United Nations - Philippines

Partnership Framework for Sustainable Development 2019 - 2023

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SECTION 01: A STRATEGIC PARTERSHIP

The Partnership Framework for Sustainable Development (PFSD) 2019 - 2023 is the fourth UN-Philippines country plan since the late 1990s and the first that redefines the nature of UN System engagement in the Philippines from one that provides "development assistance" to a collaboration in a strategic partnership. The partnership is strategic because it recognizes the country's progress along core dimensions of development since 1990 and directs the UN Country Team (UNCT) attention and resources, delivering as one, specifically to those areas where advances have been most severely challenged over time and where the country's medium- and long-term sustainable development targets, as indicated in its national socioeconomic development plan, are likely to be out of reach otherwise.

The PFSD 2019-2023 does not mean to represent nor address the entire gamut of Philippine development challenges but defines the specific thrust and priorities of the UN System, an important partner of government, for the next five years. These priorities support and are consistent with the government's larger goals. They are drawn up recognizing the UN System's own strengths and limitations.

More specifically, similar to the PDP 2017-2022, the PFSD 2019-2023 is the initial investment in a longer-term UN effort to support the Filipinos long-term vision for their country as articulated in *Ambisyon Natin* 2040:

"BY 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor; our people shall live long and healthy lives, be smart and innovative, and shall live in a high-trust society." (Executive Order No. 05, series of 2017)

This aspiration is firmly in line with the commitment of UN Member States in the 2030 Agenda and support by the United Nations System to **leave no one behind**, that is, "to achieving more inclusive economies and societies where wealth is shared and income inequality addressed and where gender equality is achieved and all forms of discrimination are eliminated." This means addressing patterns of exclusion, structural constraints and unequal power relations that produce and reproduce inequalities over generations¹. By aligning UN System support to *Ambisyon Natin* 2040 and its operational plans, the PFSD contributes to both national and global efforts to reduce inequalities and eliminate discrimination.

Consequently, the PFSD takes as its reference the Philippine Development Plan (PDP) 2017 - 2022, the first of four socioeconomic development plans that will operationalize *Ambisyon* 2040. The explicit thrust of the PDP is to address inequalities and pursue inclusive development. Within the current PDP, "all SDGs are incorporated." ² The strategies of the PDP are organized into three "pillars" - (a) enhancing the social fabric, which centers on improving the quality of governance, (b) inequality-reducing transformation (expanding economic opportunities and increasing access to these), and (c) increasing potential growth. Together, these strategies are expected to lead to "more inclusive growth, a high-trust

¹ CEB publication: Leaving No One Behind: Equality and Non-Discrimination at the Heart of Sustainable Development, page 31

² Philippine Statement on the 2017 High Level Political Forum on Sustainable Development, 18 July 2017, to wit: "The SDGs require a whole-of-society involvement, but the PDP requires no less. Therefore, it is important that these two be integrated. As it stands, the Agenda 2030 aligns quite well with our long-term development agenda. And that is why in the current PDP, all SDGs are incorporated."

and resilient society, and a globally competitive knowledge economy" by 2022 and more "strongly rooted, comfortable, and secure lives" by 2040³

The PDP was launched by the GPH in February 2017 to cover the period 2017 to 2022. By design, and at the request of the GPH, the planning for the PFSD was undertaken subsequent to this launch and covers the period 2019-2023.

PFSD 2019-2023 takes into account national capacities as demonstrated in country achievements along core dimensions of development between 1990 and 2015. To a large extent, these achievements embody the country's commitment to and performance in the promotion and protection of individual rights to food, health, education, and other economic, social, cultural, civil and political rights. While many achievements were accomplished with contributions from the global community, trajectories still indicate significant in-country capacity and traction in a number of areas which implies less use for UN System support in those areas moving forward. The fact that the country has been able to expand its fiscal space, allowing it to afford fairly extensive (and expensive) social programs (e.g., free college tuition, free irrigation, gasoline subsidies, conditional and unconditional cash transfers) is consistent with this observation.

Finally, PFSD 2019-2023 takes into account the call to change the mode of UN System engagement with member states. "The current model has reached its exhaustion point and is insufficient to match the ambition, effectiveness and cohesion required by the new agenda"; "the United Nations too must change... with a view to enhancing its coherence and efficiency, as well as its capacity to address the full range of development challenges of our time"; "rather than a picture of all UN Country Teams' activities in a given country, UNDAFs must become a system-wide response to national priorities..." (Secretary General's Report, 30 June 2017, para 4, 12, 58). Coherence and efficiency was also the message of the UNDAF 2012–2018 Evaluation Report which urged UN agencies in the Philippines to more precisely identify whether and how the UN team as a whole could demonstrate results over and above that which would have occurred through the individual contributions of participating agencies in the absence of an UNDAF. Competing demands on a relatively smaller pool of resources available to the UN both globally, regionally, and locally also demands greater coherence and efficiency from country teams.

Recognizing that not all PDP priorities can nor should be served by PFSD 2019 – 2023 and that other priorities may be supported in succeeding PFSDs, the UN System, Delivering as One through the UNCT, will, at this time, direct its attention and resources, to where its engagement as advocate and neutral convener, catalyst and coordinator can generate the highest social returns. That is, to where it can best mobilize stakeholders and leverage multi-sectoral partnerships to address institutional and political constraints that have impeded the rights of those lagging behind. The UN System also brings unmatched access to specialized, cross-cutting knowledge drawn through its component parts and member states.

Country context: Trajectories of development outcomes and key constraints

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³ In the vernacular, "matatag, maginhawa at panatag na buhay."

The Philippines is a middle income, medium-HDI country that has been described as one of the "most dynamic economies" in the world today. Between 2011 and 2016, real per capita GDP grew at an average 4.4 percent per annum, up from 2.9 percent between 2001 and 2010, and 0.5 percent from 1991 to 2000.⁴ Between 2012 and 2015, almost 80 percent of households experienced real per-capita household income growth, with income of households in the bottom four deciles growing at twice the average rate. Over the same period, poverty incidence substantially declined, dropping from 25.2 percent to 21.6 percent, or a net decrease of 1.8 million poor Filipinos ⁵ – a complete reversal from the net increase of 1.55 million poor Filipinos observed between 1991 and 2009. While this did not amount to achieving the millennium development goal of halving poverty incidence by 2015, extreme (or subsistence) poverty incidence was halved. Between 1991 and 2015 subsistence poverty dropped from 17.6 percent to 8.1 percent, or a net decrease of 2.876 million extremely poor Filipinos. Self-rated poverty also declined by 22 percentage points between 1992 and 2016. ⁶

However, rising incomes and greater fiscal space have not translated fast enough to advances in human development. Between 1990 and 2015, the country's HDI improved at just half the rate observed for medium-HDI countries as a group and some countries have since moved past the Philippines into the high-HDI category. Progress in Philippine human development was actually at its slowest from 2010 to 2015 at the same time national income/output growth was supposedly at its fastest. In 2014 (and again in 2015), the HDI rank of the Philippines was lower than its GNI ranking (by 7 rungs), an indication of a regression in the country's ability to transform growing economic product and incomes into human development outcomes – the first time this was observed of the Philippines since 1990 (when the HDI was introduced)

Core dimensions of human development

Capacity constraints in the country's ability to transform growing incomes into human development outcomes appear to be the most severe in relation to eradicating hunger and malnutrition and in advancing human health. Achievements in halving child malnutrition, improving maternal and adolescent health, and reversing the spread of major communicable diseases (TB and HIV) fell the farthest behind in the last 25 years, and have the flattest trajectories moving forward (Annex A). In particular, the incidence of underweight and stunted children under 5 moved down by 20 and 15 percent respectively, far short of the 2015 target of a reduction of 50 percent. Wasting prevalence actually trended upward between 2005 and 2013 before settling at 7.1 percent in 2015, only .6 percentage points lower than its baseline of 7.8 percent in 1993. Maternal health has performed even worse with maternal mortality ratios remaining

⁴ World Development Indicators (data.worldbank.org)

⁵ Using the international poverty line of \$1.90 (2011 PPP) and income-based (rather than consumption-based) estimates of household welfare, the drop was from 10.6 percent in 2012 to 6.6 percent in 2015, equivalent to lifting 3.2 million Filipinos out of extreme poverty in the three years (WB, April 2017)

⁶ Self-rated poverty trended downwards to reach 44 percent in 2016; see Box 8 of WB, April 2017.

⁷ The need to address persistent hunger and malnutrition and to protect the right to adequate food and nutrition, especially among children, pregnant women and lactating mothers have been raised from a number of human rights mechanisms (ESCR, UPR, SR Food). Recommendations have included the full implementation of the national action plan for nutrition; increasing investments in services essential to eradicating stunting as part of the national development plan; clarifying accountabilities among authorities and agencies and improving monitoring mechanisms; and strengthening legal frameworks to protect food and nutrition security, among others. The need to enforce environmental laws to protect watersheds, forests and rivers, which are the primary sources of food was also noted (SR Food). Special concern for PWDs and IPs was voiced, including the need to review data collection systems to ensure that their needs are identified

high and unyielding at 114 per 100,000 live births, yet up to 2/3 of maternal deaths were attributable to conditions which are highly avoidable through the provision of timely and adequate obstetric care. There is also a high unmet need for family planning, which is 22% among the poorest quintile, and 23% of all 18-year-old girls are either pregnant or already a mother. HIV cases increased by 140% since 2010, making the Philippines host to the fastest growing HIV epidemic in Asia and the Pacific. Other health related concerns, in particular the targeted one-third reduction in premature mortality (i.e. before the age of 70 years) from key non-communicable diseases (NCD), may not be achieved based on current trends. ⁸

Better traction was established by the country in other core dimensions such as universal primary education, gender equality in education and the participation of women in parliament, newborn and child health, and access to safe water and sanitation. In these areas 2030 targets are expected to be attained (Annex A). This is not to say that the pace of progress cannot be made faster, or that *quality* targets have also been on track. Notably, performance in improving the quality of primary education and in the attainment of universal *secondary* education remain mixed. However, national resolve and capacity to address these issues has been demonstrated in the important reforms that have been rolled out, such as the shift to K-12 in 2012 and the expansion of the CCT to in-need high school students in 2014; the impact of these reforms will be more apparent starting 2019. Another important reform has been the implementation of Universal Kindergarten in 2011.

In large part, binding constraints to realizing food security, nutrition and health for all have to do with institutional arrangements which impede any meaningful integration of public policies, plans, investments, and financing - across programs, agencies or sectors of government, national and local institutions, or public and private providers - undermining the coherence of policies and effectivity of measures. The quality of service delivery relating to nutrition, food security and health, their relevance, and their accessibility to marginalized sector are also "profoundly impaired" owing to problems (e.g., insufficient authorities, fiscal imbalances) in the devolution of health and agriculture services. Structural bottlenecks in the execution of agency budgets compound the problem.⁹

Fragmentation in policy is also evident in the episodes of rapid food price inflation which are largely policy-induced and which are implicated in the reversal of nutritional improvements in recent years. ¹⁰ Specifically, "poor households have physical access to food but food prices limit their actual access". That is, household food security has been impeded by trade, agriculture, and industry policies that determine the level of food prices relative to household incomes. Most significantly, restrictive trade policies in rice, which raise domestic rice prices far higher than world prices, "could well be the underlying reason why levels of malnutrition have been substantially higher in the Philippines." ¹¹Expensive rice hurts nutrition, especially of the poor, as it accounts for more than a third of total food expenditure of the bottom quintile, is the single biggest source of energy and protein (at 34% vs fish at 14%), and is the biggest contributor to per capita availability of calories (at 46% vs sugar at 8%).

⁸ WHO, which cites that close to 30% of all Filipinos are dying prematurely of a major NCD, lifestyle related risk factors are on the rise, and other highly prevalent non-communicable conditions, such as mental health, drug use, violence and injuries, "call for an urgent response." Reducing premature mortality due to NCDs by 1/3 is a SDG target.

⁹ Briones et. al. 2017 (p. 51) and HDN 2013, theme chapter.

¹⁰ Ibid .

¹¹ Ibid, p. 2 and 46.

Norms and values have also affected social outcomes. Common beliefs and practices (e.g., most notably, beliefs and practices regarding contraception, breastfeeding, sexuality, and traditional diets), discriminatory attitudes towards women and girls (i.e. that limit their access to human development services, including in cases of violence against women ¹²), and the dynamics of intra-family relations (e.g., interests of adults versus those of children) impinge on the effective demand for services resulting in lower than optimal use or consumption of important social services, even when these are easily available. The service under-delivery by Philhealth, for instance, is well known to be due not to deficient finances but to tepid uptake especially by its neediest members.

Fragmentation in policy, planning, service delivery and financing plagues many parts of the Philippine government but its effects are direr in the social sectors where many services involve solutions to collective-action or common-pool problems that cannot be addressed at the level of individuals and families, nor through services privately procured in markets. Advancing nutrition, food security, and maternal and adolescent health outcomes in particular require "whole-of government" approaches.

Economy, urbanization, climate change

Despite a decrease in the absolute number of poor and extremely poor individuals since 1990, the pace of progress towards shared prosperity has not been fast enough and 2022 and 2030 poverty reductions targets are not on track. The state of employment is central to the story: employment has so far not provided a reliable pathway out of poverty.¹³ However, the core issue has not been open employment *per se* nor underemployment, but rather low-productivity employment.¹⁴ That is, people are poor, not because they do not work but because they earn little. To illustrate, poverty incidence was 2 percentage points higher, and the absolute numbers of poor 15 times greater, among the employed than among the unemployed in both 2012 and 2015. The employed were also as likely to be poor than those out of the labor force, and were more likely to be poor than the unemployed. The fully-employed poor outnumbered the underemployed poor by more than 2 is to 1. ¹⁵

The constraint to higher productivity employment on the supply side has been the low education and skills level of the workforce. Policies to improve workforce education, such as the completion of secondary education and the acquisition of higher level technical skills especially among young cohorts, will therefore be critical, noting too possible gender issues of formal employment given that women's labor force participation rate is at 46.2 percent compared to men's at 76.2 percent. ¹⁶ On the demand side, it is the poor quality of jobs, for which deep structural weaknesses in the agriculture sector have

¹² Twenty-two and one half (22.5) percent of women in the Philippines have experienced sexual or physical violence (UN Women)

¹³ In relation to employment the Committee on Economic, Social and Cultural Rights has also recommended creation of more employment opportunities in the formal sectors; proper application of labor legislation and; expanding coverage of minimum wages.

¹⁴ De Dios and Dinglasan (2014).

¹⁵ De Dios and Dinglasan (2014), for 2009. There were 5.5M fully employed poor versus 2.7M underemployed poor.

¹⁶ This is a puzzle given the country's progressive gender sensitive legal/regulatory environment. It is noted that women and men who decide to engage in nonmarket work (i.e. as housewives/husbands) are not considered part of the labor force.

played a significant role.¹⁷ However a rapidly growing services sector could, if leveraged well, spur the creation of high productivity, higher wage work opportunities in both services and industry, while structural reforms in the agriculture sector slowly materialize. This opportunity arises due to the globalization of both manufacturing and services – in particular, the increased dependence of the former on the latter – which can potentially "increase commerce, promote local sourcing, and enhance value addition." ¹⁸An expanding range of sectors also require services as a necessary condition for investment.

However a wider economic transformation through services and industry could be impeded by the challenges of economic growth, urbanization and climate change, amidst changing demographics, which are currently converging into unsustainable, non-inclusive and undesirable paths to development, affecting the local communities and IPs most severely. The Philippines is prone to both geological and hydro meteorological hazards and is ranked the second most-at-risk country in terms of potential impacts of climate change. ¹⁹Low-lying coasts are regularly exposed to storm surges, tsunamis and sea level rise and the trend over the past years points to greater frequency and intensity of impacts of hydrometeorological hazards. At the same time, the majority of the population live in the immediate vicinity of the coast, with 60% of the population living in large coastal cities, and the population is predicted to grow to 125 million by the end of 2030 (from 101 million in 2015), and to 142 million by the end of 2045. ²⁰ The population growth rate in urban areas is double that of rural areas.

National efforts to understand, appreciate, and act on the implications of this convergence are lagging however. DRR/CCA protocols are largely focused on managing responses, impacts and risks associated with extreme weather events, especially typhoons. While these response mechanisms are continuously improving, they do not suffice for anticipating the slow onset events (prolonged drought, increasing precipitation, increasing sea surface temperature, sea level rise, and ocean acidification) associated with climate change and the profound challenges these pose to food production systems, disease patterns, livelihoods, settlements. Broad policies have also been articulated – such as the National Climate Change Action Plan, New Urban Agenda, Green Jobs - all of which are critical to enabling higher productivity, decent work and sustainable development. But it is not clear how well these are internally consistent nor integrated into national and local development programs (e.g. choice of industry/investment incentives, diversification strategies, land use, transportation infrastructure, agricultural spending). As it is, national level investments in data capture, technology, and research (for application and customization at local levels), have not been adequate.

Whether climate change events lead to new, more inclusive and prosperous development pathways or to social instability will depend on the actions, preparatory and opportunistic, that will be put in place today. The need for policy integration and coherence is urgent as rapidly growing urban communities run the risk of locking themselves into long-term non-resilient infrastructure and investment, and

¹⁷ Structural weaknesses in the sector are a product of a long and continuing history of policy distortions (e.g. protectionist policies) and decades of underinvestment. Thus, total factor productivity growth in agriculture has been low and stagnant since the 1990s.

¹⁸ WB 2017: 30

¹⁹ Ranked by the World Risk Index. It is next only to Vanuatu (for comparison, Bangladesh ranks fifth, Cambodia ninth, and Papua New Guinea tenth). (Briones et.al, 2017)

²⁰ UNICEF Philippines 2017

unsustainable production and consumption choices further degrade environmental services aggravating the vulnerability of marginal households. ²¹

Social peace

The most persistent subnational disparities involve the Autonomous Region in Muslim Mindanao (ARMM), which is also the arena for the Bangsamoro insurgency, one of the world's longest-running insurgencies. Consistently ranked last among regions in average achievements in human development, the stock of health in ARMM, as measured by life expectancy, was below the national average by about 19 percent (14.2 years less); the stock of education, as measured by mean years of schooling, below by 27 percent (2.5 years less); and living standards, as measured by per capita purchasing power, below by 40 percent (less by PHP 26,958 measured in 2012 NCR pesos, in 2012. Reaching the 'furthest behind first' means reaching the people of ARMM.

In ARMM, armed violence and human insecurity (driven by historical injustices, legitimate grievances, marginalization and dispossession, and human rights violations) have pulled down human development and living standards, which have fed back into more armed violence and insecurity, over generations. This is consistent with a "conflict trap" (Collier 2007), which refers to a cycle of civil strife that is driven by low income, slow growth, natural resource wealth, and weak state institutions, which heighten the risk of armed conflict, make armed conflict easier to start, and, once over, highly likely to restart (since interests "that only know how to do well during war" develop on all sides.) The eruption of violent extremism in Marawi City in 2017 is consistent with a conflict trap. Youth who harbor significant perception of marginalization are particularly vulnerable to radicalization.

Legislation to establish an autonomous Bangsamoro entity has long been expected. ²² However, social peace will require much more than this. Social peace will require, among others, a well-sequenced, well-resourced, multi-year program of technical assistance and capital investment so that the region has a fair chance, post-conflict, to hurdle key conditions that increase the likelihood of a relapse into conflict. Without broad public support to anchor policy though, there may be little incentive for Congress and the Executive to follow through and sustain a complex multi-year peace effort. The absence of popular demand for peace is, in turn, linked to latent anti-Muslim prejudice, i.e. deep-seated historical biases

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²¹ It is noted that related concerns have been raised from human rights mechanisms (UPR, SR Food, SR IDPs, ESCR, CEDAW), such as regarding problems associated with unsustainable agro-industries and its impact on the lives of smallholder farmers; the lack of enforcement of environmental laws and its impact on watersheds, forests and rivers which are the primary sources of food; human rights abuses in the context of economic activities, particularly within extractive industries, and development-based evictions and displacements. Consequently, the need for better enforcement on environmental laws; for follow- through on the Paris Agreement and National Climate Change Action Plans; and for alignment of policies, projects and practices related to development and land governance with international standards and agreements have been noted. On this last point, concern for IPs and the need to fully adhere to international standards on their rights at every stage of development, including rights to land and property; participation, consultation, and representation in local decision-making bodies; and free, prior and informed consent, is highlighted.

²² The *Framework Agreement on the Bangsamoro* between the MILF and the Government was signed in October 2012, providing for the creation of an autonomous political entity named Bangsamoro, which would replace the ARMM. A *Comprehensive Agreement on the Bangsamoro* was then signed in 2014. Supporting legislation is expected to be passed within 2018. As noted by the SR IDPs, passing of a law should be a high priority and would provide an important basis for lasting peace.

among the general Christian public. ²³ Thus, a better-informed public consensus on nationhood and peace needs to be built.

Popular demand for peace is also needed on other fronts. **Indigenous people** (IPs) continue to struggle for their economic, social or cultural rights, including their complete control over their ancestral lands and territories, under the Indigenous People's Rights Act (IPRA) of 1997. Among others, a number of regulations and laws governing natural resources remain inconsistent with the rights of IPs as recognized under the IPRA. Further, IPs are often caught in the crossfire of the Bangsamoro and communist insurgencies (CPP-NPA-NDF ²⁴), complicating their struggle further. For instance, IP lands and NPA strongholds coincide in eastern and southern Mindanao where many IP communities have been 'left behind', without schools or access to health care. And while respect for IP ancestral lands has been advanced by the communist insurgents as part of their agenda, the frequency of *lumad* wars²⁶—conflict between *lumad* groups for and against mining with the involvement of communist insurgents – in the region has increased. Violence between insurgents, government forces and *lumad* groups, fueled by intensified resource capture by insurgents, mining and logging firms, has thus emerged as a "new vector of violence" in the region.

By potentially reducing "the scale of violence associated with resource capture or inter- and intralumad violence," a final political settlement between the government and the CPP can have significant positive spillover effects on the promotion of peace and IP rights therefore. A political settlement to the communist insurgency remains elusive however. Formally, a settlement hinges on the resolution of outstanding issues in the comprehensive agreement on socio-economic reforms. But this may be as unlikely now as it was two decades ago.²⁸ Instead, the real challenge in ending this armed conflict is not the fulfillment of the substance of one or another specific economic or social demand, but rather the resolution of a primary political issue, namely, a reasonable guarantee that the radical Left can join the mainstream of political life and advocate its aims armed with nothing more than "the weapons of criticism" rather than resorting to "criticism by weapons." Thus, absent any sign that formal peace talks with the CPP will be successful, staying the course in pursuit of electoral as well as other institutional reforms that can open up political space, improve the responsiveness of government and address sources of social exclusion and unrest, including at community level in response to contextual differences in conflict drivers, may well be the priority path to peace on this front.

Finally, lasting social peace in conflict affected areas as well as across the country requires whole-of-society and whole-of-government approaches to underlying societal challenges. Reliance on a single track, for instance, security-focused approaches, to resolve such diverging challenges as threats of violent extremism or the prevalence of illegal drugs, is unlikely to be successful. Instead, integrated approaches that are compliant also with international law across government agencies and with civil society,

²³ Evidence of anti-Muslim bias was found through opinion polls conducted in 2005 and 2006 in connection with the 2005 Philippine Human Development Report on human security. See HDN 2005

²⁴ CPP, Communist Party of the Philippines; NDF, the National Democratic Front; NPA, the New People's Army. The CPP-NPA-NDF is another long-standing insurgency.

²⁵ The ESCR and UPR note the need to mitigate the impact of armed conflicts, including inter-tribal conflicts, on the IPs.

²⁶ Lumads are the indigenous people of Mindanao.

²⁷ International Alert 2016

²⁸ Given that the CPP "regards participation in the peace talks as a mere tactical move than a true strategic alternative" (HDN 2005, p. 44.)

supported by strong institutions that uphold the rule of law and a respect for civil, cultural, economic, political and social rights, are required.

The UN value contribution

The UN has been a partner of the Philippine government for over seven decades, supporting state institutions to respect, uphold and implement the international treaty obligations and agreed development goals that the Philippines, a charter member, has voluntarily adhered to over the years. To this partnership, the UN has brought normative policy support, technical assistance and advocacy, but most importantly, its ability to convene, coordinate and mobilize stakeholders from across the political spectrum in support of the country's development agenda. This ability derives in large part from its unique and singular mandate to implement a global agenda developed by all member states. In the Philippines, the quality of its technical assistance and its effectivity and neutrality as convener and coordinator has earned for the UN the trust of claim holders and duty-bearers, both government and non-government, national and international.

For the next five years, the UN will continue to honor this trust and bring its value contributions to the table, mobilizing a wide range of partners in support of the Philippines' push to become a prosperous society where no one is left behind by 2040. Through its various agencies, the UN will access specialized and cross-cutting knowledge, drawn from its component parts and through member states, to advance the country's commitments to international treaties and agreements, most especially the SDGs. At the same time, it will also continue to provide timely, coordinated and effective support for national and local coordination mechanisms in the area of humanitarian aid, when and where requested by government.

The UN will also endeavor to further improve the quality of its contributions, recognizing that more has to be accomplished with less in light of the high bars set by *Ambisyon Natin* 2040 and the 2030 Agenda. To this end, it shall strive for greater internal coherence, relevance and robustness in its contributions delivering-as-one and will increase its capacity to provide evidence-based lessons learned, integrated policy analysis and "whole-of-government" guidance.

Delivering as One

[This shall describe the components of DAO approach that will continue to be improved or pursued. Currently, except for the lack of a UN Country Results Report, standard operating procedures relating to One Programme and One Leader are more or less fully implemented, while Communicating as One is only partially implemented (no joint communications strategy approved or implemented). A Common Budgetary Framework is only available for the medium-term and not for annual joint work programmes, and standard operating procedures for Operating as One are not in place.]

SECTION 02: STRATEGIC PRIORITIES 2019 - 2023

Having transitioned to a higher, more robust, growth path, the *quality of growth* is the main socioeconomic challenge of the Philippines moving forward. How can growth be leveraged to ensure enough thrust and inclusivity over the longer term so that capabilities and opportunities for all are expanded, and in a manner that is sustainable for generations to come? As the PDP observes, while "sustaining the momentum of economic growth must remain a key objective, the real measure of achievement is the extent to which people's lives have been improved."²⁹

Thus the government's socioeconomic plan for the period, PDP 2017-2022, details strategies under three pillars – (I) "enhancing the social fabric", (II) "reducing inequality", (III) "increasing potential growth" - and a set of "foundations" for sustainable development, all of which emphasize the quality of growth rather than the fact of growth achievement itself. The first pillar is not an economic goal per se but refers to governance being responsive to people's needs and promoting solidarity. The second pillar deals with inclusiveness and equity, again a qualification on growth and reflecting an implicit desire to change the pattern of past growth, which is presumably judged to have been less equitable in the past than it could have been. The third pillar refers only to raising potential growth.

In turn, the PFSD 2019-2023 maps directly and indirectly into the PDP priorities, organizing its strategic contributions through a 2030 Agenda lens into three pillars - "people", "prosperity and planet", and "peace" - with the following desired overall outcomes:

People: The most marginalized, vulnerable, and at risk people and groups benefit from more inclusive and quality services and live in more supportive environments where their nutrition, food security, and health are ensured and protected.

Prosperity and Planet: Urbanization,, economic growth, and climate change actions are converging for a resilient, equitable, and sustainable development path for communities.

Peace: National and local governments and key stakeholders recognize and share a common understanding of the diverse cultural history, identity and inequalities of areas affected by conflict, enabling the establishment of more inclusive and responsive governance systems, and accelerating sustainable and equitable development, for just and lasting peace in conflict-affected areas of Mindanao.

The **People Pillar** aligns primarily with PDP pillars II and III, recognizing that significant groups of the population may be left behind even as aggregate and average outcomes are achieved and a majority of the population rise to middle-income status together with the rest of the country; that even among the majority of the population—and more so among the marginalized—there will be dimensions of human development that will not be responsive to or correlated with increases in per-capita income; and that

²⁹ NEDA 2017, p. 47

³⁰ Which is better captured in the Filipino term *malasakit*, which means "concern".

³¹ Whence presumably the term "change" or "transformation" (pagbabago) of past growth patterns.

unless these lagging dimensions of human development are significantly improved, especially among the marginalized, vulnerable and at-risk, the ability of the Philippines to reach its development potential will remain seriously challenged.

The **Prosperity and Planet Pillar** contributes primarily to the strengthening of foundations for sustainable development, but also aligns with PDP pillars II and III. It recognizes that speeding up the reduction of income poverty in the medium term, at the same time putting the country on a path to shared and sustained prosperity for all in the longer term, will ultimately rest on how well the Philippines – which is ranked the second-most-at-risk country in terms of climate change impacts and the third most disaster-prone - can anticipate and leverage (in its own favor) the challenging convergence of climate change, natural hazard, economic growth and rapid urbanization and to what degree it has the necessary systems in place to recover from shock

The **Peace Pillar** asserts that to find and forge a path to just and lasting peace in the country, the Filipino people must squarely address the prejudice, discrimination, mutual distrust and exclusion which fuel the armed conflicts persisting and recurring in many Muslim and IP communities in Mindanao. It hopes to contribute directly to enabling social peace, a foundational element of the PDP, and will necessarily align with PDP Pillar I (enhancing the social fabric), to make that contribution.

Insofar as PDP Pillar I centers on improving the quality of governance, the People and Prosperity/Planet Pillars also will align with, and contribute to, it. With funding (fiscal resources) no longer a binding constraint, deeper institutional problems and bottlenecks have been revealed to weigh heavily on the quality and effectivity of public policies and measures for inclusive sustainable development. Programming priorities in all three PFSD pillars will address issues of governance.

All three outcome statements should be read together. No pillar is self-contained and each one ultimately contributes to attaining sustainable development goals and improve the lives of people. For instance, efforts under Pillar 2 (Prosperity/Planet), to improve the coherence of socioeconomic policies in support of shared property and sustainable consumption and production will also contribute to Pillar 1 (People) goals of better services, higher living standards, and better health for marginal households. Likewise, efforts under the Pillar 1 to unlock institutional bottlenecks and reduce institutional fragmentation, by facilitating the delivery of social services, will contribute to improved service delivery and rehabilitation of conflict affected communities (Pillar 3). Other links are highlighted in the sections below.

PEOPLE

Outcome statement: The most marginalized, vulnerable, and at-risk people and groups benefit from more inclusive and quality services and live in more supportive environments where their nutrition, food security, and health are ensured and protected.

Outcome Indicators:

- 1. Prevalence of stunting among children under five
- 2. Maternal mortality ratio (number of deaths per 100,000 live births)
- 3. Adolescent birth rate (aged 15-19 years) per 1,000 women in that age group
- 4. Contraceptive prevalence rate for modern family planning

- 5. Proportion of HH meeting the 100% recommended energy intake
- 6. HIV incidence per 1,000 population
- 7. Probability of dying prematurely from NCD

Despite rising income and expanding fiscal space, significant groups of the population have been left behind due to institutional constraints which have impeded national efforts to deliver quality human development services to all. On the supply side, constraints are particularly severe in relation to efforts to eradicate hunger and advance human health where little progress has been made over the last 25 years. Constraints have to do with the vertical and horizontal fragmentation of public policy, planning, service delivery and financing (especially in health, nutrition and agriculture) as well as with a flawed devolution that has left provinces and local governments insufficiently empowered to ensure that no one is left behind. On the demand side, common beliefs and practices (e.g. regarding contraception, breastfeeding, sexuality, and traditional diets), discriminatory attitudes towards women and girls, and the dynamics of intra-family relations, impinge on the consumption of critical goods and services. Unless current levels of child malnutrition and maternal mortality are significantly cut down – unless access to healthy food and quality health services, including reproductive health, family planning and education is significantly improved, especially among the most marginalized and vulnerable – and unless the social, regulatory and physical environment becomes more supportive for healthy development - the ability of the Philippines to accelerate the ongoing demographic transition, maximize its dividends, and realize human development for all will be seriously compromised.

The PFSD 2019-2023 intends to contribute to the removal (or loosening) of constraints that impede progress in critical dimensions of human development. Specific **intermediate outcomes** are:

- 1. Government, civil society and private sector at the national and local levels, with clear accountability and functions, delivering inclusive, sustained and resilient services in a coordinated and integrated manner;
- 2. Communities, leaders and "gatekeepers" encouraging behavioral practices that promote the inclusion of marginalized, vulnerable and at risk people and groups;
- 3. Government at national and sub-national levels implementing harmonized, evidence-based, inclusive policies which are equitably resourced and monitored.

Programming priorities will include supporting the development of capacities of provincial and local governments and communities in the design and implementation of harmonized, cost-effective policies and plans; improving coordination mechanisms in and between relevant national agencies; resolving issues around incentives for collective action (e.g. clarifying accountabilities and powers across levels of government and across public and private sector actors); promoting better health-, nutrition-, education-seeking behavior among claimholders; expanding community and citizen oversight of government policy and programs; providing integrated policy analysis.

Monitoring the People Pillar will consider the extent to which UN programming contributes to improved coordination and integration in the delivery of services and the effective utilization of agency resources relevant to improving nutrition, food security and health outcomes, by government, civil society and the private sector, at national and subnational levels. It will also consider the cost-effectiveness of these contributions.

Monitoring will also seek to qualitatively assess the contribution of UN programming to a change in claimholder behaviour/practices towards better health, nutrition and education, and the ability of communities, leaders and "gatekeepers" to encourage these practices.

Finally monitoring will consider the extent to which UN programming has contributed to an improvement in the *quality* of national/subnational policies to improve nutrition, food security and health trajectories. Quality policies are harmonized, evidence-based, inclusive, equitably resourced and monitored.

It is important to note that while economic services and improving household incomes are not explicitly listed as intermediate or final outcomes under this pillar, they remain salient to improved nutrition, food security and health. Thus, exploring more sustainable approaches to improving living standards (i.e. by promoting and creating decent and green jobs/livelihoods and resilient and sustainable communities) are the focus of Pillar 2. It is also assumed that the CCT and other social protection programs will continue to operate successfully thus providing relief and consumption smoothing to the income poor in the shorter term. In any case, it is noted that the country has demonstrated significant capacity in the reduction of extreme (or subsistence or food) poverty and follow-on targets to 2030 are expected to be met even without support under the PFSD. Moreover, significant reductions in subsistence poverty incidence were achieved since 1990 without accompanying improvements in child nutrition or maternal health, indicating that binding constraints to better nutrition and health lie elsewhere.

Pillar 1 is also connected to Pillar 3 since programming under the former which hopes to contribute to improved coordination and utilization of public funds for the delivery of basic-social services will also contribute to better quality of service delivery in conflict-affected areas.

PEOPLE

OUTCOME STATEMENT: The most marginalized, vulnerable, and at risk people and groups benefit from more inclusive and quality services and live in more supportive environments where there nutrition, food security and health are ensured and protected.

- Prevalence of stunting among children U5
- Maternal mortality ratio
- Adolescent birth rate (aged 15-19 years) per 1,000 women in that age group
- Contraceptive prevalence rate for MFP
- Proportion of HH meeting the 100% recommended energy intake
- HIV incidence per 1,000 population
- Probability for dying prematurely from NCD

Government, civil society and private sector at the national and local levels, with clear accountability and functions, delivering inclusive, sustained and resilient services in a coordinated and integrated manner

Communities, leaders and "gatekeepers" encouraging behavioral practices that promote inclusion of marginalized, vulnerable and at risk people and groups

Government at national and sub-national levels implementing harmonized, evidence-based, inclusive policies which are equitably resourced and monitored

- Functioning of inter-sectoral and/or intergovernment coordination mechanisms (i.e. fully operational and resourced)
- Quality of implementation plans (i.e. multiyear, costed, and adopted)
- Design and implementation of communications strategies (aimed at behavioral change)
- Agency budget utilization rates (vis plan target accomplishment rates)
- Quality of policy analysis (evidenced-based, relevant, internally coherent, "whole-ofgovernment")

INTERMEDIARY OUTCOMES

PROSPERITY AND PLANET

Outcome statement: Urbanization, economic growth, and climate change actions are converging for a resilient, equitable, and sustainable development path for communities.

Outcome Indicators:

- 1. Proportion of local government that adopt and implement CC-DRR enhanced CLUPs and CPDs, LCCAPs, and local disaster risk reduction strategies, in line with national disaster risk reduction strategy;
- 2. Share of jobs and industries adopting green technologies and practices to total number of industries;
- 3. GHG emissions per sector (million MT CO2e) (Energy, Industry, Agriculture, LUCF, Waste, Transport);
- 4. Percent of total budget of agencies that respond to climate change adaptation and mitigation;
- 5. Area of important sites for biodiversity covered by protected areas, by ecosystem type.

The absolute numbers of poor Filipinos have decreased since 1990 but the pace of reduction has not been fast enough. The central issue is the quality of employment which has not provided a pathway out of poverty nor lowered the risk of poverty. Specifically, income poverty has to do with low productivity employment (and less so with open unemployment or underemployment); people are poor, not because they do not work but because they earn little. At the same time, urbanization, economic growth, and climate change, amidst changing demographics, are converging into unsustainable, non-inclusive and undesirable paths to development, affecting local communities and IPs most severely.

With programs like the CCT providing short term consumption smoothing, a more strategic approach to income poverty reduction would be to move communities onto a path of shared prosperity that is sustainable, inclusive and resilient. In this regard, the fact of climate change is crucial as it offers an opportunity to spur an economy-wide transformation. In particular, anticipating the slow onset events of climate change provides a lens for communities to rethink unsustainable consumption and production (household, industry, macro economy) practices, urbanization and settlement patterns and reconfigure these in favor of sustainable development. Slow onset events, by their nature, require a cross-sectoral examination of development alternatives at all levels, including by and with the youth, who have much at stake in the transitioning to resilient communities. In so doing, transformations in favor of sustainable consumption and production, productive and decent work, sustainable development, and shared prosperity are enabled.

The PFSD intends to contribute directly to facilitating a convergence of urbanization, economic growth, and climate change actions at subnational and national levels which can open up resilient, equitable, and sustainable development paths for communities. Specific **intermediate outcomes** are:

- Government at national and sub-national levels adopting evidence-based policies, structures, and mechanisms, using gender-sensitive frameworks that support the integration of climate change, urbanization and inclusive economic growth, promoting and creating decent and green jobs/livelihoods and resilient and sustainable communities;
- 2. Public and private sector investments in green and climate resilient technologies, innovations, practices and approaches increasing in support of a just transition to resilient and low-emission development that protects the rights of all affected and at-risk;

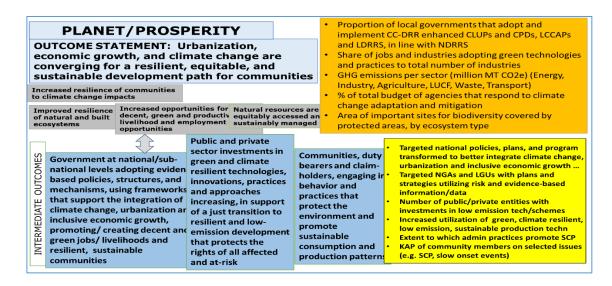
3. Communities, duty bearers and claim-holders engaging in behavior and practices that protect the environment and promote sustainable consumption and production (SCP) patterns.

Programming priorities will include, among others, support for monitoring and data generation and for rigorous cross-sectoral, integrated research/analysis that can support urban and rural communities understand slow onset events, as well as SCP, at their level and plan accordingly; support for the reform of select policies, plans and programs to better integrate climate change, urbanization, and growth; support for the adoption of SCP technologies and initiatives to promote commitments under the Paris Agreement, as well as address urgent SCP issues with national and global spillovers (e.g. marine-litter); enabling youth to participate in the transitioning to resilient communities; support for capacity building on planning and extension work (e.g. establishment of early warning systems).

Monitoring this Pillar will consider the extent to which UN programming quantitatively or qualitatively contributes to better integration of climate change, urbanization and inclusive growth within key policy frameworks; the adoption by government agencies of evidence-based policies, structures, and mechanisms (in relation to promoting/creating decent and green jobs/livelihoods and resilient and sustainable communities); the quantity and quality of public and private sector investments in green and climate resilient technologies.

Monitoring will also seek to qualitatively assess the contribution of UN programming to a better understanding of sustainable consumption and production (SCP), and the adoption of new behavior and practices that promote SCP, among communities, duty bearers and claim-holders.

Efforts under Pillar 2 will be important to Pillar 1, since sustained income poverty reduction is necessary to sustained improvements in nutrition and health outcomes. They will also be important to Pillar 3 because policy and program frameworks that better integrate climate change, urbanization and inclusive growth will be relevant and useful to efforts to promote peace and sustainable development in conflict-affected areas.



PEACE

Outcome statement: National and local governments and key stakeholders recognize and share a common understanding of the diverse cultural history, identity and inequalities of areas affected by conflict, enabling the establishment of inclusive and responsive governance systems, and accelerating sustainable and equitable development for just and lasting peace in conflict-affected areas of Mindanao.

Outcome Indicators

- 1. Number of barangays affected by internal armed conflict
- 2. Percentage of conflict-affected and conflict-vulnerable barangays rehabilitated
- 3. Number of LGUs in conflict- affected and -vulnerable areas with local development plans integrating conflict sensitive and peace promoting approaches
- 4. Enhanced tolerance and respect for others

The most persistent subnational disparities involve the Autonomous Region in Muslim Mindanao (ARMM), where an intergenerational cycle of armed violence and human insecurity has driven levels of human development far below the national average. The recent eruption of violent extremism in the region, which has resulted in a massive and protracted displacement of individuals and communities, is the latest manifestation of the conflict trap. Youth who harbor significant perception of marginalization are particularly vulnerable to radical groups.

While political peace thru the passage of an enabling law for Bangsamoro autonomy remains the highest priority, the long process to social peace requires a multi-year program of technical assistance and capital investment so that the Region has a fair chance, post-conflict, to hurdle the key conditions that increase the likelihood of a relapse into conflict. Chances for a multi-year peace effort are small due to latent anti-Muslim prejudice among the general Christian public which undermines popular demand for peace and, consequently, sustained Congressional and Executive action in its favor. A better-informed public consensus on nationhood and peace to anchor policy is needed.

The PFSD intends to support the pursuit of a just and lasting peace in Mindanao by contributing directly to a broader appreciation among the general public of the diverse cultural history, identity and inequalities of areas affected by conflict, as well as to the establishment of inclusive and responsive governance systems in conflict affected areas. Specifically, **intermediate outcomes** are:

- Government, civil society stakeholders and the general public recognizing and sharing a common understanding of the diverse cultural history, identity and inequalities of areas affected by conflict;
- Government in conflict affected areas demonstrating collaborative leadership, with men, women, and youth empowered and establishing systems for accountability, responsiveness and justice, and
- 3. Communities/barangays in conflict affected areas establishing risk-informed, gender-responsive, and conflict-sensitive governance systems.

Programming priorities will include promoting a better informed public on the histories, identities and inequalities of peoples of Mindanao, and a stronger popular demand for rights and peace; developing capacities of subnational governments and communities in conflict-affected areas in the design and implementation of inclusive and responsive governance systems, including transitional justice and community security platforms, as well as extension systems, among others; supporting the effective participation of former combatants in local governance, public administration, and political processes; supporting the rights and effective participation and rights of minority groups, especially non-muslim IPs, in new governance structures.

Monitoring will seek to quantitatively and qualitatively assess the level of, and changes in, public opinion on Muslims and peace issues, and the contribution of UN programming to those changes. It will also seek to assess the extent to which marginalized groups perceive themselves as participating meaningfully in decisions on governance, peacebuilding, and socio-economic development at community levels as well as the extent to which UN programming contributes to the creation of effective consultative mechanisms for affected populations in the peace process; the operationalization of transitional justice mechanisms in conflict affected areas; and the adoption by communities of grievance mechanisms, reintegration plans and other mechanisms that can promote inclusive and responsive governance systems in conflict-affected areas.

PEACE

OUTCOME STATEMENT: National and local governments and key stakeholders recognize and share a common understanding of the diverse cultural history, identity and inequalities of areas affected by conflict, enabling the establishment of inclusive and responsive governance systems, and accelerating sustainable and equitable development for just and lasting peace in conflict-affected areas of Mindanao

- Number of barangays affected by internal armed conflict
- Percentage of conflict-affected and conflictvulnerable barangays rehabilitated
- Number of LGUs in conflict- affected and vulnerable areas with local development plans integrating conflict sensitive and peace promoting approaches
- Enhanced tolerance and respect for others

Effective governance achieved; Violent conflict reduced; Socially cohesive and resilient communities established



- Government, civil society stakeholders and the general public recognizing and sharing a common understanding of the diverse cultural history, identity and inequalities of areas affected by conflict
- Government in conflict affected areas demonstrating collaborative leadership, with citizens empowered and systems for accountability, responsiveness and justice
- Communities/barangays in conflict affected areas establishing risk-informed, gender-responsive, and conflict-sensitive governance systems

- Public opinion on Muslims, the Bangsamoro (i.e. %of Filipinos without prejudice against Muslims)
- Level of awareness on different cultural history, identity and inequalities in Mindanao
- Extent to which advocacy for the creation of consultative mechanisms for affected popn's in peace process are effective
- Extent to which marginalized groups perceive themselves as participating meaningfully in governance and peacebuilding, by group (women, PWD, IP, youth, senior, poor, IDPs)
- No. of LGUs implementing plans for the reintegration of displaced persons and former combatants
- Extent to which transitional justice mechanisms are operational in conflict-affected areas
- No. of communities with effective mechanisms to address grievances and conflict
- Number of local plans that integrate risk and evidence-based data and information

Intermediate Outcomes

SECTION 03: COMPLEMENTARY AGENCY PRIORITIES

The PFSD represents the UN System's commitment to provide strategic support to national aspirations to become a prosperous society where no one is poor or left behind. As such, the PFSD 2019-2023 describes a focused set of areas where the majority of UN resources will be jointly applied so that national sustainable development goals that have been severely challenged in the past can be pushed as far as possible forward. By being deliberate and focused, results under the PFSD are expected to be more significant than any combination of achievements of individual agencies working without a PFSD.

At the same time, such a strategic approach means that some elements of UN agency work may not be integrated into the joint PFSD focus areas as easily as they were in the past. For one, agency programming priorities at the global level may not, in real time, be in synch with national socioeconomic programming. For two, there could also be agency work which proceeds regardless of PFSD joint priorities, as part of the agency's individual mandate and agreement with line ministries - for instance, elements of regular advocacy and/or technical work or emergency/humanitarian response. Nonetheless, the overarching commitment of the UNCT is to work within the coordination mechanism of the UN System in the country no matter the circumstances or the specificity of UN agencies.

Complementary agency priorities may therefore include targeted inputs of individual technical agencies if requested by national counterparts; responses to and resources for unplanned humanitarian situations; health campaigns or health responses that require targeted specialized interventions; ongoing, regular work with national counterparts by technical agencies. The diversity of programming both within and complementary to the PFSD joint priorities is recognized and reflects the breadth of the UN's value contributions.

SECTION 04: RISKS AND ASSUMPTIONS

The achievement of results under PFSD 2019-2023 is potentially affected by a number of factors that can influence the UN's ability to support national development efforts in an effective and coordinated manner. The main risks and assumptions identified include:

Trust. The ability of UN System to engage effectively with the Philippine government hinges on the continued trust extended by the government to the UNCT in its role as neutral convener and advocate to promote a global agenda developed by all member states and the level of investment by the national government in its partnership with the United Nations at country-level as well as globally.

Post-disaster/emergency recovery and humanitarian and development coordination. Natural disasters and emergencies may impact on national and UNCT priorities. The issue is less to do with disaster response *per se* and more to do with recovery requirements post-disaster/emergency however. This is because the country has done much to organize itself to protect communities through preparedness (early warning systems) and response (meeting immediate needs), especially in relation to extreme weather events and natural hazard - and its systems have been constantly improving. However mechanisms and protocols for

recovery remain ad-hoc, leading to protracted displacements and follow-on crises. Programmatic priorities to support planned preparedness, risk reduction and resilience to climate impacts are considered under Pillar 2 (and to post-conflict mechanisms in Pillar 3). However responses to and resources for recovery for unforeseen emergencies are excluded.

It is assumed that the Government of the Philippines will mainstream recovery into regular subnational and national development management mechanisms, in which case, support if requested may be programmed under Pillar 2 and 3. Otherwise, it is considered a risk to the achievement of results under the PFSD.

Changing aid environment. The changing economic status of the Philippines and its expanded fiscal space has meant not only a changing aid environment but a preference for self-financing over tied bilateral or multilateral funding. On the one hand, this is a threat as reduced availability of ODA and other financing sources impacts individual agency budgets and flexibility in programming; there will also be competition for funds. On the other hand, it is an opportunity to test whether UN contributions are indeed valued by national counterparts and warrant funding as well as a challenge to UN agencies to step up and provide more integrated and practical policy advice as befitting the complex and multidimensional challenges facing middle-income countries like the Philippines.

Coordination capacity.³² Reduced UN coordination capacity due to any scale down in availability of resources for UN coordination, may impact on the overall coordination of the implementation of PFSD 2019-2023. Without an adequately staffed and resourced Office of the UN Resident Coordinator, the UNCT may be challenged in terms of its ability to implement joint planning, implementation, monitoring and reporting as well as ensuring that its engagement with the Government of the Philippines is internally coherent and coordinated.

UN agency programming, budgeting, reporting. The ability of some agencies to deliver on commitments under the PFSD may be at risk due to different programming and budgeting systems of UN agencies, and agencies operating within different programming cycles from two to five years and with different levels of core funding availability. The UNCT will seek to minimize this risk by ensuring adequate attention is given to the joint annual work planning, budgeting and reporting processes.

Evidence. The lack of socioeconomic data that is disaggregated and representative at subnational levels and is comparable across time and space can be a risk in relation to the ability of the UNCT to evaluate its contributions (pre- or post-) and demonstrate results under the PFSD. Related to the issue of data is ability to extract evidence in support of policy advice or program design. This said, impact evaluation requirements should be integrated into programs even when (or especially when) national statistical systems are limited.

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³² This and the next two draw heavily from the SDF 2018-2022 of Sri-Lanka

SECTION 05: ESTIMATED PFSD RESOURCE REQUIREMENTS AND JOINT UN-GOP FINANCING STRATEGY

[INSERT HERE]

SECTION 06: IMPLEMENTATION ARRANGEMENTS

Implementation arrangements for the PFSD 2019-2023 are organized in line with the Delivering as One strategy in the Philippines.

The PFSD is the UN's management tool to ensure strategic focus and coherence of UNCT activities in the Philippines in support of select government priorities outlined in *Ambisyon Natin* 2040 and the PDP. The UNCT is committed to work towards relevant, flexible and streamlined planning and management arrangements, including financial management, for PFSD supported projects and programmes. The UNCT will also continue to develop clear internal accountability structures, while striving to reduce the transaction costs of the GPH.

Under the leadership of the GPH, and in close consultation with civil society and other development partners, the UNCT will strive to be inclusive and participatory in managing and monitoring implementation of the PFSD 2019 to 2023. There will be a joint GPH-UN management arrangement to enhance efficient joint oversight, increase alignment with Government mechanisms, ensure GPH ownership of UN support to GPH, and confirm the UN's commitment to address government priorities.

Implementation will be anchored by one National Steering Committee, three Joint Results Groups (JRG), and Joint Programming/Programme Teams (JPT):

The National Steering Committee (NSC) provides high-level oversight and support, reviewing and guiding the strategic direction of the PFSD 2019-2023 and joint work plans. Co-chaired by the Secretary of Socio-Economic Planning (DG NEDA) and the United Nations Resident Coordinator (UNRC), the NSC will meet twice per year, and as the need arises, to review and discuss information collected during monitoring for assessing progress against intermediary outcome indicators, horizon-scanning, and updating risk analysis, as well as to address high-level bottlenecks in delivery. On occasions where strategic high level policy dialogue would be appropriate, there will be interaction with the Human Development Poverty Reduction Cabinet Cluster – NEDA Social Development Committee- Cabinet Cluster or other relevant Cabinet Clusters. The NSC will be backed by a Secretariat anchored jointly by staff of NEDA and the Office of the Resident Coordinator.

The NSC will have a total of nine (9) members at the Secretary and Head of Agency (HoA) levels, including the two co-chairs. ³³ Observer members and others, representing other government institutions and UN

³³ NSC members from the GPH are one Convener per Results Group: DSWD (representing the People/Human Development and Poverty Reduction Cluster), DENR (representing Prosperity and Planet), OPAPP (representing Peace), and DILG (representing SDG)

agencies, may be called upon to provide technical advice and guidance on cross-cutting and thematic issues as the need arises. CSAC, represented by the co-convenor of CSAC, will represent civil society, with observer status.

Joint Results Groups (JRGs), one for each Pillar, will serve as the primary mechanism for facilitating the implementation of PFSD programming priorities, and ensuring internal coherence across programming, under each Pillar. Led by the GPH co-convener at the Undersecretary level and the UN Co-convener at the HoA level, the JRGs will function as a venue to discuss implementation and coordination bottlenecks, review the utilization of normative frameworks, and discuss new and innovative approaches to (i) joint programming between UN agencies towards more fruitful engagement with government counterparts; (ii) joint programmes which test and harvest evidence toward policy or program reform; (iii) joint resource mobilization and the like. The JRGs will facilitate process monitoring and evaluation and raise to the NSC any high-level policy and coordination issues requiring NSC or GPH Cabinet Cluster action, including crosscutting policy issues. Meetings will be held every six months and as the need arises.

To minimize transaction costs and enable more nimble JRGs, participation will be centered on agencies actively leading or participating in *time-bound* Joint Programming/Programme Teams (JPT), that may be formed by two or more UN agencies and their national counterparts, to directly undertake programming priorities under the PFSD. At the minimum, the leads of JPTs from both the GPH and UN will sit as JRG members for the duration of their joint programme/programming cycle.

Joint Programme/Programming Teams (JPT). The JPTs will be established only for joint programmes or joint programming initiatives, as well as special tasks requiring inter-agency GPH-UN joint work plans. The JPTs will serve as the steering committee for joint programmes (i.e. in lieu of a Project Board that is required by the donor) or joint programming initiatives and will approve JWPs and annual budgets; JPTs will then undertake joint planning, resource mobilization, implementation and M&E in support of the JWPs and for reporting to the JRGs. JPTs shall also provide inputs to NSC and Cabinet Cluster discussions through the relevant JRGs as the need arises.

JPT meetings will take place as their respective TORs require. JPTs are time-bound and will be dissolved once joint programme/programming tasks are completed

Other internal structures important to the effective and efficient demonstration of results under the PFSD 2019-2023, include the **Monitoring and Evaluation Group (MEG), UN Communications Group (UNCG)**, and the **Operations Management Team (OMT)**. ³⁴ Terms of reference of these structures shall be detailed in the Joint Implementation Plan that will accompany the PFSD.

localization); GPH observers are Office of the Cabinet Secretary, DFA and DBM. Members from the UNCT are one Convener each per Pillar. Conveners will have Alternates and will be rotated annually. The first set of UN co-conveners/alternate co-conveners are UNICEF/FAO (People), ILO/UNDP (Prosperity and Planet), and UNDP/IOM (Peace).

³⁴ This does not preclude the functioning of a regular **UN Programme Management Team (PMT)** to coordinate technically across pillars in support of the UNCT, e.g. to meet its annual reporting obligations or to respond to specific programmatic, policy or opportunity/challenge that requires an inter-UN agency focus. Membership comprises of Deputies, Senior Programme Officer level or equivalent across all UN agencies, resident and non-resident in the country.

SECTION 07: MONITORING, REPORTING AND EVALUATION

(TO FOLLOW)

ANNEXES