



PARTNERSHIP FRAMEWORK FOR SUSTAINABLE DEVELOPMENT



2019 - 2023



**The United Nations Partnership Framework
for Sustainable Development 2019-2023**

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IN THE COVER:

Every partnership starts with individual colors until it absorbs and merges other colors to become a full spectrum. Such is the framework of the United Nations' varying Sustainable Development Groups, working together towards a common goal and that is for the betterment of the country.

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MESSAGE

On behalf of the Philippine Government, let me congratulate the National Steering Committee of the Partnership Framework for Sustainable Development (or PFSD) 2019-2023 for their guidance and unrelenting support throughout the development of the PFSD. I would also like to express my gratitude to the United Nations Country Team, under the leadership of UN Resident Coordinator Ola Almgren, and the lead government agencies under the three pillars of the PFSD—People, Planet and Prosperity, and Peace—for their inputs that decisively determined appropriate strategies for each pillar.

The PFSD was formulated through various consultations with key government partners, private sector, civil society organizations, and other UN agencies. This partnership framework takes into account the priorities of the Philippine Development Plan 2017 – 2022, as well as other national policies and strategies,

through the lens of the 2030 Agenda for Sustainable Development.

To be successful, sustainable development requires a unified effort among partners. That is why we commend the UN Country Team for shifting the nature of the UN system engagement in the Philippines from development assistance to strategic partnership.

Through this framework, we intend to make growth more inclusive given our continued commitment for development cooperation. While the framework resonates strong government ownership, it also intends to leverage shared opportunities and comparative advantages of both the government and UN Country Team. The PFSD is a promise of all stakeholders for efforts that are catalytic, path breaking, and innovative.

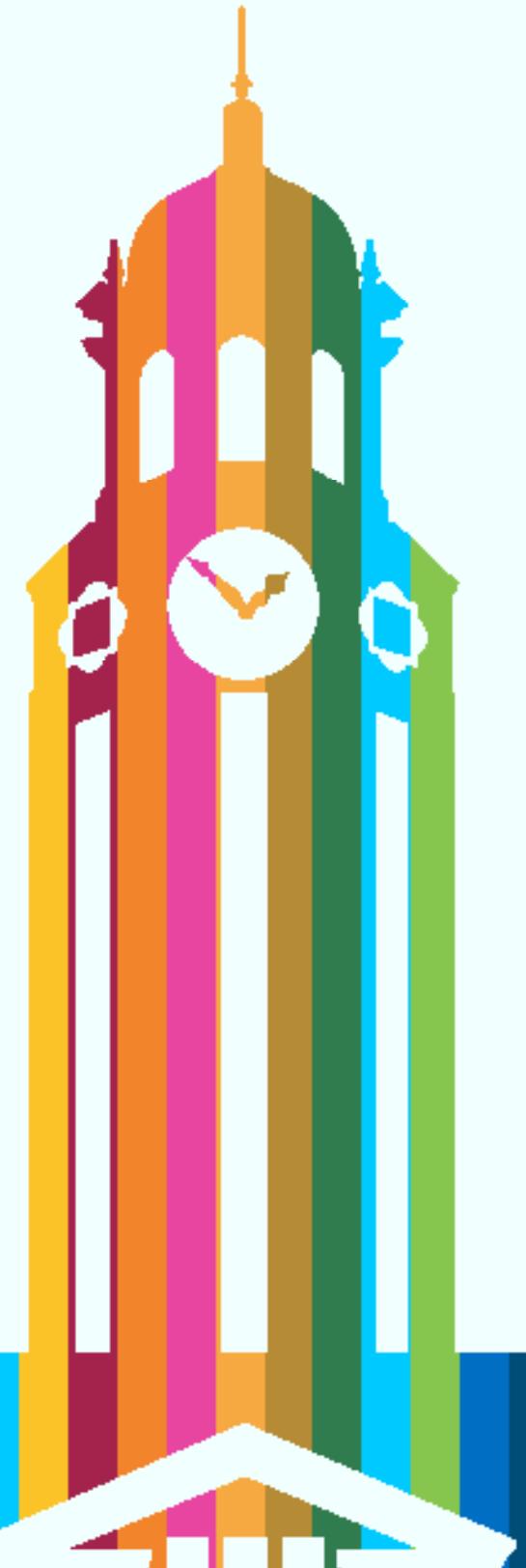
I am confident that development initiatives complemented by multi-stakeholder partnerships will build the foundation to achieve the Sustainable Development Goals.

Leaving no one behind is the central promise of the 2030 Agenda and AmBisyong Natin 2040. Rest assured that we are one in our vision of fulfilling that promise and enabling all Filipinos to enjoy a strongly rooted, comfortable, and secure life.



Ernesto Pernia

Secretary of Socioeconomic Planning



FOREWORD

As Resident Coordinator of the United Nations System in the Philippines, it is a great privilege for me to present the Philippines - United Nations Partnership Framework for Sustainable Development (PFSD) for the period of 2019 to 2023. I take this opportunity to express my deepest appreciation to all who have worked tirelessly, UN country team and government colleagues in consultation with representatives of all strata of society, to arrive at this strategic covenant between the United Nations system in the Philippines and the Government of the Philippines for the coming five years.

This PFSD highlights the progression of the UN - Philippines nature of engagement from that of a "development assistance" to a collaboration in a "strategic partnership". It focuses on areas where the capacities of the UN, when working across mandates, will have the greatest impact. As an initial investment in the longer-term UN support to 2030 Agenda, it recognizes the strengths and capacities of the Philippine government and focuses on historically

challenging areas that are foundational to Sustainable Development Goals (SDGs), to complement Philippines-led efforts towards acceleration.

The 17 different funds, programmes and specialized agencies that comprise the United Nations Country Team in the Philippines bring a broad range of mandates and comparative advantages to the table, providing stimulus along mutually reinforcing pillars addressing development goals in three SDG pillars: People; Prosperity and Planet; and Peace. These pillars are co-convened between member of the UN Country Team, and a representative of a Government Agency, ensuring joint ownership as we in the United Nations strive to contribute to national development objectives.

This new framework you are about to read illustrates innovations in the context of ongoing UN development system reform. It underscores the primacy of a strengthened UN Cooperation Framework, agreed with the government, as "the most important instrument for the planning



as "the most important instrument for the planning and implementation of UN development activities at country level in support of the implementation of the 2030 Agenda". It builds on decades of close cooperation between the Philippines and the United Nations for the achievement of national and global development objectives. It is a living document and its results framework will be regularly updated in the course of its lifecycle.

The congruence between the visions expressed in the 2030 Agenda for Sustainable Development, and the Philippine Development Plan 2017-2022, and Ambisyon Natin 2040 are promising, and together with our partners, I look forward to tangible results and milestones in achievement of our shared goals leaving no one behind.



Ola Almgren

United Nations Resident Coordinator



JOINT DECLARATION OF COMMITMENT

Government of the Philippines and United Nations Country Team

We, the Government of the Philippines and the United Nations Country Team, commit to engage in a strategic partnership, with a common purpose and concentration of efforts through results-oriented collaboration and close coordination, in order to effectively implement this Philippines – United Nations Partnership Framework for Sustainable Development for the advancement of its three overarching Outcomes towards the achievement of national development objectives and the 2030 Agenda.

Signed on this day 21 of November 2018, by



Ernesto Pernia

Secretary of Socioeconomic Planning



Ola Almgren

United Nations Resident Coordinator



UNITED NATIONS
PHILIPPINES

DECLARATION OF COMMITMENT

United Nations Country Team

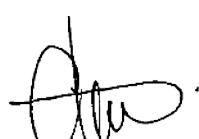
We, the United Nations Country Team in the Philippines, undertake to act as One in the implementation of this Philippines – United Nations Partnership Framework for Sustainable Development as our mutual framework for the planning and implementation of United Nations Development activities in-country in support of national development priorities and the 2030 Agenda.

In leveraging the United Nations unique value proposition in support of national capacities, we commit to ensure close coordination, internal coherence, relevance and rigor in our collective efforts to support the implementation of the Philippines Development Plan and its longer-term vision, with a focus on the three Outcomes identified in this partnership framework for the fulfillment of the 2030 Agenda and the principle of leaving no one behind.

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Representative



Titon Mitra
UNDP
Country Director



Lotta Sylwander
UNICEF
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Alessandro Marini
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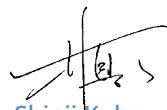
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Atsushi Koresawa
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Hubert Staberhofer
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Regional Representative



Shahbaz Khan
UNESCO
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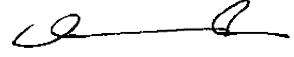
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Emmanuel S. de Dios
Philippine Human
Development Network President



Rose Trajano
United Nations Civil Society
Advisory Committee Chair



Neil Fidelle Lomibao
United Nations Youth
Advisory Board Chair

DECLARATION OF COMMITMENT

Government of the Philippines

We are committed to support this Partnership Framework in order to enhance United Nations development activities in country in support of the national priorities as stated in the Philippine Development Plan 2017-2022 and the 2030 Agenda for Sustainable Development.

In our pursuit of achieving our country's long-term vision of enabling Filipinos enjoy a strongly rooted, comfortable, and secure life, we shall strive for enhanced coordination, greater internal coherence, relevance and rigor in our collective efforts

GPH Co-conveners of the PFSD/ Members of the PFSD National Steering Committee



Rolando Joselito Bautista
Secretary
Department of Social Welfare
and Development
PEOPLE Pillar



Roy Cimatu
Secretary
Department of Environment
and Natural Resources
PROSPERITY and PLANET Pillar

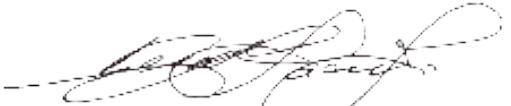


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PEACE Pillar



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Adviser Agencies



Teodoro L. Locsin, Jr.
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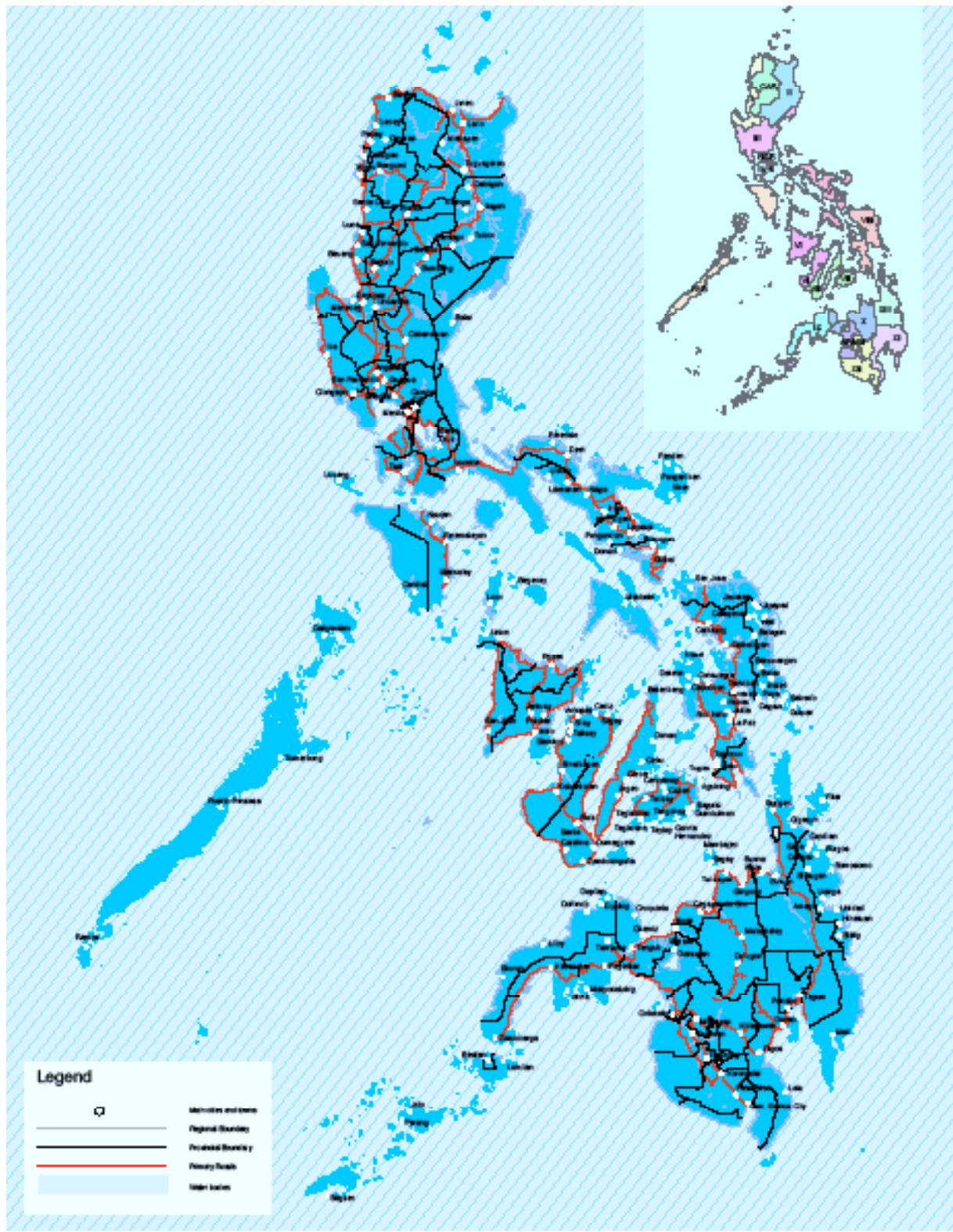
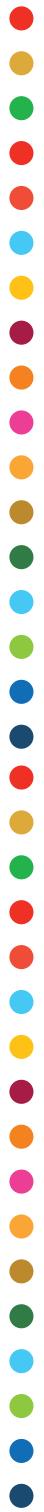
Benjamin Diokno
Secretary
Department of Budget and Management

ACRONYMS

ARMM	Autonomous Region in Muslim Mindanao
BOL	Bangsamoro Organic Law
BOS	Business Operations Strategy
CBF	Common Budgetary Framework
CCA	Climate change adaptation
CCT	Conditional Cash Transfer
CDP	Comprehensive Development Plan
CLUP	Comprehensive Land Use Plan
CPD	Country Programme Document
CPP	Communist Party of the Philippines
CSOs	Civil society organizations
DRR	Disaster risk reduction
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCR	Economic, Social and Cultural Rights
FAO	Food and Agriculture Organization of the United Nations
GPH	Government of the Philippines
HACT	Harmonized Approach to Cash Transfer
HDI	Human Development Index
HDN	Human Development Network
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IOM	International Organization for Migration
IP	Indigenous People
IPRA	Indigenous People's Rights Act
JPTs	Joint Programming/Programme Teams
JRGs	Joint Results Groups
JWPs	Joint work plans
K-12	Kindergarten to 12 Grade
LCCAP	Local Climate Change Action Plan
DDRMP	Local Disaster Risk Reduction and Management Plan
LGUs	Local Government Units
LUCF	Land-Use Change and Forestry
MDGs	Millennium Development Goals

MT CO2e	Metric tons of carbon dioxide equivalent
NCD	Non-communicable diseases
NDF	National Democratic Front
NEDA	National Economic and Development Authority
NGAs	National Government Agencies
NPA	New People's Army
NSC	National Steering Committee
OCHA	Office for the Coordination of Humanitarian Affairs
OMT	Operations Management Team
PDP	Philippine Development Plan
PFSD	Partnership Framework for Sustainable Development
PIP	Public Investment Program
PWDs	Persons with disability
RCO	Office of the United Nations Resident Coordinator
SCP	Sustainable consumption and production
SDGs	Sustainable Development Goals
SP	Special Rapporteur
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCG	United Nations Communications Group
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNDSS	United Nations Department of Safety and Security
UNESCO	United Nations Education, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN Habitat	United Nations Human Settlement Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOHCHR	United Nations Office of the High Commissioner for Human Rights
UNOPS	United Nations Office for Project Services
UNRC	United Nations Resident Coordinator
UNS	United Nations System
UN Women	United Nations Entity for Gender Equality and Empowerment of Women
UPR	Universal Periodic Review
WFP	World Food Programme
WHO	World Health Organization

MAP OF THE PHILIPPINES



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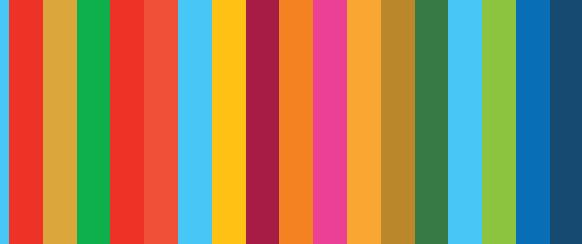
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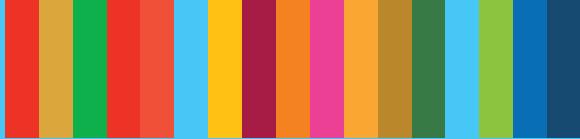


EXECUTIVE SUMMARY

The Partnership Framework for Sustainable Development (PBSD) 2019 - 2023 is the first Philippines-UN country plan that redefines the nature of UN System engagement in the Philippines from one that provides "development assistance" to a collaboration in a strategic partnership. It recognizes the Philippines' achievements along core dimensions of development since 1990 and directs the attention and resources of the United Nations Country Team, delivering as one, specifically to those areas where advances have been most severely challenged over time. It responds to the call for greater coherence and efficiency in the mode of UN System engagement with Member States in line with the ambition, effectiveness and cohesion required by the new agenda. Competing demands on a relatively smaller pool of resources available to the UN globally, regionally, and locally also demands greater

coherence and efficiency from country teams.

Thus, the PFSD 2019-2023 does not mean to represent nor address the entire gamut of Philippine development challenges but defines the specific thrusts and priorities of the UN System, an important partner of government, for the next five years taking into consideration where and how the UN's engagement as advocate and neutral convener, catalyst and coordinator can generate the highest social returns. PFSD priorities are in support of Filipinos' own vision for their country as stated in Ambisyon Natin 2040, to 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", as well as in the Philippine Development Plan (PDP) 2017-2022, which explicitly seeks to address inequalities and pursue inclusive development. Both Ambisyon Natin



and PDP are firmly in line with the commitment of UN Member States in the 2030 Agenda and support by the UN System to leave no one behind. The PFSD effectively represents the UN System's strategic support to national aspirations to ensure that no one is poor or left behind.

The Philippines is a middle income, medium Human Development Index country considered one of the most dynamic economies today. Having made the transition to a higher, more robust, growth path in the last decade, the quality of growth is the main socioeconomic challenge of the Philippines moving forward. Consequently, the strategies of the PDP 2017-2022 are organized into three pillars: (I) enhancing the social fabric, which centers on improving the quality of governance, (II) reducing inequality, which focuses on expanding economic opportunities and increasing access to these, and (III) increasing potential growth. Together, they are expected to lead to "more inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy" by 2022 and more "strongly rooted, comfortable, and secure lives" by 2040.

In turn, the PFSD 2019-2023 organizes its strategic contributions through a 2030 Agenda lens into three pillars 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.

All three outcome statements should be read together. No pillar is self-contained and each one ultimately contributes to attaining sustainable development goals and improving the lives of people:

The People Pillar aligns primarily with PDP pillars II and III and recognizes 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 there will be dimensions of human development that will not be responsive to or correlated with increases in per-capita income; and that 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 addresses foundations of sustainable development but also aligns with PDP pillars II and III, recognizing 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 can anticipate and leverage in its own favor the challenging convergence of climate change, natural hazard, economic growth and rapid urbanization.

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. Social peace is a foundational element of the PDP.



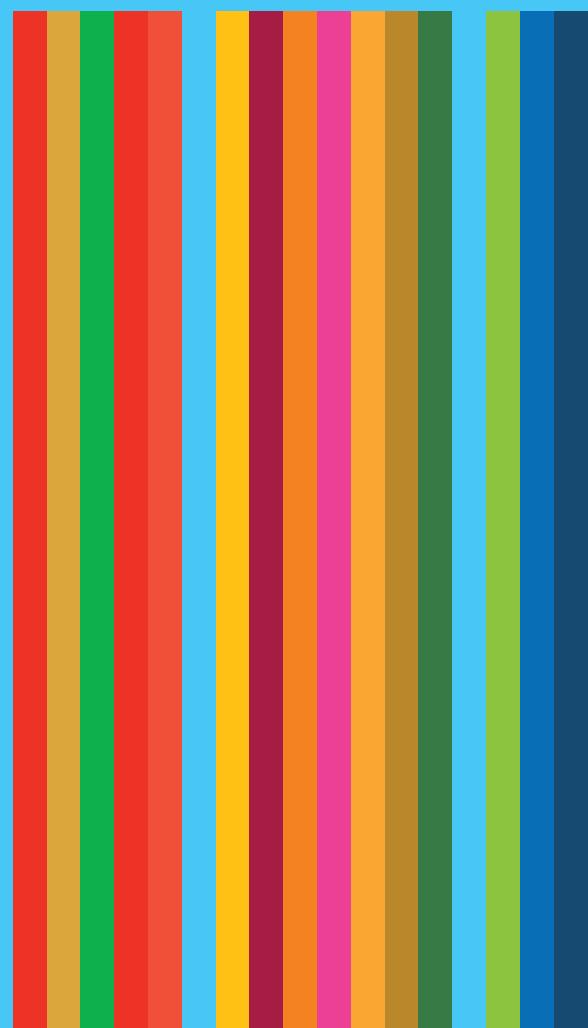


All three PFSD pillars address issues of governance, the focus of PDP pillar I.

Results under the PFSD 2019-2023 are expected to be more significant than any combination of achievements of individual UN agencies working without a PFSD. At the same time, such a strategic approach means that some important elements of UN agency work may not be integrated into the joint PFSD focus areas as easily as they were in the past. Complementary Agency Priorities are therefore recognized in Section 3 and reflect the breadth of the UN's value contributions which will proceed within an overarching commitment to work within the coordination mechanism of the UN System in the country.

Section 4 discusses the main Risks and Assumptions that could influence the UN's ability to support national development efforts in an effective and coordinated manner and the achievement of results. Section 5 describes PFSD Financing, providing estimates of UN agency funds available for programming priorities and discussing resource mobilization strategies which emphasize the UN as a development partner and not a donor

to the Government. Section 6 details Implementation Arrangements, organized in line with the Delivery as One strategy in the Philippines, as well as jointly between the GPH and the UN. Section 7 outlines the approach to Monitoring, Reporting and Evaluation. The PFSD Results Framework provides the basis for the monitoring of intermediate outcomes, including available baselines, targets and nominated means of verification.



SECTION 01

A STRATEGIC PARTNERSHIP

The Partnership Framework for Sustainable Development (PFSD) 2019-2023 is the fifth Philippines-UN country plan since 1995 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 United Nations Country Team (UNCT)¹ 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 common thrust and priorities of the UN System, an important partner of government, for the next five years. These priorities support and are consistent with key government’s larger goals. They are drawn up recognizing the UN System’s own strengths and limitations.

More specifically, the PFSD 2019-2023 is the initial investment in a longer-term UN effort to support the Filipinos’ own

¹ The UNCT in the Philippines consists of 11 resident funds, programmes and specialized agencies (FAO, ILO, IOM, UNDP, UNFPA, UNHCR, UNICEF, UNIDO, WFP, WHO, IFAD) six project offices/non-resident agencies (UNESCO, UN Habitat, UN Women, UNAIDS, UNODC, UNOPS) and two Secretariat Offices (OCHA and UNDSS).

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)

Leaving No One Behind

The Government’s long-term vision is firmly in line with the commitment of UN Member States in the 2030 Agenda and support by the UN 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.” Leaving no one behind means addressing patterns of exclusion, structural constraints and unequal power relations that produce and reproduce inequalities over generations². By aligning UN System support to Ambisyon Natin 2040 and its operational plans, the PFSD contributes not only to national but also to 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 Sustainable Development Goals (SDGs) are incorporated.”³ 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 and resilient society, and a globally competitive knowledge economy” by 2022 and more “strongly rooted, comfortable, and secure lives” by 2040.⁴

The PDP was launched by the Government of the Philippines (GPH) in February 2017 to cover the period from 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 from 2019 to 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

² Chief Executive Board publication: Leaving No One Behind: Equality and Non-Discrimination at the Heart of Sustainable Development, page 31

³ 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.”

⁴ In the vernacular, “matatag, maginhawa at panatag na buhay.”

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 nonetheless 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, United Nations Development Assistance Frameworks (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



Leaving no one behind and reaching the furthest behind first

Leaving no one behind and reaching the furthest behind first is the central promise of the 2030 Agenda. It represents the unequivocal commitment of Member States to address the multidimensional causes of poverty, inequalities and discrimination, and reduce the vulnerabilities of the most marginalized people, including women, refugees, internally displaced persons, migrants, minorities, indigenous peoples, stateless persons, and populations affected by conflict and natural disasters.

The whole 2030 Agenda is underpinned by “universal respect...for equality and non-discrimination”, and to “respect, protect and promote human rights...without distinction of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, disability or other status”. Data is to be disaggregated by “income, sex, age, race, ethnicity, migration status, disability, and geographic location and other characteristics relevant in national contexts”, aligning with the grounds of discrimination prohibited in international law, while taking account of the commitment to support developing countries in this regard.

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 (**Annex A**). 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

The Philippines is a middle income, medium human development index (HDI) country that has been described as one

of the “most dynamic economies” in the world today. Between 2011 and 2016, real per capita gross domestic product 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 2000.⁵ 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 Filipinos⁶—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 2016.⁷

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 Gross National Income 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 B**). 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

5 World Development Indicators (data.worldbank.org)

6 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 (World Bank, April 2017)

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

50 percent.⁸ 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. The number of households with inadequate energy intake also barely decreased, falling by just 14 percent against a targeted 50 percent by 2015.

Maternal health has performed even worse with maternal mortality ratios remaining high and unyielding at 114 per 100,000 live births, yet up to two-third 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 percent among the poorest quintile, and 23 percent of all 18-year-old girls are either pregnant or already a mother. HIV incidence cases increased by 140 percent 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.⁹

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 (Kindergarten to 12 Grade) in 2012 and the expansion of the Conditional Cash Transfer (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,

⁸ 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 [Economic, Social and Cultural Rights (ESCR), Universal Periodic Review (UPR), Special Rapporteur (SP) on 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 (SP on Food). Special concern for person with disabilities (PWDs) and indigenous people (IPs) was voiced, including the need to review data collection systems to ensure that their needs are identified.

⁹ WHO, which cites that close to 30 percent 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 one-third is a SDG target.

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 effectiveness of measures. The quality of service delivery relating to nutrition, food security and health, their relevance, and 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.¹⁰

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.¹¹ 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.”¹² Expensive rice hurts nutrition, especially of the poor, as it accounts for more than a third of total

10 Briones et. al. 2017 (p. 51) and Human Development Network (HDN) 2013, theme chapter.

11 Ibid.

12 Ibid, p. 2 and 46.



food expenditure of the bottom quintile, and is the single biggest source of energy and protein (at 34 percent vs fish at 14 percent) and the biggest contributor to per capita availability of calories (at 46 percent vs. sugar at 8 percent).

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 women¹³), 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 socio-economic 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.

Economic growth, 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.¹⁴ However, the core issue has not been open employment *per se* nor underemployment, but rather low-productivity employment.¹⁵ 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 number of poor is 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 to 1.¹⁶

13 22.5 percent of women in the Philippines have experienced sexual or physical violence (UN Women)

14 In relation to employment the Committee on ESCR has also recommended creation of more employment opportunities in the formal sectors; proper application of labor legislation and; expanding coverage of minimum wages.

15 De Dios and Dinglasan (2014).

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

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.¹⁷ On the demand side, it is the poor quality of jobs for which deep structural weaknesses in the agriculture sector have played a significant role.¹⁸ 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.”¹⁹ An 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.²⁰ Slow-onset impacts of climate change in particular—prolonged drought, increasing precipitation, increasing sea surface temperature, sea level rise, and ocean acidification—promise to affect ecosystems, livelihoods and settlements, increasing risks in food and water security in ways that are profound but which remain underappreciated. Water resources will be affected by salinity; agricultural productivity and food production systems by changes in precipitation, hydrology and ocean chemistry; land areas by increased susceptibility to erosion, storm surges and sea level rise. The latter threatens coastal communities most urgently yet the majority of the population continue to live in the immediate vicinity of the coast, with 60 percent of the population living in large coastal cities. The country's population is predicted to grow to 125 million by the end of 2030 (from 101 million in 2015), and to

¹⁷ 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

¹⁸ 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.

¹⁹ World Bank 2017: 30

²⁰ 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)



142 million by the end of 2045, with urban populations growing twice as fast as rural populations.²¹

National efforts to understand, appreciate, and act on the implications of this convergence are lagging, however. Disaster risk reduction/Climate change adaptation (DRR/CCA) protocols are largely focused

on managing responses, impacts and risks associated with extreme weather events, especially typhoons. While response mechanisms to these episodic events are continuously improving, they do not suffice for anticipating the slow onset events associated with climate change and the profound challenges these pose. Broad policies that should facilitate

²¹ Philippine Statistics Authority, 2010 Census-based Population Projections in collaboration with the Inter-Agency Working Group on Population Projections

adaptation and mitigation 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) on climate change impacts 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 unsustainable production and consumption choices further degrade environmental services aggravating the vulnerability of marginal households.²²

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,

²² It is noted that related concerns have been raised from human rights mechanisms [UPR, SP on Food; SP on Internally Displaced Persons (IDPs), ESCR, Convention on the Elimination of All Forms of Discrimination Against Women (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.

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.

The recent passing of the Bangsamoro Organic Law (Republic Act No. 11054), which establishes the Bangsamoro Autonomous Region, is an outstanding achievement for political peace.²³ Whether or how well this will enable social peace remains unclear, however. Social peace will require, among others, the credible and sustained implementation of key provisions of the new law—among others, the roll-out of a well-sequenced, well-resourced, multi-year program of technical assistance and capital investment that can provide the region with a fair chance, post-conflict, to hurdle key conditions that increase the likelihood of a relapse into conflict. It will also require such a complex multi-year peace effort that will in turn require broad public support as anchor; as history demonstrates, there will be little incentive

for Congress and the Executive to sustain a multi-year peace effort, otherwise. Strong, latent anti-Muslim prejudice (i.e. deep-seated historical biases among the general Christian public) has so far stymied any popular support or demand for peace on this front, however.²⁴ 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-NDF²⁵), complicating their struggle further.²⁶ 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

²³ The Framework Agreement on the Bangsamoro between the Moro Islamic Liberation Front 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 SP on Internally Displaced Persons, passing of a law should be a high priority and would provide an important basis for lasting peace.

²⁴ 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

²⁵ 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.

²⁶ The ESCR and UPR note the need to mitigate the impact of armed conflicts, including inter-tribal conflicts, on the IPs.

agenda, the frequency of *lumad* wars²⁷—conflict between *lumad* groups for and against mining with the involvement of communist insurgents—in the region has increased.²⁸ 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 intra-*lumad* 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.²⁹ 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, in the

absence of 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. This includes implementation of peace-promoting development initiatives through a rationalized and coordinated delivery, as best exemplified in the conflict areas in Mindanao where the government and development partners have worked harmoniously in providing emergency assistance and livelihood opportunities to the affected communities. 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, supported by strong institutions that uphold the rule of law and a respect

27 Lumads are the indigenous people of Mindanao.

28 International Alert 2016

29 Given that the CPP “regards participation in the peace talks as a mere tactical move than a true strategic alternative” (HND 2005, p. 44.)

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 effectiveness 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 rigor 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.





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.”³⁰

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 PDP pillar is not an economic goal *per se*, but refers to governance being responsive to people’s needs and promoting solidarity.³¹ The second pillar deals with inclusiveness and equity, again a qualification on growth and reflecting an implicit desire to change³² the pattern of past growth, which is presumably judged

30 NEDA 2017, p. 47

31 Which is better captured in the Filipino term *malasakit*, which means “concern”.

32 Whence presumably the term “change” or “transformation” (*pagbabago*) of past growth patterns.

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 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 shocks.

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 and 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,

Each Pillar is defined by:

- An **Outcome Statement**;
- **Outcome Indicators**, which are select country socio-economic targets taken from the PDP 2017-2022 (unless otherwise stated);
- **Intermediate Outcomes**, which describe the strategic operational focus of the UNCT under this PFSD. It is assumed that achievements in these intermediate outcomes will constitute the UNs direct contributions to the country's efforts to attain the Outcome Indicators, i.e. PDP targets that are the object of this PFSD;
- **Intermediate Outcome Indicators**, or how intermediary outcomes shall be measured;
- **Programming priorities** of the UNCT to achieve intermediary outcome targets; and
- **Monitoring**, which describes how progress along intermediary targets and their links/attribution to UN joint programming will be measured/evaluated

will contribute to improved service delivery and rehabilitation of conflict affected communities (Pillar 3). Other links are highlighted in the sections below.



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 households meeting the 100 percent recommended energy intake;
6. HIV incidence per 1,000 population;
7. Premature mortality rate attributed to non-communicable diseases (cardiovascular diseases, cancer, diabetes, and chronic respiratory diseases).

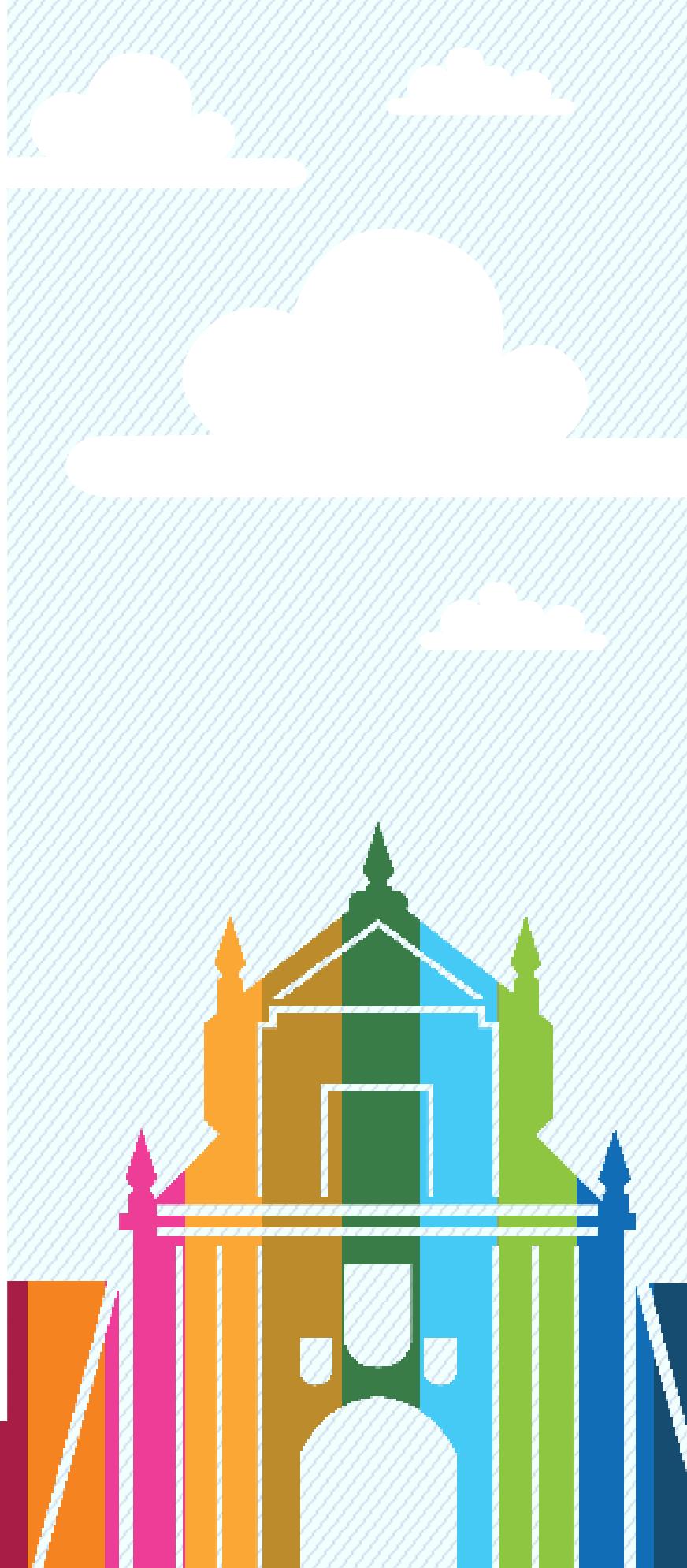
Despite rising income and expanding fiscal space, significant groups of the

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, but are not limited to, supporting the development of capacities of provincial and local governments and communities in the design and implementation of harmonized, cost-effective strategies, 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 and enabling better health-, nutrition-, education-seeking behavior among claimholders; supporting evidence generation for development and revision of strategies, policies and plans through research and data gathering; expanding community and citizen oversight of government policy and programs; providing integrated policy and bottleneck 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 behavior/practices towards better health, nutrition and education, and the ability of communities, leaders and “gatekeepers” to encourage and enable these practices.

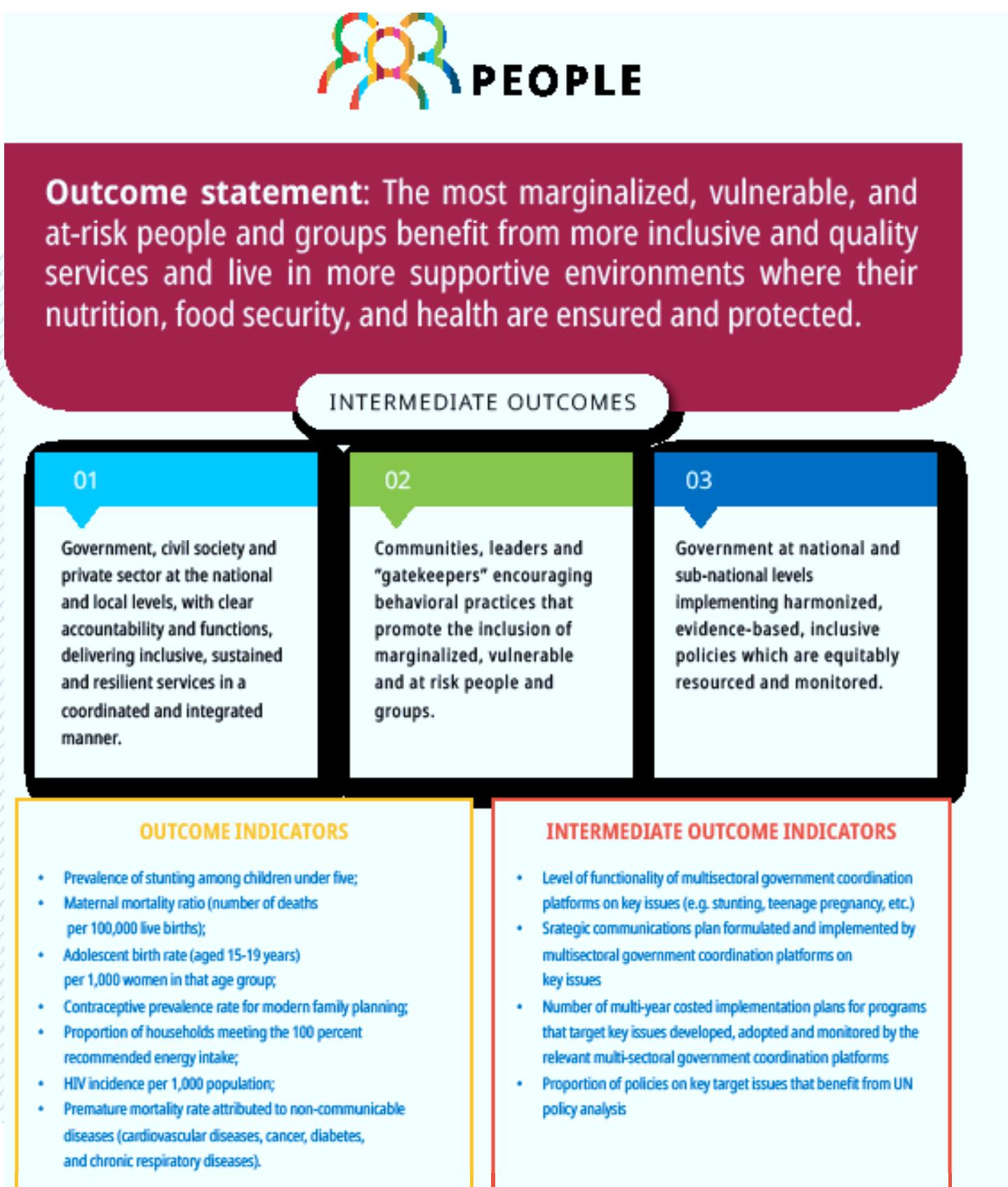
Finally monitoring will consider the extent to which UN programming has contributed to an improvement in the quality of national/subnational strategies, policies, and plans to improve nutrition, food security and health trajectories. Quality policies are harmonized, evidence-based, inclusive, equitably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

Figure 1 summarizes the key outcomes and indicators for Pillar 1.

Figure 1. Top-line outcomes and indicators for Pillar 1





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 climate change-disaster risk reduction (CC-DRR) enhanced Comprehensive Land Use Plans (CLUPs) and Comprehensive Development Plans (CDPs), Local Climate Change Action Plans (LCCAPs), and Local Disaster Risk Reduction and Management Plans (LDDRMPs), in line with national disaster risk reduction strategy;
2. Percentage of jobs and industries adopting green technologies and practices to total number of jobs and industries;
3. GHG emissions per sector (million MT CO₂e) (Energy, Industry, Agriculture, Land-Use Change and Forestry/LUCF, Waste, Transport);
4. Percent of total budget of national government agencies (NGAs) and local government units (LGUs) that respond to climate change adaptation and mitigation;
5. Area of protected areas with high biodiversity values effectively managed.

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 rural 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:

1. 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 issues with national and global SCP dimensions (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 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 the sustained improvement of household incomes is necessary to sustained improvements in hunger, 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 to efforts to promote peace and sustainable development in conflict-affected areas.

Figure 2. Top-line outcomes and indicators for Pillar 2



PROSPERITY AND PLANET

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

INTERMEDIATE OUTCOMES

Increased resilience of communities to CC impacts • Improved resilience of natural & built ecosystems • Natural resources are equitably accessed & sustainably managed • Improved planning & management of urbanization • Increased opportunities for decent, green & productive livelihood & employment opportunities

01

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;

02

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;

03

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

OUTCOME INDICATORS

- Proportion of local government that adopt and implement climate change—disaster risk reduction (CC-DRR) enhanced Comprehensive Land Use Plans (CLUPs) and Comprehensive Development Plans (CDPs), Local Climate Change Action Plans (LCCAPs), and Local Disaster Risk Reduction and Management Plans (LDDRMPs), in line with national disaster risk reduction strategy;
- Percentage of jobs and industries adopting green technologies and practices to total number of jobs and industries;
- GHG emissions per sector (million MT CO₂e) (Energy, Industry, Agriculture, Land-Use Change and Forestry/LUCF, Waste, Transport);
- Percent of total budget of national government agencies (NGAs) and local government units (LGUs) that respond to climate change adaptation and mitigation;
- Area of protected areas with high biodiversity values effectively managed.

INTERMEDIATE OUTCOME INDICATORS

- Number of national policies, plans, and programmes that integrate climate, rural-urban linkages and inclusive economic growth, promoting and creating decent and green jobs and resilient and sustainable communities
- Number of NGAs and LGUs that develop plans and strategies utilizing risk and evidence-based information/data
- Number of public (NGAs and LGUs) and private entities allocating investments in evidence-based green and climate-resilient and low emission solutions and schemes
- Number of national and local policies, plans, programmes and strategies that promote SCP patterns
- Knowledge, attitudes and practices of community members on key issues (environmental protection, SCP)



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 conflict-vulnerable areas with local development plans integrating conflict sensitive and peace promoting approaches;
4. Percentage of Filipinos with high 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 the recent passage of the Bangsamoro Organic Law is a singular achievement, the long process to social peace requires a multi-year program of technical assistance and capital investment so that the Bangsamoro Autonomous 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:

1. 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;

2. 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, among others, promoting a better informed public on the histories, identities and inequalities of peoples of Mindanao, and a stronger popular demand for rights and a culture of peace and non-violence; developing capacities of subnational governments and communities in conflict-affected areas in the design and implementation of inclusive and responsive governance systems, including human rights, transitional justice and community security platforms, as well as extension systems, among others; supporting the effective participation of former combatants, their families and community members with conflict-induced fragilities in local governance and socio-economic development, public administration, and political processes; supporting the effective participation and rights of basic sectors, women, displaced persons, adolescents and youth, and minority groups, especially non-muslim IPs, in governance structures; supporting conflict-affected and other fragile communities through sustainable, community-driven socioeconomic development actions.

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.

Figure 3. Top-line outcomes and indicators for Pillar 3



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.

INTERMEDIATE OUTCOMES

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

01

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.

02

Government in conflict-affected areas demonstrating collaborative leadership, with men and women empowered and systems for accountability, responsiveness and justice.

03

Communities/barangays in conflict-affected areas establishing risk-informed, gender-responsive & conflict-sensitive governance systems.

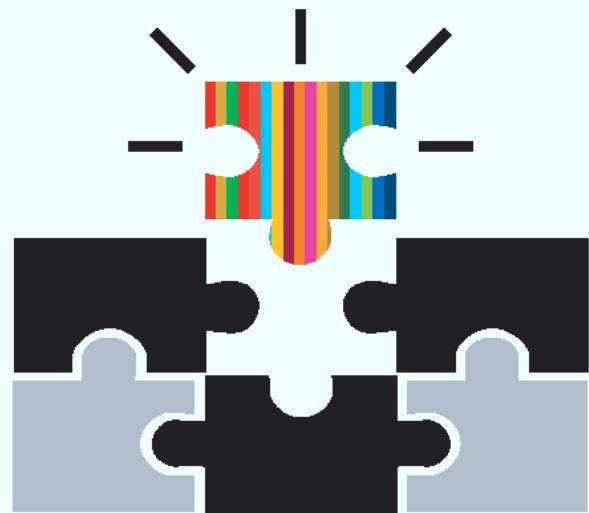
OUTCOME INDICATORS

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

INTERMEDIATE OUTCOME INDICATORS

- Level of awareness of government, civil society stakeholders, adolescents and youth, and the general public on different cultural history, identity and inequalities in Mindanao.
- Extent to which consultative mechanism for affected population contributing the peace process are effective.
- Number of NGAs with new and/or updated plans and strategies implemented for the achievement of durable solutions for displaced persons.
- Proportion of policies and programs on transitional justice that have benefited from UN policy analysis and technical assistance.
- Number of community-based organizations supported to implement mechanism that address conflict and/or conflict causing issues.
- Number of LGUs in conflict-affected conflict-vulnerable areas with local development plans that integrate risk, evidence-based, and gender-responsive data and information with UN support.

SECTION 03



COMPLEMENTARY AGENCY PRIORITIES

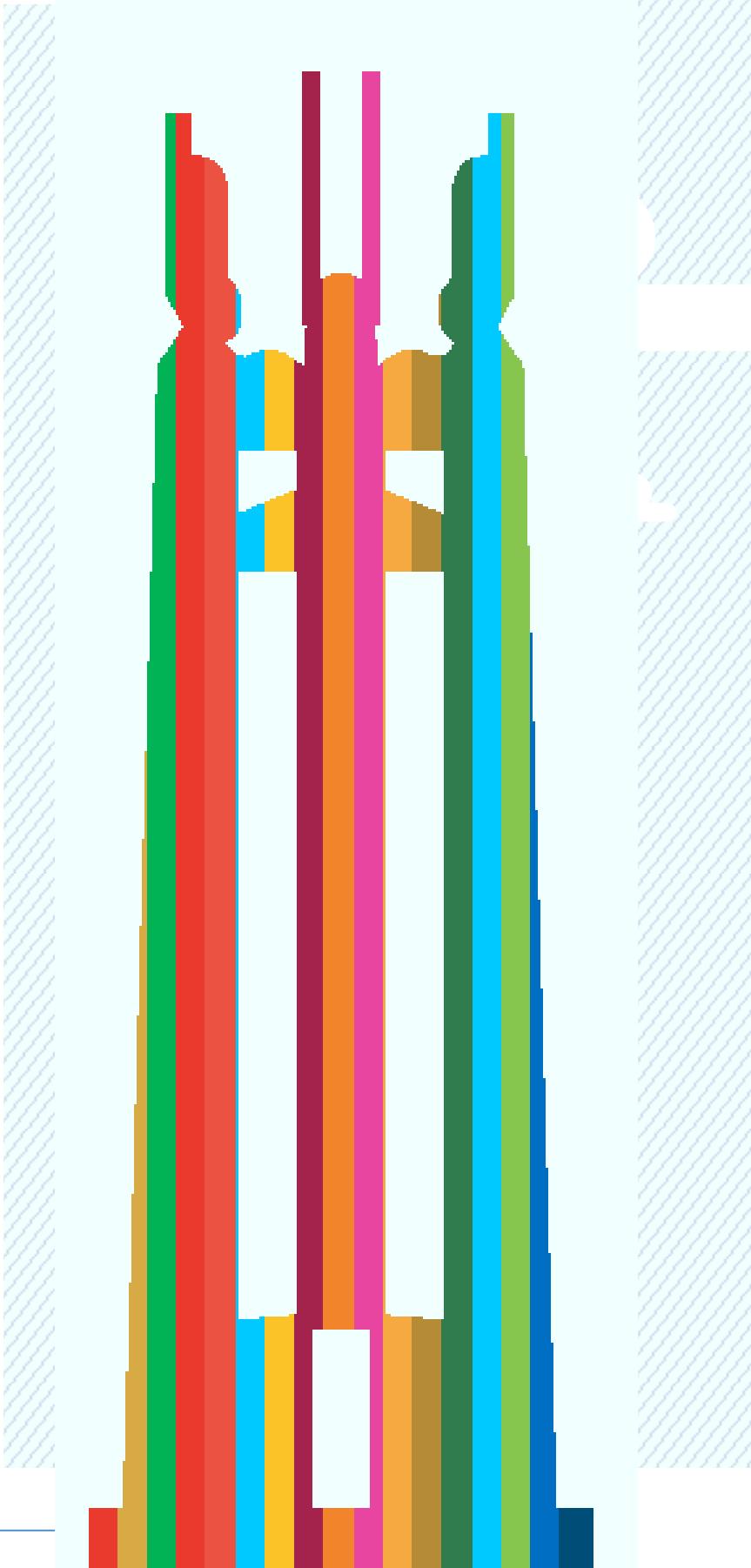
The PFSD represents the UN System's commitment to provide strategic support to national aspirations to become a prosperous society where no one is poor or left behind. As such, the PFSD 2019-2023 describes a focused set of areas where the majority of UN common resources will be jointly applied so that national sustainable development goals that have been severely challenged in the past can be pushed forward as far as possible. 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 important 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 sync with national development programming. For two, there could also be agency work which proceeds in addition to 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; human, animal and plant health campaigns or health responses that require targeted specialized interventions; ongoing, regular/normative 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 include:

Trust. The ability of the 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 UN 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. However, the issue is less to do with disaster response *per se* and more to do with recovery requirements post-disaster/emergency. 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 hazards—its systems have been constantly improving—yet 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) but resources for recovery from unforeseen emergencies are not.

It is assumed that the GPH 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 official development assistance and other financing sources impacts individual agency budgets and flexibility in programming; it also implies greater competition for funds. On the other hand, it is an opportunity to test whether UN contributions are indeed valued by national counterparts enough to warrant funding, not to mention a challenge to UN agencies to step up and provide more integrated and practical policy advice as befitting the complex and multidimensional challenges facing a middle-income country like the Philippines.

Coordination capacity.³³ Reduced UN coordination capacity due to any scale-down in the availability of core resources for UN coordination, will impact the

quality of overall coordination of the PFSD 2019 - 2023. Without an adequately staffed and resourced Office of the UN Resident Coordinator (RCO), the UNCT may be challenged in terms of its ability to implement joint planning, implementation, monitoring and reporting as well as ensure that its engagement with the Government of the Philippines is internally coherent.

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

Evidence. The lack of socioeconomic data that is both disaggregated and representative at subnational levels as well as 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 this issue is the matter of the lack of protocols and capacities among UN agencies to extract defensible evidence in support of policy advice or program design; currently, data requirements for program impact evaluation are not sufficiently integrated

³³ This and the next two points draw heavily from the Sustainable Development Framework 2018-2022 of Sri-Lanka

into the design of UN programs. The latter can and must be addressed internally if the UN is to optimize its limited resources. This is a particularly urgent concern in light of the limitations of the national statistical system.



SECTION 05

PFSD RESOURCES

The Philippine Development Plan 2017-2022 is accompanied by a 2017-2022 Public investment Program (PIP) that contains a “rolling list” of priority programs and projects to be implemented by national government offices and instrumentalities within the plan period in pursuit of the societal goal and targets in the PDP. As of 25 July 2017, the working list of priority programs and projects in the PIP amounted to a total investment target of PHP 10.64 Trillion, or roughly US\$ 196.95 Billion.³⁴

Seen against this, the expected value contribution of the UN system for the 2019-2023 plan period will be measured less by the amount of financial resources

it will bring to the table and more by the quality and efficiency of its normative policy support, its delivery of relevant and specialized and cross-cutting knowledge, and its technical support to national and local coordination mechanisms in both development and humanitarian arenas. As already mentioned, the UN will endeavor to further improve the quality of its contributions by striving for greater internal coherence, relevance and rigor.

³⁴ Computed assuming an exchange rate of Php54: US\$1. The PIP working list as of 25 July 2017 includes priority programs and projects for PDP Chapters 5 to 12, 14, 15, and 17 to 20, downloaded on 22 September 2018 from <http://www.neda.gov.ph/2017/01/24/2017-2022-public-investment-program/>.



The table below provides the summary figures for each pillar, with a breakdown per agency available in **Annex C**.

Pillars	Estimated UN Agency Funds for Programming Priorities (in US\$, as of PFSD signing)		
	Total Budget	Available Funding	Resources to be Mobilized
People	170,656,426	37,362,669	133,293,757
Prosperity and Planet	205,230,564	2,712,724	202,517,840
Peace	130,740,212	2,124,010	128,616,202
TOTAL	506,627,202	42,199,403	464,427,799

Additionally, an estimated US\$ 180,000 will be raised to support monitoring and evaluation of programming priorities (Annex C.3). This amount is expected to be sourced from both core or non-core sources.

The UN system agencies will provide support to the development and implementation of activities within the PFSD, which may include technical support, cash assistance, supplies, commodities and equipment, procurement services, transport, funds for advocacy, research and studies, consultancies, programme development, monitoring and evaluation, training activities and staff support. Part of the UN system agencies' support may be provided to non-governmental and civil society organizations (CSOs) as agreed within the framework of the individual work plans and project documents.

Additional support may include access to UN organization-managed global information systems, the network of the

UN system agencies' country offices and specialized information systems, including rosters of consultants and providers of development services, and access to the support provided by the network of UN Specialized Agencies, Funds and Programmes.

The UN system agencies, subject to availability of funding, shall appoint staff and consultants for policy development and advocacy, communications, knowledge management, programme development, programme support, technical assistance, as well as monitoring and evaluation activities.

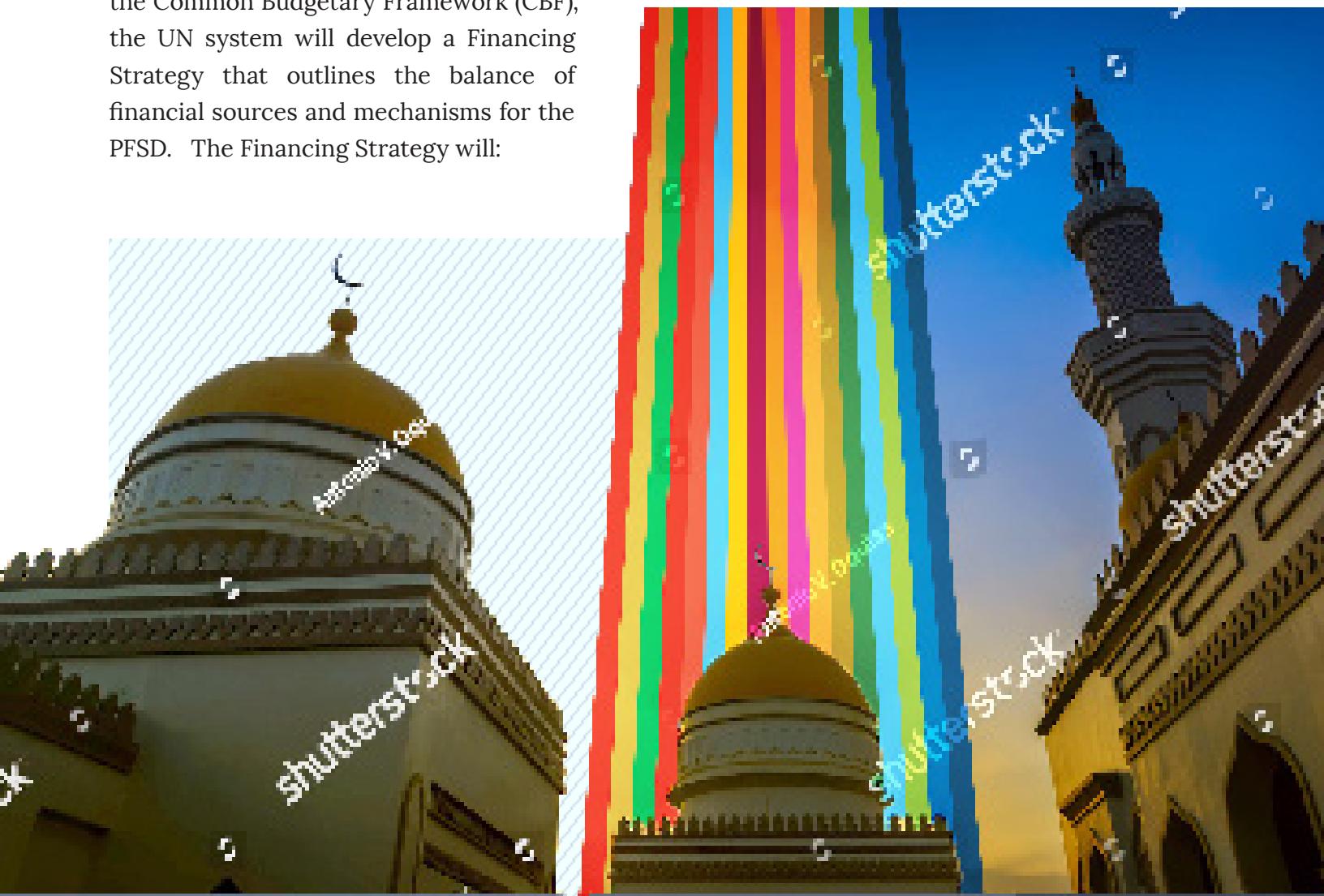
Subject to annual reviews and progress in the implementation of the programme, the UN system agencies' funds are distributed by calendar year and in accordance with the PFSD. These budgets will be reviewed and further detailed in the work plans and project documents. By mutual consent between the Government and the UN system agencies, funds not earmarked

by donors to the UN system agencies for specific activities may be re-allocated to other programmatically equally worthwhile activities.

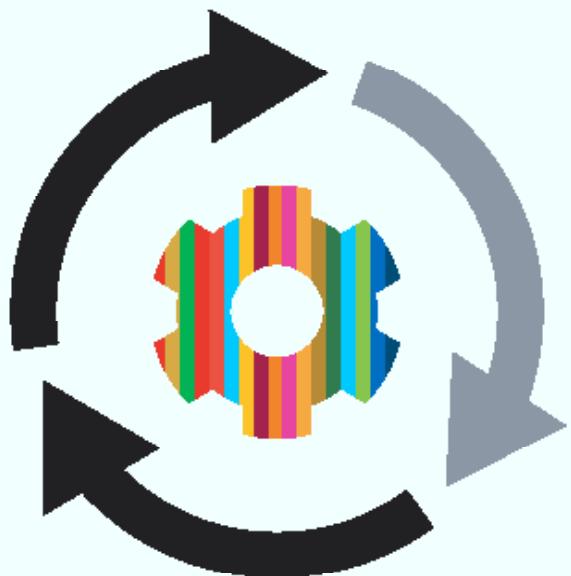
The UN system, which is a development partner and not a donor to the Government, will explore funding options from both traditional and non-traditional partners, such as the private sector, as well as cost-sharing options with the Government, where appropriate. This requires an innovative and multi-financing approach.

On the basis of the initial projections in the Common Budgetary Framework (CBF), the UN system will develop a Financing Strategy that outlines the balance of financial sources and mechanisms for the PFSD. The Financing Strategy will:

- Map the financial landscape.
- Identify innovative partnerships to diversify funding streams.
- Further validate the initially identified financing gap.
- Identify the financing instruments to address the gap.
- Define the coordination mechanisms between the different financing instruments.



SECTION 06



IMPLEMENTATION ARRANGEMENTS

The PFSD will be executed under the overall co-ordination of the Government of the Philippines. Government coordinating authorities for specific UN system agency programmes are noted in the Legal Annex. Government Ministries, non-government organizations, international non-government organizations, private companies and UN system agencies will implement programme activities.

The PFSD will be made operational through the development of joint work plan(s) (JWPs) and/or agency-specific work plans and project documents as necessary which describe the specific results to be achieved and will form an agreement between the UN system agencies and each implementing partner as necessary on the use of resources. To the extent possible

the UN system agencies and partners will use the minimum documents necessary, namely the signed PFSD and signed joint or agency-specific work plans and project documents to implement programmatic initiatives. However, as necessary and appropriate, project documents can be prepared using, *inter alia*, the relevant text from the PFSD and joint or agency-specific work plans and or project documents.

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

PFSD implementation will be anchored by:

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 Socioeconomic Planning Secretary 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. The NSC will also review the status of complementary agency priorities.

On occasions where strategic high-level policy dialogue would be appropriate, there will be interaction with the Human Development Poverty Reduction Cabinet Cluster-National Economic

and Development Authority-Social Development Committee (NEDA-SDC) Cabinet Cluster or other relevant Cabinet Clusters. The NSC will be backed by a Secretariat anchored jointly by staff of NEDA and RCO.

The NSC will be comprised of the two co-chairs with the co-convenors of the Joint Results Groups at Secretary (Government) and Head of Agency (UN) levels and Department of Local Government (SDG localization) for a total membership of nine (9). The Department of Foreign Affairs, the Department of Budget Management and the Office of the Cabinet Secretary will participate in the NSC as observers, including the two co-chairs. Others, representing government institutions, UN agencies and civil society, may be called upon to provide technical advice and guidance on cross-cutting and thematic issues as the need arises.

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-convenor at the Secretary level with designated Undersecretary as alternate and, on a rotational basis, the UN co-convenor at Head of Agency level, the JRGs will function as a venue to discuss implementation and coordination bottlenecks, review the utilization of normative frameworks, and ensure the coverage of cross-cutting issues.



It shall also be a venue to discuss and encourage innovative approaches to joint programming between UN agencies towards more fruitful engagement with government counterparts; joint programmes which test and harvest evidence toward policy or program reform; and joint resource mobilization. Importantly, 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 cross-cutting policy issues. Meetings will be held every six months and as the need arises.

Agencies engaged in programming priorities and contributing to PFSD outcomes will participate in the relevant pillars of the Joint Results Groups. This shall include but is not limited to representatives of **Joint Programming/Programme Teams (JPTs)**, that may be formed by two or more UN agencies and their national counterparts, to pursue one or more programming priorities under the PFSD.

The Co-convenors may delegate responsibility for ongoing coordination and preparation for the meetings of the JRGs at working level to a Deputy or Senior Programme Officer.

Delivering as One – UN Coordination Structures

The **UN Resident Coordinator** is the highest ranking representative of the UN development system in the Philippines

and ensures alignment of both agency programmes and inter-agency pooled funding for development with national development needs and priorities as well as with the PFSD in consultation with the national government.

The **UN Country Team** is composed of the heads of all resident and non-resident UN agencies, funds and programmes and is the UN's highest inter-agency coordination and joint decision-making body in the country, providing internal oversight of the implementation and monitoring of the PFSD. UNCT members are accountable to each other for the responsible use of resources, achievement of results, adherence to the UN programming principles of UN development assistance, and progress with UN Development System reform. This includes providing the financial, human and other resources needed to the extent possible, for the realisation of the commitments related to achievement of the PFSD results.

The UNCT convenes to discuss partnership and joint resource mobilization priorities, the advancement of programme implementation and issues of strategic importance so as to identify mutually agreed priorities, to build consensus, improve coordination and to "speak with one voice." Subsidiary bodies of the UNCT include:

The **Results Groups** are at the core of driving the PFSD forward within the UNCT. They mirror and work closely with the Joint Results Groups between the UN

and national counterparts. Led by the respective UN co-convenor and alternate, it meets regularly at senior technical level as designated by the participating agencies. To ensure clear direction and oversight, it is recommended that the Results Group is convened by the chair and alternate at HoA agency level as often as needed to get them going, with the senior technical level participating.

Joint programmes and joint programming among participants in the Results Groups is strongly encouraged. *Ad hoc working groups* can be formed under each Result Group for programming or cooperation in areas contributing to the respective interim and overall outcomes. Examples of such ad hoc working groups (under the People Pillar) could be the existing inter-agency groups on HIV/AIDS, NCDs and Illegal Drugs. Leadership and participation in such groups would be designated by the respective Result Group.

The **Management Support Groups** are essential enablers for joined-up UN action, coherence and efficiency. Similar to the Results Groups, it meets monthly under the leadership of a chair and co-chair. Given the future configuration of the RC office with dedicated capacity for monitoring and evaluation, and communication (through UN Information Centre), the relevant member of the RC office acts as convener and chair, with an agency member designated co-chair on a rotating basis. The OMT will be led at senior agency level (preferably deputy head of agency or the equivalent)

coming from an agency with substantial operations management capacity situated in the UN common premises.

The **Thematic Groups** are a resource for the Results Groups and center on areas that cut across all three outcomes as SDG accelerators. Based on the current and future RC Office configuration, a relevant member of the RC Office can act as convener and chair of the LNOB thematic group incorporating the human rights, IP and PWD perspectives with an agency representative as co-chair on a rotating basis. The thematic groups for Gender and Youth are led by UN Women and UNFPA respectively at HoA or most senior level possible with a designated agency acting as co-chair on a rotational basis. The potential of a thematic group on Data will be explored further. The chair or co-chair of thematic groups participate in meetings of the Results Groups as needed to ensure incorporation of their respective area in the mainstream.

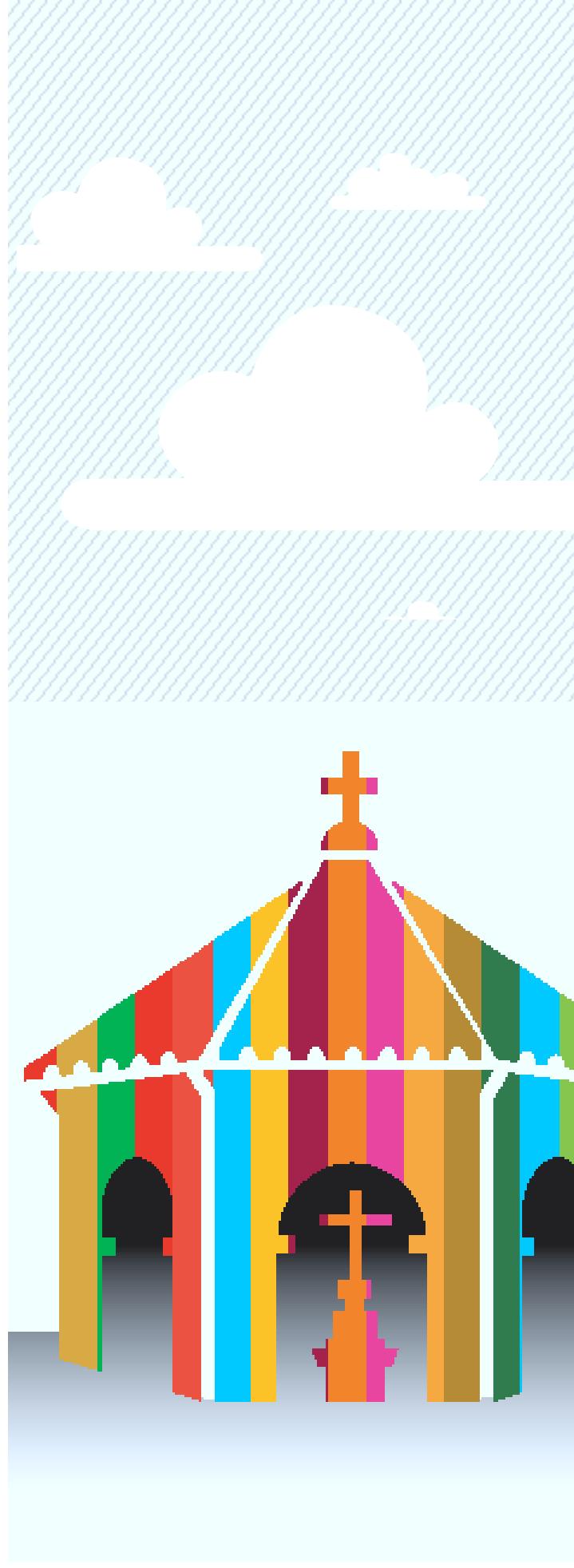
The **Results Coordination Group** (RCG) supports coordination, learning and synergies among the Results Groups and ensures the mainstreaming of cross-cutting themes as well as the preparation of meetings of the PFSD National Steering Committee. It is convened and chaired by the (future) Head of the RC office and consists of the senior technical level co-conveners and alternates of the Results Groups. The conveners/chairs of Management Support and Thematic Groups participate as needed.

The **Monitoring and Evaluation Group** (M&E Group) is composed of M&E specialists from all UN agencies. The M&E Group is responsible for promoting a results culture within the UN system and in assisting the JRGs to apply Results Based Management (RBM) tools and principles in their annual planning, monitoring and reporting; and will work closely with the RCG to fulfill these efforts. The M&E Group will provide inputs to the Annual UNCT Results Report; adopt monitoring tools; and focus on the development and implementation of the PFSD M&E plan.

The **Operations Management Team** (OMT) is an inter-agency team comprising operations specialists from all UN agencies. The OMT is responsible for development, implementation and monitoring of the Business Operations Strategy (BOS) and for liaison with the UNCT on issues requiring high-level decision-making and policy guidance. The OMT is chaired by an agency operations manager on a rotational basis and reports periodically to the RC and the UNCT.

The **UN Communications Group** (UNCG) is an inter-agency body comprising agency communication and advocacy focal points. The UNCG is responsible for development of a UN Communications and Advocacy Strategy, and its implementation through the priorities identified in annual work plans. The UNCG is chaired by a communications specialist on a rotational basis and reports periodically to the UNCT. The budget for UNCG annual work plans will be supported through agency cost share contributions.

The **Office of the UN Resident Coordinator** (RCO) provides active and direct facilitative support to the UNRC and the UNCT, and supports coordination of all inter-agency activities related to Delivering as One and the implementation of the PFSD. The RCO, together with NEDA, provides secretariat support to the NSC and coordinates technical inputs into annual meetings of the Committee.





SECTION 07



MONITORING, REPORTING, AND EVALUATION

The PFSD 2019–2023 is an outcome level document that binds the UN system in the Philippines to a set of agreed programming priorities and intermediate outcomes in support of select national socio-economic and sustainable development goals.

Monitoring and reporting on the PFSD will consequently focus on the intermediate outcomes where UN's direct contribution will be measured. Results of output-level joint- or individual agency-programming in support of intermediate outcomes will feed into PFSD annual reporting as well as updating of the CBF. PFSD monitoring should, at the same time, contribute to strengthening national data collection system, including improving data quality, analysis and utilization. Existing capacities and mechanisms of the UN

and government will be considered and efforts will be undertaken to strengthen monitoring and evaluation capacities of both parties.

Evaluation will assess the relevance of the PFSD outcomes, the effectiveness and efficiency of implementation, i.e. whether and how UN utilizes its comparative advantage and the coherence of those actions, and sustainability and contribution to national priorities and targets. PFSD mid-term and end-line evaluations will be undertaken jointly with the government and other partners.

The **PFSD Results Framework (Annex D)** provides the basis for the monitoring of intermediate outcomes, including available baselines, targets and nominated means of verification. A costed PFSD Monitoring and Evaluation Plan was provided earlier in Annex Table C.3.



ANNEXES

- A Key Findings and Recommendations of the UNDAF 2012-2018 Evaluation
- B Matrix of Trajectories of Core Human Development Outcomes
- C Breakdown of Resource Contribution to PFSD Programming Priorities,
by participating UN- Agency and Costed Monitoring and Evaluation Plan
- D PFSD Results Matrices
- E Legal clauses

ANNEX A

Key Findings and Recommendations of the Philippines United Nations Development Assistance Framework (UNDAF) 2012-2018 Evaluation Report (August 2017)

The primary focus of the evaluation is on how [well] the UNDAF has brought the UN system together in support of national priorities. It is taken as a given that the work of individual agencies respond to specific national or sector needs in the Philippines and that for the large part, this support continues to be valuable, relevant and contribute (broadly) to the achievement of UNDAF outcomes. Thus, particular emphasis was given to examples of joint programming, operational efficiencies and other instances where the UN—defined as two or more agencies—demonstrated results over and above that which would have occurred in the absence of an UNDAF.

Key Findings

Relevance

The specific interventions being supported by the UN in the Philippines remain relevant and appreciated, it is far less clear that the UNDAF itself remains a relevant document in the context of the partnership with the GPH the further one got from the design phase. In fact, it could be argued that the UN potentially erred when it decided to extend the current UNDAF until 2018 rather than developing a new UNDAF that would be more closely aligned with the PDP 2017- 2022 and better able to reflect the changes in approach under the new administration and would likely be more relevant.

Efficiency

Overall, the evaluation found limited evidence to suggest that the UNDAF process has improved efficiency either internally or externally. This can be traced in part to the fact that the role of the UN in the Philippines has [properly] evolved from that of a donor to one where the GPH is increasingly able to self-finance its development agenda and now looks to the UN for highly specialized

technical assistance that does not easily lend itself to a common framework.

The continued reliance on individual agency programming instruments, in particular individual work plans and reporting requirements [outside of a limited number of joint programmes] has meant that the UN system as a whole continues to demand far more time from national counterparts relative to the resources that it brings to the table. The failure to work more systematically through national systems was noted at all levels of the GPH and is contrary to the basic expectations of the Paris Principles of Aid.

At a minimum, the UN needs to strengthen the use of joint programming modalities at all level including a clear commitment to department-level common work plans and reports and a more integrated approach to how it works with local partners including more joint trainings, research and action

Effectiveness

The individual projects and programmes supported by the different UN agencies remain valued and effective in a number of sectors including Education, Maternal Health, Decent Work and Labour Standards, HIV/AIDS, Human Rights and DRRM. However, the overall effectiveness of the UNDAF as a tool for guiding and sharpening the depth and quality of support being provided by the UN to national development priorities is unclear. The lack of strong ownership of the UNDAF within the UN created a situation where the focus was on demonstrating that the UN was adhering to the basic requirements laid out in the UNDAF guidelines rather than actually making a difference over and above the individual contributions of the participating agencies.

Recommendations

- The next UNDAF should be focused on a very limited number of areas where the UN will work together using a variety of joint programming modalities.
- The UN has a unique comparative advantage in the Philippines as a convener of different actors across government and between the national, regional and LGU levels in support of the SDG agenda. This can translate into a number of different convergence models for the UN in the Philippines and should be a key feature of the new UNDAF.
- This should be linked to a robust monitoring framework anchored in a clear set of intermediate indicators that better capture the specific contribution of the UN system to national goals and are tracked properly through the life of the next UNDAF.
- The UN should consider adopting a partnership model building on examples from the region – e.g. Thailand – that is grounded in the UN's normative mandate including a greater emphasis on advocacy [potentially building on the Republiko model/platform] and increasingly moving away from service delivery and project-based modes of engagement in all but the most exceptional circumstances.
- The UN and NEDA need to work towards the gradual elimination of stand-alone agency reviews and towards integration with the PDP review process over the course of the next UNDAF [including setting specific milestones for doing so within the UNDAF monitoring framework]. Consideration should also be given to placing a UN Volunteer within NEDA to help facilitate this process.
- In line with the UN Secretary General's report, the UN system needs to review its engagement strategy, both individually and collectively, to better reflect the fact that the Philippines is a MIC with significant internal resources and capacities. This should include giving serious consideration to scaling back interventions to focus on a critical number of key results with long-term impact rather than a series of relatively small-scale interventions that lack a significant multiplier effect.
- For some agencies, this might also include moving to a non-resident model of engagement working through the RCO. However, this should be tied to a much more systematic effort to marry the operational capacities of the funds and programmes with the increased demand for the technical expertise vested in specialized agencies rather than the current approach that is still rooted in a traditional UNDAF model focuses on project based interventions.
- The UN should revisit its capacity development model in conjunction with the GPH and look to provide more in-depth specialist support—longer and/or more targeted support by specialist technical advisors—that looks to the requirements to achieve Ambisyon 2040 rather than the current use of short-term trainings and workshops linked to the sector plans under the PDP.
- The UN should strongly consider recruiting a senior level strategic planner to head the RCO and provide substantive guidance and leadership over the UNDAF process. The current model where the role of the RCO is more focused on coordination and providing secretariat services to the UNCT places too much burden / responsibility on the agencies convening the Outcome Groups with very mixed results.
- The UN should significantly streamline its coordination architecture to minimize the number of working groups and to avoid unnecessary duplication. It is proposed that the UN engage a management consultant to review the existing coordination architecture including those for humanitarian emergencies during the roll out of the new UNDAF to come up with lightest possible structure with clear term of references linked to concrete deliverables and accountability structures.

ANNEX B

Matrix of Trajectories of Core Human Development Outcomes

Targets	MDC				SDG/WHA/PDP	
	Baseline	End line	Original (2015) target	Estimated year to meet target*	New (follow-on) target	Estimated year to meet target*
I: Eradicating extreme poverty and hunger						
Poverty - less than PPP\$1.90/day	25.6	2	11.1	2012	10.0	2014
Poverty (adjusted poverty threshold)	17.1	2	21.6	2012	14.0	2014
Poverty gap rate	9.0	2	4	2011	6.7	2015
Share of poorest quintile in national consumption	9.2	2	8.5	Freq		
<i>Full and productive employment and decent work</i>						
Growth rate of GDP per person employed	1.6	2	5.0	Freq		
Employment-to-population ratio	51	2	53.7	Freq		
Unemployed who are income poor	29.5	2	12	Freq		
Own account (per cent employed workers in total employment)	35.6	2	27.4	Freq		
Unpaid family workers in total employment	15.7	2	9.7	Freq		
<i>Hunger</i>						
Prevalence of underweight (%)	25.5	2	21.1	2012	14	2014
Starving	33.8	2	29.4	2005	13.2	2014
Wasting	43	2	27	2005	53	2014
Anemia (women 15-49)	46	2	23	2010	12.5	2021
% of HH with no electricity (2014)	27.2	2	65.2	2010	51	2021
Subsistence poverty	17.6	2	8.1	2012	5.0	2020
<i>II: Achieve Universal Primary Education</i>						
Net enrolment rate in primary education	84.6	2	92.6	2021	95	2021
Gender parity index	69.7	2	85.1	2019	95	2020
Primary completion rate	64.2	2	85	2020	95	2020
<i>III: Promote Gender Equality, Empowerment of women</i>						
Women in agricultural wage employment	40.1	2	41.1	2023	35	2018
Proportion of girls in parliament	11.1	2	25.4	2017	29.26	2021

Targets	MDG				SDG/WHA, PDP	
	Baseline	End line	Original (2015) target	Estimated year to meet target*	New (follow-on) target	Estimated year to meet target*
4: Reduce Child Mortality						
U5 Mortality	63.5 -93	31 -13	27	2017	25 WHA	2019
Infant Mortality	38.4 -93	23 -13	16	2027	15 PDP	2030
Neonatal Mortality	18.2 -93	13 -13	8	2045	12 WHA	2018
1-year olds immunized vs measles	77.9 -93	91 -13	95	2019	95 MDG	2019
5: Improve Maternal Health						
Maternal mortality ratio	209 -90	204 -15	52	3421	70 SDG	3119
Births attended by skilled personnel	58.8 -90	87 -13	95	2020	95 MDG	2020
Contraceptive prevalence rate (any method, currently married)	40 -93	55.1 -13	95	2066		na
Modern contraceptive prevalence rate (all women)	15.1 -93	23.5 -13			65 PDP	2112
Adolescent birth rate	50 -93	57 -13	0	Regressing	27 PDP [a]	Regressing
Antenatal care coverage (at least one visit)	91.2 -93	96.1 -13	Incr	prog		
Antenatal care coverage (at least four visits)	52.1 -93	84.3 -13	Incr	prog		
Unmet need for family planning	26.2 -93	17.5 -13	Decr	prog		
6: Halt/begin to reverse the incidence of malaria and other major diseases						
Prevalence associated with malaria	118.7 -90	7.9 -13	5	2017	*	*
Death rate associated with malaria	1.4 -90	0.01 -13	0	2013	*	*
Prevalence associated with TB	246 -90	461 -13	5	Regressing	225 PDP	regressing
Death rate associated with TB	39.1 -90	24 -13	0	2252	0	2252
HIV prevalence						
7: Environmental sustainability						
Families with access to safe water supply	73 -90	85.5 -14	87	2016	95 SDG	2032
Families with sanitary toilet facility	67.6 -90	94.1 -14	84	2005	95 SDG	2014
Families with access to secure tenure	91 -90	89.8	increasing	No change		

Source: Common Country Assessment (2017).

Notes: * For decreasing indicators, estimated using a geometric model with annual discrete compounding and assuming a slope that increasing at a decreasing rate. For increasing indicators, a linear model is applied. See ESCAP/ADB/UNDP 2007, pp. 52-53. ^a Estimated using 2006 as a starting point; b benchmarked to high-HDI countries; ^c benchmarked to very-high HDI countries

ANNEX C

Annex Table C.1 Breakdown of Resource Contributions to Programming Priorities, by participating UN Agency

Agency	Pillar 1: People			Pillar 2: Prosperity and Planet			Pillar 3: Peace			Total		
	Core	Non-Core	Total	Core	Non-Core	Total	Core	Non-Core	Total	Available Funding/ Core	Resources to be Mobilized/ Non-Core	Total
FAO	888,267	2,979,535	3,867,801	1,668,677	9,300,524	10,969,201	1,094,777	6,660,798	7,755,575	3,651,720	18,940,857	22,592,577
IFAD ^a	-	-	-	-	-	-	-	-	-	-	-	-
ILO	-	-	-	375,000	14,861,009	15,236,009	375,000	4,800,000	5,175,000	750,000	19,661,009	20,411,009
IOM	158,385	3,016,667	3,175,052	85,714	12,066,667	12,152,381	55,901	30,166,667	30,222,567	300,000	45,250,000	45,550,000
JOINT UN TEAM ON AIDS	558,000	-	558,000	-	-	-	-	-	-	558,000	-	558,000
UNDP	583,333	40,553,000	41,136,333	583,333	124,254,000	124,837,333	583,333	36,113,000	36,696,333	1,749,999	200,920,000	202,669,999
UNFPA	11,500,000	7,000,000	18,500,000	-	-	-	-	-	-	11,500,000	7,000,000	18,500,000
UN HABITAT	-	-	-	-	3,000,000	3,000,000	-	8,000,000	8,000,000	-	11,000,000 ^c	11,000,000
UNHCR	-	-	-	-	-	-	-	2,417,237	2,417,237	-	2,417,237	2,417,237
UNICEF	17,380,000	61,967,500	79,347,500	-	-	-	-	32,832,500	32,832,500	17,380,000	94,800,000	112,180,000
UNIDO	-	1,000,000	1,000,000	-	24,035,640	24,035,640	-	-	-	-	25,035,640	25,035,640
UN WOMEN	-	-	-	-	-	-	15,000	626,000	641,000	15,000	626,000	641,000
WFP	-	5,900,000	5,900,000	-	15,000,000	15,000,000	-	7,000,000	7,000,000	-	27,900,000	27,900,000
WHO	6,294,684	10,877,056	17,171,740	-	-	-	-	-	-	6,294,684	10,877,056	17,171,740
Total	37,362,669	133,293,757	170,656,426	2,712,724	202,517,840	205,230,564	2,124,010	128,616,202	130,740,212	42,199,403	464,427,799	506,627,202

a As an International Financial Institution, IFAD provides loans to the Government for the implementation of investment programmes and does not directly implement the programmes it finances. IFAD's contribution to the PFSD cannot be estimated, as IFAD funds are committed over a multi-year period and annual disbursements depend on work plans and budgets agreed with Government on an annual basis. The ongoing portfolio of about USD 150 M contributes to Pillar 2 by supporting competitive, inclusive and resilient agri-food value chains. It is estimated that annual disbursements during the PFSD period will be in the order of USD 10-12 M.

While UNFPA will contribute to peace building, especially with the support to youth, an estimate of the resource contribution could not yet be provided at this time.

Of which US\$ 9million has been secured/mobilized from partners/donors

Annex Table C.2 Allocations to PFSD Programming Priorities and Complementary Agency Priorities, by participating UN Agency

Agency	Allocation to PFSD Programming Priorities		Allocation to Complementary Agency Priorities		Total CPD Resources	Notes on the estimation of (A)
	Total (A)	% of Total CPD Resources	Total	% of Total CPD Resources		
FAO	22,592,577	100%	-	-	22,592,577	Output level resources; People - 1.1; 1.2; 2.2; Prosperity and Planet- 2.1; 2.2; 3.1; 3.2; Peace - 2.2; 3.1; 3.2
IFAD						Outcome 2
ILO	20,411,009					
IOM	45,550,000	100%	-	-	45,550,000	People, Prosperity & Planet, Peace Pillar
JOINT UN TEAM ON AIDS	558,000	21%	2,065,652	79%	2,623,652	Strategic Area 1 Funding from other agencies may also be reflected in their respective CPDs
UNDP	202,669,999	100%	-	-	202,669,999	Total resources reflected in CPD per pillar
UNFPA	18,500,000	93%	1,500,000	7%	20,000,000	Outcomes 1, 2 and 3
UN HABITAT	11,000,000	73%	4,000,000	27%	15,000,000	Outcome 2.1 (Prosperity and Planet); 3.2 (Peace)
UNHCR	2,417,237	86%	402,763	14%	2,820,000	Peace Pillar: Outcomes 1,2,3,4
UNICEF	112,180,000	100%	-	-	112,180,000	People and Peace Pillar: Outcomes 1-5
UNIDO	25,035,640	13%	169,059,341	87%	194,094,981	Funds reflected in the CPD
UN WOMEN	641,000	74%	228,476	26%	869,476	Peace Pillar, Outcome 4.2
WFP	27,900,000	65%	5,115,920	15%	33,015,920	
WHO	17,171,740	70%	7,359,317	30%	24,531,057	People Pillar - Strategic Priority 1, 2 & 4 Programme Budget 2018-2019
Total	506,627,202	75%	189,731,469	28%	675,947,662	

Annex Table C.3 PFSD Costed Monitoring and Evaluation Plan

M&E Activities	PFSD Outcome Reference	Intended Use of M&E Information and Findings	Start	Indicative Cost (USD)	Source of Funds
A. Surveys and Studies					
- Perception Survey	3 (Peace Pillar)	Provide baseline data and program planning and budgeting	2019 & 2022	TBD	UNDP
- Policy Analysis/Review	All	Program planning and budgeting	2020 & 2022	25,000	UNCT
B. Monitoring System					
- Routine Progress Monitoring using UN INFO (Online Database)	All	Planning, monitoring and reporting	2019-2023	25,000	UNCT
C. Reviews					
- PFSD Annual Reviews and Reporting (One UN Country Results Report)	All	Inform management decision and actions to adjust programming for results achievement	2019-2023	50,000	UNCT
		Accountability measure to the government			
- Mid-Term Review	All	Inform management decision and actions to adjust programming for results achievement	2020	10,000	UNCT
D. Evaluation					
- Endline Evaluation	All	Assess the relevance of the PFSD outcomes, effectiveness and efficiency of implementation (UN comparative advantage and coherence) and sustainability and contribution to national priorities and targets	2022	70,000	UNCT
		Support formulation of the next PFSD			
Total				180,000	

ANNEX D

Annex Table D.1 PEOPLE PILLAR Outcome Statement: The most marginalized, vulnerable, and at risk people and groups benefit from inclusive and quality services and live in a supportive environment wherein their nutrition, food security and health are ensured/protected.

Outcome Indicators ¹ (PDP Indicators)	Intermediate Outcomes (UNCT contribution)	Intermediate Outcome Indicators ²	Programming Priorities	Partners
unmarried; 2017) Target: 46.4% (currently married; 2022) & 23.4% (sexually active; unmarried; 2022) <i>Data source: NDHS 2017</i>	b. Communities, leaders and "gatekeepers" encouraging behavioral practices that promote the inclusion of marginalized, vulnerable and at risk people and groups;	b.1 Strategic communications plan formulated and implemented by multisectoral government coordination platforms on key issues (e.g. stunting, teenage pregnancy, etc.) Baseline: TBD (Mapping of existing communications plans of the following multisectoral government coordination platform: NNC, PNAC, RP-RH NIT, CWC, NCD, WASH) Target: Strategic communications plan formulated and implemented for the 5 multisectoral government coordination platforms identified <i>Data source: Internal review/assessment of JRG</i>	(vi) expanding community and citizen oversight of government policy and programs; (vii) providing integrated policy and bottleneck analysis.	of Trade and Industry (DTI), Juvenile Justice and Welfare Council (JJWC), Leagues of Cities, Municipalities and Provinces, National Commission on Indigenous Peoples (NCIP), National Economic and Development Authority (NEDA), National Nutrition Council (NNC), National Youth Commission (NYC), Office of the Presidential Adviser on the Peace Process (OPAPP), Office of the Ombudsman, Office of the Vice-President (OVP), Philippine Coconut Authority (PCA), Philippine Commission on Women (PCW), Philippine National AIDS Council (PNAC), Commission on Population (POPCOM), Philippine Statistics Authority (PSA), Supreme Court (SC)
1.5 Proportion of households meeting the 100% recommended energy intake Baseline: 31.7 (2015) Target: 37.1% (2022) <i>Data source: NNS 2015</i>		c. Government at national and sub-national levels implementing harmonized, evidence-based, inclusive policies which are equitably resourced and monitored.	c.1 Number of multi-year costed implementation plans for programs that target key issues (e.g. stunting, teenage pregnancy) developed, adopted and monitored by the relevant multi-sectoral government coordination platforms Baseline: TBD (Mapping of existing actions plans on target key issues of the following multisectoral government coordination platform: NNC, PNAC, RP-RH NIT, CWC, NCD, WASH) Target: Multi-year costed plans developed, adopted and monitored for the following: Stunting, Maternal Health, Adolescent Health, HIV-AIDS, NCD and WASH (for consideration) <i>Data source: Internal review/assessment of JRG</i>	
1.6 HIV incidence per 1,000 population Baseline: 0.20 per 1000 popn (2023; estimated) Target: 0.13 per 1000 popn (2023) <i>Data source: Philippine National AIDS Council (PNAC); HIV Estimate based on Global AIDS Monitoring (GAM) Report 2018</i>		c.2 Proportion of policies on key targeted issues (e.g. stunting, teenage pregnancy, etc.) that benefit from UN policy analysis and technical assistance Baseline: TBD (Policy Review; 2019) Target: TBD		
1.7 Premature mortality rate attributed to non-communicable diseases (cardiovascular diseases, cancer, diabetes, and chronic respiratory diseases) Baseline: 164/100,000 popn (2014) Target: 124/100,000 popn (2022) <i>Data source: Philippine Health Statistics (DOH)</i>				

¹ To the extent possible information is disaggregated by sex, age, population group and geographical location

² To the extent possible information is disaggregated by sex, age, population group and geographical location

Annex Table D.2 PROSPERITY AND PLANET PILLAR Outcome Statement: Urbanization, economic growth, and climate change actions are converging for a resilient, equitable, and sustainable development path for communities.

Outcome Indicators ³ (unless otherwise stated, PDP Indicators)	Intermediate Outcomes (M&CT contribution)	Intermediate Outcome Indicators ⁴	Programming Priorities	Partners
<p>2.1 Proportion of local governments that adopt and implement climate-change – disaster risk reduction (CC-DRR)-enhanced Comprehensive Land Use Plans (CLUPs) and Comprehensive Development Plans (CDPs), Local Climate Change Action Plans (LCCAPs), and Local Disaster Risk Reduction and Management Plans (LDRMPPs), in line with national Disaster risk reduction strategy</p> <p>Baseline:</p> <ul style="list-style-type: none"> - CC-DRR plans: 882 out of 1,834 municipalities and cities; 2019; - CDR- (2.38%); 37 out of 1,834 municipalities and cities; 2019; - LCCAPs (78.88%); 1,114 out of 1,834 municipalities and cities; 2019; - LDRMPPs (81.15%); 1,552 out of 1,834 municipalities and cities; 2019) <p>Target: Increasing (PDP)</p> <p>Data source: Housing and Local Government Regulatory Board (HLRB), Department of the Interior and Local Government (DILG), Climate Change Commission (CCC) and Office of Civil Defense (OCD)</p>	<p>a. 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 job livelihoods and resilient and sustainable communities;</p> <p>Baseline and Target: TBC Data source: Agency-Specific Reports</p>	<p>a.1 Number of national and local policies, plans, and programmes that integrates climate, resilience, inclusion, economic growth, promoting and creating decent and green jobs and resilient and sustainable communities;</p> <p>Baseline and Target: TBC Data source: Agency-Specific Reports</p>	<p>[i] support for monitoring and data generation and for rigorous cross-sectoral, integrated assessments/analysis that can support urban and rural communities understand how climate events, as well as SCP, at their level and plan accordingly;</p> <p>[ii] support for the reform of local policies, plans and programs to better integrate climate change, urbanization and growth;</p> <p>[iii] support for the adoption of SCP technologies and initiatives to promote commitments under the Paris Agreement, as well as mainstreaming SCP issues with national and global SCP dimension (e.g., marine-life);</p>	<p>UN Agencies: FAO, IFAD, ILO, IOC, UNDP, UNFPA, UNESCO, WFP, UN Habitat</p> <p>Government: Climate Change Commission (CCC), DA, DILG, DILRRD, DILG, DILG, Department of Energy (DOE), DOLE, DOBSC, DOH, Department of Tourism (DOT), DOPWD, DTI, League of Municipalities, Cities and Provinces, Mimaropa Development Authority (MMDA), MCH, MDRRMC, NEDA, National Housing Authority (NHA), PCA, DPAFF, Technical Education and Skills Development Authority (TESDA)</p>
<p>2.2 Percentage of jobs and industries adopting green technologies and practices to total number of jobs and industries</p> <p>Baseline and Target: will be available in 2019 (PDP)</p> <p>Data source: PBA</p>	<p>Increasing in support of a just transition to resilient and low-emission development that protects the rights of affected and at-risk;</p>	<p>green and climate-resilient and low-emission solutions and schemes; Baseline and Target: TBC Data source: UN Agency Reports, SDGs in our Bid; ODA Climate Budget Tagging Reports</p>	<p>[i] enabling posts to participate in the transitioning to resilient communities;</p> <p>[ii] support for capacity building on planning and extension work (e.g., establishment of early-warning systems);</p>	
<p>2.3 GHG emissions per sector (million MT CO2e) (Energy, Industry, Agriculture, LUCL, Waste, Transport)</p> <p>Baseline: (2019): <ul style="list-style-type: none"> - Energy - 55.7; - Industry - 111; - Agriculture - 47.8; - LUCL - 40.2; - Waste - 15.3; - Transport - 29.2 </p> <p>Target: Decreasing (PDP)</p> <p>Data source: National Communication to United Nations Framework Convention on Climate Change (UNFCCC)</p>	<p>c. Communities, duty-bearers and claim-holders engaging in behavior and practices that protect the environment and promote sustainable consumption and production (SCP) patterns;</p>	<p>b.1 Number of national and local policies, programmes, strategies that promote sustainable consumption and production patterns; Baseline and Target: TBC Data source: Agency-Specific Reports (LR)</p> <p>c.2 Knowledge, attitude and practices of community members (in key issues [environmental protection, sustainable consumption and production])</p>		

³ To the extent possible information is disaggregated by sex, age, population group and geographical location

⁴ To the extent possible information is disaggregated by sex, age, population group and geographical location

Outcome Indicators ³ (unless otherwise stated, PDP Indicators)	Intermediate Outcomes (UNCT contribution)	Intermediate Outcome Indicators ⁴	Programming Priorities	Partners
<p>2.4 Percent of total budget of NGOs and LGUs that respond to climate change adaptation and mitigation</p> <p>Baselines:</p> <ul style="list-style-type: none"> • NGOs - 5% (2015) • LGUs - TBD <p>Target: Increasing</p> <p>Data source: CCC Climate Budget Tagging</p> <ul style="list-style-type: none"> • Marine (Poor: 3.4 M ha; Fair: 0; Satisfactory: 112,822 ha; Good: 0; Excellent: 0) • Terrestrial (Poor: 2.2 M ha; Fair: 970,502 ha; Satisfactory: 1.3 M ha; Good: 1.1 M ha; Excellent: 112,822 ha) <p>Targets:</p> <ul style="list-style-type: none"> • Marine (Poor: 1.9 M ha; Fair: 2.2 M ha; Satisfactory: 42.1 M ha; Good: 0; Excellent: 0) • Terrestrial (Poor: 1.4 M ha; Fair: 55,707 ha; Satisfactory: 844,239 ha; Good: 972,162 ha; Excellent: 42,136 ha) <p>Data source: DENR</p>		<p>Baseline and Target: TBD</p> <p>Data source: TBD</p>		

Annex Table D.3 PEACE PILLAR 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 in Mindanao.

Outcome Indicators ⁵ (PDP Indicators)	Intermediate Outcomes (UNCT contribution)	Intermediate Outcome Indicators ⁶	Programming Priorities	Partners
<p>3.1 Number of barangays affected by internal armed conflict</p> <p>Baseline: 716 (2017)</p> <p>Target: 0 (2022)</p> <p>Data source: DND</p>	<p>a. 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;</p>	<p>a.1 Level of awareness of government, civil society stakeholders, adolescents and youth, and the general public on different cultural history, identity and inequalities in Mindanao</p>	<p>(i) promoting a better informed public on the histories, identities and inequalities of peoples of Mindanao;</p> <p>(ii) promoting a popular demand for rights and a culture of peace and non-violence;</p>	<p>UN Agencies: FAO, ILO, IOM, UNDP, UNFPA, UN Habitat, UNHCR, UNICEF, UN Women, WFP</p>
<p>3.2 Percentage of conflict-affected and conflict-vulnerable barangays rehabilitated</p> <p>Baseline: TBD</p> <p>Target: 100% (2022)</p> <p>Data source: DOH, DepEd, NEDA</p>		<p>Baseline and Target: TBD</p> <p>Data source: Perception Survey (cf UNDP); NCCA perception survey</p> <p>a.2 Extent to which consultative mechanism for affected population contributing the peace process are effective</p>	<p>(iii) developing capacities of subnational governments and communities in conflict-affected areas in the design and implementation of inclusive and responsive governance</p>	<p>Government: CCC, DA, DAR, DENR, DepEd, DOST-PCARRD, DTI, Housing and Urban Development Coordinating Council (HUDCC), MInDA, NCIP, NEDA, NDRRMC, NYC, OPAPP, OVP, PAGASA, PCA, Task Force Bangon Marawi</p>

Outcome Indicators ⁵ (PDP Indicators)	Intermediate Outcomes (UNCT contribution)	Intermediate Outcome Indicators ⁶	Programming Priorities	Partners
<p>3.3 Number of LGUs in conflict-affected and -vulnerable areas with local development plans integrating conflict sensitive and peace promoting approaches</p> <p><i>Baseline: 187</i> <i>Target: Significantly increased</i> <i>Data source: OPAPP</i></p>	<p>b. Government in conflict affected areas demonstrating collaborative leadership, with men, women, and youth empowered and establishing systems for accountability, responsiveness and justice, and</p>	<p><i>Baseline and Target: TBD</i> <i>Data source: UNDP Outcome Evaluation (2021)</i></p> <p>b.1 Number of NGAs with new and/or updated plans and strategies in place for the normalization of former combatants and their communities</p> <p>b.2 Number of NGAs with new and/or updated plans and strategies implemented for the achievement of durable solutions for displaced persons</p>	<p>systems, including human rights, transitional justice and community security platforms, as well as extension systems, among others;</p> <p>(iv) supporting the effective participation of former combatants, their families and community members with conflict-induced fragilities in local governance and socio-economic development, public administration, and political</p>	
<p>3.4 Percent of Filipinos with high tolerance and respect for others</p> <p><i>Baseline: TBD</i> <i>Target: TBD</i></p>		<p>Outcome C</p> <p>• Implementing the National Action Plan on Disarmament, Demobilization, Rehabilitation and Reintegration (NAP-DDRR) and other national policies on peace and security, including the Comprehensive Strategy for Peace and Development (CSPD), the National Policy on Women, Peace and Security, and the National Policy on Children, Peace and Security</p> <p>• Strengthening the capacity of the national government and local governments to implement the NAP-DDRR and other national policies on peace and security, including the CSPD, the National Policy on Women, Peace and Security, and the National Policy on Children, Peace and Security</p> <p>• Strengthening the capacity of the national government and local governments to implement the NAP-DDRR and other national policies on peace and security, including the CSPD, the National Policy on Women, Peace and Security, and the National Policy on Children, Peace and Security</p>		

⁵ To the extent possible information is disaggregated by sex, age, population group and geographical location

⁶ To the extent possible information is disaggregated by sex, age, population group and geographical location

ANNEX E

LEGAL CLAUSES

PARTNERSHIP, VALUES AND PRINCIPLES

Whereas the Government of the Philippines (hereinafter referred to as "the Government") has entered into the following:

- a. WHEREAS the Government and the United Nations Development Programme (hereinafter referred to as UNDP) have entered into a basic agreement to govern UNDP's assistance to the country (Standard Basic Assistance Agreement (SBAA), which was signed by both parties on 21 July 1977. Based on Article I, paragraph 2 of the SBAA, UNDP's assistance to the Government shall be made available to the Government and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of the competent UNDP organs, and subject to the availability of the necessary funds to the UNDP. In particular, decision 2005/1 of 28 January 2005 of UNDP's Executive Board approved the new Financial Regulations and Rules and along with them the new definitions of 'execution' and 'implementation' enabling UNDP to fully implement the new Common Country Programming Procedures resulting from the UNDG simplification and harmonization initiative. In light of this decision this PFSD together with a work plan (which shall form part of this PFSD, and is incorporated herein by reference) concluded hereunder constitute together a project document as referred to in the SBAA [or other appropriate governing document]¹.
- b. With the United Nations Children's Fund (UNICEF) a Basic Cooperation Agreement

(BCA) concluded between the Government and UNICEF on 20 November 1948.

- c. With regard to the United Nations Population Fund (UNFPA), an Exchange of Letters dated 21 October 1996 to the effect that the SBAA signed by UNDP and the Government on 21 July 1977 be applied, mutatis mutandis, to UNFPA.
- d. With the World Food Programme (WFP) a Basic Agreement concerning assistance from the World Food Programme, which Agreement was signed by the Government and WFP on 2 July 1968.
- e. With the Food and Agriculture Organization of the United Nations (FAO) the Agreement for the opening of the FAO Representation in the Philippines signed by both parties by Exchange of Letters on 2 November 1977 and 14 November 1977, respectively.
- f. With the International Labour Organization (ILO), pursuant to the Philippines establishing membership in the ILO in 1948, through Senate Resolution No. 44 passed on 19 March 1948 and Proclamation No. 67 signed by President Elpidio Quirino on 19 May 1948, an Agreement signed between the ILO and the Government on 23 January 1970, establishing the ILO Office in Manila.
- g. With the World Health Organization (WHO), the Basic Cooperation Agreement signed by the Government and the WHO on 28 December 1950, providing the legal and administrative frameworks for the provision of technical

¹ In the countries where SBAA [or other agreement depending on country] have not been signed, the Standard Annex to project documents for use in countries which are not parties to the SBAA should be attached to the PFSD. These documents together with the workplan constitute the "project document".

cooperation by WHO, and the Host Agreement of the Regional Office in Manila signed by the Government and WHO on 1 June 1951.

- h. With the United Nations Industrial Development Organization (UNIDO) a Basic Cooperation Agreement (BCA) signed by both parties on 26 February 1993.
- i. With the International Organization for Migration (IOM), the Cooperation Agreement signed for the Government by the Department of Foreign Affairs on 13 March 2003 granting to IOM the same privileges and immunities as those granted to the specialized agencies of the United Nations.
- j. With the Office of the United Nations High Commissioner for Refugees (UNHCR) a Memorandum of Agreement Concerning the Emergency Transit of Refugees concluded between the Government and UNHCR on 27 August 2009 and complemented by an Exchange of Letters on 6 March 2010 and 26 March 2010 respectively to include co-lead of the Protection Cluster with Government, and activities in the context of internally displaced persons. The Philippines also became a party to the 1951 Convention Relating to the Status of Refugees and the 1967 Protocol in July 1981. In May 2011, the Philippines also ratified the 1954 Convention Relating to the Status of Stateless Persons
- k. For all agencies: Assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of the competent UN system agency's governing structures [IFAD, UNESCO, UN Habitat, UN Women, UNAIDS, UNODC, UNOPS].

The PFS will, in respect of each of the United Nations system agencies signing, be read, interpreted, and implemented in accordance with and in a manner that is consistent with the basic agreement between such United Nations system agency and the Host Government.

COMMITMENTS OF THE GOVERNMENT OF THE PHILIPPINES

The Government will support the UN system agencies' efforts to raise funds required to meet the needs of this PFS and will cooperate with the UN system agencies including: encouraging potential donor Governments to make available to the UN system agencies the funds needed to implement unfunded components of the programme; endorsing the UN system agencies' efforts to raise funds for the programme from other sources, including the private sector both internationally and in [name of country]; and by permitting contributions from individuals, corporations and foundations in [name of country] to support this programme which will be tax exempt for the Donor, to the maximum extent permissible under applicable law.

Cash assistance for travel, stipends, honoraria and other costs shall be set at rates commensurate with those applied in the country, but not higher than those applicable to the United Nations system (as stated in the ICSC circulars).

The Government will honour its commitments in accordance with the provisions of the cooperation and assistance agreements outlined in the first section of Annex A on Partnership, Values and Principles.

Without prejudice to these agreements, the Government shall apply the respective provisions of the Convention on the Privileges and Immunities of the United Nations (the "General Convention") or the Convention on the Privileges and Immunities of the Specialized Agencies (the "Specialized Agencies Convention") to the Agencies' property, funds, and assets and to their officials and experts on mission. The Government shall also accord to the Agencies and their officials and to other persons performing services on behalf of the Agencies, the privileges, immunities and facilities as set out in the cooperation and assistance agreements between the Agencies and the Government. In addition, it is understood that all United Nations Volunteers shall be assimilated to officials of the Agencies, entitled to the privileges and immunities accorded to such officials under the General Convention or the Specialized Agencies Convention. The Government will be responsible for dealing with any claims, which may be

brought by third parties against any of the Agencies and their officials, experts on mission or other persons performing services on their behalf and shall hold them harmless in respect of any claims and liabilities resulting from operations under the cooperation and assistance agreements, except where it is any claims and liabilities resulting from operations under the cooperation and assistance agreements, except where it is mutually agreed by Government and a particular Agency that such claims and liabilities arise from gross negligence or misconduct of that Agency, or its officials, advisors or persons performing services.

Without prejudice to the generality of the foregoing, the Government shall insure or indemnify the Agencies from civil liability under the law of the country in respect of vehicles provided by the Agencies but under the control of or use by the Government.

- a. "Nothing in this Agreement shall imply a waiver by the UN or any of its Agencies or Organizations of any privileges or immunities enjoyed by them or their acceptance of the jurisdiction of the courts of any country over disputes arising of this Agreement".
- b. Nothing in or relating to this document will be deemed a waiver, expressed or implied, of the privileges and immunities of the United Nations and its subsidiary organs, including WFP, whether under the Convention on the Privileges and Immunities of the United Nations of 13th February 1946, the Convention on the Privileges and Immunities of the Specialized Agencies of 21st November 1947, as applicable, and no provisions of this document or any Institutional Contract or any Undertaking will be interpreted or applied in a manner, or to an extent, inconsistent with such privileges and immunities.

HARMONIZED APPROACHES TO CASH TRANSFERS

All cash transfers to an Implementing Partner are based on the Work Plans² agreed between the Implementing Partner and the UN system agencies.

Cash transfers for activities detailed in work plans can be made by the UN system agencies using the following modalities:

1. Cash transferred directly to the Implementing Partner:
 - Prior to the start of activities (direct cash transfer), or
 - After activities have been completed (reimbursement);
2. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner;
3. Direct payments to vendors or third parties for obligations incurred by UN system agencies in support of activities agreed with Implementing Partners.

Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. The UN system agencies shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorized amounts.

Following the completion of any activity, any balance of funds shall be refunded or programmed by mutual agreement between the Implementing Partner and the UN system agencies.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an

² Refers to Joint Results Groups' or agency specific annual, bi-annual or multi-year workplans

assessment of the financial management capacity of the non-UN³ Implementing Partner. A qualified consultant, such as a public accounting firm, selected by the UN system agencies may conduct such an assessment, in which the Implementing Partner shall participate. The Implementing Partner may participate in the selection of the consultant.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

In case of direct cash transfer or reimbursement, the UN system agencies shall notify the Implementing Partner of the amount approved by the UN system agencies and shall disburse funds to the Implementing Partner in [here insert the number of days as per UN system agency schedule].

In case of direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; or to vendors or third parties for obligations incurred by the UN system agencies in support of activities agreed with Implementing Partners, the UN system agencies shall proceed with the payment within [here insert the number of days as agreed by the UN system agencies].

The UN system agencies shall not have any direct liability under the contractual arrangements concluded between the Implementing Partner and a third party vendor.

Where the UN system agencies and other UN system agency provide cash to the same Implementing Partner, programme monitoring, financial monitoring and auditing will be undertaken jointly or coordinated with those UN system agencies.

The Supreme Audit Institution may undertake the audits of Government Implementing Partners. If the SAI chooses not to undertake the audits of specific Implementing Partners to the frequency and scope required by the UN system agencies, the UN system

agencies will commission the audits to be undertaken by private sector audit services.

A standard Fund Authorization and Certificate of Expenditures (FACE) report, reflecting the activity lines of the workplan (WP), will be used by Implementing Partners to request the release of funds, or to secure the agreement that [UN organization] will reimburse or directly pay for planned expenditure. The Implementing Partners will use the FACE to report on the utilization of cash received. The Implementing Partner shall identify the designated official(s) authorized to provide the account details, request and certify the use of cash. The FACE will be certified by the designated official(s) of the Implementing Partner.

Cash transferred to Implementing Partners should be spent for the purpose of activities and within the timeframe as agreed in the work plans only.

Cash received by the Government and national NGO Implementing Partners shall be used in accordance with established national regulations, policies and procedures consistent with international standards, in particular ensuring that cash is expended for activities as agreed in the work plans, and ensuring that reports on the utilization of all received cash are submitted to [UN organization] within six months after receipt of the funds. Where any of the national regulations, policies and procedures are not consistent with international standards, the UN system agency financial and other related rules and system agency regulations, policies and procedures will apply.

In the case of international NGO/CSO and IGO Implementing Partners cash received shall be used in accordance with international standards in particular ensuring that cash is expended for activities as agreed in the work plans, and ensuring that reports on the full utilization of all received cash are submitted to [UN organization] within six months after receipt of the funds.

To facilitate scheduled and special audits, each Implementing Partner receiving cash from [UN

3 For the purposes of these clause, "the UN" includes the IFIs.

organization] will provide UN system agency or its representative with timely access to:

- all financial records which establish the transactional record of the cash transfers provided by [UN system agency], together with relevant documentation;
- all relevant documentation and personnel associated with the functioning of the Implementing Partner's internal control structure through which the cash transfers have passed.

The findings of each audit will be reported to the Implementing Partner and [UN organization]. Each Implementing Partner will furthermore:

- Receive and review the audit report issued by the auditors.
- Provide a timely statement of the acceptance or rejection of any audit recommendation to the [UN organization] that provided cash (and where the SAI has been identified to conduct the audits, add: and to the SAI) so that the auditors include these statements in their final audit report before submitting it to [UN organization].

Undertake timely actions to address the accepted audit recommendations.

Report on the actions taken to implement accepted recommendations to the UN system agencies (and where the SAI has been identified to conduct the audits, add: and to the SAI), on a quarterly basis (or as locally agreed). 



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