihood to increase their capacity to</p>
		<p>1. Increase opportunities for alternative pathways to basic education</p> <ul style="list-style-type: none"> • Expand and intensify delivery of ALS that is appropriate to age levels and responds to the different contexts of learners; • Allocate significant financial support to strengthen and expand ALS coverage; <p>Increase per capita budget per ALS learner;</p>



	<p>based, near homes, and in places of work;</p> <p>3. Provide scholarships/ subsidy for poor learners.</p>	<p>sustain education needs and other needs;</p> <p>3. Substantial increase of budget for ALS program to cater to more out-of-school children especially in poorer communities;</p> <p>4. Support mobile teachers through transportation, and assistance for Instructional Managers;</p> <p>5. Ensure education materials, supplies and learning opportunities, and reach out to the most affected population without discrimination based on race, gender, disability and ethnicity;</p> <p>6. Grant more scholarships for poor and deserving students especially for college education;</p>	<ul style="list-style-type: none"> • Fund the establishment of learning centers and facilities that are close to the learners or where the learners are, given their particular contexts – community-based, near homes, in places of work; • Ensure sufficient funds for salaries and subsidies of ALS coordinators and mobile teachers, especially, in areas where there is significant number of drop-outs and out-of-school children and youth
<p>On Persons with Disabilities</p>			<p><i>Increase Per Capita Investment in the Education of Persons with Disabilities</i></p>



Ensuring an Inclusive Education System at All Levels and Lifelong Learning Opportunities

1. Earmark from the incremental budget, the budget care with at least 1% of education budget intended for PWDs;
2. Increase budget for the construction of learners with disabilities at all levels in public and private educational institutions with programs that are in sufficient quantity and quality;
3. Ensure budget and availability of services and facilities within the education system, including, the provision of sufficiently trained and supported teaching staff, school counselors, psychologists, and other relevant health and social service professionals, as well as access to scholarships and other financial resources;
4. Grant scholarships and subsidies for learners with disabilities, pursuing tertiary education;
5. Fund and employ an adequate number of qualified



			<p>and committed school staff – administration, teaching and non-teaching trained in inclusive education based on the human rights model of disability;</p> <p>6. Invest in and support the recruitment and continuous education of teachers with disabilities.</p>
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The Alternative Budget Proposal for Education

The ABI education cluster reiterates its position that adequate resources must be invested to improve quality and access of the poor and marginalized groups to education - putting more resources for those in need the most and ensuring the wise spending and accountability over the allocated budget. Along this line, it proposes the following key measures:

- ◆ *Investment to ensure free quality education of MEVs – urban and rural children and youth, indigenous peoples, Moro and persons with disabilities;*
- ◆ *Investment to ensure education of out-of school children, youth and adults;*
- ◆ *Investment to ensure education of people living in disaster and conflict-affected areas;*
- ◆ *Investment to teachers to improve their conditions and capacities;*
- ◆ *Improve efficiency and accountability of budget*



Below are proposed amendments by the ABI education cluster on budget items in education addressing the abovementioned priorities.

Table 24. Proposed Amendments to Budget Items: Alternative Budget Proposals

Budget Item	2017 NEP Amount (in PhP'000)	Proposed Amendment (in PhP'000)	Amended Amount (in PhP'000)	Rationale
1.Implementation of alternative learning & delivery mode programs including establishment of learning centers;	653,436	+846,554	1,500,000	The amended amount of PhP1.5 billion, will finance 500,000 beneficiaries of the program from the 3.2 out-of-school children. The amended amount has a corresponding increase in unit price per learner for ALS delivery from roughly P2,000 to P3,000 per learner ² . To address the issue of absorptive capacity of DepEd, this shall be joint implemented by DepEd and local government units, state universities and colleges through their extension services program and non-government organizations. PhP3,000/Learner x 500,000 Learners = PhP1,500,000,000
2.Implementation of Peoples Education Program	82,772	+35,000	117,772	The additional PhP35 million for IP education shall be for the establishment of community learning centers (CLCs) in identified IP communities without access to government schools. The CLCs will serve as

² This is still below the global standard of \$100 per learner.

					stop-gap measure while transitioning to the establishment of IP schools.
3. Madrasah Program	Education	385,881	+114,119	500,000	PhP350,000/CLC/Indigenous communities x 100 CLCs in ICs= PhP35,000,000 The additional PhP114 million will be for the enrollment of an additional 23,000 poor Moro children through the Standard Madrasah Curriculum (SMC), as per DepEd Order No. 55.
4. Textbooks and instructional materials including 100M for children with special needs		2,990,831	+35,000	3,025,831	PhP5,000 subsidy x 22, 823 children to be enrolled in private Madrasah nationwide using SMC = PhP114, 119,000 The additional PhP35 million will be used to build of 100 resource centers for communities with large population of children and youth with disability. Similar to the IP education program, this will serve as stop-gap measure while transitioning to inclusive education based on UNCRC.
5. Teaching-related Human Resource		3,752,397	+55,647	3,808,044	PhP350,000/Resource Center x 100RC = PhP35,000,000 The additional PhP55 million will be used to hire additional 3,000 teachers for

5.1 Implementation of the grant of cash allowances, hardship pay, equivalent records forms (ERF), Conversion to master Teacher (MT) Re classification of positions and payment of step increments	3,905,398		3,905,398	kindergarten and senior high school in poorest regions that are extremely in need of additional teachers. Teacher Plantilla - PhP18,549 minimum salary per teacher x 3,000 more teachers = P55,647,000
5.2 Pre-service education	3,318		3,318	For teachers' benefits, we urge the new Secretary who has the sole authority as to use the formula prescribed in the Magna Carta for Public School Teachers to grant the health benefit and hazard pay of teachers affected by disaster and conflicts.
5.3 Continuing Education	4,414	+1,740,000	1,744,414	The additional PhP1.7 billion will be used for teachers' retooling given the new K-12 curriculum and integration of other important competencies. The unit price of P3,000 per trainee will eliminate the current practice in in-service training in which the teachers attending the training will have to pay for the registration fees.
Education Contracting (ESC) program for private senior high school per R.A. No. 8545	9,455,566	0	9,455,566	Training-PhP3,000 per teacher x 500,000 teachers = PhP1,500,000,000 Training for SHS Teachers- PhP3,000 x 80,000 = PhP240,000,000 Congress should request DepEd to strengthen monitoring of private education providers through the development of Regulatory Framework for Private

<p>Education. It will stop the private education providers from undermining the students' right to education and ensure accountability of public funds. The government should prioritize investment in the public school system.</p>				
<p>The RA 10533 does not say that 40% of the senior high school should be enrolled in private schools. Only the voucher system guidelines outlined the arrangement of 60-40% shares between public and private schools. The budget should prioritize the strengthening of the public education system as per recommendation by the committee on ECSCR. The budget cut should go to schools without top-up fees such as the mission schools.</p>	<p>11,927,537</p>	<p>- 11,927,537 (less 50%)</p>	<p>23,855,074</p>	<p>Voucher Program for private senior high school (per R. A. No 10533</p>
<p>The 50% cut from above should instead be used to subsidize non-DepEd public schools like state universities and colleges, community colleges, and TESDA training centers that offer senior high school. This will render the recipients more deserving to get government funds instead of private schools that are not subject to the Commission on Audit (COA) review. The use of vouchers in these government institutions can be considered as stop-gap measure while</p>	<p>11,927,537</p>	<p>0</p>	<p>1,283,465</p>	<p>Voucher Program for Non-Deped public senior high school</p>
		<p>0</p>	<p>1,500,000</p>	<p>Joint delivery voucher for senior high school technical vocational & livelihood specialization</p>



				DepEd is transitioning to covering the entire K-12 program until senior high school.
Construction and restoration of Gabaldon & other heritage school buildings	300,000	0	300,000	Every year, DepEd has huge backlog on the utilization of budget for construction of school buildings. The budget cut must be based on the average utilization of the agency in terms of unit of classrooms constructed.
Building and other structures	400,000	0	400,000	
Government Buildings	400,000	0	400,000	The cut amounting to millions should be re-aligned to: 1) increase the unit price of school buildings in disaster prone areas so these will be resilient to disasters; 2) establish solar-powered school buildings for new classroom construction, schools without electricity, disaster prone areas, and rehabilitation of old school buildings; and 3) other priority programs such as ALS, IP education, Madrasah, and education of persons with disabilities.
Health and Nutrition Services	4,984,063	+2,695,937	7,680,000	As a matter of policy, the whole procurement policy for school buildings must be reviewed. The additional amount of 2.6 billion is twice the previous GAA of PhP3,840,000,000 . The new funding allocation will cover 240 days more of learning; and add 4,360 schools in the poorest regions) = PhP7,680,000,000.

<p>Disaster preparedness program</p>	<p>23,419</p>	<p>+26,581</p>	<p>50,000</p>	<p>These can include free lunch meals (of 1,000 calories per meal) for all students from Grades 1 to 3.</p> <p>The additional PhP26.5 million will fund the DepEd comprehensive program for climate change adaptation (CCA) and disaster risk reduction management (DRRM). This amount will be used for the following:</p> <ul style="list-style-type: none"> -Plantilla position for dedicated DRRM officer/focal person per district/town -Awareness-raising and school-based hazard mapping -Training of Trainers on CCA-DRRM (5 days) -Facilitation of Education in Emergency -Facilitate curriculum and materials development integration of environmental education and education for sustainability -Strengthening Solid Waste Management -School-mini carbon Olympics-competition on zero waste, water and electricity footprint-high school science teachers) -Gardening (Gulayan sa Paaralan) -CCA materials/poster inside classroom
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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)

Growth now, Pay later?

Alternative Budget Proposal for Environment

In the deliberation of the 2017 National Budget, the budget of the Duterte administration in its first year, there are two things that sent mixed, if not confusing, signals as to where exactly the government is headed with respect to environment and climate. One is increasing the DENR budget by 24 percent. The other is the reluctance of President Duterte to sign and ratify the Paris Agreement.

Increasing the Department of Environment and Natural Resources (DENR) budget is a good thing even for an agency that's not used to handling budgets that run into billions. It indicates concern over the continuing decline of our environment due to air pollution and degradation of our land and water resources.

The reluctance to sign and ratify the Paris Agreement is coming from the view that it is an unfair agreement that puts developing countries at a great disadvantage. Developing countries, like the Philippines, have little to do with the human-induced climate change but suffer the most in loss and damage to life and property. Developed countries, like the US, who are mainly responsible, historically and currently, seem to have gotten away and even get their unfair share of what remains of the so-called carbon budget.

Are budgets for environment and climate enough?

The 2017 environment budget is PhP28.671 billion, up from PhP21 billion in 2016, to fund the DENR plan to reduce pollution and to prevent further depletion of our natural resources. The 2017 budget of the Climate Change Commission (CCC) is PhP81 million to fund oversight and climate policy guidance and technical assistance to build capacity for climate resilience. The 2017 CCC budget decreased by 63.7 percent from the 2016 GAA of PhP237.9 billion which includes PhP151.5 billion of Congressional insertions.

Climate expenditures are sizeable. The climate change expenditure tagging (CCET), initiated in 2015 across all agencies of government, yielded climate-related expenditures of PhP133 billion out of the PhP2.66 trillion 2015 budget. It was PhP132 billion out of the PhP 3.02 trillion total budget in 2016. Some of these are still unutilized, like the accumulating People's Survival Fund (PSF) of one billion pesos a year.

The combined budgets of the DENR and CCC comprise less than one percent of the PhP3.35 trillion national budget which may be enough for what both agencies want to do in 2017. However, from a whole budget-whole government perspective, we still need to examine whether our allocation for environment and climate programs, activities and projects (PAPs) will take us a step forward to eradicating poverty and achieving sustainable development.

Sustainable development is the concern of the whole government. All agencies must move as one to achieve sustainable development. That is the mandate of the DENR and CCC but not so easily done in the case of other agencies that are mandated to keep the

economy growing, whatever the costs. In the end, the buck stops with the National Economic Development Authority (NEDA) and the President who should be steering national development either along a high-carbon growth path or towards sustainability.

The DENR 2017 plan and budget

The DENR's plan and budget are guided by its so-called environment and natural resources (ENR) development framework:

<p>Development Principles</p> <p><i>Good governance:</i> accountability, transparency, integrity, participation and predictability, ease of doing business</p> <p><i>Social Justice:</i> -equity and gross national happiness</p> <p><i>Social entrepreneurship</i></p> <p><i>Partnership with civil society</i></p> <p><i>Ecosystems integrity</i></p> <p><i>Sustainable consumption and production</i></p> <p><i>Polluters pay:</i> -payment for ecosystems services</p> <p><i>Rule of law</i></p> <p><i>Honoring global commitments</i></p>	<p>Goal</p> <p>Human well-being, and environmental quality and sustainability ensured</p> <p>Outcomes</p> <p>Promote human well-being and ensure environmental quality</p> <p>Sustainably-managed environment and natural resources</p> <p>Adaptive capacities of human communities and natural systems ensured</p> <p>Key Strategies</p> <p>Unified Mapping</p> <p>Watershed/river basin framework in planning</p> <p>Closing open access areas of forestlands</p> <p>Convergence approach (NGAs, LGUs, and CSOs)</p> <p>Area management approach</p> <p>Capacity building of DENR frontliners, LGUs, CSO partners, POs and social entrepreneurs</p> <p>IEC, advocacy and social mobilization</p> <p>Certification systems</p>
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Following the ENR development framework, the DENR will implement eight (8) major programs in 2017, as follows:

1. Enhanced National Greening Program

- Transformation of NGP areas into vibrant economic zones
- Promotion of social entrepreneurship
- Adoption of soil and water conservation approaches
- Intensification of the adoption of agroforestry system
- Increase in area for mangrove rehabilitation
- Seedling production by POs
- Adoption of convergence (DA, DAR, and CSOs)

2. Intensified Forest Protection Program

- Adoption of community-based forest protection system
- Forging of partnership with PNP and AFP to crackdown on all violators

- Use of advanced technology in monitoring/surveillance (i.e. satellite imageries, portable x-ray, drone, and LAWIN Forest and Biodiversity Protection System)

3. Responsible Mining Program

- Adoption of Go and No-Go Zones for mining
- Compliance audit by third party of all mining operations
- Involvement of CSOs in environmental protection and social development
- Compliance with ISO 14001 (Environmental Management System)
- Mandatory Environmental Insurance Coverage of all mining operations
- Aiming for full membership to the Extractive Industry Transparency Initiative (EITI)
- Identification of Minahang Bayan areas and assistance to artisanal miners

4. Intensified Environmental Protection Program

Clean Air

- Operation of Air Quality Monitoring Network
- Strengthening the implementation of the integrated Air Quality Management Action Plans of Airsheds
- Intensifying compliance monitoring and strict implementation of air quality related policies

Clean Water

- Improvement of water quality of major rivers of the country
- Expansion of Adopt an Estero Program
- Intensification of monitoring and strict implementation of water related policies

Solid Waste Management

- Inclusion of the Department of Education (DepEd) as member of the National Solid Waste Management Commission
- Revitalization of Provincial, City and Municipal Solid Waste Management Board
- Integration of RA 9003, RA 9512, EO 26 in the National Eco Saver's Program
- Provision of support to Barangays (i.e. establishment of material recovery facilities [MRFs])

5. Enhanced Biodiversity Conservation Program

- Capacity building of communities for biodiversity-friendly social enterprises
- Intensification of IEC on biodiversity awareness across national government agencies, LGUs and schools

6. Coastal and Marine Ecosystem Management Program

- Effective and sustainable management of the Philippine coastal and marine ecosystems to improve the quality of life of the coastal population
- Nationwide coverage of all marine protected areas, other identified biodiversity-rich and threatened coastal and marine ecosystems
- Coordination with other government agencies concerned, local; government units, civil society groups, NGOs, academe, corporate and private sectors

7. Improved Land Administration and Management Program

- Acceleration of public land titling process (residential, agricultural, and other patents)
- Completion of computerization of 163 million public land and survey records and adopt the Land Administration Management System (LAMS) Philippines on land related transactions
- Inventory, assessment and collection of appropriate fees and fines in foreshore lease areas

8. Pilot Convergence Areas

Island models that will inspire, promote, encourage and showcase best practices in climate change adaptation, resiliency and mitigation will be piloted in 18 areas throughout the country. These area models are Mt. Pulag in the Cordillera; Sorsogon, Zambales; Lobo, Batangas; Laguna Lake; Sibuyan Island in Romblon; Palawan; Oriental Mindoro; Guimaras; Western Samar; Antique; Mati, Davao Oriental; Talaingod, Davao del Norte; Haran, Davao City; South Upi, Maguindanao; Rajah Buayan, Maguindanao; Cantilan, Surigao; Sarangani; and Indigenous Communities Conservation Areas (ICCA).

The DENR's priority legislative agenda include Sustainable Forest Management, E-NIPAS, National Land Use, Amendment of the Mining Act, Land Administration Reform, Integrated Coastal Management, Forest Boundary Limit, and Amendment of Water Code of the Philippines. These are also long-standing and urgent advocacies of NGOs and social movements.

Table 25 below shows the comparative budget of DENR and attached agencies. Note that 82.6 percent of the total budget or Php 23.7 B goes to DENR-OSEC and the remainder is allocated to the bureaus and attached agencies.

Table 25. Comparative Budget of DENR and attached agencies (in million Php)

Agency	FY 2015 Budget	FY 2016 Budget	FY 2017 NEP		Variance	
			Amount	Percent Share (%)	Amount	In Percent (%)
DENR-OSEC*	18,170	17,322	23,705	82.6	6,383	36.8
Line Bureaus	1,560	2,940	3,372	11.6	432	14.7
EMB**	797	1,915	2,214	7.6	299	15.6
MGB***	763	1,025	1,158	4.0	133	13.0
DENR Sub-Total	19,730	20,262	27,077	94.4	6,815	33.6
Attached Agencies	1,288	1,581	1,595	5.5	14	0.8
NAMRIA	1,138	1,400	1,374	4.7	-26	-2.0
NWRB	87	109	129	0.4	20	18.0
PCSDS	63	71	92	0.3	21	29.6
Grand Total	21,018	21,843	28,671	100.0	6,828	31.2

Legend: *DENR-OSEC – 4 Staff Bureaus, 17 Regions, 76 PENROs and Central Office Proper **EMB – EMB Central Office and 17 Regional Offices ***MGB – MGB Central Office and 16 Regional Offices

Table 26 shows relatively constant proportion of budgets by expense class across three years. Note the near doubling of the personal services (PS) budget for 2017, suggesting some improvement in the human resource capacity of the Department. Like other government agencies, DENR has an ageing personnel, its recruitment has been frozen for years and is relying heavily on job orders in its operations.

**Table 26. Comparative Budget DENR and attached agencies by Expense Class
FY 2017 NEP vs. FY 2016 RA 10717 (in Million PHP)**

Expense Class	FY 2015 Budget RA 10651		FY 2016 Budget RA 10717		FY 2017 NEP		Variance	
	Amount	Percent Share (%)	Amount	Percent Share (%)	Amount	Percent Share (%)	Amount	In Percent (%)
PS	3,655	17.4	3,742	17.1	6,906	24.0	3,164	84.6
MOOE	10,049	47.8	9,149	41.9	10,902	38.0	1,753	19.1
CO	7,314	34.8	8,952	41.0	10,863	38.0	1,911	21.3
Total	21,018	100.0	21,843	100.0	28,671	100.0	6,828	31.2

The CCC plan and budget for 2017

For 2017, the CCC is set to deliver on three major final outputs (MFOs). MFO 1 is on climate change policy services, MFO 2 is on technical advisory services, and MFO 3 is on research and development funding services.

The CCC's main mandate is providing climate policy guidance and making sure these policies get implemented by other government agencies. Guided by the National Framework Strategy on Climate Change (NFSCC) and the National Climate Change Action Plan (NCCAP), the CCC oversees the realization of the goal to build the adaptive capacity of our country and our communities, increase the resilience of natural ecosystems to climate change, and optimize mitigation opportunities towards sustainable development.

The Philippines is a minor greenhouse gas (GHG) emitter, only at .34 percent share of the global total, and is not obliged to conduct mitigation measures under the climate convention. The CCC sees mitigation as a function of adaptation which means the main strategy is to enhance development and to boost the adaptive capacity of communities. This is achieved through the cross-cutting strategies of capacity development, knowledge management, information, education and communication and advocacy, research and development and technology transfer, taking into account the gender dimension.

The NCCAP framework covers the seven themes of food security, water security, ecological and environmental stability, human security, climate friendly industries and services, sustainable energy, knowledge and capacity development. This framework

needs to be reconciled with the framework used by NEDA for the Philippine Development Plan (PDP) which in principle also includes all these elements.

The CCC plans to implement five programs based on the review and assessment of existing programs and the needs of the moment, particularly in light of the 2015 Paris Agreement. These programs include the development of the strategic framework (NSFCC) and action plans at the national and local levels, the roadmap of the Nationally Determined Contribution (NDC) to the Paris Agreement and translation of this into the National Action Plan (NAP), and capacity development for the most vulnerable local government units (LGUs).

The CCC has not yet reviewed and updated the National Framework Strategy on Climate Change (NFSCC) 2011-2022. This should be done every three years, pursuant to Section 8 of the RA 10174 or Climate Change Act of 2009.

The National Climate Change Action Plan (NCCAP) 2011-2028 should also be up for review to align with the PDP 2016-2022 of the Duterte Administration. The review and improvement of the NCCAP is needed, especially in the light of the new regime's focus on infrastructure, human resource development along socio-economic lines, rural development (RD) and industrialization thrust.

The CCC is in the process of developing the NDC Roadmap that started in January 2016 following the December 2015 Paris Agreement. However, there is still lack of coherence between the NCCAP and NDC Roadmap, not to mention the reconciliation of both plans with the PDP 2016-2022.

The CCC is mandated to assist local government units (LGUs) in crafting their Local Climate Change Action Plan (LCCAP). So far, only 167 LGUs have completed their LCCAPs and 100 more are in the process of completion with technical support from the CCC. The lack of technical skills in LGUs to formulate LCCAPs will be addressed through the Communities for Resilience (CORE) convergence initiative and training program.

The NAP process is underway. This will require the establishment of a national disaster loss and damage registry that adopts a standard valuation protocol at the community level. The CCC can build on the demonstration and upscaling of the Ecotown framework that started in 10 pilot sites in 2015. An immediate next step is the implementation of CORE to strengthen local development planning formulation of LCCAP and community-based multi-hazard early warning systems and services.

The CCC commits to integrate climate change, disaster risk reduction (DRR), and gender into the plans and budgets of the national and local governments. It should continue its Climate Change Expenditure Tagging (CCET) exercise pursuant to 2015 Joint Memo Circular of DBM and CCC for National Government Agencies, SUCs and GOCCs. The tracking, monitoring and evaluation of actual expenditures of the agencies on climate change adaptation and mitigation aims to ensure that national and local development plans are environment and climate change sensitive.

The CCC needs to formulate strategies on mitigating greenhouse gas emissions following the issuance in 2016 of Executive Order 174: Institutionalizing the Philippine Greenhouse

Gas Inventory Management and Reporting System. The data on our GHG emissions are moving and need fixing. Until now, there are only different, if not conflicting, estimates of the Philippines' carbon footprint. We need to build capacity on inventory of greenhouse gas emissions, from top to bottom.

The CCC will formulate strategies for low carbon development pathway, following the issuance of the Commission Resolution 2016-001: Development of a Clear Policy on Coal-Fired Power Plants in Pursuit of Low Carbon Development Pathway for the Philippines (2016).

Consultations are ongoing on the National Energy Policy Review and Framework Development, pursuant to Climate Change Commission Resolution 2016-001. The issues to be addressed include lack of harmony of energy policies and regulations to enable transition to Low Carbon Development. At the end of this would be a comprehensive policy framework on energy.

The CCC's knowledge management plan includes widespread IEC on climate change and its impacts, research and development/technology transfer, and knowledge management system to monitor and assess adaptation and mitigation activities. The comprehensive and integrated knowledge management and IEC strategy on climate change and disaster risk reduction is still lacking.

Building on past and ongoing multi-media IEC and advocacy activities, including observance of Climate Change Consciousness Week (2015), the CCC plans to integrate climate change and disaster risk knowledge in K-12 education, establish the Climate Resilience Museum, and develop and adopt a comprehensive IEC strategy on climate change and disaster risk reduction, including the post-2015 global policy framework. The latter policy framework integrates the country's international commitments to the 2030 Agenda for Sustainable Development, the Sendai Framework on Disaster Risk Reduction, and the Addis Ababa Action Agenda for financing development, among others.

The technology needs assessment is ongoing. The National Integrated Climate Change Database, Information and Exchange System (NICCDIES) is done but the information technology infrastructure and system linking adaptation and mitigation actions with risk information and climate finance is yet to be put in place. The NICCDIES will be expanded to include National Integrated Risk Information System and National Loss and Damage Registry.

The CCC will establish the Philippine Climate Change Institute as host to the National Climate Policy Research Center, the Climate Vulnerable Forum South-South Center of Excellence, and the National Panel of Technical Experts (NPTE).

Ten (10) policy formulations, including budget tagging, GHG inventory, energy policy review will cover energy, promotion of community food garden, promotion of probabilistic risk assessment, climate and disaster risk transfer and insurance, and

carbon pricing. This will fill the gaps in climate policy research capacity and continuing education on climate change and disaster risk reduction at various levels.

The implementation of Republic Act 10174: An Act Establishing the People's Survival Fund (PSF) to Provide Long-Term Finance Streams to Enable the Government to Effectively Address the Problem of Climate Change has been stalled by the lack of capacity of LGUs. Funds have yet to be disbursed to vulnerable LGUs due to lack of quality proposals generated from LCCAPs.

At the global level, finance transfer is hard to come by although our climate negotiators say there's so much to tap in the Green Climate Fund (GCF). We have submitted a comprehensive project proposal-- Building Resilience of Philippine Communities to Climate Change--availing of direct access to GCF. One snag, though, is the accreditation of National Implementing Entities that will develop projects and tap into the global climate kitty.

The CCC commits to improve the capacity of LGUs to develop mitigation and adaptation projects in line with their LCCAP. This is a huge challenge considering that the LGUs are not able to avail of the PSF in two years.

Climate diplomacy entails not only keeping our part of the deal under the UNFCCC and the Paris Agreement but getting the responsible countries to keep theirs, too. Can we, for example, tell Parties that are overly emitting carbon that they've used up their fair share of the remaining carbon budget and therefore must do negative emission, here and now?

We have submitted our Second National Communication in 2014. We promise to do our Biennial Update Report, do another round of consultations to fix our intended nationally determined contribution submitted to the UNFCCC prior to the adoption Paris Agreement and come up with our final nationally determined contribution (NDC) by 2018 or sooner, ratify the Paris Agreement, and whatnot.

The Philippines must take strong positions in the climate negotiations to address the gaps in the Paris Agreement, beginning with the 22nd Conference of Parties (COP-22) of the UNFCCC and the first meeting of the Conference Parties to the Paris Agreement in Marrakesh. Most worrisome is the unfair share of high-emitters in the aggregate NDCs. Based on their stand now, the target of keeping the temperature rise below 2°C will fail to further go down to 1.5°C.

The Commission will implement an 8-point convergence agenda of climate action for resilience.

Convergence and integration of CCAM-DRRM in the whole of government is being pursued through holistic, science-and-risk-based approach to national and local development planning and program implementation to achieve national targets.

This 8-point agenda includes the following: 1. Establishment of a national integrated risk information system for the impacts of climate change and natural hazards in the country; 2. Establishment of a national disaster loss and damage registry that adopts a standard valuation and validation protocol at the local community level; 3. Development of the

technical skills of LGUs in risk assessment and cost-benefit analysis for a science-and-risk-based approach to local development planning and formulation of LCCAPs; 4. Policy development on disaster risk financing and insurance, on strengthening climate finance systems, including the People's Survival Fund, and on other emerging areas of concern; 5. Integration of climate change and disaster risk knowledge in K-12 education, and the establishment of a climate change museum for experiential learning and an institute on climate policy for higher learning; 6. Development of a comprehensive and integrated IEC strategy on climate change adaptation and mitigation and disaster risk reduction, including post-2015 global policy frameworks, and on promoting community and cultural resilience; 7. Strengthening of multi-hazard early warning system and services; and 8. Establishment of a national monitoring, reporting, and evaluation system for the implementation of the post-2015 global policy frameworks and the country's Nationally Determined Contributions (NDCs).

Through the Communities for Resilience (CORE), 18 major river basins will promote effective convergence and delivery of capacity building services to LGUs through synergistic action across agendas at the national and sub-national level. The objective is to promote the understanding of climate and disaster risk by local communities and a risk-and-science based approach to local development planning. Among the expected benefits are having access to the People's Survival Fund (PSF), strengthened technical knowledge and capacity of LGUs in developing LCCAPs, and enhancement of rural livelihood and ensuring ecosystem integrity.

Table 27. CCC FY 2017 Proposed Budget

Particulars	Amount NEP Approved FY 2017	Amount requested Tier 1 and 2	Remarks
MFO 1 Climate Change Policy Services			
Participation in National/International Linkages	PhP5 million	PhP5 million	Seek representation to the international negotiations and events (e.g. UNFCCC and IPCC)
Policy Analysis and Formulation	PhP1.398 million	P3.3 million	PhP2 million decrease due to non-inclusion of Local Counterpart for the CVF Trust Fund
Policy dissemination/ monitoring and evaluation	PhP1.279 million	PhP1.279 million	Monitoring of the following policies: Climate Budgeting National Climate Change Action Plan

			Executive Order 174
National Panel of Technical Experts	PhP2.9 million	PhP2.9 million	Compensation of the Panel of Technical Experts
MFO 2: Technical Advisory Services			
Community Liaison	PhP18.376 million	PhP61.376 million	Technical Assistance for Communities for Resilience (CORE) through Knowledge and Capacity Development Training Decrease in CORE by PhP35.4 million from the original submission of PhP53.86 million and CLAD Awards at PhP7.5 million
Production of training and information materials/knowledge management	PhP4.293 million	PhP4.293 million	Information Education Campaign
MFO 3: Research and Development Funding Services			
Review of Project Proposals	PhP1.939 million	PhP5.43 million	Operational funds for the PSF Secretariat Decrease of PhP3.5 million due to non-inclusion of the requested budget for T21 Model

Program	Requested Budget (in Thousand Pesos)	Remarks
Philippine Climate Change Institute	100,000	Construction of building
Climate Change Resilience Museum	20,000	Design, fixtures and equipment

Communities for Resilience (CORE) Convergence Forum	35,500	Capacity building for LGUs
NPTE personnel	8,140	15 experts (Director level), 15 Technical staff, 15 Executive Assistant
Policy Formulation	15,000	Consultations and workshops

**Table 28. CCC Comparative Budget by Expense Class
FY 2017 NEP vs. FY 2016 RA 10717 (in Thousand PhP)**

Particulars	FY 2016 RA 10717	FY 2017 NEP	Variance		% Share of CCC FY 2017
			Amount	In Percent (%)	
PS	18,105	27,435			
MOOE	169,351	58,926		51.53	31.77
CO	50,496	0		(65.20)	68.23
Total New Appropriations	237,952	86,361	(151,591)	(63.71)	0.00

Note: Personnel Services (PS) increase is due to Salary Standardization Law (SSL) EO. 201a; Maintenance and Other Operating Expenses (MOOE) decrease is due to congressional insertion of PhP100 million; Capital Outlay (CO) decrease is due to congressional insertion of PhP50 million.

In the 2016 Budget, the NEP amounts to PhP87.952 million and got an additional PhP150 million in the GAA. The increase was composed of PhP6 million for training workshops under MFO2; PhP94 million for locally funded projects under the Capacity Development to Strengthen Understanding of Climate Change and Disaster Risk for Resilient and Sustainable Development Planning (Project UCCDR); and for the Center for Climate Resilience that got PhP50 million additional funds.

**Table 29. Comparative Budget (Distribution by Program)
FY 2017 NEP vs. FY 2016 RA 10717 (in Thousand PhP)**

Particulars	FY 2016 RA 10717	FY 2017 NEP	Variance		% Share of CCC FY 2017
			Amount	In Percent (%)	
General Administration and Support	25,272	35,394	10,122	40.05	40.98
Support to Operations	0	0	0	-	0.00
Operations	68,680	50,967	(17,713)	(25.79)	59.02

Locally Funded Projects	144,000	0	(144,000)	(100.00)	0.00
TOTAL PROGRAM	237,952	86,361	(151,591)	(63.71)	100.00
TOTAL NEW APPROPRIATIONS	237,952	86,361	(151,591)	(63.71)	100.00

As of this writing, the CCC has not consolidated the climate expenditures in the 2017 National Budget. Following the Joint Memorandum Circular (JMC) of the DBM and the CCC, the Climate Change Expenditure Tagging (CCET) started in 2015 across all government agencies. CCET is a process of identifying, reporting, and tracking Programs, Activities, and Projects (PAPs) that are responsive to climate change adaptation and/or climate change mitigation. The National Government Agencies (NGAs) submit a climate change expenditure form (or the BP Form 201F) to the DBM during the budget preparation, and once the NEP and GAA were approved.

In 2015, PAPs tagged as climate expenditures amounted to about PhP133 billion. In 2016, this amounted to PhP132 billion, although it increased after further vetting later. The climate change expenditure is expected to increase considering the expected surge in infrastructure spending and consequent increase in carbon footprint.

Build, build, build mantra

The plans and budgets of the DENR and CCC may be enough but we do not know how this will help mitigate the downside impact of aggressive infrastructure development. DBM Secretary Benjamin Diokno vowed that under President Duterte's watch, the golden years of infrastructure will emerge. The marching orders are to build, build, and build.

The infrastructure spending during the first year of the Duterte presidency is expected to reach 5.4 percent of GDP, higher than 3.2 percent of GDP during the Marcos era. In the pipeline are the Metro Manila Clark Railway, the Metro Manila Bus Rapid Train System, the Mindanao Railway, the Santa Monica-Lawton-BGC Viaduct, the UP-Miriam-Ateneo Viaduct, the NLEX-SLEX Connector Road, the development of Clark International Airport, and the 9,450-hectare Clark Green City.

Table 30. 2013-2017 DA, DOE, DPWH Budgets (in Thousand Pesos)

DEPT	2013 GAA*	2014 GAA*	2015 GAA	2016 GAA	2017 GAB
DA	64,474,099	68,596,751	48,697,540	48,447,476	44,528,425
NIA	o.w. 23,314,142 under DA	o.w. 14,253,209 under DA	28,750,441 under BSGC	32,743,184 under BSGC	36,357,941 Under BSGC
DOE	3,254,847	3,299,376	3,469,772	795,440	1,098,786
DPWH	155,517,333	206,634,047	290,470,888	384,287,164	454,233,700

*Note: The Budget of the NIA was under DA-OSEC 2013-2014 GAAs

Source: DBM

Table 31. 2017 Infrastructure Budget

PARTICULARS (in Billion PhP)	2015 Actual	2016 GAA	2017 NEP
Infrastructure Outlays	575.67	756.44	860.65
<i>Percent of GDP</i>	4.3%	4.3%	5.4%
<i>Growth Rate</i>	66.3%	31.4%	13.8%
of which:			
Water Supply Systems	6.798	7.729	12.596
Irrigation Systems	26.53	23.59	26.03
Other Infrastructure Assets	131.37	170.42	224.53
Road Networks	223.48	298.08	328.18
Farm-to Market Roads (DAR)	0.22	0.63	1.07
Farm-to Market Roads (DA)	8.38	13.07	5.46
<i>FMR percent of Total Road Networks</i>	3.85%	4.69%	1.99%
<i>FMR percent of Total Infrastructure Outlays</i>	1.49%	1.81%	0.76%

Sources: DBM (2016). Public Sector Infrastructures Budget, FY 2015-2017. In 2017 Budget Expenditures and Sources of Financing (A.4 pp. 4-15). DBM (2016, August 22). Aligning the FY 2017 Budget with the President's SONA Priorities: A Budget for Real Change. DBCC Budget Briefing with the House Committee on Appropriations.

Table 32. Farm to Market Roads share in the Road Networks and Total Infrastructure allocations

PARTICULARS (in Billion PhP)	2015 Actual	2016 GAA	2017 NEP
Infrastructure Outlays	575.67	756.44	860.65
<i>Percent of GDP</i>	4.3%	4.3%	5.4%
<i>Growth Rate</i>	66.3%	31.4%	13.8%
of which:			
Water Supply Systems	6.798	7.729	12.596

Irrigation Systems	26.53	23.59	26.03
Other Infrastructure Assets	131.37	170.42	224.53
Road Networks	223.48	298.08	328.18
Farm-to Market Roads (DAR)	0.22	0.63	1.07
Farm-to Market Roads (DA)	8.38	13.07	5.46
FMR percent of Total Road Networks	3.85%	4.69%	1.99%
FMR percent of Total Infrastructure Outlays	1.49%	1.81%	0.76%

Sources: DBM (2016). Public Sector Infrastructures Budget, FY 2015-2017. In 2017 Budget Expenditures and Sources of Financing (A.4 pp. 4-15).; DBM (2016, August 22). Aligning the FY 2017 Budget with the President's SONA Priorities: A Budget for Real Change. DBCC Budget Briefing with the House Committee on Appropriations

Infrastructure assets include buildings, school buildings, roads, bridges, sewer systems, water supply systems, power supply systems, communication networks, seaport systems, airport systems, parks, plazas, monuments, among others. The 2017 Budget of Expenditure and Sources of Financing (BESF) does not have the breakdown of the infrastructure assets.

On September 14, the NEDA Board approved nine projects worth over PhP171 billion. These include the PhP74.6-billion Ninoy Aquino International Airport (Naia) public-private partnership (PPP) project; PhP37.8-billion Metro Manila Bus Rapid Transit (BRT) on EDSA; PhP23.5-billion first phase of the Metro Manila Flood Management Project; PhP10.2-billion Inclusive Partnership for Agricultural Competitiveness project; PhP8-billion second phase of the Maritime Safety Capability Improvement project for the Philippine Coast Guard; PhP7.8-billion change in scope of the New Bohol Airport Construction and Sustainable Environment Protection project; PhP4.8-billion increase in the budget for the Bicol International Airport's passenger terminal building in Albay; PhP2.4-billion modernization of Eastern Visayas Regional Medical Center in Leyte; P2.2-billion modernization of Gov. Celestino Gallares Memorial Hospital in Bohol.

On November 14, President Duterte approved seven more infrastructure projects amounting to close to P270 billion. These were for the Second Cordillera Highlands Agricultural Resources Management Project; Expansion of the Philippine Rural Development Project; improvement/Widening of General Luis-Kaybiga-Polo-Novaliches Road to Valenzuela City; New Cebu International Port; North-South Railway Project (South Line); Malitubog-Maridagao Irrigation Project, Stage 2; and New Nayong Pilipino at Entertainment City.

The NEDA Board also approved the Investment Coordination Committee (ICC) Guidelines on the processing of China-assisted projects.

Fossil-intensive growth

What will power President Duterte's ambitious growth plan is a big issue. All indications point to a fossil-intensive growth plan. The President's economic planners justify that the plan balances energy security, environmental sustainability and economic competitiveness. Really?

Coal is here to stay, according to Energy Secretary Alfonso Cusi. It is the single-biggest source of electricity for the country today, accounting for 45 percent of the total power source in 2015, compared to only one percent share when it was first introduced in 1981. This share is expected to increase with the approval of new coal-fired power plants by the Aquino administration.

Not long after saying no to nuclear energy, President Duterte changed his mind and gave in to Cusi's press to reactivate the mothballed 40-year old Bataan Nuclear Power Plant (BNPP). Secretary Cusi said the \$2.3 billion BNPP built by Westinghouse in 1976 could be rehabilitated within two to four years at an estimated cost of \$1 billion to generate 621 megawatts of electricity.

But like before, the BNPP is being opposed by scientists, activists and ordinary citizens. World renowned geologists like Dr. Kelvin Rodolfo and Dr. Mahar Lagmay of Project NOAH and the Nuclear-Free Bataan Movement (NBFM) were among the leading oppositionists. Kelvin Rodolfo's study, "Geological Hazards of the BNPP: Propaganda and Scientific Fact," based on data from the USGS National Earthquake Information Center lays the scientific basis for the rejection of the BNPP. The NBFM which opposed the BNPP from day one is once again leading the mass movement against the reopening of the 40-year old nuke plant.

Fossil fuel is a dead-end and it's about time we started breaking free from it. The Philippines need not go the way of the other countries that achieved industrial status at great social and environmental costs and are still paying heavy dues for these.

Renewable energy (RE) is the future. We have the policies and programs to help us pursue clean development even now. The country's vision of an increasing share of RE in the energy mix set in Marcos time is an excellent guide. There are two programs in our long-term Philippine Energy Plan, the New and Renewable Energy Program (NREP) and the Philippine Energy Efficiency Program (PEEP) that need to be implemented toward a sustainable energy goal.

The 2040 Pinoy dream

In October 2016, President Rodrigo Roa Duterte signed Executive Order (EO) No. 5 approving and adopting the 25-year long-term vision for the Philippines or "Ambisyon Natin 2040." Under the EO, the four Philippine Development Plans (PDPs) to be crafted and implemented until 2040 shall be anchored on Ambisyon Natin 2040. It proposes that by 2040, the Philippines shall be a prosperous, predominantly middle-class society

where no one is poor. The peoples are enjoying long and healthy lives, are smart and innovative, and will live in a (short) high-trust society.” This ensures sustainability and consistency of strategies, policies, programs and projects across political administrations.

Ambisyon Natin 2040 is the vision that will guide the crafting not only of the Philippine Development Plan for 2016-2022 but also of the Philippine 2030 Agenda for Sustainable Development and beyond. Based on the 2015 survey conducted by NEDA, this vision stipulates that most Filipinos dream of attaining within the next two decades a family-centric life “free from worry and hardship.” This was further defined as having the following comforts: a car, a medium-sized home, the ability to send all their children to college, taking occasional trips around the country and having the time to relax with family and friends. For a family of four, this means a monthly income of PHP 120,000. This is where Malaysia is today.

Not an impossible dream. But it may be a high-carbon one.

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

THE PEOPLE'S HEALTH AGENDA: Bringing Health Back in the Hands of the People

Alternative Budget Proposal for Health

For the health sector, 2016 is a year of transitions: President Rodrigo Duterte took office bringing about the change in the health sector leadership and the Duterte Health Agenda (later named as the Philippine Health Agenda). Following on from the Millennium Development Goals (MDGs), the Philippines embarked on a fifteen-year timeframe for the new development agenda that is the Sustainable Development Goals (SDGs).

The National Budget for Fiscal year 2017, described as a “budget for real change,” is the first of the Duterte Administration. In terms of priority allocation among agencies, education, Public Works and Highways, Interior and Local Government, Health, National Defense, Social Welfare and Development, Transportation, Agriculture, Environment and Natural Resources, and Finance comprise the departments with top ten highest allocations.

The Department of Health budget also celebrates its firsts in the 2017 national budget: landing on third highest among all line agencies and having the highest allocation it has ever received, with key increases in the PhilHealth budget, assistance to indigent patients, and expanded program on immunization relative to previous years' budget. What is striking is the steep increase in the allocation for Non-communicable Disease Prevention and Control with 469% increase from FY 2016 budget, and the Operation of Dangerous Drug Abuse Treatment and Rehabilitation Centers, with a 1000% increase from PhP 267 million in 2016 to PhP 3.08 billion in 2017. The latter is one of the most obvious reflection of the health sector response to Duterte administration's priority campaign against drugs.

The Philippine Health Agenda

The new government's health agenda framework claims to focus on these strategic thrusts: all life stages and triple burden of disease; service delivery networks; and universal health insurance. According to the Department of Health (2016), the focus on “all life stages and triple burden of diseases,” perhaps a new language in the health sector agenda, is composed of the following: a Filipino is entitled to a comprehensive range of services that protect everyone at all ages and all stages—from womb to tomb, and from the different stages of the continuum of care: promotion, prevention, treatment, rehabilitation, and palliation. Entitlements include services to address (1) communicable diseases (i.e. neglected tropical diseases), (2) Non-communicable diseases (i.e. hypertension, diabetes, cancer), and (3) diseases of globalization (i.e. pandemics, injuries, substance abuse, and the health effects of climate change/disaster).

Infant and under-5 mortality rate has not significantly changed since 2011. Despite the decrease of maternal deaths from 129/100,000 live births in 2010 to 114/100,000 in

2010, the figure is still way below the MDG target. According to the DOH, the entitlements for the resolution of the unfinished agenda in nutrition and maternal and child health is also said to be specified in the set of DOH commitments/strategic thrusts above. (Department of Health, 2016) In terms of achieving the Philippine Development Plan (PDP) targets of the previous administration that capped-off in 2016, the same picture persists: level of maternal mortality is twice as much as the target, infant mortality is four percent short and the prevalent of underweight children under five years of age in 7.8 percent short of the target (Department of Budget and Management, 2016).

Table 33. Health Indicators versus Philippine Development Plan (PDP) Targets

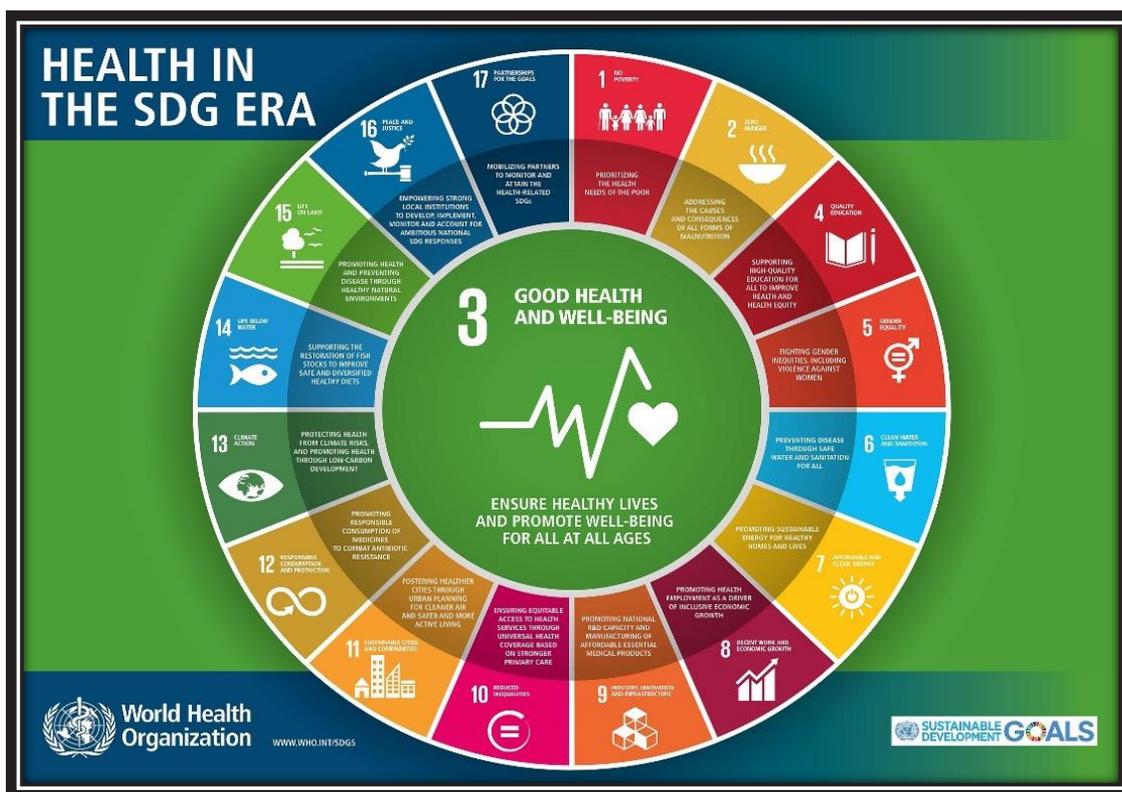
Particulars	2015 Actual	2016 Target	Probability of Attaining 2016 Target
Maternal Mortality Ratio (per 100,000 live births)	114	50	Low
Infant Mortality Rate in % (per 1,000 live births)	21	17	High
Prevalence of underweight children under 5 years of age	21.5	12.7	Medium

Source: DBM Technical Notes of the 2017 Proposed National Budget citing the Department of Health

Health in the Sustainable Development Goals

The SDG 3 on health states, “Ensure healthy lives and promoting well-being for all at all ages reflect an expanded understanding of health across the lifespan.” The health MDGs include Reduce Child Mortality, Improve Maternal Health, and Combat HIV/AIDS, Malaria and other Diseases. These now fall under the 13 targets of SDG 3, which include sexual and reproductive health, maternal, newborn and children under-five deaths, pollution, road safety, tobacco and alcohol control, non-communicable diseases, access to services and commodities, human resource, and universal health coverage.

A multisectoral, whole-of-government, yet non-programmatic approach is effective in addressing the SDGs. Health in All Policies (HiAP), as stated in the Pan-American Health Organization (PAHO) Strategic Plan 2014-2019, 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. It involves synergy between health promotion, social determinants of health, and human rights. This approach can link the goals, means and priorities associated with health in the SDGs. Achieving progress in SDG 3 necessitates coordination with the targets in other goals by which HiAP can be one of the means. However, its effectiveness at the national level is said to also depend on local government policies (Fonseca, 2016).



Inequities persist

The diseases the country faced decades ago hardly changed. Infectious diseases, such as tuberculosis and pneumonia, cause most deaths. Non-communicable diseases (NCDs), such as stroke, heart attack and cancer brought about by modernization and deteriorating lifestyles continue to rise, leading to 300,000 deaths a year. This double burden has strained the healthcare delivery system to its limits, exacerbating inequities in health care access and health outcomes from womb to tomb.

Citing a 2013 *Acta Medica Philippina* journal article, a Primary Care roadmap drafted by the Coalition for Primary Care and Universal Healthcare (2015) noted that only 33 percent of the poor are able to utilize their PhilHealth benefits, compared to 88 percent among the rich. This is despite claims of 100 percent health insurance coverage. Even more disturbing, as shown in the roadmap, is that almost six of 10 deaths among Filipinos are unattended by any healthcare provider.

DOH reports that despite efforts in the previous administration's health strategy, "Kalusugang Pangkalahatan," there are still gaps that the new administration aims to resolve, such as the unattained MDGs, inequities in health outcomes across population groups, out-of-pocket as a predominant means of financing healthcare, poor utilizing PhilHealth less than other members and balance-billing still persistent; health facilities remain underfunded, understaff, and overcrowded, and continued shift in disease profile due to industrialization and urbanization (Department of Health, 2016).

Table 34. Top 10 Causes of Mortality, Philippines
Number and rate/100,000 population Three-period trend: 1993, 2003, and 2013

1993			2003			2013		
Causes	Number	Rate	Causes	Number	Rate	Causes	Number	Rate
Diseases of the heart	48,582	72.5	Diseases of the heart	67,696	83.5	Diseases of the Heart	118,740	121.1
Diseases of the vascular system	37,358	55.8	Diseases of the vascular system	51,868	64.0	Diseases of the vascular system	68,325	69.7
Pneumonia	35,582	53.1	Malignant neoplasms	39,295	48.5	Malignant neoplasms	53,601	54.7
Malignant neoplasms	25,399	37.9	Accidents	33,966	41.9	Pneumonia	53,101	54.2
Tuberculosis (all forms)	24,580	36.7	Pneumonia	32,055	39.5	Accidents	40,071	40.9
Accidents	13,477	20.1	Tuberculosis, all forms	26,771	33.0	Diabetes mellitus	27,064	27.6
Chronic obstructive pulmonary disease and allied conditions	11,154	16.7	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	21,363	26.3	Chronic lower respiratory diseases	23,867	24.4
Other diseases of the respiratory system	6,955	10.4	Chronic lower respiratory diseases	18,905	23.3	Tuberculosis, all forms	23,216	23.7
Diarrheal diseases	5,759	8.6	Diabetes mellitus	14,196	17.5	Nephritis, nephrotic syndrome and nephrosis	14,954	15.3
Nephritis, nephroic syndrome and nephrosis	5,510	8.2	Certain conditions originating in the perinatal period	14,122	17.417	Certain conditions originating in the perinatal period	10,436	10.6

Source: Department of Health,

<http://www.doh.gov.ph/sites/default/files/publications/2013%20Philippine%20Health%20Statistics.pdf>

Table from WomanHealth Philippines, 2016

Most of the perennial causes of mortality and morbidity (see Table 2) may only be completely addressed by involving other agencies and employing a whole-of-government approach. However, it is still imperative that the DOH leads and shepherds 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 (DoTr), 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, other 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,*” (Lizada, 2015).

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%. (Paterno & Herrera, 2010) It is imperative that the analysis and understanding of the health situation include not only diseases but the social determinants of health¹, 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 considered the responsibility of the whole government, national and local, across agencies and institution. In this way, government resources will be used a most effective and efficient way.

In 2015, ABI Health Cluster began pushing for a whole-of-government approach to health and Health in All Policies – “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,” (World Health Organization, 2014). It is true that the new health framework of the DOH takes this into account in its goals, guarantees, and strategies, and recognizes the gaps that the health sector aims to move forward from. However, the continuing government-people partnership towards an improved health system is a critical ingredient in achieving equity, efficiency, quality, transparency, the very values that the Philippine Health Agenda Framework claims to work around.

¹ Social determinants of health are the conditions in which people are born, grow, live, {learn}, work, {worship} and age. These circumstances are shaped by the distribution of money, power and resources at global, national and local levels which are themselves influenced by policy choices. Accessed from the World Health Organization Website: http://www.who.int/hrh/resources/Ebook1st_meeting_report2015.pdf?ua=1 on 26 August 2015.

The People's Health Agenda

The People's Health Agenda (PHA)^{2,3}, crafted through consultation and discussion among ABI Health Cluster members in 2016, follows the guiding principles of primary health care as a strategy to achieve the proposed goal: (1) the Q4A of health services, the core contents of the right to health: quality, accessibility, availability, affordability, acceptability; (2) partnership between the people/ communities and health agencies in the provision of quality, basic and essential health services; (3) community participation; (4) self-reliance; (5) recognition of interrelation between health and development; (6) social mobilization, and (7) decentralization (Galvez-Tan, 1996).

The PHA is guided by the following Vision, Mission, Goals, framework, and principles:

Vision: Equitable health for, from and by the people in an ecologically-sustainable world. With emphasis on "equity" and "ecologically-sustainable," making big difference in the context today from the Health for All by 2000 of the Alma Ata Declaration.

Mission: Build a strong/formidable integrative health care system that can: (1) provide quality health care services, reaching even the remotest of areas; (2) address the relevant political and economic changes, and (3) respond to the new health challenges affecting the health care of all Filipinos in the global community.

Objectives:

1. Redefine the Philippine health care system to achieve a happy, healthy and dignified life for all.
2. Strengthen the front-liners toward building an integrated health system.
3. Address the social determinants of health.
4. Protect the environment.
5. Ensure the sustainable allocation of public funds for health, and its efficient use to reduce inequity.

Framework: Building an integrated health system to support an integrative health care delivery system

Strategy: Primary Health Care (PHC)

Human rights-based approach to health using the Q4A indicators and that health is a responsibility of all while an obligation of the state

Key Principles

1. Health remains to be a common/social good and not a commodity
2. Self-reliance, community participation and partnerships – People are not mere beneficiaries but actors/partners of the system. However, they need support to be self-reliant, especially the marginalized communities.
3. Use of biomedical, local and indigenous resources (traditional medicine) and complementary and alternative medicine for health problems (whichever is needed depending on the context)

² Not to be confused with the Philippine Health Agenda (PHA) of the Philippine Government
³ Consolidated draft by Steering Committee Member, Maria Fatima Villena

4. Health and health care service delivery are needs-driven
5. Solidarity beyond personal health

Focus (initial): Primary Care/Strengthening the Frontliners

Other issues to address: Health Inequity, Health System Fragmentation, Health Governance/Leadership, and Social Determinants of Health

Time Frame: 2016-2030 (14 years)

Table 35. Proposals for key determinants of health

Key Determinant of Health	ABI Proposal	Rationale
Water, sanitation, hygiene	<p><i>Access to clean water</i></p> <p>“Lack of financing in the Philippine water sector remains one of the biggest constraints to achieving total service coverage in the country.” The World Bank estimates that PhP 93 billion is needed until 2025 for Filipinos to have access to clean water, i.e., to put up new Level III (household connection to water supply) facilities and upgrade Level II (communal water system) into Level III household connections from 2013-2025.</p> <p>The PhP 93 billion⁴ requirement is feasible considering that it accounts for only 10% of the entire budget of the Department of Public Works and Highways (DPWH). (Rappler, 2015 and Manila Times, 2014, citing a 2013 World Bank estimate)</p> <p><i>Sanitation</i></p> <p>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</p>	<p><i>“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.</i></p> <p>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 supply⁵ and the remaining 14.5% of families use unsafe source of water.⁶ <i>Nonetheless</i>, 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 %). (Philippine Statistics Authority, 2015)</p> <p>The National Household Targeting System (NHTS) reports that 455 municipalities remain waterless.⁷ The main sources of domestic water requirements of</p>

⁴ Costing estimates may change as the period gets adjusted

⁵ Water coming from community water system piped into dwelling, yard or plot, public tap, and protected well.

⁶ Unprotected well, spring, river, pond, lake, rainwater, and tanker truck or peddler

⁷ The National Anti-poverty Commission defines “waterless areas” as municipalities outside Metro Manila or Barangays inside Metro Manila wherein less than 50% of the total household population are connected to any water supply system.

	<p>began in 2013, with a total budget of PhP5.6B 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 allocation of PhP300 million have not been downloaded to the local government units.</p>	<p>households in those municipalities are shallow wells, deep wells, open dug wells, springs and rivers.</p> <p>Government data show that more than 90% of the country's sewage is not collected or treated properly. (United Nations Development Programme (UNDP), 2006) 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. (United Nations Development Programme (UNDP), 2006)</p> <p>The reality is that many Filipinos who have toilets do not have septic tanks. 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.</p> <p>Access to at least 20 liters of clean water each day is the minimum requirement of having 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. (United Nations Development Programme (UNDP), 2006)</p> <p>Investing in water, sanitation, and hygiene is investing in health. Unclean water and poor sanitation have claimed more lives over the past century than any other cause. 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. (United Nations Development Programme (UNDP), 2006)</p> <p>Improved water supply, sanitation, water resource management address a number of health problems, including fatal diseases such as diarrhea, malaria, schistosomiasis, trachoma, intestinal helminths (Ascariasis, Trichuriasis, Hookworm disease), Japanese encephalitis, Hepatitis A, Arsenic, and Fluorosis.</p>
Health and nutrition	In order to keep pace with the growing population, the country	Assessing adequate and nutritious food continues to be a challenge in most parts

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 fisherfolks and coconut farmers who are most vulnerable.

The following are recommendations from the CSO draft report during the visit of Ms Hilal Elver, UN Special Rapporteur on the Right to Food (Focus on the Global South, et.al, 2015)

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 self-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

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

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 from 6% in 2003 to 7.3% in 2011. It is estimated that 7.36 million children in the country are malnourished. (Food and Nutrition Research Institute, 2015) Some 4 million children in the country suffer from stunted growth, the Philippines ranking 9th in the world in this regard. (United Nations Children's Fund (UNICEF), 2013) The Autonomous Region of Muslim Mindanao (ARMM) has the highest prevalence of underweight children. 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 hamper 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 to 2013, making the Philippines the second biggest malnourished population in Southeast Asia, next to Indonesia. 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. Pregnant women with children less than 5 years old are also vulnerable, particularly to malnutrition, with close to 12% of lactating mothers underweight. (Food and Nutrition Research Institute, 2015) 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

	<p>and nutrition problems and developed the framework.</p> <p>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. <i>“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”</i> – Committee on World Food Security (CFS).</p> <p>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.</p>	<p>adults and diminishes their intellectual performance throughout their entire lifetime. It is the cause of the early onset of chronic degenerative diseases in adulthood.</p> <p>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.</p> <p>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.</p> <p>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 the following:</p> <ol style="list-style-type: none"> 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 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 <p>In the review of various materials, the global challenges that will greatly affect local food production and security are the following:</p>
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		<ol style="list-style-type: none"> 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)
<p>Road access and safety</p>	<p>Access to health services is generally better in urban areas where infrastructure is improved.</p> <p>Underinvestment in roads: Only 14% of local roads are paved, compared to 69% of national roads</p> <p>For the FY 2016, the alternative proposal of the ABI Environment/Climate Change Cluster proposed an estimated PhP 140 Billion for the construction of rural roads of 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-km roads have been constructed.</p>	<p><i>World Health Organization Western Pacific Region Road Safety Fact Sheet, September 2015</i></p> <p>Regional fact:</p> <ul style="list-style-type: none"> • About 337,000 people die each year as a result of road traffic crash in the Western Pacific Region. • 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. <p>Philippine facts:</p> <ul style="list-style-type: none"> • 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. • 69% of those dying on the world's roads are vulnerable road users: pedestrians, cyclists and motorcyclists. • According to the DoTr, there are around 7.5 million vehicles registered in the Philippines as of 2012 and it is growing by 4.4% annually. They have also issued around 13 million drivers licenses nationwide as of 2013. (UNESCAP, 2013) • Motorized 2 and 3-wheelers now comprise over 50% of the country's registered vehicles. (World Health Organization, 2013) • Riders of motorcycles experience the highest incidence of road traffic crash and injuries in the country. (World Health Organization, 2013)

	<ul style="list-style-type: none"> • Road traffic crash continues to have a considerable impact on the country's GDP with an estimated 2.6% losses every year. (World Health Organization, 2013) • 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. (Boo, 2013) <p>Public Health and Road Access</p> <p>Some of the biggest roadblocks to health care in remote areas of the Philippines are the roads themselves. 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." (Visconti, 2013, quoting former Undersecretary Teodoro Herbosa)</p> <p>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. (Protecting the Lives of Mothers and Children in the Philippines, n.d.)</p> <p>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. (Philippine Statistics Authority (PSA) [Philippines], and ICF International, 2014)</p>
<p>Across all the proposed key determinants: People's Participation</p>	

Participation as an underlying determinant of health

People's right to participation is considered the "the right of rights," the basic right of people to have a say in how decisions that affect their lives are made (J. Waldron as cited in Halabi 2009). The United Nations Committee on Economic, Social and Cultural Rights (UNCESCR), in its General Comment No. 14: *The Right to the Highest Attainable Standard of Health (Article 12)* adopted in 2000, stipulates that participation in all health-related decision-making at the community, national, and international levels is an important aspect of the right to health. It particularly directs states to use participatory methods to adopt and implement a national public health strategy and implement a plan of action to

achieve it. In addition, Article 4 of the 1978 Declaration of Alma-Ata on Primary Health Care states that, “people have the right and duty to participate individually and collectively in the planning and implementation of their health care,” (Halabi, 2009).

The International Covenant on Economic, Social, and Cultural Rights (ICESCR), one of the binding international human rights covenants that the Philippines is a signatory of, includes participation as an underlying determinant of the human right to health. As stated in the UNCESCR, Article 12 of the General Comment No. 14, “The Committee interprets the right to health, as defined in Article 12.1, as an inclusive right extending not only to timely and appropriate health care but also to the underlying determinants of health, such as access to safe and potable water and adequate sanitation, an adequate supply of safe food, nutrition and housing, healthy occupational and environmental conditions, and access to health-related education and information, including on sexual and reproductive health. A further important aspect is the participation of the population in all health-related decision-making at the community, national and international levels.”

Challenges in the health sector remain

Administrative fragmentation, health policy fragmentation through vertical programming, and workforce shortage are among the main challenges in the health sector. The Coalition for Primary Care and the Universal Health Care Study Group (2015) outlined these problems, causing the inability of the healthcare system to cope with the double burden of disease thus, exacerbating existing inequities in health in the country.

Table 36. Healthcare System Problems (Source: Coalition for Primary Care and Universal Healthcare Study Group (2015). “Evolving Into a Primary Care.”

<i>Chronic Workforce Shortage</i>		
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, 66.3% seek medical care from public facilities. This is especially true among the poorest, whose utilization of public facility is at 89.6%. Unfortunately, of the 66,000 physicians, 500,000 nurses and 74,000 midwives registered with the Professional Regulation Commission (PRC), only 3,000, 5,000 and 17,000, respectively, work in a public facility as of 2013.¹ This means that for every 20,000 population in many areas, only ten healthcare workers – usually one physician, two nurses, and seven midwives are serving them. This number is much less than the 50 per 20,000 threshold set by the WHO, as a target number needed to address the Millennium Development

Goals (MDGs) of just the maternal and child health. This estimate excludes the needed human resource to address chronic, non-communicable diseases and other infectious diseases.

The summary of estimated deficits in the numbers of doctors, nurses and midwives 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. The government had attempts to curb this problem. Between 2010 and 2014 for example, the DOH deployed 324 physicians through the Doctors to The Barrio (DTTB) Program.² However, the impact of these numbers on doctor-to-population ratios is minor.

Despite major limitations in the reliability of data, the emerging data showed 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 the gaps in the supply of doctors and midwives.

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 envisioned a responsive delivery of health care services grounded on the needs and context of the people. Under this law, the DOH is mandated to govern the over-all public health system, and achieve the national health indicators. On the other hand, local government units (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, was disconnected, mainly because local spending for critical health inputs (e.g. human services) has become politicized, haphazard and insufficient. This caused great discrepancies between national programs and local capacity in the delivery of services, especially to underserved areas.

Health Policy Fragmentation

Currently, the DOH has 46 distinct healthcare programs addressing various health problems in different sectors of society. 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:

- 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.
- 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.
- Program fragmentation also contributes to worsening inequities in healthcare. Because some programs favor specific sectors, disadvantaged populations may be left out.
- Lastly, these programs overburden healthcare workers themselves. Each new program represents additional responsibilities for providers who are already underpaid and overworked.

¹Health Human Resource Development Bureau. National Database of Selected Human Resource for Health. Retrieved from <http://www.hhrdb.doh.gov.ph/ndhrhis/RPA0021.php>. Accessed Dec 2013.

² 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.

Resources for health

“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.”

(World Health Organization, 2005)

A comparative analysis of DOH interventions identifying and clustering budget line items as “primary prevention and promotive health care” and “curative health care” will help scrutinize the elements of each. The preventive and promotive healthcare take 50 percent of the proposed budget for 2017 while the curative health care is at 44 percent of the budget (See Table 37).

The Department of Budget and Management’s People’s Proposed Budget for 2017 classified the following under the preventive and promotive health: National Immunization Program; hiring of doctors, nurses, midwives, and dentists; diagnosis of other infectious diseases, including HIV and AIDs, dengue, food and water-borne diseases, Tuberculosis Control Program; and programs to eliminate public health diseases such as malaria and filariasis.

Table 37. Budget by Continuum DOH Proposed Budget FY 2017

Continuum of Care	Amount in Billion PhP	% of Total
Preventive and Promotive Health Care	71	50
Curative Health Care	64	44
Healthcare Governance	9	6
TOTAL	144	100

The DOH performance indicators and targets for the FY 2017 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.

It might be premature to assess the trajectory of the agency in the current (FY 2017) and proposed (FY 2018) budget alone, beyond mortality and morbidity. In its long term plans, the DOH budget should put premium on wellness and well-being, both in its budget and health implications in the use or misuse of public funds by other national agencies.

Health Sector Allocation

**Table 38. HEALTH SECTOR ALLOCATION OF NATIONAL GOVERNMENT
EXPENDITURES (IN BILLION PESOS) FYs 2005-2015**

Particulars	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 Adjusted	2017 Proposed
Department/Agencies	15.09	15.66	22.20	26.35	31.92	44.90	42.11	48.40	66.21	127.02	96.35
Department of Health	13.42	14.55	21.15	25.17	30.62	43.47	40.48	48.40	64.09	124.95	94.05
Other Executive Offices: Dangerous Drugs Board	0.160	0.185	0.139	0.146	0.172	0.171	0.183	0.185	0.200	0.195	0.206
Department of National Defense: AFP Medical Center; Veterans Memorial Medical Center	1.37	0.687	0.747	0.792	0.864	0.837	0.949	1.017	1.12	1.11	1.24
Department of Science and Technology: Food and Nutrition Research Institute; Phil. Council for Health Research and Development	0.134	0.230	0.164	0.240	0.270	0.422	0.492	0.705	0.807	0.761	0.858
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	3.13	2.91	1.19	4.65	8.58	1.29	0.948	36.58	38.74	2.47	51.96
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*	.024	0.076	0.022			4.363	16.96			3.246	3.150

Note:

2007-2012 are actual budgets copied from the Senate LBRMO Budget Facts and Figures "Health Sector: Budget Analysis"

2013 (actual), 2014 (actual), 2015 (actual), 2016 (adjusted), and 2017 (proposed) from the BESF added by authors, rounding off of figures by authors

*Originally reported in the BESF under Priority Social and Economic Projects Fund but was transferred back to the DOH

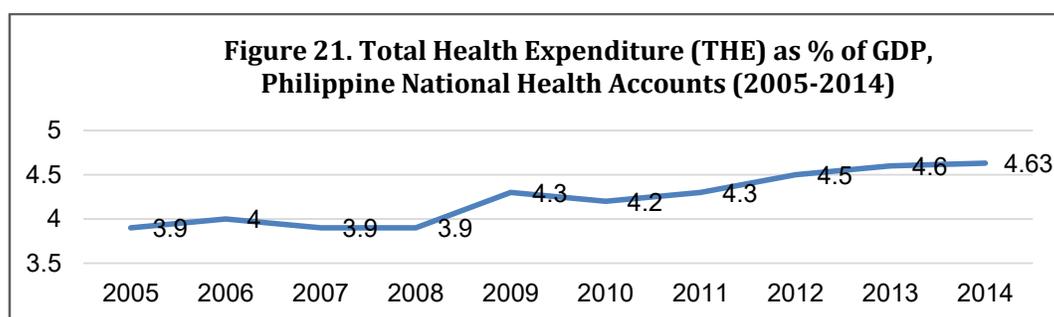
This accounting of health sector initiatives and allocation across governments is guided by the indicators set forth in the Philippine Development Plan.

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 (PGH), while the DBM reports it as part of the State Universities and Colleges allocation.

Total Health Expenditures on Health



Source: Philippine Statistics Authority as of 2017. Data on the 2013 THE has been revised

The percentage to the country's GDP of the Total Health Expenditure (THE) has been increasing from 2010 to 2014. The NSCB reported that the 2014 THE of 4.63 percent is slightly higher than that of the previous year and 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 DOH. However, the Philippines has consistently fallen short of the recommended 5-6% of GDP allocated to health⁸⁹. (World Health Organization, 2005 and Savedoff, 2003).

Other Asian countries such as Indonesia, Malaysia, and Vietnam show a huge share of out-of-pocket health expenditure on health, as in the Philippines. There is high level of out-of-pocket payment from balance billing by members of PhilHealth in the Philippines. The relatively low out-of-pocket expenditure on health in Thailand may be attributed to its comprehensive benefit package that resulted in high level of financial risk protection, and

⁸http://www.jointlearningnetwork.org/uploads/files/resources/WHO_Exploring_the_thresholds_of_health_expenditure_Background_paper.pdf on October 8, 2015. The data presented here suggests that 15-20% of OOP as a share of total health expenditure and 5-6% of government expenditure on health as a share of GDP could considerably reduce the incidence financial catastrophe in a country. However, as we find in this study, the reality is almost all countries that have reached these levels are high and upper-middle income countries.

⁹ WHO "recommendation" that countries should spend 5 percent of GDP on health, a recommendation which was never formally approved

low incidence of catastrophic health spending and impoverished households (Tangcharoensathien, et al., 2014).

Table 39. National Health Accounts, Selected Asian Countries (2010-2014)

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	2014	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014
Indonesia	2.7	2.7	2.9	2.9	2.8	37.7	37.9	39.6	39.4	37.8	75.8	76.3	75.1	75.3	75.3
Malaysia*	4.0	3.9	4.0	4.0	4.2	57.3	54.9	55.2	54.8	55.2	76.8	77.8	78.0	79.9	78.8
Philippines (World Bank Open Data)*	4.4	4.3	4.5	4.6	4.7	36.0	30.5	31.1	31.8	34.3	84.5	83.0	83.0	82.6	81.7
Philippines (PNHA)*	4.2	4.3	4.5	4.6	4.63	37.2	30.4	31.1	30.9	31.5	62.8	57.7	57.2	55.9	55.8
Thailand*	5.4	5.9	6.2	6.2	6.5	82.11	84.5	85.0	85.3	86.0	55.9	55.8	56.9	56.7	56.7
Vietnam	6.4	6.2	7.0	7.2	7.1	46.5	45.2	53.5	53.0	54.1	83.9	83.2	79.0	77.6	80.0

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://psa.gov.ph/pnha-press-release/data>
*Major revisions done on data based on the World Bank Open Data as of 2017 (observed changes from the 2010-2013 data were incorporated as revisions to the figures in the matrix)
2013 Private Out-of-pocket marked as revised in the 2013-2014 PNHA published by PSA
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

Filipino households still carry the heaviest burden of healthcare costs, with each Filipino spending PhP5,360 for health per year. The Private Out-of-Pocket accounted for 56.3% of the total health expenditure in 2013, equivalent to an estimated share of PhP 296.5 billion. Even though this presents an improvement compared to the figure in 2012 (57.2%), this is still relatively high compared with the 45% Health Care Financing Strategy target of DOH (Perez, 2015).

Table 40. Distribution of health expenditure by source of funds, 2013-2014

SOURCE OF FUNDS	PERCENT SHARE	
	2013 ^{1/}	2014
GOVERNMENT	19.5	17.3
National Government	12.6	10.6
Local Government	6.9	6.7
SOCIAL INSURANCE	11.4	14.2
National Health Insurance Program	11.4	14.2
Employees' Compensation^{2/}	0.0	0.0
PRIVATE SOURCES	67.7	67.5
Private Out-of-Pocket	55.9	55.8
Private Insurance	1.7	1.7
Health Maintenance Organizations	6.9	6.9
Private Establishments	2.2	2.2
Private Schools	0.9	0.9
REST OF THE WORLD	1.4	0.9
Grants	1.4	0.9
ALL SOURCES	100.0	100.0

Table 41. Health care financing indicators: target versus actual levels, 2014

Indicator	Target ^{1/}	2014	2014 Actual vs. Target
Total health expenditure as percentage of GDP	4.5	4.6	
Government spending on health as percentage of total government spending	6.0	5.0	
Out-of-pocket health spending as percentage of total health expenditure	45.0	55.8	
Local government spending as percentage of the total health expenditure	11.0	6.7	
Local government spending for public health (in billion pesos)	29.0	17.7	
National government spending as percentage of the total health expenditure	10.0	10.6	
National government spending for public health (in billion pesos)	10.0	21.6	
PhilHealth spending as percentage of the total health expenditure	19.0	14.2	

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

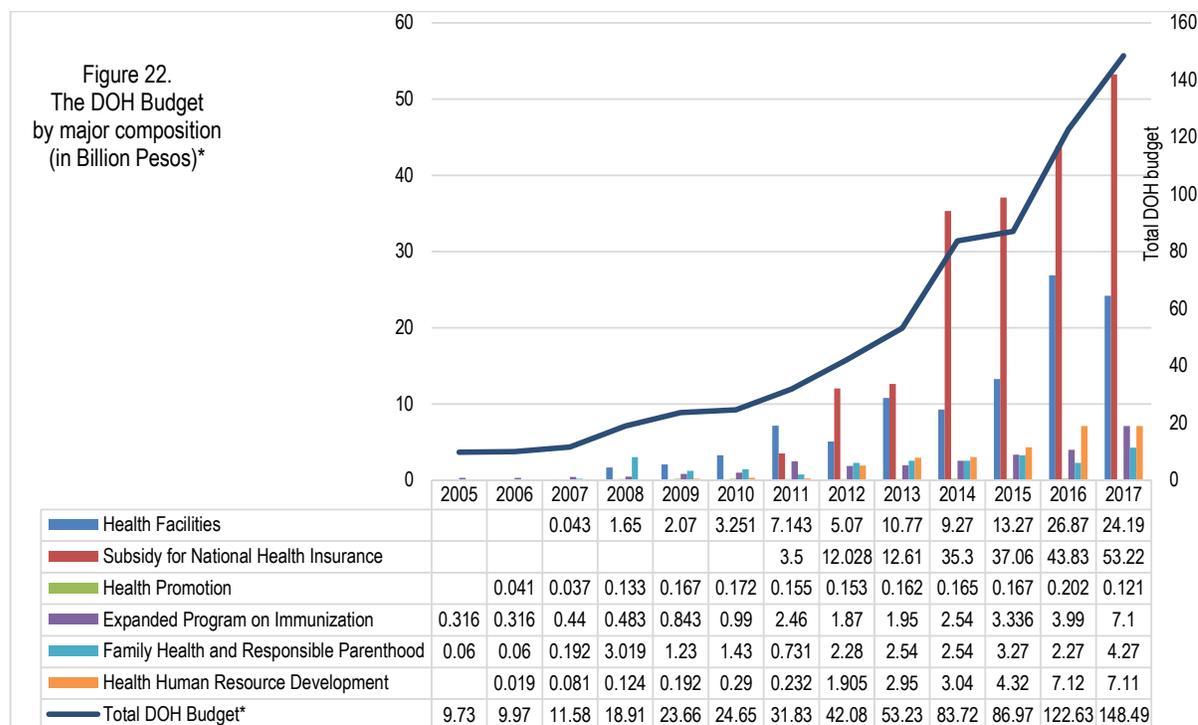
Source: Philippine Statistics Authority

DOH budget in more than one decade

With more money comes greater responsibility. Between two administrations alone, the allocation for the DOH increased by more than 10-fold -- from PhP9.97 billion pesos in 2006 to PhP122 billion pesos in 2016. It grew by an average of PhP3 to PhP4 billion pesos 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.

For the FY 2017, the resources for health continue to rise, with a 14-percent increase from the previous year's level. The Subsidy for Health Insurance of Indigent Patients gets a PhP 10 billion pesos increase, from PhP 43.83 billion pesos in 2016 to PhP53.22 billion pesos in 2017.

Indeed, the Philippines has been successful, so far in securing resources for health, yet what remains to be the more difficult task is ensuring that resources actually translate to health outcomes. Perhaps, in recent years, 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 the 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 were able to deal with the prevention of these conditions (Diosana & Fabros, 2015).



*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. For purposes of comparison, the FY 2017 DOH budget includes the PHIC budget of 53.221 Billion, under the Budgetary Support for Government Corporations

Source: General Appropriations Act 2005-2017

Priorities

Looking at the top 10 items that have the highest budgets in 2017 (see Table 42), 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. However, remarkable upsurge in these two budget items, relative to previous years' allocation, reflect the new administration's pronounced priorities: the non-communicable disease prevention and control (from PhP 39.03 million in 2016 to PhP 2.22 billion in the 2017 budget i.e., a 469% increase) and operation of dangerous drug abuse treatment and rehabilitation centers (from PhP 267 million in 2016 to PhP 3.08 billion in 2017, a 1000% increase). The latter, pertinent to the health sector's response to Duterte administration's campaign on drug abuse, markedly lands on the top 10 line items with highest allocation.

Table 42. Top 10 DOH line items with highest allocations

	FY 2017 GAA Allocation	% share of the Proposed DOH Budget*
1. Philippine Health Insurance Corporation	50,221,221,000	33.18%
2. Health Facilities Enhancement Program	24,193,996,000	15.99%
3. Operation of regional medical centers, sanitararia and other hospitals	15,712,554,000	10.38%
4. Implementation of the Doctors to the Barrios and Rural Health Practice Program	7,817,323,000	5.16%
5. Expanded program on immunization	7,104,296,000	4.69%
6. Administration of Personnel Benefits	6,893,381,000	4.55%
7. Family Health and Responsible Parenting	4,265,498,000	2.82%
8. Assistance to indigent patients either confined or out-patient in government hospitals/Specialty Hospitals/LGU hospitals/Philippine General Hospital/West Visayas State University Hospital	3,977,225,000	2.63%
9. Local health systems development and assistance	3,299,397,000	2.18%
10. Operation of dangerous drug abuse treatment and rehabilitation centers	3,081,073,000	2.03%
Source: 2017 GAA		
*percent share of line item allocations of the DOH Proper, attached agencies, and budgetary allocation for government owned and controlled corporations amounting to PhP 151,333,069,000		

Alternative Health Budget Proposals¹⁰

Health workforce

The Sustainable Development Goals (SDGs) will not be attained if maldistribution and insufficiency of health service providers across the country continue. The Health Human Resource (HHR) is primarily responsible to give 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 national health system.

Alternative Proposals

1. Budget allocation amounting to PhP 26,138,024,498.24 for salary and statutory benefits under the Magna Carta for Public Health Workers:

	Per Year	ABI Proposal	
		No.	Amount
Health Human Resource			
Doctors	Cost	3,375	
Salary SG 24	879,588.00		2,968,609,500.00

¹⁰ ABI Health Cluster is composed of ten (10) subclusters on Health Human Resource, Health Promotion and Integrative Health, Children and Youth, Persons with Disabilities, Older Persons, Indigenous People (newly-formed), Access to Medicines, PhilHealth, Reproductive Health, and HIV and AIDS. The following proposals are outputs of collective drafting process.

PERA	24,000.00		81,000,000.00
GSIS (12% Salary +100)	106,750.56		360,283,140.00
PHIC	5,250.00		17,718,750.00
HDMF /PAG IBIG (2% Mo Salary)	17,591.76		59,372,190.00
13th Month Pay	73,299.00		247,384,125.00
Cash Gift	5,000.00		16,875,000.00
Clothing Allowance	5,000.00		16,875,000.00
MAGNA CARTA Benefits	523,573.40		1,767,060,225.00
			5,535,177,930.00
Nurses		22,261	
Salary SG 17	417,372.00		9,291,118,092.00
PERA	24,000.00		534,264,000.00
GSIS (12% Salary +100)	51,284.64		1,141,647,371.04
PHIC	3,900.00		86,817,900.00
HDMF /PAG IBIG (2% Mo Salary)	8,347.44		185,822,361.84
13th Month Pay	34,781.00		774,259,841.00
Cash Gift	5,000.00		111,305,000.00
Clothing Allowance	5,000.00		111,305,000.00
MAGNA CARTA Benefits	352,829.00		7,854,326,369.00
			20,090,865,934.88
Midwives		21,262	
Salary SG 11	242,148.00		5,148,550,776.00
PERA	24,000.00		510,288,000.00
GSIS (12% Salary +100)	30,257.76		643,340,493.12
PHIC	2,100.00		44,650,200.00
HDMF /PAG IBIG (2% Mo Salary)	4,842.96		102,971,015.52
13th Month Pay	20,179.00		429,045,898.00
Cash Gift	5,000.00		106,310,000.00
Clothing Allowance	5,000.00		106,310,000.00
MAGNA CARTA Benefits	221,411.00		4,707,640,682.00
			11,799,107,064.64
Dentists		324	
Salary SG 17	417,372.00		135,228,528.00
PERA	24,000.00		7,776,000.00
GSIS (12% Salary +100)	51,284.64		16,616,223.36
PHIC	4,350.00		1,409,400.00
HDMF /PAG IBIG (2% Mo Salary)	8,347.44		2,704,570.56
13th Month Pay	34,781.00		11,269,044.00
Cash Gift	5,000.00		1,620,000.00
Clothing Allowance	5,000.00		1,620,000.00
MAGNA CARTA Benefits	352,829.00		114,316,596.00
			292,560,361.92
Dentists		243	
Salary SG 17	417,372.00		101,421,396.00
PERA	24,000.00		5,832,000.00
GSIS (12% Salary +100)	51,284.64		12,462,167.52
PHIC	4,350.00		1,057,050.00
HDMF /PAG IBIG (2% Mo Salary)	8,347.44		2,028,427.92
13th Month Pay	34,781.00		8,451,783.00
Cash Gift	5,000.00		1,215,000.00
Clothing Allowance	5,000.00		1,215,000.00
MAGNA CARTA Benefits	352,829.00		85,737,447.00
			219,420,271.44
Grand total			26,138,024,498.24

The Magna Carta of Public Health Workers (Republic Act or RA 7305) was enacted to ensure that health workers are properly compensated that 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 service delivery. (Lavado, 2011)

Barangay health workers who selflessly serve with very indecent honorarium are the frontline in the delivery of health care. It is only right 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, and with high morale public servants.

3. Providing recognition, capacity and incentives to the following, as part of the Community Health Team (CHT):

- Integrative healthcare specialists – traditional community healers
- Senior citizens – Harnessing and mobilizing senior citizens as part of CHTs can help augment inadequate primary care providers. The older persons in the communities can be trained in Primary Health Care, integrating traditional and alternative health care so 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. They can serve as role models for change. (UNICEF, 2012)

4. Rationalizing the duties and responsibilities of the health human resource.

Due to lack of human resource, health workers are overburdened and performing multiple tasks. For example, doctors have to carry out clinical, administrative, and public health duties, all at the same time.

At the program management level, the number of personnel is not commensurate to the increase in population and implemented programs due to the rise in budget from Sin Tax incremental revenue and other funding. The staffing at the Central and Regional levels and in hospitals is simplified at the expense of competencies and heavy burden of work on the personnel.

5. Security at work and social protection comprise 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 are 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 that translate to quality healthcare delivery system.

Proposed Sources of Funding

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

1. FY 2013 – FY2016 savings from unfilled human resource permanent positions.
2. Another source of funding is the Special Purpose Funds (SPFs), particularly the Miscellaneous Personnel Benefits Fund (MPBF). SPFs are *budgetary allocations in the General Appropriations Act (GAA) for specific purpose. These are lump sums in nature and the recipient departments or agencies and/or the specific programs and projects are not yet identified during budget preparation and legislation.* (Department of Budget and Management, N.D.) MPBF is a special purpose fund for *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)* (Department of Budget and Management, N.D.). In FY 2015, the DOH has PhP9.1B funding allocation from MPBF. (Department of Health, 2015)

3. Sin Tax incremental revenue

The Sin Tax incremental revenue earmarked for health, can be utilized for health human resource, provided that the functions of the health personnel include health promotion. In the Health Annual Report of the DOH on the Sin Tax law incremental revenue, PhP88.97M was allocated for the deployment of human resource, specifically for the implementation of Doctors to the Barrios for FY 2014.

4. Professional fee reimbursement from PhilHealth

The possible source of the payment for Magna Carta benefits is the professional fee reimbursement from PhilHealth. Currently, these are used by some hospitals to provide honoraria for 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, (Lavado, 2011).

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,” (Bureau of Internal Revenue, N.D.).

Health Promotion: Putting health in the hands of the people

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 in behavior.

Health records show that 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 encourage Filipinos to eat healthy and engage in more physical activities. This includes 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. (Uy, 2016)

The proposed budget of the DOH Health Promotion and Communication Services (formerly the DOH National Center for Health Promotion) for 2016 increased by 100 percent, reaching up to PhP 321.1 million from the previous year's PhP 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 PhP 1 billion pesos.

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

1. nationwide public promotion of healthy lifestyle and well-being (including mental health and oral hygiene) using quad-media;
2. provision of additional incentives to Community Health Teams (CHTs) doing health promotion work;
3. training of health workers and CHTs on rights-based approach to health towards quality and patient-sensitive health care for elderly, persons with disabilities, children and adolescents, women, etc.;
4. accreditation of barangay health workers (BHWs);
5. community-level promotion and awareness of PhilHealth benefits and procedures, particularly in poor areas;
6. creation of inter-sectoral/departmental government-civil society organization partnership mechanism on health promotion; and
7. inclusion of oral and mental health development in health promotion programs.

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

1. Strengthen advocacy on health promotion by providing orientation session for children on proper hygiene, accessing DOH services and right to health;
2. Develop and distribute child-friendly information materials on said health concerns;
3. Distribute hygiene kits to children, providing for their specific needs, according to sex and age group; and
4. 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.

Achieving the target health outcomes

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

Table 43. DOH Health and Promotion and Communication Services Budget

Budget Item	DOH – Health Promotion and Communication Services
GAA 2017	121,753,000
Proposed Budget 2017 (NEP)	121,753,000
ABI Proposal	1,000,000,000
Variance	878,247,000
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 and the House of Representatives 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 draft matrix of why T&CM is a significant public health resource especially now that new threats from climate change, increasing urbanization, etc. are getting more evident. Today, it is 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 regard that the sub-cluster proposes an additional PhP 15 million allocation to the original budget of the Philippine Institute of Traditional and Alternative Health Care (PITAHC) compared to the original budget of PhP 71 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 are directed towards 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.

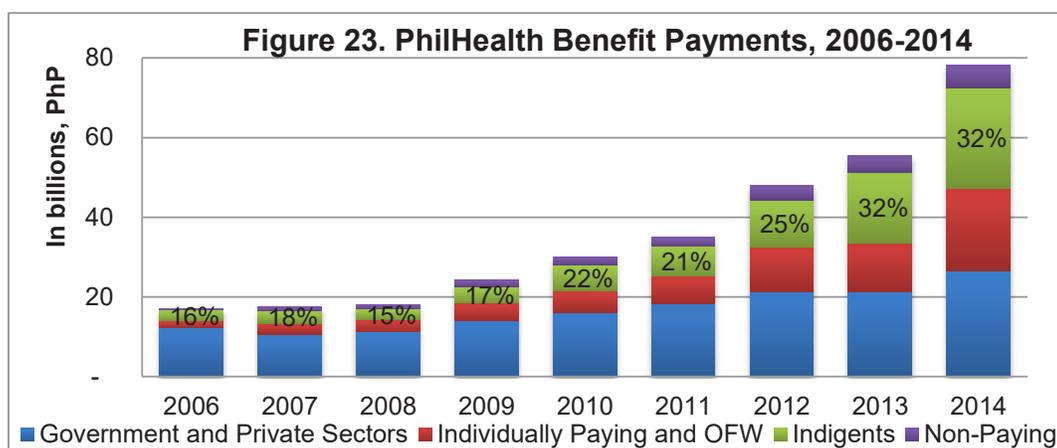
Table 44. Specific proposals for PITAHC's additional budget particularly on public education under the Social Advocacy Unit

BUDGET ITEM	PROPOSALS AND AMOUNT
GAA 2017	116,932,000
ABI Proposal	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: PhP15,000,000.00
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 and media plans to be presented by the agency for critiquing and final submission for implementation.

PhilHealth: Key in Ensuring the Health of Filipinos

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



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

However, despite the doubling of PhilHealth benefit payments from 2009 to 2014, 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 14.2% in 2014). Out-of-pocket expense also increased to 56% in 2014, mainly due to the decrease in health spending by local governments.

Majority of 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 translate to improvement in the people's 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 suspicion to the impact of PhilHealth's increasing benefit payments are the recent suspected fraudulent claims of some eye centers amounting to hundreds of millions of pesos. The effect 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. The cataract package is one of the 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, the 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 caused by 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 benefiting 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 promoting good behavior and penalizing bad practices 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. This will then drive down the health care costs.

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 fund¹¹.

Table 45. PhilHealth Members to be covered by TSeKaP

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
Kasambahay, 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)¹². It must also be improved to influence private providers in serving the poor population so that it augments the limited capacity of public

¹¹ The ending balance of the PhilHealth reserve fund was PhP 120 billion in 2014.

¹² 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.

health facilities¹³. The PCB must also be adjusted so that it becomes more responsive to the needs of the people¹⁴.

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)

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 pressure and blood sugar readings and check on vital signs; demonstrate and promote basic health practices; promote traditional health care modalities, fitness and wellness, and assist in other functions as may be required in the Barangay Health Program.

Where there are no existing fitness and wellness programs, they will organize 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 its viability and effectiveness. Continuation and replication will depend on the results of the pilot Program.

¹³ 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.

¹⁴ 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.

Table 46. Budget Proposals for Older Persons

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

Persons with Disabilities

Families with members having psychosocial disability spend significant amount of money for regular consultations just for transportation alone. Lack of regular evaluation and interrupted medication are also among the major factors that hinder the productive capacities of PWDs.

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 DOH shall establish medical rehabilitation centers in government provincial hospitals, and shall include in annual appropriation the necessary funds for the operation of such centers. The DOH shall formulate and implement a program to help marginalized PWDs 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 the National Center for Mental Health. This is not surprising since it is practically the only service provider for such concern. Families of patients with psychosocial disability from far-flung areas in the country spend a lot of money for transportation for regular consultations. Like in the case of PWDs, the patients' lack of regular evaluation and interrupted medication are major hindrances in helping the

affected individuals more productive and humanely treated by others. Thus, addressing these problems will also lessen the financial burden to the family.

Maintenance medicines of children with disabilities – Out-of-pocket spending for the maintenance medicines of children with disabilities (i.e. cerebral palsied, with autism, and others) is among the biggest burden of the patients' parents and families, particularly those from the lower economic class. This takes out a large chunk of expense from the family's income, yet, is always a priority with some members of the family, particularly the parents even missing out on their meals for this. Thus, medical assistance for these patients will lessen the financial burden on their families.

Table 47. Budget Proposals for Persons with Disabilities

Proposals	AMOUNT
Psychiatric medical services in all regional hospitals	PhP 100,000,000.00
Maintenance medicines of Children with Disabilities	PhP 10,000,000.00
provision of these medicines will lessen the financial impact of disability to the family	
TOTAL	PhP 110,000,000.00

The HIV epidemic in the Philippines¹⁵

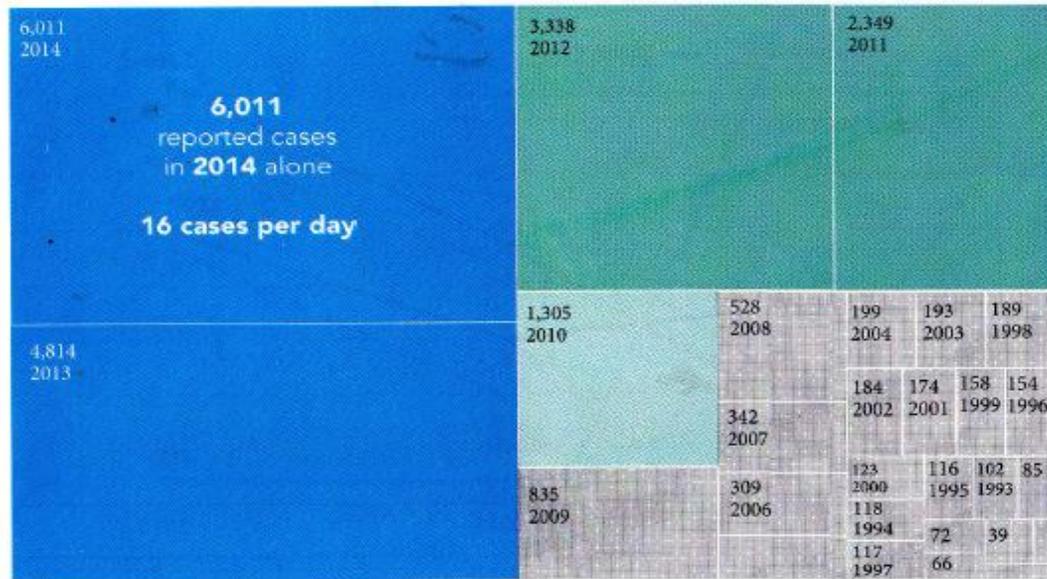
Although HIV prevalence remains low at 0.036% of the general population in 2011,¹⁶ the Philippines is witnessing a rapid acceleration of the epidemic among key affected populations. Between 2011 and 2014 alone, the number of new HIV infections surpassed the number of cases reported in the first 25 years of the HIV epidemic in the Philippines (1984-2010).¹⁷ At the end of 2014, the country had an average of 16 new HIV infections every day, compared to just one infection 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.

¹⁵ Portions fully drawn from 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.

¹⁶ Philippines 2012 Global AIDS Response Progress Report, PNAC

¹⁷ Philippine HIV Situation 2014 Update (presentation), UNAIDS Philippines

Figure 24. Distribution of reported HIV cases by year



The epidemic is concentrated among males having sex with males (MSM). Overall HIV prevalence among MSM was 3.5% in 2013, but it is rising rapidly as shown in Figure 25. This was caused by increasing incidence of MSM having anal sex with almost two-thirds of them not using condoms (Figure 26).¹⁸ Modeling indicates that unprotected male-to-male sex will continue to account for the majority of new infections in the future.

Certain cities, particularly Cebu and neighboring Mandaue, are recording alarming increases in HIV prevalence among men and women who are engaged in substance abuse through injection (Figure 27). This is a result of widespread use of non-sterile injecting equipment.¹⁹

¹⁸ 2005-2013 IHBSS, DOH-NEC

¹⁹ 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.

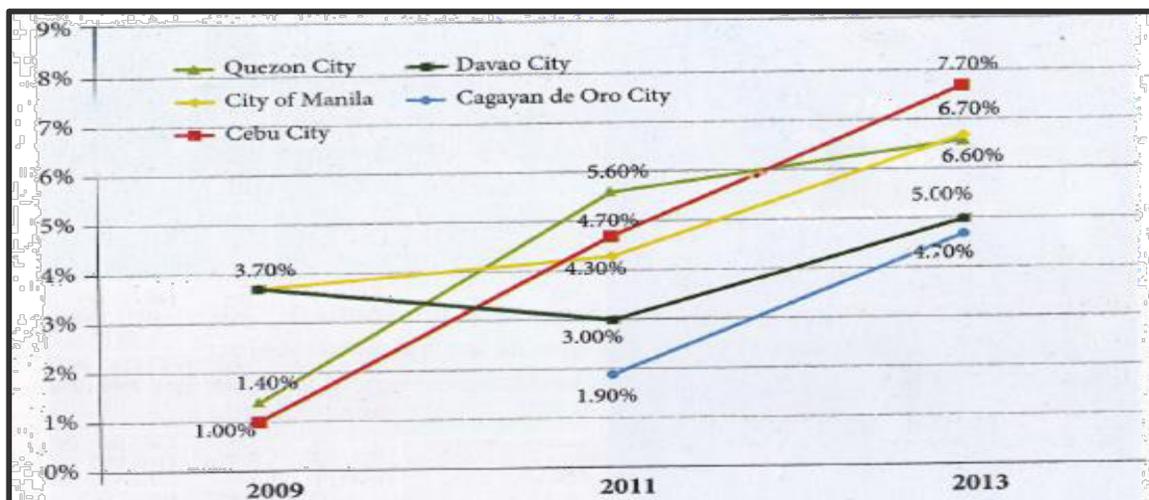


Figure 25. HIV prevalence among MSM in 5 cities

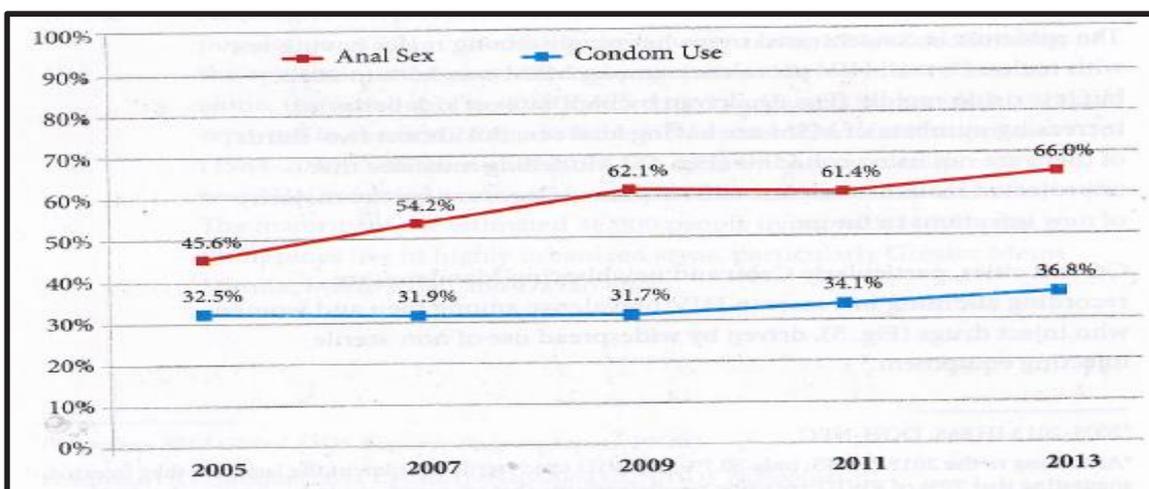


Figure 26. High risk behavior among MSM

HIV transmission is also found among those engaged in MSM who also have sex with their female partners. This has resulted in the increase in number of low-risk females being infected with HIV.

Coverage of HIV prevention programs for key affected populations is still far below than necessary 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 (Figure 28). Less than 10% of MSM—the most affected by the epidemic—are being reached. Some regions are doing better, but still fall short of the targets. Moreover, the interventions seem to have relatively little impact. HIV biological and behavioral surveillance surveys in 2013 showed increasing rates of risk behavior among MSM and PWID (unprotected sex, use of non-sterile injecting equipment), and rising HIV and STI prevalence.

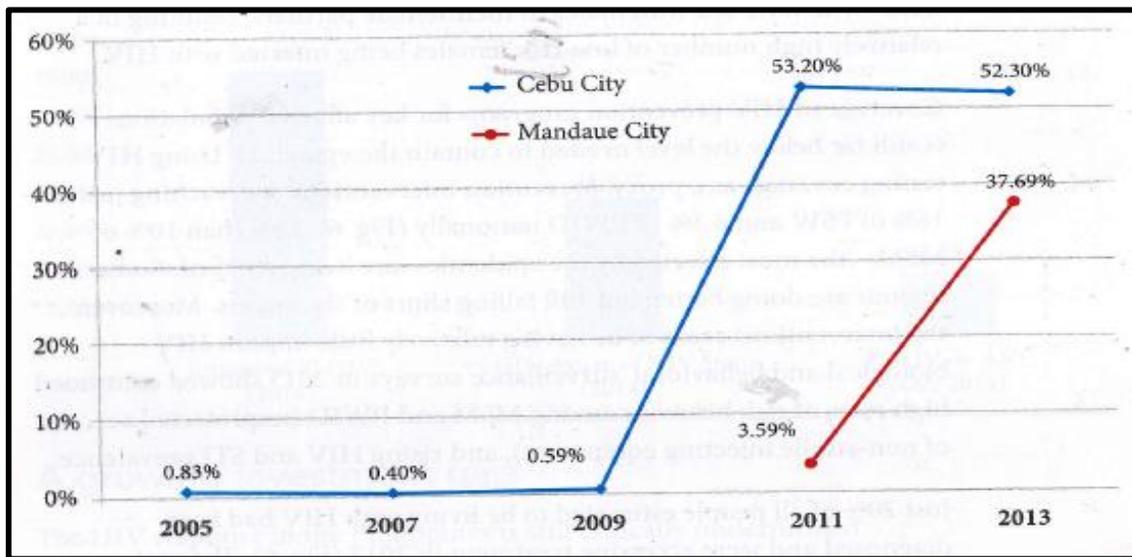


Figure 27. HIV prevalence among PWID in Cebu

Only 20% of people estimated to be living with HIV was diagnosed and had access to treatment in 2013. 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 took the test would often not get their results. Although NGOs can now provide HTC using rapid tests, confirmatory testing is still centralized, and has to wait for several days. In 2013, only 30% of HTC clients in Quezon City returned to the test center to claim their results. The rest is considered 'lost to care'.

The diagram below shows the significant leakages at each stage of the HIV cascade, illustrating the magnitude of the problem in the administration of 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 inadequate financing are obstacles to effective response.

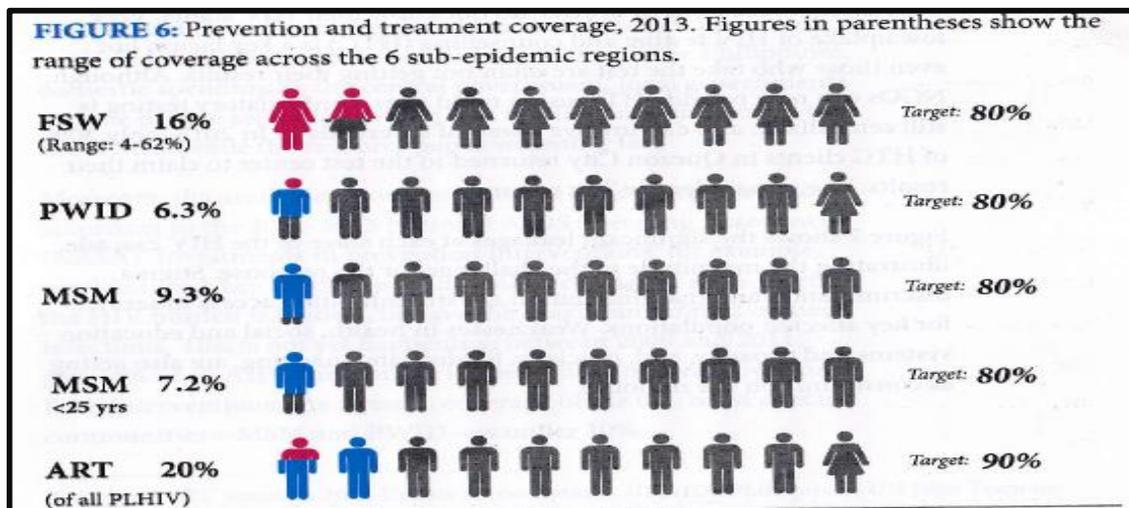


Figure 28. Prevention and treatment coverage, 2013.

Figure in parentheses show the range of coverage across the 6 sub-epidemic regions

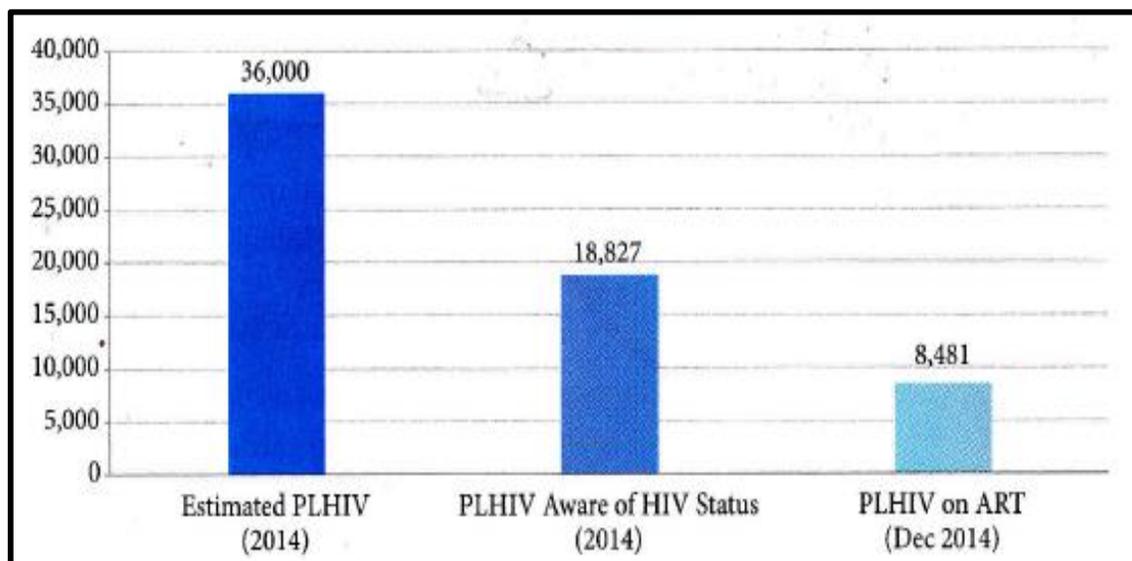


Figure 29. The HIV Care Cascade

A growing investment gap

The HIV response in the Philippines is still critically underfunded (Figure 29). 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 national government, local governments and the private sector is growing but it is still not good enough to meet the needs. Meanwhile, the resource gap is widening fast.

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, the coverage of the two most affected communities—MSM and PWID—is under 10%.

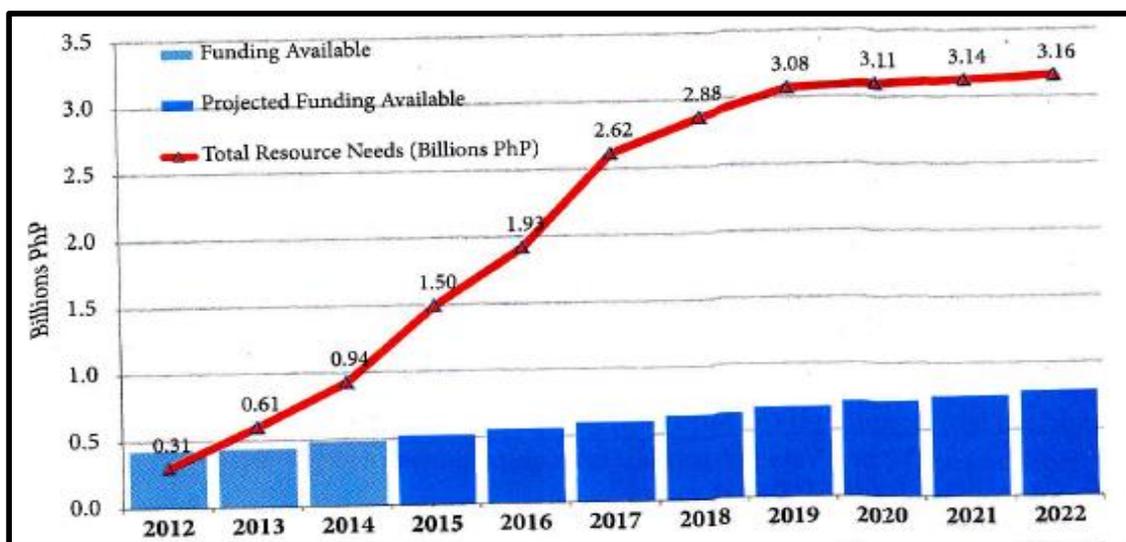


Figure 30. The widening resource gap in the Philippines' AIDS response

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 enhanced 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 has to intensify to cover 90% of MSM and PWID and sustained at present levels for FSW.

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

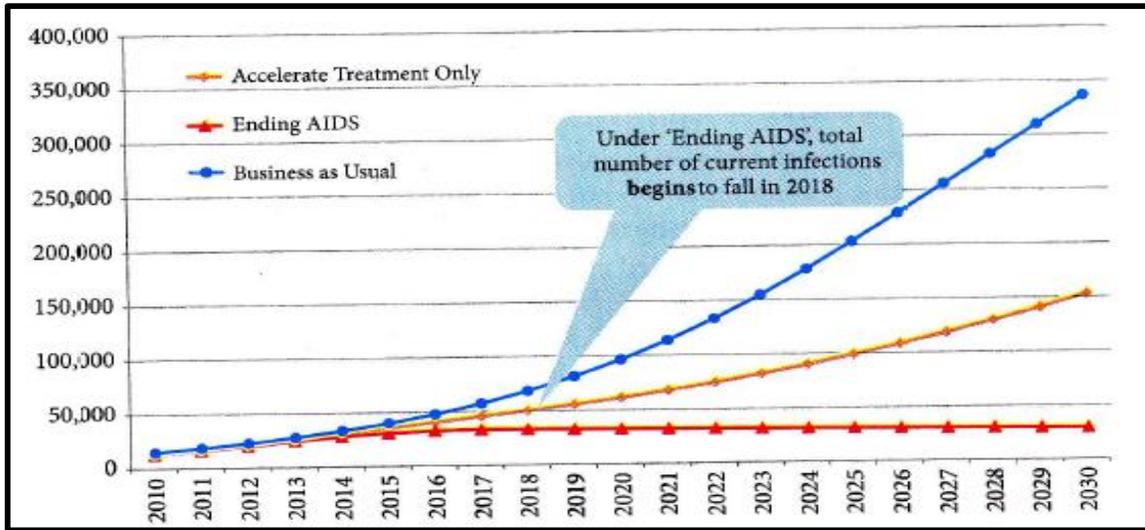


Figure 31. Total number of PLHIV, 2010-2030

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 five-fold 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 abating 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. However, not accompanying it with intensified prevention efforts, the number of people infected will continue every year, and the opportunity to contain the epidemic will be lost.

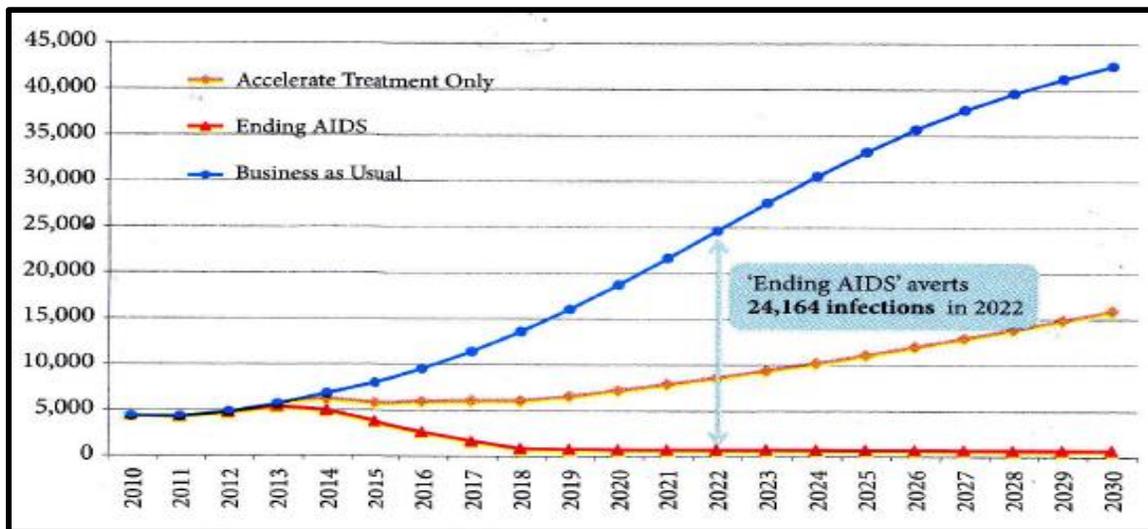


Figure 32. Annual number of new HIV infections 2010-2030

Impact on treatment costs

Although the initial investment is high, the cost benefit of 'Ending AIDS' will be derived from: a few new cases to treat in a period of as short as 10 years (by 2024) and the annual ART cost falls below than that of the other scenarios. Under the other scenarios, the increase in new infections drives the treatment costs incrementally, year by year. Without additional investment in prevention ('Accelerate Treatment Only'), costs will escalate immediately.

The 'Ending AIDS' scenario shows a sudden increase in cost 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.

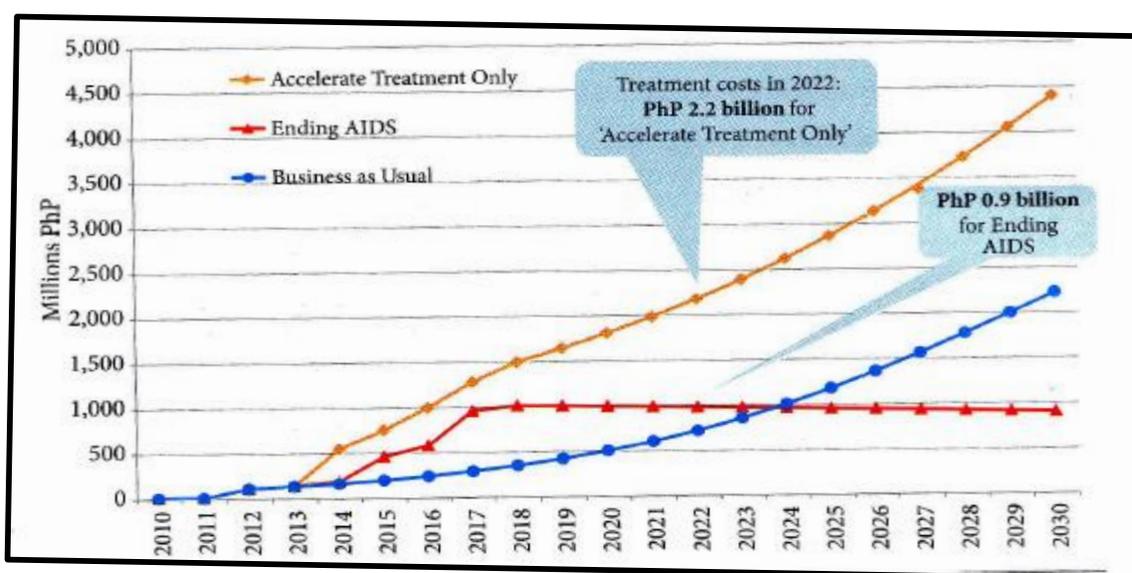


Figure 33. Annual treatment cost, 2010-2030

Clearly, the 'business as usual' or without 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. On the other hand, 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 go upwards, and the program quickly becomes unsustainable.

	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

Figure 34. Snapshot of the impact investment and resource needs for each investment option in 2022

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

Reproductive Health

The full implementation of RA 10354 (Responsible Parenthood and Reproductive Health Care Act of 2012) is being challenged at all levels of governance and across the different branches of government. These challenges include: (1) the Supreme Court's (SC) Temporary Restraining Order (TRO) on public procurement and distribution of Implanon and the impending expiration of the certification of several family planning commodities; (2) gaps in provision of services and supplies caused by lack of coordination between national and local government units in terms of projecting family planning needs of their constituents; (3) regressive legislation at both national and local levels, and (4) constant threats of budget cuts during annual budget legislation. (PLCPD Secretariat, 2016)

The SC order restrained the FDA from granting any and all pending applications for registration and/or recertification of RH products and supplies including contraceptive drug and devices, restricted DOH from procuring, selling, distributing, dispensing or administering, advertising, and promoting the hormonal contraceptive "Implanon," and "Implanon NXT," resulting in a nationwide stock-out of family planning (FP) supplies in accredited public health facilities and in the commercial market. In addition, it prevented the market from reaping the benefits of a comprehensive RH program, as the TRO is a major stumbling block for the government's health, population, and development programs (Cabral, 2017).

The 2014 NEDA MDG progress report cites various sources of maternal mortality ratio but all speaking of the same trend – increasing and alarming. The latest National Demographic and Health Survey (NDHS) data substantiate the figures with some stories behind the numbers – getting money for treatment, distance to health facility, and not wanting to go alone – as some key factors that hinder women from seeking care during

pregnancy and at the time of delivery. Young women, women with more children, women who live in rural areas, women with no education, and women from the lowest wealth quintile are most likely to face at least one of these problems. (WomanHealth Philippines, citing 2013 NDHS and the 2014 NEDA MDG Progress Report)

Sexual and Reproductive Health of Adolescents and Youth

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) presentation in the first National Summit on Teen Pregnancy showed there were 12 girls under 15 years old who gave birth to their third baby in 2010. (Erica, 2012) 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. 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. Among 15-19 year old women, the figures reached 174,075 from 103,724, marking an increase of almost 70 percent during the same period, 2000-2010. In 2010, 24 babies were born to women below 20 years old in every hour. 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.

Another national-level study, the Young Adult Fertility and Sexuality Survey 4, conducted by the University of the Philippines Population Institute (2013) reported that the percentage of 15-19 year-old girls who have begun childbearing increased from 6.3 percent in 2002 to 13.6 percent in 2013. 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 young people have universal access to reproductive health in terms of commodities, options and services are made accessible. Health needs must be addressed by government programs.

In April 2014, however, the Supreme Court, 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 (NSO [Philippines] and ICF Macro, 2009). Unprotected sex was reported at 78% of the sexual initiation of young couples who were not married (University of the Philippines Population Institute, 2013). Even among teenagers who were already married or living in, only 14% were using contraceptives though 83% did not want to have children (NSO [Philippines] and ICF Macro, 2009).

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.

Adolescents’ access to reproductive health services is critically affected in the RH law. Minors, defined in the Philippines as adolescents, below the age of 18 are similarly prohibited from accessing contraceptives at public health clinics without parental consent. To work around this provision, channels such as social workers’ proxy consent are sought at the community level. The provision in the approved legislation, allowing minor-parents or minors who have suffered miscarriage access to modern methods of family planning without written consent from their parents or guardian/s was voided in the 2014 Supreme Court decision.

In an official statement, Education Secretary Leonor Briones assured the public that the Department will follow the UNESCO guidelines on reproductive health, particularly in developing modules that will be used in schools. Teachers will also be trained on how to effectively discuss the dangers and emphasize the consequences of engaging in early sexual relations. (Department of Education, 2017)

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 campaigning against and spreading misconceptions about family planning/reproductive health 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 abound. Increasing the demand and utilization of RH services necessitates 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.

Alternative Proposal: PhP 1.8 billion

In September 2016, during the legislation stage of the 2017 budget, legislators in the House of Representatives raised the unmet need for contraceptive in the Philippines, based on a Costed Implementation Plan (CIP) for Family Planning. The lawmakers cited the PhP 1.8 billion financial gap in order to fully implement national Family Planning programs.²⁰ (PLCPD Secretariat, 2016)

This proposed CIP of DOH and UNFPA focuses on the following:

1. Leadership & management (Family Planning Unit, Systems, Monitoring and Evaluation)

²⁰ The CIP is a multi-year actionable roadmap designed to help governments achieve family planning goals. It is focused on three components: (1) supportive environment through Contraceptive security through provision of FP supplies and services, FP grants for demand generation and service delivery, deployment of one RPRH officer per municipality under the nurse deployment program, purple ribbon award and PhilHealth services, an (2) social marketing, and (3) leadership and management.

2. Supportive Environment (Contraceptive security, FP grants for demand generation & service delivery, nurse deployment program, purple ribbon award and Philhealth)
3. Social marketing (media campaign)
 - PHP 426,740,089 for commodities
 - Target: 4,603,607 Women of Reproductive Age served: 3,689,165 (current users); 914,442 (new acceptors)
 - Based on projections of investments for 2017-2020: 23,900,680 women years of protection provided at a cost of PhP 11,468,634,385 or Php 480 per woman year of protection

Strengthening Good Governance in Medicines

The current state of access to medicine and the dismal quality of pharmaceutical products are detrimental to realizing universal health care. ABI proposes the following measures 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 regularly provide the following information 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 help determine (a) equitable distribution throughout the country; (b) reach of medicines to poor households under the National Household Targeting System for Poverty Reduction (NHTSPR); (c) efficacy of medicines on local/specific health needs; and (d) procurement of health commodities at the best possible prices.

2. Ensuring the Safety, Efficacy and Quality of Medicines

As the guardian of 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 enforcing 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 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 remains 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 on 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 DOH offices, 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

LGUs likewise allocate budget for the procurement of drugs and medicines for hospitals and health facilities that are managed by them, and for distribution to their constituents through rural health units and barangay health stations. A disconnect was observed 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 difficulty 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; and monitor and track results, outcomes and the impact of access to medicines initiatives.

Table 48. Proposals for Access to Medicines

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 DOH should base their decisions on the purchase of 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 and ensuring effective distribution when needed.
- Ensure medicines, especially those in the National Drug Formulary, and 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 is important.
- Aggressive information dissemination on Rational Use of Medicines (as provided in RA 9502) 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.

Children and Youth

“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). This was an increase of 15.8 million from the 76.3 million household population recorded 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 by adopting this approach, the Convention becomes more than a mere list of obligations.

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.

Alternative Proposals

The framework of the DOH 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 NDHS 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. The number of cases of depression and aggressive behavior among children and young people has been increasing. These behaviors push them to engage in activities that place their health at risk such as substance abuse and alcoholism, among others. Cases of suicide among children have also been reported, but these were 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 program and budget to ensure that 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 DOH. 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 in 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 with special sections for treating children within out-patient 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.

<p>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>“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, 2012)</p>		<p>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 farers 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>Farm to Market Roads</p> <p>Prioritize region where poorest farmers are to improve access to markets</p>
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Position Paper on the Dengue Vaccination Program of the Department of Health²¹

Alarmed by a DOH program to vaccinate 1 million children against the dengue virus, amidst questions about cost-effectiveness, safety and ethics, we the undersigned individuals hereby declare:

1. That there is lingering uncertainty about the long-term safety of this new vaccine against dengue fever. Evidence from the manufacturer's trial shows that there may be a paradoxical increase in the incidence of severe dengue beginning a few years after children are vaccinated, and possibly continuing for the rest of their lives. This danger especially applies to children who have never had dengue fever before.
2. The clinical trials on dengue vaccine were specifically designed to assess this danger. Sadly, this danger has been confirmed. In one study involving Asian children aged 2-14 years, vaccination increased the incidence of severe dengue by 400% on the 3rd year after vaccination (Hadinegoro, Arredondo-Garcia, & Capeding, 2015). The authors concluded that the reasons for the rise in dengue need further investigation. We agree. Until these trials are completed, we recommend, as many other groups have, that children should be tested for past dengue infection before vaccination.
3. A cost-effectiveness study assessing potential use in the country was done but funded by the manufacturer rather than by an independent body (Lam H, et.al., N.D.). The study was biased in that there were clear measures to minimize expenses (it did not account for the potential cost of increased disease severity arising from the vaccine), and maximize savings (effectivity was assumed to last 10 years when it is clear that protection wanes by the 3rd year). These strategies make the vaccine seem highly cost-effective.
4. The current program is not a feasible strategy for easing the dengue burden in the entire country. The program cost the Philippine government 3.5B PhP, for just 1 million children in only three regions, representing a mere 1% of the population (Philippines begins world's first mass dengue vaccination, 2016). National scale-up of this expensive program is simply not a viable option for the country.
5. There was inadequate community preparation for the implementation of the program. From the time the Formulary Executive Committee (FEC) issues guidance, it usually takes 12-18 months to prepare health workers and communities to introduce a new vaccine. Administrative orders and guidelines

²¹ Drafted and signed by a group of medical professionals and health budget advocacy groups Dr. Antonio L. Dans, Dr. Leonila Dans, Dr. Anthony Leachon, Dr. Maria Asuncion Sylvestre, among others, including ABI Health Cluster Secretariat and WomanHealth Philippines. The position paper was distributed at the Senate Blue Ribbon Committee and House of Representatives Committee on Health hearing on the Dengue Vaccine, Dengvaxia.

need to be issued to local government units. Field manuals need to be produced and translated into dialects. Health workers need to be trained to give the vaccine and answer questions from parents and children. Referral systems for adverse events need to be activated and tested, a research protocol for monitoring on adverse events should be in place. These could not have been done in 26 days.

In view of all these problems, and in the interest of public safety, we strongly recommend that the DOH dengue vaccination program be suspended, pending completion of results of ongoing studies.

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.” (Miraflor, 2012)

Currently, there are available spaces for participation in the government’s development planning and budget process. However, these spaces are not power-neutral. Invited participatory spaces are laden with power inequalities and power relations. For example, in previous years, DBM’s Budget Partnership Agreement (BPA) is not just exclusionary; it also suggests a token participation of civil society. By design, it deprives CSOs of the opportunity to be involved in planning and decision-making as it limits their 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 promoting 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.

Table 50. Sources of Financing for ABI Health Proposals

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		

Questions on framework, health services and allocation

- As stated in the DOH OSec Special Provision No.7, the "Preventive Health Care Programs appropriated under Disease Prevention and Control and National Pharmaceutical Policy Development to implement preventive health care programs." What are these programs and what is the framework/ rationale in coming up with these Programs, Activities, and Projects?

- Considering the Determinants of Health in the Health for All and All for Health Philippine Health Agenda is a laudable shift. How does the agency plan to translate this in the 2017 budget? In the following year's budget?
- Sustained health workforce at the primary level is critical in ensuring delivery of healthcare services. However, the budgetary cap on personal services (PS) has greatly affected the health workforce employment in devolved hospitals in local government units. Has the Department initiated discussions with the Department of Budget and Management, and other concerned agencies, in giving the health sector an exemption in the PS limitation/cap (LBC No. 98 October 14, 2011)?
- The Medical Assistance Program (MAP) is a program fully funded by the Sin Tax incremental revenue for health. What are the bases of the MAP allocation? How are the target beneficiaries identified?
- The line item for the "Assistance to indigent patients either confined or out-patient in government hospitals/Specialty Hospitals/LGU hospitals/Philippine General Hospital/West Visayas State University Hospital" has shown a significant increase compared to the 2015 and 2016 levels.
 - What is the allocation-utilization ratio of this budget line item?
 - The posting of the MAP recipients on the DOH Website as a reportorial requirement is helpful in program monitoring. For public understanding of allocation vis-a-vis utilization, how can the level of allocation in each facility be checked?
 - How does the Agency explain the COA finding as reported by the CPBRD Budget briefer "utilization of MAP funds amounting to P162.926 million was not specifically intended to indigent in-patients and out-patients contrary to provisions of the GAA?"
 - How are the level of allocation per target facilities identified?
- The Philippine Health Atlas (<http://www.maps.doh.gov.ph/>) is a commendable online program. Can this platform also be a tool in greater public monitoring of health facilities (i.e., syncing of data on health facilities enhancement program status – constructed, upgraded, expanded, rehabilitated, and repaired) and complementing health human resource? How often is this online database being updated?
- How does the health facility enhancement program address equity in distribution of health facilities or what is considered in the implementation of the program?
- The PIDS process evaluation of the Health Facilities Enhancement Program (HFEP), commissioned by the Department of Budget and Management cites prolonged construction (average of 3–4 years) due to lack of budget, the need to delay construction so as not to disrupt hospital and RHU operations, or delays on the part of the contractors as they are involved in multiple projects as some of the problems in the program implementation. How does the Agency plan to address this?
- In relation to the question above, the increased facility utilization can be attributed to confounding factors from the demand side, such as utilization of services offered by PhilHealth. The impact of capital investments is often diluted

by staff shortage and contractualization of health workers. How does DOH plan to address facility-health workforce complementation? In addition, considering that increasing population coverage and an increased spectrum of services offered by PhilHealth would increase demand for healthcare services, how does the Agency plan to address this?

- Does the Agency finance studies on impact assessment of ongoing programs? What impact assessment researches have been done thus far?

Table 51. Summary of Alternative Budget Proposals for Health

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.

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.

ABI Proposal	GAA 2017	ABI Proposal	Variance (ABI Proposed less NEP)
Social Determinants of Health			
Water, Sanitation, and Hygiene		PhP 93,000,000.00	
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 			

<ul style="list-style-type: none"> • 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</i> <i>Cluster's proposal on rural roads</i>		PhP 140,000,000,000	
Health Human Resource			
Budget allocation for salary and statutory benefits under the Magna Carta for Public Health Workers	PhP 7,112,132,000 (line item: Health Human Resource and Development)	PhP 26,138,024,498.24	
The existing health personnel under the Doctors to the Barrio (DTTB) and Rural Health Practice Program programs shall be hired to permanent 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, 	PhP 121,753,000	PhP 1,000,000,000	

<ul style="list-style-type: none"> • 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. • Included is the proposal of children and youth to enhance the conditions within which healthy development can take place. 			
<p>Integrative Health: Health is the Responsibility of All</p> <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 TM/CAM Orientation Modules of Mainstream • 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 	<p>PhP 116,932,000 (Philippine Institute of Traditional and Alternative Health Care)</p>	<p>PhP 15,000,000</p>	

<ul style="list-style-type: none"> 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 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"> • Psychiatric medical services in all regional hospitals • Maintenance medicines of Children with Disabilities - provision of these medicines will lessen the financial impact of disability to the family 		PhP 110,000,000.00	
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 for 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 		PhP 12,000,000	

<ul style="list-style-type: none"> CSO monitoring activities in relation to drug procurement and utilization Advocacy 			
'Ending AIDS'	PhP 1,968,792,000 (Other infectious diseases and emerging and re-emerging diseases including HIV/AIDS, dengue, food and water-borne diseases)	PhP 2,300,000,000	
<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 53,221,221,000	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> 	PhP 4,265,498,000	PhP 1,800,000,000.00	
Total		293,890,161,998.00	

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. • KAMAQ • 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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ACCESSIBILITY: Key to Inclusion and Participation in Community Life

Alternative Budget Proposal for Persons with Disabilities

Our contention

Persons with disabilities (PWDs) 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 show that PWDs comprise 15% of the total population. In the Philippines, the 2010 Census of Population and Housing (2010 CPH) indicates 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. Nonetheless, with around 100M Filipinos, this still translates to 1,500,000 Filipino PWDs. Using the WHO estimate of 15% of the population, there are about 15,000,000 Filipinos with disabilities.

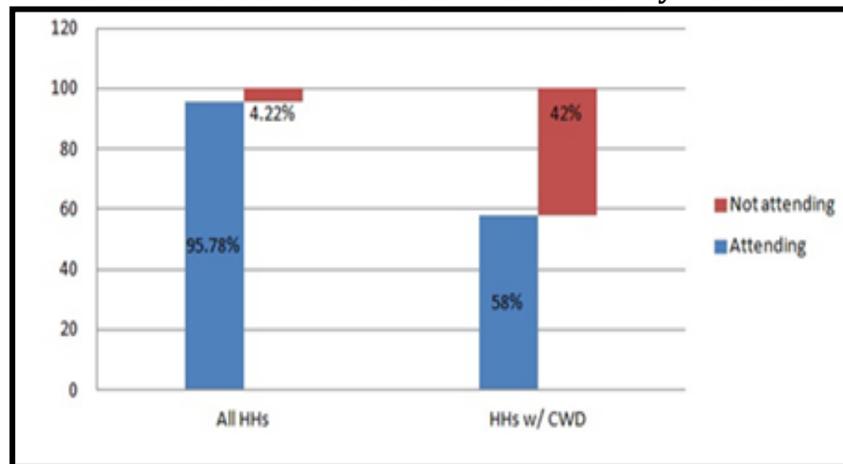
Even without looking at statistical data and population demography, it is not hard to imagine that the sector has the following characteristics:

- 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.

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

Figure 35. Comparison of school attendance between all household beneficiaries vs. households with children with disability member

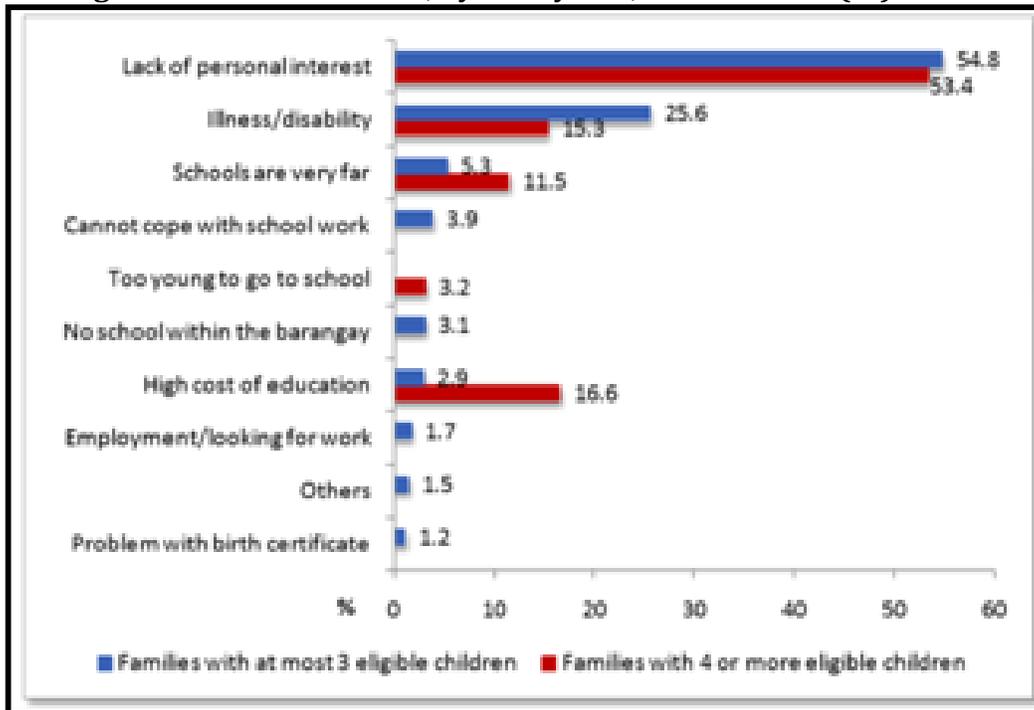


Source: Incorporating Disability in the CCT Program and 4Ps Implementation Status Report (4Q of 2012)

The above figures from “Incorporating Disability in the CCT Program and 4Ps Implementation Status Report (4Q of 2012)”, show 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 Budget Advocacy paper in 2013 that looked into the compliance of the 2013 budget to the Convention on the Rights of Persons with Disabilities (CRPD) stated that out of the identified 609 poor municipalities, only 99 have Special Education (SPED) Centers in the 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 in SPED Center in the primary level 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), is still deficient in meeting the right to education of children with disabilities.

Figure 36. Reasons for not going to school (with no grade completed) among children aged 6-14 in 4Ps families, by family size, share to total (%).

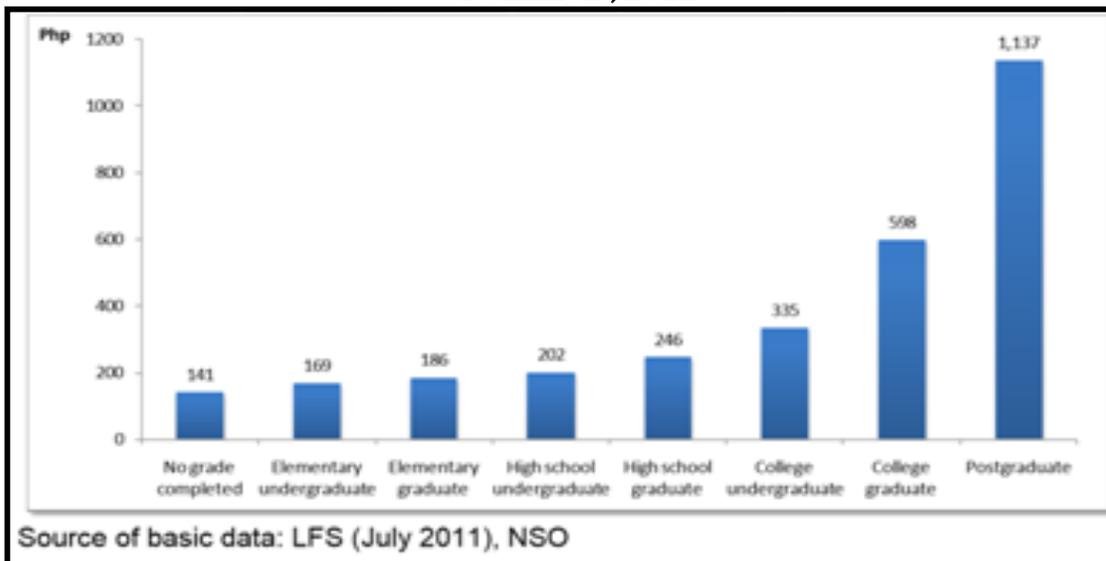


Source of basic data: APIS 2011, NSO

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.

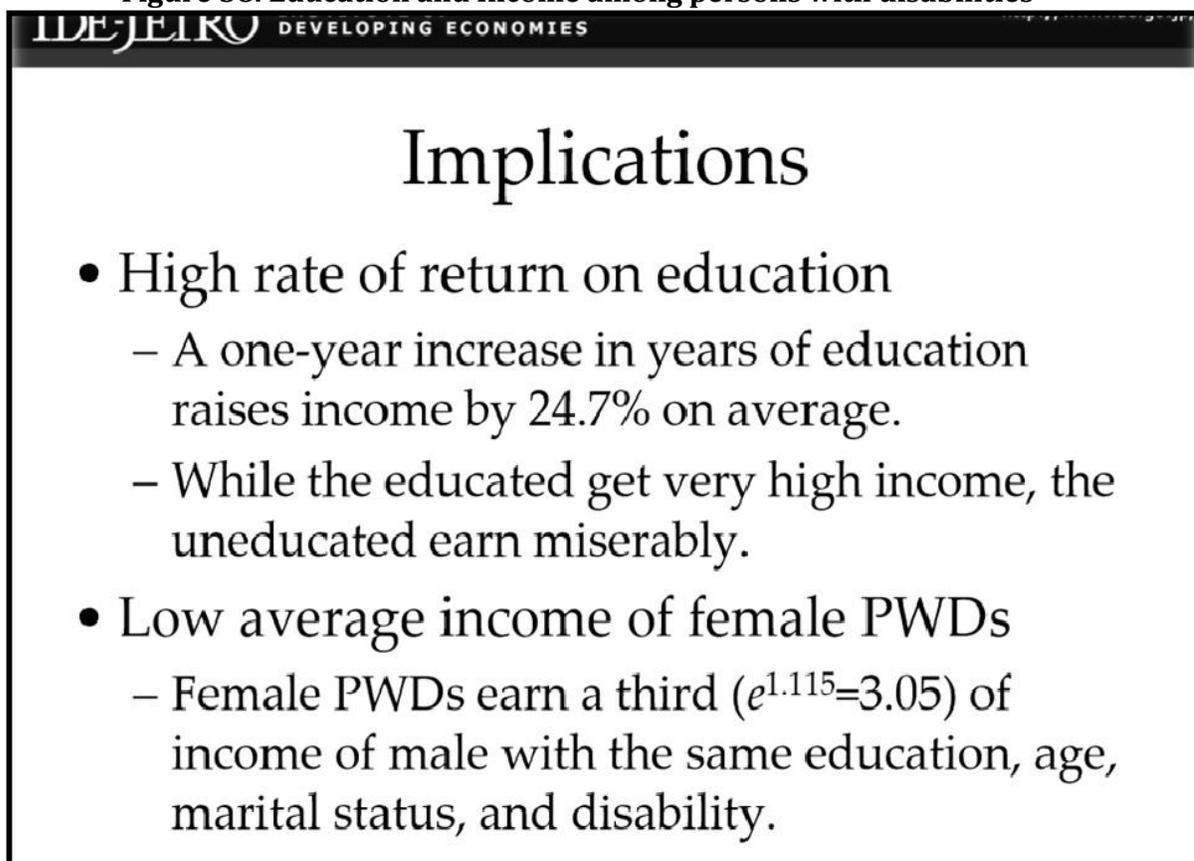
Figure 37. Average daily wage of wage/salary workers, by educational attainment, 2011



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

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

Figure 38. Education and Income among persons with disabilities



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 the income of a PWD by 24.7%, on the average. While the educated PWD gets very high income, the uneducated earns miserably low.

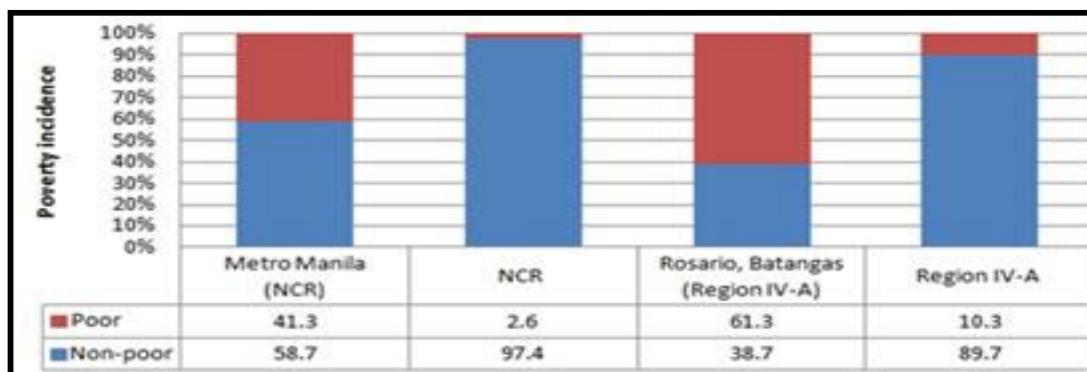


Figure 39. Comparison of poverty incidence between households with persons with disability members and the general population

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

The poverty incidence in households with PWDs in both urban and rural areas ranges 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 PWDs will give you a 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 to physical environment, information, and 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 only. Article 9 of the 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 with 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, an act to enhance the mobility of PWDs by requiring certain buildings, institutions, establishments and public utilities to install facilities and other devices, was approved only 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 noncompliant to its national law on accessibility.

Alternative Budget Proposal for PWDs

Department of Transportation (DOTr)

Regional awareness-raising regarding rights of persons with disabilities in relation to the mandate of the Department of Transportation (DOTr)

TOTAL: PhP 4,800,000.00

Rationale:

Lack of awareness on the rights of PWDs in relation to the mandate of the DOTr exacerbates the condition of PWDs when commuting through public transport or even with their own means of transportation. Prioritization and special treatment is not what the sector is advocating for. Respect for the rights of PWDs 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: PhP50,000,000.00

Rationale:

An allocation of PhP50 million is recommended to the Department of Public Works and Highways (DPWH) 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 PWDs in the Philippines.

Accessibility does not end with having ramps in the building. Women with disabilities have more requirements for privacy and toilet facilities. Fully able to navigate or having access to structures, toilets in particular, and need-appropriate (i.e. for the deaf, blind) signages should be put in place by monitoring teams.

Table 52. ABI PWDs Cluster Alternative Budget Proposals

Budget Item	GAA 2016 (IN PhP)	NEP 2017 (in PhP)	ABI-Persons with Disabilities cluster Proposal (in PhP)	Variance [ABI Proposal less NEP] (in PhP)
DEPARTMENT OF TRANSPORTATION (DOTr)				
Regional awareness-raising on rights of PWDs in relation to mandate of DOTr	None	New Budget Item	4,800,000.00	4,800,000.00
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)				
Regional accessibility compliance monitoring team	None	New Budget Item	50,000,000.00	50,000,000.00
Regional awareness-raising on rights of PWDs, 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

Has Change Arrived?

Alternative Budget Proposal for Social Protection

A Look Back

Last year, the Social Protection (SP) Cluster put on the spotlight the Aquino administration's failure to meet the terms of its "Social Contract with the Filipino People"¹. This was evident in the data of the Statistical Indicators on Philippine Development (StatDev) which the administration itself created "to monitor the achievement of the economic and social development goals in the Philippine Development Plan (PDP)".²

The outcomes for the social development sector are highlighted in the SP Cluster report below with updates based on more recently available data:

Poverty Incidence

- Target: 18%-20% in 2016
- Performance: 25.8% in the 1st semester of 2014 (original report). This dropped to 21.6% for the full year of 2015, according to the report released by the Philippine Statistical Authority (PSA) on October 27, 2016.³ While this represents a major improvement, it is still short of the target.

Completion rate in the elementary level

- Target: 82.52% in 2016
- Performance: At 78.4% in School Year 2013-14 (original report). It rose to 83.4% which is still above the target range in SY 2015-2016 as reported in the Department of Education's (DepEd) Key Education Statistics as of August 31, 2016.

Net enrolment rate in elementary level

- Target: 100% in 2016
- Performance: At 92.5% in SY 2014-15 (original report), it declined further to 91% in SY 2015-2016 as reported by the DepEd

¹ Executive Order (EO) No. 45 dated May 13, 2011

² Social Watch Philippines, Alternative Budget Fiscal Year 2016, p. 146-148.

³ Philippine Statistical Authority (PSA) press release dated 27 October 2016, Reference No. PHDSD-1610-04. PSA noted that "the estimate of poverty incidence used income data from the first and second visit of the Family Income and Expenditure Survey (FIES) conducted in July 2015 and January 2016, respectively."

Net enrolment rate in secondary level

- Target: 93.34% in 2016
- Performance: At 62.8% in SY 2014-2015 (original report), the rate increased to 68.1% in SY 2015-2016 as reported by the DepEd. However, it is still short of the government's target rate.

Prevalence of underweight children under 5

- Target: 12.7% in 2016
- Performance: At 19.9% in 2013, it is only slightly lower than the 20.2% prevalence in 2011 (original report) but way below the target in 2016.

Under 5 mortality rate per 1,000 live births

- Target: 25.5 in 2016
- Performance: At 31 in 2013 (original report), reaching 28 in 2015 is an improvement but still short of the target, based on data of the World Bank⁴.

Maternal mortality rate per 100,000 live births

- Target: 50 in 2016
- Performance: From 221 in 2011 (original report), it was down to 114 in 2015, or almost halved yet still way above the target MMR⁵.

All of the above indicate that improvements were found in poverty incidence and completion rates in the elementary school level but progress on the social development front has been slow. This was the outcome despite the over P239 billion spending in 2010-2015 to support the government's flagship, Pantawid Pamilya Pilipino Program (4Ps). The program, specifically designed to help families ensure that their children's health improved and that children attended school and completed their basic education, performed way below its expectations.

The Social Protection Cluster persistently called on government to review its poverty reduction strategy in order to align it with how poverty uniquely manifests itself in the country. As we wrote in our 2015 report, *Running In Place*: "We cannot simply adopt off-the-rack poverty programs that are tied to offers of multilateral funding, making only such changes as are necessary to suit our bureaucracy's service delivery system."

The Change We Want

In his inaugural speech, President Rodrigo Roa Duterte said, "*Malasakit. Tunay na Pagbabago. Tinud-anay nga Kausaban*—these are words which catapulted me to the presidency. These slogans were conceptualized not for the sole purpose of securing the votes of the electorate. *Tinud-anay nga kabag-uhan. Mao kana ang tumong sa atong pang-gobyerno.*"

Picking up from the president's statement that he wants a compassionate government, the Department of Social Welfare and Development (DSWD) has a new battlecry that

⁴ <http://data.worldbank.org/indicator/SH.DYN.MORT?locations=PH>. Last accessed: January 4, 2016

⁵ <http://data.worldbank.org/indicator/SH.STA.MMRT?locations=PH>. Last accessed: January 4, 2016

emphasizes how it will work—*Maagap at mapagkalingang serbisyo*—instead of how it leads, *Matapat, Mahusay, Magiliw*, which was the old slogan.

If real change is indeed the direction of government, the key changes that this cluster wants to see are the following:

1. *Meaningful participation of stakeholders in policy and program discussions*

- a. We would like to see a “compassionate government” translated as one which listens and helps citizens educate themselves on government processes. One which provides for the space to actively engage in discussions on how they should be governed. This is in contrast with the style of the previous administration wherein budget consultation meetings, as an example, mainly served as “venues for agencies to roll-out their plans and programs with the open forum deemed as the consultation.”⁶
- b. Ensure the participation of the different sectors in the development and delivery of programs affecting them as they know best what they need. The government must actively seek them out, giving particular attention to providing the vulnerable and marginalized groups, including children, the technical assistance and other expertise so that they can organize themselves to clarify and articulate their needs. Put in place a process for regular feedback and consultation on government programs and projects. This process must respond to the unique needs of people, taking into account their distance to populations centers, their need for translators and special communications devices, their developmental age, and others.
- c. We demand a truly Open Budget process which starts with the people and government agreeing on shared goals that have clear and meaningful outcomes, with stakeholder broad-based consultations integrated into the process of developing the strategies for achieving the stated objectives. Doing so will encourage the development of a transparent monitoring and evaluation system, a detailed reporting mechanism in which public perspectives are taken into account in the planning and budget process.

Our Recommendations

- We need to improve access to DSWD’s budget for technical/advisory assistance to grassroots organizations. Accordingly, we welcome the 18.8% increase in DSWD’s 2017 budget for capacity building services from PhP666.1 million in 2016 to PhP791.0 million in 2017. Enjoin the members of civil society organizations (CSOs) and non-government organization (NGO) community to access this assistance and spend the funds effectively and efficiently. The organizational outcomes (OOs) / performance indicators (PIs) presented by the DSWD in its proposed 2017 expenditure program assume the same number of 7,892 persons

⁶ Social Watch Philippines, *Alternative Budget Fiscal Year 2016*, p. 154.

being provided with training services as in its 2016 expenditure program. This underwhelming forecast should be corrected.

- Regular re-training programs for local social welfare development officers should be organized on (a) community organizing, (b) designing disability inclusive programs, (c) handling consultations with children, and (d) listening affectively to grassroots communities/beneficiaries on the effectiveness and reach of programmed social welfare services, among others. It is quite dismaying that by DSWD's own account, only 8.5% of local social welfare development offices (91 out of 1,061 LGUs assessed) has fully functional local social welfare programs.⁷
- Registration, licensing and accreditation processes should recognize the role of CSOs as equal partners in development and of the value of flexible modes of addressing the needs of underserved populations. Processes should be less concerned with standardizing approaches and meting out punitive action. CSOs can deliver continuous and regular capacity-building workshops and training programs, especially for front-line barangay, police, and court personnel, if financial support can be provided for this.
- Government through DSWD must take steps to improve the level and quality of the participation of children in local councils for the protection of children (LCPCs). This can be done by providing training and creating opportunities for raising children's awareness of issues that impact them and their community. Among the needed actions are supporting children's direct implementation of their own activities/projects and giving them access to the LCPC budget, promoting children's participation and inclusivity in community activities and children's assemblies. These include reaching out to children of specific age groups, developing age-appropriate programs at the local level, and introducing after-school programs which may include citizenship classes, sports and leisure activities, community activities, and peer-to-peer training programs, activities and projects. DSWD should give access to its technical/advisory assistance program for these initiatives.

2. Affirmative action on promoting inclusivity

- a. By allocating just PhP12.2 million in DSWD's 2017 budget to assist persons with disabilities and shared with older persons, the government only underscored the invisibility of these sectors. The 2010 Census of Population and Housing recorded 1.4 million individuals or 1.57% of the total population as persons with disability. The National Household Targeting System for Poverty Reduction (NHTS-PR) profile of the poor in the Philippines as of July 1, 2011 reported that 305,729 poor households nationwide have a family member with disability.
- b. The programs for indigenous peoples (IP) have been lacking similarly. A few daycare centers were established in IP communities while hunger and

⁷ DSWD's proposed expenditure program as published in the National Expenditure Program FY 2017, Volume III.

malnutrition stalked these communities. Such poverty has driven many of their people to move to urban centers and eke out a living by begging.

- c. The Pantawid Pamilyang Pilipino Program (4Ps) also suffers from major inclusion and exclusion errors despite the recent change in the methodology of the targeting system on which it is based. It still has an inclusion error (inclusion of those not qualified) of 10.6%-13.8%, down from 22%-25%, and an exclusion error (exclusion of those qualified) of 6.8-19.3%, down from the original 31%-35%. The impact of 4Ps also seems apparent only in terms of the macro poverty incidence rate. On the ground, malnutrition among children remains high as under-5 mortality rate hardly changed, and the transition rate from grade school to high school has remained static. More simply, providing families with sustainable source of income remains to be more necessary in this regard.

Our Recommendations

- CSOs and organizations “of”, as opposed to “for”, vulnerable groups have broad experience in organizing and in the delivery of programs to their respective sectors. Their expertise should be recognized and considered as important as those of the members of the academe and research groups.
 - The experience of NGOs like the Foundation of Our Lady of Peace Mission which has trained tribal barefoot doctors to respond to the medical and healthcare needs of their communities should be considered for replication and scaling up.
 - The government with DSWD taking the lead should undertake research on the financial, social, and economic costs of disability in the Philippines in order to: (a) understand the economic vulnerability of persons with disabilities and their households, (b) describe the elements of this economic vulnerability with regard the disabled person’s health, education and employment, (c) determine the opportunity costs for households of family members with disabilities, (d) enumerate the disability-related out-of-pocket costs for, among others, personal assistance, accommodation, and assistive devices, and (e) identify the social protection mechanisms that are currently being used by persons with disabilities.
3. ***DSWD as the champion within government for the vulnerable and marginalized sectors***
 - a. A whole government approach is needed in addressing poverty, recognizing that it is multi-dimensional. We need the DSWD to take the lead in identifying, harmonizing and improving access to basic social services across government agencies and institutions. The DSWD should help raise the level of conversation on local and national issues affecting vulnerable sectors, e.g., lowering of minimum age for criminal responsibility, the situation of lumads in mining and conflict areas, and the welfare of PWDs and the elderly in emergency situations. Addressing child hunger and stunting requires the cooperation of the DSWD, DepEd, DA, National Nutrition Council and LGUs. Ensuring the implementation of

Supreme Court rulings related to children's access to justice, among others requires not only the hiring of court interpreters for deaf children but also capacitating judges, prosecutors, and court personnel on handling children.

- b. We would also like to see the DSWD serving as the bridge for sustained and coherent action on decent work for all. 4Ps families have spoken that it is jobs that they need, PWDs want to be mainstreamed into the world of work, and the seniors and elderly whose experience and wisdom are a resource should continue to be tapped. It is disappointing to note that the DSWD reduced its budget for sustainable livelihood programs (net of personnel services expenditures) from PhP9.4 billion in 2016 to PhP8.9 billion in 2017 largely because the outlay for microenterprise development was brought down from PhP3.4 billion in 2016 to PhP2.8 billion in 2017. We hope this means that the DSWD will not only be exiting from giving out microloans directly but will continue to ensure that vulnerable and marginalized group have access to the labor market programs of other national government agencies.⁸
- c. The DSWD's Sustainable Livelihood Program is also programmed to reach a total of only 381,978 families of the 4.5 million families in the 4Ps.⁹ The PIDS discussion paper reports that 963,978 families have used the program from January 2011 to December 2015 which is still just 22% of the total number of 4Ps families over a 5-year period. Efforts have to be enhanced more aggressively if government will truly help families meet their basic needs. In practical terms, a family of five needs PhP6,329 monthly in 2015 to meet their basic food needs and PhP9,064 monthly to meet both basic food and non-food needs.
- d. In the children's sector, there is need to strengthen national and local child protection systems to address key child protection issues, e.g., child abuse and exploitation, child trafficking, violence against children including corporal punishment, child labor, and drug and substance abuse. The DSWD must take the lead in addressing these, regardless if these will primarily have impact on children or on the peripheral sectors or groups. The biggest emphasis should be on children, including children with disabilities having access to government services, such as education, health, welfare, etc.
- e. The lack of functional local social welfare programs (see above) has great impact on cases involving women in crisis as well as the situation of children in conflict with the law and in relocation/resettlement areas. A study by Save the Children¹⁰ states that "children in transition communities where some families opted for relocation saw how some parents from the relocation area have returned to their community to work, leaving their children in the care of neighbors . . . To alleviate the hardships experienced by relocated families, basic and social services have to

⁸ An in-depth look at DSWD's sustainable livelihood program is presented by Marife M. Ballesteros, et. al., in their discussion paper "Assessment of the Sustainable Livelihood Program - Employment Facilitation Process", Discussion Paper Series No. 2016-13, Philippine Institute for Development Studies, April 2016. The same provides a list of the labor market programs offered by various national government agencies (cf. Box 3, pp. 38-40).

⁹ DSWD proposed 2017 expenditure program

¹⁰ Securing the Rights of Girls and Boys in Urban Poor Relocation Programs, 2015

be in place prior to relocation or, at the minimum, made available at the soonest possible time.” LGUs receiving relocating families should have fully functional local social welfare development offices (LSWDOs) to help coordinate the delivery of social services and ease the difficult situation of these families. Further, the current call to lower the minimum age of criminal responsibility is the result of lapses in the implementation of the Juvenile Justice and Welfare Act (JJWA) which assigned local social welfare and development officers the critical role of responding to the needs of children in conflict with the law (CICL) and in crafting the appropriate intervention and/or diversion program for these children.

- f. Looking at the DSWD’s own backyard, the total budget for services for its center-based clients was raised from PhP1.1 billion in 2016 to PhP1.4 billion in 2017 due to a projected increase in personnel services expenses. The budget for maintenance and other operating expenses which is mostly directed to affected residents, however, declined from PhP778 million in 2016 to PhP706 million in 2017. The result is a budget of only P101/day for each of the 19,076 clients served by these residential care facilities. Given that an income of PhP42/day is the hunger threshold¹¹ and that many of these residents require regular medication and/or supplements, the current budget seems geared to merely keeping DSWD’s residential clients at or near the hunger poverty threshold. In his 2016 Christmas message, the president expressly stated: “As your President, I will bring food on the table; create more job opportunities; and make our people feel safer and more comfortable.” Food on the table and the feeling of comfort must be reflected as well in the lives of people in government-run residential centers. Indeed, Davao City reportedly spends PhP1.5 million per month, or PhP17,000-P20,000 (equivalent to P567/day) per patient confined in its drug rehabilitation center to cover the cost of social services, health and medical, education, psychiatric and psychological services, and nutrition¹².
- g. Concerted action against HIV/AIDS is also required as these greatly affect the youth population. In January 1984-March 2016, 16,697 or 51% of all incidences reported were from the 25-34 year age group while 8,738 (27%) were reported among the youth aged 15-24 years. Teen-age pregnancy is also on the rise. According to the Philippine Statistical Authority’s 2013 Vital Statistics, a 15-19 year old girl gives birth every 2.5 minutes.

Our Recommendations

- We must expand and make the delivery of community-based services and programs for the protection of children more efficient. The DSWD’s budget for capability building services should prioritize the re-training of local social welfare development officers and child protection service providers at the local level, e.g., law enforcers, members of the trial courts, local health workers, community volunteers, etc. The goal should be to deploy at least one social worker for each barangay. Toward this end, the

¹¹ PSA report, October 2016

¹² <http://www.rappler.com/rappler-blogs/131302-davao-city-drug-rehabilitation-center-bahay-pagasa>. Last accessed November 13, 2016

DSWD should proactively work with the Commission on Higher Education (CHED) to provide scholarships for young people to become social workers and serve in their LGUs.

- To strengthen child protection systems and the coordination of basic services for children, the delivery of the full range of basic services should be in place prior to the arrival of relocated families at the relocation site. The local social welfare satellite office in the relocation area should be functional with a full-time social worker deployed for at least one year even before the families move to the relocation area. Ensure that the voices of children who are being relocated are heard.
- We need also to strengthen child protection systems in the DRR and emergency situations. The implementing rules and regulations (IRR) for Republic Act No. 10181, the Children in Emergencies Law, and the Comprehensive Program on Children in Emergencies should be immediately crafted while ensuring the participation of CSOs and children in the development of the IRR and the program.
- The DSWD's existing modules on YDS and Protective Behavior should be enhanced with youth groups participating in re-designing the modules. Multi-disciplinary teams for Women and Child Protection Units and 24/7 Crisis Interventions Units should be formed in every region.

Budget Proposals

To partially meet the requirements of the above stated recommendations, we propose the inclusion of the following items in the total amount of PhP2.6 billion, broken down as follows:

Table 53. ABI Social Protection Alternative Budget Proposals

Item	Amount	Rationale
Delivery of capability building services to 799 LGUs	PhP23,970,000 (PhP30,000 x 799 LGUs)	Expand and make community-based services and programs for the protection of children more efficient.
Training of 12,000 judiciary and police personnel	PhP360,000,000 (PhP30,000 x 12,000 judiciary and police personnel)	Promote governance that supports child-friendly policies and practices in all agencies, institutions, and branches of government.
Develop nationwide protocol for addressing hunger and malnutrition among children five years old and above.	PhP60,000,000	
Increase budget of maintenance and other operating expenses of DSWD-run residential centers to PhP300/day/client.	PhP2,088,822,000 (PhP300 x 19,076)	Improve the quality of services for clients in residential care facilities.

Item	Amount	Rationale
Undertake research on the financial and economic costs of disability.	PhP10,000,000	Identify elements of the financial and economic costs of disability in the country.
Pilot project on a personal assistance service for persons with disabilities	PhP10,000,000	Develop a model personal assistance service to facilitate equal opportunities for persons with disabilities who need assistance in accomplishing their daily task, enable them to live independently, and work or undertake other socio-economic activities.
Sign language interpreting service to ensure access to justice of hearing impaired persons.	PhP2,000,000	Guarantees access to sign language interpreting services
Peer counseling and independent living program	PhP14,000,000	Develop among persons with disabilities a positive self-image and introduce measures to strengthen their daily living capability.
Disability inclusive development workshop	PhP13,500,000	Build capacity of DSWD staff on designing disability inclusive programs.
Promote the implementation of DSWD's Administrative Order No. 19, series of 2010, in the local government.	PhP20,000,000	Ensure the provision of appropriate assistive devices (i.e., manual wheelchair, electric-powered wheelchair, hearing aid) to persons with mobility impairment and persons with hard of hearing

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

Alternative Budget Initiative (ABI) Proposed Amendments to the 2017 General Appropriations Bill (HB 3408)

Introductory Note

Social Watch Philippines' Alternative Budget Initiative (ABI) offered its proposed amendments to the 2017 Proposed National Budget to the House of Representatives' Committee on Appropriations and to Senate Finance Chair Senator Loren Legarda and individual senators. These amendments comprise the alternative budget proposals for social development, alternative sources of financing and proposed amendments to special and general provisions for the FY 2017 Proposed National Budget of the Administration. These contain our burning, unfulfilled demands from previous years of engagement. Our proposals will address vulnerabilities, especially of the poorest and most excluded, and therefore will help eradicate extreme poverty faster.

Table 54. ALTERNATIVE ALLOCATIONS FOR SOCIAL DEVELOPMENT

GAB Vol. No-Page No.	Dept/ Agency	Budget item/PAP	2017 GAB Amount (in PhP'000)	Proposed Amendment (in PhP'000)	Amended Amount (in PhP'000)	Rationale
DA						
Vol. I-A, Line 37 p. 95	DA-OSEC	Formulation, monitoring and evaluation of agricultural and fishery policies, plans and programs	71,046	50,000	121,046	Comprehensive agri-fisheries planning support to LGUs to least competitive 500 rice producing municipalities areas: Identify local priorities in agriculture/fisheries for 6 years including planning support for rice sector Breakdown: PhP100,000 x 500 LGUs

Vol. I-A, Line 37 p. 102	DA-OSEC	Market Development Services	396,238	30,000	426,238	Adopt an inter-agency and whole government approach to poverty and to taking care of the welfare of children. Allocate PhP30,000,000 for developing nationwide plan for addressing hunger and malnutrition through the direct delivery of farm produce to support school and community feeding programs.
Vol. I-A, Line 39 p. 133	DA-OSEC	Repair/rehab and construction of Farm-to-Market Roads in the Designated Key Production Areas	5,408,000	26,918,400	21,510,400	Out of the deficit of 15,000 kilometers of rural roads at the beginning of the term of the previous administration, there is still a need to bridge the gap of 14,000 kilometers. At PhP10-12 million/km, we propose PhP140 billion to cover the deficit over six years. Hence, the proposed allocation for Year 1 amounts to PhP26,918,400,000, which will be distributed across six years.
Vol. I-A, Line 22 p. 188	DA-BFAR	Formulation of coastal and inland fisheries resource management plans	151,050	200,000	351,050	To include vulnerability needs assessment on fisheries
DEPED-OSEC						
Vol. I-A, Line 34 p. 321	DepEd-OSEC	Human Resource development related for teaching,	3,752,397	55,647	3,808,044	The additional PhP55 million for teaching related HR budget will hire additional 3,000 Teachers 1 for kindergarten and senior high school and in poorest regions where there is urgent need for additional teachers.



								Teacher Plantilla-PhP18,549 minimum salary per teacher x 3,000 more teachers = PhP55,647,000
Vol. I-A, Line 45 p. 326	DepEd-OSEC	teaching-related, non-teaching and other personnel	3,905,398	0	3,905,398	Implementatio n of the grant of cash allowance, Hardship pay, equivalent records forms (ERF), conversion to Master Teacher (MT), Reclassificatio n of positions, and payment of step increments	Based on the Magna Carta for Public School Teachers, the DepEd Secretary has the sole authority to use the formula prescribed in the special law in determining the teachers' benefits especially for health and hazard pay in areas affected by disaster and conflicts. This is to augment the budget for the implementation of grant of cash allowance and hardship pay.	
Vol. I-A, Line 53 p. 327	DepEd-OSEC	Health and Nutrition Services	4,984,063	2,695,937	7,680,000	DepEd-OSEC	The additional amount of 2.6 billion is twice the previous GAA of 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. There must be effort to cover lunch meal of all students from grades 1 to 3.	
Vol. I-A, Line 13 p. 331	DepEd-OSEC	Continuing Education	4,414	1,740,000	1,744,414	DepEd-OSEC	The additional PhP1.7 billion will be used for training of all teachers on retooling given the new K-12 curriculum and integration of other important competencies. The unit price of PhP3,000 per trainee will eliminate the current practice in in-service training that required	



						registration fee from teachers attending IN-SET. Training-PhP3,000 per teacher x 500,000 teachers = PhP1,500,000,000 Training for SHS Teachers- PhP3,000 x 80,000 = PhP240,000,000 The induction of newcomer teachers must be designed carefully, and evaluated accordingly.
Vol. I-A, Line 19 p. 331	DepEd-OSEC	Pre-service education	5,704	0	5,704	
Vol. I-A, Line 3 p. 338	DepEd-OSEC	Implementation of alternative learning & delivery mode programs including recruitment of learning centers	653,436	846,554	1,500,000	The amended amount of around PhP1.5 billion aims to eliminate 3.2 million out-of-school children by midterm of this administration. The amended amount has corresponding increase in unit price of Alternative Learning System (ALS) from roughly PhP2,000 to PhP3,000 per learner but still below the global standard of \$100 per learner. The issue of the absorptive capacity of DepEd shall be addressed through joint delivery of this service by DepEd, local government units, state universities and colleges through their extension services program, and non-government organizations. PhP3,000/Learner x 500,000 Learners = PhP1,500,000,000
Vol. I-A, Line 56 p. 337	DepEd-OSEC	Implementation of Indigenous Peoples Education Program	162,000	35,000	117,772	The additional PhP35 million for Indigenous Peoples (IP) education shall be used for the establishment of community learning centers (CLCs) in identified IP communities without access to government school. The will serve as actual IP education services from merely



							administrative function for IP education within DepEd. The CLC serves as stop-gap measure while transitioning to establish IP schools.
Vol. I-A, Line 17 p. 510	DepEd- OSEC	Textbooks/In- structional materials (including P100M for children with special needs)- Central Office	825,133	35,000	860,133	P350,000/CLC/Indigenous communities (ICs) x 100 CLCs in ICs= P35,000,000 The additional PhP35 million will be for the building of 100 resource centers (RCs) for communities with large population of children and youth with disability. Similar to IP education program, this will serve as stop-gap measure while transitioning to inclusive education based on UN Convention on the Rights of the Child. This is to increase the PhP100 million budget for textbooks/instructional materials for children with special needs. PhP350,000/Resource Center x 100 RCs = PhP35,000,000	
Vol. I-A, Line 41 p. 513	DepEd- OSEC	Provision and maintenance of Basic Education facilities- Central Office	34,698,436	1,500,000	36,198,436	Financing amounting to Php 3 billion to subsidize the installation of solar PVs in public schools and rural health clinics. Php 1.5 billion for 5,000 pilot public schools, Php 1.5 billion for 5,000 rural health clinics. Distributed across DepEd and DOH budgets.	
Vol. I-A, Line 46 p. 514	DepEd- OSEC	Basic Education Madrasah Program	505,000	114,119	500,000	The additional PhP114 million will aim to enroll and integrate additional 23,000 poor, conflict-affected but deserving and peace- loving Muslim children through the Standard Madrasah Curriculum (SMC) as per DepEd Order No. 55.	

Vol. I-A, Line 52 p. 514	DepEd- OSEC	Disaster preparedness program	99,984	26,581	50,000	<p>PhP5,000 subsidy x 22, 823 children to be enrolled in private Madrasah nationwide using SMC = PhP114, 119,000</p> <p>The additional 26.5 million will be for a DepEd comprehensive program for climate change adaptation and disaster risk-reduction management (DRRM), to be used for the following:</p> <ul style="list-style-type: none"> *Plantilla position for dedicated DRRM officer/focal person/district/town *Awareness-raising and school-based hazard mapping *Training of Trainers (ToT) on DRRM for 5 days *Facilitate the provision of Education in Emergency *Curriculum and materials development-integration of environmental education and education for sustainability *Strengthening Solid Waste Management *School-mini carbon Olympics-competition on zero waste, water and electricity foot print-high school science teachers) *Gardening (Gulayan sa Paaralan) *CCA materials/poster inside the classroom
Vol. I-A, Line 10 p. 518	DepEd- OSEC	Voucher Program for Non-Deped Public Senior High School (1,283,465	4,587,803.50	5,971,268.50	<p>The 50% cut from the Voucher program for Private Senior High School should be used to subsidize non-DepEd public school like state universities and colleges, community colleges, TESDA training centers that offer senior high</p>



								school. The arrangement is easier than allocating bigger funds to private schools which are not subject to COA. Voucher should only be stop-gap measure while DepED is transitioning to full provision of senior high school.
Vol. I-A, Line 15 p. 519	DepEd- OSEC	per R. A. No 10533	1,175,038	4,471,268.50	5,971,268.50			same as above
DOE-OSEC								
Vol. I-A, Line 21 p. 953	DOE-OSEC	Formulation, updating and monitoring of short, medium, and long term national and regional energy policies, plans and programs	78,142	42,500	120,642			Financing for Participatory Energy Planning Process for 17 pilot provinces (one per region) amounting to P42.5 million (P2.5 million per province). The proposed model is the Panay Multi-Sectoral Development Planning (MSPDP) process, which the Philippine Movement for Climate Justice proposes to be replicated in one pilot province per region.
Vol. I-A, Line 59 p. 953	DOE-OSEC	Promotion of renewable energy resources	57,324	5,050,000	5,107,324			To include P50 million Research and Development fund on off-grid renewable energy systems; P5 billion budget for DoE for subsidizing incentives for 10,000 households to install solar PVs, following the practices of various developing countries in incentivizing renewable energy. <u>Source of funding: Income from government shares from various energy projects under DOE,</u>

Vol. I-A, Line 3 p. 954	DOE-OSEC	Implementation of the National Renewable Energy Program	3,333	2,000,000	2,003,333	<u>with ending balance amounting to Php188.467 billion as of 2015</u> To include P2 billion to set-up the Renewable Energy Trust Fund as mandated by the Renewable Energy Act of 2008 <u>Source of funding: Income from government shares from various energy projects under DOE, with ending balance amounting to Php188.467 billion as of 2015</u>
DENR						
Vol. I-A, Line 42 p. 967	DENR-OSEC	Data management including Systems Development and Maintenance	361,909	127,000	488,909	To include upgrading of I.T. equipment and systems
Vol. I-A, Line 31 p. 954	DENR-OSEC	Production and Dissemination of Technical and Popular Materials in the Conservation and Development of Natural Resources and Environmental Education,	209,421	11,375	220,796	To include climate change literacy program



		including an Encyclopedia on Biodiversity							
Vol. I-A, Line 56 p. 974	DENR-OSEC	Legal services including Operations against Unlawful Titling of Public Land	149,492	25,314	174,806				To include enforcement and monitoring of rivers and waterways easement policies
Vol. I-A, Line 45 p. 980	DENR-OSEC	Forest Development, Rehabilitation and Protection	9,573,729	3,525,000	14,130,831				Include PhP1 billion for additional hectares for maintenance and sustainability of reforested areas, PhP1.725 billion for forest protection and sustainability of the reforested areas under the National Greening Program, PhP100 million for review and updating of tenorial instruments, PhP200 million for Community-Based Forestry Program, and PhP500 million for Soil Conservation and Watershed Management.
Vol. I-A, Line 27 p. 984	DENR-OSEC	Land Survey, Disposition and Records Management	1,485,535	837,182	2,322,707				To include cadastral survey of the remaining 146 cities and municipalities
Vol. I-A, Line 37 p. 994	DENR-OSEC	Management of Coastal and Marine Resources/ Areas	632,607	2,029,770	2,662,377				To include PhP100 million for nationwide mangrove reforestation, PhP1.8 billion for marine sanctuary and coastal resource management in critical coastal habitats, including eco-tourism sites of Lingayen Gulf, Tayabas Bay, Visayan Sea, Cebu Strait, Panguil Bay, Macalajar Bay, and PhP150 million for coral reefs rehabilitation and protection and establishment of marine sanctuaries

Vol. I-A, Line 41 p. 1017	DENR-EMB	Pollution Research and Laboratory Services	115,746	2,352	118,098	To include PhP2.4 million for pollution laboratories for the Visayas and Mindanao
Vol. I-A, Line 49 p. 1018	DENR-EMB	Environmental Education and Information	42,384	30,000	72,384	To include PhP30 million research, support and IEC on waste avoidance and reduction initiatives like production and use of environmentally-acceptable packaging materials and products especially those that are made locally and of natural and renewable raw materials
Vol. I-A, Line 3 p. 1020	DENR-EMB	Implementatio n of clean air regulations	238,103	500,000	738,103	To include PhP500 million for air quality monitoring which will include toxic air pollutants (mercury, dioxins, furans etc.) associated with burning of waste, dumpsite and landfill emissions especially those located near the disposal sites
Vol. I-A, Line 28 p. 1023	DENR-EMB	Implementatio n of ecological waste management regulations	944,551	213,000	1,166,655	To include PhP100 million National Solid Waste Management Fund that will be administered by the National Solid Waste Management Council (NSWMC); PhP51 million for technical assistance and establishment of Ecological Solid Waste Management (ESWM) system in private and public schools; PhP40 million to conduct Zero Waste National and Regional Summits for private and public Schools; PhP17 million technical assistance and establishment of ESWM system in commercial/industrial establishments clusters in Luzon, Visayas, Mindanao; PhP5 million for the implementation of National Framework



								Plan on Informal Waste Sector (IWS) which includes research, assistance to LGUs in the integration of IWS and national conference
Vol. I-A, Line 38 p. 1024	DENR-EMB	Implementation of toxic substances and hazardous waste management regulations	88,409	30,000	118,409			To include Php30 million for an inventory of toxic wastes in land and water environments
n.a.	DENR-EMB	National Solid Waste Management Fund	New budget item	100,000	100,000			Establishment of the P100 million National Solid Waste Management Fund under toxic substances and waste management program
Vol. I-A, Line 29 p. 1037	DENR-NAMRIA	Topographic Base Mapping and Geodetic Surveys	620,853	1,549,500	2,170,353			To include production of large-scale updated topographic base maps for Unified Mapping Program
DOF-OSEC								
n.a.	DOF-OSEC	National Adaptation Fund for Local Government Units and Community Organizations governed by the People's Survival Fund Board	New Budget Item (reallocated from NDRRMF Fund)	1,000,000	1,000,000			Text collected and budget reallocated from NDRRM Fund Ways forward to improve the allocation of PSF in the GAA 2017: 1. PSF should be a separate programmed budget item with explicit mention of its original intent (a national adaptation fund for local government units and communities) and who governs it (the PSF Board). 2. PSF allocation should be placed under the DOF as the Chair of the PSF Board as mandated in the law. However, explicit mention should be made that the PSF Board governs it should be present.



DOH-OSEC	DOH-OSEC	Rural Health Units-Central Office	121,240	1,500,000	1,621,240	Financing subsidies amounting to Php 3 billion will go to installation of solar PVs in public schools and rural health clinics. Php 1.5 billion for 5,000 pilot public schools, Php 1.5 billion for 5,000 rural health clinics; distributed across DepEd and DOH budgets.
DILG	DILG-OSEC	Provision for Potable Water Supply (SALINTUBIG)	1,573,150	1,857,371.25	3,650,521.25	To attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% gap in the proportion of families in waterless municipalities (PSA MDG Watch). It would entail a total of P87,606,515 for the construction and upgrading of potable water systems (2010 Philippine Water Supply Sector Roadmap) and sanitation facilities. A yearly amount of P14,601,085 in six years is needed to cover the deficit under the Duterte administration. For 2017, said amount would be distributed across DPWH, Local Water Utility Administration (LWUA), and DILG.
Vol. I-A, Line 11 p. 1175	DILG-OSEC	Capacitating LGUs on Housing and Resettlement	355,693	30,000	385,693	The prevailing pattern in housing and relocation areas is for parents to return to their former community to work, leaving their children in the care of neighbors (Save the Children, "Securing the Rights of Girls and Boys in Urban Poor Relocation Programs," 2015). Allocate Php30 million to capacitate LGUs in the creation of child friendly communities, and

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Vol. I-A, Line 54 p. 1186	DILG-Local Government Academy	Development and implementation of training programs for local government officials and department personnel	168,256	20,000	188,256	coordination of delivery of social services to ease the situation of relocating families. PhP20 million to promote child-friendly governance. Develop and implement training program to build child-friendly communities and sensitize LGUs, especially the barangays' personnel on the psychology and developmental needs of children.
Vol. I-A, Line 39 p. 1216	DILG- Philippine Public Safety College	Education and Training Program	1,489,928	20,000	1,509,928	Develop child-friendly approach to policing communities. Create curriculum and implement training program for sensitizing police personnel on the psychology and developmental needs of children, esp. of street children and children in conflict with the law (CICL).
DPWH- OSEC						
Vol. I-B, Line 35 p. 14	DPWH- OSEC	Design of Public Works and Highways Projects	94,689	54,800	149,489	PhP50 million for Regional Accessibility Compliance Team to ensure compliance and monitoring of Batasang Pambansa 344 or the Accessibility Law; and PhP4.8 million for seminars on the rights of persons with disabilities (PWDs) relevant to Accessibility Law (BP 344).
Vol. I-B, Line 45 p. 122	DPWH- OSEC	Construction/ Rehabilitation of Water Supply / Septage and Sewerage /	1,362,000	2,288,521.25	3,650,521.25	To attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% gap in the proportion of families in waterless municipalities (PSA MDG Watch). It would entail a total of P87,606,515 for the

		Rain Water Collectors-Central Office				construction and upgrading of potable water systems (2010 Philippine Water Supply Sector Roadmap) and sanitation facilities. A yearly amount of P14,601,085 in six years is needed to cover the deficit under the Duterte administration. For 2017, said amount would be distributed across DPWH, LWUA, and DILG.
Vol. I-B, Line 37 p. 163 / p. 1436	DPWH-OSEC / DPWH Details of DPWH's Programs and Projects	Water Supply-Construction / Repair / Rehabilitation / Improvement of Various Infrastructure including Local Projects-Central Office-Water supply and sanitation for poverty areas and tourism priority sites	2,000,000	1,150,521.25	3,150,521.25	To attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% gap in the proportion of families in waterless municipalities (PSA MDG Watch). It would entail a total of P87,606,515 for the construction and upgrading of potable water systems (2010 Philippine Water Supply Sector Roadmap) and sanitation facilities. A yearly amount of P14,601,085 in six years is needed to cover the deficit under the Duterte administration. For 2017, said amount would be distributed across DPWH, LWUA, and DILG.
DSWD-OSEC						
Vol. I-B, Line 9 p. 259	DSWD-OSEC	Social Technology Development and Enhancement	67,302	35,000	102,302	Promote governance that supports child-friendly policies and practices in all agencies, institutions, and branches of government. Increase budget by PhP15 million for the development of training modules on understanding the psychology and



						developmental needs of children for all front-line police personnel, members of the judiciary, court personnel, members of the barangay peace and order council, and other duty-bearers. Php15 million transferred from Formulation and Development of Policies and Plans budget.
Vol. I-B, Line 19 p. 259	DSWD- OSEC	Provision of services for center-based clients	1,406,408	1,400,000	2,806,408	Adopt an inter-agency and whole government approach to poverty and to taking care of the welfare of children. An allocation of Php20 million is needed to develop a nationwide plan for addressing hunger and malnutrition among children five years old and above in conjunction with DepEd, DA, DOST, and DTI.
Vol. I-B, Line 51 p. 266	DSWD- OSEC	Provision of technical/advisory assistance and other related support services	756,188	40,850	797,038	Improve quality of services for clients in residential care facilities and increase the budget for each client to Php300/day from only P148/day. Expand and make community-based services and programs more efficient for the protection of children. Earmark Php40,850,000 (Php50,000/LGU x 817 LGUs, or 50% of 1,634 cities & municipalities) for (a) the re-training of local social welfare development officers in handling children and (b) technical assistance in the development of local social welfare programs for children in conflict with the law and children in transition communities.
DOTr-OSEC						



Vol. I-B, Line 52 p. 335	DOTr-OSEC	Conduct of conferences, seminars and trainings including the granting of scholarships	7,171	4,800	11,971	PhP4.8 million for awareness-raising seminars regarding rights of persons with disabilities in relation to access to public transportations. Lack of awareness regarding rights of PWDs and in relation to mandate of DOTr adds to the difficulty of PWDs when commuting through public transport or even if with their private vehicles. Allocation is placed under Support to Operations.
OEO-CCC						
Vol. I-B, Line 59 p. 438	OEO-CCC	Capacity building through training	28,769	20,000	48,769	Technical assistance to LGUs to integrate LCCAP and DRR into Annual Investment Plans and Budgets
ARMM						
Vol. I-B, Line 24 p. 607	ARMM	Water Supply	644,700	1,005,800	2,000,000	In order to attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% deficit in the proportion of families in waterless municipalities (PSA MDG Watch). Increase the ARMM water supply budget to P2 billion for upgrading of water supply systems.
THE JUDICIARY						
Vol. I-B, Line 24 p. 607	The Judiciary-Supreme Court of the Philippines and the	Research and Development	1,070,156	20,000	1,090,156	Undertake research on: (a) the profile and disposition of CICL case that have entered the jurisdiction of the court since RA No. 9344 as amended, or the Juvenile Justice and Welfare Act, was promulgated in 2006, and (b) the availability of court interpreters for deaf



	Lower Courts					children and the manner by which child victims and child offenders are dealt with by the courts.
BSGC						
Vol. I-B, Line 9 p. 692	BSGC-NEA	Sitio Electrification Project	1,817,000	2,000,000	3,817,000	To include subsidy to Electric Cooperatives for Renewable Energy Projects <i>Source of funding: Income from government shares from various energy projects under DOE, with ending balance amounting to PhP188.467 billion as of 2015</i>
Vol. I-B, Line 48 p. 693	BSGC-NAPOCOR	Supply electricity in missionary areas	949,534	807,807	1,757,341	Restore appropriation for SPUG Capital Outlay to its 2016 GAA levels to address the lack of electricity access of households in remote and isolated villages in the country. Most of these villages are situated in geographically isolated and disadvantaged areas (GIDA). <i>Source of funding: Income from government shares from various energy projects under DOE, with ending balance amounting to PhP188.467 billion as of 2015</i>
Vol. I-B, Line 19 p. 706	BSGC-LWUA	Level III Potable Water Supply	2,046,750	1,603,771.25	3,650,521.25	To attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% deficit of the proportion of families in waterless municipalities (PSA MDG Watch). It would entail total of PhP87,606,515 for the construction and upgrading of potable water systems (2010 Philippine Water Supply Sector Roadmap) and sanitation facilities. A yearly amount of PhP14,601,085 in six years would be needed to cover the deficit under the Duterte administration. For 2017, said amount would be distributed across DPWH, LWUA, and DILG. Include other poor areas that are non-NHA resettlement areas herein.

Vol. I-B, Line 23 p. 706	BSGC- LWUA	Sanitation Program	78,000	22,000	100,000	To attain universal access to safe, adequate and sustainable potable water supply by 2025 and sanitation services by 2028, we have to close the 15% deficit of the proportion of families in waterless municipalities (PSA MDG Watch). Allocate P100 million for the conduct of feasibility studies for sanitation project.
Vol. I-B, Line 23 p. 706	BSGC-NFA	Price and Supply Stabilization of Rice and Corn	5,100,000	24,900,000	30,000,000	PhP30 billion rice/palay procurement subsidy to fulfill the administration's promise of providing rice to 4.4 million poor Filipino families; reduce loan dependence to banks, address the bleeding NFA resources, provide seed money for NFA operations, and help improve NFA facilities. Instead of NFA acquiring loan again, the subsidy can be frontloaded provided as initial capitalization for the agency.
Vol. I-B, Line 2 p. 728	BSGC-NHA	Housing Assistance Program for Calamity Victims- Community Facilitates in Typhoon Yolanda Projects	1,300,000	100,000	1,400,000	Additional PhP100 million for housing assistance to families in Yolanda-affected areas that will be displaced by the dike embankment projects of the DPWH.
Vol. I-B, Line 11 p. 730	BSGC-NIA	Operating Subsidy	1,690,657	3,309,343	5,000,000	Free irrigation service fees to farmers as promised by the government Breakdown: PhP3,000/ha x 900,000 hectares x 2 seasons

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n.a.	BSGC-PCA	Private sector monitoring	New Budget Item	5,000	5,000	Monitoring of PCA's plans and programs will be done by an entity from the private sector.
TOTAL (in PhP '000)			96,809,931	115,174,888	190,329,575	

On the other hand, the ABI Health cluster has also crafted alternative budget proposals for the following:

- Increased salary and statutory benefits of public health workers
- Health promotion, promotion of traditional and complementary medicines
- Primary care benefit package
- Older people's participation in the promotion of the primary health care and wellness programs
- Psychiatric medical services for persons with disabilities and maintenance medicines for children with disabilities
- Full implementation of national family planning programs
- Strengthening good governance in medicines

The corresponding sources of financing are also indicated in the table below.

NEP Page No.	Dept/ Agency	Budget item/PAP	2017 NEP Amount (in PhP'000)	Proposed Amendment (in PhP'000)	Amended Amount (in PhP'000)	Rationale	Sources of Financing
DOH							
p. 208	DOH-OSEC	Health Human Resource Development	7,128,431	26,138,024.5	33,266,455.5	Budget allocation amounting to PhP 26,138,024,498.24 for salary and statutory benefits under the Magna Carta for Public Health Workers. Recognizing that the barangay health workers are the frontline in the delivery of health care who selflessly serve with very	1. FY 2013 – FY2016 Savings from funded unfilled permanent positions 2. Special Purpose Fund – Miscellaneous Personnel Benefits Fund - requirements for the filling up of authorized positions and for the creation of new positions



p. 215	DOH-OSEC	Other infectious diseases and emerging and re-emerging diseases including HIV/AIDS, dengue, food and water-borne diseases	1,595,696	2,300,000	3,895,696	<p>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. Details of the computation of the proposal is indicated in the ABI Health cluster write up.</p> <p>“Ending AIDS” scenario The Php2.3 billion is proposed is to finance the phased scale-up to universal access of Antiretroviral therapy (ART) while optimizing prevention interventions for MSM and PWID, expanding coverage incrementally to reach the targets by 2017. The treatment coverage would be scaled up initially to 90% of People Living with HIV with weaker immune system (CD4 less than or equal to</p>	<p>3. Sin Tax Incremental Revenue 4. Professional fee reimbursement from PhilHealth 5. Tax Revenue 6. Contestable budget items identified by ABI for reallocation</p>
						<p>Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation</p>	



p. 218	DOH-OSEC	Family Health and Responsible Parenting	4,260,101	1,800,000	6,060,101	500) before moving to full 'test and treat' mode in 2017. 'Ending AIDS' calls for an average annual investment of PhP2.3 billion between 2015 and 2030. Based on a Costed Implementation Plan (CIP) for Family Planning directing zero unmet need for contraceptive in the Philippines, the PhP 1.8 billion proposal will cover financial gap needed to fully implement national Family Planning programs which include: <ul style="list-style-type: none"> • Sexual and Reproductive Health of Adolescents and Youth • Sexuality Education • ending misconceptions and poor reproductive health outcomes • Rights to Sexual and Reproductive Health of Indigenous Peoples 	Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation
p. 219	DOH-OSEC	Health Promotion	121,753	1,000,000	1,121,753	This amount shall cover initial interventions in health promotion through robust community organizing: 1. Nationwide public promotion of healthy lifestyle and well-being	Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation

p. 219	DOH-OSEC	Health Promotion	Budget see above	5,137.5	126,890.5 TOTAL 1,126,890.5	<p>Older people's participation in local government unit's health teams to promote primary health care and wellness programs in 50 randomly selected barangays (pilot program)</p> <p>TRAINING (for expenses on Venue, transportation, food, kit, resource persons) 150 Pax X Php 500 x 5 days = Php 375,000</p> <p>MID-YEAR ASSESSMENT AND YEAR-END IMPACT EVALUATION 150 pax x Php 500 x 2 days = Php 150,000</p> <p>EQUIPMENT (Sphygmomanometers, Blood sugar gauges, thermometers, etc.) Php 8,000 x 150</p> <p>DEPLOYMENT Honorarium = 150 pax x Php 2,500/mo. X 13 mos. = Php 262,5000 x 13 mos. = Php 3,412,500</p>	Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation
p. 226	DOH-OSEC	Hospital Services- Operation of Regional	14,590,924	110,000	14,700,924	<p>Psychiatric medical services in all regional hospitals = PhP100 million</p>	Sin Tax Incremental Revenue / Professional fee reimbursement from PhilHealth / Contestable



p. 230	DOH-OSEC	Medical Centers, Sanitaria and Other Hospitals	680,357	12,000	692,357	Maintenance medicines of Children with Disabilities = PhP10 million	budget items identified by ABI for reallocation
p. 787	BSGC-PITAHC	Implementation of health regulations	44,000	15,000	59,000	Strengthening Transparency and Accountability in Access to Medicines Initiatives covers Capacity building activities, advocacy and CSO monitoring activities in relation to drug procurement and utilization	Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation
		Research and Development Services				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	Sin Tax Incremental Revenue / Contestable budget items identified by ABI for reallocation



p. 782	BSGC-PhilHealth	Social Health Insurance Services	50,105,491	29,510,000	79,615,491	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 Additional PhP29.51 billion allocation for Primary Care Benefit Package under Tamang Serbisyo para sa Kalusugan ng Pamilya (TseKap) program	1. Government's underspending or savings, and/or PhilHealth's reserve fund, with an ending balance of PhP120 billion in 2014. 2. Contestable budget items identified by ABI for reallocation
TOTAL (in PhP '000)			78,526,753	60,890,162	139,416,915		
GRAND TOTAL (in PhP '000)			175,336,684	176,065,050	329,746,490		Contestable budget items identified by ABI for reallocation amounting to

Table 55. CONTESTABLE BUDGET ITEMS AND LUMP SUMS FOR REALLOCATION TO ALTERNATIVE ALLOCATIONS FOR SOCIAL DEVELOPMENT

NEP Vol. No-Page No.	Dept/Agency	Budget item/PAP	2017 NEP Amount (in PhP'000)	Proposed Amendment (in PhP'000)	Amended Amount (in PhP'000)	Rationale
OP						
Vol. I-A, Line 33 p. 18	OP	Oversight management on national security concerns	2,757,826	(2,098,235)	For reallocation	From the previous year, this budget increased by 318% in 2017, now amounting to PhP2.758 billion. Retain the 2016 GAA amount of PhP659.6 million and use the remaining PhP2.098 billion as funding source for ABI proposals.
Vol. I-A, Line 33 p. 18	OP	Association of South East Asian (ASEAN) Hosting	15,459,598	(11,074,760)	For reallocation	Out of the P15.459 billion, PhP11.075 billion will be lodged under OP without details. Unless the OP/DBM provides breakdown of planned expenditures, this amount can be used to fund ABI proposals.
DA-OSEC						
Vol. I-A, Line 52 p. 95	DA – OSEC	Production Support Services on the National Rice Program (Central Office)	140,373	(140,373)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.



Vol. I-A, Line 1 p. 97	DA – OSEC	Production Support Services on the National Livestock Program (Bureau of Animal Industry)	120,748	(120,748)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
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Vol. I-A, Line 5 p. 98	DA – OSEC	Production Support Services on the National Corn Program (Central Office)	110,714	(110,714)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 14 p. 99	DA – OSEC	Production Support Services on the National High-Value Crops Program (Central Office)	171,131	(171,131)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 48 p. 108	DA-OSEC	Extension Support, Education and Training Services on the National	67,155	(67,155)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose.



									The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 61 p. 109	DA-OSEC	Rice Program (Central Office)	17,860	(17,860)	For reallocation				These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 9 p. 111	DA-OSEC	Extension Support, Education and Training Services on the National Corn Program	19,442	(19,442)	For reallocation				These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 22 p. 112	DA-OSEC	Extension Support, Education and Training Services on the National High-Value Crops Program	26,404	(26,404)	For reallocation				These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.



Vol. I-A, Line 25 p. 125	DA-OSEC	(Central Office) Provision of Agricultural Equipment and Facilities for the National Rice Program (Central Office)	72,140	(72,140)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 31 p. 126	DA-OSEC	Provision of Agricultural Equipment and Facilities for the National Livestock Program (Central Office)	12,000	(12,000)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 37 p. 127	DA-OSEC	Provision of Agricultural Equipment and Facilities for the National Corn Program (Central Office)	23,562	(23,562)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
Vol. I-A, Line 42 p. 128	DA-OSEC	Provision of Agricultural Equipment	2,673	(2,673)	For reallocation	These allocations are allocated to the DA Secretary and the Bureau of Animal Industry, on top of the regional allocations for respective programs. Some amounts herein



							are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. The amount can instead be used as funding source for ABI proposals.
DEPED-OSEC							
Vol. I-A, Line 17 p. 510	DepEd-OSEC	Textbooks/ Instructional Materials (Central Office)	825,133	(825,133)	For reallocation		These allocations are on top of the regional allocations for the same programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. A portion of this amount should be rechanneled to crucial regular programs in the DepEd that are under-funded such as the Alternative Learning System, Medical & Services & Training for Teachers, MOOE for schools, & other programs identified by ABI.
Vol. I-A, Line 25 p. 511	DepEd-OSEC	Science and Mathematics Equipment (Central Office)	348,408	(348,408)	For reallocation		These allocations are on top of the regional allocations for the same programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not receive this anymore since the regions have been given separate allocation for the same purpose. A portion of this amount should be rechanneled to crucial regular programs in the DepEd that are under-funded such as the Alternative Learning System, Medical & Services & Training for Teachers, MOOE for schools, & other programs identified by ABI.
Vol. I-A, Line 33 p. 512	DepEd-OSEC	Department of Education Computerizat	2,092,224	(2,092,224)	For reallocation		These allocations are on top of the regional allocations for the same programs. Some amounts herein are higher than the allocation for any specific region. The OSEC should not



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		ion Program (Central Office)					receive this anymore since the regions have been given separate allocation for the same purpose. A portion of this amount should be rechanneled to crucial regular programs in the DepEd that are under-funded such as the Alternative Learning System, Medical & Services & Training for Teachers, MOOE for schools, & other programs identified by ABI.
Vol. I-A, Line 3 p. 515	DepEd- OSEC	Construction and restoration of Gabaldon & other heritage school buildings	300,000	(300,000)	For reallocation		Every year, DepEd has huge backlog in the utilization of budget for construction of school buildings. It is time to reduce the budget for this based on the average utilization of the DepEd budget for units of classrooms constructed. The excess amount can be transferred to: 1) increase the unit price of school building in disaster prone areas to be resilient from disaster; 2) build new solar-powered school buildings in areas without electricity and disaster-prone; 3) rehabilitation of old school building; and other priority programs such as ALS, IP education, Madrasah, and education of persons with disability.
Vol. I-A, Line 2 p. 517	DepEd- OSEC	Voucher Program for private senior High School (per R. A. No 10533)	23,855,074	(11,942,537)	For reallocation		As a matter of policy, there is a need to review the whole procurement policy for school building. RA 10533 does not say that 40% of the senior high school should be enrolled in private schools, only the voucher system guidelines that outline the arrangement of 60-40% shares between public and private schools. Similar to the Education Service Contracting (ESC), the government does not have strong regulatory framework for private education. Hence, the budget should be used to strengthen public education system. The remaining amount for subsidy to private schools should go to schools without top-up fees given that voucher value is similar to the public school expenditure per student, specifically to non-DepEd public school like state universities and colleges, community



								colleges, TESDA training centers that offer senior high school. Schools that are charging more are profiting from education. Subsidy should also go to mission schools in remote areas and ABI proposals esp. on education.
DOE-OSEC								
Vol. I-A, Line 27 p. 953	DOE-OSEC	Exploration, dev't. & production of indigenous energy resources (petroleum & coal resources)	12,324	(12,324)	For reallocation			This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.
Vol. I-A, Line 39 p. 953	DOE-OSEC	For the oil industry including natural gas	21,973	(21,973)	For reallocation			This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.
Vol. I-A, Line 39 p. 953	DOE-OSEC	Promotion of exploration, development and production of indigenous energy resources (petroleum and coal energy resources)	27,793	(27,793)	For reallocation			This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.



Vol. I-A, Line 55 p. 953	DOE-OSEC	Promotion of oil industry including natural gas	25,412	(25,412)	For reallocation	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.
Vol. I-A, Line 12 p. 954	DOE-OSEC	Regulation relating to exploration, dev't. & production of indigenous energy resources through research, scientific, physical & calibration testing	9,937	(9,937)	For reallocation	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.
Vol. I-A, Line 23 p. 954	DOE-OSEC	Regulation of oil industry including natural gas	37,459	(37,459)	For reallocation	This is a red-flagged budget because the energy resources that are planned to be explored and developed are concentrated on petroleum, coal and gas. This should be transferred to the ABI proposals, especially on the environment.
DENR-OSEC						
Vol. I-A, Line 16 p. 976	DENR-OSEC	Conduct of special studies, design and development in support of forestry, mining and environment	271,522	(271,522)	For reallocation	The mining component of the budget should be transferred to the ABI proposals, especially on the environment.



DOH-OSEC									
Vol. I-A, Line 60 p. 1139	DOH-OSEC		3,543,225	(3,543,225)	For reallocation				The criteria of selection of the recipients of this assistance are not disclosed in its special provision. If not clarified, this portion of the amount should be transferred to ABI proposals.
DILG									
Vol. I-A,	DILG-OSEC		564,256	(564,256)	For reallocation				Identify the specific local roads to which this budget will be spent. Having no special provisions as to the manner of



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Line 30 p. 1172		Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement					release of the fund being lodged in the Central Office is a cause of concern. This should be reallocated instead for the ABI proposals. Besides, there is already PhP18 billion under the same budget item in the Local Government Support Fund and PhP18.6 billion under the Local Infrastructure Program in the DPWH.
Vol. I-A, Line 22 p. 1174	DILG-OSEC	Support for the Assistance to the Municipalities (Empowerment Fund)	350,000	(350,000)	For reallocation		There is already a budget of PhP1.003 billion under Performance-Based Challenge Fund that covers financial subsidy to LGUs. The budget here should be reallocated to fund ABI proposals.
Vol. I-A, Line 53 p. 1174	DILG-OSEC	Civil Society Organization /People's Participation Partnership Program	22,000	(22,000)	For reallocation		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 part of their mission and without compensation. It is recommended that the amount be used for ABI proposals.
Vol. I-A, Line 42 p. 1207	DILG-PNP	Conduct of operations and other related confidential activities against dissidents, subversives, lawless elements and organized	77,451,733	(12,260,427)	For reallocation		Investing in social development necessitates cuts in defense and law and order spending. The recommendation is to retain the 2016 GAA at PhPP65,191,306,000 and use the variance amounting to PhPIP12,260,427,000 for ABI proposals.



<p>DOLE-OSEC Vol. I-A, Line 55 p. 1260 Lines 5-28 p.1257</p>	<p>DOLE-OSEC</p>	<p>crime syndicates and campaign against kidnapping, trafficking of women and minors, smuggling, carnapping, gunrunning, illegal fishing and trafficking of illegal drugs- Central Office</p>	<p>3,597,114</p>	<p>(2,615,274)</p>	<p>For reallocation</p>		<p>The Special Provision states that out of the PhP3.597 billion, P981.840 million will be spent for the payment of wages of displaced workers under the Tulong Pangkabuhayan sa Ating Disadvantaged Workers project. Since it is not clear on how the remaining PhP2.615 billion will be used, we recommend that a portion of this amount be reallocated to fund ABI proposals.</p>
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DND									
Vol. I-A, Line 35 p. 1319	DND-PA	workers and for the rural workers including programs for self-organization for plantation workers	48,195,276	(8,873,294)	For reallocation	Investing in social development necessitates some cuts in defense and law and order spending. Retain the 2016 GAA at P39,321,982,000) and use the variance amounting to P8.873 billion (P8,873,294,000) as funding source for ABI proposals.			
Vol. I-A, Line 54 p. 1327	DND-PAF	Territorial Defense, Security and Stability Services-Force Sustainment	7,734,716	(1,704,787)	For reallocation	Investing in social development necessitates cuts in defense and law and order spending. Retain the 2016 GAA at PhPP6,029,929,000 and use the variance amounting to PhPP1,704,787,000 as funding source for ABI proposals.			
Vol. I-A, Line 54 p. 1327	DND-PN	Territorial Defense, Security and Stability Services-Force Sustainment	2,852,269	(777,314)	For reallocation	Investing in social development necessitates cuts in defense and law and order spending. Retain the 2016 GAA at PhP2,074,955,000 and use the variance amounting to PhP777.314 million as funding source for ABI proposals.			
DPWH-OSEC									



Vol. I-B, Line 35 p. 4	DPWH- OSEC	General management and supervision- Central Office	3,838,009	(54,800)	For reallocation	Reduce the budget for regional accessibility compliance team and awareness raising seminar re: accessibility law and rights of persons with disabilities.
Vol. I-B, p. 847	DPWH- OSEC Details of DPWH's Programs and Projects	Feasibility Study/Prelim inary and Detailed Engineering- Central Office	500,000	(500,000)	For reallocation	Without the details of the feasibility study budget that is lodged in the Central Office, we recommend the reallocation of this amount to fund ABI proposals.
Vol. I-B, p. 851	DPWH- OSEC Details of DPWH's Programs and Projects	Payments of Right of Way (ROW)- Various completed projects, Nationwide	5,000,000	(5,000,000)	For reallocation	Without the details on ROW payments, we recommend the reallocation of this amount to fund ABI proposals.
Vol. I-B, p. 851	DPWH- OSEC Details of DPWH's Programs and Projects	Payments of Right of Way (ROW)- Various on- going projects, Nationwide	4,062,464	(4,062,464)	For reallocation	Without the details on ROW payments, we recommend the reallocation of this amount to fund ABI proposals.
Vol. I-B, p. 1176	DPWH- OSEC Details of DPWH's	Multipurpose /Facilities- National Building	923,861	(923,861)	For reallocation	Without the details on the National Building Program under the Central Office, we recommend the reallocation of this amount to fund ABI proposals.



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	Programs and Projects	Program-National Building Program							
Vol. I-B, p. 1436	DPWH-OSEC Details of DPWH's Programs and Projects	Water Supply-Construction / Repair / Rehabilitation / Improvement of Various Infrastructure including Local Projects-Small Water Impounding Project	500,000	(500,000)	For reallocation	Without the details on the Small Water Impounding Project under the Central Office, we recommend the reallocation of this amount to fund ABI proposals.			
Vol. I-B, Lines 27-37 & 40 p. 145 / p. 1436	DPWH-OSEC / Details of DPWH's Programs and Projects	National Roads-Public-Private Partnership Strategic Support Fund (including ROW and Subsidy)	16,475,717	(16,475,717)	For reallocation	Special provision states that this will be used to cover payment of fees for independent consultants, variation orders and ROW-expenses for PPP infrastructure projects. We argue that PPP projects have to be further reviewed if they are beneficial to the general public or not. We recommend that this be reallocated to fund ABI proposals.			
DSWD-OSEC									
Vol. I-B, Line 2 p. 259	DSWD-OSEC	Formulation and development	49,041	(15,000)	For reallocation	Promote governance that supports child-friendly policies and practices in all agencies, institutions, and branches of government. Transfer PhP15,000,000 to Social Technology Development and Enhancement for the development of			



		of policies and plans							training modules on understanding the psychology and developmental needs of children for all front-line police personnel, members of the judiciary, court personnel, members of the barangay peace and order council, and other duty-bearers.
Vol. I-B, Line 47 p. 260	DSWD-OSEC	Protective services for individuals in especially difficult circumstances (Central Office)	2,065,526	(2,065,526)		For reallocation			There is no provision directing the release of the PhP2.065 billion. We recommend that a portion of this amount be reallocated to fund ABI proposals.
DTI-OSEC									
Vol. I-B, Line 51 p. 305	DTI-OSEC	Design, development and implementation of plans and programs for the promotion and facilitation of export expansion schemes	91,257	(91,257)		For reallocation			The budget of DTI does not define the “green jobs” that is being promoted after the Rio+20. In the parlance of addressing climate change, ABI believes that “green jobs” should be at the center of it especially in discussing the mandate and programs of DTI. The budget for this should be rechanneled to fund ABI proposals, especially on the environment.
DOTr-OSEC									



Vol. I-B, Line 31 p. 334	DOT-OSEC	General management and supervision- Central Office	442,927	(4,800)	For reallocation	Reduce the budget and reallocate it for awareness raising seminars on the rights of PWDs in relation to access to public transportation.
OEO-CHED						
Vol. I-B, Line 52 p. 446 Lines 43-46 p. 444	OEO-CHED	Provision of Assistance, Incentives, Scholarships and Grants	6,751,640	(1,237,118)	For reallocation	The amount of PhP4,514,222,000 shall be used for the financial assistance to deserving students through the Tulong Dunong Program under the PhP6.781 billion Provision of assistance, incentives, scholarships and grants budget item. Since the purpose of the remaining PhP2.231 billion was not disclosed, we recommend its reallocation to fund ABI proposals.
ARMM						
Vol. I-B, Line 9 p. 609	ARMM	Bangsamoro Regional Inclusive Development Program for Sustainable Growth and Equity (BRIDGE)	2,134,651	(2,134,651)	For reallocation	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 that this be rechanneled to fund ABI proposals.
SPECIAL PURPOSE FUNDS						
Vol. I-B, Line 25 p. 764	Allocation to LGUs	Local Government Support Fund (formerly Financial Subsidy to LGUs)	39,484,341	(39,484,341)	For reallocation	Special provisions, authorizing the spending of PhP800 million for Financial assistance to LGUs to support various priority programs and projects of municipalities (SP 1), PhP15.792 billion for assistance to disadvantaged municipalities (SP 2), and PhP18.03 billion for conditional matching grant to provinces for road repair, rehabilitation and improvement (SP 3). However, these allocations should be re-channelled to fund ABI proposals because of the ff: 1) Assistance to disadvantaged municipalities have already been lodged across key agencies as well as in the transfers

							from national government agencies to LGUs under the Allocation to LGUs; and 2) Budget does not make sense considering that the DPWH and other agencies have already allocated huge amounts for infrastructure projects across the country.
Vol. I-B, Line 54 p. 767	Contingent Fund	Fund Subsidies for Contingencies	5,500,000	(5,500,000)	For reallocation		Special provision includes augmenting Presidential travel expenses come from this fund although there is the same budget under OP. This special provision should be revised and deduct a significant amount to be reallocated to fund ABI proposals.
Vol. I-B, Line 44 p. 775	National Disaster Risk Reduction and Management Fund (Calamity Fund)	Aid, Relief and Rehabilitation Services to Communities /Areas Affected by Calamities including Training of Personnel, and other Pre-Disaster Activities	12,746,820	(12,746,820)	For reallocation		This should not be treated as calamity fund and should be used for other DRRM activities. It should be reallocated directly to appropriate implementing agencies included in the NDRRM Law. It is recommended that a portion of this budget be reallocated to ABI proposals, especially on environment.
Vol. I-B, Line 49 p. 775	National Disaster Risk Reduction and Management Fund	Repair and Reconstruction of Permanent Structures, including Capital	22,508,180	(22,508,180)	For reallocation		This should not be treated as calamity fund and should be used for other DRRM activities. It should be reallocated directly to appropriate implementing agencies included in the NDRRM Law. It is recommended that a portion of this budget be reallocated to ABI proposals, especially on environment.



	(Calamity Fund)	Expenditures for Pre-Disaster Operations, Rehabilitation and Other Related Activities				
Vol. I-B, Line 52 p. 775	National Disaster Risk Reduction and Management Fund (Calamity Fund)	Adaptation Projects and Activities of Local Government Units and Community Organizations (People's Survival Fund)	1,000,000	(1,000,000)	For text correction & reallocation to DOF-OSEc	<p>Here are suggested measures to improve the allocation of People's Survival Fund (PSF) in the 2017 GAA:</p> <ol style="list-style-type: none"> PSF should be a separate programmed budget item with explicit mention of its original intent (a national adaptation fund for local government units and communities). PSF allocation should be placed under the Climate Change Commission (CCC) as the lead agency or the DOF being one of the members of the PSF Board, as mandated in the law. It should also clearly identify the PSF Board as the governing body of the fund.
NEP Vol III p. 920	Pension and Gratuity Fund	For the payment of pension	102,194,751	(12,450,000)	For reallocation	<p>The Pension and Gratuity Fund still has unreleased appropriations amounting to PhP31,364,595,000 for the past two fiscal years (2014-2015). This suggests that the allocation for the payment of pension may be over the expected expenses for its beneficiaries. It is, thus, recommended that a part of the allocation be used to fund ABI proposal on rice/palay procurement subsidy.</p>
UNPROGRAMMED FUND¹						
Vol. I-B, Line 41 p. 783	Unprogrammed	Budgetary Support to Government-	4,000,000	(4,000,000)	For reallocation	<p>There is already a huge budget for Budgetary Support to Government Corporations under the SPFs. This can be reallocated to fund ABI proposals.</p>

¹ 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.



	owned and/or controlled corporations						
Vol. I-B, Line 41 p. 783	Unprogrammed Appropriations	7,914,728	(7,914,728)	For reallocation	This item should be part to the allocations in foreign assisted projects of the agencies and not under this lump sum fund. Further review of this budget is recommended to determine its benefits to the general public. This should be reallocated to fund ABI proposals.		
Vol. I-B, Line 41 p. 783	Unprogrammed Appropriations	15,185,272	(15,185,272)	For reallocation	This does not make sense considering the huge allocations for infrastructure and social programs in key agencies. This should be reallocated to fund ABI proposals.		
Vol. I-B, Line 43 p. 783	Unprogrammed Appropriations	5,000,000	(5,000,000)	For reallocation	This budget does not make sense considering the huge allocations already set aside for national defense. This should be reallocated to fund ABI proposals.		
Vol. I-B, Line 50 p. 783	Unprogrammed Appropriations	30,000,000	(30,000,000)	For reallocation	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. The benefits to the people of the PPP projects and concession agreements have to be further reviewed. This should be reallocated to fund ABI proposals.		
TOTAL (in PhP '000)		377,313,908	(206,987,031)	For reallocation			

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Table 56. PROPOSED AMENDMENTS TO SPECIAL AND GENERAL PROVISIONS

NEP Vol. No-Page No.	Dept/Agency/GenProv	2017 NEP	Amended Provision
Vol. I, p. 234 Vol. I-A, Lines 3-8 p. 233	DEPED-OSEC	<p>Special Provision 7. Special Hardship Allowance. The amount appropriated herein for special hardship allowance shall be used exclusively for teachers exposed to hardship or extreme difficulty in the place of work, mobile teachers assigned to handle multi-grade classes, mobile coordinators based on the criteria prescribed by DepEd, subject to the following:</p> <p>a) Priority shall be given to teachers in hardship posts; and</p> <p>b) The aggregate amount of allowance to be given to said teachers at any given time shall not exceed twenty-five percent (25%) of their basic pay.</p>	<p>Special Provision 7. Special Hardship Allowance. The amount appropriated herein for special hardship allowance shall be used exclusively for teachers exposed to hardship or extreme difficulty in the place of work, in disaster and conflict areas, assigned to handle multi-grade classes, mobile teachers and alternative learning system (ALS) coordinators based on the criteria prescribed by DepEd, subject to the following:</p> <p>a) Priority shall be given to teachers in hardship posts; and</p> <p>b) The aggregate amount of allowance to be given to said teachers at any given time shall be at least twenty-five percent (25%) of their monthly salary, as stipulated in the Magna Carta for Public School Teachers (R.A. 4670).</p>
Vol. I, p. 235 Vol. I-A, Lines 38-57 p. 233	DEPED-OSEC	<p>Special Provision 12. Assistance to Students and Teachers in Private Schools and in non-DepEd Public Schools.</p> <p>.....The implementation of the ESC and voucher programs shall be subject to the issuance of policies and guidelines by the DepEd and shall be jointly managed by the DepEd and the Private Education Assistance Committee (PEAC)....</p>	<p>Special Provision 12. Assistance to Students and Teachers in Private Schools and in non-DepEd Public Schools.</p> <p>.....The implementation of the ESC and voucher programs shall be subject to the issuance of policies and guidelines by the DepEd and shall be jointly managed by the DepEd and the Private Education Assistance Committee (PEAC). <u>Likewise, the DepEd shall strengthen monitoring of private education providers through the development of Regulatory Framework for Private Education to ensure it will not undermine the Right to Education and ensure accountability of public funds...</u></p>

<p>Vol. II, p. 514 Vol. I-B, Lines 27-37 p. 2</p>	<p>DPWH-OSEC</p>	<p>Special Provision 5. Public-Private Partnership Projects. The amount of Sixteen Billion Four Hundred Seventy Five Million Seven Hundred Seventeen Thousand Pesos (P16,475,717,000) appropriated herein for the Public-Private Partnership Strategic Support Fund shall be used for payment of fees, variation orders and Right of Way expenses authorized under R.A. 10752...</p>	<p><u>Delete Special Provision 5. Public-Private Partnership Projects</u></p>
<p>Vol. II, p. 514 Vol. I-B, Lines 42-60; 1-11 pp. 2-3</p>	<p>DPWH-OSEC</p>	<p>Special Provision 7. Local Infrastructure Program. The amount of Twenty Billion Eight Hundred Twenty Two Million Pesos (P20,822,000,000) appropriated herein under the Local Infrastructure Program shall be utilized for the construction and/or rehabilitation of the following local infrastructure, including the completion of existing ones: (a) Local Roads and Bridges including pathways; Priorities and criteria, programs of works, standards and specification of DPWH (b) Classrooms or Academic Buildings; Priorities, programs of works, standards, and specifications of the DepEd or CHED, as the case may be (c) Multi-Purpose Buildings; Standards designs and specification of DPWH (d) Levels 2 and 3 Water Supply Systems; Standards and specifications of DPWH and LWUA (e) Flood control and drainage; Standards and specifications of DPWH PROVIDED, That not more than ...</p>	<p>Special Provision 7. Local Infrastructure Program. The amount of Twenty Billion Eight Hundred Twenty Two Million Pesos (P20,822,000,000) appropriated herein under the Local Infrastructure Program shall be utilized for the construction and/or rehabilitation of the following local infrastructure, including the completion of existing ones: <u>(a) Local Roads and Bridges including pathways; Priorities and criteria, programs of works, standards and specifications of DPWH in compliance with B.P. 344 IRR standards and specifications</u> <u>(b) Academic Buildings or Classrooms including water, sanitation and health (WASH) facilities; and priorities, programs of works, standards, and specifications of the DepEd or CHED, as the case may be in compliance with B.P. 344 IRR standards and specifications</u> <u>(c) Multi-Purpose Buildings; Standards designs and specification of DPWH in compliance with B.P. 344 IRR standards and specifications</u> <u>(d) Levels 2 and 3 Water Supply Systems; Standards and specifications of DPWH and LWUA in compliance with B.P. 344 IRR standards and specifications</u></p>



<p>Vol. III, p. 891 Vol. I-B, Lines 46-60; 1-10 pp. 774-775</p>	<p>NDRRMF</p>	<p>Special Provision 2. Quick Response Fund. The amounts appropriated herein under Purpose 1 and 2 at Five Billion Pesos (P5,000,000,000) each shall be used for the initial allocation of QRF of the following core agencies:</p> <p>Purpose 1</p> <table border="0"> <tr> <td>(a) DSWD-OSEC</td> <td>P1,250,000,000</td> </tr> <tr> <td>(b) DND-Office of Civil Defense</td> <td>500,000,000</td> </tr> <tr> <td>(c) DOH-OSEC</td> <td>500,000,000</td> </tr> </table> <p>Purpose 2</p> <table border="0"> <tr> <td>(a) DPWH-OSEC</td> <td>1,000,000,000</td> </tr> <tr> <td>(b) DND-AFP</td> <td>750,000,000</td> </tr> </table> <p>The QRF shall serve as a stand-by fund...</p>	(a) DSWD-OSEC	P1,250,000,000	(b) DND-Office of Civil Defense	500,000,000	(c) DOH-OSEC	500,000,000	(a) DPWH-OSEC	1,000,000,000	(b) DND-AFP	750,000,000	<p>(e) Flood control and drainage; Standards and specifications of DPWH PROVIDED, That not more than ...</p> <p>Special Provision 2. Quick Response Fund. The amounts appropriated herein under Purpose 1 and 2 at Five Billion Pesos (P5,000,000,000) each shall be used for the initial allocation of QRF of the following core agencies:</p> <p>Purpose 1</p> <table border="0"> <tr> <td>(a) DSWD-OSEC</td> <td>P1,250,000,000</td> </tr> <tr> <td>(b) DND-Office of Civil Defense</td> <td>500,000,000</td> </tr> <tr> <td>(c) DOH-OSEC</td> <td>500,000,000</td> </tr> <tr> <td>(d) DA-OSEC</td> <td>500,000,000</td> </tr> </table> <p>Purpose 2</p> <table border="0"> <tr> <td>(e) DPWH-OSEC</td> <td>1,000,000,000</td> </tr> <tr> <td>(f) DND-AFP</td> <td>750,000,000</td> </tr> </table> <p>The QRF shall serve as a stand-by fund...</p> <p><i>Rationale: Since agriculture is vulnerable to extreme rains and temperature (El Niño and La Niña phenomena) as well as natural disasters like floods, drought, pests, and diseases infestations, etc.), a Quick Response Fund allocation of Five Hundred Million Pesos (P500,000,000) shall be provided to DA-OSEC)</i></p>	(a) DSWD-OSEC	P1,250,000,000	(b) DND-Office of Civil Defense	500,000,000	(c) DOH-OSEC	500,000,000	(d) DA-OSEC	500,000,000	(e) DPWH-OSEC	1,000,000,000	(f) DND-AFP	750,000,000
(a) DSWD-OSEC	P1,250,000,000																								
(b) DND-Office of Civil Defense	500,000,000																								
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(d) DA-OSEC	500,000,000																								
(e) DPWH-OSEC	1,000,000,000																								
(f) DND-AFP	750,000,000																								
<p>Vol. III, p. 891 Vol. I-B, Lines 11-18 p. 775</p>	<p>NDRRMF</p>	<p>Special Provision 3. People's Survival Fund. The amount of One Billion Pesos (P1,000,000,000) appropriated herein for Purpose 3 shall be used in support of the adaptation projects and activities of LGUs and community organizations as may be approved by the People's Survival Fund Board in accordance with Sections 20 and 21 of R.A. No. 9729, as amended. It may likewise be used to cover any deficiency in the implementation of</p>	<p>New DOF-OSEC Special Provision 3 (Vol. I-A, p. 1049). People's Survival Fund. The amount of One Billion Pesos (P1,000,000,000) appropriated herein for Purpose 3 shall be used in support of the adaptation projects and activities of LGUs and community organizations as may be approved by the People's Survival Fund (PSF) Board in accordance with Sections 20 and 21 of R.A. No. 9729, as amended. The PSF board shall likewise allocate</p>																						



<p>Vol. III, p. 982 Vol. I-B, Lines 11-18 p. 775</p>	<p>General Provisions</p>	<p>National Disaster Risk Reduction and Management Program, subject to the approval of the President of the Philippines.</p> <p>Release of funds shall be subject to the submission of Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. 292, s.1987.</p> <p>Sec. 30. Programs and Projects Related to Senior Citizens and Persons with Disability. All agencies of the government shall formulate plans, programs and projects intended to address the concerns of senior citizens and persons with disability, insofar as it relates to their mandated functions, and integrate the same in their regular activities.</p> <p>Moreover, all government infrastructures and facilities shall provide architectural features, designs or facilities that will reasonably enhance the mobility, safety and welfare of persons with disability pursuant to Batas Pambansa Blg. 344 and R.A. No. 7277.</p>	<p><u>twenty-five percent (25%) from the Fund herein to be appropriated for Project Development such as technical capacity training for writing proposals of LGUs and community organizations.</u></p> <p>Release of funds shall be subject to the submission of Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. 292, s.1987.</p>
<p>General Provisions</p>	<p>General Provisions</p>	<p>Sec. 30. Programs and Projects Related to Senior Citizens. All agencies of the government shall formulate plans, programs and projects intended to address the concerns of senior citizens, insofar as it relates to their mandated functions, and integrate the same in their regular activities.</p> <p><u>New Section (Sec. 31). Programs and Projects Related to Persons with Disabilities. All agencies of the government shall formulate plans, programs and projects intended to address the concerns of persons with disability, insofar as it relates to their mandated functions, and integrate the same in their regular activities.</u></p> <p><u>Moreover, all government infrastructures and facilities shall provide architectural features, designs or facilities applying the Universal Design concept and providing Reasonable Accommodation (as per U.N. Convention on the Rights of Persons with Disabilities) to enhance the mobility, safety, and access to government services of persons with disability pursuant to Batas Pambansa Blg. 344 and R.A. No. 7277.</u></p>	<p><u>twenty-five percent (25%) from the Fund herein to be appropriated for Project Development such as technical capacity training for writing proposals of LGUs and community organizations.</u></p> <p>Release of funds shall be subject to the submission of Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. 292, s.1987.</p> <p>Sec. 30. Programs and Projects Related to Senior Citizens. All agencies of the government shall formulate plans, programs and projects intended to address the concerns of senior citizens, insofar as it relates to their mandated functions, and integrate the same in their regular activities.</p> <p><u>New Section (Sec. 31). Programs and Projects Related to Persons with Disabilities. All agencies of the government shall formulate plans, programs and projects intended to address the concerns of persons with disability, insofar as it relates to their mandated functions, and integrate the same in their regular activities.</u></p> <p><u>Moreover, all government infrastructures and facilities shall provide architectural features, designs or facilities applying the Universal Design concept and providing Reasonable Accommodation (as per U.N. Convention on the Rights of Persons with Disabilities) to enhance the mobility, safety, and access to government services of persons with disability pursuant to Batas Pambansa Blg. 344 and R.A. No. 7277.</u></p>



<p>Vol. III, p. 989 Vol. I-B, Lines 6-18 p. 808</p>	<p>General Provisions</p>	<p>Sec. 58. Authority to Use Savings</p> <p>The President of the Philippines, the Senate President, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court and the Heads of Constitutional Commissions enjoying fiscal autonomy are hereby authorized to use savings in their respective appropriations to augment actual deficiencies incurred for the current year in any item of their respective appropriations. An item of appropriations shall pertain to the amount appropriations for a program, activity or project authorized in this Act. In the case of programs with several activities, each activity shall be considered an item of appropriation.</p> <p>The foregoing constitutional officers authorized to use savings shall be responsible for ensuring that a semestral and annual report on their respective use of savings shall be submitted to the President of the Senate of the Philippines and the Speaker of the House of Representatives, copy furnished the DBM. The report shall indicate among others, the sources and grounds used therefor, and the existing program, activity or project in their respective appropriations augmented. They shall likewise ensure that said reports are posted on their websites.</p>	<p>Sec. 58. Authority to Use Savings</p> <p>The President of the Philippines, the Senate President, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court and the Heads of Constitutional Commissions enjoying fiscal autonomy are hereby authorized to use savings in their respective appropriations to augment actual deficiencies incurred for the current year in any item of their respective appropriations. An item of appropriations shall pertain to the amount appropriations for a program, activity or project authorized in this Act. In the case of programs with several activities, each activity shall be considered an item of appropriation.</p> <p>The foregoing constitutional officers authorized to use savings shall be responsible for ensuring that a semestral and annual report on their respective use of savings shall be submitted to the President of the Senate of the Philippines, the Speaker of the House of Representatives, <u>the Chairperson of the Committee on Finance of the Senate, the Chairperson of the Committee on Appropriations of the House of Representatives,</u> copy furnished the DBM. The report shall indicate among others, the amount of savings generated, the sources and grounds used therefor, and the existing program, activity or project in their respective appropriations augmented. They shall likewise ensure that said reports are posted on their websites.</p> <p><u>The DBM shall also issue a memorandum circular detailing rules on savings, augmentation and the conditions for the modification in the allotment of funds within the first quarter of the year.</u></p>
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<p>Vol. III, p. 989 Vol. I-B, Lines 20-44 p. 808</p>	<p>General Provisions</p>	<p>Sec. 59. Meaning of Savings. Savings refer to portions or balances of any released appropriations in this Act which have not been obligated as a result of any of the following:</p> <p>a) Final discontinuance or abandonment of an on-going program, activity or project (P/A/P) by the head of the agency concerned due to causes not attributable to the fault or negligence of the said agency which would not render it possible for the agency to implement the said P/A/P during the validity of the appropriations;</p> <p>b) Non-commencement of the P/A/P for which the appropriations is released. For this purpose, non-commencement shall refer to the inability of the agency or its duly authorized procurement agent to obligate the released allotment and implement the P/A/P due to natural or man-made calamities or other causes not attributable to the fault or negligence of the agency concerned during the validity of the appropriations;</p> <p>c) Decreased cost resulting from the improved efficiency during the implementation or until the completion by agencies of their P/A/P: PROVIDED, That the agencies will still be able to deliver the targets and services as approved in this Act;</p> <p>d) Difference between the approved budget for the contract and the contract award price including variations required for the project.</p>	<p><i>Restore the definition of savings under Section 56, General Provisions of the 2017 National Expenditure Program</i></p> <p>Sec. 59. Meaning of Savings. <u>Savings refer to portions or balances of any released appropriations in this Act which have not been obligated as a result of any of the following:</u></p> <p>a) <u>Completion, final discontinuance, or abandonment of a program, activity or project for which the appropriation is authorized; or</u></p> <p>b) <u>Implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services approved in this Act at a lesser cost.</u></p> <p><u>In case final discontinuance or abandonment is used as basis in the declaration of savings, such discontinued or abandoned program, activity or project shall no longer be proposed in the succeeding years.</u></p> <p><u>Allotments that were not obligated due to the fault of the agency concerned shall not be considered savings.</u></p>
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		<p>PROVIDED, HOWEVER, That savings may likewise refer to available balances of appropriations arising from unused compensation and related costs pertaining to: (i) unfilled, vacant or abolished positions; (ii) non-entitlement of allowances and benefits; (iii) leaves of absences without pay; and (iv) unutilized pension and retirement benefits arising from death of pensioners, decrease in the number of retirees, or related causes.</p> <p>Programmed appropriations which have not been released or allotments not yet obligated due to the fault of the agency concerned shall not be considered savings.</p>	
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<p>Vol. III, p. 989 Vol. I-B, Lines 46-59 p. 808</p>	<p>General Provisions</p>	<p>Sec. 60. Meaning of Augmentation</p> <p>Augmentation is the act of constitutional officers authorized to use savings in their respective appropriations to cover a deficiency in any existing program, activity or project within their respective offices.</p> <p>A deficiency in a program, activity or project may result from:</p> <ul style="list-style-type: none"> a) Unforeseen modifications or adjustments in the program, activity or project; or b) Re-assessment in the use, prioritization and/or distribution of resources <p>The particulars of the expenditures to be funded from savings should be within the scope of, or covered by an existing program, activity or project. The existence of a program, activity or project regardless of the availability of allotment class/es is sufficient for the purpose of augmentation.</p> <p>In no case shall non-existent program, activity, or project be funded by augmentation from savings or by the use of an appropriations otherwise in this Act.</p>	<p>Sec. 60. Meaning of Augmentation</p> <p>Augmentation is the act of constitutional officers authorized to use savings in their respective appropriations to cover a deficiency in any existing program, activity or project within their respective offices.</p> <p>A deficiency in a program, activity or project may result <u>upon implementation or subsequent evaluation of needed resources.</u></p> <p>The particulars of the expenditures to be funded from savings should be within the scope of, or covered by an existing program, activity or project. <u>The availability of allotment class/es in existing program, activity or project is necessary for the purpose of augmentation.</u></p> <p>In no case shall non-existent program, activity, or project be funded by augmentation from savings or by the use of an appropriations otherwise in this Act.</p>
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<p>Vol. III, p. 989 Vol. I-B, Lines 5-21 p. 809</p>	<p>General Provisions</p>	<p>Sec. 62. Modification in the Allotment</p> <p>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 circumstances, agencies may modify the allotment issued within a program, activity or project subject to the approval of the following:</p> <p>(a) The heads of agencies for change in the object of expenditure (Salaries and Wages, Travelling Expenses, or Investment Outlays) within an allotment class (Personnel Services, MOOE or Capital Outlays);</p> <p>(b) The DBM in the following modifications: (i) for the payment of Magna Carta Benefits authorized under Section 42 hereof; (ii) from one allotment class to another; (iv) within a special purpose fund; (v) within the purpose authorized under the Unprogrammed Appropriations; and</p> <p>(c) The President of the Philippines for the payment of intelligence funds within the Executive branch.</p> <p>All modifications within Capital Outlays may only be made until June 30, 2017, except if due to the occurrence of calamities. All modification in the allotment shall not entail any increase in the total amount appropriated for a program, activity or project.</p>	<p>Sec. 62. Conditions for the Modification in the Allotment</p> <p>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.</p> <p><u>In no case shall modification in the allotment within a program, activity or project as manifested in the (a) change in the object of expenditure within an allotment class; (b) from one allotment class to another; (c) from one operating unit to another; (d) within a special purpose fund and purpose authorized under Unprogrammed Appropriations; e) payment of intelligence funds within the Executive branch; and (f) modification within Capital Outlays be made, unless the PAP in which they belong incurred actual deficiency, pursuant to the rules on savings and augmentation under Sections 55-58 of the General Provisions of this Act.</u></p> <p>All modification in the allotment shall not entail any increase in the total amount appropriated for a program, activity or project.</p>
<p>Vol. III, p. 990</p>	<p>General Provisions</p>	<p>Sec. 68. Limitations on Cash Advance and Reportorial Requirements</p>	<p>Sec. 68. Limitations on Cash Advance and Reportorial Requirements</p>



<p>Vol. I-B, Lines 17-25 p. 810</p>		<p>Notwithstanding any provision of law to the contrary, cash advances shall not be granted until such time the earlier cash advances availed of by the officials or employees concerned shall have been liquidated in accordance with accounting and auditing rules and regulations.</p> <p>For this purpose, the head of the agency and the COA auditor shall be jointly responsible for the preparation and submission to the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, the Annual Report on Cash Advances indicating the names of the recipients, the items of expenditures for which said cash advances were disbursed, and the dates of liquidation as reflected in the Agency Book of Accounts.</p>	<p>Notwithstanding any provision of law to the contrary, cash advances shall not be granted until such time the earlier cash advances availed of by the officials or employees concerned shall have been liquidated in accordance with accounting and auditing rules and regulations.</p> <p>For this purpose, the head of the agency and the COA auditor shall be jointly responsible for the preparation and submission to the Speaker of the House of Representatives, <u>the Chairperson of the Committee on Appropriations of the House of Representatives</u>, the President of the Senate of the Philippines, <u>and the Chairperson of the Committee on Finance of the Senate</u>, either in printed form or by way of electronic document, the Annual Report on Cash Advances indicating the names of the recipients, the items of expenditures for which said cash advances were disbursed, and the dates of liquidation as reflected in the Agency Book of Accounts.</p>
<p>Vol. III, p. 993 Vol. I-B, Lines 26-34 p. 812</p>	<p>General Provisions</p>	<p>Sec. 81. Report on the Commission on Audit Findings and Recommendations</p> <p>Within sixty (60) days from the receipt of the COA Annual Audit Report, agencies concerned shall submit to the COA, either in printed form or by way of electronic document, a status report on the actions taken on said audit findings and recommendations using the prescribed form under COA Memorandum No. 2014-002 dated March 18,2014. They should likewise furnish the DBM, the Speaker of the</p>	<p>Sec. 81. Report on the Commission on Audit Findings and Recommendations</p> <p>Within sixty (60) days from the receipt of the COA Annual Audit Report, agencies concerned shall submit to the COA, either in printed form or by way of electronic document, a status report on the actions taken on said audit findings and recommendations using the prescribed form under COA Memorandum No. 2014-002 dated March 18,2014. They should likewise furnish the DBM, the Speaker of the</p>



<p>Vol. III, p. 993 Vol. I-B, Lines 36-56 p. 812</p>	<p>General Provisions</p>	<p>House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic reports, a copy of said reports.</p> <p>The head of agency concerned and the agency's web administrator or his/her equivalent shall be responsible for ensuring that said status reports are posted on the agency's website.</p>	<p>House of Representatives, <u>the Chairperson of the Committee on Appropriations of the House of Representatives</u>, the President of the Senate of the Philippines, <u>and the Chairperson of the Committee on Finance of the Senate</u>, either in printed form or by way of electronic reports, a copy of said reports.</p> <p>The head of agency concerned and the agency's web administrator or his/her equivalent shall be responsible for ensuring that said status reports are posted on the agency's website.</p>
<p>Sec. 82. Submission of Reports</p> <p>Within thirty (30) days after the end of each quarter, departments, bureaus, offices and instrumentalities of the National Government, including Constitutional Commissions enjoying fiscal autonomy and SUCs, shall submit the following, either in printed form or by way of electronic document:</p> <p>a) Quarterly Financial and Physical Accomplishment Reports, including narrative descriptions to the Speaker of the House of Representatives and the President of the Senate of the Philippines, copy furnished the DBM and COA; and</p> <p>b) Budget and Financial Accountability Reports to the DBM and COA, subject to COA and DBM J.C. No. 2014-1 dated July 1, 2014.</p> <p>The DBM shall likewise submit to the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on releases from,</p>		<p>Sec. 82. Submission of Reports</p> <p>Within thirty (30) days after the end of each quarter, departments, bureaus, offices and instrumentalities of the National Government, including Constitutional Commissions enjoying fiscal autonomy and SUCs, shall submit the following, either in printed form or by way of electronic document:</p> <p>a) Quarterly Financial and Physical Accomplishment Reports, including <u>reports on program loans and foreign-assisted projects by department and donor/creditor</u>, narrative descriptions to the Speaker of the House of Representatives, <u>Chairperson of the Committee on Appropriations of the House of Representatives</u>, the President of the Senate of the Philippines, <u>and the Chairperson of the Committee on Finance of the Senate</u>, copy furnished the DBM and COA; and</p> <p>b) Budget and Financial Accountability Reports to the DBM and COA, subject to COA and DBM J.C. No. 2014-1 dated July 1, 2014.</p>	



		<p>and balances of, Special Purpose Funds, Supplemental Appropriations, Continuing Appropriations and Automatic Appropriations as well as modification of funds approved by in pursuant to the general provisions of this Act.</p> <p>Failure to comply with any of the foregoing shall result into automatic suspension of salaries of the responsible official and/or employee until they have complied with the above requirements pursuant to Section 67, Chapter VI of E.O. 292.</p> <p>Repeated failure or refusal of said official or employee to submit the above reports without any justifiable cause may be a ground for administrative disciplinary action, subject to pertinent civil service rules and regulations. The head of agency shall be responsible for ensuring compliance with this penalty provision.</p>	<p>The DBM shall likewise submit to the Speaker of the House of Representatives, <u>Chairperson of the Committee on Appropriations of the House of Representatives, the President of the Senate of the Philippines, and the Chairperson of the Committee on Finance of the Senate</u>, either in printed form or by way of electronic document, quarterly reports on releases from, and balances of, Special Purpose Funds, Supplemental Appropriations, Continuing Appropriations and Automatic Appropriations as well as modification of funds approved by in pursuant to the general provisions of this Act.</p> <p><u>The head of agency concerned and the agency's web administrator or his/her equivalent shall be responsible for ensuring that said status reports are posted on the agency's website.</u></p> <p>Failure to comply with any of the foregoing shall result into automatic suspension of salaries of the responsible official and/or employee until they have complied with the above requirements pursuant to Section 67, Chapter VI of E.O. 292.</p> <p>Repeated failure or refusal of said official or employee to submit the above reports without any justifiable cause may be a ground for administrative disciplinary action, subject to pertinent civil service rules and regulations. The head of agency shall be responsible for ensuring compliance with this penalty provision.</p>
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<p>Vol. III, p. 994 Vol. I-B, Lines 29-42 p. 813</p>	<p>General Provisions</p>	<p>Sec. 85. Joint Congressional Oversight Committee on Public Expenditures.</p> <p>The Senate and The House of Representatives shall constitute a Joint Congressional Oversight Committee on Public Expenditures which shall primarily monitor compliance by agencies with the requirements and/or condition in the utilization of public funds under this Act and pertinent laws.</p> <p>The Joint Congressional Oversight Committee shall be chaired by the Chairperson of the Committee on Finance of the Senate and the Chairperson of the Committee on Appropriations of the House of Representatives. The President of the Senate and the Speaker of the House of Representative shall each designated seven (7) Senators and seven (7) members of The House of Representative, respectively as members of the Joint Congressional Oversight Committee. The minority group in the Senate and the House of Representative shall each have at least one (1) seat in the Joint Congressional Oversight Committee.</p> <p>The Joint Congressional Oversight Committee on Public Expenditures shall not intervene, participate, or undertake any role of function in any of the various post-enactment stages of the budget execution such as but not limited to, project identification and or modification, fund releases, and other activities beyond its congressional oversight function as defined under applicable laws and or jurisprudence.</p>	<p>Sec. 85. Joint Congressional Oversight Committee on Public Expenditures.</p> <p>The Senate and The House of Representatives shall constitute a Joint Congressional Oversight Committee on Public Expenditures which shall primarily monitor compliance by agencies with the requirements and/or condition in the utilization of public funds under this Act and pertinent laws.</p> <p>The Joint Congressional Oversight Committee shall be chaired by the Chairperson of the Committee on Finance of the Senate and the Chairperson of the Committee on Appropriations of the House of Representatives. The President of the Senate and the Speaker of the House of Representative shall each designated seven (7) Senators and seven (7) members of The House of Representative, respectively as members of the Joint Congressional Oversight Committee. The minority group in the Senate and the House of Representative shall each have at least one (1) seat in the Joint Congressional Oversight Committee.</p> <p><u>The Joint Committee shall hold quarterly hearings with the heads of agencies, including Constitutional Commissions enjoying fiscal autonomy and SUCs pursuant to the reports that are required to be submitted or furnished to the Senate of the Philippines and the House of Representatives under Sections 58, 68, 80, 81, 82 of the General Provisions of this Act. The submission of the foregoing reports by the concerned agencies shall be ensured by the Chairperson of the Committee on Finance of the</u></p>
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		<p><u>Senate and the Chairperson of the Committee on Appropriations of the House of Representatives.</u></p> <p>The Joint Congressional Oversight Committee on Public Expenditures shall not intervene, participate, or undertake any role of function in any of the various post-enactment stages of the budget execution such as but not limited to, project identification and or modification, fund releases, and other activities beyond its congressional oversight function as defined under applicable laws and or jurisprudence.</p>
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SPECIAL FEATURE: Investing in Children ***Through Child Sensitive Alternative Budget***

Background

The Philippines is a signatory to and has ratified the Convention on the Rights of the Child (CRC), which constitutes the standard in the promotion and protection of the rights of all children regardless of age, sex, socio-economic status, ethnicity, location, and disability. CRC Article 4 particularly states that prioritizing child rights should be manifested in the spending of public resources, 'to the maximum extent possible' on budget expenditures, such as on health, education, and social protection, among others.

The recent UN Human Rights Council (HRC) resolution on Public Investment for Child Rights further elaborates on the responsibilities of the States to mobilize domestic and international resources for the promotion, protection, and realization of the rights of the child, giving special attention to children in vulnerable situations. Calling for the sustained investment in children, the HRC resolution also encourages States to make the budget process more transparent, participatory, and accountable, and to provide accessible information to the public, including the children. In June 2016, the UN Committee on the Rights of the Child (UNCRC) came out with a General Comment on Public Budgeting for the Realization of Children's Rights, which is the first resolution that primarily focused on budgeting for child rights.

Serious financing gaps currently affect the promotion and fulfillment of the UN CRC and other HR instruments pertaining to children, especially those in vulnerable situations. These gaps are evident in the missed targets of the Philippines in the Millennium Development Goals (MDGs), specifically in education, maternal and child care, infant mortality, infectious diseases, and environmental concerns that mostly impact women and children. The ambitious goals of the SDGs adopted by the global community, including the Philippines, have all the more underscored the need to allocate more resources for education, health, and social protection, among others. Numerous laws relevant to children are not adequately and properly implemented due to insufficient funding and the lack of political will on the part of the government, along with the local governments, to prioritize the investment on children. Civil society has taken up these issues to advocate for "sufficient, equitable, and effective allocation and spending for children."

It is against this backdrop that Social Watch Philippines, along with the Alternative Budget Initiative (ABI), conducted this study as an initial step towards greater public investment for child protection so that all children, girls and boys, shall benefit from public resources and no one will be left behind. All children ought to be protected and be provided with adequate access to development opportunities.

Integrating child protection systems (CPS) into the budget engagement of civil society organizations is an important step to strengthen the advocacy for child rights and social protection. While there are child-focused laws, regulations, and plans, these have not been fully implemented and translated into concrete Programs, Projects, and Activities (PPAs) with corresponding priority budget amounts. Thus, legally-binding mandates have remained only partially implemented as they remain unfunded or underfunded.

The study analyzed budget trends and allocations for children, and assessed whether the government is investing enough and appropriately on child protection. The study identified the financing gaps and proposed programs to strengthen child protection system in the country.

Analysis of Budget Allocation for Children (2010-2017)

This study looked at the allocation in General Appropriations Act (GAA) for children at the national level for fiscal years 2010 to 2016 and at the National Expenditure Program (NEP) for fiscal year 2017. The analysis included both direct and indirect investment in children, covering specifically allocations for child survival, development, protection, and participation.

The analysis done in this study considered only budget allocation and not expenditure since data on actual expenditure (i.e. obligations and disbursement) that is available from the Department of Budget and Management (DBM) are presented only in lump sum by department and by agency. For consistency, the specific budget line items included in this analysis are largely based on the Financing for Children study by Manahan and Cuenca (2013) which was commissioned by the Council for Welfare of Children (CWC).

The budget allocation for child-related programs, projects, and activities (PPAs) are identified based on a criteria to assess the relevance of such allocation on the promotion of child survival, development, protection and participation.

Distribution of public investment in children by Agency

Total allocation for child-related budget increased over the past seven years – from PhP196.26 billion in 2010 to PhP684.05 billion by 2017. This means that the allocation for children increased at an average of 20% per year which is higher than the overall budget increment during the same period.

The largest share of the budget for children is lodged at the Department of Education (DepEd), specifically for basic education. This is consistent with the Constitutional mandate that education should receive the highest budgetary allocation among all government agencies. In the last seven years, the DepEd budget increased at an annual average of 19.23%. The increase was particularly large starting in 2013 as part of the preparation and actual implementation of the K-12 program which added two more years of basic education, beginning school year 2016-2017.

Child-focused programs under the Department of Social Welfare and Development (DSWD) registered the second biggest allocation during the same period. In the last seven years, there had been generous increases in the DSWD budget for children which grew at

an average rate of nearly 40% per year, the largest among government agencies with substantial programs for children.

A large part of the budget increment is accounted for by the rapid increase in the allocation for the Pantawid Pamilyang Pilipino Program (4Ps) of the government. From PhP10.0 billion budget in 2010, the allocation for the program ballooned to PhP78.7 billion in the 2017 NEP.

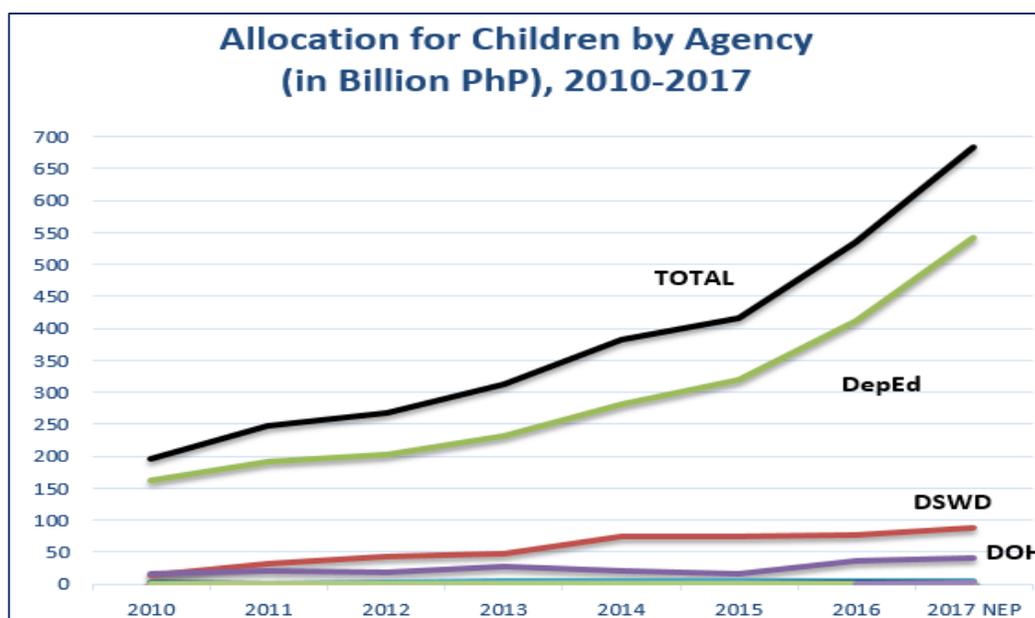


Figure 40. Budget Allocation by Agency (in Billion PhP), 2010-2017 NEP
Sources: General Appropriations Act 2010-2016; National Expenditure Program 2017

The child-focused budget items of the DOH also showed rapid increments at an average annual rate of 23.1%. This figure already includes the budgets for the National Nutrition Council (NNC) and the Population Commission. The DOH budget was boosted by the implementation of the Sin Tax law which allocates the largest share of the incremental revenue to the national health insurance program for indigents.

The other departments including the Department of Interior and Local Government (DILG), the Department of Justice (DOJ) and Department of Labor and Employment (DOLE) have relatively modest budgets for child-focused programs. In the last seven years, they also registered increases by an average of 13% per year.

Ave. Annual Increase	
DEPED	19.23%
DOH	23.07%
DILG	12.90%
DOJ	13.03%
DOLE	13.54%
DSWD	39.84%

For FY 2017 NEP, the comparison of budget share of key departments in child-focused programs is presented in the pie chart below. As expected, DepEd has the largest share at 79% of the total allocation for children. DSWD accounted for a share of 13% while DOH

takes up 6% of the total budget for children. The other departments and agencies contributed only about 1% of the total allocation for children.

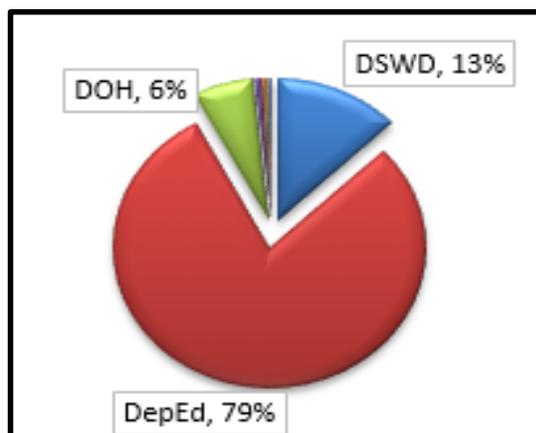


Figure 41. Allocation for Children by Agency, 2017 NEP

Source: National Expenditure Program 2017

Overall, the country's investment in children is low and insufficient, even including programs on basic education and survival – child health, nutrition and population. The allocation for basic education has never gone beyond 3% of GDP and 15% of the total national budget in the last seven years. These are way below the international benchmark of 6% of GDP and 20% of the national budget as recommended by the United Nations Educational, Scientific and Cultural Organization (UNESCO). Similarly, the allocation for health, including the contribution from local government agencies, is below the WHO recommended expenditure level of 5% of GDP.

What is more revealing is the extremely low budget allocation for child protection, which is distributed across several agencies and programs. Some allocations are almost invisible as they are included in broad programs related to social protection, and women and children. The next section looks into the distribution of allocation by programs, projects, and activities (PPAs) to appreciate the full picture of public investment in children.

Child protection programs and budgets

There is a need to examine the programs and corresponding budgets for child protection given the high incidence of violence against children which remains a serious social concern in the country. Notwithstanding the landmark laws and policies adopted by the Philippine Government for the protection of children, much work still needs to be done. The National Baseline Study on Violence Against Children undertaken by the Council for the Welfare of Children (CWC) in 2015 shows alarming cases of violence committed against Filipinos less than 18 years of age:

- ⇒ 66.3% of children 5-17 years old have experienced violence
- ⇒ 22% of children 13-17 years old have experienced sexual violence
- ⇒ 41% of children 13-17 years old have experienced peer violence or bullying

- ⇒ In 2015, 11,670 reported cases of sexual abuse of children, while thousands more go unreported

The CWC further reported that the situation has been exacerbated by rapid population growth, poverty, natural/human-induced disasters, discrimination, and poor access to social services.

Specific budget lines on child protection

Budget items for programs specifically for child protection are spread in different national agencies. These were identified from the longer list of child-focused budgets in the General Appropriations Act. For FY 2017 NEP, the total budget for child protection is estimated at PhP5.38 billion with the following getting the biggest allocation: DSWD's services for community/center-based clients (children); DOLE's livelihood assistance for parents of child laborers; DepEd's in-service training program that includes modules on child rights and child protection system; DILG-PNP's operational funds against trafficking of women and minors; CHR's Provision of legal assistance; and DOJ's Inter-Agency Council Against Trafficking. The table below presents the budget items for programs of national agencies on child protection.

Table 57. Child Protection Budget

DSWD	
Services for Community/Center-based Clients	1,406,408
Recovery/Reintegration Program for Trafficked Persons	24,827
Street Children/Families and IPs (esp. Badjaus)	37,774
ICAB-Accredit/License Child Caring Agencies	8,086
ICAB-Entrust cleared children for inter-country adoption	25,093
JJWC-policies and coordination of plans children at risk and CICL	65,805
Subtotal (In PhP '000)	1,567,993
DOLE	
Policies /Plans for workers with special concerns (Sagip Batang Manggagawa)	40,097
Support for vulnerable sector (related to livelihood assist. for parents of child laborers)	36,006
Asst to Disadvantaged Workers (related to livelihood assist. for parents of child laborers)	2,905,017
Subtotal (In PhP '000)	2,981,120
DEPED¹	
Continuing Education	4,414
Pre-service education	3,318
In-service training (IN-SET)	337,079
Subtotal (In PhP '000)	344,811
DILG-PNP	

¹ DepEd's training program includes sessions on child rights and child protection system. The amount is estimated based on previous years' budget for in-service training.

Operations & related confidential activities (10% est. for trafficking of women and minors) ²	207,898
Subtotal (In PhP '000)	207,898
CHR	
Provision of legal assistance	139,295
Subtotal (In PhP '000)	139,295
DOJ	
Committee for the Special Protection for Children	1,058
Inter-Agency Council Against Trafficking)/ including P10 million confidential fund	94,568
Implementation of RA 10175 (Cybercrime Prevention Act of 2012)	9,429
Subtotal (In PhP '000)	105,055
CWC	
Formulate policies/coordinate implementation of all laws on welfare of children/youth	31,082
Subtotal (In PhP '000)	31,082
Child Protection Budget TOTAL (In PhP '000)	5,377,254

Budget allocation for the Local Council for the Protection of Children (LCPC)

The budget of national agencies for child protection is minimal in comparison to the actual needs. The same goes for the allocation to other child-related programs on development and survival. The largest allocation for child protection actually comes from the mandatory 1% of Internal Revenue Allotment (IRA) that is earmarked for the operation of the Local Council for the Protection of Children (LCPC), as mandated by RA 9344 (Juvenile Justice Welfare Act). Section 287(a) of RA 8424 or the National Internal Revenue Code³ and Sections 284 and 285 of RA 7160 or the Local Government Code⁴ state that IRA will be 40% of gross collection of the national internal revenue taxes, based on the collection of the third fiscal year preceding the current fiscal year. This is automatically released to the local government units but not including the Autonomous Region in Muslim Mindanao (ARMM), which has a separate budget from the regions.

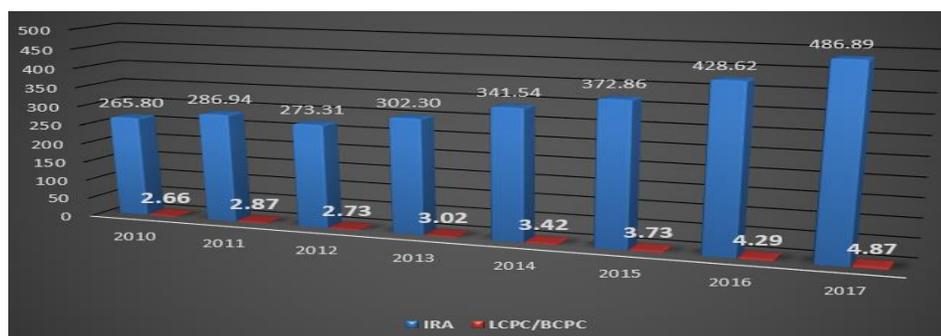


Figure 42. Estimated LCPC Budget, 2010-2017 (In PhP Billion)

Source: General Appropriations Act 2010-2016; 2017 National Expenditure Program

² The amount represents 10% of the total budget of DILG-PNP for operations against dissidents, organized crime and other law violators including women and child trafficking.

³ See Section 287(a), Amount of Share of Local Government Units. <http://www.gov.ph/1997/12/11/republic-act-no-8424/>
⁴ See Sections 284 and 285, RA 7160 Allotment to Local Government Units. <http://www.gov.ph/1991/10/10/republic-act-no-7160/>

The LCPC budget has been increasing steadily during the period of 2010-2017 with a slight budget decrease of PhP140 million between 2011 and 2012. For 2017 NEP, the LCPC budget amounted to PhP4.87 billion. The mandatory 1% allocation for LCPC from IRA represents a significant budget for child protection programs and initiatives of LGUs, the implementing agencies for the promotion, protection, and realization of child rights. While the LCPC budgets show a steady increase over the years, the allocation may not be enough to effectively and fully address the Child Protection System, considering the scale and complexity of the risks and problems confronted by children, particularly those in vulnerable areas. Disparities alarmingly remain, especially across regions. Poor regions having more problems that impact on children, such as, poverty, armed conflict, disasters, and child labor receive a smaller allocation for LCPC than the others.

While LGUs are considered frontline units in child protection, national agencies perform critical functions in policy and program development, planning, training, information, advocacy, coordination, and evaluation of child protection programs. As such, appropriate national and regional programs must be developed with corresponding budgets to ensure the realization of all child rights as mandated by international and domestic laws and administrative issuances. The national government must ensure that the maximum available resources are invested in children. Child protection must be mainstreamed and prioritized in annual national and local budgets.

Recommendations

The new global development agenda, the 2030 Sustainable Development Goals (SDGs), articulate a strong commitment to the comprehensive protection of children in all settings and specifically commits to end all forms of violence against children. SDG 16.2 specifically calls for ending “abuse, exploitation, trafficking, and all forms of violence against and torture of children.” SDG on education, Target 4.a calls for provision of “safe, non---violent, inclusive, and effective learning environments for all” and Target 4.7 calls for ensuring “that all learners acquire knowledge...(for) promotion of a culture of peace and non---violence.”

The most recent addition to the international mandates that focus on children is the *General Comment (GC) on Public Budgeting for the Realization of Children’s Rights* adopted in June 2016 by the UN Committee on the Rights of the Child (UNCRC). The document provides detailed guidance for ensuring sufficient, equitable, and effective resource mobilization, budget allocation, and spending for the well-being and protection of all children.

The Philippine Government has adopted a series of legislations, administrative issuances and action plans for the protection of children in all settings. Republic Act 7610 of 1992 specifically focuses on child protection which aims to protect children against all forms of abuse, exploitation, discrimination, and other conditions prejudicial to their development. This has been complemented by subsequent laws related to child labor, child trafficking and prostitution, child pornography, children with disabilities, children in conflict situations, children in conflict with the law, and children of indigenous peoples,

among others. National action plans have also been implemented to operationalize these laws and the country's international commitments. Currently, the *Philippine Development Plan* for 2017-2022 and the *Third National Plan of Action for Children* are being formulated. All these serve as guidelines in setting the national goals and targets with the corresponding budget requirements.

Based on these goals and targets, international standards, national laws and policies, and action plans on children, much work still has to be done towards ending abuse, exploitation, trafficking, and all forms of violence against children in all settings, with special attention to children in vulnerable situations, including CWDs, IP children, ethnic minorities, children of migrant workers, children in conflict areas, disaster survivors, and child refugees, among others. The SDGs further mentioned the following targets to provide favorable conditions in addressing violence against children and strengthening child protection system at national and sub-national levels.

- Providing safe, non-violent, inclusive, and effective learning environments for all (in schools, community learning centers, and other spaces for learning and skills development);
- Ensuring all learners acquire knowledge...(on) human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development;
- Promoting the rule of law at the national and international levels, and ensure equal access to justice for all;
- Ensuring responsive, inclusive, participatory, and representative decision-making at all levels, including participation of children in decision making;
- Strengthening relevant national institutions (including NHRI) for building capacity at all levels... to prevent violence and combat terrorism and crime;
- Significantly reducing all forms of violence and related death rates everywhere, including conflict-related violence and deaths.

Conditions that increase the risks, vulnerabilities, and exposure of children to violence must be comprehensively addressed. Apart from poverty, hunger, malnutrition, and lack of access to education, health and other essential services, the following must be attended to with special concern on reducing risks and vulnerabilities of children: armed conflict, natural hazards and climate change, proliferation of slums, the drug menace, and deteriorating peace and order situation, among others.

The following are immediate programs that necessitate budget allocation:

1. Continuing monitoring and analysis of the situation of children towards developing an updated and comprehensive information system on child rights (or strengthening an existing CP MIS)
2. Regular evaluation, impact assessment and reporting of child protection programs, intervention strategies and budget allocations at both national and local levels
3. Policy and program development based on situation analysis and evaluation

4. Information dissemination, advocacy and social mobilization for public support and citizens action
5. Continuing training of officers and frontline CP personnel on child rights, child protection system, case management, and investment in children
6. Forming/strengthening child protection units at all levels and in key institutions with the corresponding core CP personnel
7. Investing on CP, including CP management information system, and CP regional centers

Apart from the above proposals and subject to further evaluation of the gaps and effectiveness of existing programs, specific interventions have to be strengthened and corresponding budget is allocated to address sexual abuse, trafficking, child labor, children in conflict with the law, and other forms of violence against children.

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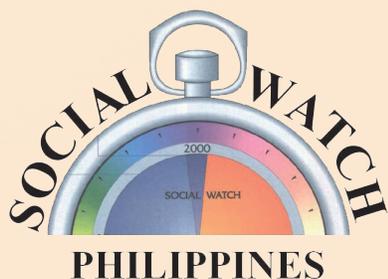
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