



**United Nations
in the Philippines**

Common Country Analysis

for the 2024-2028 Sustainable Development Cooperation Framework

June 2023

Table of Contents

<i>Executive Summary</i>	4
1. Introduction	6
2. Country Context	7
2.1 Political and Governance	7
2.2 Conflict, Peace and Development	12
2.3 Economic Transformation	15
2.4 Social Development	20
2.5 Environment, Climate Change and Disaster Risk Reduction	26
3. Leave No One Behind	33
3.1 Drivers of exclusion	33
3.2 Five-factor framework to assess LNOB	33
3.3 Population Groups at risk of being excluded	34
4. Progress towards 2030 Agenda	40
4.1 National Commitment and SDG Monitoring Architecture	40
4.2 SDG progress	40
5. National Development Vision	44
6. International Commitments	46
7. Financial Landscape	48
8. Partnerships for Sustainable Development	51
9. Multidimensional SDG Risk Analysis	53
10. Key challenges and opportunities for advancing the 2030 Agenda	53
Annexes	56
Annex 1 – CCA Consultations	56
Annex 2 – CCA Methodology	58
Annex 3 – Multidimensional Risk Matrix	60

ACRONYMS

ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
CCA	Common Country Analysis
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CF	United Nations Sustainable Development Cooperation Framework
CHR	Commission on Human Rights of the Philippines
CPP	Communist Party of the Philippines,
CRC	Convention on the Rights of the Child
CRPD	Convention on the Rights of Persons with Disabilities
CSO	Civil Society Organisation
DILG	Department of Interior and Local Government
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
FPIC	Free, Prior and Informed Consent
GBV	Gender Based Violence
GCF	Green Climate Fund
GDP	Gross Domestic Product
GHGs	Green House Gases
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
ICT	Information and Communications Technology
IDPs	Internally Displaced Persons
IFI	International Financial Institution
ILO	International Labour Organisation
IMF	International Monetary Fund
IOM	International Organisation for Migration
IRA	Internal Revenue Allotment
IT	Information Technology
LGBTIQ	Lesbian, Gay, Bisexual, Transgender, Intersex, and Queer/Questioning
LGUs	Local Government Units
LNOB	Leave No One Behind
MEAs	Multilateral Environmental Agreements
NCD	Non-communicable Disease
NDCs	Nationally Determined Contributions
NDF	National Democratic Front
NDHS	National Demographic and Health Survey
NEDA	National Economic and Development Authority
NEET	Not in Education, Employment or Training
NGO	Non-governmental Organization
NPA	New People's Army
NTF-ELCAC	National Task Force to End Local Communist Armed Conflict

OFW	Overseas Filipino Worker
OHCHR	Office of the United Nations High Commissioner for Human Rights
PISA	Programme for International Student Assessment
PSA	Philippine Statistics Authority
PWDs	Persons with Disabilities
SDG	Sustainable Development Goal
SEPF	UN Socioeconomic and Peacebuilding Framework for COVID-19 Recovery in the Philippines
SOGIE	Sexual Orientation, Gender Identity, and Expression
SWAP	Gender Equality System-wide Action Plan Scorecard
TESDA	Technical Education and Skills Development Authority
TVET	Technical and Vocational Education and Training
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNDRR	United Nations Office for Disaster Risk Reduction
UNEP	United Nations Environment Programme
UNESCAP	Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRC	United Nations Resident Coordinator
UNV	United Nations Volunteers
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UPR	Universal Periodic Review
USD	United States Dollar
VNR	Voluntary National Review
WB	World Bank
WHO	World Health Organisation
WTO	World Trade Organisation

Executive Summary

The United Nations Common Country Analysis (UN CCA) for the Philippines is an independent, collective and integrated analysis of the country's context for sustainable development. Its aim is to help the UN Country Team (UNCT) in determining its priorities for the next five years to cooperate with the country to realise its national development vision and achieve the 2030 Agenda. The CCA is a key analytical document for the UNCT in the Philippines and a vital input for the formulation of the 2024-2028 United Nations Sustainable Development Cooperation Framework (CF).

The Philippines has been among the fastest growing economies in Southeast Asia for nearly two decades. This has enabled the country to significantly reduce poverty and improve living conditions for people in the Philippines. The pandemic, as in many other countries, led to economic contraction, unemployment, and exacerbated inequalities. The country responded to the pandemic through several measures, including an economic stimulus and social assistance programme, although one of the longest lockdowns in the world had a major negative impact on the economy, non-COVID-19 health outcomes, education, gender equality and democratic norms. The country is on its recovery path, and economic fundamentals are sound, despite geopolitical challenges and external factors that brought record high inflation rates. The country is a member of the Association of Southeast Asian Nations (ASEAN) where it plays an important role in setting the agenda and influencing regional outcomes.

The peace process underway in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) has the greatest potential to deliver a lasting peace and eliminate key drivers of poverty and instability in the region. As parties to the peace agreement, a strong partnership between the national government and the Moro Islamic Liberation Front (MILF) will be most critical for the success of the extended transition period until 2025. To the credit of both parties, despite the setbacks in implementation and funding, and those caused by the COVID-19 pandemic, they have remained committed to narrowing the gaps and reconciling varying interpretations of how to implement specific provisions of the peace accord. The international community has facilitated this process through its active engagement in the implementation of the peace agreement.

The elections of May 2022 saw a new government come to power in the Philippines, following a generally smooth and peaceful campaign and election period. The new President formed his new government relatively quickly, which enabled a rapid articulation of development priorities that have been translated into the Philippines Development Plan (PDP) 2023-2028, the key six-yearly document launched recently, which aims to fulfil the long-term development vision of *AmBisyon Natin 2040* to achieve a robust economy and build an inclusive and resilient society. The PDP promises to bring in a prosperous, inclusive and resilient Philippines, through resolving the challenges the country currently faces.

The Philippines has shown strong commitment to the 2030 Agenda and has set up institutional mechanisms to monitor, coordinate and mainstream the Sustainable Development Goals (SDGs) in the national and sub-national development plans. The Philippines prepared its third Voluntary National Review report in 2022 and presented it to the High-Level Political Forum. Only eight of the 37 SDG targets with sufficient data are on track, 17 targets need acceleration and 13 have regressed.

The Philippines has been characterised by high inequality and concentration of wealth. Impressive economic growth has not translated into commensurate human development outcomes. Food and nutrition insecurity, maternal mortality and child stunting rates are high for a country aspiring to be an upper middle-income country. The Philippines is a country at high risk of the impact of climate change, and its exposure to natural hazards, continuous degradation of natural resource base and pollution already have serious consequences for the economy and health. Growth has not been as inclusive as expected, as almost 20 million people remain in poverty, and many population groups have been left behind, or are at risk of being left behind. These include indigenous peoples, displaced communities, persons with disabilities, persons who are using drugs, people living with HIV, Lesbian, Gay, Bisexual,

Trans, Intersex and Queer/Questioning, women, youth and children with intersectional vulnerabilities, older persons and conflict-affected communities among others. The country lacks comprehensive non-discrimination legislation.

Long-standing human rights challenges are both a cause and a consequence of inequality and development challenges. Extra-judicial killing cases during the previous administration's war on drugs received global attention and continue to be reported. While civil and political rights are guaranteed in law, human rights defenders, humanitarian actors, journalists, environmental defenders, lawyers and trade unions have been subject to killings, detention and threats, with those responsible rarely held accountable. The Commission on Human Rights has played an important role in human rights protection and promotion. The Philippines actively engaged with international human rights mechanisms in 2022 and is cooperating with the UN on the implementation of the UN Joint Programme for Human Rights.

Further progress on SDGs requires continued action for rapid recovery and making the economy more inclusive, competitive, innovative and resilient; making governance more transparent and accountable; promoting a more human rights conducive climate; supporting peace and development in regions that are also the most economically marginalised; promoting evidence-based and participatory policymaking; deepening commitment to leaving no one behind with focus on the vulnerable groups; strengthening the human rights-based approach to drug policies, investing in human capital; action on climate change, environmental governance and pollution; and reducing disaster risks emanating from climate change and increasing natural hazards. This needs to be done by building broad-based and diverse partnerships and following a more integrated and multi-dimensional approach towards sustainable development.

1. Introduction

The UN Common Country Analysis (CCA) for the Philippines is an independent, collective and integrated analysis of the country's context for sustainable development. Its aim is to help the UN in determining its priorities for the next five years to assist the country realise its national development vision outlined in *Ambisyon Natin 2040* and the Philippine Development Plan (PDP) 2023-2028 and achieve the 2030 Agenda. It was collectively carried out by the UN system in the country from September 2022 to January 2023. The CCA takes an inter-thematic approach to identifying challenges and opportunities reflecting the integrated nature of the Sustainable Development Goals (SDGs). The CCA is a key analytical document for the UNCT in the Philippines and a vital input for the formulation of the 2024-2028 United Nations Sustainable Development Cooperation Framework (CF 2024-2028).

The CCA draws upon multiple sources of information, both secondary and primary. It is based on individual analytical papers prepared by relevant UN entities, both resident and non-resident, represented by the CCA Technical Team, constituted for this purpose; secondary sources such as UN and national strategic documents, reports of the normative bodies on international commitments, reports of other national and international organisations such as International Financial Institutions (IFIs), International Non-Governmental Organisations (INGOs), research organisations; and consultations with key stakeholders drawn from the government, private sector, development partners, IFIs, and civil society. The CCA reflects the interests of marginalised groups gathered through consultations, surveys conducted by UN entities, and reports on compliance with human rights obligations. Additionally, a report prepared by the UN Development Coordination Office by tagging documents provided by the UNCT in the Data Entry and Exploratory Platform (DEEP) also informed this CCA as did the findings of the final evaluation of the UN Partnership Framework for Sustainable Development (PFSD: 2019-2023) which was redeveloped into the UN Socioeconomic Peacebuilding Framework for COVID-19 Recovery in the Philippines (SEPF: 2020-2023). The list of consultations conducted for the CCA is in Annex 1.

The CCA is evidence-based. The analysis presented in the CCA is backed by reliable, disaggregated data, where available, the sources of which have been cited in the CCA. The Philippine Statistics Authority (PSA) is the main source of information and the custodian of data on SDGs used in the CCA especially for the section that maps SDG progress. CCA also makes use of the UNCT Gender Equality SWAP Scorecard. Disaggregated data by gender and age groups, wherever available, was used to inform the CCA. Data gaps, wherever existing, have been noted in this document. The secondary sources were further triangulated, wherever possible, by interviews with key interlocutors to verify the information and obtain different perspectives.

'Leaving No One Behind (LNOB)' is the central theme of the CCA. The CCA examines the drivers and root causes of exclusion and identifies key population groups left behind or at the risk of being left behind. Additionally, the CCA captures the impact of COVID-19 on the lives and livelihoods of people and how it exacerbated pre-existing inequalities. Multiple impact assessments were carried out by the UN entities in their mandated areas which were synthesised in the SEPF.

The CCA is a risk-informed and forward-looking document. The CCA examines how multidimensional risks, including those of a conflict, a disaster, or a pandemic, can impact different population segments in the country, especially those at pre-existing risk of exclusion and marginalisation, and push back SDG progress. An evidence-based, updated multidimensional risk analysis allows the UNCT to incorporate the humanitarian-development-peace nexus into the development cooperation framework, take preventive approaches to development and promote building of resilience to shocks.

The CCA is a "UN as a whole" document. Led by the UN Resident Coordinator and the day-to-day management of the RCO, the CCA preparation was fully guided by the UNCT, comprising resident and non-resident UN entities, as well as by the UN regional offices and the Issue Based Coalitions who were extensively consulted and who offered comments on the draft CCA. The CCA Technical Team, acting on behalf of the UNCT prepared the analytical papers

for the CCA some of which were followed up by discussions. The regional Peer Support Group conducted a quality assurance review to ensure compliance of the CCA with UN standards and guidance. CCA is a living document which will be regularly updated. The CCA methodology adopted by the UNCT is outlined in Annex 2.

2. Country Context

The Philippines is a lower middle-income and medium human development country in Southeast Asia. As a member of the Association of Southeast Asian Nations (ASEAN), the Philippines makes important contributions to shaping the regional and global agenda. It aspires to be an upper middle-income country by 2024, a goal that might be challenging in view of the slowdown of the economy due to the pandemic and impact of the geopolitical situation. The Philippines is also a major sending country of migrant workers, also known as Overseas Filipino Workers (OFWs), with nearly two million Filipinos reported as working abroad in 2021, contributing to overall socio-economic development of the country, through remittances (around 10 percent of Gross Domestic Product/GDP) and skills gained overseas. The development trajectory of the country, and that of the region and the world, was seriously disrupted by the COVID-19 pandemic which led to sharp contraction in the economy, rise in unemployment and heightened inequalities. The country slipped from being the fourth largest economy in the ASEAN region in 2021 to sixth in 2022.¹ The impact of the pandemic intersected with other development challenges the country was already grappling with: conflict in some parts of the country; climate change; environmental degradation; and the unprecedented volume of returning OFWs resulting the loss of their primary income and impacting their ability to meet basic household needs. Many families are already considering to re-migrate given the limited sustainable reintegration opportunities in the country. Internal displacement - caused by conflict, climatic disasters, lack of sustainable and climate-resilient infrastructure and the emergence of large-scale infrastructure projects - remains high and with the majority facing over five years displaced, eluding durable solutions. In this context, the country's recovery from the pandemic and future progress towards SDGs will depend on how well it addresses internal conflict, planetary challenges, and how well it protects the rights of all including the vulnerable population groups.

2.1 Political and Governance

The Philippines is a democratic constitutional republic with a presidential form of government. The country is governed by the 1987 Constitution that guarantees fundamental rights and enumerates several protections against the abuse of state power. It has ratified eight out of nine core human rights treaties. National-level politics has generally been stable, with a relatively smooth handover of political power following the past three national elections (2010, 2016, and 2022). The most recent Presidential election was held in May 2022. The key electoral issues in the 2022 elections were the economic contraction caused by COVID-19, high cost-of-living, rising debt, “war on drugs”, decline in democratic space, climate change and relationships with China and the United States of America (USA). While there were some reports of sporadic violence,² alleged vote-buying³ and use of social media to spread misinformation⁴ during the May 2022 election campaign, a new administration came to power following a generally smooth and peaceful campaign and election period. Misogynistic statements by political candidates and online trolling of women candidates and campaigners were also reported and condemned by the Commission on Human Rights (CHR).⁵ At the sub-national level, politics can also be more violent with pockets of election-related violence reported in highly contested local government elections. Local governments have a high degree of autonomy and are at the forefront of delivering basic public services.

¹ World Economic Outlook Database, April 2022, International Monetary Fund

² Although there was a significant decline in election-related violence during the 2022 elections
[<https://www.statista.com/statistics/1308329/philippines-poll-related-violence/>]

³ <https://www.philstar.com/headlines/2022/05/30/2184768/comelec-says-almost-1000-vote-buying-cases-under-investigation>;
<https://www.rappler.com/nation/anfrel-election-observation-mission-report-2022-polls-credible-depiste-challenges/>

⁴<https://pacificaffairs.ubc.ca/perspectives/mobilized-and-polarized-social-media-and-disinformation-narratives-in-the-2022-philippine-elections/>

⁵<https://chr.gov.ph/statement-of-the-commission-on-human-rights-as-gender-ombud-condemning-sexist-and-misogynistic-campaigning-and-violence-against-women-in-politics/>

The Philippines is taking steps towards strengthening rule of law, but there are capacity gaps. Access to justice hinges on transparent and accountable justice institutions comprising not only the formal courts of law but also the police, prisons, prosecution and the courts of justice.⁶ Though the country is taking steps towards strengthening rule of law, the capacity gaps in implementation of rule of law have a negative correlation with human development outcomes. The judiciary has not been perceived to be independent, efficient or incorruptible.⁷ Alleged violations by members of law enforcement are not fully investigated and perpetrators not held accountable. Internal institutional accountability measures are not transparent. There is a need to strengthen investigative and forensic capacity to investigate crimes and human rights violations and abuses. Victim-centred approaches, and victim and witness protection systems are perceived to be weak. The prison congestion rate in the Philippines is one of the highest in the world. In 2020, the country had 200 prisoners per 100,000 population of which 11 percent were women.⁸ In January 2022, the average congestion rate stood at 304 percent. The majority of persons held in jails and prisons are in pre-trial detention and most of those incarcerated face drug-related charges. Custodial institutions are unable to adequately address health issues of persons deprived of liberty. Women detainees face lack of adequate pre- and postnatal care or/and facilities for pregnant and breastfeeding detainees, and the practice of separating infants from mothers shortly after birth persists. Arraignments often take several weeks, despite a 10-day limit set in law, leading to long periods of incarceration.

The country has a vibrant civil society but threats, intimidation and in some cases human rights violations and abuses targeting human rights defenders have led to limitations in civic space. The country has over 60,000 registered non-government organisations (NGOs). Civil society organisations (CSOs) have been raising their voice against the arbitrary exercise of state power and bringing to light cases of human rights violations and abuses. Civic space however has shrunk over time as human rights defenders, peace advocates, humanitarian actors, environmental defenders, union organisers, journalists, lawyers, indigenous peoples' defenders and others face intimidation, harassment and human rights violations and abuses, including killings. Unfounded allegations that those engaging in legitimate human rights activities were linked to the Communist Party of the Philippines New People's Army, and National Democratic Front (CPP-NPA-NDF), so-called "red-tagging" has put them at risk of violations. The trade union density has declined over time and is now less than nine percent.⁹ The new administration has made commitments to take measures to protect human rights defenders, humanitarian actors, environmental defenders, indigenous defenders, journalists and other civil society actors, and to bring alleged perpetrators of violations against them to justice.¹⁰

The Mandanas-Garcia ruling will potentially boost efficient decentralised delivery of services and deepen democracy. Resulting from two separate petitions filed before the Supreme Court in 2013, the ruling in 2018 directed the state to transfer a just share of revenue to the Local Government Units (LGUs) by changing the manner in which the national government computed the Internal Revenue Allotment (IRA) share of LGUs. As a result of the revised formula for computing and transferring IRA, the resource position of the LGUs will considerably improve – by 27.61 percent as per an estimate.¹¹ Following the ruling, the Department of the Interior and Local Government (DILG) has

⁶ The country ranked 97 out of 140 countries globally and 13 out of 15 countries in the East Asia and the Pacific Region in the World Justice Project's Rule of Law Index 2022.

⁷ The judicial independence came under attack when in 2018, the Supreme Court removed from office the Chief Justice, Maria Lourdes Sereno – a prominent critic of the "war on drugs" and of the extension of martial law in Mindanao – following a government petition in relation to her non-declaration of assets prior to her appointment in 2012. The Commission on Human Rights denounced her removal, recalling that under the Constitution, a Chief Justice can only be removed through impeachment by Congress. United Nations special rapporteurs warned that her dismissal had a "chilling effect" on judicial independence.

⁸ World Prison Population, World Prison Brief-ICPER, London, December 2021

⁹ As per ILOSTAT database. In 2019, the ILO Committee of Experts on the Application of Standards, adopted conclusions on the application of Convention No. 87 on the Freedom of Association and Protection of the Right to Organise. It noted with concern the allegations of killings of trade unionists and anti-union violence, and the lack of investigations. In 2020, the Committee noted new and serious allegations of violations of trade unionists' civil liberties submitted by workers organisations, including killings, violent dispersals of peaceful protests, and "red-tagging". Also see: Addressing Impunity: A Review of the three Monitoring Mechanism, ILO, April 2019.

¹⁰ A/HRC/WG.6/41/L.10, 22 November 2022. Fourth Universal Periodic Review, para. 6.57, 6.61, 6.66, 6.71

¹¹ <https://uplb.edu.ph/all-news/dilg-says-complete-devolution-under-mandanas-garcia-ruling-to-be-completed-in-2024/>

The World Bank estimates that in 2022, the IRA will be up by 55 percent, or 4.8 percent of GDP as against 3.5 percent of GDP in 2021.

called on the national government agencies to complete the devolution of functions by 2024 through Devolution Transition Plans. The ruling provides enhanced fiscal space for the LGUs to more effectively plan and budget for climate-sensitive SDG-aligned local development. This is also an opportunity to improve service delivery, local response to conflict and crises, inter-governmental relations and transparency and accountability to the local constituents. At the same time, there is a need to strengthen the financial and technical capacity of the LGUs, especially focusing on the weaker ones, to absorb the enhanced allocation of resources. Functional allocation needs to be based on the “principle of subsidiarity” and fiscal devolution linked to the LGUs’ own revenue mobilisation efforts, and decentralised responsibilities. A robust system of checks and balances may be put in place to prevent any undue political influence at the local level and to counter corruption. There is a need to build the capacity of groups at risk of being left behind, some of whom have representatives in LGU structures, to understand and be able to access adequate resources at the local level.

Corruption in the country remains a persistent challenge. Corruption is a significant obstacle to good governance in the Philippines. The country is ranked 116th out of 180 countries in the Corruption Perception Index 2022, which assesses the perceived levels of public sector corruption in 180 countries and territories globally. According to a survey of business leaders in September 2022, corruption was the top risk to economic recovery, trumping inflation and rising oil prices.¹² Corruption in compromised public projects can jeopardise people’s lives and damage properties. It also risks exacerbating pre-existing inequalities. According to a 2018 World Trade Organization (WTO) review, government procurement, accounting for over 10 percent of GDP, is a major source of corruption. The Philippines has been making efforts to establish an open, transparent, and competitive government procurement regime, yet at the last review, progress was limited.¹³

Human rights violations and abuses undermine efforts to reach the SDGs. Despite constitutional guarantees, human rights violations and abuses continue to be reported. Among the serious human rights violations reported are extra-judicial killings by police and vigilantes in the context of operations against illegal drugs. A report by the UN High Commissioner for Human Rights stated that at least 8,663 persons were killed between June 2016 and February 2020.¹⁴ Killings and other violations have also reportedly taken place in the context of operations to execute search warrants in search of illegal weapons, including operations in 2020 and 2021 which led to the killing of human rights and indigenous defenders.¹⁵ The current administration has made commitments to change the approach to countering illegal drugs, and to investigate and bring to justice perpetrators of violations, but capacity to do so is limited.¹⁶ Other human rights violations, including involuntary disappearances, unlawful detention, torture and ill-treatment are also reported. The CHR of the Philippines plays an important role in the promotion and protection of human rights but does not have prosecutorial powers. Human rights, including economic, social and cultural rights affecting the poorest and most vulnerable groups need to be further enhanced, including through strengthening social protection networks. On 15 September 2021, the International Criminal Court announced that it had opened an investigation into killings in the “war on drugs” during the period prior to the Philippines withdrawal from the Rome Statute.

¹²<https://www.bloomberg.com/news/articles/2022-09-12/corruption-trumps-inflation-in-philippine-risks-ceo-poll-shows?leadSource=verifypercent20wall>

¹³ In 2018, the WTO conducted its 5th review of the Philippines’ trade policies and practices, which pointed to the need for further efforts to carry out reforms on trade policies, including in its government procurement system. Though not yet a member of the World Trade Organization Government Procurement Agreement (WTO-GPA), the Philippines is the one of the newest observers to the WTO-GPA (accepted as an observer in 2019).

¹⁴ Various rights groups claim that between 12,000 and 30,000 people have been killed in the “drug war.” The government’s own data shows more than 6,190 people were killed in police operations from 2016 to August 2021 [World Report 2022: Human Rights Watch] Another official figure is that between 1 July 2016 and 31 May 2022, 6,252 persons were killed during anti-drug operations. A 2020 report by the High Commissioner for Human Rights estimated that at least 8,663 persons were killed in anti-drug operations between June 2016 and February 2020. Other sources estimated that the number was much higher, including vigilante killings.

¹⁵ <https://news.un.org/en/story/2021/03/1086782>

¹⁶ A/HRC/WG.6/41/L.10, 22 November 2022. In its fourth Universal Periodic Review, the Philippines supported recommendations related to a human rights-based approach to drugs (para 6.20 – 6.29) and recommendations related to conducting credible investigations into allegations of unlawful killings in the context of anti-drug operations (para 6.43 – 6.49).

Violence against women is a major human rights concern. Gender-based discrimination and the intersecting structures of marginalization mean that women and girls continue to experience different forms of discrimination, exclusion, marginalization, abuse, and violence in all spheres of life. Women and children are disproportionately affected in conflict areas as well as in communities vulnerable to various disasters and humanitarian crises. This became more apparent during the pandemic and the recent calamities – such as volcanic eruptions, earthquakes, and typhoons. Though this has been a concern even prior to the outbreak of the pandemic, women in the Philippines, as in many other countries, faced heightened violence due to strict lockdowns, abuses at quarantine facilities, loss of employment, economic dependence on their partners, lack of transport and support.¹⁷ As the government prioritised pandemic response, resources to address the violence against women became limited. Women also faced difficulties in accessing reproductive health care and abortion remained illegal. Women are also unwilling to report cases of violence against them due to lack of trust in the public authorities as well as due to strict lockdowns that restricted their mobility and ability to report and seek help.¹⁸ This led to a drop in the number of cases reported to authorities though the internet queries jumped up by 63 percent during the pandemic.¹⁹ Marginalised women, particularly women with disabilities and women in the Bangsamoro Autonomous Region in Muslim Mindanao or BARMM, face several challenges, including in accessing justice and services. Inadequate representation of women in law enforcement contributes to the lack of gender responsive interventions to tackle crimes within the legal system besides the criminal justice institutions, including customary and informal justice systems, themselves being gender-insensitive and adopting gender-discriminatory practices.

Violence continues to be an issue experienced by most children. Children continue to experience high levels of violence, with 2 in 3 children reporting physical violence; 3 in 5 children reporting some form of psychological violence; and 1 in 4 children reporting some form of sexual violence.²⁰ The 2022 NDHS showed that 59 percent of children from 1 to 14 years old experience any form of violent discipline. The preliminary results of the YAFS5 reinforce this message, as it identified family problems as the common reasons of attempted suicides among 15-to-24 year olds (59 percent), which include conflict with family members and being scolded by parents or guardians; while 2 percent attempted suicide due to sexual abuse. According to household survey data, in the past year alone, an estimated two million 12-to-13-year old children using the internet in the Philippines were victims of grave instances of online sexual exploitation and abuse.²¹ Eighty percent of children in the Philippines are vulnerable to online sexual abuse, with 1 in 2 children facing violence and abuse online. Cases of online sexual exploitation of children increased by 264.6 percent during enhanced community quarantine restrictions between March and May 2020, compared to the same period in 2019.²² This increase has likely been exacerbated by COVID-19 lockdowns. The Philippines is the largest source of livestreamed sexual abuse of children globally.²³ Pandemic related restrictions on children’s movement coupled with limitations on existing child protection infrastructure meant that children were especially vulnerable to violence, abuse, neglect and exploitation. Vulnerable children often confined at home with their abusers had limited access to traditional reporting mechanisms.²⁴ The adverse childhood experiences have long-term negative impact on mental and physical health. Inadequate child protection system is leading to the inability to respond to child protection violations, especially at the decentralized levels. In addition, social norms are driving violence and preventing the uptake of services. In September 2022, the Committee on the Rights of the Child released its

¹⁷ <https://cnnphilippines.com/news/2020/12/12/pwc-violence-women-children-pandemic.html>

¹⁸ <https://asiapacific.unwomen.org/en/digital-library/publications/2020/06/gendered-dimensions-of-covid-19-in-the-philippines>

¹⁹ <https://philippines.unfpa.org/en/publications/gender-inclusion-assessment-gia-impacts-covid-19-pandemic-vulnerable-women-and-girls>

²⁰ For further details of the prevalence of violence see UNICEF. 2018. A Situation Analysis of Children and Women in the Philippines. <https://www.unicef.org/philippines/reports/situation-analysis-children-philippines>

²¹ ECPAT, INTERPOL, and UNICEF. (2022). Disrupting Harm in the Philippines: Evidence on online child sexual exploitation and abuse. Global Partnership to End Violence Against Children.

²² Save the Children Philippines. 9 February 2021. Online sexual abuse of children rising amid COVID-19 pandemic.

<https://reliefweb.int/report/philippines/online-sexual-abuse-children-rising-amid-covid-19-pandemic-save-children>

²³ International Justice Mission. (2020). Online Sexual Exploitation of Children in the Philippines: Analysis and Recommendations for Governments, Industry, and Civil Society. P 60.

²⁴ Dignity: Danish Institute Against Torture. 24 May 2020. Children and youth in the Philippines at heightened risk of abuse under COVID-19 quarantine. <https://www.dignity.dk/en/nyheder/children-and-youth-in-the-philippines-at-heightened-risk-of-abuse-under-covid-19-quarantine/>.

concluding observations on the combined fifth and sixth reports of the Philippines, noting specific child protection challenges, including grave child rights violations, violence against children, and children deprived of a family environment.

The climate for the media to work freely has not been conducive. The country ranked 147 out of 180 countries in the Press Freedom Index 2022 down from 138 in 2021.²⁵ Violent attacks against journalists have taken place in the past. Libel, including online libel, is a criminal offence. The non-renewal of media network ABS-CBN's franchise in 2020 at the height of the pandemic, the revocation of the licence of the news website *Rappler* and multiple arrests on various charges (including libel) of its CEO and Nobel Peace Prize laureate Maria Ressa drew global attention. Though social media has opened space for civil society to share information, it has also been used for hate speech, spreading misinformation and harassing those critical of government policies.²⁶ Women activists have also been reportedly targeted with sexual slurs, threats and misogynistic comments on social media. During the pandemic, the government introduced a 'fake news' provision in a new law that was reportedly used to target individuals criticising the government's response to the pandemic. Some efforts were made towards accountability for the 2009 election related Ampatuan massacre when 58 people including 32 media workers were killed, with the courts finally convicting twenty-eight people of murder in 2019 though 76 suspects remain at large.

The Philippines is highly vulnerable to transnational crimes. Transnational organised crime undermines the banking and financial systems of the country, deprives the government of legitimate revenue, vitiates the labour markets, breeds corruption, negatively impacts livelihoods, quality of life and may lead to human rights violations. Transnational crimes are expanding in the Southeast Asia and the Philippines amid rapid ASEAN integration, economic cooperation and connectivity. The country is vulnerable to drug trafficking; trafficking in persons; smuggling in persons, contraband, counterfeit medicines, cigarettes, fuel, timber and firearms; cybercrimes; kidnap for ransom; and armed robbery at sea, and piracy. The drug trafficking route originates from the Golden Triangle, and after transiting through Vietnam reaches the Philippines. Despite pandemic-related restrictions, drug trafficking increased in Southeast Asia in 2019-2020 and exceeded pre-pandemic levels in 2021 with crime groups demonstrating an ability to quickly adapt and capitalize on the 'new normal.' The country is reportedly a haven for money laundering and has significant gaps in its efforts to combat it despite enactment of the Anti-Money Laundering Act of 2018. The Financial Action Task Force in 2021 put the Philippines in its grey list for "increased monitoring" of risks of money laundering activities. Irregular border crossings are normal making the borders a vulnerable target for criminal and terrorist activity. Migrant smuggling is a well-organised and profitable criminal activity in Southeast Asia. Malaysia is the usual destination for illegal migration from the Southern Philippines to Sabah District, with Tawau and Semporna cities as main transit points. The Philippines is also a source country for illicit trafficking of women and children for labour or sexual exploitation. There is also an emerging trend of human trafficking to work as cryptocurrency and online scammers. The Philippines has also become a destination for Foreign Terrorist Fighters (FTFs) from outside the region. Cybercrime increased during the pandemic. There is a sharp increase in online child sexual abuse and exploitation. The number of illegal plastic and household waste shipments from developed countries to the Philippines have also increased. These shipments are mislabelled to pass on as waste for recycling. Lack of enforcement capacity, corruption, lack of accountability and inadequate criminal response continue to facilitate transnational crime. The Philippine Centre for Transnational Crime that works under the Office of the President is responsible for formulating and implementing 'a concerted program of action of all law enforcement, intelligence and other government agencies for the prevention and control of transnational crime.

The root causes of persistent governance challenges are many. Corruption remains high as the country has not been able to improve service delivery given the country's size and vast geographic and cultural differences across

²⁵ Reporters without Borders (RSF): <https://rsf.org/en/country/philippines>

²⁶ The opposition senators such as Leila de Lima and Antonio Trillanes IV, who dissented with the government's war on drugs and extrajudicial killings, have been subject to hate speech both online and offline [Hate Speech in Southeast Asia, Asia Centre, Bangkok, 2020]. Senator Leila de Lima was detained and, as of March 2022, remained in pretrial detention for over five years in connection with drug charges. In 2018, the UN Working Group on Arbitrary Detention found her detention arbitrary and called for her immediate release.

administrative areas.²⁷ With more than 7,000 islands, effective and efficient public service delivery remains a daunting task. This also makes handling cross-border and transnational crime more challenging. The political culture presents itself as a significant impediment for leaders to implement policies in the Philippines. The Philippine's political system provides the wrong incentives for leaders, such that the personal popularity is valued more than the reputation for effective administration. The performance on governance thus takes a back seat. The bureaucracy, and to some extent the judicial system, is driven by patron–client networks that undermine efficacy of the public administration.²⁸ In 2022, the country started implementing the Mandanas-Garcia Ruling to strengthen decentralization. However, LGUs did not have the capacity and the mechanisms to fully utilize the allocated fund particularly in critical areas such as disaster response and recovery and local development. Lack of participation and forums where citizens could demand services and hold service providers accountable – such as through right to information, social audit, citizens report cards (or other feedback mechanism) - exacerbate the governance challenges. A highly security-oriented approach to domestic dissent and protests prevents the government from hearing the voices from the ground and people from raising their concerns. Social attitudes towards women and gender stereotypes also encourage misogynistic narratives on social media and during elections preventing women from fully participating in social, economic and political life of the country.

2.2 Conflict, Peace and Development

The Philippines has a long history of violent internal conflict, with deep rooted and complex causes. While the Philippines has external security concerns in the West Philippine Sea due to the country's overlapping territorial and maritime jurisdiction claims with those of other countries, including China, it is the internal threats to the country's stability that have remained the country's priority and the main focus of its armed forces. There are two main armed conflicts in the Philippines: the Bangsamoro armed rebellion in the south and the nationwide communist insurgency. The country's defence posture looks set to change under the Marcos administration. In response to increasingly aggressive behaviour by Chinese vessels within the Philippines Exclusive Economic Zone, President Marcos has recently strengthened defence ties with its traditional ally, the United States, and increased its access to nine military bases which may indicate a shift in emphasis to external defence.

A historic opportunity for peace in the Bangsamoro. The Comprehensive Agreement on the Bangsamoro (CAB), signed in 2014 between the Philippines government and the Moro Islamic Liberation Front (MILF) envisions a comprehensive political settlement aimed at achieving a fair and long-lasting end to the Moro insurgency in the Mindanao region. The CAB has two interlocking tracks: a political-legislative track to create a new Bangsamoro political entity that realises Moro aspirations for self-determination and a normalisation track provides for the decommissioning of MILF forces and weapons, the transformation of six recognized MILF camps into peaceful and productive economic zones, disbandment of private armed groups, granting of amnesty to MILF members, transitional justice and reconciliation and the redeployment of the Armed Forces of the Philippines from or within the Bangsamoro region. With the enactment of the Bangsamoro Organic Law (BOL) in 2019, which was seen as a major positive development in the peace process, the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) was established, providing the region with expanded autonomy and resources from the national government. The MILF-led Bangsamoro Transition Authority (BTA), jointly appointed by the central government and the MILF, was set up as an interim government with legislative and executive powers in BARMM during the transition period, which has been extended until 2025. The new parliament and government ministries involved in improving and managing local governance, agriculture, environment, education, and other related sectors now have the opportunity to implement solutions to address the region's decades-long challenges. This pivotal transitional period is therefore crucial to the lives of the Bangsamoro people and, to some extent, southern Philippine inhabitants.

²⁷ Reyes, V. (2016). Dysfunctional bureaucracy, corruption and weak rule of law: A case study of policy implementation in the Philippines. *The Role of the Public Bureaucracy in Policy Implementation in Five ASEAN Countries (Integration through Law: The Role of Law and the Rule of Law in ASEAN Integration)*, 233-296.

²⁸ *Ibid*

The conflict's socio-economic legacy. BARMM is the country's poorest region based on PSA 2021 Official Poverty Statistics. Poverty incidence among families and population stood at 29.8 and 37.2, respectively. The region is also among the lowest in terms of revenue collection and the delivery of social services, particularly in hard-to-reach areas (e.g., some barangays - or villages - do not have access to social facilities such as health care centres and school buildings; while others lack personnel to staff the facilities). Child undernutrition is widely prevalent, with 45.2 percent children under five years and 44 percent among 6-10 years old reporting stunting, a situation that is likely to be exacerbated by the on-going global inflationary pressures even though at the national level stunting shows a decline from nearly 33 percent (2018) to 27 percent (2021). Crucial infrastructure to support economic development such as roads, bridges, ports and seaports, and facilities for farmers and fisherfolk (e.g., irrigation, ice-making stations for fish preservation) are inadequate. Lack of resources to cope with climatic shocks has made the region vulnerable to natural hazards and extreme weather events that have increased in frequency and intensity. Moreover, the rise in salinity has also resulted in lower agricultural yields. The regional bureaucracy is fragile, LGU performance is relatively weak and there is limited participation of stakeholders such as civil society organisations and marginalised groups (e.g., indigenous people, women).

Despite the pandemic, the transition has made significant progress. A major milestone has been the establishment of the new BARMM bureaucracy engaged in planning, identifying challenges and adopting strategies and programmes for the various ministries including a successful regional government response to the COVID-19 pandemic including new health facilities and programmes providing subsidised healthcare. The significant reduction in vertical violence due to the peace process, is likely to have contributed to a reduction in the poverty incidence in BARMM from 60.4 percent in 2018 to 37.4 percent in 2021, in spite of the pandemic. This is the highest reduction in regional poverty incidence in the Philippines. BARMM ranked 2nd in terms of Gross Regional Domestic Product (GRDP) and Gross Regional Domestic Expenditure (GRDE) growth rate in 2021. With the improvement in security, investments also rose to a total of PHP2.8-billion worth of investments for 2021, exceeding the region's PHP2.5-billion target for the year.

The transition faces several challenges before the 2025 elections. In spite of the significant overall reduction in vertical violence, ongoing military operations against extremist armed groups outside the peace process and horizontal armed conflicts in rural hot spots undermine security and stability, disproportionately affecting the poorest of the poor caught in between these clashes. These people have been displaced and taken out of their livelihoods, with children being incessantly disadvantaged in terms of health, nutrition, and education. Land-based conflicts affecting non-Moro indigenous communities leading to recurrent displacement have registered the greatest increase in incidents since 2019. A recent uptick in intra-MILF clashes is also contributing to the displacement of Moro communities. Bangsamoro women and youth are negatively affected by violent conflict, exposing them to many forms of abuse and economic insecurity leading to negative coping strategies including forced marriage, trafficking and radicalization. In terms of the peace agreement implementation, there have been significant achievements made in the political track and initial success with the decommissioning of the MILF combatants (59 percent out of the 40,000 MILF combatants had been decommissioned by 2022) but decommissioning and the rest of the normalisation track, which is funded by the national government, is currently lagging behind, due to lack of funds inter alia, leading to concerns among the Bangsamoro communities over the delay in the delivery not only of peace dividends, including the economic assistance package for the decommissioned MILF combatants which appears to be causing internal tensions, but also the general socioeconomic benefits for all Bangsamoro people. (Decommissioned combatants have only received 10 percent of their reintegration packages). Elections-related violence and tensions, including the paralysis of basic services due to the political impasse over the governorship of Maguindanao del Norte, continue to dog the transition. Bangsamoro civil society emphasises the critical importance of prioritizing the implementation of the normalisation track for the remaining transition period and ensuring inclusiveness focusing on the island provinces, the LGUs with different political affiliations, minority communities, especially the non-Moro indigenous communities, and women. The meaningful consultation and participation of these sections of the community, including civil society, will be needed in the formulation and passage of the remaining priority codes including the Local Governance, and Indigenous People's codes as well as the successful implementation of the normalisation

track. There are significant gaps in the localisation of the Women, Peace and Security agenda both in terms of its conceptual understanding as well as availability of funding.

The creation of the new government presents significant development opportunities and comparative advantages for the Bangsamoro people and the Philippines. Despite the challenges, the peace process remains on track and is a key priority of the new Marcos administration. The BTA's request for an extension of the transition period up to 2025 reflects an undiminished confidence in its ability to meet the challenges of autonomous governance which can be surmounted with the support of the national government. With more fiscal autonomy, BARMM can better plan and allocate its resources to programmes and projects that are in line with its development needs and priorities. This includes tapping into the region's vast resources and potential, including, among others: the 165,000 hectares of irrigable land which can boost the country's rice production and ease the need to import; valuable natural gas and mineral resources such as nickel which are going to be crucial in the global drive for low-carbon economies; and its strategic location in the Brunei Darussalam – Indonesia – Malaysia – Philippines East Asia Growth Area (BIMP-EAGA) region to become the Halal hub of the Philippines to serve both local and international markets. The transition also makes available various investments and assistance coming from the national government and development partners, significantly augmenting local resources to support regional development. These unparalleled development opportunities, if translated into higher living standards and equitable growth for all communities in BARMM, are the best antidote to the conflict drivers that have held back this dynamic region.

The CPP-NPA is the world's oldest existing Communist insurgency. The group seeks to overthrow the Philippine government in favour of a new state led by the working class and to expel U.S. influence from the Philippines. Since its inception in 1968 by Jose Maria Sison, the CPP has waged a guerrilla war against the Philippine government. Their ranks grew significantly with the declaration and imposition of martial law by former president Ferdinand Marcos in the 1980s. The CPP consists of the National Democratic Front, a coalition of other revolutionary organisations in the Philippines with aligning goals; the *Kabataang Makabayan*, which serves as its youth wing; and the New People's Army (NPA), which serves as its armed wing. Socio-economic causes, such as failed agrarian reform, poor labour practices, and economic inequalities were the catalysts for the conflict. The movement remains within the capabilities of the Armed Forces of the Philippines (AFP) and law enforcement to manage. Past efforts to negotiate peace have not succeeded, and the current administration is continuing the former administration's rejection of peace talks in favour of continued military operations and localised peace engagements coordinated by the National Task Force to End Local Communist Armed Conflict (NTF-ELCAC) aimed at encouraging rebels to return to the folds of the law and investing in LGUs that successfully repel communist infiltration. It sees the CPP-NPA as a dying threat that will end in the next two years under the Marcos administration. CSOs, including the church, have called for the resumption of peace talks and criticized the Anti-Terrorism Act and NTF-ELCAC for enabling the practice of "red-tagging" which has constrained civil society's participation in contributing to sustainable peace approach to the communist insurgency.

Civilians shoulder a significant cost of the conflict. Operations by the military in the context of this conflict have led to increased evacuations from the affected areas and reportedly to human rights violations while the CPP-NPA has also been reportedly responsible for human rights abuses.²⁹ Meanwhile, "revolutionary taxes" on businesses discourage investment and permit the rebels to skim profits from resource-rich but impoverished areas. Indigenous communities living in the affected areas are frequently caught in the crossfire between the military and the CPP-NPA or tagged for defending their lands from commercial exploitation without free, prior and informed consent. Past efforts to negotiate peace have not succeeded. Renewed efforts to resolve the CPP-NPA conflict through peace negotiations have not succeeded compared to the Bangsamoro peace negotiations and has not found much traction from the international community.³⁰ Organized crime, private armed groups and terrorism are major drivers of

²⁹ For example, in the hinterlands of Guihulngan City of Negros Oriental eight civilians, allegedly sympathizers of the NPA, were killed in July and August 2017, immediately following an ambush by the NPA on state forces on July 21, 2017.

³⁰ International Crisis Group (2011). The communist insurgency in the Philippines: Tactics and Talks. <https://www.refworld.org/pdfid/4d5a310e2.pdf>

community insecurity nationally, further compounded by persisting cycles of *rido* or clan wars in BARMM. Grievances based on ethnic and religious grounds, societal discrimination, and increased militarization of security policies create a precarious situation where segments of the population affected by conflict and clashes, may become vulnerable to violent extremist and terrorist groups' recruitment.

The susceptibility of the Philippines to conflicts, disasters, economic shocks and health emergencies calls for integration of humanitarian, development and peace perspectives. In Mindanao alone, there were about 158,000 persons recorded as living in displacement as of November 2022, most of them protracted, and in need of protection and durable solutions although the true figure is estimated to be much higher. In those affected provinces, the displacement is either entirely or predominantly due to armed conflict or natural disasters or clan feuds, and in some cases displacement is due to multiple causes, while in other cases communities have been displaced multiple times.³¹ The Philippines has no law specific to Internally Displaced Persons (IDPs) and the cases of displacement response and management are based on the Philippine Disaster Risk Reduction and Management Act of 2010. The passage of the IDP protection law will provide better space for IDPs to be engaged in shaping durable solutions, protect their rights, and strengthen accountability of duty-bearers in supporting displaced communities to achieve durable solutions.³² This highlights the importance of the UN Action Agenda on Internal Displacement (prevention, protection/assistance, and solutions) and applying a humanitarian-development-peace nexus approach to programming from the start of a crisis.

2.3 Economic Transformation

The Philippine economy is one of the most dynamic economies in the Asia Pacific region. The Philippines registered an average annual growth rate of 6.4 percent between 2010-2019 rising from 4.5 percent between 2000-2009. The COVID-19 pandemic led to a contraction in the economy of 9.5 percent in 2020 but the economy bounced back to a growth rate of 5.7 percent in 2021. GDP registered growth of 7.6 percent in 2022 and is projected to grow between 6.5 to 8.0 percent between 2023 and 2028. The World Bank, IMF and Asian Development Bank (ADB) expect the Philippines economy to grow modestly in 2023.³³ The Philippines' openness to trade has been steadily increasing since 2014. The country's exports have grown by 24 percent during the last decade – significantly, but less than the ASEAN average of 38 percent. The country has slightly increased its overall share in world trade. The Philippines' performance in the World Economic Forum (WEF) Global Competitiveness Index over the past decade has been mixed, ranking 65th (out of 144 economies) in 2012, reaching its highest ranking of 47 (out of 140 economies) in 2015, and ranking 64th (out of 141 economies) in the last report published in 2019.³⁴

Much of the growth is due to the dynamism in the services sector. In 2021, the services sector accounted for nearly 60.5 percent of GDP and 60 percent of employment. The pandemic led to the contraction in the services sector by 9.1 percent due to the hard and prolonged lockdowns. The business process outsourcing (BPO) is a significant sub-sector within the services sector and the Philippines is a significant global supplier of BPO services. However, it faces high staff turnover, lack of relevant skills, high-stress work environment, lack of meaningful unionisation, and concentration of women in low-paid and low skill work. It is also threatened by growing automation. Tourism that saw a five-fold growth between 2008 and 2019, to 12.8 percent of GDP, shrank to 5.1 percent of GDP mainly due to closure of international borders and the strict quarantine measures the country imposed which restricted the movement of people. As the borders reopen, the tourism sector is expected to register strong growth.

³¹ UNHCR Mindanao Displacement Dashboard (November 2022)

³² <https://chr.gov.ph/a-disaster-approach-to-displacement-idps-in-the-philippines/>

³³ World Bank: <https://www.worldbank.org/en/news/press-release/2022/12/06/sustaining-investments-in-health-education-and-agriculture-key-to-addressing-pandemic-scars-strengthening-recovery-in-ph>; ADB: [https://www.adb.org/news/adb-forecasts-7-4-growth-philippines-2022#:~:text=The%20latest%20supplement%20to%20the,the%20previous%20forecast%20of%206.3%25.](https://www.adb.org/news/adb-forecasts-7-4-growth-philippines-2022#:~:text=The%20latest%20supplement%20to%20the,the%20previous%20forecast%20of%206.3%25.;); IMF:

<https://www.imf.org/en/News/Articles/2022/11/28/pr22409-imf-executive-board-concludes-2022-article-iv-consultation-with-the-philippines#:~:text=Medium%2Dterm%20economic%20growth%20is,policy%20keeps%20inflation%20expectations%20anchored.>

³⁴ The Global Competitiveness Reports 2012-2019, World Economic Forum

The share of industry has remained relatively stagnant since the 1990s. Though the second largest contributor of GDP at 29.9 percent (2021), the share of industry remains stagnant. It has also the lowest share of employed persons at 17.5 percent (August 2021).³⁵ The weak manufacturing base has kept unit values of its top exports (e.g., semiconductors, electronics) low and largely unchanged from 1991 to 2012. In terms of the manufacturing sector's international competitiveness, measured by manufactured exports per capita, the Philippines ranks among the lowest in the ASEAN region. At the root of lacklustre performance of manufacturing is dualistic incentive structure³⁶ with high cost of inputs including electricity, inadequate investment in R&D, poor infrastructure (especially outside Metro Manila), failure to move up the value chain from simple assembly at the bottom of the value chain to more complex, high-value production, and unfavourable investment climate. The Philippines also ranks low among the ASEAN nations in terms of FDI flows due to foreign ownership restrictions.

Agriculture in the Philippines has been facing structural problems for some time. Though it contributes 9.6 percent to GDP and 22.6 percent to employment (August 2021), the sector has not experienced much structural and technological transformation over time. It is primarily rice-based agriculture where the country does not have a comparative advantage. Rice was protected by import quotas, benefiting few farmers with marketable surplus,³⁷ but the rice trade has been recently liberalised. Agriculture has suffered from underinvestment, low productivity, lack of diversification and is also exposed to an increasingly deteriorating resource base and enhanced vulnerabilities to climate change with food and nutrition security implications. The damage to crops and fisheries during frequent disasters makes this sector particularly a high-risk venture that is made riskier due to weak access to finance, poor logistics infrastructure, post-harvest losses and gaps in risk transfer mechanism (e.g. crop insurance). There has been a large movement of labour out of agriculture into non-farm sectors.³⁸ Though this led to significant poverty reduction, the movement has been into low-end non-farm services. The move out of agriculture was characterised by “premature deindustrialisation” not followed by improved labour productivity and decent employment growth. Women in agriculture are overworked and vulnerable as not many are recognised as agricultural holders,³⁹ face difficulties in accessing credit and markets or make farming decisions.⁴⁰ Unresolved land rights issues, and in some cases land-grabbing, negatively affected lives of some of the poorest farmers. In addition, the agricultural sector constantly faces challenges of adapting to climate change and coping with disasters with limited resources and information. The youth are seen as a promising catalyst for agriculture development, and the government has initiated some programmes to be able to harness this.⁴¹ This is an important step as the farmers are ageing with the average age being 54 years.

Small enterprises are engines of growth and employment. As per a profile of Micro, Small and Medium Enterprises (MSMEs) (2021), 99.58 percent of registered enterprises (over one million in number) consist of MSMEs that generated 64.67 percent of the total employment.⁴² Within MSMEs, the share of micro-enterprises was 90.54 percent generating 32.46 percent of MSME employment contributing mostly to the wholesale and retail trade (39.8 percent), manufacturing (13.9 percent), and accommodation and food service (12.3 percent) subsectors. The small enterprises, though representing a smaller number (8.63 percent), generated 25.08 percent of total MSME employment. MSMEs also account for 25 percent of the country's total exports revenue and 36 percent of value added. MSMEs are concentrated in the National Capital Region (NCR), Calabarzon and central Luzon with lowest numbers in Cordillera Administrative Region (CAR), Caraga and BARMM. Most of the MSMEs are engaged in wholesale and retail trade (50 percent) with accommodation and food services as the distant second (14 percent). Though the sector is a major source of income and livelihoods for many households and workers in the Philippines,

³⁵ Policy Brief Series August 2021; Diversification, Jobs and the COVID-19 Recovery - Exploring Opportunities for Economic Diversification and Productive Employment in the Philippines

³⁶ The Philippines in global manufacturing value chains: A tale of arrested growth, Working Paper in Trade and Development, No 2021/22, Prema-chandra Athukorala, Australian National University, September 2021.

³⁷ Systematic Country Diagnostics of the Philippines: Realising the Filipino Dream for 2040, World Bank, 2019

³⁸ For the first time in 1997, the number of farm workers were less than those in the services sector [PIDS 2018].

³⁹ Only 10.8 percent women are agricultural holders in the Philippines. <https://www.fao.org/3/i4862e/i4862e.pdf>

⁴⁰ <https://ap.iftc.org.tw/article/1872>

⁴¹ Such as, Young Farmers Challenge Fund, Youth for Mechanization (Y4M) under the Rice Competitiveness Enhancement Fund (RCEF)

⁴² Department of Trade and Industry (2021) website - <https://www.dti.gov.ph/resources/msme-statistics/>

especially those self-employed, small-scale producers and distributors of goods and services who are highly vulnerable, this often comes at a cost to the workers, enterprises and the government. The workers face insecure labour contracts with little or no access to social protection or labour rights, the government loses revenue, and the enterprises remain trapped in low-productivity activities with missed opportunities to innovate and integrate with global value chains.⁴³ MSMEs were most severely hit by the pandemic. About 60 percent of them lost their entire sales as they had to totally cease their business operations.⁴⁴ The key challenges faced by MSMEs even during the pre-pandemic period included lack of access to finance, the high cost of doing business, inadequate access to markets and global value chains, digital solutions, and low productivity due to lack of resources and skills to innovate. These challenges were felt much more severely during the pandemic.

The world of work is transforming at an unprecedented pace. Even in the pre-pandemic phase, the rapid technological / digital transformation and the emergence of the gig economy were offering flexibility in work and opportunities to many population segments (women, people with disabilities or PWDs) to participate in the labour market. The pandemic hastened this transformation and the platform economy emerged as a major form of work. While the net impact on employment is unclear, this process led to growing non-standard forms of work. Since this was outside the normal employer-employee relationship, a large segment of workers faced precarious work contracts, without access to social protection, and infringement of labour rights including the right to form a trade union. The strong employer preference for contractual workforce and weak enforcement of labour laws worsened the labour welfare and created an anti-labour and anti-trade union environment. The workers faced poor working conditions, including low wages and harassment at the workplace, and had little recourse under the labour laws especially in informal sectors. Rural unskilled women who migrate to the cities in search of employment are exposed to higher risks of sexual, or other forms of harassment. The outward-bound migrant workers incurred huge debts to pay, high recruitment fees and related costs besides running the risk of labour exploitation including forced labour. Poor working conditions is one of the major causes for women opting out of the labour force, others being unpaid care work and lack of suitable skills.

Development has been regionally uneven. The overall impressive economic performance camouflages the fact that the growth is highly concentrated in few regions with many areas lagging in development and poverty reduction. An Oxfam study shows that 60 percent of the country's wealth is created in NCR and two nearby regions (CALABARZON and CAR).⁴⁵ As per PSA (April 2022), all 17 regions were able to recover from the 2020 global pandemic and recorded positive growths in 2021. It also found that among those regions, CALABARZON posted the highest percentage growth at 7.6 percent, making it the fastest growing region. It was followed by BARMM and CAR at 7.5 percent each.⁴⁶ As noted earlier, BARMM, which is largely agricultural, registered a decline in poverty in 2021 although its per capita income was only 8.5 percent of NCR's per capita income.

The Philippines has had success in reducing poverty. Largely contributed by high growth rates, a shift of the working population from agriculture to non-agriculture, and social transfers, the Philippines successfully reduced poverty from 23.3 percent in 2015 to 16.6 percent in 2018. Studies show that both economic growth and redistributive policies in the Philippines contributed to poverty reduction. COVID-19 pushed up the poverty incidence among the population to 18.1 percent (or 19.99 million persons) in 2021. The current government administration is targeting a reduction of poverty incidence to 9 percent by the end of its term in 2028. Poverty levels reveal sharp regional variations. Out of the 17 administrative regions, ten saw increased levels of poverty incidence among the population from 2018 to 2021, with Central Visayas posting the highest increase of 9.9 percentage points. Among the seven remaining regions, BARMM exhibited the highest gains as poverty incidence among the population fell by 24.6 percentage points from 2018 to 2021. A 2021 study found that poverty is mainly a rural phenomenon, with 71.6

⁴³ The share of micro enterprises in total value added was only 5 percent.

⁴⁴ <https://www.adb.org/publications/covid-19-impact-msme-under-lockdown-evidence-rapid-survey-philippines>

⁴⁵ Towards a better normal: a study in inequalities and the lack of human development in the Philippines, Joseph Anthony Lim, Oxfam, 2020

⁴⁶ Other regions recorded growth rates as follows: Central Luzon, 7.4 percent; Caraga, 7.2 percent; Northern Mindanao, 6.3 percent; Eastern Visayas, 6.0 percent; Western Visayas, 5.9 percent; Davao Region, 5.9 percent; and Zamboanga Peninsula, 5.7 percent (all above the national level).

percent of the poor residing in rural areas and that the Philippines' poverty incidence is much higher than Malaysia, Thailand, Indonesia, Vietnam and Myanmar even when the lowest poverty line of USD1.90 per capita per day is considered.⁴⁷

The Philippines remains one of the most unequal countries in the world. High growth has led to poverty reduction, but this growth has not been inclusive. A 2014 study showed that the top one percent owned more than half of the nation's wealth.⁴⁸ The wealth of the richest Filipino was 6.7 million times the country's GDP per capita.⁴⁹ Much of the gains from growth have been captured by the wealthy with little going to the labour force reflecting in part gaps in social dialogue, collective bargaining and wage setting mechanisms. Real wages have grown by mere 0.4 percent between 2006-2015.⁵⁰ According to the World Bank, the country registered a decline in the Gini index over time but noted that the 2021 Gini index of 42.3 put the Philippines second highest after Thailand as the most unequal country in the ASEAN region. Inequality manifests itself in many forms. A single measure like the Gini index does not capture multidimensionality of inequality which shows itself in multiple forms of deprivation and discrimination. The latest World Bank report also noted that "the analysis of inequality within and between the major island groups—Mindanao, Visayas, and Luzon—and ethno-religious groupings—Muslims, indigenous people (IPs), and everyone else— make the persistence of large differences clear".⁵¹ Inequality starts even before birth and is perpetuated throughout the life cycle.⁵²

The Philippines recognizes that development must be green, blue and circular. The country's development path and *Ambisyon Natin 2040* vision clearly puts a premium on green and low-carbon pathways that are innovative and integrated efforts that will accelerate economic transition without damaging the environment. As the Philippine economy recovers from the pandemic, there is further opportunity to build back green besides making recovery more inclusive and digital. The triple planetary crisis – climate change, pollution and biodiversity loss – re-emphasizes the binding constraint on the future of development. The Philippines is a signatory to the Paris Agreement and has made a commitment to greenhouse gas (GHG) reduction under the Nationally Determined Contributions (NDCs). It further needs to cope with the degradation of natural resources and biodiversity to sustain growth in the future in the face of climate change. As the third largest plastic polluter of marine environment, the Philippines has of necessity to follow blue economy pathways to protect marine health and sustain fisheries. The country needs to get more out of its resources and improve resource use efficiency to reduce the material footprint of production and consumption. Successful future development pathways would be the ones that promote resource use efficiency and adopt a low-carbon route. The PDP 2023-2028 therefore rightly envisions an economy that is green, blue and circular. The major sectors that should be in focus are energy (both generation and energy use efficiency), agriculture and food processing, forests, infrastructure, transport (improved energy efficiency and electrification of public transport, e-vehicles), waste management (municipal waste, medical waste, e-waste and hazardous chemicals) and tourism (rebuild by promoting eco-friendly tourism).

The Philippines is on the path to swift recovery, but prudent macroeconomic management will hold the key to future growth. The Philippine economy and the economic fundamentals remain stable. The economy is recovering well from the shock posed by the pandemic and is well-poised for the longer -term sustainable growth. GDP in Q3 2022 expanded by 7.6 percent— the highest in the ASEAN region. The year 2022 may end with an average growth of 6.5 percent. Unemployment dropped to 5.0 percent in September 2022. Fiscal deficit contracted by over 40 percent in August 2022 on a year-on-year basis. The fiscal deficit as a share of GDP had more than doubled from a low of 3.4 percent in 2019 to 7.6 percent in 2020. In 2021, this figure rose to 8.61 percent of GDP. The country's debt-to-GDP ratio was on a declining path prior to the pandemic, falling from 51.5 percent in 2012 to a low of 39.6 percent

⁴⁷ Eradicating Poverty in the Philippines by 2030: An Elusive Goal? Philippine Institute of Development Studies (December 2021)

⁴⁸ Credit Suisse Wealth Report from 2014 as cited in the World Bank Systematic Country Diagnostic of the Philippines (Realizing the Filipino Dream for 2040), 2019

⁴⁹ Ibid

⁵⁰ Ibid

⁵¹ Overcoming poverty and inequality in the Philippines, World Bank, 2022

⁵² Ibid

in 2019. To address the significant funding needs that arose from the pandemic, the debt-to-GDP ratio rose to 60.5 percent by 2021 and to 62.1 percent by June 2022. Most of the debt is domestic and the risk profile remains favourable. Government revenues have been going up which is a promising sign. External trade is buoyant and grew by 11.3 percent in September 2022 over September 2021. Remittances declined by only 0.8 percent during the COVID-19 pandemic as against a projected decline of 13 percent, remaining at approximately 10 percent of GDP.⁵³ The Philippines had managed to reduce inflation over time and remained within a band of 2-4 percent over the last decade. Despite strong fundamentals, the country is currently facing several macroeconomic challenges. It is grappling with high inflation rates and a cost-of-living crisis. Inflation shot up in 2022, reaching a 14-year high at 8.0 percent in November 2022, among others due to the impact of the Ukraine war that saw an increase in prices of fuel, food, electricity and transport which have high weights in the consumer basket. This is impacting the cost of living, especially of the poor who were already hit hard by the pandemic.

Financial inclusion is a significant tool that enables and accelerates economic growth. According to the *Bangko Sentral ng Pilipinas* (BSP), account ownership surged to 56 percent in 2021. The expansion was spurred by the COVID-19 pandemic accelerating the use of digital payments. Of the financially excluded persons in the Philippines, a great number are those who are unemployed, in the low-income classes, less educated, underserved sectors (senior citizens and migrant workers), PWDs, indigenous peoples, forcibly displaced peoples⁵⁴, and the young population. Financial exclusion has also been observed to be prevalent in the agriculture sector, MSME, start-up sector, and informal workers. The highest poverty incidences among the basic sectors are experienced by the country's farmers and fisherfolks, 31.6 percent and 26.2 percent respectively, indicating that these sectors continuously face the difficulty of accessing and using financial products and services due to the lack of documents to open personal or business accounts, high costs in opening or maintain accounts, lack of financial data to permit them to access formal credit, and limited awareness and knowledge about existing financial products and services. Females are more financially included compared to men based on the following indicators: account ownership, savings, credit, insurance, remittance, and making payments.

Cities are the drivers of growth. Cities account for 80 percent of GDP, with NCR and adjacent provinces comprising Greater Metro Manila accounting for 63 percent, with economic growth fastest in the adjacent provinces. Despite such economic dominance, many cities are confronted by the inability to absorb the pressures of urbanisation and are unable to provide adequate urban infrastructure, housing, and urban services. For housing alone, government estimates have placed the housing need at 6.5 million houses prompting the current administration to target the construction of 1 million houses per year for the next six years.

The power of digital transformation needs to be harnessed for rapid economic growth which decreases inequalities. The use of digital technologies drives innovation, enhances productivity, reduces costs, delivers economies of scale and builds resilience. The digital delivery of services has been very promising as was experienced during the pandemic. The extensive use of tele-health, tele-education, online delivery of goods and services and digital payments during the pandemic has hastened the process of digitalisation. The speed at which disruptive technologies such as artificial intelligence, robotics, and the internet-of-things are being developed and used hints at the need to speed up their adoption to stay competitive in relation to the country's peers. In fact, even prior to the crisis, global manufacturing was already in the midst of an unprecedented change, due to the convergence of the digital and traditional manufacturing sectors and the adoption of advanced disruptive technologies and business models around the Fourth Industrial Revolution or Industry 4.0. The Philippines has made rapid strides in the use of digital technology for the economy and service delivery and has emerged as a major BPO centre exporting digital services. The digital transformation has somewhat lagged behind the peers in ASEAN region due to underinvestment in digital infrastructure, regulatory and legal framework not keeping pace with technological changes (including

⁵³ Remittances increased by 3.6 percent in 2022 to USD38 billion from USD36.7 billion in 2021. There is need for regulating transfer fees and ensuring remittances and contributions of the Filipino diaspora are better leveraged as a driver of development.

⁵⁴ As the forcibly displaced persons can sometimes be from the countries identified as risky by the Financial Action Task Force (FATF) and the International Cooperation Review Group, they may face additional barriers to accessing formal financial services, including opening bank accounts, despite possessing relevant document in view of the discretionary authority financial institutions have in exercising due diligence.

addressing cybercrime and online child sex abuse)⁵⁵, low public trust in digital payments systems, low density of digital solutions providers, low digital adoption among MSMEs, inability of small firms to access finance for digital solutions, regional digital divides and a digital skills gap in the workforce. Despite the latest efforts to tackle the cybercrime key areas (cyber investigations, online child sexual abuse and exploitation, digital forensics, electronic evidence, virtual assets, and prevention), the Philippines law enforcement agencies still require more specialists with the necessary skills, abilities and capacities; build a regulatory framework with a human rights base; develop international and national collaboration with the private sector and international law enforcement agencies in countering and preventing cybercrime. The government is establishing a Digital Transformation Centre to support capacity development initiatives, including digital skills training. The Philippines is not among the 50 countries considered to be actively engaging in advanced disruptive technologies, causing the country to miss out on the huge potential of these technologies to advance sustainable economic growth and well-being.

2.4 Social Development

The country is passing through a demographic transition that could translate into a demographic dividend. The age and sex disaggregation of the 2020 census results showed a shrinking of the 0–4-year age group on the population pyramid, the first time for the Philippines. This is also consistent with the initial results of the 2022 National Demographic and Health Survey (NDHS) which showed that the fertility rate of the country declined to 1.9 from the previous rate of 2.7 in 2017. While COVID-19 might have influenced this rapid decline, it is important to note that the fertility rate of the country has been decreasing in the past decade even before the pandemic. High young population poses a challenge in terms of creating jobs but if correct policy frameworks are in place and sufficient investment in human capital is made, this would lead to demographic dividend for the country to be reaped.

The country has made significant progress on social development indicators such as health, education and social protection but there has been no noticeable improvement in child protection development indicators. The government spent 6.0 percent of GDP on health in 2021 up from 4.6 percent in 2019⁵⁶ and 3.9 percent on education.⁵⁷ It spent 3.6 percent on social protection in 2020 due to the COVID-19 response.⁵⁸ As the Social Amelioration Programme winded down, social protection spending went down to 2.4 percent in 2021. Healthy, educated and skilled human capital is essential for the people to realise their full potential. The Human Capital Index (HCI) measures the amount of human capital that a child born today can expect to attain by age 18, given the risks of poor health and poor education that prevail in the country where he/she lives.⁵⁹ The HCI value for the Philippines declined from 0.55 in 2018 to 0.52 in 2020, due to the impact of COVID-19. The country has made progress in improving health indicators and overall enrolment in educational institutions even though there are quality and equity concerns. Investment in human capital is even more important if the country is to harness the demographic dividend presented by the fact that the Philippines is a young nation with 28.9 percent of its population being in the 15-30 age group. This is a window of opportunity that will gradually close as the population begins to age by 2040 creating an unfavourable dependency ratio. Of the youth cohort (15-24 years), 17.5 percent were not in education, employment or training (NEET) in 2021, down from 18.8 percent in 2019. More women (20.8 percent) were in the NEET group than men (14.3 percent). Between 2019 and 2021, the NEET ratio for women saw a decline from 24.1 percent to 20.8 percent but for men it went up from 13.8 percent to 14.3 percent.⁶⁰ Data on access to education, employment, nutrition and healthcare for PWDs, disaggregated by gender and age, is not readily available and there is a need for further data collection on this group.

⁵⁵ The Philippine Cybercrime Investigation and Coordination Center (CICC) estimates that, as of February 2021, the country ranked second for attempts to reach dangerous URLs; and fourth for malware detection. The Philippines ranks 15th in the Global Crypto Adoption Index and ranks 10th in the world in terms of monthly visitors to cryptocurrency scam sites. (Chainalysis, The 2021 Geography of Cryptocurrency Report).

⁵⁶ https://psa.gov.ph/sites/default/files/Publication_PNHA_2021.pdf

⁵⁷ <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?locations=PH>

⁵⁸ Calculated from the Department of Budget and Management (DBM), Government of the Philippines data

⁵⁹ This is a composite index of probability of survival to age 5, expected years of school, harmonised test score, learning-adjusted years of schooling, adult survival rate, fraction of children under 5 not stunted.

⁶⁰ https://www.ilo.org/shinyapps/bulkexplorer26/?lang=en&id=EIP_NEET_SEX_RT_A&ref_area=PHL&timefrom=2019&timeto=2021

Overall access to healthcare has improved but there is a need to focus more on prevention and stronger engagement by other sectors on health issues. The coverage of the national health insurance scheme (PhilHealth) has expanded from 38 percent in 2008 to 100 percent in 2021, and consequently access to health services has improved to some degree, including for the poor.⁶¹ Out of pocket expenditure has shown a decline in 2021 but remains high at 41.5 percent of total health expenditure. Remittances are also partly used to increase spending on health and education. However, there are areas of concern notably those related to reproductive health, child malnutrition especially wasting, stunting, and overweight/obesity, and rise of non-communicable diseases, all of which disproportionately affecting the poor, persons with disabilities, infants, young children, children with disability, adolescent girls, the elderly, and those in geographically isolated and disadvantaged areas. Improving quality and access to essential health and nutrition services has been dependent on the priorities and capacities of local governments who are ultimately responsible for service-delivery.⁶² Mental health has also received scant attention in the past, although mental health will be a priority area in the forthcoming PDP.⁶³ Quality infrastructure along with active local leadership also plays an integral role in enabling critical health service availability to underserved populations, managing future health emergencies, and putting the country back on a path to achieving sustainable development.⁶⁴

Child mortality is not improving. Based on the latest NDHS 2022, there was little change in under-5 mortality from 27 to 26 deaths per 1,000 live births, while infant mortality rates increased from 21 to 22 deaths per 1,000 live births and neonatal mortality increased from 14 to 15 deaths per 1,000 live births. Skilled birth attendance has only slightly increased from 88 percent to 90 percent between 2017 to 2022, while women receiving four or more antenatal care services has decreased from 86.5 percent in 2017 to 83 percent in 2022, and postnatal care services for the new-born during the first two days following birth has decreased from 85.7 percent in 2017 to 75 percent in 2022. The stagnant level of child and infant mortality rate could be attributed to inequitable coverage and quality of the services offered through the primary health care platforms coupled with weak community-based structures to support community mobilization and referral. Immunisation rates have likewise been declining, especially among the low-income households, and the Philippines remains among the top 10 countries in the world that account for 72 percent or 18 million of the 25 million children that remain under vaccinated or unvaccinated in 2021.⁶⁵ The challenges faced by the immunisation programme are complex and include low demand, supply constraints, diversion of resources to fight COVID-19 and parental hesitancy towards vaccination.⁶⁶ There is an urgent need to improve governance at the decentralised level, strengthening routine data systems, supply chain and increase in the number and capacity of human resources.

Non-Communicable Diseases (NCDs) remain the biggest killer, and 55 percent of all deaths in 2019 were due to cardiovascular diseases, cancers, diabetes, and chronic respiratory diseases. The prevalence of NCD risk factors remain high and alarming. In the latest survey conducted by the Food and Nutrition Research Institute (FNRI), it was identified that 19 percent of Filipino adults still currently use tobacco and 4.4 percent of adolescent males

⁶¹ Prior to 2019, PhilHealth has primarily reported “coverage rate” or the entitlement of members based on premium payments. But with the signing of the UHC Act (RA11223), all Filipinos are already automatically included under the National Health Insurance Program (NHIP) – making PhilHealth’s coverage rate at 100 percent.

⁶² Mbuya, Nkosinathi V. N., Gabriel Demombynes, Sharon Faye A. Piza, and Ann Jillian V. Adona. *Undernutrition in the Philippines: Scale, Scope, and Opportunities for Nutrition Policy and Programming*. International Development in Focus. Washington, DC: World Bank. doi:10.1596/978-1-4648-1701-4.

⁶³ Post-SONA presentation on human development and poverty reduction, July 2022. <https://www.bsp.gov.ph/Pages/iro-macro-pres/Department%20of%20Social%20Welfare%20and%20Development.pdf>

⁶⁴ For example, the Philippines has 3,900 primary care facilities (PCF), of which 2,600 are Rural Health Units/ Health Centers (RHU/ HC). Only 50 percent of persons in the Philippines have access to an RHU/ HC within 30 minutes of travel time. The country needs an additional 2,400 RHU/ HCs by 2025.

⁶⁵ The immunisation coverage for 1-2-year-old children for all basic vaccines is 69.9 percent which is below the program target of 95 percent. Based on preliminary findings from the NDHS 2022, there is a limited increase in fully vaccinated children from 70 percent in 2019 to 72 percent in 2022, the most alarming is the increase in zero dose children from 9 percent in 2019 to 11 percent in 2022. Also, while disaggregated data is not yet available, the difference between the highest rates in Cagayan Valley (90 percent) and the lowest in BARM (18 percent) shows wide inequities across the country and the need for a targeted approach.

⁶⁶ Philippine Development Plan (PDP: 2023-2028), page 32

smoke. In addition, 40 percent of adults are overweight and obese, and prevalence of overweight and obesity among children and adolescents is increasing. The same survey reveals that 70.2 percent of adolescents and 40.5 percent of adults are insufficiently physically active with rates significantly higher among women (47.4 percent). Diabetes is also rising, with 7.9 percent of Filipino adults (about 5 million) currently have diabetes. There are 14.4 percent of Filipino adults who have elevated blood pressure. Clearly, there is a need to strengthen efforts on NCD prevention and control. Injuries, particularly drowning and road traffic injuries, remain among the top causes of mortality among children.

The healthcare system came under severe stress during COVID-19 pandemic. With most health facilities directed towards COVID-19 cases, non-COVID-19 health services were severely affected including polio and other vaccination programmes, reproductive and maternal health care, nutrition services, HIV treatment, and NCDs with serious long-term consequences. Maternal deaths increased during the pandemic. Medicine stock-outs were reported for HIV treatment increasing the co-morbidity risk to People living with HIV (PLHIV). The Philippines was declared polio-free by the World Health Organization (WHO) in 2000, but the disease re-emerged in September 2019, at a time when the public confidence in vaccination had sharply declined. The health system was geared to vaccinate the population against COVID-19 and the government took steps towards universal access to COVID-19 vaccinations, including efforts to reach those in geographically isolated and disadvantaged areas, vulnerable groups, including Gender-Based Violence survivors and homeless persons. While national communications messages advocated for COVID-19 vaccinations, local advocacy was inconsistent, contributing to low vaccination rates in some regions, however overall vaccination rates are comparable to regional Asia Pacific averages.

There are gaps in sexual and reproductive health. The very gradual decline in unmet need for family planning in the last 30 years to a level of 12 percent based on the 2022 NDHS is matched by the very slow increase in the use of modern contraceptives to 42 percent in 2022. The current fertility rate at 1.9 marks a significant decline from 6.0 in 1971 but the Total Fertility Rate of women from the poorest households remains high (4.3). Education of women and their economic status are strong influencers of the fertility rate. The maternal mortality ratio (MMR) has not shown any significant decline over the past 25 years. In fact, during the peak COVID-19 years (2020 and 2021), the MMR went up sharply from 87.1 in 2019 to 129.2 in 2020 and again to 139 in 2021. This is a disturbing trend as two-thirds of maternal deaths are avoidable through timely obstetric care. Early marriage and a high adolescent birth rate, at 36 per 1,000 girls aged 15-19 (2004-2020) is also a contributory factor to a high MMR, as is the rate of unintended pregnancy (71 per 1000 women aged 15-49, 2015-2019) due to inadequate access to modern contraception methods. In all these indicators, the conflict-affected areas such as the BARMM, and climate-vulnerable regions, in the country's eastern seaboard (e.g. Bicol, Eastern Visayas, Caraga), significantly suffer from poorer health outcomes.

Food and nutrition security, which worsened during COVID-19, remains a major concern. A random survey revealed that the pandemic led to worsening of food and nutrition security due to the mobility restrictions, decline in economic activity and infrastructure bottlenecks.⁶⁷ The coping mechanisms included drawing down on savings to buy food, borrowing money, reducing consumption (number and kind of meals), and receiving support from the government. This had a serious negative impact on child nutrition which was already a serious policy concern even prior to the pandemic. In 2018, the share of households experiencing severe and moderate food insecurity was 41.6 percent and this went down to 33.4 percent in the 2021.⁶⁸ This is likely to increase in 2022 due to the tensions between Ukraine and Russia, which has affected global food and agriculture prices, and led to increases in the cost of key agricultural inputs (e.g. fuel, fertilisers) thus further contributing to food insecurity especially in already-marginalised areas and groups. Although the per capita availability of food grains has been improving over time, food and nutrition security is dependent on interlinked factors such as food affordability (whether or not food prices are low and stable), availability of transport and marketing, and lack of proper infrastructure to manage the value chains, food safety and quality, health services, water and sanitation, environmental conditions, energy and the income levels of the households. Key drivers of nutrition insecurity include conflict, inflation, poverty and food insecurity. Disasters and

⁶⁷ Innovation for Poverty Action, June-July 2020. This was a random survey of 1,389 respondents conducted in June-July 2020.

⁶⁸ Expanded National Nutrition Survey, 2021-2022, DOST-FNRI.

climatic events also frequently result in food and nutrition insecurities with long-term consequences. The population groups most vulnerable to nutrition insecurity include pregnant and lactating mothers, infants, young children, adolescent girls, children with disability, and older persons. The Global Food Security Index 2022 ranks the Philippines at 64th position out of 113 countries. The Philippines can address its food and nutrition insecurity challenges through improved agricultural value chains and food marketing infrastructure, better integrated food value chains, more open trade policies, subsidised food distribution policies, investment in data, innovation and technology, and improving farm incomes through cropping patterns and technological changes. The availability of data on disability also needs to be improved to identify children, adolescents, and women with disability to improve inclusion in nutrition programmes and interventions. Food security only partially contributes to nutrition security. The latter - especially child nutrition security - will require attention, in addition to household food security, to care and feeding practices and sanitation and health.

Nearly 27 percent of children under the age of five in the Philippines are stunted. This marks a decline from 33 percent in 2015. However, the improvement needs to be accelerated to close the 40 percent reduction of stunting set in the 2025 Global Nutrition Targets as in the case for other forms of malnutrition. Stunting during infancy is attributable largely to suboptimal prenatal conditions and diets and suboptimal breastfeeding while for young children aged 6 to 59 months stunting has sharply increased due to poor nutritional quality of diets within this age group. Among the underlying causes of malnutrition is water, sanitation and hygiene (WASH) which has close linkages with the nutritional outcomes, including stunting. Much of the cases of malnutrition and deaths in children under 5 years can be associated with diarrhoea and intestinal infections caused by unsafe water, inadequate sanitation and unhygienic practices. The stunting rate in the BARMM was 45.25 percent compared to 33.4 percent for the country. More than half the stunted children came from poorest households in the country, affecting girls more than boys.⁶⁹ Stunting has a serious negative effect on a child's growth, learning at school, and life as an adult. Stunted children are more likely to drop out of school and less likely to be efficient and productive workers. Children born in poor households, and to malnourished mothers, are more likely to suffer from poor health. Such households are less likely to be shock-resilient and able to ensure food and nutrition security. The economic cost of childhood undernutrition is estimated to be US\$ 4.4 billion or 1.5 percent of the country's GDP.⁷⁰ Investment in nutrition on the other hand can pay rich dividend. It was estimated in 2013 that every dollar invested in nutrition results in US\$ 44 worth of returns.⁷¹ The country ranks 69 out of 121 countries in the Global Hunger Index 2022 (with "moderate" level of hunger) with the indicators on wasting, stunting and under-5 mortality showing signs of stagnancy. However, the increasing prevalence of overweight and obesity throughout the Philippines is a growing concern. Among adults, 44 percent of women and 37 percent of men are overweight or obese compared to 35 percent and 27 percent in 2015. Thirteen percent of adolescents aged 10–19 is already overweight or obese (versus 9 percent in 2015). The Philippines is facing a triple burden of malnutrition - undernutrition (stunting and wasting), micronutrient deficiencies, along with rapidly increasing overweight and obesity.

Drug-related issues are a public health and social concern. There is a need to adopt a more holistic human-rights based approach to drug policies including the expansion of evidence-based treatment and recovery services for persons using drugs and/or with drug disorders. Drug-related issues should be understood as a public health and social issue rather than purely criminal justice concerns to allow for adequate and human rights-based responses. Challenges remain in applying a human rights-based approach to drug policies, such as the unavailability of comprehensive harm reduction strategies. Ensuring access to evidence-based treatment and community-based care and support services, would reduce the need to activate the criminal justice system.

The Philippines is facing a learning crisis. Compulsory basic education was expanded from 10 years to 13 years including one year of preschool (kindergarten). One year of kindergarten has been made mandatory which is crucial

⁶⁹ <https://newsinfo.inquirer.net/1693295/more-filipinos-got-obese-during-pandemic-survey>

⁷⁰ <https://www.worldbank.org/en/country/philippines/publication/-key-findings-undernutrition-in-the-philippines#:~:text=The%20burden%20on%20the%20Philippine,the%20country's%20GDP%2C%20in%202015>

⁷¹ Ibid

for early childhood development. The primary school enrolment is 97 percent and reveals no significant gender disparity. Higher levels of education are closely associated with higher levels of formal employment and lower poverty. Only about 10 percent of college-age youth in the poorest quintile are enrolled in or have graduated from tertiary education, compared with the 72 percent for those in the wealthiest quintile.⁷² However, the quality of education remains a major challenge. The Philippines' learning poverty is among the highest in the region, with nine of 10 Filipinos unable to read and understand short, age-appropriate texts by the age of 10. Results from the Programme for International Student Assessment (PISA) and Trends in International Mathematics and Science Study in 2019 showed the country ranked last amongst participating countries. The main reasons include low levels of pre-school enrolments (more than 50 per cent of 3-4 year old children are not accessing early childhood education), shortage of teachers, lack of school materials and substandard infrastructure (only 32 per cent of classrooms are in good condition), violence in schools (65 per cent Filipino children reported being bullied in school in the last PISA study), poor and over-crowded school curriculum, high teacher-student ratios, especially at the secondary level, and malnutrition (over 30 per cent of stunting for 0-5 year old children). Some children, including street-children, children with disabilities, indigenous children and those living in remote areas face particular challenges in accessing appropriate education at all levels. For the out-of-school children, estimated to be 9 percent of children, an alternative learning system is a key strategy. The schooling situation worsened during the pandemic due to the hybrid mode of education and low internet access at home by most households. The government is thus prioritising digital transformation including in education as reflected in the Transforming Education Summit Commitment. The learning losses during COVID-19 are likely to have a long-term impact disproportionately impacting the poorer households. The cost of learning loss and ongoing school closures will be immense both for the students and the economy. The National Economic and Development Authority (NEDA) estimates that the school closures will result in productivity loss of USD 219 billion over the next 40 years.

Vocational and technical education in the Philippines is vital for Industry 4.0. Despite rapid economic growth in the Philippines, the growth in jobs has lagged the growth in the working-age population. What has changed over time is the nature and structure of employment from labour-intensive to technology-intensive. Though the share of industry has remained unchanged, there is a shift from low-tech to high- and medium-tech industries. This required a new skillset that was not available thus leading to skills mismatch and limiting the employability of trained graduates.⁷³ The skills mismatch may hamper the country's preparedness for Industry 4.0 that requires high levels of technical skills and workers' ability to move across industries and occupations. Recent studies found that as many as 49 percent of jobs in the Philippines, including over 80 percent of workers in the IT-BPO and electronics manufacturing sector, were at high risk of being substituted by technology.⁷⁴ The demand for upskilling and reskilling will thus grow for which the current educational system and skills architecture is not ready. In particular, the system is unable to deliver the "soft" skills such as creativity, critical thinking, communication, collaboration and complex problem-solving that would be required to be future-fit for Industry 4.0.

Moving forward, the skills architecture needs to become more demand-driven, inclusive and resilient. This would be important to improve competitiveness and benefit from the ASEAN integration. The Technical Education and Skills Development Authority (TESDA) responded well during the COVID-19 pandemic by offering on-line courses but was hampered by lack of resources and infrastructure. It should be able to forecast demand for skills and review offered courses on a regular basis. The educational system and vocational training systems must work in coordination to enable a smooth school-to-work transition. The private sector needs to be involved much more to co-create skills programmes that are relevant to the industry needs. In the Philippines, the Academy for Creating Enterprise offers entrepreneurs an eight-week residential model and an on-site training programme. Training relies heavily on case studies and 'discovery learning'. The case study approach encourages discussion and multiple

⁷² Systematic Country Diagnostic of the Philippines: Realising the Filipino Dream for 2040, World Bank, 2019

⁷³ Only about one-third acquired skills are successfully matched with the expected post-training occupation. The ones that match most are the manual in nature leading to lower productivity jobs and lower wages. Furthermore, a study finds that those who are male and less educated are less likely to experience training-job mismatch. [Technical and Vocational Education and Training in the age of Industry 4.0, ADB, 2019]

⁷⁴ Decent Work Country Programme for the Philippines, ILO, 2017

solutions to business problems, developing not only financial and technical but also problem-solving skills.⁷⁵ Overall female participation in technical vocational education and training (TVET) courses is encouraging but there is gender-segregation in terms of type of courses. Though TVET graduates improve their employability, the jobs offered to them still keep them underemployed. Strengthening entrepreneurship among youth to create productive employment for themselves and for them to become job-providers rather than job seekers would also be important. TESDA sits as a member of the Inter-Agency Steering Committee (IASC) on the Protection of Asylum Seekers, Refugees, and Stateless Persons in the Philippines, where it has committed to assist in the identification of the needed skills trainings for these individuals, to create initiatives that will allow the institutionalization of programmes for their benefit, and continue to assess the qualifications of these groups to existing programmes as may be appropriate.

The Philippines has a robust social protection system and is enhancing its responsiveness to shocks and disasters.⁷⁶ Social protection, enshrined in the 1987 Constitution, is operationalised through multiple pieces of legislation and executive orders and has gained prominence in the long-term development vision and national plans and policies. The 2008 food fuel and financial crises, the COVID-19 pandemic and the successive shocks have highlighted its importance in cushioning the effects of the crises and preventing people from further poverty. COVID-19 pandemic further led to an increased recognition of the needs of asylum seekers, refugees, and stateless persons through the adoption of several programs that explicitly accounts for them. During the pandemic, the country undertook vertical expansion of cash assistance to informal sector workers and labour market interventions such as skilling. Over the past few years, efforts have also been made to include asylum seekers, refugees and stateless persons into state-led social protection systems. The PDP 2023-2028 includes social protection in the 8 priority socioeconomic agenda of the government. The BARMM has rolled out various social protection programs funded by the BARMM government. While small scale in nature, it continues to innovate and introduce social assistance to specific vulnerable groups not seen at the national level: cash transfers for orphans and cash transfers for PWDs. The country has also made a commitment to the Social Protection Floor as a national priority and has accepted the International Labour Organization (ILO) recommendation on the same (R202). The Philippines has also signed up for the ASEAN Declaration on Strengthening Social Protection (2013). With support from the Food and Agriculture Organization (FAO), the ASEAN Guidelines on Disaster Responsive Social Protection to Increase Resilience was developed in 2021 through concerted efforts among the ASEAN Committee on Disaster Management, the ASEAN Senior Officials Meeting on Social Welfare and Development, and the ASEAN Senior Officials Meeting on Health Development In the Philippines, the Social Protection Plan is proposed to be updated with further articulation on Shock Responsive Social Protection to include economic shocks.

The social protection system in the country faces many challenges, yet has shown a capacity to respond to COVID-19. The expenditure on social protection in the Philippines has increased over the years. The country spent 1.9 percent of GDP in 2019 which rose to 4.0 percent in 2020, in response to COVID-19, but declined to 2.7 percent in 2021. In comparison to the Southeast Asia and the Pacific, that spent 8.2 percent in 2020, social protection in the country remains underfunded.⁷⁷ The social protection system in the Philippines has evolved from it being fragmented prior to 2008, with multiple agencies responsible for different schemes / target groups, into its current form of four pillars with relevant agencies in the sectors leading and coordinated via the NEDA Social Development Committee Subcommittee on Social Protection. The social protection system is however “means-tested” as against universal which leads to errors of exclusion besides being administratively cumbersome; not adequately responsive to shocks caused by the conflicts, disasters and health emergencies or economic shocks; not portable which makes access to social protection difficult for displaced persons / migrants; highly centralised (as the LGUs relied heavily on the central government - but the Mandanas-Garcia ruling may change this); and not nutrition-sensitive.⁷⁸ COVID-19

⁷⁵ Global Education Monitoring Report, UNESCO, 2020

⁷⁶ Social protection in the country is provided through three streams: social insurance (which is a contributory system), social assistance (this is a means-tested cash transfers to identified groups), and labour market interventions (both active such as provision of skills, and passive such as unemployment benefits).

⁷⁷ The World Social Protection Report 2020-2022, ILO. The average for Southeast Asia and the Pacific also includes Japan, Australia and New Zealand that spend considerably more on social protection. Mongolia that spent 15.9 percent on GDP on social protection is an outlier.

⁷⁸ Social Protection and the World Food Program in the Philippines, Scoping Study, WFP, April 2022

highlighted the need for a social protection system that responds quickly and effectively to shocks. Amid the pandemic, the Philippines was able to strengthen the protection space for asylum seekers, refugees, stateless persons, and persons at risk of statelessness even though sometimes the proof of their status, provided by the barangay / city, which ought to have been recognised as per the DILG orders, was not always recognised by the LGUs which led to difficulty in accessing the social protection services. But for the Social Amelioration Program (*Bayanihan*), a package of social protection programs with extensive coverage, the impact of the pandemic on the vulnerable groups would have been much more severe. Simulations show that providing a universal child benefit, disability benefit and old age benefit would together reduce poverty by more than one third at the national poverty line. These benefits would also halve the number of households living in extreme poverty and cost around 2.6 percent of GDP.⁷⁹ There is a need to transform the short-term response into a more robust, gender-responsive, rights-based, decentralised and shock-responsive universal social protection system in the country delivered through a more integrated and digitalised delivery mechanism for greater portability. There is also a need to empower rights-holders to claim the economic and social benefits to which they are entitled. Social protection is not limited to direct financial transfers but also includes investment in areas that will enable people to be resilient to shocks in the longer-term including investment in education and health.

The child protection system remains only partially operational despite the government’s investments in the creation of a range of new laws and policies. The Philippines was an early adopter of a systems approach to child protection, stretching back at least to 1999; yet more than twenty-two years later, there are considerable gaps in the functioning of the system, particularly in terms of governance arrangements, capacity and information management. There is also lack of common understanding of what a child protection system is. The absence of a fully functioning child protection system continues to be the biggest bottleneck to the realisation of children’s right to protection in the Philippines. While notable progress has been achieved in putting in place the various components of a system (such as legislation and services), the structure to ensure coordination of the national child protection response is not clearly delineated. The high number of committees/councils established in virtue of different legislations might also duplicate efforts and hamper efforts for a more synergetic, integrated child protection system strengthening approach. A greater investment is required in strengthening the overall child protection structure to ensure coordination of the national child protection response.

2.5 Environment, Climate Change and Disaster Risk Reduction

The Philippines faces the triple planetary crisis: climate change, pollution and biodiversity loss. Though globally responsible only for only 0.48 percent of GHG emissions, the country is highly vulnerable to climate change and extreme weather events. The economic and livelihoods impact of climate change through a decline in agriculture, forestry and fisheries, depletion of watersheds, reduced hydropower production, degradation of coastal ecosystems, damage to infrastructure, and dislocation of population is significant. With 70 percent of Philippine cities located along seas and rivers, economic activities and critical lifelines are vulnerable to climate risks with informal settlements (representing 10-20 percent of urban population) most at risk. Climate change has elevated the risk of vector- and water-borne diseases, food and nutrition insecurity and reduced maternal and child health. Marine pollution, air pollution and degradation of water quality pose direct health risks to the people in the country as do harmful plastics and chemicals. Population growth, rapid urbanisation and unsustainable natural resource use are further exacerbating environmental challenges. The country faces a difficult policy challenge of reconciling the need for rapid recovery with that for environmental sustainability. The country has signed all the major multilateral environmental agreements (MEAs) including the Paris Agreement and is committed to a low-carbon development pathway. However, implementation of the MEAs faces challenges including lack of data, resources and capacity. The Philippines has established a legislative framework and institutional mechanisms to mainstream climate change considerations into national policies and planning. As part of its NDC, the Philippines has committed to a 75 percent reduction in emission by 2030 but most of it is conditional upon availability of international financing.

⁷⁹ The benefit level is set at the global average benefit levels of 4 per cent GDP per capita for child benefits, 14 percent GDP per capita for disability benefits and 16 per cent GDP per capita for old age benefits. ESCAP SPOT Simulator (<https://spot.unescap.org/simulator>)

Climate change in the Philippines negatively impacts. A safe, clean, healthy and sustainable environment is indispensable to the full enjoyment of human rights, including rights to life, health, food, water, and housing, among others. Climate change is one of the biggest challenges to the realisation of human rights. It also has a disproportionate impact on disadvantaged and marginalised population groups especially those whose life and livelihoods are inextricably linked to natural resources. Right to life is affected by frequent disasters and extreme climatic events noted in this section as well as through impacts on health, food and nutrition. In the Philippines, where food and nutrition insecurity are already high, climate change further aggravates that. Right to health pollution, chemical contamination, plastics and increase in vector-borne diseases. A former Special Rapporteur on Right to Food had warned that an estimated 600 million people could be at a risk of hunger by 2080 as a direct result of climate change⁸⁰ through reduced production of food grains and crop damage. Damage to houses and related infrastructure (water, sanitation) due to climate change-related disasters erodes the right to housing especially of those living close to coastal areas, disaster-prone areas and low-income families. Rights of women, children, persons with disabilities, indigenous people, displaced persons, and people living in extreme poverty are particularly at risk. Women as economic agents and caregivers bear a disproportionate burden of climate change and take longer to recover. Climate change adversely impacts their livelihoods (especially in agriculture), health (including reproductive health) and safety. Climate change worsens maternal and neonatal outcomes. It increases gender-based violence, women's trafficking, and early / forced marriages. Girls must often leave their schools to help their mothers with the increased burden of domestic chores. Post-disaster, women are less likely to access relief and assistance, information, resources, and services. They are often not consulted for the environmental impact of projects and their local knowledge not tapped for decision-making. When intersecting with other forms of gender inequality, it is evident that the climate risks are much more aggravated for women with disabilities, older women, indigenous women, migrant women, and women in conflict-affected areas, among others.

The Philippines is the country at highest risk of disaster impact in the world and is experiencing disasters with increasing frequency. It ranked at number one in the World Risk Index 2022 making it the first in risk among 193 countries worldwide.⁸¹ The Philippines also belongs to the “High Risk” class in the composite INFORM (Index for Risk Management) which identifies countries at risk of humanitarian crisis and disaster that would overwhelm national response capacity and here again the country ranks 1st in natural hazards and exposure risk.⁸² The Philippines is listed as the fifth most climate-affected country in the world as per 2018 Long-Term Climate Risk Index. Regardless of the indicator used, the country's risk profile is inescapable. These disasters are caused by climate change and natural hazards, whose impact is multiplied by unplanned urbanisation, population growth, migration, change in land use pattern, and environmental degradation. The country is also highly exposed to geological hazards, including earthquakes, tsunami and volcanic eruptions. The social and economic cost that these disasters inflict on the country is high and growing.⁸³ According to the Philippines Country Climate and Development Report, climate change-related economic damages could be as high as 7.6 percent of GDP by 2030 and 13.6 percent of GDP by 2040, with capital-intensive sectors to be most affected from extreme events and agriculture from slow-onset trends.⁸⁴ Main impacts include increased poverty, lost livelihoods, food insecurity, reduced access to nutrition, watershed pollution, biodiversity loss, weakened government and community capacity/resilience. The frequent disasters cause a setback to the development trajectory as resources must be diverted for disaster response. The impact of hydrometeorological hazards is expected to increase with climate change. Disaster risk reduction, adaptation, and management will thus be critical to sustainable development. These disasters particularly impact vulnerable groups including rural women, coastal populations, PWDs, conflict affected population, and children. The disaster preparedness and response must

⁸⁰ Report submitted by the Special Rapporteur on the right to food, Olivier De Schutter, 20 December 2010, U.N. Doc. A/HRC/16/49, ¶9.

⁸¹ World Risk Index 2022

⁸² Under the overall 2022 Inform Risk Index, Philippines ranks 34th, in the “High” risk class. It ranks 10th in the Hazards & Exposure Index (which includes natural and human-related risks including epidemics and conflict), 1st in Natural Hazards & Exposure risk (earthquakes, flood, tsunami, cyclone, drought, epidemic), 2nd in Tropical cyclone risk (after Japan), 29th in flood risks, 1st in Earthquake risk.

⁸³ As early as 2017, the World Bank estimated that 565 natural disaster events had affected the country since 1990 claiming almost 70,000 lives and causing damages of up to USD 23 billion. [<https://www.worldbank.org/en/news/feature/2017/08/16/philippines-new-approach-provides-quick-financing-after-natural-disasters#:~:text=Since%201990%2C%20the%20Philippines%20has,typhoons%20make%20landfall%20every%20year.>]

⁸⁴ World Bank Group, 2022.

factor in the differential needs of the vulnerable groups, such as vulnerable mothers and children and people with disability, especially ensuring that they have uninterrupted access to food and nutrition through a shock-, gender- and nutrition-responsive social protection system. Likewise, the humanitarian response ensures that the most vulnerable and marginalized have continued access to protection, health, and sexual and reproductive services; food and nutrition; water, sanitation and hygiene; and education options.⁸⁵ The pre-existing inequities in access to education, health and nutrition by rural communities further heightens their vulnerabilities making them less prepared and less resilient to disasters. Lack of rights-based environmental governance where vulnerable communities have access to information and right to free, prior and informed consent further impacts their preparedness and resilience to natural hazards and disasters.

The country has experienced highly destructive typhoons almost annually, with eight of the ten costliest typhoons occurring in the last 10 years. Annual losses from typhoons have been estimated by the World Bank at 1.2 percent of GDP. In extreme events like Super Typhoon Yolanda (Haiyan) in 2013, losses can reach up to 4.6 percent of GDP. Disasters triggered 5.7 million internal displacements in 2021, of which storms accounted for 91 percent. In December 2021, Super Typhoon Rai, known locally as Odette, led to the largest number of disaster displacements of the year worldwide. While most people were able to return home a few days later, a significant number remained displaced for a longer period, many affected by the precautionary no-build-zones being established by the Government post-typhoon. As the disaster response phase quickly transitions into recovery there is a need to find durable solutions for people that remain displaced. Climate change will further exacerbate the displacement and in the coming years, several coastal areas will likely be directly impacted and submerged by sea-level rise and inundation, affecting at least additional 12 million people living in those areas. As part of a more joined up humanitarian-development approach in the context of natural disasters and climate change, the UN and partners are strengthening their support for anticipatory mechanisms for early action by ensuring these modes of response are integrated in the existing response cycle and are well coordinated with the Government response.

The country also stands to benefit from the COP 27 opportunities. These include the “Loss and Damage Fund” that would provide resources to the ‘countries particularly vulnerable to climate change’; the G7-led plan called the Global Shield Financing Facility to provide funding to countries suffering climate disasters focused on insurance-based system for low income climate vulnerable communities; the UN Secretary-General plan to ensure everyone on the planet is protected by early warning systems; and the United Nations Environment Programme – United Nations Framework Convention on Climate Change (UNEP-UNFCCC) five-year joint work programme to promote climate technology solutions in developing countries. The country can potentially engage in the Agriculture Breakthrough Agenda to make climate-resilient, sustainable agriculture the most attractive and widely adopted option for farmers everywhere by 2030 as also the Forests and Climate Leaders’ Partnership to implement and rapidly scale up solutions on deforestation, forest degradation, reforestation and sustainable forest and land use management.

There are challenges in disaster risk reduction and management. Key challenges include untapped finances, focus on response rather than prevention, limited capacity for multi-hazard early warning systems, lack of shock-responsive and risk-informed social protection system, and weak risk transfer mechanism (e.g. crop insurance). LGUs have limited access to the Climate and Disaster Risk Assessment data which impacts their ability for risk-informed planning. In the urban context, the disaster risks are not adequately integrated into urban planning. There is a lack of resilient infrastructure and building standards are not always adhered to. The country is a signatory to the Sendai Framework and enacted a Disaster Risk Reduction and Management (DRRM) Act in 2010. In the region, the ASEAN Framework on Anticipatory Action in Disaster Management was released last June 2022. The Philippines has significantly embarked on promoting proactive management of disasters through Anticipatory Action as well as the integration of food and nutrition security, mental health and psychosocial support, and WASH considerations and service packages in DRRM in Health (DRRM-H) plans and overall DRRM plans at the subnational level. All these efforts however need to be scaled to more local governments, community partners, and calibrated to provide utmost attention to addressing the needs of vulnerable groups, especially children, women, and persons with disabilities,

⁸⁵ <https://reliefweb.int/report/philippines/philippines-covid-19-humanitarian-response-plan-final-progress-report-june-2021>

across all phases of disasters from risk reduction, preparedness, response, and recovery and rehabilitation. Several policy agenda are being explored to enable financing for ex-ante interventions. Among the recent resolutions to be pushed is the Declaration of Imminent Disaster.

The energy sector (including transportation) accounts for 54 percent of total emissions followed by agriculture (25 percent). Previous national policies such as expanding coal-based energy production (whose share in total energy production rose from seven percent in 1990 to 50 percent in 2020) and further plans to import liquified natural gas and gas exploration (expand gas-based energy), as well as lifting of moratorium on coal-based power plants, ran contrary to the commitments the country has made. But the present administration sustains the moratorium for greenfield coal projects even though the coal-based plants that were in the pipeline will be allowed to be developed and the moratorium on oil and gas exploration in the West Philippine Sea has been lifted.⁸⁶ The share of renewable energy has declined from 45 percent in 2009 to 34.2 percent in 2020. The government targets a shift to a Clean Energy Scenario defined by at least 50 percent share of renewables in the electricity mix and reduced energy consumption. However, the deployment of renewable energy and energy efficiency projects have been beset by challenges in financing, capacity, and regulatory barriers. In 2021, the Electric Vehicles Industry Development Act was passed to reduce reliance on imported fuel, mitigate GHG emissions, and reduce air pollution.

The agriculture sector is the sector worst-affected by climate change. The country experiences on average 20 strong typhoons a year resulting in millions of dollars' worth of damage to infrastructure, crops and stock. The storms trigger floods, landslides and mudslides which pose risks to agricultural land and stock threatening food security and livelihoods. Extreme wet or dry seasons also result in land, crop and stock losses and decline in farm incomes. Agriculture is also an emitting sector with the most significant sources of emissions from rice cultivation and enteric fermentation and manure management of livestock. Meanwhile direct nitrous oxide (N₂O) emissions from managed soils are projected to significantly increase by 2040. The recognition of agriculture's contribution has encouraged the government to pledge conditional commitments to the NDCs including the adoption of alternate wetting and drying in paddy rice cultivation, nutrient management in livestock to reduce enteric fermentation, cropland management to reduce nitrous oxides from cultivated soils, manure management, reduction of urea application, and circular bioeconomy to reduce emissions from burning. There are also additional measures to reduce the carbon footprint of agricultural products and nature-based solutions for carbon sequestration in crops, and promotion of renewable energy-powered service centres in the public facilities for agriculture. There have been significant strides in the mainstreaming of adaptation in agriculture, capacity building on Climate Resilient Agriculture for farmers and fisherfolk and building climate information systems and services to build resilience.⁸⁷ However, there remains a gap in strengthening climate-resilient and gender-responsive agricultural value chains.

The Philippines is the third-ranking contributor to plastic pollution in the world. It generates 2.7 million metric tons of plastic waste every year, about 20 percent of which ends up in ocean environments. Pollution negatively impacts the country's biodiversity, tourism, people's livelihoods and health. The country's waste generation is projected to double by 2040. Although the plastics industry is a big contributor to the national economy⁸⁸ and provides livelihoods to millions of low-income workers, the Philippines needs to seriously look into ways by which it can move away from compounding the pollution problem. The COVID-19 pandemic increased the use of single-use plastic including PPEs. Plastic recycling rates are low and mostly informal in the form of "waste pickers" who are not integrated in local waste management systems. Lack of a national policy directly addressing plastic pollution, as well as the weak implementation of solid waste management regulations at the LGU level, has led to mismanaged wastes, especially plastics, that eventually end up in water bodies through leakage from open landfills. Recent policy developments such as the 2019 Philippine Action Plan for Sustainable Consumption and Production and the 2021

⁸⁶ <https://mb.com.ph/2022/08/09/coal-moratorium-to-stay-under-marcos-admin-doe/>

⁸⁷ These include Mainstreaming Climate Change Adaptation and Mitigation Initiative in Agriculture (AMIA), Climate Information System (CIS), Philippine Adaptation and Mitigation in Agriculture Knowledge Toolbox, Climate-Smart Agriculture Infrastructure, Financing and Risk Transfer Instruments on Climate Change, Climate-Smart Agriculture and Fisheries Regulations, and Climate-Smart Agriculture Extension System

⁸⁸ Contributing USD2.3 billion in 2018

Philippine National Plan of Action on Marine Litter to improve waste management and plastic circularity and the enactment of the Extended Producer Responsibility Act of 2022 are encouraging. Effective implementation and focused work at the local level will be crucial.

Air pollution is emerging as a major health issue. The current concentrations of fine particulate matter (PM2.5) in urban areas in the Philippines exceed the WHO guideline value and 74 percent of the country's air pollution comes from motor vehicles while the remainder comes from stationary sources, such as coal-fired plants, and area sources, including open burning of organic matter and construction activities. The WHO estimates that there were 202.8 air pollution-related deaths for every 100,000 people in the Philippines in 2019, the highest in Southeast Asia countries.⁸⁹ Beyond the impact on health, air pollution can have a direct effect on a country's GDP, as about 0.8-1.9 per cent is lost as people get sick and cannot work. A 2021 report estimated that air pollution costs the Philippines approximately USD 87 billion annually due to healthcare and welfare costs and labour and economic productivity loss. The Clean Air Act, passed two decades ago, needs to be effectively implemented.

Pandemic gave rise to hazardous and infectious waste. The management of infectious and medical waste has been under stress even before the outbreak of the COVID-19 pandemic. The pandemic has significantly ramped up the generation of healthcare waste, both from healthcare facilities and domestic settings.⁹⁰ The pandemic also ushered in a new waste category-household healthcare waste- which is vaguely accounted for in any prevailing policies and surfaced gaps and inconsistencies for rapid and adaptive waste management. Moreover, limited infrastructure and capacity have been a significant challenge to the current system in addressing the exponential growth of healthcare wastes, especially in the far-flung, low-income localities where availability and access to implementation resources widely vary. As such, improper and poor management, such as the open burning, of these wastes may potentially expose the community to health and environmental risks through the emission of dioxins and furans, and particulate matter.

Waste from Electrical and Electronic Equipment (WEEE) is also high. At 425 kt of WEEE in 2019 which translates to 3.9 kg of WEEE generated per capita, the Philippines is the third largest generator of e-waste in the ASEAN region.⁹¹ E-waste offers economic opportunities as it contains precious metals such as gold, silver, palladium, and platinum, as well as high-value plastics which make resource recovery and recycling activities attractive from an economic and business perspective. This e-waste also contains highly toxic compounds including Persistent Organic Pollutants (POPs) and other heavy metals. This makes health impact assessments an important component of resource recovery and recycling. For many years the chemicals and waste agendas have been addressed separately. However, it has been increasingly recognized that the design and use of safer chemicals are essential for reducing releases throughout the life cycles of chemicals and products, including during the reuse, recycling, and disposal stages. The Philippines has formulated the guidelines on e-waste management which are still to be passed. In addition, the draft EPR Framework proposes to address other non-plastic waste, including WEEE, although it remains to be adopted.

The Philippines is a biodiversity hotspot that has lost at least 70 percent of its original habitat with at least 700 threatened species. The country has lost half of its mangroves, and its marine ecosystems are threatened by overfishing, and plastic pollution. Its natural forests (1 million hectares) are highly vulnerable to changes in rainfall patterns. The recent decision to lift the ban on open pit mining has raised significant concerns regarding substantial adverse impacts including biodiversity loss, habitat degradation, contamination of waterways, displacement of indigenous people and loss of livelihoods. Previous mining projects in the country have led to conflict and tensions

⁸⁹[https://www.who.int/data/gho/data/indicators/indicator-details/GHO/ambient-and-household-air-pollution-attributable-death-rate-\(per-100-000-population\)](https://www.who.int/data/gho/data/indicators/indicator-details/GHO/ambient-and-household-air-pollution-attributable-death-rate-(per-100-000-population))

⁹⁰ From June 2020 to June 2021, the Philippines has rated 634, 687.73 metric tons of healthcare waste. Specifically, the country is estimated to discard over 41 million face masks per day and an estimated 8 million tons of plastic waste annually – a 2.7-million-ton increase in plastic waste produced from 2019.

⁹¹ Global E-waste Monitor 2020

between the national and local government.⁹² Key factors behind the ongoing biodiversity loss in the country are land conversion and deforestation due to agriculture and mining, overfishing, introduction of invasive alien species, illegal trade of wildlife, pollution from agriculture and industrial wastes, climate change and weak enforcement of protection laws and policies. Illegal trade in wildlife additionally poses risk of outbreak of zoonotic diseases. Many resource-rich areas are in ancestral lands. While resource extraction requires the prior and informed consent of indigenous peoples, this process is not always applied in a meaningful and free manner. The knowledge of indigenous peoples, and their potential, to protect biodiversity is undermined by other interests. At the national level, the Philippine Biodiversity Strategy and Action Plan 2015-2028 aims to ensure the effective management of terrestrial and marine protected areas and the protection and restoration of ecosystem functions to sustain and improve productivity of the agriculture and fisheries sector thereby ensuring food security and improving incomes. The Strategy puts strong emphasis on community engagement in forestry, adaptation and conservation efforts, including the reliance on volunteer forest rangers.⁹³ The benefits from the country's ecosystem and biodiversity services have been valued at PHP 2,309.50 billion.⁹⁴

The Philippines faces significant challenges in terms of water and sanitation access. Water supplies are frequently scarce with intermittent clean water supply in parts of the country, leading to serious consequences for the health of affected populations.⁹⁵ Lack of safely managed sanitation facilities is a particular disadvantage to women and girls, exposing them to high risks of physical danger. The UN estimates that in the Philippines, 19.8 per 100,000 children under five years of age die from diarrhoea due to inadequate access to WASH and low access to safely managed drinking water. WASH in schools is a key concern with 70 percent of schools having limited or no access to proper WASH facilities. Open defecation in the country also remains high. Future groundwater supply could be challenging due to rapid urbanisation. Currently groundwater supplies more than 50 percent of the potable water supply and 85 percent of the piped water supply in the Philippines. Climate change projections indicate reduced water availability during the dry season and more flood events in the wet season. Considering the 54 percent level of urbanisation in the Philippines as of 2020 and the anticipated additional 50 million population by 2045, this will put tremendous pressure on urban infrastructure, including the need to establish more water system facilities to meet the increasing water demand of industries and the urban population.

Unguided and unplanned urbanisation will aggravate the impacts of climate change, increase the vulnerability of communities, and hamper socio-economic development gains of the country over time. Unguided urbanisation and informality exacerbate the impacts of disasters and climate change, including their slow onset shocks and stresses. The Philippines is rapidly urbanising with 52 percent of its population living in cities and urban areas and projected to increase to 60 percent by 2050.⁹⁶ While urban centres contribute around 70 percent of GDP they are also home to around 1.5 million informal settler families, of which, half of them live in danger or high-risk areas. The convergence of climate change, rapid urbanisation and chronic issues of urban poverty will likely compound the negative effects and impacts of climate change. The Intergovernmental Panel on Climate Change has likewise underlined that “cities and settlements (particularly unplanned and informal settlements and in coastal and mountain regions) have continued to grow at rapid rates and remain crucial both as concentrated sites of increased exposure to risk and increasing

⁹² Including most recently for the Tampakan project in South Cotabato, considered the largest undeveloped copper-gold minefield in Southeast Asia, which could end up displacing at least 4,000 Indigenous Blaan tribespeople and clear around 3,935 hectares of natural, high-biodiverse forests and arable lands. After years of activism in June 2022 the South Cotabato Governor vetoed the measure in June 2022, asserting governmental autonomy in order to protect its people and ecological systems. However, the risks remain high for other future mining projects in the pipeline as the government expects that annual export revenue from its mineral extraction industry to increase by up to USD2 billion over the next five to six years (Reuters 2021).

⁹³ <https://www.cbd.int/doc/world/ph/ph-nbsap-v3-en.pdf>

⁹⁴ BIOFIN 2022: <https://www.biofin.org/philippines>

⁹⁵ Six to eight months of the year are largely dry resulting in acute water shortages that lead people to negative coping mechanisms such as reliance on unsafe drinking water and reduced practices of basic hygiene. As of 2015, only 75 percent of the Philippines' population was using basic sanitation sources, 16.5 percent was using limited sanitation services and 2.7 percent was using unimproved sanitation. Ten percent of people in the Philippines still do not have access to improved water sources and access to water is not equal throughout the country, with access to regional basic water services ranging from 62 percent to 100 percent. UNICEF (2017).

⁹⁶ World Cities Report 2022, UN-Habitat.

vulnerability. Large-scale unplanned urbanization is leading to larger population centres with inadequate resources in turn increasing the likelihood of disasters from natural hazards. The report also cited that the “most rapid growth in urban vulnerability and exposure has been in cities and settlements where adaptive capacity is limited, including informal settlements in low- and middle-income communities and in smaller and medium-sized urban communities”.⁹⁷

Land degradation is posing a serious threat to the economy and enhancing disaster risks. Land degradation is widespread and takes the form of soil erosion and nutrient depletion and is caused by climate change, deforestation, unsustainable agricultural practices including slash-and-burn, excessive use of fertilisers and pesticides and salinisation due to over-harvesting of ground water near coastal areas. Land degradation gravely affects agricultural productivity, biodiversity, water and nutrient cycles, and poses serious risks to the country’s food security and development objectives. FAO has estimated that about 13 million hectares of land in the country suffers from varying degrees of degradation thereby affecting about 33 million Filipinos.⁹⁸ Lack of capacity, inadequate funding at LGU level and poor reach of extension services have acted as barriers to mainstreaming of Sustainable Land Management and Biodiversity-Friendly Agriculture Practices.

There is a nexus between land and natural resource management and conflict with the local community. At the root of the conflict in the Mindanao region and elsewhere lies the commercialisation of ancestral land and natural resources that have provided sustenance to the indigenous people for centuries.⁹⁹ The region is rich in minerals and forest resources that should meet the needs of the local communities but these are exploited by the government to boost economic growth through commercialization in partnership with the business interests often through policies and actions that favour business.¹⁰⁰ Some development projects involving logging, mining, hydropower, infrastructure and agribusiness have displaced groups of indigenous peoples, destroyed biodiversity, contaminated water, posed health hazards and left the area more vulnerable to natural hazards.¹⁰¹ Indigenous people’s groups have reported instances where this has happened without local community participation in decision-making, nor being compensated for their loss.¹⁰² Attempts by the indigenous people who oppose such projects and desire to defend their land and protect the natural habitat have pitted them in a conflict against the authorities resulting in instances of restrictions on the community to use land and natural resources, arrests, detentions, forced evictions and other human rights violations.¹⁰³ Human rights and environmental defenders have been targeted in the past for their advocacy in the context of conflicts over agrarian land and natural resources, including mining and dam projects and related environmental issues. While the Indigenous Peoples’ Rights Act guarantees free, prior and informed consent, FPIC, it is not always implemented.¹⁰⁴ Cases of manipulation of FPIC have also been reported by the civil society.¹⁰⁵

⁹⁷ IPCC, 2022: Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. Cambridge University Press, Cambridge, UK and New York, NY, USA, (27 February 2022)

⁹⁸ Land Degradation Assessment in the Philippines, Bureau of Soils and Water Management. FAO (2013)

⁹⁹ State of the Indigenous Peoples Address, Legal Rights and Natural Resources Centre (LRC), 2022

¹⁰⁰ UPR Draft Joint Submission by Indigenous Peoples Organisations for consideration of the Government of the Republic of the Philippines, The Panaghiusa Philippine Network to Uphold Indigenous Peoples’ Rights, for 41st UPR session, 7-18 November 2022.

¹⁰¹ See FN 112

¹⁰² Ibid

¹⁰³ See FN 113

¹⁰⁴ Report of the Working Group on the Universal Periodic Review, Human Rights Council, 41st session, 7-18 November 2022.

¹⁰⁵ See FN 113

3. Leave No One Behind

3.1 Drivers of exclusion

Leave no one behind (LNOB) is the central, transformative promise of the 2030 Agenda for Sustainable Development and its SDGs. It represents the unequivocal commitment of all UN Member States to eradicate poverty in all its forms, end discrimination and exclusion, and reduce the inequalities and vulnerabilities that leave people behind and undermine the potential of individuals and of humanity as a whole. LNOB not only entails reaching the poorest of the poor but requires combating discrimination and rising inequalities and their root causes. Leaving no one behind requires the transformation of deeply rooted systems – economic, social and political, governance structures and business models at all levels locally and internationally. “Leaving no one behind (LNOB)” is an overarching and unifying principle, grounded in normative standards, and which examines the drivers and patterns of exclusion and inequalities. Therefore, despite good average progress, certain population groups can be excluded or run the risk of being excluded, which underscores the importance of disaggregated data collection and use for analysis, the identification of LNOB groups and resultant policymaking.

The exclusion has been driven by many factors. Notwithstanding high consistent growth over a period of time, and the country’s progress in poverty reduction and improving overall quality of life of its people, there are challenges to ensuring that all population groups have equal rights and access to resources and opportunities. Concentration of wealth, fewer job opportunities, uneven growth across regions, unsustainable exploitation of forests, minerals and other natural resources with negative impact on the indigenous people in terms of loss of livelihoods and displacement have all contributed to some population groups being left behind. Climatic risks and environmental conditions have a differential impact on different population groups such as women and children, persons with disability and indigenous people. Women as economic agents and caregivers bear a disproportionate burden of climate change and environmental degradation, have asymmetrical access to information, resources and services, and are often excluded from decision-making. Further, the investment in human capital has had uneven outcomes with persistently high food and nutrition insecurity evident in the high levels of stunting, and maternal mortality - much worse in the conflict-affected BARMM. Low birth registration rate in BARMM (77 percent) due to lack of awareness of its importance, is also a driver of exclusion.¹⁰⁶ Lack of resilience to shocks also has a differential impact on population groups hence the need for a shock-responsive social protection system. Even national policies aiming to formalize systems may inadvertently sideline the informal waste sector who wish to participate. Gaps in the legal framework and lack of implementation, lack of identity documents, stigma, and social norms further accentuate exclusion. Societal prejudices which express themselves through hate speech, misogynistic statements, or violence also pose a risk of exclusion. There is a need to strengthen narratives that emphasise populations at risk as rights-holders.

3.2 Five-factor framework to assess LNOB

The identification of groups left behind or at risk of being left behind uses a five-factor framework developed by the UN.¹⁰⁷ The identification of groups left behind makes use of secondary data sets, human rights reports and interviews with key stakeholders including civil society organisations representing marginalised groups. As a general principle, people with overlapping and intersectional vulnerabilities face additional challenges compared with those facing one vulnerability. Thus, people may be left behind because:

- They are **discriminated against** based on who they are, their identity or status, race, age, sex, ethnicity, indigenous status, caste, language, religious beliefs, health status, migrant status, minority status, disability or other grounds. International and national human rights mechanisms provide evidence on groups that are discriminated against on these grounds.

¹⁰⁶ For more information, please see: Birth Registration in the Philippine Population (2020 Census of Population and Housing) | Philippine Statistics Authority (psa.gov.ph)

¹⁰⁷ UN Sustainable Development Group. Operationalizing Leaving No One Behind (Good Practice Note for UN Country Teams). March 2022.

- They are **geographically isolated**. Risk of exclusion due to location is real. Lack of transport and Internet, inability of the administrative machinery to reach far-flung areas often results in exclusion of people living in remote, often rural and mountainous, areas or other vulnerable locations such as informal settlements.
- They are **vulnerable to shocks**. Some areas or people may face setbacks due to these shocks more than others. These shocks could be disasters, pandemics, social conflict, cross-border tensions, violence or economic shocks often occurring in combination and are being recurrent.
- They are **adversely impacted by governance** structures, laws, policies, institutions, political economy, budgets, taxes and traditional practices limiting their ability to engage in decision-making. They may also face shrinking democratic space, lack of information, digital divide and lack of voice.
- They belong to a given **socio-economic status** facing multidimensional poverty, extreme poverty or inequality.

3.3 Population groups at risk of being excluded

3.3.1 Indigenous peoples

Estimated to be about 10-20 percent of the population, many indigenous people face intersectional vulnerabilities. Their life and livelihoods are dependent on natural resources which are increasingly being used for commercial exploitation alienating the indigenous people from their ancestral land and other resources forcing displacement and migration. Most live in conflict-affected zones and often face violent extremism. They are more likely to be poor, food and nutrition insecure, less able to access information and education, vulnerable to displacement (by conflict or mining, logging, or infrastructure projects), and have poorer access to judicial remedies, opportunities and social services including reproductive health resulting in higher fertility, higher maternal and infant mortality. Their children are more likely to be stunted and their births not registered. Inequality of opportunity is widespread particularly in the former Autonomous Region in Muslim Mindanao (now BARMM), Zamboanga Peninsula and Davao, especially in access to clean fuels (SDG 7.1) and bank accounts (SDG 8.10).¹⁰⁸

3.3.2 Residents in vulnerable locations

Reliable estimates of the number of people living in vulnerable locations is hard to come by. It is also difficult to precisely define what is a “vulnerable” location. Yet, broadly, people living in informal settlements, peri-urban or urban settlements and those living in geographically isolated areas, and other hard-to-reach zones, are at high risk of being excluded from government services. They are usually located in locations such as under bridges, along coastlines, near open dumpsites, catchment basins and landslide-prone areas in exchange for the low cost of living offered by the proximity of such places to their sources of income and the existence of their social networks. They cannot be easily identified by humanitarian or development actors who strive to provide support in vulnerable locations. However, in selecting participants for projects, the lists of vulnerable communities are compiled and provided by local governments. Likewise, homeless people living in the street, estimated to be 4.5 million, are living in unsustainable conditions with a lack of safety and access to services, especially clean water and safe sanitation.

3.3.3 Forcibly displaced persons

Large sections of the population are involuntarily displaced due to disasters and conflict or evicted from land due to infrastructure projects. Other displaced persons are victims of trafficking, asylum-seekers, refugees or stateless persons.¹⁰⁹ As of November 2022, there were 158,000 internally displaced persons (including protracted displacement caused by conflict in the Mindanao region and natural disasters). As of end of 2022, there were over 128,000 stateless and at risk of statelessness, and nearly 1,500 refugees and asylum-seekers.¹¹⁰ In addition, there were 1,216 victims of human trafficking, as well as 2,429 potential Filipino trafficking victims identified abroad, (mostly

¹⁰⁸ ESCAP LNOB Platform (2022) based on Philippines DHS 2017. Publicly available at <https://lnob.unescap.org/>

¹⁰⁹ However, not all stateless persons are displaced. The Philippines has acceded to the 1951 Refugee Convention and its 1967 Protocol, making it one of the few countries in the world to have ratified the Convention. In 2011, it became the first country in Southeast Asia to ratify the 1954 Convention relating to the Status of Stateless Persons.

¹¹⁰ UNHCR Refugee Data Finder (2022).

in the Middle East and Asia) reported in 2021.¹¹¹ Large scale displacement is also taking place due to big infrastructure projects of which the numbers are unconfirmed. Forcibly displaced persons, especially women and children, are vulnerable to exploitation and have poor access to services, identity documents or opportunities to work. They are also often discriminated against, stigmatised and targets of hate speech.

3.3.4 Persons with disabilities

As per an estimate, 1.44 million households reported a family member with disability living in the household. Very little comparable information is available about the socio-economic characteristics of PWDs, nature (physical or mental) and severity of disability and their living conditions. Based on 2018 PSA sector poverty data, poverty rates among PWDs are 14.7 percent. Few public buildings or transport are physically accessible to PWDs. COVID-19 has had a disproportionately negative impact on PWDs as they faced difficulties in accessing information, services and healthcare. Social protection measures, if available, were often not adequate. PWDs are sometimes stigmatised. Their right to live independently and be mainstreamed in the community is often violated. A medical approach to disability assessment, as distinct from a more holistic psychosocial approach, is inadequate to protect the rights of PWDs. Mental disability is only now beginning to receive attention. Children with disabilities are particularly vulnerable. In the absence of early identification and a referral system for children with disabilities and having the right experts in the country to support children who have autism, dyslexia, or speech problems, the children can suffer life-long impairment. In addition, the cost of living for children with disabilities is 40-80 percent higher (depending on the severity of the disability) for them to achieve comparable living standards as their peers without disabilities.¹¹²

3.3.5 People living with HIV

There are an estimated 115,100 adults and children living with HIV in the Philippines.¹¹³ The number of annual new HIV infections has risen rapidly, by 237 percent between 2010 and 2020, making the Philippines the country with the fastest growing infection rate in Asia and the Pacific. If this trend continues, the number will have tripled by 2030.¹¹⁴ Most new cases were transmitted through sexual contact among men who have sex with men (MSM). People with HIV were among the most vulnerable groups during the COVID-19 pandemic. They faced disruptions in HIV prevention coverage, testing coverage, and treatment, leading to continued increasing trend of new infections due to the health services being diverted to fighting the pandemic. They were particularly at risk of being denied COVID-19 treatment due to their assumed immuno-compromised status. There are reports that the stocks of essential medicines for persons living with HIV have declined. Key populations were particularly at higher risk. Stigma and discrimination and breach of confidentiality, particularly in healthcare settings, is a serious issue and a major factor behind PLHIV not accessing early services, which predates the COVID pandemic.¹¹⁵ Young persons aged 15 to 18 can undergo HIV testing without parental consent.

3.3.6 Conflict-affected communities

Communities living in conflict-affected zones face multiple vulnerabilities. Protracted, competing and multi-faceted conflicts in the Philippines, have affected large sections of the population in the country including in BARMM, where the conflict is particularly more long-term and complex, evading solution and durable peace. Conflict-affected communities are among the most vulnerable populations at risk of being left behind. They face intersectional vulnerabilities. They are displaced by the conflict, large infrastructure projects and climatic and other disasters. Displacement is not a one-time affair and many communities have faced both long-term and recurrent displacements. Communities living in the conflict-affected areas are often the victims of violent attacks thus jeopardising their security. They are at risk of both violations by members of the security forces and abuses by armed

¹¹¹ United States Department of State 2022. 2021 Trafficking in Persons Report: Philippines.

¹¹² Cost of Raising Children with Disabilities in the Philippines, UNICEF (December 2022).

¹¹³ Source: A Briefer on the PH Estimates 2020_08232021.pdf (doh.gov.ph)

¹¹⁴ <https://www.aidsdatahub.org/sites/default/files/resource/philippines-briefer-ph-estimates-2020-2021.pdf>

¹¹⁵ Internal and external stigma, discrimination, and human rights violations experienced by PLHIV impact their decisions and access to HIV services. Source: The Philippine Stigma Index Study Report 2019 (aidsdatahub.org)

groups. Protracted conflict has also led to the living conditions of the communities in the conflict-affected areas being suboptimal with most human development indicators being much worse than the national average.

3.3.7 Children and adolescents

Children face multiple deprivations. These include high rates of stunting, a learning crisis and high rates of violence. Child poverty in the Philippines is higher (31.4 percent) than the national overall poverty rate. In BARMM, over 68 percent of children are living in poverty. Child poverty is directly associated with family size - larger families have higher poverty incidence among children. Education of the head of the family is negatively correlated with child poverty.¹¹⁶ Most regions in Mindanao have high poverty incidences among children, with BARMM having the highest at 63.1 percent. In the Bangsamoro region, the extent of stunting (among children below five years of age) was as high as 45 percent. Children that are particularly at risk include indigenous children; children in geographically isolated areas; children with disabilities; unaccompanied displaced children; children in situations of trafficking or forced labour, including children exploited in prostitution, and those victimised through online sexual abuse and exploitation¹¹⁷; children who use drugs; children in emergency contexts such as natural disasters and armed conflict; and children in conflict with the law, and street children / homeless children. In the Philippines, the proportion of working children 5-17 years old was estimated at 2.8 percent in 2020.¹¹⁸ Child labour is a violation of children's rights and deprives them of their welfare, dignity and physical and mental development. About 68.9 percent of working children were engaged in hazardous work in contravention of the ILO conventions on minimum age and the worst forms of child labour. The 2022 NDHS showed that 59 percent of children from 1 to 14 years old experience any form of violent discipline. In September 2022, the Committee on the Rights of the Child released its concluding observations on the combined fifth and sixth reports of the Philippines, commending the government for the enactment of a number of laws related to child rights and called on the government to ensure the effective enforcement of these laws. The Concluding Observations noted specific challenges and issued a number of recommendations on child rights in the country, in respect of the right to life of children, survival and development, including grave child rights violations, birth registration, name and nationality, violence against children, children deprived of a family environment, children with disabilities, health and education. The concluding observations also recommended that the government improve its system of data collection and make it more publicly accessible, including disaggregated data on children, and improve the overall coordination of child rights in the country through the establishment of a Philippine Commission on Children.

Adolescents face key challenges to develop to their full potential. Barriers remain in their access to sexual and reproductive health information and services. Adolescents' readiness for the workplace is constrained by high levels of secondary school dropout, limited access to vocational learning and underdeveloped social and emotional skills. One in every six girls in the Philippines is wedded before the age of 18, ranking 12th highest rate of child marriage in the world. In 2022, the Philippines adopted a law that criminalises child marriage. In addition, teenage pregnancy remains an issue with the Commission on Population and Development reporting that the number of children below 15 years, experiencing pregnancy has more than doubled from 1,000 in 2007 to 2,200 in 2018, and increased a further by seven percent to 2,411, in 2019. The increasing rates of teenage pregnancy has been flagged by the government and civil society as a growing societal concern. Childbearing in adolescence carries increased risks for poor health and nutrition outcomes for both mother and child, with evidence indicating that the younger the adolescent, the greater the risks. The suicide ideation among children and adolescents has increased, higher among female youth with the most common reason being the family problems.

3.3.8 Youth

¹¹⁶ When the head of the family was a college graduate, the poverty incidence was 1.8 percent, rising up to 58.1 percent with an uneducated head of family. <https://openstat.psa.gov.ph/Portals/0/downloads/ChildPoverty.pdf?ver=2018-11-10-001824-813×tamp=1553672022425>

¹¹⁷ Eighty percent of Filipino children are vulnerable to online sexual abuse, with 1 in 2 children facing violence and abuse online. There has been an exponential increase in cyber tip reports about suspected online crimes against children in the Philippines from 1,294,750 tips in 2020 to 3,084,566 in 2021. This increase has likely been exacerbated by COVID-19 lockdowns. According to household survey data, in the past year alone, an estimated two million 12- to 13-year old children using the internet in the Philippines were victims of grave instances of online sexual exploitation and abuse. The adverse childhood experiences have long-term negative mental and physical health impacts.

¹¹⁸ Working Children and Child Labour Situation, Special Release, PSA, 15 December 2021

The Philippines is a young country with the 15-24 age group accounting for 28 percent of the total population.

There is a youth dividend waiting to be reaped and a favourable dependency ratio to be built upon. However, the youth in the Philippines is at a high risk of exclusion. As per PSA data, youth Labour Force Participation Rate in December 2022 at 37.7 percent was higher than 36.8 percent in December 2021. Similarly, the youth unemployment rate decreased to 9.5 percent, from 12.9 percent over the same period. The youth unemployment in the country is twice the overall unemployment rate. The school-to-work transition is also a long one and it takes a long time before a young person lands their first decent job. Given the emerging labour market trends, the youth often end up in the gig economy with precarious contracts offering little social protection or decent working conditions. Early and forced marriages and adolescent pregnancies are rising despite laws to address the same. Consumption of alcohol, tobacco and drugs is high among the youth. The NCDs among youth are also rising rapidly due to lifestyle habits and behaviours. New HIV cases are rapidly rising and most of them are from the youth group, notably MSM, and with a declining infection age, to as low as 15 years. The youth in conflict-affected BARMM is particularly more vulnerable to facing interruptions in their education, limited skills and employment opportunities, and at the risk of being radicalised and recruited by armed groups. They often find themselves in conflict with local government officials as youth voices are not heard and they are not offered the opportunity to participate in local decision-making. Though the Philippines has institutionalised the *Sangguniang Kabataan*, or youth councils created by law, with its own budget, it is not reported to be very effective. The elections to these councils have been postponed.

3.3.9 Women and girls

According to the World Economic Forum’s Global Gender Gap Report 2022, the Philippines remains a leader.

It ranked 19th of 156 countries in the world, and second behind New Zealand in East Asia and the Pacific. On most gender indicators, the Philippines has scored well. However, gender parity should not be equated with gender equality. The WEF GGGR 2022 indicates that women continue to be confronted by unequal rights in access to land and non-land assets, uneven or near-equal rights in inheritance rights for widows and daughters, access to financial services, and access to justice, restricted rights to freedom of movement and reproductive autonomy, and about 16 percent of ever-partnered women suffered intimate partner physical and/or sexual violence. Women face gender-based violence which increased during the pandemic. The labour force participation rate for women is much lower than for men and the gender wage gap remains persistent. With the growing feminisation of Filipino migrant workers, unlike the global trend, the Philippines see more women migrating abroad as OFWs, with many of them joining as domestic workers, considered as one of the most vulnerable occupations. Women with inter-sectional vulnerabilities such as older women, women in geographically isolated areas, women with diverse SOGIE, women with disabilities, women who use drugs, women deprived of liberty, and women migrants are at heightened risk of being left farther behind. Equally, women with children with disabilities face barriers in accessing services. Indigenous women and girls are amongst the most at-risk population groups. They bear a disproportionate effect of conflict, climate change and disasters, and long-term and recurrent displacement, due to projects or conflicts, loss of livelihoods, with added responsibilities of unpaid care work. Early marriage of girls in the BARMM and high adolescent birth rates put women and girls at multiple health risks. COVID-19 has increased gender disparities in all its forms, increasing menial work, worsening unemployment and gender-based violence. More women than men tend to be imprisoned for drug-related offences.

3.3.10 Older persons

The life expectancy in the Philippines has grown from 61 years (1960) to 71 years (2020). Older persons (65+) now constitute six percent of the total population. The youth advantage in the country will disappear by around 2040 and the dependency ratio will increase. Older persons face multiple challenges which are not adequately captured by any systematic data collection or policies.¹¹⁹ Older persons generally have inadequate access to health, social protection and care services. Those living in poverty are particularly disadvantaged. Older persons are increasingly at risk of domestic violence, discrimination, neglect and abuse, as emerged during the pandemic. Older persons with

¹¹⁹ However, see the Longitudinal Study of Ageing and Health in the Philippines, the first nationally representative, multi-actor panel study on ageing in the Philippines, <https://www.drdf.org.ph/lsahp>

disabilities (physical or mental) and those deprived of liberty represent distinct groups of at-risk individuals. Migrating Filipinos often leave behind their children in the care of their elderly parents who are burdened with their own welfare and those of their grandchildren. During the pandemic, older persons with pre-existing health conditions or care-dependent older persons were at high risk, further compounded by isolation and a lack of meaningful community support.

3.3.11 LGBTIQ+ persons

The country does not criminalise sexual activity between two consenting persons of same sex, however same-sex unions are not legally recognised. The community faces challenges in accessing jobs, forming civil unions or starting a business. The primary vulnerability of the LGBTIQ+ persons stems from the lack of legal protection despite the community's significant efforts to lobby for an anti-discrimination legislation. The 2017 Anti-Discrimination Bill, if it had passed, would have banned discrimination based on SOGIE, but it was only passed by the House and not the Senate. Hence there is no effective anti-discrimination law to protect LGBTIQ+ persons. However, multiple provinces and cities now have local anti-discrimination ordinances in place. The anti-bullying law also protects LGBTIQ+ persons as sexual orientation and identity is one of the grounds on which discrimination is prohibited. As a result of advocacy by active LGBTIQ+ movements, including through public events, pride marches and media campaigns, there is growing awareness at the government and community levels, and political representation, even though a national legislation remains lacking. Reports of COVID-19 assistance not reaching certain groups due to incomplete data exemplify this risk. For example, individuals who identify outside the gender binary were reportedly not recognised as heads of households in the local census due to their lack of recognition under "gender". Homosexual couples, likewise, were not viewed as married and, thus, could not apply for assistance as a household.

3.3.12 Informal workers

According to the ILO, at least 38 percent of the employed are in the informal sector engaged in low-paid, highly vulnerable or precarious jobs, with limited access to social protection or labour rights. They often work without contracts and do not receive pay slips. They are also vulnerable to abuse of authority, discrimination and harassment at the workplace, including physical and sexual harassment. Market vendors are additionally vulnerable due to clearing operations and harassment by the law enforcement agencies. Domestic workers (mostly women) also face discrimination, abuse and poor working conditions. Because of the persecution of trade unionists in general, they often cannot organize themselves to demand better working conditions. While minimum monthly wages in the Philippines are among the highest across ASEAN countries, more than one tenth of wage and salary workers do not receive the minimum wage. More women (15.8 percent of employed women) than men (10.2 percent of employed men) are engaged in low-paid work. Average daily earnings of services workers are twice as much as those of the agriculture sector workers reflecting a large divide between services and agriculture.

3.3.13 People deprived of liberty

The Philippines has a prison population of 200 persons per 100,000 population of which 11 percent are women.¹²⁰ Of the total prison population, 70 percent are those awaiting trial. The Philippines has one of the most congested penal systems in the world.¹²¹ The prison population is at particular risk due to lengthy pre-trial detention, lengthy sentences, overcrowding and the related spread of illness, and deaths in prison. People deprived of liberty who have intersecting vulnerabilities – such as older persons, youth, women and chronically ill persons – are at heightened risk. For those who are released from incarceration, re-entry programmes are lacking, often resulting in subsequent homelessness or re-imprisonment. Stigma and discrimination towards this group, including formerly incarcerated persons, is exceptionally strong and widespread.

¹²⁰ World Prison Population, December 2021

¹²¹ A/HRC/WG.6/41/L.10, 22 November 2022. In its fourth Universal Periodic Review, the Philippines supported recommendations to improve conditions and address prison overcrowding (para 6.50 – 6.52)

3.3.14 People who use drugs

Although data on people who use drugs is limited, a 2019 survey reported 1.7 million people were estimated to have taken dangerous drugs.¹²² As a result of their drug use, coupled with the stigma and discrimination experienced by this group and resulting from a punitive governmental approach, persons who use drugs and with drug disorders are particularly vulnerable to being left behind in the Philippines. For particular groups, including children and women who use drugs and persons who are injecting drugs, the risks are intersecting and much greater. Of children involved in drug trafficking, 80 percent are out-of-school. Of women in drug treatment facilities, 55–95 percent were sexually abused as children. Due to the stigma and discrimination against people who use drugs, adequate treatment, rehabilitation and harm reduction services are lacking or not accessible. In addition to those who use drugs, families face increased vulnerability once a family member is in contact with, or in the custody of, the criminal justice system. People who use drugs or who are accused of using drugs, are isolated from society, including through imprisonment, and may be prevented from reaching adequate support and services. Measures to combat drug use are based on a policy of criminalisation and punishment and the entire issue is seen as a law enforcement and criminality issue rather than a public health issue, using a rights-based approach.

3.3.15 Overseas Filipino Workers

Among countries in Asia, the Philippines places the largest number of workers abroad every year. Hence labour migration is of prime importance to the country. The number of OFWs declined from 2.18 million in 2019 to 1.77 million in 2020 due to COVID-19. Close to 1.5 million OFWs returned during the pandemic throwing up challenges of reintegration.¹²³ However, recent deployment rates have been increasing as the borders reopen. The OFWs in elementary occupations often lack sufficient protection against labour exploitation and violence against women and the *kafala* system. The *kafala* - or the sponsorship - system in the Middle East, a prime destination for OFWs, while having undergone incremental reforms in countries such Bahrain, Qatar and the United Arab Emirates, otherwise places migrant workers at risk of poor working conditions, and employee abuse. Racial discrimination and gender-based violence are also endemic.¹²⁴ During the COVID-19 pandemic, consular services were inaccessible to hundreds of Filipino migrant seafarers who had been stranded on fishing vessels. The Philippine government exerted huge efforts in repatriating OFWs affected by the pandemic, supporting their return up until they reach their hometowns and creating programmes specifically for those affected by the pandemic. Early in the pandemic, 83 percent of OFWs were unemployed three months upon their return. One to two years later, only 42 percent were found to be unemployed. Despite the many services offered by the government to support the reintegration of returned OFWs, only few are accessing them, mostly due to lack of information or challenges with the application process. Many still consider re-migrating if given the opportunity. Returning OFWs should be sustainably reintegrated and future plans to migrate should be out of choice, not necessity, to address inter-generational migration. Further, bilateral agreements between the government and migrant-hosting states to meet international standards should be effectively implemented to ensure the protection of their rights and promotion of their welfare. The process from recruitment to reintegration, covering the full migration cycle, should be streamlined and be easily accessible to all OFWs. As mentioned at the President's first State of the Nation Address, protecting the welfare of the OFWs and their families is one of the priorities of the government.

¹²² 2019 Nationwide Survey on the Nature and Extend of Drug Abuse in the Philippines. Dangerous Drugs Board in cooperation with the Department of Social Welfare and Development

¹²³ ADBI, OECD and ILO. 2022. *Labor migration in Asia: COVID-19 impacts, challenges, and policy responses*. https://www.ilo.org/asia/publications/WCMS_847008/lang--en/index.htm

¹²⁴ <https://www.cfr.org/background/what-kafala-system>

4. Progress towards 2030 Agenda

4.1 National Commitment and SDG Monitoring Architecture

The Philippines has shown strong commitment to the implementation of the 2030 Agenda and mainstreaming SDGs in development policy. A Sub-Committee on the SDGs was formed to aid in the advocacy, coordination, and implementation of the SDGs in the Philippines. It is composed of key government agencies and representatives from other relevant sectors. Likewise, the Philippine Congress, composed of the Senate and the House of Representatives, created their respective committees on the SDGs to ensure responsiveness of legislation to national programs, priorities, and financial plans on sustainable development. SDG budget tagging has been initiated, with the Philippines being one of the few countries to start the process.

The Philippines integrated SDGs into the PDP 2023-2028 and the SDGs are well-aligned with the long-term vision *Ambisyon Natin 2040*. The country monitors SDG progress through the PSA which is the repository of the SDG indicators. It has generated baselines and regularly publishes results through its SDG Watch website. Since May 2017, the PSA has been officially monitoring 155 National Tier 1 indicators of which 102 are global indicators, 28 proxy and 25 supplementary indicators. The SDG indicator framework is currently under review and PSA is proposing a set of 152 indicators with 95 global, 34 proxy and 23 supplementary indicators by adding 22 and removing 25 indicators. This proposed framework is not yet approved by the PSA Board. The revised indicator framework will inform the monitoring and evaluation (M&E) framework of the new PDP 2023-2028. The Philippines leads countries in the Asia Pacific with the most data available for SDG indicators as of 2021, although availability of data (particularly disaggregated data) for reporting on some SDG targets and indicators, remains a challenge.

The country has so far prepared three Voluntary National Review (VNR) reports in 2016, 2019, and 2022. The 2022 VNR was presented to the High-Level Political Forum in July 2022. The VNR is a country-led initiative, which aims to share best practices, challenges and lessons learned in the implementation and monitoring of the SDGs. The 2022 VNR focuses on the following goals: Goal 4: Quality Education; Goal 5: Gender Equality, Goal 14: Life Below Water, Goal 15: Life on Land, and Goal 17: Partnership for the Goals.

The country has initiated the SDG localisation process. It has also begun to mainstream SDGs into local plans (Regional Development Plans), through the DILG together with NEDA. LGUs are asked to prepare programmes, activities and projects to contribute to the achievement of the PDP goals. The integration of SDGs in the budgets, national or sub-national, and M&E systems is still uneven and needs improvement. There are also data gaps that would need to be addressed. It is expected that the Mandanas-Garcia ruling will boost the SDG localisation process.

4.2 SDG progress

How likely will the SDG targets be achieved by 2030? Using the UNESCAP methodology, the UN Joint Programme on the Integrated National Financing Framework (INFF) funded by the UN Joint SDG Fund, tracked SDG progress by developing the Anticipated Progress Index to answer if the SDG targets would be met by 2030. The study, hereafter the INFF study, reported that out of 37 targets, 8 with sufficient data are on track to being achieved; 17 targets need acceleration; and 13 targets have regressed.

People [SDGs 1, 2, 3, 4, 5]:

At 16.7 percent, the poverty level (headcount ratio as per national definition) in 2018 was lower than 23.5 percent in 2015. However, poverty went up to 18.1 percent in 2021 due the impact of COVID-19 reversing past gains. This makes achieving the target of 10.8 percent by 2030 somewhat challenging though the country is on track [targets 1.1 and 1.2 are on track]. Interestingly, the PDP 2023-2028 has a more ambitious target of reducing poverty to 9 percent by 2028. Poverty in 2018 was largely a rural phenomenon with the rural poverty rate being 24.46 percent and urban

poverty 9.30 percent in 2018. Post-COVID-19, urban poverty may have gone up due to strict lockdowns though it will still be lower than rural poverty. This is borne out by the fact that poverty went up in largely urban NCR but declined in BARMM. Targets 1.4 (equal rights) and 1.5 (resilience of vulnerable groups) need acceleration [SDG 1].

The INFF study reports that the target 2.1 on food security has regressed and that on malnutrition (2.2) needs acceleration. The proportion of stunted children below five years declined, albeit slowly, from 33.4 percent to 30.3 percent between 2015 and 2018. The target was offtrack even before COVID-19. Wasting among children declined from 7.1 percent to 5.6 percent between 2015 and 2018. Only 31 percent of the Filipino households fully met the recommended energy intake in 2018 [SDG 2].

None of the health targets have been reported to be on track. Those relating to the reduction of maternal deaths (target 3.1), communicable diseases including tuberculosis and HIV (3.3), NCDs including mental health (3.4), and road traffic accidents (target 3.6) have regressed while others relating to neonatal and child deaths (target 3.2), sexual and reproductive health (3.7), universal health coverage (3.8) and health impact of pollution (target 3.9) need acceleration. The post-pandemic reversals in the progress made on the health front are evident. In 2017, the neonatal mortality rate of 14 per 1000 live births and under-five mortality rate at 27 per 1000 live births were close to the achievement of the 2030 goals. The maternal mortality ratio at 121 per 100,000 live births was high amongst the peers in ASEAN region even in 2017 - it has further worsened to 129.2 in 2020 and again to 139 in 2021 [SDG 3].

In 2018, the completion rate for elementary education was 97.2 percent with no significant gender gaps. At the tertiary level the gender ratio was 1.2 in favour of girls. But tertiary and TVET education was disrupted due to COVID-19 and target 4.3 now needs acceleration. The quality of education is of concern. In the PISA tests administered to the students in 2018, the Philippines ranked at the bottom in reading and second lowest in both mathematics and science. Hence effective learning outcome (target 4.1) needs acceleration. There were also vast differences in enrolment in early childhood development (target 4.2) that needs acceleration. Educational facilities (4.a) is on track but adult literacy and numeracy (4.6) needs acceleration. [SDG 4].

Taking the WEF's Global Gender Gap Index and the data provided by the SDG Watch together, the country has made progress in some gender equality indicators. Most gaps in education were closed, but girls and boys continue to face different challenges in this regard. On health, women are expected to live five years longer than men. Nearly half of managerial positions were held by women, yet as positions go higher, the number of women decreases. There is little to no improvement in women's leadership in the parliament/national government and local governments, with a decrease in the latter where it matters the most in terms of access and delivery of basic social services, and labour force participation gap remains a concern. Gender-based violence, human trafficking and sexual exploitation of women and girls also continue to be areas of concern. The target 5.2 (violence against women and girls) has regressed. [SDG 5].

Prosperity [SDGs 7, 8, 9, 10]:

The Philippines registered an average annual growth rate of 6.4 percent between 2010-2019 rising from 4.5 percent between 2000-2009. During the pandemic, the growth rate declined hence the target 8.1 (per capita economic growth) regressed. The growth rate is picking up and the year 2022 may end with an average growth of 6.5 percent. Employment and decent work (target 8.5) also regressed with unemployment being 7.8 percent at the time of INFF study. The unemployment rate in September 2022 was 5.0 percent thus on target. Of those employed, 38 percent were in the informal sector with little or no access to labour rights and social protection. The target on labour rights (8.8) needs acceleration [SDG 8].

Though the INFF study did not cover SDG 9, the country spent 0.07 percent of GDP on R&D in 2019 and was ranked 59 out of 139 countries in the Global Innovation Index 2022. In the Logistics Performance Index, average of 2012-2018, the Philippines ranked 64 out of 167 countries [SDG 9].

Target 10.2 (inclusion - social, economic and political) needs acceleration to be met by 2030. The Philippines was one of the most unequal countries in the world in 2018 with a Gini ratio of 42.3 percent. When adjusted for inequality, HDI value drops by 18 percent. The share of the poorest 40 percent in income was 16.1 percent (average of 2010-2021) compared to 33.5 percent of the richest 10 percent. The latest World Bank study reports much worse figures: the share of the top 1 percent in national income was 17 percent and bottom 50 percent was 14 percent.¹²⁵ Another study cites that the top one percent owned more than half of the nation's wealth and the wealth of the richest Filipino was 6.7 million times the country's GDP per capita.¹²⁶ Much of the gains from growth have been captured by the wealthy elite with little going to the labour force. Real wages grew by mere 0.4 percent between 2006-2015. The Philippines also established a new Department of Migrant Workers (10.7). **[SDG 10]**.

Access to clean energy (target 7.1) is on track to being achieved **[SDG 7]**.

Planet [SDGs 6, 11, 12, 13, 14, 15]:

The INFF study reports that target 13.1, resilience and adaptive capacity, has regressed. The Philippines is highly vulnerable to climate change and extreme weather events. It is vulnerable to the Pacific typhoons, tsunamis and earthquakes that impact a sizable population living near sea level. The economic impact through decline in agriculture and fisheries, damage to infrastructure and dislocation of population is significant **[SDG 13]**.

Unabated urbanisation, migration from rural areas, the rise of peri-urban informal settlements, high levels of air pollution, and inefficient waste management are posing challenges to the goal of sustainable cities and communities. Though 75 percent local governments have disaster risk reduction and management plans, recent disasters and the pandemic exposed gaps in evacuation strategies. The target (11.5) on resilience to disaster was thus assessed as having regressed while targets on air quality (11.6) and the target on disaster risk management policies (target 11.b) as those needing acceleration **[SDG 11]**.

SDG 12 was not covered by the INFF study. But hazardous waste, including e-waste, generated by industries per capita has increased. Except in the case of Target 12.7.1 on sustainable public procurement (SPP), the Philippines through the Government Procurement Policy Board - Technical Support Office has actively participated in UNEP's 12.7.1. Monitoring Exercises and in the upcoming UNEP 2022 SPP Global Review and is one of the eight targeted countries in the on-going 2022-2023 National Infrastructure and Procurement Context and Opportunity Assessment by the United Nations Office on Project Services, data on various indicators for this goal is lacking **[SDG 12]**. According to the INFF study, the target (14.5) on conservation of coastal areas is on track. The country remains committed to marine conservation. Marine protected areas increased from 3.40 million hectares in 2016 to 3.86 million hectares in 2018 **[SDG 14]**.

SDG 15 was not covered by the INFF study. Much of the land in the Philippines is subject to degradation in varying degrees due to unsustainable agricultural practices, deforestation due to mining and logging activities, Unsustainable land use has driven biodiversity loss and deforestation **[SDG 15]**.

Water resources are declining and the quality of water deteriorating due to pollution from waste disposal, hazardous chemicals and materials used in mining, and insufficient and inefficient treatment of wastewater in urban centres. Hence, the target on water resource management (6.5) has regressed and the one on water quality (6.3) needs acceleration. Household access to safe water improved but access to sanitation declined **[SDG 6]**.

¹²⁵ Overcoming poverty and inequality in the Philippines, World Bank, 2022

¹²⁶ Credit Suisse Wealth Report from 2014 as cited in the World Bank Systematic Country Diagnostic of the Philippines (Realising the Filipino Dream for 2040), 2019

Peace [SDG 16]: Though not many national indicators capture the essence of SDG 16, and this is a major data gap, most global indicators in the area of governance (such as corruption, human rights, media freedom and rule of law) show a decline over time. The country ranks 117 out of 180 countries in the Corruption Perception Index. Target 16.5 on corruption and bribery needs acceleration while that on legal identity (16.9) has regressed. The country's rank in the rule of law index in 2022 was 97 out of 140 countries (World Justice Project) and 13 out of 15 countries in East Asia and the Pacific Region. The Freedom House classifies the Philippines as “partly free”. Violence against women and children, trafficking in persons, violation of child rights, high levels of corruption, politicised civil service, hate speech, and social norms and attitudes against LGBTIQ+, PWDs, are other areas of concern.

Partnerships [SDG 17]: Robust post-pandemic recovery and sustainable debt levels as well as prudent fiscal management policy make Moody's classify the Philippines as “stable” with Baa+. The country is an attractive destination for FDI. As a member of ASEAN, it has benefited from regional infrastructure and trade initiatives under multiple regional frameworks. The country is well-positioned to strengthen its cooperation with non-traditional donors and stakeholders and develop a robust south-south and triangular cooperation on access to science and technology (the country is on track on target 17.8 on technological capacity building). Potential for digitalisation to boost digital trade and provide services is not fully leveraged. Incomplete SDG nationalisation and localisation, integration and internalisation of SDGs in policy and budget making, non-availability and use of disaggregated data (despite strong national statistical capacity) for evidence-based decision-making on SDGs implementation, monitoring and reporting are major challenges as is lack of coordination and policy coherence and integration.

4.3 Data gaps

The Philippines has a robust statistical system with the Philippine Statistics Authority (PSA) as the custodian of data. In the World Bank's Statistical Performance Index (SPI), the country ranks high in the 4th quartile with a score of 75.5. In the Asia-Pacific region, the country is the one with most data available on SDG indicators. The PSA has a strong system of regularly bringing out national accounts and provides valuable data on population, gender, trade, labour, health, poverty at national and sub-national levels. However, data gaps have been reported in areas like climate change and environmental governance which hampers reporting on MEAs. The PSA has a robust tradition in household surveys like the Demographic and Health Survey (DHS), Labour Force Survey (LFS), nutrition survey, survey of business and industry which provide valuable insights to policymakers and researchers alike. The PSA is also the custodian of PhilSys which is the digital platform aimed at establishing single national identification system. It is making continuous efforts to improve data including by partnering with UN agencies. In 2022, PSA partnered with UN High Commissioner for Human Rights to address data gaps on human rights indicators which led to an MOU between the CHR and PSA to strengthen data on SDG 16. Likewise, partnership through a pilot project with UN-Habitat promises to strengthen data availability on SDG 11.¹²⁷

Yet, availability of data at a decentralised level remains a challenge. COVID-19 pandemic has raised the need for more frequent data collection and inputs. There is a need to strengthen efforts to collect and analyse more frequently data to inform more rapid and adaptive decision-making as well as to explore the application of new innovative methods such as regular phone surveys, citizen generated data, etc. The recent roll out of the Community Based Monitoring System (CBMS) provides an opportunity to strengthen the localisation of SDG monitoring, further informing decision-making at LGU level, which is crucial in the context of the implementation of the Mandanas-Garcia ruling of devolution. The CBMS generates updated and disaggregated data necessary for targeting beneficiaries, supporting a more comprehensive poverty analysis and needs prioritization, and generates relevant statistics at higher levels that will complement and supplement the local level data. Ensuring quality of data in disaggregated systems and coordination between national and sub-national levels will be important to avoid fragmentation.

¹²⁷ 2022 Voluntary National Review of the Philippines, National Economic and Development Authority (NEDA), 2022

Availability of disaggregated data on specific population groups also remains inadequate. The data on population groups facing intersectional vulnerabilities, including those identified under the LNOB section above, is scanty. For example, data on children and adults with special protection needs, including people living with HIV, indigenous people, persons with disabilities, children in alternative care, children in street situations, homeless people, people affected by disasters, climate change and armed conflict, children in conflict with the law and child victims of violence is not available. The PSA however reports data on the Working Children and Child Labour Situation. The data on elderly is likewise inadequate as also people who use drugs and those outside the binary sex identity.

5. National Development Vision

The Philippines' long-term development vision is articulated in the *AmBisyon Natin 2040*. This vision is: “By 2040, the Philippines is a prosperous middle-class society where no one is poor. People live long and healthy lives and are smart and innovative. The country is a high-trust society where families thrive in vibrant, culturally diverse, and resilient communities.” Adopted in 2015, the vision collectively represents the aspirations of the Filipino people for the next 25 years (till 2040) and guides the development plans that operationalize this vision. The first such medium-term plan anchored in the 2040 vision was the PDP 2017-2022 which has since completed its implementation. The new PDP 2023-2028 has been launched.

The PDP 2023-2028 was formulated within a difficult context, yet one with opportunities. The PDP faced most difficult circumstances and uncertainties presented by the COVID-19, the current geopolitical situation, a global and regional economic slowdown and the global climate change agenda. The fiscal situation and high inflation also informed the new PDP. The PDP shows confidence that these uncertainties can be managed. The overall goal of the new PDP is to “*to achieve economic and social transformation for a prosperous, inclusive, and resilient society*”. The PDP aims at deepening the past reforms to build stronger foundations for a more robust, more inclusive, and more resilient Philippine society.

The PDP 2023-2028 will focus on rapid recovery and long-term sustainable growth. The PDP will address the immediate issues of inflation, socioeconomic scarring and low incomes. Inflation will be addressed, among others, by controlling the prices of basic goods and services and removing any infrastructural bottlenecks. The impact of the pandemic will be mitigated through fully reopening the economy and ensuring the unimpeded and adequate delivery of social services, such as health, education, and social protection while at the same time managing risks. The PDP will substantially focus on creating quality and green jobs. This will be achieved through productivity-enhancing investment, prudent fiscal management, investment in infrastructure (such as under the Build, Better, More programme, which is an expansion of the previous Build, Build, Build programme), skilling and reskilling, and enhancing the competitiveness of the economy, among others. The PDP envisages a rights-based approach as it is “founded on a peaceful and orderly society where human rights, and economic and socio-cultural rights are observed” and sovereignty and territorial integrity is upheld.

The PDP establishes new economic targets. The economy is targeted to grow by 6.5 to 8 percent through 2028. The unemployment rate will be reduced from about 8 percent in 2021 to a range of 4 to 5 percent in 2028. To reflect the increase in quality jobs, the percentage of wage and salaried workers in private establishments to total employed workers will increase from 48 percent in 2021 to a range of 53 to 55 percent in 2028. Poverty is targeted to decline to 9 percent of the population by 2028. Food and overall inflation will be kept within 2.0-4.0 percent.

Strategy Framework of Philippine Development Plan 2023-2028¹²⁸
Economic and Social Transformation for a Prosperous, Inclusive, and Resilient Society

Develop and protect capabilities of individuals and families	Transform production sectors to generate more quality jobs and competitive products
Promote human and social development	Modernise agriculture and agribusiness
<ol style="list-style-type: none"> 1. Boost health 2. Improve education and lifelong learning Establish liveable communities 	<ol style="list-style-type: none"> 1. Efficiency of agriculture, forestry and fisheries production enhanced 2. Access to markets and AFF-based enterprises expanded 3. Resilience of AFF value chains improved 4. Agricultural institutions strengthened
Increase income earning ability	Revitalise industry: science, technology and innovation-driven industrialisation
<ol style="list-style-type: none"> 1. Employability increased 2. Access to employment opportunities expanded 3. Shared labour market governance achieved 	<ol style="list-style-type: none"> 1. Domestic market production and supplier base expanded 2. Moving up the value chain achieved 3. Inter-sectoral linkages enhanced 4. Enabling economic environment
Reduce vulnerabilities and protect purchasing power	Reinvigorate services
<ol style="list-style-type: none"> 1. Ensure food security and proper nutrition 2. Strengthen social protection 	<ol style="list-style-type: none"> 1. Market expansion achieved 2. Creativity and innovation in services value proposition strengthened 3. Inter-sectoral linkages enhanced
	Advance Research and Development, Technology and Innovation
	Promote trade and investment
	Promote competition and improve regulatory efficiency
<p>Enablers: Good governance and improved bureaucratic efficiency [SDG 16]; Macroeconomic stability and inclusive and innovative finance; sound fiscal management and improved tax regime; Competition and improved regulatory efficiency; Peace and security and administration of justice [SDG 16]; Expanded and upgraded infrastructure [SDG 9]; Climate action and disaster resilience [SDG 1, SDG 13]</p>	

¹²⁸ Based on Figure 1, PDP 2023-2028

6. International Commitments

The Philippines has ratified eight out of the nine core international human rights treaties. It has not signed or ratified the Convention on the Prevention of all Persons from Enforced Disappearance. It has not ratified the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights and the Optional Protocols to the Convention on the Rights of the Child and the Convention on the Rights of Persons with Disabilities on an individual complaints procedure. Effective 17 March 2019, the Philippines withdrew from the Rome Statute of the International Criminal Court. The Philippines has ratified 38 International Labour Organization (ILO) Conventions, including all eight conventions respecting fundamental human rights. It ratified the ILO Convention on Public Service (Labour Relations) (No. 151) in 2017 and ILO Convention on Occupational Safety and Health (No. 187) in 2019.

The Philippines also ratified Refugee and Statelessness Conventions. It is a State Party to the 1951 Convention Relating to the Status of Refugees, 1954 Convention Relating to the Status of Stateless Persons, and 1961 Convention on the Reduction of Statelessness. It has affirmed the Global Compact on Refugees in 2018 which translates the commitments from the New York Declaration for Refugees and Migrants. It has contextualized the Global Action Plan to End Statelessness through the adoption of the National Action Plan to End Statelessness by 2024.

In 2022, the Philippines underwent its fourth Universal Periodic Review (UPR) cycle. At the time of writing, formal adoption of recommendations was pending but the government made an initial commitment to support at least 200 out of 289 recommendations received. Subsequently, the Philippines supported additional 15 recommendations through the submission of an addendum to the Working Group report.¹²⁹ By supporting UPR recommendations, the Philippines, made strong commitments, among others, towards: engaging with, and fully implementing the UN Joint Programme (145.2; 145.3); undertaking measures to establish a National Preventive Mechanism (146.46, 146.47 and 146.49); ensuring prompt, independent and impartial investigations of all instances of extrajudicial killings, enforced disappearances, torture, and arbitrary arrests and detention (145.66); taking all the necessary measures to prevent extrajudicial killings and enforced disappearances (145.46); ensuring human rights approach in the strategy against illicit drugs (146.52); holding accountable all perpetrators of violations against journalists, human rights defenders and citizens expressing their freedom of expression (145.61); etc.

The Philippines was examined by other UN human rights mechanisms. The Philippines also underwent a review of its compliance with the Convention on the Rights of the Child and the International Covenant on Civil and Political Rights in 2022 and received several recommendations. In October 2022, the Human Rights Council conducted an interactive dialogue on the situation of human rights in the Philippines to review implementation of Human Rights Council resolution 45/33 (2020). In addition, the Special Rapporteur on the sale and sexual exploitation of children visited the country in November and December 2022, the first visit of a Special Rapporteur since 2015. On labour rights, the Committee of Experts on the Application of Conventions and Recommendations in its June 2022 report took serious note of the deteriorating situation in the country with regard to violations of the 1948 Convention on the freedom of association and right to organise, and urged the government to implement the 2019 Conference Committee conclusions and achieve full compliance with the Convention. It also expressed hope that the government will allow a high-level tripartite mission to visit the country before the next ILC.

The Constitution of the Republic of the Philippines (1987) and other laws provide the overarching framework for human rights promotion and protection. The country has adopted several laws promoting human rights. Recent legal initiatives include the Migrant Workers Act (Republic Act 11641, 2021) creating a Department of Migrant Workers; An Act Prohibiting the Practice of Child Marriage and Imposing Penalties for Violations Thereof (Republic Act 11596, 2021); and the Safe Spaces Act (Republic Act 11313, 2018). In June 2021, Executive Order 140 was signed to adopt the National Employment Recovery Strategy 2021-2022, highlighting the need to stimulate the economy, protect workers, and emphasising the importance of social dialogue in conflict resolution, consistent with ILO pillars and principles.

¹²⁹ UPR Philippines OHCHR

Some of the pending bills, if enacted, would potentially further uphold human rights. These include the Human Rights Defenders Bill; the Sexual Orientation and Gender Identity and Expression (SOGIE) Bill; the Adolescent Pregnancy Prevention Bill; the Comprehensive Anti-Discrimination Bill; the Bill establishing a National Preventive Mechanism against Torture; the Commission on Human Rights Charter Bill; the Rights of Internally Displaced Persons Bill; and legislation to establish a National Transitional Justice and Reconciliation Commission for Bangsamoro. The Anti-Terrorism Act (Republic Act 11479) enacted in 2020 is not fully compliant with international human rights standards and has raised concerns about creating possible limitations on civic space.

CHR plays an active role in human rights protection and promotion. The CHR Charter bill has not yet been adopted. In addition, the Presidential Human Rights Committee which advises the executive serves as the National Mechanism on Reporting and Follow-up coordinating engagement with international human rights mechanisms. It is an “A” accredited national human rights institution fully compliant with the Paris Principles. In addition, the Presidential Human Rights Committee which advises the executive serves as the National Mechanism on Reporting and Follow-up coordinating engagement with international human rights mechanisms.

The Philippines has also ratified all major multilateral environmental agreements (MEAs). However, challenges remain in effective implementation and compliance with the obligations under the 23 MEAs to which the Philippine is a party.¹³⁰ In addition, the country is party to a number of regional cooperation mechanisms on environment and climate change. United Nations General Assembly decision on July 28, 2022, declared the ability to live in “a clean, healthy and sustainable environment” a universal human right. While the resolution is not legally binding on the 193 UN Member States, as a political declaration it shows global consensus and political will to place a healthy environment at the forefront of decision making. It failed to acknowledge the role of human rights defenders working on environmental issues or the need for deeper discussion on this right.

In addition, the country has ratified 26 out of 60 International Maritime Organization maritime conventions. These conventions together promote safety of life at sea, ensure standards of training, certification and watchkeeping, prevent pollution by ships, and promote and protect labour rights at sea. The maritime industry has seen the devastating effect of the myriad issues related to the COVID-19 pandemic on ships’ crews – exceptionally long contracts, isolation, issues of crew change, the closing of borders, and the lack of access to safe corridors that will enable shore leaves and facilitate crew to join ships or return home. This has resulted in untold hardships to seafarers, their families and dependents across the world. Seafarers are subject to the requirements of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW Convention) and the Maritime Labour Convention 2006. Seafarer supplying States, like the Philippines, are obliged to effectively implement and enforce the provisions of the Conventions, comply with their obligations in these Conventions, and ensure that the competence of the seafarers sourced from their countries is sustained.

On 30 December 2021, the government adopted the Migrant Workers Act which incorporates all the objectives of the Global Compact for Safe, Orderly and Regular Migration (GCM). It also created a new Department of Migrant Workers (DMW) to increase the protection of OFWs, and address issues related to their migration management, particularly on return and reintegration and fair and ethical recruitment. Outcomes of consultations with stakeholders were reflected in the law, which includes specific provisions for protection against violence against women and other gender-based violations. In November 2021 the National Action Plan (NAP) on Fair and Ethical Recruitment and in December 2021 the NAP on Sustainable and Gender-Responsive Return and Reintegration was adopted by the Department of Labour and Employment. The ownership of the NAPs was transferred to DMW upon their creation. To ensure continuity and accountability, the DMW will be leading a multi-stakeholder Technical Working Group on the NAPs. The NAPs also serve to strengthen implementation of the GCM of which the Philippines is one of the Champion Countries. The Philippines submitted Voluntary National Review reports of the GCM in 2016 and 2022.

¹³⁰ See list of MEAs for the Philippines at InforMEA (<https://www.informea.org/en/countries/ph/party-status>)

7. Financial Landscape¹³¹

Despite rapid recovery, the fiscal space for SDG financing remains limited. The sustainable development challenges ahead call for a more resilient resource framework and prudent fiscal management. Despite a rebound in the economy and strong fundamentals, the country's financial flows indicate limited fiscal space exacerbated by the ongoing COVID-19 pandemic and emerging demands to mitigate its short- and medium-term impacts, while at the same time pursuing the country's long-term development agenda. The measures taken toward recovery, rebuilding the economy and social protection to communities adversely affected by the pandemic have shrunk the fiscal space for sustainable development. The economic slow-down of major economies, the volatility of the financial markets and geo-political developments have added further uncertainty to fiscal resources. In view of this, finding resources for financing the SDGs could be challenging and the country will need to explore alternative, innovative, sources of SDG finance. The OECD suggests that the alternative sources of financing could include green, social and sustainable related bonds, though this requires strong regulatory frameworks, and incentives for market participation. Risk-pooling is also seen as a mechanism to enhance the regional bloc's financial preparedness against the risks of pandemics. The country has indeed taken several steps towards mobilising resources through innovative market-linked SDG financing instruments.

Public-domestic remains the most important source of SDG financing.¹³² Comprising the tax and non-tax sources of revenue and domestic borrowings, this is the most important source of resources to finance sustainable development. The Republic Act 11467 (January 2020) that amended the National Internal Revenue Code of 1997, and has been passed into law, increased the excise taxes on alcohol products, electronic cigarettes (e-cigarettes), and heated tobacco products (HTPs). The additional revenues from these taxes (aka the "sin taxes") will fund the Universal Health Care (UHC) policies, additional medical assistance and support to local governments, and the SDGs. According to the law, 20 percent of the revenues from excise tax on alcohol shall be allocated for SDGs with specific targets to be determined by NEDA; 60 percent is earmarked for the implementation of the Universal Health Care Act of 2019; and 20 percent based on political and district subdivisions, for medical assistance, the Health Facilities Enhancement Programme (HFEP), the requirements for which are to be determined by the Department of Health. Provisions of the fund allocations include Enrolment and Coverage of Indigent Families and Members in the Informal Economy, Strengthening of Preventive Health Programs, Health Awareness Programs, Implementation Research to Support UHC, Medical Assistance, Financial Assistance for HFEP, and Service Delivery Networks.

Although LGUs are on the front line of climate risks and action, fiscal decentralisation is not yet fully climate-informed. Every year, the government allocates resources to the National Disaster Risk Reduction and Management Fund and Quick Response Funds to address the higher frequency and impact of disasters. Even if there are national and local disaster risk reduction and management (DRRM) funds that can be leveraged, they are not enough to cover all critical needs of vulnerable LGUs. This is where support from national funds such as the People's Survival Fund (PSF) and related public funds, such as subsidies for state insurance institutions, can come in. There are currently no regular climate-conditional transfers to LGUs. The only mandate partly associated with climate is the Philippine Disaster Risk Reduction Management Law, which mandates allocating at least five percent of regular LGU income to support disaster risk reduction and management activities. However, the revenue LGUs generate from local taxes, fees, and receipts from economic enterprises, which are mandated to be used for disaster-related spending or set aside in a future disaster trust fund, are partially or wholly missing. At the same time, the size of the PSF fund is too low (PHP 1 billion) to be effective, and since its creation in 2012 has had very limited project approvals so far (only six) because of operational delays, and inadequate capacity at LGU level to develop robust proposals that meet the highly technical requirements of the Fund.

¹³¹ Findings based on the 2022 Development Finance Assessment: SDG Financing in the Philippines, UN Joint Programme on Reaping the Demographic Dividend and Managing the Socio-Economic Impact of COVID-19 by Applying an Integrated National Financing Framework in the Philippines (November 2022).

¹³² The sources of SDG financing can be classified as: Public-domestic (tax, non-tax and government borrowing); Public-external (ODA, other external flows); Private-domestic (domestic savings, domestic investment, national NGOs); and Private-external (international financial markets, portfolio investment, FDI, remittances, INGOs).

Public-external sources are likely to decline as the Philippines moves up the income ladder. For a middle-income country, Official Development Assistance (ODA) in the Philippines is still a significant source of financing for sustainable development. In 2021, ODA jumped up by 42 percent to USD 30.39 billion to fund the pandemic response, most of it (over 94 percent) loans with grants accounting for a small share. With one-third share in total ODA, Japan is the country's top source of ODA followed by ADB (28.5 percent), World Bank and Asia Infrastructure Investment Bank as per reports from NEDA. Other donors include South Korea, USA, European Union (EU) and Australia. Over time, the share of ODA has been declining and with the country joining the upper-middle income club, this source is likely to further decline in importance.

Private sector is emerging as an important source of sustainable development. To promote private financing, the Philippine Government launched a Sustainable Finance Framework in 2021 to support the country's sustainable development commitments. The Framework sets out how to raise green, social or sustainability bonds, loans, and other debt instruments in the international capital markets. Eligible green and social projects, aligned with the SDGs, will be financed by the proceeds from this framework. Going forward, SDG bonds present key opportunities for mobilizing more private capital for SDG investments in ASEAN going forward. Given the existing financing gaps in many SDG sectors beyond infrastructure, energy and buildings, as well as corresponding global demand for sustainability investments, there is a high potential for SDG bonds to become a more important SDG financing instrument for ASEAN countries than they currently are.

Climate finance plays a critical role in climate mitigation and adaptation. Climate finance refers to the entire package of local, national or transnational financing, drawn from public, private and alternative sources of financing, that seeks to support mitigation and adaptation actions that will address climate change. The magnitude of the cost of climate adaptation required implies that public funding alone will be insufficient to address the financing needs and private sector finance engagement will be crucial. The proceeds to be raised by the Philippines could finance climate change mitigation and adaptation initiatives and deepen its domestic sustainable finance market; diversify funding sources and finance or refinance projects that promote renewable energy, green buildings, clean transportation, resource efficiency and pollution prevention and control environmentally sustainable management of living natural resources and land use, sustainable water and wastewater management, employment generation, and food security; support financing of projects on preventing marine pollution and preserving clean water resources; finance and refinance eligible MSMEs, including but not limited to those hit by the pandemic; and finance eligible green projects (renewable energy, green buildings, clean transportation, energy efficiency, pollution prevention and control, sustainable water management, and environmentally sustainable management of living natural resources and land use) and social projects (affordable basic infrastructure, access to essential services, employment generation, affordable housing, and socioeconomic advancement and empowerment).

The Philippines also has access to multilateral climate funds. Funding through these sources could be increased considering the country's high DRR and adaptation needs. Most financing has so far come from the Global Environment Facility, while the Green Climate Fund (GCF) has a growing pipeline of projects (6 projects with a total financing of USD 89.6 million) although their implementation has been slow to start due to bureaucracy and limited national capacity to meet the GCF funding requirements. The country has yet to tap the USD 20 million available under the Adaptation Fund.¹³³ Montreal protocol and REDD+ are other possible sources of climate financing.

The Philippines has taken policy steps to create enabling conditions for SDG-linked financing. These include implementation (since 2013) of the Climate Change Expenditure Tagging (CCET) system to track budget allocations to climate action; the passing of procurement policies such as Green Public Procurement; adopting a national Disaster Risk Finance and Insurance Strategy aiming to incentivize climate actions; and, as stated above, a Sustainable Finance

¹³³ The Climate Change Commission (CCC) reports that a huge financing gap amounting to USD 12 to 15 billion remains to meet the country's intended nationally determined contributions of reducing up to 75 percent of its greenhouse gas emission by 2030. It is also worth noting how a huge majority (more than 90 percent) of financing available is allocated to GHG reduction activities despite the strong economic rationale of adaptation actions.

Framework for raising Green, Social or Sustainability Bonds, Loans and other debt instruments to help achieve its climate change and sustainability commitments. The share of the total climate-tagged budget under the CCET is very small and mostly allocated to adaptation measures by the Department of Public Works and Highways. It is important that these institutional innovations are effectively implemented, monitored and reported on. In addition, several market and institutional barriers must be addressed to scale green finance, including the absence of a relevant taxonomy, which makes it difficult to identify “green” projects and assets.¹³⁴

There is a need to create an ecosystem around SDG-linked financing. The momentum around market-linked instruments is building. Between 2016 and 2021, twenty sustainable bonds, with a total amount of USD 4.3 billion, have been issued in the Philippines, making it the third largest green bond issuer in the ASEAN. More and more Philippine companies are devoting resources for environment-friendly and sustainable initiatives, suggesting that there is room to increase the volume of sustainable bonds issued in the Philippines. As the demand for sustainable bonds increases, there is a need to focus efforts on increasing the supply of sustainable bonds. This would require creating conditions for the markets to supply bonds. Investors have limited incentives and guidance on SDG financing. In the absence of any guarantees or a green taxonomy, investors struggle to know what is sustainable and what is not. These investors also have a negative risk-return perception on SDG financing, at least in the short run. Such investors are also looking for an investable pipeline of projects. In this context, the GCF Green Guarantee Company set up in October 2022 is a step in the right direction. It is an innovative finance solution which proposes to use blended finance and guarantees to mobilise greater climate finance from global capital markets to help developing countries, including the Philippines, meet their mitigation and adaptation targets as articulated in their NDC. This represents an opportunity to mobilize large funds from global investors by using guarantees to increase developing countries’ issuance of climate bonds and loans with significant climate impacts. There is also ample room to strengthen the role of private insurance and capital markets on climate and DRR financing. Currently only about one third of the farm owners in the Philippines are covered by crop insurance, while most public assets in the country remain uninsured or under-insured.

Remittances are a significant source of funding for poverty reduction. As noted earlier, remittances account for around 10 percent of GDP and remained buoyant despite COVID-19 pandemic – declining much less than was feared. In 2022, the remittances are expected to be \$38 billion. Remittances in 2018 helped contain poverty at 19 percent lower than would have been the case without these transfers. On an average, remittances per household are ten times the average of social assistance. The households use remittances for health, education and other consumption purposes. As more overseas Filipino workers are from better-off families, the remittances are regressive in nature benefiting 63 percent families from the richest quintile and only 2 percent from the poorest quintile.¹³⁵ During the pandemic, urban households who rely more on international remittances, were better protected than rural households for whom domestic private transfers are a more important source which registered a decline during the pandemic. With appropriate policies, remittances can be an important source of SDG financing complementing social protection interventions of the government.

At the same time, the government should improve efficiency, openness, and accountability in the use of public resources. The Budget, Treasury, and Management System (BTMS) was used by the government to further harmonise current financial information and reporting systems and produce timely data that can be used for policy and decision-making. BTMS was upgraded into a digital platform in 2019. The BTMS’ implementation offers a chance to monitor and produce reports on actual public spending, including initiatives and programs aimed at achieving the SDGs at the local and national levels. The results and advice from the ongoing SDG budget tagging exercise are meant to be helpful for categorising related programmes and project expenditures in the current BTMS.

¹³⁴ The World Bank estimates that there are an estimated USD 168 billion in green investment opportunities in the Philippines between 2020 and 2030, including USD 39 billion for greening the existing and future energy infrastructure, USD 104 billion for building climate-smart cities, and USD 25 billion for speeding the green transition in select sectors (IFC, 2021). However, the Philippines only attracted an estimated USD 0.6 billion in green investment from foreign companies between 2017 and 2021, mostly in renewable energy (World Bank Group. 2022. Philippines Country Climate and Development Report).

¹³⁵ Overcoming Poverty and Inequality in the Philippines, World Bank 2022

Improvements in the transparency in the utilisation of the Gender and Development (GAD) Budget to strengthen gender-responsive budgeting, are also called for.¹³⁶

8. Partnerships for Sustainable Development

For the UN to support the Philippines to achieve its aspiration to be an upper middle-income country by 2024 and realise the 2030 Agenda, there is a need to build robust, innovative and reliable partnerships. The country is an active player globally and within the Asia-Pacific region. It is politically stable with a vibrant economy and an attractive destination for investors. The country's development agenda, as reflected in the PDP 2023-2028, resonates with the 2030 Agenda and provides a sound foundation for building, expanding and diversifying partnerships. These partnerships will bring in more resources, expertise, innovations and new technologies. These will also strengthen people's voices and thus contribute to more inclusive development. Working within the Busan aid and development effectiveness agenda, the UN can catalyse partnerships that are relevant for the national development priorities and can contribute to the 2030 Agenda.

The country has shown ownership of the 2030 Agenda. Both houses of Congress have respective committees on the SDGs to ensure alignment of the national legislation and policies with the sustainable development agenda. Moving forward, the UN partnership with the legislature on the SDGs could be further strengthened given the country's leadership role in a number of international processes. As host to 17 UN agencies, programs and funds, the Philippines strongly supports the UN reforms to ensure that the UN Development System delivers as one, such as through joint programs. UN partners with the government, through departments and agencies, to support the long-term development vision and the PDP goals and has contributed to the preparation of the third VNR. The UN should continue to partner with the government for greater policy coherence and provide disaggregated data for evidence-based policy making.

Following the Mandanas-Garcia ruling, the potential for the local governance units to deliver development services at local level has considerably improved. With full devolution of functions, and the improved financial resources, the UN is well placed to partner with the LGUs (including their leagues and associations) for capacity building for SDG-sensitive planning and budgeting for inclusive and sustainable local development. This will also improve the accountability and responsiveness of the LGUs towards people for service delivery. The UN, through its convening power, is in a good position to also lead other development partners because of its leadership in SDGs which the LGUs have already internalised through the localization efforts of the DILG and NEDA.

The private sector has been playing an increasingly important role in the Philippines. The country was noted among ASEAN countries that have developed various strategies to promote inclusive business such as the work of NEDA and the Public-Private Partnership Center. Private sector entities can engage, not only through Corporate Social Responsibility programs and providing funding to UN projects, but they see good business in aligning their activities and business models with the SDGs. Businesses see an opportunity to provide business solutions to societal issues which can give them enhanced brand value, reputational gains to business, higher customer satisfaction, and a competitive edge through differentiation. The country is also committed to implementing the UN Guiding Principles on Business and Human Rights to promote responsible business practices. Globally, private companies are increasingly reporting results on their contribution to SDGs, though the quality of such reporting is uneven. Partnerships with private sector and trade unions can contribute to productive employment and decent work including on promotion of labour rights, gender equality, social dialogue, social protection, elimination of child labour, and disability inclusion. This partnership can be used to co-create and strengthen the 21st century skilling architecture ready for Industry 4.0. Given that the MSMEs constitute almost 99.5 percent of total enterprises in the country, the UN's engagement with the private sector has to be through their umbrella organisations as individual firms may not have the resources, capacity or knowledge to implement responsible business norms. The UN can work with the

¹³⁶ The Philippine Commission on Women reported that only 20 percent or 58 out of 292 agencies were able to comply with the 5 percent minimum GAD budget provision [of total annual budget], and of the total GAD expenditures (PHP 152.9 billion).

government and private sector in strengthening the SDG-linked market-based financial architecture to tap innovative financial instruments through institutional capacities, regulatory frameworks and green standards.

The UN actively engages with the IFIs. This partnership is most visible in the context of socio-economic impact, response and recovery of COVID-19 and conflict prevention in BARMM, through various coordination platforms. Together with the World Bank, the UN Philippines also took the initiative to set up a group of development partners to craft a roadmap for coordinated support to the transition in the BARMM. In what could potentially be a new business model for the UN, it provided technical assistance and thematic and normative support (gender equality, inclusiveness, sustainability) and support in management of loans (procurement, transparency, risk management, accountability) to enable the government to access loans from the World Bank Philippine Multi-Sectoral Nutrition Programme.

Civil society represents the independent voice of the people and holds the authorities accountable. However, the civic space in the country is shrinking and the political climate is one of antagonism rather than engagement. Yet, the UN's partnership with civil society can be catalytic in a number of areas. Working with civil society through the lens of SDGs can contribute to sustainable and inclusive development and at the same time be non-threatening. The engagement with CSOs representing vulnerable groups (women, PWDs, LGBTIQ+, PLHIV, IPs) could be deepened within the rubric of "leave no one behind." CSOs working in the areas of climate change, environment and natural resource management can be engaged to benefit from their grassroots knowledge of early warning signals, protecting communities from shocks and saving the government from related losses. The UN should explore a more formalised mechanism of engagement with civil society, including faith-based organisations, such as through a standing advisory committee. Partnership with the media - print, electronic, social - can likewise play an important role in advocating for the SDGs and holding the authorities to account. The media, like civil society, is under scrutiny from the authorities. Digital social media is particularly vulnerable through barriers to internet freedom.¹³⁷

South-South and Triangular Cooperation (SSTC) is an effective and complementary modality for cooperation among developing countries. Given the similarities in circumstances, government capacities and views on national development strategies SSTC can be a potent partnership. However, in the absence of a clear long-term vision with defined goals and strategic outcomes for SSTC, this potential remains untapped. Current SSTC initiatives are ad-hoc and not anchored to a coherent and integrated national SSTC strategy. Such a strategy is needed for the country both as a provider and a beneficiary of SSTC. Likewise, multiple agency-specific SSTC initiatives could also benefit from greater integration and a more strategic link with a proposed SSTC Facility.

The Philippines is an active player in the ASEAN region. Its membership of the ASEAN is one of the cornerstones of its foreign and trade policies. There are multiple ASEAN platforms where the country plays a pivotal role, forging economic and political relations with member countries, including to promote peace and security in the region.¹³⁸ The Philippines was the first ASEAN country to accede to the Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific. The Philippines as the country coordinator also attended the ASEAN-EU Commemorative Summit in December 2022 for strengthening the four-and-a-half-decade long ASEAN-EU partnership.¹³⁹ The country has not yet ratified the Regional Comprehensive Economic Partnership, a multi-partner free trade agreement. The UN-ASEAN Plan of Action 2021-2025 (POA), focused on COVID-19 recovery and achieving the SDGs, offers an overview of the regional issues for cooperation between the UN and the Philippines. These issues - including political and security cooperation, economic cooperation, and socio-cultural cooperation - could be good entry points for the UN cooperation framework to further the 2030 Agenda in the Philippines through regional cooperation building on the country's commitment to implementing the ASEAN-UN POA.¹⁴⁰

¹³⁷ The Philippines was "partly free" on Freedom on the Net Index 2021.

¹³⁸ Such as the Coalition of Finance Ministers for Climate Action; Asia-Pacific Regional Forum of Ministers and Environment Authorities; Asia-Pacific Adaptation Network; and the Finance Initiative Roundtable on Sustainable Finance in Asia Pacific

¹³⁹ <https://ops.gov.ph/presidential-speech/departure-statement-of-president-ferdinand-r-marcos-jr-for-his-participation-in-the-asean-eu-commemorative-summit/>

¹⁴⁰ <https://www.pna.gov.ph/articles/1188396>

9. Multidimensional SDG Risk Analysis

The Philippines is vulnerable to multiple risks in varying degrees. The UN-established 12-factor multidimensional SDG risk framework, shows that the country is vulnerable to all identified risks in varying degrees. These risks could potentially hinder national efforts to achieve the SDGs and impact the country's development trajectory. The Multidimensional SDG Risk Matrix is in Annex 3.

Some risks are known, some others are not. Megatrends such as the rapid urbanisation, demographic changes (ageing population), technological advances (the rise of disruptive technologies), and climate change are known. These are both risks and opportunities to be built upon. But some others are unknown risks such as the risk of a pandemic or a disaster. The risk of the current geopolitical situation flaring up is another such risk.

The country's risk of humanitarian crisis and disaster is high. The INFORM risk index 2022 classifies the Philippines as a high-risk country with a rank of 34. The INFORM index is composed of three elements: hazard and exposure (both natural - such as, cyclones, earthquakes, tsunamis, floods, droughts and epidemics - and human); vulnerability (socio-economic and vulnerable groups); and lack of coping capacity (institutional and infrastructure). The country ranks very high (at 11) in terms of hazard and exposure to natural and human hazards. The Philippines tops the World Risk Index 2022 which is a composite index to measure the disaster risk in 193 countries.

The country is at high risk of incidents of terrorism and violent extremism is high. The Philippines was ranked at 16 out of 163 countries in the Global Terrorism Index (2021) which is a composite index of four indicators (incidents, fatalities, injuries and property damage) and measures the impact of terrorism on the country. Though essentially between the Muslim armed groups and the government, the root causes of the conflict include unequal power sharing, social injustice, regional imbalance in development, poor governance, land tenure and ownership disputes, sense of alienation among Muslims and indigenous peoples, interethnic conflicts, competition for natural resources, high poverty and lack of jobs. The conflict has seriously impeded development in Mindanao and other conflict-affected areas, displaced people, enhanced vulnerabilities, aggravated mutual mistrust and disrupted service delivery. Indigenous peoples frequently live in conflict areas and are often targeted by combatants.

Government corruption and impunity are other risk factors. As noted earlier, the Corruption Perception Index 2021 ranked the Philippines at 117 out of 180 countries marking a decline of two places over previous year and six places over the five years since 2017. The government has had limited success in bringing high-profile politicians and officials to account. The anti-corruption drive has led to few convictions, for example the investigation into the previous administration's purchase of overpriced medical supplies and expired COVID-19 testing kits has so far led to no convictions. Impunity in political and human rights related cases also persists, undermining trust in the judicial institutions.

These risks should be monitored and mitigated. The UN can rely on its own sources, such as human rights monitoring, and monitor trends and early warning indicators through other sources such as regular media monitoring, regional and social media, and local information from civil society, diplomatic missions and possibly the private sector. By its nature, any risk analysis is relevant at a time when it is conducted and may change over time. Hence, risk analysis should be updated regularly. The UN's ability to mitigate the risks in the short-run may be somewhat limited but through its programmes and advocacy the UN could contribute to improved transparency, rule of law, accountability and greater democratic space for the civil society as long-term mitigating factors.

10. Key challenges and opportunities for advancing the 2030 Agenda

The Philippines has experienced consistently high economic performance over the last two decades. This has led to a significant reduction in poverty and improved living conditions of its people. The pandemic pushed the country's SDG progress back, but the country is recovering well. Looking forward, as the Philippines recovers from the aftermath of pandemic and prepares its next PDP 2023-2028 to achieve its long-term vision of *AmBisyon Natin 2040*,

and the 2030 Agenda, the next 5-7 years of the development strategy will need to be the one that is future-fit and responds to the emerging challenges and opportunities. The megatrends like demographic transition, climate change, disruptive technological transformation, rapid urbanisation and geopolitical challenges will have a decisive influence on the Philippines' future development trajectory and its upper middle-income aspiration. Much like other middle-income countries, the Philippines faces the MIC paradox of high economic growth coexisting with high inequalities across population groups and regions, disparate human development outcomes, climate change and unsustainable natural resource management, and gaps in institutional capacity.

Over the period of the CF (2024-2028) and the PDP (2023-2028), the Philippines faces the following interlinked challenges. These will guide the CF strategic priorities towards 2030 Agenda based on the UN's comparative advantage and value addition in the Philippines.

1. **Investment in people and society.** Notwithstanding the rapid recovery after the pandemic, the underlying inequalities in the country persist in a much more aggravated form. Investing in people's health (physical and mental) including improving their food and nutrition security; improving learning outcomes particularly focusing on those with lingering education losses; and protecting people against climatic shocks and disasters that are worsening in intensity and impact; conflict which leads to dislocation and loss of lives and livelihoods; public health shocks that calls for more resilient and inclusive healthcare system; and economic shocks such as high cost-of-living and economic shocks from regional / global economic downturn. Eliminating hunger and malnutrition, reducing child and maternal mortality, and investing in early childhood development through integrated interventions will particularly pay long-term dividends. Risk mitigation and risk management will need to be part of the people-centred public policy-making and implementation strategy. A rights-based approach to development will promote people's participation, give them voice, hold duty bearers accountable and protect people against arbitrary exercise of state power. Building on the early successes in BARMM, inclusive, sustainable and resilient development will be vital for future peace while addressing root causes and preventing future conflicts. This will ensure that the marginalised population groups and women, that bear disproportionate burden of gaps in development and governance, are not left behind and can live in and benefit from a cohesive, secure and just society.
2. **Structural transformation of economy.** Sustaining high and consistent growth for the country to be future-ready would require rapid and inclusive recovery from the pandemic, focusing in particular on the smaller enterprises and informal economy the impact on whom may have been more than transitory. Deeper policy reforms that would remove obstacles to, and create enabling environment for, domestic and foreign investment particularly in high-productivity and low-carbon economy. The skills required for Industry 4.0 in the context of rapidly changing world of work calls for a structural shift in the skills architecture making for smooth education-to-work transition, bridging digital divide, integrating the economy with global supply chains, addressing infrastructural bottlenecks, expanding innovations and attracting SDG-responsive investment. Greater diversification of the economy will open up new decent work opportunities in a climate when jobs are under threat from automation, skills mismatch, high and growing informality, and economic slowdown. The regulatory regime also needs to be more rule-based, predictable and transparent deterring rent-seeking while decisive action on corruption will enhance trust in institutions. The Philippines needs to build on gains from prudent fiscal management and explore alternative sources of financing SDGs.
3. **Climate change, pollution and natural resource management.** As the world's most risk-prone country, the Philippines needs to brace for the increasing frequency of extreme weather events, disasters, degradation of ecosystems and pollution (air, soil and ocean) to be able to protect lives and livelihoods, provide food and nutrition security, through climate change mitigation and adaptation, sustainable natural resource management practices and building capacity at the national and community levels building on the opportunity afforded the Mandanas-Garcia ruling. Given the competing demand for natural resources from the local communities and infrastructure development, it is important that the rights of the local communities to access natural resources is protected. It further needs to follow a low-carbon pathway, across all sectors, promoting sustainable consumption

and production. Sustainable and resilient urbanisation will be key challenge to address in the face of climate change and rising population. That the planetary health is inextricably linked with the human health was clearly highlighted by COVID-19 and the lessons from this should be mainstreamed in the climate change and health strategies. The financial requirements to combat climate change and follow the low-carbon pathways are huge and would require aggressive search for innovative source climate finance.

4. **Human rights, peace and institutional reforms.** Reports of serious human and labour rights violations undermine rule of law, risks increasing inequality, attracts international opprobrium and jeopardises international trade and economic cooperation. The Philippines has accepted a number of recommendations emanating from the 4th Cycle of the UPR process. Implementing them through a time-bound plan will be vital as also creating civic space and strengthening institutions that promote people's access to justice. Peace in the country's restive regions would be important for balanced regional development. Equally critical would be addressing the needs of migrants, refugees, displaced and stateless persons and also trafficking, and transnational crimes that undermine the institutions. A nonpartisan, transparent and accountable bureaucracy is pivotal for inclusive and responsive development. While the Mandanas-Garcia ruling is an opportunity, it will be a challenge to make it work. Enhanced resources, following the Supreme Court ruling, would require a swift and meaningful devolution of functions and capacity to use enhanced resources for the SDG-aligned local development planning. Creating a climate where people can raise their voice, hold authorities accountable and participate in decision-making will be important to ensure quality service delivery. Addressing lack of internal coordination, gaps in availability and use of disaggregated data, and policies that run counter to international commitments leading to outcomes that are not sustainable or inclusive will be important.

At the same time, there are **opportunities** to be built upon. There is a new government administration in place which is willing to engage with diverse stakeholders including human rights bodies and has formulated a new PDP that will contribute to the vision in *AmBisyon Natin 2040* and is well-aligned with the SDG framework. Decentralisation will get a boost from the court ruling and is an opportunity to strengthen inclusive and sustainable local development and providing solutions to communities affected by conflicts and disasters. Peace in the BARMM region and favourable demography, including educated youth, are other opportunities that can accelerate contribution to SDGs. The Philippines is a functioning democracy and, despite its flaws, is open to investors, international scrutiny and civic action. Linking trade, investment and development cooperation to human rights has the potential to trigger governance reforms. ASEAN membership is an opportunity to not only expand economic and trade cooperation but also to carry out institutional reforms aligned with the ASEAN norms and values. The potential contribution that diaspora can make to the country's development remains inadequately tapped and is a distinct opportunity.

In all of the above development challenges, the rights holders are the people, including the non-citizens. The population groups whose rights are particularly violated include the groups identified under the LNOB section above. The duty bearers are the state and non-state actors comprising the public administration, civil society, judiciary, and private sector. Of the duty bearers, public administration is the key arm of the state and the factors that prevent it from fulfilling its obligations include lack of professionalism and independence, political patronage, corruption, lack of evidence based and coherent policy making and poor downward accountability. Private sector comprises small enterprises with limited capacity or resources to fulfil their obligations although bigger enterprises are increasingly being sensitised to socially responsible business. Civil society faces suppression from the state and dependence on donors which prevents them from working for the duty bearers. The duty bearers lack voice and capacity to demand accountability. Societal attitudes, norms and stigma towards some of the duty bearers worsens their plight. Many of whom are not counted and are thus invisible.

UN in the Philippines has the mandate and capacity to position itself as a trusted partner of the Government in leveraging its normative framework as a custodian of the norms and standards, a convener of development discourse, a facilitator to build capacities and offer integrated solutions mainstreaming preventive approaches. UN can also forge non-conventional and innovative partnerships and alliances to bridge the SDG financing gaps, among others.

Annexes

Annex 1 – CCA Consultations

The CCA was informed by two sets of consultations held from October to December 2022, organized and/or held by the UN Country Team and UN agencies: (a) consultations that informed the content of, but not exclusively organized for, the CCA and (b) consultations organized specifically to solicit input on the CCA content.

A. Consultations that informed the content of, but not exclusively organized for, the CCA

Universal Periodic Review Watch Briefing (c/o UNRCO), 6 October 2022

Agroecology, Association of the Rights of Children in South East Asia, BAHAGHARI, BAI-Indigenous Women's Network, Center for Environmental Concerns, Children's Rehabilitation Center, Ecumenical Voice for Human Rights and Peace in the Philippines, Filipino Nurses United, Gabriela, National Council of Churches in the Philippines, Migrante International, Moro Christian People's Alliance, National Federation of Sugarcane Workers, Samahan ng mga Konsumers para sa Ikaunlad ng Bayan, Union of Workers in Agriculture

Consultations with children on Philippine Development Plan (c/o UNICEF), 9 October 2022

Child Rights Network, Child Rights Coalition-Asia, Compassionate Hope Foundation, Congregation of the Living Faith in Jesus Ministry Inc, ECPAT Youth and Child Advocates, End Child Prostitution Child Pornography and Trafficking for Sex Purposes, Federation of Children's Organization Olongapo City, International Justice Mission, Kanlungan sa Er-Ma Ministry, Kanlungan-ASMAE, Olongapo City Local Council for the Protection of Children, Plan International, Regional Subcommittee on the Welfare of Children (RSCWC) Region IV-B MIMAROPA, Unang Hakbang Foundation, Valenzuela City - Gen. T. De Leon National High School, Valenzuela City Children Representatives, Valenzuela City-Dalandanan National High School

UN Country Team Dialogue with Indigenous Peoples Groups (10 October 2022)

IP representatives: Sandugo, Cordillera Peoples, Bukluran, Save Our School Network, Legal Rights and Natural Resource Center, Panaghiusa

Katribu National, Katribu Youth

UNCT representatives: UNICEF, ILO, OHCHR, IFAD, UNRCO, UNDP, UNFPA, FAO, WFP, UN Women, IOM

Policy Dialogues on the Integrated National Financing Framework (c/o UN Joint Programme on INFF), 11-13 October 2022

Australian Embassy – Department of Foreign Affairs and Trade, Bangko Sentral ng Pilipinas, Commission on Population and Development, Congressional Policy and Budget Research Department, Council for the Welfare of Children, Department of Finance, Department of Health, Department of the Interior and Local Government – Bureau of Local Government Development, Department of Social Welfare and Development, Embassy of China, European Union, German Agency for International Cooperation/Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH, League of Corporate Foundations, League of Provinces of the Philippines, National Economic and Development Authority, Philippine Business for Social Progress, Philippine Chamber of Commerce and Industry, Philippine Health Insurance Corporation, Senate Economic Planning Office, Union of Local Authorities of the Philippines, United States Agency for International Development, Zuellig Family Foundation

B. Consultations organized specifically to solicit input or feedback on the CCA content

Focus Group Discussions (Internal UN)

Analytical Piece: Peace, Conflict, HDP (13 October 2022): IOM, ILO, OCHA, UNDP, UNDSS, UNHCR, UNICEF, UNRCO, WFP

Analytical Piece: Economic Transformation (14 October 2022): UNRCO, ILO, UNDP, UNICEF, UNHCR, UNIDO, UNRCO, UNWomen

Analytical Piece: Environment (18 October 2022): WFP, FAO, IOM, UNDP, OCHA, UNDP, UNEP, UNIDO, UN-Habitat, UNWomen

Analytical Piece: Governance, Political (20 October 2022): UNDP, ILO, UNHCR, UNICEF, UNOPS, UNWomen, UNODC

Analytical Piece: Partnerships (24 October 2022): UNRCO, FAO, ILO, IOM, UNDP, UNICEF, UNWomen

Analytical Piece: Social Development (27 October 2022): UNFPA, FAO, UNAIDS, UN-Habitat, UNHCR, UNICEF

Analytical Piece: Climate Change, Disaster Risk Reduction (28 October 2022): WFP, UNDP, OCHA, FAO, UN Women, UNIDO

Analytical Piece Human Rights (17 November 2022): OHCHR, ILO, UNRCO, UNWomen, UNHCR

Focus Group Discussions (Representatives of Groups at risk of being left behind)

Labour Sector (14 November 2022): Trade Union Congress of the Philippines, Sentro ng mga Nagkakaisa at Progresibong Manggagawa, National Trade Union Center, Kilusang Mayo Uno, Public Services Labor Independent Confederation

People Living with HIV (16 November 2022): Five members of the Network Plus

Indigenous Peoples (17 November 2022): Panaghiusa, Katribu National, Bukluran

People with Disabilities (30 November 2022): Five members of the Philippine Disability Network

Youth (2 December 2022): YFI, UNYAB

National Consultation Workshop (7 December 2022)

Government: Commission on Human Rights, Department of Agriculture, Department of Foreign Affairs, Department of Justice, Department of Justice, Bureau of Trade and Industrial Policy Research - Department of Trade and Industry, Bureau of Local Government Development - Department of the Interior and Local Government, National Youth Commission, National Economic and Development Authority, Office of the Presidential Adviser on Peace, Reconciliation, and Unity, Philippine Commission on Women, Senate of the Philippines, Department of Social Welfare and Development, Department of Environment and Natural Resources, Philippine National Police, Phivolcs, Commission on Population

Non-Government: Asian Council for Small Business, Community and Family Services International, Employers Confederation of the Philippines, Institute for Autonomy and Governance, Institute for Labor Studies, Norfil Foundation, Philippine Business for Social Progress, Plan International Philippines, PLCPD, Save the Children Philippines, UP-CIFAL Philippines, Women's Legal Bureau, Y-Peer Pilipinas, International Crisis Group, ALLWIES

Diplomatic/Development Partners: Asian Development Bank, Australian Embassy, Chinese Embassy

UN Country Team: UNRCO, UNDP, UNOPS, UNESCO, UN Women Philippines, FAO, ILO, IOM, UNFPA, WFP, UNICEF

Annex 2 – CCA Methodology

Following the adoption of the CF Roadmap agreed by the UN and the Philippine Government on 25 August 2022, the UN Country Team in the Philippines immediately started developing the Common Country Analysis in September 2022. For this purpose, the UNCT established a Common Country Analysis Technical Team comprising programme staff from the UN entities, resident and non-resident, to work as a subgroup of the larger Results Coordination Group. UN entities were requested to nominate individuals who could represent their respective agencies as well as existing UN coordination groups (e.g. 3 Pillar Groups, Monitoring and Evaluation, LNOB, Gender, Youth). UN RCO (through the RCO Economist) was responsible for coordinating the work of the CCA Technical Team.

In an innovative departure from the normal practice, the CCA Technical Team were tasked with the preparation of a set of analytical papers that would be consolidated and fed into the final CCA document. This approach not only built ownership and commitment of the UNCT, through the Technical Team, but also led to greater inter-thematic discussions and multi-dimensional approaches to analysis of interlinked development challenges that finally got identified in the CCA.

The composition of the Technical Team is below:

1. RCO [Core Team, Advisers]
2. UNCT Agencies [FAO, ILO, IOM, ITC, UNDP, UNEP, UNFPA, UNHCR, UNIDO, UNICEF, UNWomen, UNODC, WFP]
3. Pillar Group Convenors [People: UNFPA,ILO; Prosperity & Planet: FAO,UNIDO; Peace: IOM,UNDP]
4. Thematic Group Convenors [Youth: UNFPA, ITC; Gender: UNFPA, UN Women; LNOB: RCO; MEG: RCO]

Each analytical piece was led by a member of the CCA Technical Team who coordinated the inputs from other members and presented a holistic analysis of the given thematic area. A number of thematic consultations, centering around core areas of the CCA [Economic transformation; Climate change, environment and DRR; Human capital; Human rights; Peace and conflict; Partnerships and Governance] were organised in October and November 2022. An international consultant consolidated the inputs and prepared and quality assured the draft Common Country Analysis.

These consultations were supplemented by interactions with the civil society organisations largely representing LNOB groups between 14 November and 2 December 2022. These included consultations with groups representing labour unions, people living with HIV, indigenous people, people with disabilities, and youth. In addition, a number of other consultations held, including in BARMM, though not specifically for the CCA provided useful information that was directly relevant for preparing the CCA.

The UNCT had prepared a policy paper on the “leave no one behind” to identify population groups excluded or at risk of being excluded. This paper was prepared for, and was an important input into, the Common Country Analysis. This paper was prepared in a participatory manner.

A report prepared by the UN Development Coordination Office by tagging documents provided by the UNCT in the Data Entry and Exploratory Platform (DEEP) produced useful insights into the achievements and challenges around key thematic areas that was directly helpful in preparing the Common Country Analysis.

The regional UN agencies were also actively involved in the process. DCO actively guided the analytical process and contributed to it while UN ESCAP provided useful inputs on SDG progress. Non-resident UN agencies (such as ITU, UNCF, IMO) that are not currently members of the UNCT were also given opportunities to provide inputs to the in-country analytical process.

The four Asia-Pacific Issue Based Coalitions reviewed the draft CCA and also contributed through several knowledge products, including good practices on ASEAN, disaster response including age and gender inequality in disaster response, women's leadership in climate change management, gender and disability inclusion in disaster risk reduction and response, SOGIE inclusion in humanitarian and disaster response among others. The Peer Support Group (PSG) offered valuable comments on the draft Common Country Analysis and provided quality assurance.

In all, the following agencies participated in the development of the CCA, listed in alphabetical order: FAO, ILO, IOM, IFAD, ITC, ITU, OCHA, OHCHR, UNDP, UNDRR, UNEP, UNESCAP, UNESCO, UNFPA, UN-HABITAT, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UN Women, WFP and WHO.

The process was led by the UN Resident Coordinator and supported by the UNRCO. The UNCT deputised and empowered their staff to function in the CCA Technical Team and other groups established for the purpose. UNCT provided guidance, oversight and endorsement to the entire process and offered valuable comments on the draft versions.

Thus, the Common Country Analysis was prepared on the basis of:

1. **Desk Review** of key strategic documents of UN, the Government, academia and other organisations including human rights organisations; and evaluation reports, among others
2. **National consultations** both directly for CCA and indirectly held by other UN entities that fed into the preparation of CCA. The consultations were held with the Government including civil society, private sector, development partners and others.

The secondary sources of information (reports, papers, studies, surveys) were uploaded in a repository specially created for the purpose. This will be a useful source of information and will be kept updated from time to time for future revisions in the Common Country Analysis. RCO will be the custodian of, and manage, this repository.

The draft Common Country Analysis was presented for validation at a national workshop held in Manila on 7 December 2022 and attended by key national counterparts including the Government, civil society, and private sector besides the UN entities. The insights collected during the interviews for the evaluation of the UN Socio-Economic and Peacebuilding Framework 2020-2023 were also used to inform the analysis in the CCA.

Annex 3 – Multidimensional Risk Matrix

- Risks (future problems)
- Issues (current problems)
- Impact (Low, Medium, and High)
- Likelihood (Low, Medium, and High)

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
1	SDG 16 & 17	Political Stability	Risks to the stability of established political and government structures in the territory resulting from politically-driven factor	<p>Challenges to political system/government</p> <p>Politically compromised government/ institutions</p> <p>Irregular changes to governance structures or principles</p>	Pockets of election-related violence occur in highly contested local governments units.	High	Low	<p>Increased outmigration</p> <p>Independent election observers' reports</p> <p>Flawed / violent / unfree / unfair elections</p>
					People's rights are not upheld consistently, and violations are not uncommon.	High	Medium	<p>Non-compliance with Human Rights obligations as reported in UPR and other instruments</p> <p>CHR / OHCHR reports</p>
					Political instability in the BARMM	Medium	High	<p>UN Peace and Development Advisor's reports/media reports</p> <p>Increase in clashes between armed groups, conflict-induced displacement</p>
					Social media are manipulated by electoral candidates	High	Medium	<p>Divisive social media posts / hate speech</p>
2	SDG 16 & 17	Democratic Space	Risks to democratic and human rights institutions, and to civil and political rights resulting from shrinking civic space, exclusion, repression, and intimidation	<p>Undue limits on democratic rights or freedoms</p> <p>Constraints on civil society, rights actors or rights institutions</p> <p>Active repression of civil society, rights actors, and others</p>	Continued intimidation, arbitrary arrests / detentions, harassment, violence and enforced disappearances of human rights defenders, critics, activists and bloggers perceived to be "subversives" and targeted by the state	Medium	Medium	<p>Monitoring reports of OHCHR and Human Rights Groups</p> <p>Increase in cases of harassment, detention, red-tagging, violence, torture against human rights defenders, civil society organizations, media including social media, bloggers, and journalists</p> <p>Global indices on democracy, press freedom,</p>
					Curtailment of media freedom and reduced access to information	Medium	Medium	<p>Cases of violence against media persons</p>

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
3	SDG 1, 5, 10 & 17	Social cohesion, gender equality and non-discrimination	Risks to social unity and equality resulting from direct and indirect discrimination, horizontal inequalities and demographic trends.	Discriminatory practices Power imbalances within society Gender based violence Demographic pressures.	Significant increases in disparities between rural and urban population, Mindanao and the rest of the country;	Medium	Low	Increase in youth unemployment and rise in share of youth NEET Rise in poverty levels among some population groups Worsening inequality Growing concentration of power in the center, lack of meaningful devolution at sub-national levels
					Increase in prejudicial societal attitude towards LGBTIQ+, people with disabilities, and people living with HIV, including hate speech against religious groups and foreign nationals	Low	Low	Hate speech monitoring Lack of participation. Absence or decline in platforms for meaningful participation
					Targeting of indigenous people in the conflict-prone areas and high youth unemployment	Medium	Medium	Cases of violence against indigenous people, increased recruitment by communist terror groups (CTG) from these sectors/ communities
					Poor implementation of anti-discrimination laws	Medium	Medium	Cases of impunity go unpunished
					Significant increase in gender-based violence and inadequate reporting, victim support and outreach mechanisms	Low	Low	Increase in online reporting of cases on helplines
4	SDG 16 & 17	Regional and global influences	Risks to the integrity, stability, safety and prosperity of the territory and its people as a result of the actions of external actors or the influence of external events.	International tensions Fragility in neighbouring countries. Sanctions, exploitation or dependencies.	Increased political tensions in the region due to the West Philippine Sea dispute	Medium	High	Activities in the West Philippines Sea Tension with neighboring countries over trade, water, trafficking, smuggling Violations of regional agreements
					Unresolved territorial claims and border issues within ASEAN resurface	Low	Medium	Global / regional media reports
					Conflicts over trade relations under various regional trade agreements	Medium	Low	Department of Trade and Industry reports

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
5	SDG 16 & 17	Internal Security	Risks to the security of the territory, its people and infrastructure, and to the ability of the international community to operate effectively as a results of security issues.	<p>Internal conflict and insecurity.</p> <p>Non-state armed groups and militia.</p> <p>Crime and terrorism.</p> <p>Cross border insecurity</p> <p>Border management</p>	<p>Breakdown in the Bangsamoro peace process with MILF if the latter does not prevail in the 2025 elections; if insufficient progress is made on peace agreement milestones during the transition which ends in 2025 especially over socio-economic reintegration packages for decommissioned combatants, amnesty for MILF members charged with political crimes and legal challenges to BARMM priority codes that need to be passed such as the Elections, Local Governance and Indigenous Codes; miscommunication leading to ceasefire violations between AFP and MILF could also derail the peace process.</p> <p>Significant delays in resolving land conflict, the rehabilitation of displaced persons, social dialogue, transitional justice, resource sharing for an equitable development, inclusion of indigenous peoples' rights in Bangsamoro governance and development can also trigger horizontal violence.</p>	Medium	High	<p>Assessments of internal security by multiple agencies</p> <p>UN's Peace and Development Advisor's reports</p> <p>OHCHR monitoring reports</p> <p>Trafficking data</p> <p>Global Terrorism Index</p>
					<p>Continued inter-clan and revenge killings including political feuds between the MILF and local political clans and their respective armed followers could negatively affect the peace process.</p>	High	Medium	<p>Media and Department of the Interior and Local Government reports/NGO reports/ community-based organizations' reports</p>
					<p>Horizontal conflict over land, the illegal economy, identity issues, the availability of arms and existence of armed groups while not derailing the peace process contribute to internal conflict, displacement and instability.</p>	High	Medium	<p>PDA/OCHA//NGO reports/community-based organizations' reports</p>
					<p>Lack of humanitarian or other access to certain parts of the country due to conflicts</p>	Medium	Medium	<p>OCHA reports</p>
					<p>Increased trafficking of people, drugs and resources and increased activities by organized crime syndicates</p>	Medium	Medium	<p>Number of cases of drug seizures / trafficking of migrants</p>
				<p>Acts of terrorism and violent extremism occur</p>	Medium	Medium	<p>Media reports</p>	

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
6	SDG 16 & 17	Justice and Rule of Law	Risk to the fair, effective and comprehensive implementation and application of the principles of justice, the rule of law and accountability from issues.	<p>Weak or compromised institutions.</p> <p>Security forces who act outside of or do not respect the law.</p> <p>A culture of denial of rights or impunity.</p>	Weak rule of law due to the judiciary not perceived to be independent, honest or efficient.	High	High	Disaggregated quantitative data on access to justice in civil and criminal matters
					Continued violation of human rights and due process with no consequences for the perpetrators	High	Medium	Progress on UPR implementation Reports from human rights defenders
					Commission on Human Rights is not able to effectively uphold people's rights given limited resources and support provided by the government.	High	Medium	CHR reports / number and type of cases highlighted by CHR
					Police and the military act with impunity and wield unbridled powers with little accountability.	High	Medium	Number of cases brought to justice
7	SDG 7, 8, 9, 10, 11 & 17	Economic and Financial	Risk to hinder economic growth and prosperity	<p>Hindering factors to economic and trade policies</p> <p>Favorable international trade market situation and tendency</p> <p>Financial market</p> <p>Current economic and financial health</p> <p>SDG financing strategy</p> <p>Urban-rural development</p> <p>Lack of light industry job creating in cities and towns</p>	Fiscal deficit rises due to low government revenues	Medium	Medium	Macroeconomic indicators Tax revenue share in total revenue
					Economic recession in the Philippines due to impacts of global recession	High	High	Global / regional economic performance / trade data / migration data FDI flows in relation to GDP Forex reserves Debt servicing ratio Inflation rate
					Regional disparities in economic development become exacerbated.	High	Medium	Quarterly economic performance reports
8	SDG 4, 6, 7, 9, 11 & 17	Infrastructure and access to social services	Risks to society and the population resulting from a lack of availability or limitation on access to physical infrastructure, and/or basic social services.	<p>Inadequate provision of basic services or technologies.</p> <p>Disruption to services, infrastructure, energy or transportation.</p> <p>Inequitable access to basic services or infrastructure.</p>	Continued unequal access to infrastructure and social services (health, education, social protection, water and sanitation, transport) especially for the people in the Bangsamoro region and areas affected by AFP military operations against the communist insurgency, rural poor, remote settlements, and displaced persons.	Medium	Medium	Disaggregated social service indicators Logistics Performance Index (LPI) https://lpi.worldbank.org/ World Competitiveness Index (indices on infrastructure)
					Resettled communities are unable to access basic services such as education, health and water.	High	Medium	Survey reports on access to services

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
					Disruption in access to services, particularly for vulnerable groups, due to damage to non-resilient infrastructure	High	Medium	
9	SDG 16 & 17	Displacement and Migration	Risks to the population and to the stability of the territory resulting from pressures associated with displacement and/or migration	<p>Movement of people within, into or from the territory.</p> <p>Level of rights and protection afforded to migrants.</p> <p>Social economic, cultural, environmental impact of migration.</p>	IDPs already suffering from protracted displacement continue to suffer, live in cramped conditions, and remain vulnerable to exploitation, violence and abuse including sexual exploitation and forced labour	High	High	<p>UNHCR reports</p> <p>Tracking and monitoring system</p> <p>Monitor land grabbing / relocation events</p>
					Challenges for OWFs to integrate into society upon their return, and prolonged poverty leading to intergenerational migration	High	Medium	<p>Tracking and monitoring system</p> <p>Overseas Workers Welfare Administration statistics</p>
10	SDG 3 & 17	Public Health	Risk to the population, the economy and stability of the territory resulting from actual and emerging health emergencies.	<p>Increase in preventable or treatable health issues.</p> <p>Epidemics, pandemics and infectious disease.</p> <p>Chemical, radiological and other biological agents.</p>	Vulnerable groups (notably older persons, people with disabilities) are unable to access normal healthcare services.	High	Medium	<p>Sudden rise in coronavirus infections</p> <p>Crisis in health sector due to the pandemic</p>
					NCDs becomes an increasingly major health risk and a big burden on the health system	High	Medium	Rise in NCDs - disaggregated by regions / population groups
					The Philippines' growing HIV epidemic (and fastest in the region) remains unabated.	Medium	Medium	HIV tracking / monitoring reports (Spectrum-AEM)
					Health of already poor and vulnerable households worsen significantly due to unaffordable high out of pocket health expenses	Medium	Medium	Monitoring reports / data on out-of-pocket expenses
11	SDG 2 & 17	Food security, agriculture and land	Risk to people, agriculture, and/or production in the territory resulting from crop, food production, livestock and related issues.	<p>Insufficient arable land, crops or</p> <p>Inadequate food supply.</p> <p>The use of and rights over land.</p>	Stunting and malnutrition among children remains high especially in the Bangsamoro region.	Medium	Medium	<p>Food and nutrition survey</p> <p>Inflation / Food prices</p>
					Indigenous people's lives, livelihoods, food and nutrition security suffer due to land grabbing and forced evictions to make way for mining and logging activities, and cash crops.	High	High	IPs food and nutrition / livelihoods survey
					Degrading natural resources (land, water, forestry) and climate change negative affect small agricultural holdings and aggravate food and nutrition insecurity.	High	Medium	<p>Smallholders food and nutrition survey</p> <p>Land degradation</p> <p>Forest degradation</p>
					A future pandemic disrupts supply chains and affects food security.	High	High	WHO risk assessment of pandemic

#	SDG	Risk Area	Description	Scope	Risk Factors (future problems)	Likelihood	Impact	Early Warning Indicators
					Continued inflation of food prices in the short-term contribute to food insecurity	High	High	Food prices monitoring reports
12	SDG 12, 13, 14, 15 & 17	Environment and climate	Risks to the ecology of the territory, its ecosystem and its people resulting from issues associated with the environment, climate and natural resources.	<p>Natural hazards or extreme weather events.</p> <p>Ecological damage and climate impacts.</p> <p>Exploitation of natural resources.</p> <p>Climate change and conflict related insecurity</p>	<p>Degradation of natural ecosystems due to extreme weather events or natural disasters</p> <p>Climate change leads to an increase in violent conflicts.</p> <p>Economic performance of the country suffers as climate change risks are ignored.</p>	<p>High</p> <p>Medium</p> <p>High</p>	<p>High</p> <p>Medium</p> <p>High</p>	<p>State of the environment / thematic reports</p> <p>Extreme weather events</p> <p>Sendai Framework reports</p> <p>Sub-regional data</p> <p>Research papers / media reports</p> <p>Reports of permanent displacement due to climate change</p>