

General Debate on the Theme of the Annual Ministerial Review, 4 July 2007

*(by H.E. Mr. Romulo L. Neri, Secretary of Socio-Economic Planning
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Philippines

Mr. Chairman,

Excellencies, Ladies and Gentlemen,

I have the honor to participate in this morning's general debate on the Annual Ministerial Review and to report on the progress the Philippines has made in meeting the targets under the Millennium Development Goals (MDGs) over the period 2000-2006. However, in keeping with the theme of this Annual Ministerial Review of "Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development," I will focus my statement on goal 1, bearing in mind that the eight goals are all interrelated.

The MDG targets are aligned with a major objective of development: creating opportunities that expand human choices.

The Philippines is on track in meeting most of the targets by 2015. National figures indicate that the country will most likely achieve by 2015 the targets on poverty, dietary energy requirement and nutrition. There is also high probability of attaining the targets on infant mortality rates, HIV/AIDS and malaria and access to safe drinking water. However, this promising picture at the national level should not be a room for complacency. Comparison across the regions of the country show uneven progress and wide disparities.

The Philippines is geographically subdivided into 17 regions. All these regions have formulated their First Sub-national MDG Progress Reports. Based on the findings of the 17 sub-national reports, targets on poverty, nutrition, dietary energy intake, child mortality rates, maternal mortality ratio and access to safe drinking water are on-track in most regions. Consistently off-track are targets on elementary participation and cohort survival rates.

Mr. Chairman,

On the more specific target of halving the proportion of people living in extreme poverty between 1990 and 2015, the Philippines' subsistence incidence of families was 10.2 percent in 2003 or 1.6 million families. This represents a decline from 12.3 percent in 2000. The subsistence incidence at the national level and for most of the regions has continued to decline. Given this trend, the target of halving the proportion of people living in extreme poverty was already achieved in 2003 against the 1991 baseline of 20.4 percent. However, there are large disparities across regions, with most of the northern regions having less than the national average but with almost all the southern regions having higher subsistence incidence.

As of 2003, 24.4 percent of Filipino families (or 30.4 percent of the population) were considered income poor compared to 27.5 percent of families (or 33 percent of the population) in 2000.

Poverty reduction efforts for 2000-2006, have been boosted by the confluence of some facilitating factors. One, national policies such as the Medium-Term Philippine Development Plan (MTPDP) have placed anti-poverty strategies at center stage. Two, the administration has pursued an integrated and comprehensive national strategy which focuses on asset reform, human development services, employment and livelihood, social protection and participatory governance. Three, to complement these policies, the government has embarked on major foreign-assisted programs/projects to fast-track poverty reduction efforts.

Complementing the above interventions are locally-funded pro-poor initiatives such as: Self-Employment Assistance; Microfinance Programs; Food for School Program; Community-based Tenurial assistance Program; Health Cities Initiative. Finally, in 2006, the government developed and launched an Accelerated Hunger Mitigation Program aimed at addressing hunger through supply side (increasing the supply availability of food) and demand or entitlements side (putting money in poor people's pockets through livelihood) interventions. The AHMP targets the priority 34 most in-need provinces in terms of subsistence, poverty and food security.

To better identify who and where the poor are and their needs, the government has stepped-up its poverty monitoring systems tools. The Community-Based Monitoring System (CBMS) which gathers 14 core local poverty indicators from the provincial level down to the household level has been adopted to serve as the monitoring tool tracking the attainment of the MDGs. As of 2006, 22 out of the country's 82 provinces have installed CBMS databases.

Addressing extreme poverty would require multistakeholder, sustained, innovative and prioritized efforts.

On the target of halving the proportion of population below the minimum level of dietary energy consumption and halving the proportion of underweight children, the proportion of Filipino households with per capita intake below the 100 percent dietary requirement decreased from 69.4 percent in 1993 to 56.9 percent in 2003. To meet the target of 34.7 percent by 2015, an annual reduction of 1.85 percentage points should be achieved. There is high probability of achieving the target.

Mr. Chairman,

The Philippine Plan of Action for Nutrition (PPAN) 2005-2010 and the recently formulated Accelerated Hunger Mitigation Plan (AHMP) contain interventions to alleviate hunger and malnutrition, both on the demand and supply side. Both would be a big help in keeping a high probability of attaining the target by 2015. However, budget allocation at the local level should be increased to effect a much desired result in nutrition improvement.

Achieving the MDGs require huge amount of financing from both public and private sources. Consistent with the outcome of the Monterey Conference on Financing for Development, possible sources include domestic resource mobilization, foreign direct

investments and other capital flows, foreign trade, ODA and debt relief for heavily-indebted countries.

Recent progress made in the fiscal front in the Philippines suggests that the Administration may be able to balance the budget by 2008, without compromising the country's core values in, for instance, poverty eradication, education, health, shelter and environmental protection. The national government budget serves as the main instrument of the government in advancing its mandate in economic and social development. The administration commits to an efficient and equitable program of spending and taxation.

Mr. Chairman,

The Philippine Government is aware that to realize the MDG and its targets, partnerships with local government units (LGUs) and the private sector, broadly defined to include civil society, are essential. The Administration believes in empowering LGUs so that they can deliver the public goods they are mandated to deliver to their constituents. This requires continuous review of the income transfers to LGUs or internal revenue allotment (IRAs), a review designed for predictability and timeliness.

Civil society has shown that it can monitor and exercise effective checks on government officials so that any negative effect that the latter's actions may cause on constituents are avoided. The private sector is the main creator of jobs and livelihood and the government is focusing on ensuring a business-friendly environment up to the local levels.

Growth is sustainable only if the physical environment is nurtured and protected. We have belatedly acknowledged the serious harm of excessive carbon emission into the atmosphere. Thus, the Philippines associates itself with efforts committed to halting global warming.

Thank you.

