



Philippine Development Plan 2011-2016

PUBLIC INVESTMENT PROGRAM



WORKING DRAFT
(As of May 31, 2012)



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2011-2016 Public Investment Program
(WORKING DRAFT AS OF MAY 31, 2012)

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List of Acronyms

AAT	Automated Audit Tools
ABB	Alex Boncayao Brigade
ACPC	Agricultural Credit and Policy Council
ADB	Asian Development Bank
ADR	Alternative Dispute Resolution
AFAB	Authority of the Freeport Area of Bataan
AFAE	Access Facilitation and Access Enhancement
AFMA	Agriculture and Fisheries Modernization Act
AFP	Armed Forces of the Philippines
AIM	Asset Information Management
AJD	Agrarian Justice Delivery
AMCFP	Agro-industry Modernization Credit and Financing Program
AO	Administrative Order
AR	Asset Reform
ARB	Agrarian Reform Beneficiary
ARC	Agrarian Reform Community
ARCP II	Agrarian Reform Communities Project II
ARISP III	Agrarian Reform Infrastructure Support Project III
ARMM	Autonomous Region of Muslim Mindanao
ASEAN	Association of Southeast Asian Nations
ASG	Abu Sayyaf Group
ASTI	Advanced Science and Technology Institute
BAT	Best Available Techniques
BCDA	Bases Conversion Development Authority
BEAM	Basic Education Assistance to Mindanao
BEP	Best Environmental Practices
BEST	Basic Education Sector Transformation
BFP	Bureau of Fire Protection
BGPMCS	Barangay Governance Performance Management Classification System
BHSs	Barangay Health Stations
BI	Bureau of Immigration
BIR	Bureau of Internal Revenue
BJMP	Bureau of Jail Management and Penology
BLGF	Bureau of Local Government Finance
BNEO	Barangay Newly Elected Officials
BOC	Bureau of Customs
BPLS	Business Permits and Licensing System
BSMED	Bureau of Small and Medium Enterprise Development
BSWM	Bureau of Soils and Water Management
BuCor	Bureau of Corrections
BWSC	Bureau of Workers with Special Concerns
CAAP	Civil Aviation Authority of the Philippines
CAAs	Conflict-affected Areas
CAP-SP	Communication Advocacy Program – Support Project
CAR	Cordillera Administrative Region
CARP	Comprehensive Agrarian Reform Program
CARPER	Comprehensive Agrarian Reform Program Extension with Reforms
CBA	Cordillera Bodong Administration
CBD	Central Business District
CBFM	Community-Based Forest Management
CBMS	Community Based Monitoring System
CCA	Climate Change Adaptation

CCC	Climate Change Commission
CCP	Corporation Code of the Philippines
CCTV	Closed Circuit Television
CDA	Cooperative Development Authority
CDC	Clark Development Corporation
CeC	Community e-Center
CEP	Capability Enhancement Program
CESDP	Career Executive Service Development Program
CEZA	Cagayan Economic Zone Authority
CFO	Commission on Filipino Overseas
CHARMP2	Second Cordillera Highland Agricultural Resource Management Project
CHED	Commission on Higher Education
CHT	Community Health Teams
CIAC	Clark International Airport Corporation
CICT	Commission on Information and Communications Technology
CIIP	Comprehensive and Integrated Infrastructure Program
CITC	Cottage Industry Technology Center
CLIP	Comprehensive Local Integration Program
CLOAs	Certificate of Land Ownership Awards
CLUPs	Comprehensive Land Use Plans
CMDC	Capital Market Development Council
CO	Certificate of Origin
COA	Commission on Audit
COMELEC	Commission on Elections
COMSTE	Congressional Commission on Science and Technology and Engineering
ConVERGE	Convergence on Value-Chain Enhancement for Rural Growth & Empowerment
CPA	Cebu Port Authority
CPLA	Cordillera People's Liberation Army
CPP	Communist Party of the Philippines
CP3SP	Consumer Advocacy, Monitoring and Enforcement
CSO	Civil Society Organization
DA	Department of Agriculture
DAO	Defense Acquisition Office
DAP	Development Academy of the Philippines
DAR	Department of Agrarian Reform
DBCC	Development Budget Coordination Committee
DBM	Department of Budget and Management
DBFTA++	Doing Business in Free Trade Areas
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DFA	Department of Foreign Affairs
DILG	Department of the Interior and Local Government
DMIA	Diosdado Macapagal International Airport
DND	Department of National Defense
DNYP	Distributed but Not Yet Paid
DOE	Department of Energy
DOF	Department of Finance
DOH	Department of Health
DOJ	Department of Justice
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOT	Department of Tourism
DOTC	Department of Transportation and Communications
DPD	Document Processing Division
DPWH	Department of Public Works and Highways
DRR	Disaster Risk Reduction

DRRM	Disaster Risk Reduction and Management
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
DTTB	Digital Terrestrial Television Broadcasting
eAccReg	Electronic Accreditation and Registration
EBD	Environment and Biotechnology Division
eCAR	Electronic Certificate Authorizing Registration
EER	Effectiveness and Efficiency Review
EFCOS	Effective Flood Control Operation System
ENR	Environment and Natural Resources
EO	Executive Order
EPs	Emancipation Patents
eSales	Electronic Sales
ETC	Education, Training and Culture
eTIS	Electronic Taxpayer Information System
EU	European Union
EXCITE	Excellence in Governance Thru Innovation Transformation and Education
FACES	Family Based Action for Children and Environs in the Slums
FAP	Foreign-Assisted Project
FDA	Food and Drug Administration
FIS	Forest Information System
FMR	Farm-to-Market Road
FNRI	Food and Nutrition Research Institute
FPRDI	Forest Products and Research Development Institute
FRIMP	Flood Risk Management Project
FS	Feasibility Study
FSCP	Food Supply Chain Program
FSSP	Food Staples Sufficiency Program
FY	Fiscal Year
GAA	General Appropriations Act
GASTPE	Government Assistance to Students and Teachers in Private Education
GDP	Gross Domestic Product
GFI	Government Financial Institution
GIFMIS	Government Integrated Financial Management Information System
GIS	Geographical Information System
GOCC	Government-Owned and Controlled Corporation
GPH	Government of the Philippines
GREAT Women	Gender-Responsive Economic Actions for the Transformation of Women
HDPRC	Human Development and Poverty Reduction Cluster
HERA	Higher Education Reform Agenda
HFEP	Health Facilities Enhancement Program
HITS	High Impact Technology Solutions
HLURB	Housing and Land Use Regulatory Board
HNP	Health, Nutrition and Population
HoR	House of Representatives
HUD	Housing and Urban Development
HUDCC	Housing and Urban Development Coordinating Council
HVCA	Hazard, Vulnerability and Capacity Analysis
IA	Intramuros Administration
IACVAWC	Inter-Agency Committee on Violence Against Women and Children
IARCDSP	Italian Agrarian Reform Community Development Support Program
IC	Insurance Commission
ICC	Investment Coordination Committee
ICRMP	Integrated Coastal Resources Management Project
ICT	Information and Communications Technology
ICTO	Information and Communications Technology Office

IDPs	Internally Displaced Persons
IDR	Integrity Development Review
ILAB	International Labor Affairs Bureau
IMCOS	Incident Management and Communication System
INFRACOM	Committee on Infrastructure
INREMP	Integrated Resource and Environmental Management Project
IO	Intermediate Outcome
IP	Indigenous People
IPOPHL	Intellectual Property Office of the Philippines
iReport	Internet-enabled Report
ISFs	Informal Settler Families
IT-BPO	Information Technology-Business Process Outsourcing
ITS	Integrated Tax System
IWQMP	Integrated Water Quality Management Project
JDS	Japanese Grant Aid for Human Resource Development Scholarships
Jl	Jemiah Islamiyah
JICA	Japan International Cooperation Agency
JV	Joint Venture
KALAHl-CIDSS:KKB	Kapit-Bisig Laban sa Kahirapan and Comprehensive Integrated Delivery of Social Services: Kapangyarihan at Kaunlaran sa Barangay
KEXIM	Export-Import Bank of Korea
KP	Kalusugan Pangkalahatan
LAD	Land Acquisition and Distribution
LADA	Land Degradation Assessment
LADIS	Land Acquisition and Distribution Information System
LAMP2	Second Land Administration and Management Project
LAMS	Land Administration Management Systems
LBP	Land Bank of the Philippines
LED for LGUs	Local Economic Development for LGUs
LGFSF	Local Government Finance Support Program
LGPMS	Local Governance Performance Management System
LGSP-LED	Local Governance Support Programme for Local Economic Development
LGU	Local Government Unit
LISCOP	Laguna de Bay Institutional Strengthening and Community Participation
LLDA	Laguna Lake Development Authority
LRT	Light Rail Transit
LRTA	Light Rail Transit Authority
LTRFB	Land Transportation Franchising and Regulatory Board
LTI	Land Tenure Improvement
LTO	Land Transportation Office
LTO-IIS	Land Transportation Office Infrastructure and Information System
LWUA	Local Water Utilities Administration
M&E	Monitoring and Evaluation
MCC	Millennium Challenge Corporation
MCIAA	Mactan Cebu International Airport Authority
MCTE	Manila-Cavite Toll Expressway
MDG	Millennium Development Goal
MDG-F	Millennium Development Goals Achievement Fund
MFls	Microfinance Institutions
MFO	Major Final Output
MIAA	Manila International Airport Authority
MILF	Moro Islamic Liberation Front
MinSAAD	Mindanao Sustainable Agrarian and Agriculture Development
MIRDC	Metals Industry Research and Development Center
MLD	Million Liters per Day
MMDA	Metropolitan Manila Development Authority

MMIP	Malitubog-Maridagao Irrigation Project
MPIP	Multipurpose Irrigation Project
MRDP 2	Mindanao Rural Development Program 2
MRFs	Materials Recovery Facilities
MRT3	Metro Rail Transit 3
MSME	Micro, Small and Medium Enterprise
MTDP	Medium-Term Development Plan
MTEF	Medium-Term Expenditure Framework
MTF-RDP	Mindanao Trust Fund - Reconstruction and Development Program
MVUC	Motor Vehicle User's Charge
mW	megawatt
MWSS	Metropolitan Waterworks and Sewerage System
NAIA	Ninoy Aquino International Airport
NAIAX	Ninoy Aquino International Airport Expressway
NAMRIA	National Mapping and Resource Information Authority
NAPC	National Anti-Poverty Commission
NB	NEDA Board
NBI	National Bureau of Investigation
NCCAP	National Climate Change Action Plan
NCDDP	National Community Driven Development Program
NCR	National Capital Region
NDA	National Dairy Authority
NDC	National Development Company
NDF	National Democratic Front
NDRRMC	National Disaster Risk Reduction and Management Council
NEA	National Electrification Administration
NEDA	National Economic and Development Authority
NEO	Newly Elected Officials
NFA	National Food Authority
NG	National Government
NGA	National Government Agency
NGO	Non-Governmental Organization
NGP	National Greening Program
NHA	National Housing Authority
NHIP	National Health Insurance Program
NHTS-PR	National Household Targeting System for Poverty Reduction
NIA	National Irrigation Administration
NINP	NEDA Information Network Project
NJIS	National Justice Information System
NNC	National Nutrition Council
NPA	New Peoples' Army
NPC	National Power Corporation
NPDC	National Parks and Development Committee
NPS	National Payroll System
NPS-ENRMP	National Program Support to Environment and Natural Resources Management Project
NRCO	National Reintegration Center for OFWs
NRCP	National Research Council of the Philippines
NRIMP	National Roads Improvement and Management Project
NSCB	National Statistical Coordination Board
NSO	National Statistics Office
NSTIC	National Science Teaching and Instrumentation Center
NSW	National Single Window
NTP	National Transport Policy
NWRB	National Water Resources Board
OADR	Office for Alternative Dispute Resolution
OCD	Office of Civil Defense

ODA	Official Development Assistance
OFs RED	Overseas Filipinos Diaspora Remittances for Development Project
OFWs	Overseas Filipino Workers
OGCC	Office of the Government Corporate Counsel
OMB	Office of the Ombudsman
OPAPP	Office of the Presidential Adviser on the Peace Process
OPIF	Organizational Performance Indicator Framework
OSC	Office of Special Concerns
OSec	Office of the Secretary
OSG	Office of the Solicitor General
OSH	Occupational Safety and Health Center
OTOP	One Town One Product
OVI	Objectively Verifiable Indicators
OWWA	Overseas Workers Welfare Administration
PAC	Public Awareness Campaign
PAGASA	Philippine Atmospheric, Geophysical and Astronomical Services Administration
PAGCOR	Philippine Amusement and Gaming Corporation
PAGs	Private Armed Groups
PAHRODF	Philippines-Australia Human Resource and Organizational Development Facility
PAMANA	Payapa at Masaganang Pamayanan
PAO	Public Attorney's Office
PAPs	Programs and Projects
PBD	Program Beneficiaries Development
PBP	Plan and Budget Proposal
PBR	Philippine Business Registry
PBS	Paper on Budget Strategy
PCA	Philippine Coconut Authority
PCAARRD	Philippine Council for Agriculture, Aquaculture and Natural Resources Research and Development
PCC	Philippine Carabao Center
PCF	Performance Challenge Fund
PCFC	People's Credit and Finance Corporation
PCG	Philippine Coast Guard
PCIC	Philippine Crop Insurance Corporation
PCIEERD	Philippine Council for Industry, Energy and Emerging Technology Research and Development
PCOO	Presidential Communications Operations Office
PCSO	Philippine Charity Sweepstakes Office
PCVA	Participatory, Capacity and Vulnerability Assessment
PCW	Philippine Commission on Women
PDIC	Philippine Deposit Insurance Corporation
PDP	Philippine Development Plan
PEZA	Philippine Economic Zone Authority
PFDA	Philippine Fisheries Development Authority
PH	Philippines
PhilHealth	Philippine Health Insurance Corporation
PhilPost	Philippine Postal Corporation
PhilRice	Philippine Rice Research Institute
PHIVOLCS	Philippine Institute of Volcanology and Seismology
PIP	Public Investment Program
PITC	Philippine International Trading Corporation
PJA	Philippine Justices Association
PNOC	Philippine National Oil Company
PNOC-EC	Philippine National Oil Company - Exploration Corporation
PNP	Philippine National Police
PNR	Philippine National Railways

PNRI	Philippine Nuclear Research Institute
POEA	Philippine Overseas Employment Administration
POLOs	Philippine Overseas Labor Offices
POPCOM	Commission on Population
POPs	Persistent Organic Pollutants
PPA	Parole and Probation Administration
PPA	Philippine Ports Authority
PPADP	Puerto Princesa Airport Development Project
PPALMA	Pigcawayan, Pikit, Aleosan, Libungan, Midsayap and Alamada
PPBS	Planning-Programming-Budgeting System
PPMC	Poro Point Management Corporation
PPP	Public-Private Partnership
PPSC	Philippine Public Safety College
PRIME	Philippines' Response to Indigenous Peoples' and Muslim Education
PRMF	Provincial Road Management Facility
Project GROWTH	Gearing Rural Organizations for Wealth Creation Towards Household Income Improvement Project
PRRC	Pasig River Rehabilitation Commission
PSHS	Philippine Science High School
PTNI	People's Television Network, Inc.
PTRI	Philippine Textile Research Institute
PTTC	Philippine Trade Training Center
R&D	Research and Development
RA	Republic Act
RaFPEP	Rapid Food Production Enhancement Programme
RBCA	Risk-Based Capital Adequacy
RDPs	Regional Development Plans
RHUs	Rural Health Units
RIIDP	Road Improvement and Institutional Development Project
RM	Results Matrices
RNHeals	Registered Nurses for Health Enhancement and Local Service
ROW	Right-of-Way
RPA	Revolutionary Proletarian Army
RPMP	Rebolusyonaryong Partido ng Manggagawa-Pilipinas
RSIDIP	Road Sector Institutional Development and Investment Program
RUPP	Road Upgrading and Preservation Project
SALINTUBIG	Sagana at Ligtas na Tubig para sa Lahat
SARED	Sustainable Agribusiness and Rural Enterprise Development
SBCorp	Small Business Corporation
SCTEx	Subic-Clark-Tarlac Expressway
SEA-K	Self-Employment Assistance - Kaunlaran
SEC	Securities and Exchange Commission
SEI	Science Education Institute
SEP	Service Establishment Project
SER	Socioeconomic Review
SILCAB	Social Infrastructure and Local Capability Building
SLEX	South Luzon Expressway
SLFs	Sanitary landfills
SLGR	State of Local Governance Report
SLM	Sustainable Land Management
SME	Small and Medium Enterprise
SO	Sector Outcome
SOCKSARGEN	South Cotabato, Sultan Kudarat, Sarangani and General Santos City
SP	Social Protection
SPDA	Southern Philippines Development Authority
SPHERE	Support to Philippine Basic Education Reforms

SPUG	Small Power Utilities Group
SRA	Sugar Regulatory Administration
SRC	Securities Regulation Code
SSIP	Small Scale Irrigation Project
SSO	Subsector Outcome
SSS	Social Security System
STAR	Special Tactics and Response
STP	Sewage Treatment Plants
SUCs	State Universities and Colleges
SUMP	Service Upgrading and Modernization Program
SWM	Solid Waste Management
TA	Technical Assistance
TAPI	Technology Application and Promotion Institute
TESDA	Technical Education and Skills Development Authority
TPI	Third Party Information
TPLEX	Tarlac-Pangasinan-La Union Expressway
TRC	Technology Resource Center
TVET	Technical-Vocational Education and Training
UEGIS	Unified and Enterprise Geospatial Information System
UMID-CVEA	Unified Multi-Purpose ID System-Central Verification and Enrolment Agency Component
UNCAC	United Nations Convention Against Corruption
UP-ISSI	University of the Philippines – Institute for Small-Scale Industries
Up-SCALE	Up-Scaling Sugarcane ARC Clusters Livelihood and Enterprises
VAW	Violence Against Women
VOM	Valenzuela-Obando-Meycauayan
VRIS	Value Range Information System
WB	World Bank
WEM	Watershed Ecosystem Management
WSPs	Water Service Providers
YLTA	Yen Loan Technical Assistance

Foreword

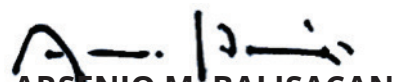
The 2011-2016 Public Investment Program (PIP) is a key document that aims to deliver the outcomes of the 2011-2016 Philippine Development Plan (PDP) to the Filipino people. It translates into priority programs and projects – the goals of inclusive growth and poverty reduction that we intend to achieve under the PDP.

These priority programs and projects will be implemented by the national government agencies, government-owned and controlled corporations, government financial institutions, and other instrumentalities. The PIP summarizes the yearly investment targets for programs and projects by funding source, and indicates their spatial coverage, objectively verifiable indicators, and agenda being addressed in the government's 16-point agenda.

The 2011-2016 PIP is organized along the same themes as the PDP. The priority programs and projects were identified using the corresponding sector and subsector indicators and targets laid down in the PDP's Results Matrices (RM) and are expected to contribute to the achievement of the outcomes as reflected in the Plan.

We commend the concerned agencies for their commitment to ensure that the goals of the Plan will be achieved with the implementation of their priority programs and projects.

As we work to achieve inclusive growth and reduce poverty, we hope that everyone will continue supporting the government's programs and projects, so that we can reach our ultimate goal of providing a better life for all Filipinos.



ARSENIO M. BALISACAN

Secretary of Socioeconomic Planning
National Economic and Development Authority

Preface

In line with Memorandum Circular No. 3 issued by the President on 2 September 2010, the National Economic and Development Authority (NEDA) coordinated the formulation of the 2011-2016 Public Investment Program (PIP), following the preparation of the 2011-2016 Philippine Development Plan (PDP) and the PDP Results Matrices (RM).

The PIP gives flesh to the goals and outcomes indicated in the PDP by identifying the programs and projects that contribute to the societal goal and outcomes spelled out in the latter document, regardless of financing. It also features the list of major programs and projects over the medium-term.

Formulating the PIP involved: (a) aligning sector and subsector outcomes in the RM with priority areas under the Plan; (b) identifying and prioritizing key programs and projects; and (c) determining investment targets for key programs and projects. It was prepared in the context of results-based planning, budgeting, and monitoring and evaluation. Government agencies' PIP submissions were validated in terms of their alignment with the PDP and RM.

The next step is to monitor the progress of the implementation of the PIP, as part of the government's commitment to deliver on development results. Like the PDP and RM, the PIP will be updated to accommodate adjustments in investment programs.


ROLANDO G. TUNGPALAN
Deputy Director-General
National Economic and Development Authority

CHAPTER 1

Introduction

Background on the 2011-2016 Public Investment Program (PIP)

Formulation. In compliance with Memorandum Circular No. 3 dated September 2, 2010 and the subsequent approval of the 2011-2016 Philippine Development Plan (PDP) on March 28, 2011, the National Economic and Development Authority (NEDA) issued on April 19, 2011 a memorandum to all heads of departments/agencies of national government (NG), government-owned and controlled corporations (GOCCs), government financial institutions (GFIs) and state universities and colleges (SUCs) requesting them to submit their respective 2011-2016 PIP using the 2011-2016 PIP Formulation Guidelines (Annex 1.1) as guide in identifying and prioritizing key programs and projects (PAPs)¹, and in aligning the PAPs with sector outcomes as reflected in the PDP Result Matrices (RM)² which have links on the President's 16-point agenda (Annex 1.2), and the relevant Major Final Outputs (MFOs)³ under the Organizational Performance Indicator Framework (OPIF) of the government.

Following the presentation of the initial draft 2011-2016 PIP to the President by the NEDA Secretariat and the agencies/departments on January 5 and April 24, 2012, respectively, the NEDA Secretariat validated and consolidated

the PIP submissions into a Working Draft (as of May 31, 2012) which shall serve as the basis for the revalidation of the PIP. Please refer to Annex 1.3 for the notes regarding the contents of the Working Draft.

Purpose. The 2011-2016 PIP shall serve as: (a) an instrument to tighten the planning, programming, budgeting and monitoring and evaluation (M&E) linkages; (b) basis for public sector resource allocation and for pipelining public sector PAPs for processing at the Investment Coordination Committee (ICC)/NEDA Board (NB); and (c) basis in monitoring public investment performance in terms of achieving the goals and targets under the PDP/RM pursuant to Administrative Order (AO) 25, series of 2011⁴.

Scope. The PIP contains the PAPs to be implemented by the NG, GOCCs, GFIs and other offices and instrumentalities within the medium-term regardless of financing but which indicates, nonetheless, sources of funding whether purely NG [includes proceeds from Official Development Assistance (ODA) loans], GOCCs, GFIs, ODA grants, public-private partnerships (PPPs) including joint ventures (JVs), or from local government units (LGUs) for their counterpart in NG projects. It includes identification of the spatial coverage⁵ of PAPs, including the PDP Chapter and 16-point agenda being addressed and their objectively verifiable

¹ Programs are defined as activities necessary for the performance of a major purpose for which the department/agency or corporation is established, as well as for the basic maintenance and provision of staff support to the department/agency or corporation's administrative operations and functions. Projects are special undertakings, which are to be carried out within a definite time frame and which are intended to result to some pre-determined measure of goods and services given by the objectively verifiable indicators.

² The RM integrates results-orientation with respect to the strategies, programs and projects in the PDP in order to systematically track the progress of activities towards attaining the outcomes in the PDP.

³ An MFO is a public good or service that a department/ agency or corporation is mandated to deliver to external clients through the implementation of programs and projects.

⁴ AO no. 25, series of 2011 'Creating an Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems'.

⁵ Spatial coverage of PAPs in the PIP could either refer to the following: (a) Nationwide - if spatial coverage/impact of a program or project covers all regions (in parts or as a whole); (b) Interregional - if spatial coverage/impact of a program or project pertains to more than one region (in parts or as a whole) but not all regions; and (c) Region-specific - if spatial coverage/impact of a program or a project pertains to one region (in parts or as a whole).

indicators (OVIs)⁶. It excludes recurrent cost on the general operation of the government, personnel services, relending and/or guarantee-related activities to private institutions, and other administrative capital expenditures. Also excluded are PAPs to be financed purely from LGU revenues and independent projects of the private sector including those of non-governmental organizations (NGOs).

Revalidation. The revalidation of the PIP Working Draft (as of May 31, 2012) shall be undertaken with the revalidation of the PDP RMs and mid-term updating of the PDP to assess whether PAPs continue to contribute to the societal goals and outcomes in the Plan. The Socioeconomic Report shall serve to monitor the RM and the PIP. The NEDA will issue Guidelines for said PIP and RM revalidation and Plan updating.

The Revalidated PIP shall veer away from the identification of all the priority PAPs of

the government and shall focus on strategic core PAPs that substantially contribute to the priorities as embodied in the Social Contract of the President and respond to the binding constraints to attaining the development objectives under the PDP and the critical indicators in the RM.

Highlights of the 2011-2016 PIP

The total estimated investment targets under the PIP as of May 31, 2012 amount to PhP4,737,125.65 million. The estimated number of PAPs under the 2011-2016 PIP is around 2,000.

Economic Impact of Infrastructure Investments⁷. If investment targets for hard infrastructure projects are realized as scheduled, these are estimated to result into the following from 2011 to 2016 : (a) increase the nominal gross domestic

Table 1.1. **Investment Targets By Theme (Chapter)** (In PhP Million)

Theme (Chapter)	2011	2012	2013	2014	2015	2016	Total
Macroeconomic Policy: Fiscal Sector (Ch 2)	140.96	1,778.55	1,331.98	1,554.96	890.50	594.96	6,291.90
Competitive Industry and Services Sectors (Ch 3)	5,223.48	3,668.56	7,683.74	7,376.38	6,966.42	6,176.91	37,095.49
Competitive and Sustainable Agriculture and Fisheries Sector (Ch 4)	150,882.57	284,310.94	127,816.41	102,788.56	100,367.71	102,451.18	868,617.37
Accelerating Infrastructure Development (Ch 5)	156,008.89	223,648.01	337,916.01	417,552.05	527,306.32	417,164.03	2,079,595.33*
Towards a Resilient and Inclusive Financial Sector (Ch 6)	287.06	451.00	632.15	633.22	693.29	763.36	3,460.08
Good Governance and the Rule of Law (Ch 7)	1,672.14	15,781.31	4,957.52	5,564.44	3,684.27	3,439.49	35,099.17
Social Development Sector (Ch 8)	111,938.47	202,527.12	319,783.35	280,427.91	230,979.87	263,325.16	1,408,981.89
Peace and Security (Ch 9)	3,371.54	11,195.36	31,749.01	30,979.35	28,846.92	47,807.11	153,949.28
Conservation, Protection and Rehabilitation of the Environment and Natural Resources (Ch 10)	8,265.96	15,426.45	41,023.79	21,067.83	19,537.21	38,713.90	144,035.15
GRAND TOTAL	437,791.07	758,787.30	872,893.95	867,944.70	919,272.51	880,436.11	4,737,125.65

Note: * This excludes investment targets for cross reference projects.

⁶ The OVI column under the PIP shall be based on the indicators defined in the Results Matrices. For the PAPs, end of project indicators or end of plan period indicators may be used.

⁷ Based on 2011-2016 PIP estimates for hard infrastructure as of May 31, 2012. It should be noted that the figures assume that the PIP investment targets for hard infrastructure (by sector and by year) are all realized. The estimated GDP and employment impact of an infrastructure investment in a particular year may last beyond the year the expenditure was incurred.

product (GDP) by an average of PhP840 billion every year; (b) contribute around 1.7 percentage points of the estimated real GDP growth; and (c) provide between 1 million to 2.9 million jobs.

On Investment Targets By Theme (Chapter).

Accelerating Infrastructure Development (Chapter 5) has the largest share at PhP2,079,595.33⁸ million (43.90%). This is followed by Social Development Sector (Chapter 8) at PhP1,408,981.89 million (29.74%) and Competitive and Sustainable Agriculture and Fisheries Sector (Chapter 4) with total investment targets at PhP868,617.37 million (18.34%). Table 1.1 shows the annual breakdown of the investment targets by theme.

On Investment Targets By Agency.

The largest shares of the investment targets among the national government agencies (NGAs) come from the Departments of Public Works and Highways (DPWH) at PhP1,010,836.74 million (21.34%), Agriculture (DA) at PhP708,187.23 million (14.95%), Transportation and Communications (DOTC) at PhP547,651.25 million (11.56%), Health (DOH) at PhP509,076.62 million (10.75%) and Education (DepEd) at PhP402,157.73 million (8.49%). Table 1.2 lists the top ten NGAs in terms of investment targets in the PIP.

On Source of Funding. Most of the investment targets are proposed to be funded by the NG at

PhP3,018,864.86 million (63.73%), which include proceeds from ODA loans. The remaining amount will come from GOCCs, GFIs, the private sector, LGUs, ODA grants and other funding sources⁹. The percentage share of investment targets by source of funding is shown in Figure 1.1.

On Investment Targets to be Funded by the NG.

For 2011 and 2012, the investment targets to be funded by NG amount to PhP267,748.10 million and PhP408,317.83 million, respectively. For 2013-2016, the total investment targets amount to PhP2,342,798.93 million. The estimates for proposed PAPs will be refined and further prioritized during the revalidation of the PIP, and upon submission of agencies of their proposed PAPs for review by the NB/ICC and Department of Budget and Management (DBM) under the budget preparation process. In the evaluation and the approval process by the NB/ICC, value for money and institutional preparedness will be reviewed consistent with the President's 5R's (right project, right cost, right quality, right on time and right people). Figure 1.2 illustrates the estimated annual investment targets to be funded by the national government.

On PDP/RM/PIP Alignment. Nine chapters (2 to 9) of the PIP correspond to the PDP and RMs chapters. The PAPs in the PIP chapters are aligned with the Sectoral/Organizational Outcomes under the RMs and MFOs under the OPIF of the government.

Table 1.2. Top Ten NGAs in terms of 2011-2016 PIP Investment Targets (In PhP Million)

Rank	Agency	Total (2011-2016)
1	Department of Public Works and Highways (DPWH)	1,010,836.74
2	Department of Agriculture (DA)	708,187.23
3	Department of Transportation and Communications (DOTC)	547,651.25
4	Department of Health (DOH)	509,076.62
5	Department of Education (DepEd)	402,157.73
6	Department of Social Welfare and Development (DSWD)	326,897.85
7	Department of Energy (DOE)	227,190.81
8	Department of Environment and Natural Resources (DENR)	134,672.70
9	Department of the Interior and Local Government (DILG)	90,760.83
10	Department of Agrarian Reform (DAR)	82,792.74

⁸ PhP2,582,054.08 million if cross reference projects are included.

⁹ Those that were identified include Motor Vehicle User's Charge (MVUC), Philippine Charity Sweepstakes Office (PCSO) and Philippine Amusement and Gaming Corporation (PAGCOR), among others.

Figure 1.1. Sharing of 2011-2016 PIP Investment Targets By Source of Funding (In PhP Million)

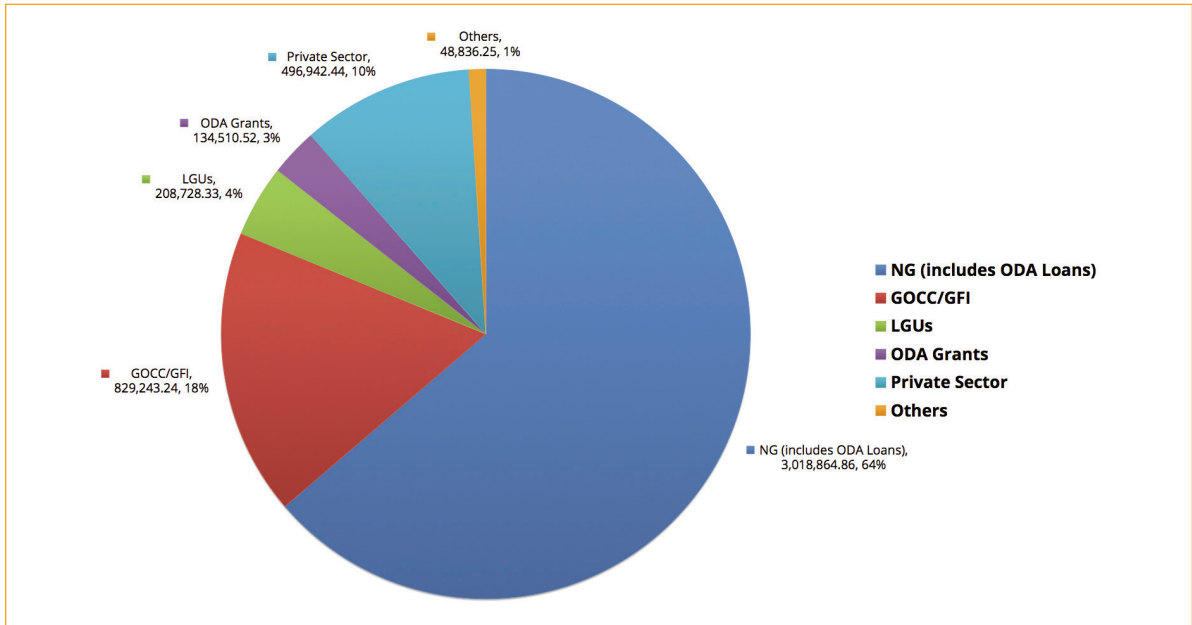
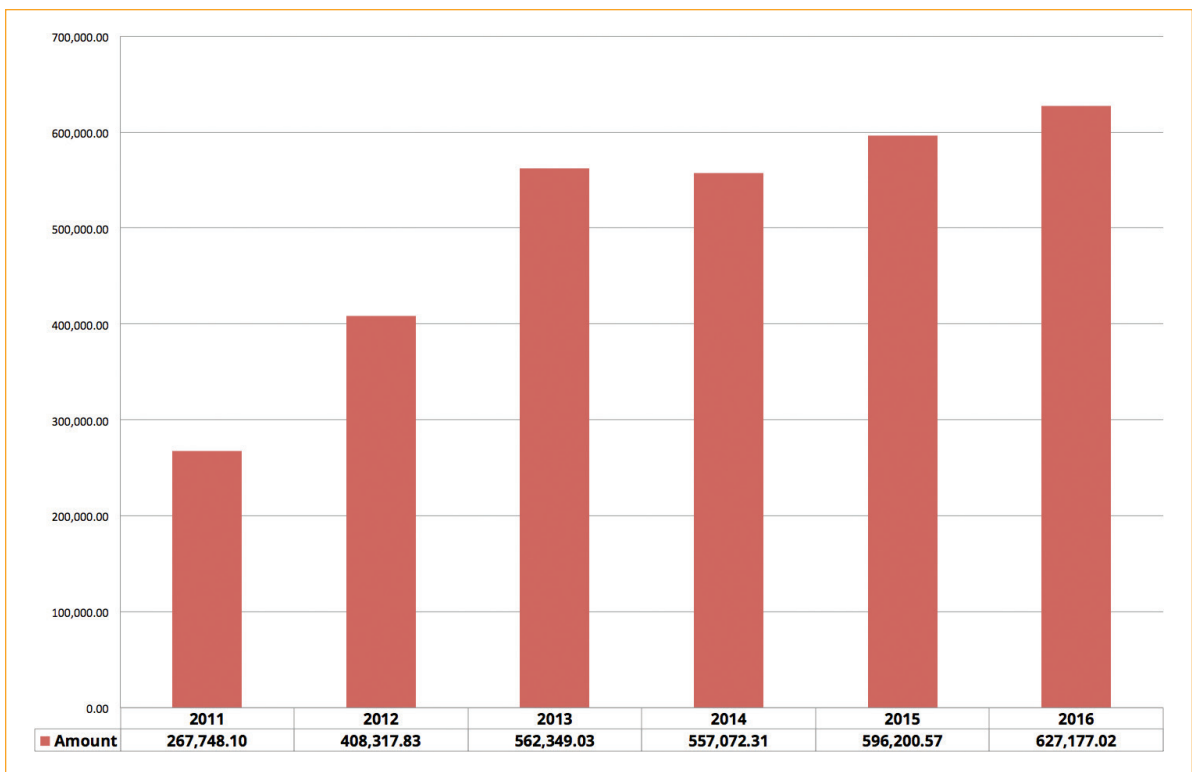


Figure 1.2. Investment Targets to be Funded by the National Government (2011-2016) (In PhP Million)



Guidelines in the Formulation of the 2011-2016 Public Investment Program (PIP)



Republic of the Philippines
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

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<http://www.neda.gov.ph>

MEMORANDUM

For: Heads of Departments/Agencies of National Government; Government-Owned and Controlled Corporations; Government Financial Institutions; State Universities and Colleges

Subject: **2011-2016 Public Investment Program (PIP) Updating Guidelines**

Date: 19 April 2011

1. Following the adoption of the Philippine Development Plan (PDP) or the Plan by the NEDA Board on 28 March 2011, may we request you to submit your agencies' (including attached bureaus/offices) 2011-2016 PIP. The PIP formulation exercise is in line with Memorandum Circular No. 3, which directs NEDA to coordinate the formulation of the PDP and PIP.
2. In formulating the PIP, please be guided by the attached 2011-2016 PIP Formulation Guidelines. Please note that the programs and projects in the PIP should be contributive to the societal goals, outcomes and outputs spelled out in the Plan. In prioritizing your programs and projects over the medium term, please refer to the Effectiveness and Efficiency Review (EER) criteria discussed in the PIP Formulation Guidelines.
3. Kindly submit to us a copy of your agencies' list of PIP following the format in Annex B (attached), which summarizes the yearly cost requirements of the proposed programs and projects by funding source, including the spatial coverage, objectively verifiable indicators and contribution to the President's 16 point agenda, among others.
4. We would appreciate receiving a copy of your 2011-2016 PIP (both hard and electronic copies) by **13 May 2011**. Kindly send the electronic copy of the PIP to email address &pis-ipd@neda.gov.ph. Should you have any clarification, you may coordinate with the Investment Programming Division (IPD) of our Public Investment Staff at telephone nos. 631-3759, 631-2198 or 631-0945 loc. 403 and 402.

Thank you.


CAYETANO W. PADERANGA JR.
Secretary of Socio-economic Planning 

51.3

GUIDELINES IN THE FORMULATION OF THE 2011-2016 PUBLIC INVESTMENT PROGRAM (PIP)

I. Mandate

By virtue of Memorandum Circular No. 3 dated 2 September 2010, the President tasked the National Economic and Development Authority (NEDA) to undertake the formulation of the successor Plan, the 2011-2016 Philippine Development Plan (PDP or the Plan). Along with the Plan is the formulation of the 2011-2016 Public Investment Program (PIP), which translates the Plan into a core set of priority programs and projects to be implemented by the national government (NG), government-owned and controlled corporations (GOCCs), government financial institutions (GFIs) and other offices and instrumentalities within the medium-term.

These guidelines also incorporate the recommendations of the Secretary of Budget and Management in his memorandum for the President dated 28 March 2011, which required among others, that (1) outcomes and targets are set for the five priority areas [Anticorruption, Poverty Reduction, Economic Growth, Peace and Rule of Law, and Climate Change]; and, (2) key programs which directly and substantially contribute to the achievement of said outcomes and targets are identified. Note that the first recommendation is already being finalized under the PDP Results Matrices, while the second recommendation shall be undertaken in the formulation of the PIP.

II. PIP in the Context of Results-based Planning, Budgeting and M&E

The preparation of the PIP is part of the national planning processes in support of the achievement of the societal goals and sector outcomes that are highlighted in the PDP. The PIP therefore is an instrument that will support the achievement of the aspirations of the PDP, which also will take into account the availability of resources, and its limitations as outlined in the MTEF. In the formulation of the PIP, the Results Matrices (RM) will also serve as the guide in aligning programs and projects in relation to the sector outcomes of the PDP and the relevant Major Final Outputs (MFOs).

The current initiative in linking planning, budgeting and monitoring and evaluation (M&E) is part of the continuing refinements of the planning-programming-budgeting system (PPBS). The PPBS is a concept that stresses the importance of establishing a strong linkage between planning and budgeting. It emanates from the policy of the government to formulate and implement a national budget that is an instrument that will support national development, reflective of societal goals, sector outcomes, strategies and outputs, as reflected in the PDP. With the RMs, this linkage focuses on the achievement of results.

The **PDP** is national planning document, prepared at the start of a new national leadership, which highlights the aspirations and goals of the country for the next six (6) years, including sector and sub-sector outcomes. The RM of the PDP is an instrument designed to provide results orientation of the Plan by highlighting the achievement of results at different levels (i.e. outputs, outcomes and impacts). This strategy supports public expenditure management reforms that shift the focus from mere inputs to outputs to more emphasis on outcomes and impacts.

The **RM** contains statements of the results to be achieved (sector and sub-sector outcomes) with corresponding indicators, baseline information, end-of-Plan targets and responsible agencies. It provides an indicator framework to the statement of goals of the Plan.

The Plan indicators serve as a guide to implementing and oversight agencies, in the planning, programming and budgeting as well as reference in the monitoring and evaluation of the progress of the Plan.

The **MTEF** is a pragmatic budgeting system that recognizes the uncertain nature of fiscal resources and economic development. It ensures that next year's budget takes into account the decisions in the previous year and provides agencies with a three-year baseline budget that is considered and decided upon in a consultative manner during budget preparation. The multi-year budgeting therefore, reduces uncertainty and fosters efficient and effective use of funds. The certainty on the availability of resources that the agency can draw upon, in the context of a 3-year horizon, in planning and programming of its activities for the delivery of relevant Major Final Outputs (MFOs), contributes to better operational and technical performance.

The **PIP** contains the core programs and projects supportive of the new PDP as follows:

- programs and projects contributing to the societal goal and outcomes spelled out in the PDP/RM regardless of financing (which should indicate, nonetheless, sourcing either from purely NG funding, with Official Development Assistance, public-private partnerships including joint ventures, and NG-supported local government projects);
- programs and projects that require national government equities, subsidies and guarantees.

The PIP shall be consistent with the fiscal program embodied in the MTEF and prioritized using the Efficiency and Effectiveness Review (EER) criteria and with reference to the performance parameters as outlined in the RM of the PDP. It should be guided by the approved and relevant major final outputs (MFOs) that each department/agency are mandated to deliver under the Organizational Performance Indicator Framework (OPIF).

The 2011-2016 PIP is an instrument to monitor government targets, commitments and resources over the medium-term. The PIP also serves to guide the resource programming decisions by the Investment Coordination Committee (ICC). It is a mechanism to improve resource mobilization towards the achievement of sector outcomes, as embodied in the PDP, and to channel resources to priority investment areas. In terms of the total expenditure of the government, the PIP represents only the expenditures in relation to new capital investment programs and projects. The bulk of the government expenditure including the maintenance and operating cost of the PIP as well as the recurrent cost on the general operation of government are not included in the PIP.

The **Comprehensive and Integrated Infrastructure Program (CIIP)**, on the other hand, is a consolidated and expanded infrastructure portion of the PIP. The CIIP translates the Plan's infrastructure development strategies into programs and projects. In addition to the infrastructure programs and projects contained in the PIP, the CIIP includes infrastructure projects that are implemented purely by the private sector, NG-supported local government infrastructure projects, and government infrastructure facilities proposed for privatization. The CIIP will include, if available, the implementing agencies' submission on the standard unit costs for each type of infrastructure project under its program.

The formulation of the CIIP is pursuant to Letters of Instruction No. 925 dated 31 August 1979 and No. 1186 dated 13 January 1982 that require all national government agencies to submit their annual infrastructure programs and projects to the Committee on Infrastructure (INFRACOM) for the purpose of evaluation, coordination, and preparation of the national infrastructure program for the budgeting process. As such, the CIIP will be approved by the INFRACOM.

In terms of budgeting, individual departments should link the Plan to the **annual budget** by ensuring that national programs and new national projects included in the budget are consistent and have been approved and included in the PIP.

III. Formulating the 2011-2016 PIP

A. Aligning RM sector and sub-sector outcomes with the five priority areas

During the preparation of the RMs, the Planning Committees and Sub-Committees identified their respective sector and sub-sector outcomes, indicators and targets that must be achieved to attain the overall societal goal of sustained inclusive growth and poverty reduction, given the challenges and opportunities in their respective sectors.

These sector and sub-sector outcomes, indicators and targets will be further aligned with the following five priority areas, which cover the commitments embodied in the Social Contract of the President:

1. Anti-Corruption, Transparent, Accountable and Participatory Governance - items 1, 11 and 12 of the Social Contract;
2. Poverty Reduction and Empowerment of the Poor and Vulnerable - items 2, 3, 4, 5, 8 and 10 of the Social Contract;
3. Rapid, Inclusive and Sustained Economic Growth - items 2, 3, 6, 7, 8, 9 and 10 of the Social Contract;
4. Just and Lasting Peace and the Rule of Law - items 5, 13 and 14 of the Social Contract; and,
5. Integrity of the Environment, and Climate Change Mitigation and Adaptation - items 15 and 16 of the Social Contract.

The sector and sub-sector outcomes, indicators and targets laid down in the RMs are initially categorized into the above-enumerated priority areas (see **Annex A**). These outcomes, indicators and targets will be the main reference for identifying and prioritizing key programs and projects.

B. Identifying and prioritizing key programs and projects

Starting with the sector outcomes in the PDP, each of the agencies will then identify relevant MFOs that will contribute to sector outcomes as defined in the RMs. While it is possible that mandates of an agency may allow the delivery of a number of outputs, the agency, however, should exercise prudence and wisdom in ascertaining that only MFOs that are relevant to the achievement of said sector and sub-sector outcomes will be prioritized.

Through these relevant MFOs, the department, agency, GOCCs, GFIs and other government offices and instrumentalities shall draw up a list of its programs and projects, which should include information on spatial coverage and objectively verifiable indicators (OVIs).

To ensure a comprehensive listing of prioritized programs and projects, the department/agency, GOCCs, GFIs and other government offices and instrumentalities will endeavor to confer with their respective attached bureaus/agencies and regional/local offices consistent with the Regional Development Plans (RDPs), with a view to identifying specific locations for each program and project. The agency PIP templates are attached herein as **Annex B**.

In identifying and prioritizing the key programs and projects, the department or agency will have to apply the Efficiency and Effectiveness Review (EER). The EER will take into account the responsiveness of the programs and projects in supporting sector and subsector outcomes considering the following parameters, namely: (a) relevance; (b) efficiency; (c) effectiveness and impact; and (d) sustainability.

Any program and project whose final outcomes are not expected to contribute to the achievement of the Plan shall not form part of the department or agency, corporation or institution's priority, if not altogether cancelled. Programs and projects shall be identified upon

complete review of the ongoing and proposed programs and projects and shall be shortlisted according to their relevance and consistency with the PDP and subject to the EER.

The EER should be undertaken using the following review framework and questions:

1. **Relevance.** Are the programs and projects responsive to the agency's OPIF-based MFOs? Are the programs and projects appropriate undertaking of the National Government or should they be abolished, de-prioritized or devolved to LGUs, GOCCs, or other institutions?

In terms of urgency and severity of need, what is the magnitude of shortfall relative to the societal need and urgency of the programs and projects relative to immediate social problems?

2. **Efficiency.** Cost efficiency determined by the evaluation of feasible alternatives: Are the programs and projects producing the outputs at competitive cost? Readiness of implementing the programs and projects: Have the programs and projects passed readiness filters, already endorsed for funding, approved by the Approving Body, under review/evaluation or has a detailed proposal or engineering design?
3. **Effectiveness and Impact.** Effectiveness to contribute to the achievement of sector outcomes and societal impact: Are the program and projects' outputs effective in achieving the desired outcomes and societal impact under the PDP and its RMs?
4. **Sustainability.** Does the agency have technical capacity to sustain the benefits of the programs and projects? Does the agency have the budget space to undertake required operations and maintenance? Do the beneficiaries, communities, LGUs and other relevant stakeholders support the program and project to ensure its sustained operations?

The EER prioritization criteria per sector that incorporates the aforementioned elements shall be developed and subject to the Planning Committees' approval prior to its application. The criteria shall guide the department/agency, corporation, financial institutions and other government instrumentalities in the ordinal ranking of the programs and projects that are identified to be responsive to the sector and sub-sector outcomes defined in the RMs.

C. Determining resource requirements of the key programs and projects

Guided by the fiscal program and expenditure framework of the government, the departments and agencies should determine the annual financing requirements of the key programs and projects by funding source throughout the medium-term.

Note that the GOP undertakes three key steps as part of annual budget formulation cycle, namely: (a) the development of economic assumptions and revenue forecasts; (b) the use of an MTEF to assess the continuing costs of existing programs; and (c) identifying the resultant "fiscal space" through the Paper on Budget Strategy (PBS).

In the implementation of the annual budget formulation, the DBCC provides the medium-term fiscal program to guide the departments/agencies, GOCCs and GFIs in prioritizing their programs and projects. The FY2012 National Budget Call Guidelines and the resulting 2011 General Appropriations Act shall define the hard budget ceilings for 2012 and serve as the indicative planning figure throughout the medium-term.

Other priority programs and projects that cannot be funded within the budget ceilings will be lined up for funding under a supplemental budget as additional resources become available. The

strategy formulation on how to match the unfunded priority programs and projects and the available government resources shall be facilitated through regular Plan-Investment Program implementation reviews and budget preparation exercises.

D. Review and approval

The organizational set up and the formulation process identified in the Memorandum Circular No. 3 shall facilitate the review and approval of the PIP, which will also be guided by the EER framework.

E. PIP Monitoring, Updating and Reporting

The PIP will be updated in conjunction with the mid-term review of the PDP to assess whether programs and projects continue to be contributive to the societal goals and outcomes in the Plan. The annual Socio-economic Review (SER) shall serve as the tool and venue in monitoring the RM and the PIP.

The CIIP, on the other hand, will be updated annually to reflect any revisions in the investment requirements of ongoing infrastructure projects taking into consideration accomplishments in the previous year/s, and to exclude completed infrastructure projects and programs. Addition or deletion of pipeline projects to or from the CIIP shall be dependent on the mid-term updating of the PIP. Addition or deletion of non-PIP infrastructure projects (i.e., purely-private infrastructure projects, NG-supported LGU infrastructure projects, and/or privatization of government infrastructure facilities) during the annual CIIP updating shall likewise be subject to the responsiveness of the projects to the societal goals and outcomes in the RM and the PDP.

IV. Timelines

Electronic and hard copies of the PIP shall be submitted to the NEDA Secretariat by 13 May 2011 and shall be presented to the NEDA Board for approval by June 2011. The NEDA Board may opt to submit the PIP to Congress.

Governance	Poverty Reduction	Economic Growth	Peace and Rule of Law	Environment and CC
Effective, Efficient, Transparent, Accountable Public Service Delivered (Ch 7 SSO1)	Food security ensured for all (Ch 4 SO1.a)	Business environment improved (Ch 3 IO1)	Rule of law strengthened (Ch 7 SSO4)	Resilience of agriculture and fisheries sector to climate change risks increased (Ch 4 SO2)
Corruption curbed (Ch 7 SSO2)	Incomes in agriculture, forestry, hunting and fishery increased (Ch 4 SO1.b)	Productivity and efficiency in the industry and services sector improved (Ch3 IO2)	(RM for Ch 9 on peace and security still to be submitted)	Natural resources conserved, protected and rehabilitated (Ch 10 SSO1)
Access to information and participation in governance improved (Ch 7 SSO3)	Better health outcomes, fair health financing and responsive health system through universal health care achieved (CH 8 SSO1)	Greater Value for Money in the industry and services sector fostered (Ch 3 IO3)		Environment quality for cleaner and healthier environment improved (Ch 10 SSO2)
	Functional literacy achieved for all; strong sense of national consciousness and citizenship; higher-level productivity and competitiveness achieved; and social responsiveness in middle-level and high-level skills developed (Ch 8 SSO2)	Growth in agriculture sector increased (Ch 4 SO1.c)		Resilience of natural systems enhanced with improved adaptive capacities of human communities (Ch 10 SSO3)
	Shelter security to Filipino households provided and lives of slum dwellers improved (Ch 8 SSO3)	Adequacy and accessibility of infrastructure facilities and services enhanced (Ch 5)		
	Poor, vulnerable and disadvantaged individuals, families and communities empowered and protected from risks (Ch 8 SSO4)	(RMs for Ch 2 on Macroeconomy and Ch 6 on Financial System still to be submitted)		

Note: SSO - Subsector Outcome; SO - Sector Outcome; IO - Intermediate Outcome.

	Agency Name	Spatial Coverage		PDP Chapter	16-Point Agenda Addressed	OVI	2011 / 2012 / 2013 / 2014 / 2015 / 2016						Total	
		Regional / Interregional / Region-specific	Region				NG	GOCC/GFIs	LGUs	ODA Grant	Private Sector	Others		Subtotal
Societal Goal														
I. Sector Outcome														
A. Subsector Outcome (if applicable)														
1. Organizational Outcome ₁														
(a) Major Final Output ₁														
(i) PAP ₁														
(ii) PAP ₂														
(iii) PAP _n														
(b) Major Final Output ₂														
(i) PAP ₁														
(ii) PAP ₂														
(iii) PAP _n														
2. Organizational Outcome ₂														
(a) Major Final Output ₁														
(i) PAP ₁														
(ii) PAP ₂														
(iii) PAP _n														
(b) Major Final Output ₂														
(i) PAP ₁														
(ii) PAP ₂														
(iii) PAP _n														

Notes: MFOs refer to major final outputs. An MFO is a public good or service that a department/agency or corporation is mandated to deliver to external clients through the implementation of the programs and projects.

PAPs refer to programs and projects. Programs are defined as activities necessary for the performance of a major purpose for which the department/agency or corporation is established, as well as for the basic maintenance and provision of staff support to the department/agency or corporation's administrative operations and functions. Projects are special undertakings, which are to be carried out within a definite time frame and which are intended to result to some pre-determined measure of goods and services given by the OVIs.

The cost estimates refer to the counterpart contribution of the NG, GOCCs/GFIs, LGUs, ODA partner, private sector and other sources in the programs and projects.

The template as shown in this Annex is an edited version of the original template.

President Aquino's 16-Point Agenda

A Commitment to Transformational Leadership:

1. From a President who tolerates corruption to a President who is the nation's first and most determined fighter of corruption.
2. From a government that merely conjures economic growth statistics that our people know to be unreal to a government that prioritizes jobs that empower the people and provide them with opportunities to rise above poverty.
3. From relegating education to just one of many concerns to making education the central strategy for investing in our people, reducing poverty and building national competitiveness.
4. From treating health as just another area for political patronage to recognizing the advancement and protection of public health, which includes responsible parenthood, as key measures of good governance.
5. From justice that money and connections can buy to a truly impartial system of institutions that deliver equal justice to rich or poor.

Economy

6. From government policies influenced by well-connected private interests to a leadership that executes all the laws of the land with impartiality and decisiveness.
7. From treating the rural economy as just a source of problems to recognizing farms and rural enterprises as vital to achieving food security and more equitable economic growth, worthy of re-investment for sustained productivity.
8. From government anti-poverty programs that instill a dole-out mentality to well-considered programs that build capacity and create opportunity among the poor and the marginalized in the country.
9. From a government that dampens private initiative and enterprise to a government that creates conditions conducive to the growth and competitiveness of private businesses, big, medium and small.
10. From a government that treats its people as an export commodity and a means to earn foreign

exchange, disregarding the social cost to Filipino families to a government that creates jobs at home, so that working abroad will be a choice rather than a necessity; and when its citizens do choose to become OFWs, their welfare and protection will still be the government's priority.

Government Service

11. From Presidential appointees chosen mainly out of political accommodation to discerning selection based on integrity, competence and performance in serving the public good.
12. From demoralized but dedicated civil servants, military and police personnel destined for failure and frustration due to inadequate operational support to professional, motivated and energized bureaucracies with adequate means to perform their public service missions.

Gender Equality

13. From a lack of concern for gender disparities and shortfalls, to the promotion of equal gender opportunity in all spheres of public policies and programs.

Peace & Order

14. From a disjointed, short-sighted Mindanao policy that merely reacts to events and incidents to one that seeks a broadly supported just peace and will redress decades of neglect of the Moro and other peoples of Mindanao.

Environment

15. From allowing environmental blight to spoil our cities, where both the rich and the poor bear with congestion and urban decay to planning alternative, inclusive urban developments where people of varying income levels are integrated in productive, healthy and safe communities.
16. From a government obsessed with exploiting the country for immediate gains to the detriment of its environment to a government that will encourage sustainable use of resources to benefit the present and future generations.

Notes

This Working Draft of the 2011-2016 PIP, as of May 31, 2012, focuses on the PIPs of agencies that have responded to NEDA's request for the submission of PIP documents. The PIP submissions herein are in response to the January 5, 2012 instruction of the President that the agency PIPs be presented by the respective Cabinet Secretaries in terms of the programs' and projects' intended contribution in realizing the Plan Targets.

During the April 24, 2012 Second Briefing with the President on the PIP, the agencies that were able to present their PIPs to the President are the following:

- 1) Department of Transportation and Communications (DOTC);
- 2) Department of Finance (DOF);
- 3) Department of Public Works and Highways (DPWH);
- 4) Department of Energy (DOE);
- 5) Department of Education (DepEd);
- 6) Department of Health (DOH);
- 7) Department of Social Welfare and Development (DSWD);
- 8) Department of Environment and Natural Resources (DENR);
- 9) Department of the Interior and Local Government (DILG); and
- 10) Department of Science and Technology (DOST).

As the PIPs of other agencies* were not presented to the President through a meeting, the NEDA-validated PIP submissions will be used as reference for the PIP revalidation. The Working Draft integrates those that were forwarded to NEDA as of May 31, 2012, including the earlier PIP submission of some agencies.

The PIP Chapter write-ups discuss the highlights of the priority PAPs (new and ongoing) that are responsive to the Plan/RM targets and the 16-point agenda. The complete lists of priority PAPs with annual investment targets by funding source are available at the NEDA website (www.neda.gov.ph). Of these, the major priority PAPs, including their geographic coverage, are listed in each chapter write-up. Kindly note that investment targets in the chapter tables may not add up due to rounding off.

Note: ***NG Departments:** Department of Agriculture; Department of Agrarian Reform; Department of Budget and Management; Department of Foreign Affairs; Department of Justice; Department of Labor and Employment; Department of National Defense; Department of Trade and Industry; and Department of Tourism (National Parks Development Committee and Intramuros Administration)

NG-attached Agencies: Local Water Utilities Administration; Metropolitan Waterworks and Sewerage System; Bases Conversion Development Authority; Commission on Higher Education; Metro Manila Development Authority; Presidential Communications Operations Office (People's Television Network Inc. and Philippine Information Agency); Office of the Presidential Adviser on the Peace Process; National Housing Authority; Laguna Lake Development Authority; and Climate Change Commission

Government Financial Institution: Land Bank of the Philippines

Other Offices: Cagayan Economic Zone Authority; Commission on Elections; Development Academy of the Philippines; House of Representatives; Office of the Ombudsman; and Authority of the Freeport Area of Bataan

Macroeconomic Policy: Fiscal Sector

To attain the overall objective of inclusive growth and poverty reduction, the government should encourage a macroeconomic policy environment that is conducive to sustaining a higher GDP growth path. One key component towards achieving a stable macroeconomy is to ensure the sustainability of the fiscal sector. For the medium-term, the government's fiscal policy stance is aimed towards expanding the narrow fiscal space and at the same time achieving a sustainable revenue-and-spending path through judicious spending, improved revenue collections, and an effective debt management.

In the area of revenue administration, administrative reform measures will be given priority. Expenditure management will focus on the implementation of major public expenditure reforms that will help narrow the fiscal deficit over the medium-term. At the macro level, specific reform measures shall be geared towards the attainment of a fiscal deficit equivalent to 2 percent of GDP by 2013 and maintained until 2016, supported by the attainment of a revenue-to-GDP ratio of 16.6 percent by the end of the plan period. Moreover, public spending shall focus on strategies that will provide enough flexibility for fiscal authorities to effectively allocate resources according to priority investments, such as human capital and infrastructure. This will result in improved primary spending with the share of interest payment in the total budget to gradually decrease to 13.1 percent by 2016.

Public investments identified for the fiscal sector are categorized into two broad policy areas namely: (a) revenue-enhancing measures in the areas of tax administration, tax policy, and nontax policy reforms; and (b) expenditure management. The former draws from data provided by the attached agencies of the DOF, namely the Bureau of Internal Revenue (BIR),

Bureau of Customs (BOC), and Bureau of Local Government Finance (BLGF). The latter outlines the various programs and projects implemented by DBM.

Priority Programs and Projects by Agency

There are 28 projects that will be implemented by BIR, BOC and BLGF for the period 2011-2016. BIR has 22 projects, BOC has four and BLGF, two.

Administrative reforms are being implemented by the BIR to improve internal revenue collection. Some of the continuing projects of the BIR aimed to improve collection and assessment are the following: expansion of Third Party Information (TPI) and external linkages which consist of adoption of national single window (NSW), interface with Philippine Business Registry (PBR) – Department of Trade and Industry (DTI), and LGU assurance dashboard. These projects address Agenda 12 of the President's 16-point agenda. The LGU Assurance Dashboard is a continuing project of the BIR that protects the integrity of information being submitted by LGUs to BIR. New projects such as the Asset Information Management (AIM) Project will broaden and create linkages with other government agencies and will develop business intelligence solutions for revenue administration, tax policy analysis and framework.

Meanwhile, the adoption of NSW will enable the BIR to access BOC's NSW – an internet-based system that allows a single entry point for agencies to grant permit to import, export and transit-related data at no cost. Other projects are the accounts receivable conversion system which addresses Agenda 6 of the President's 16-point agenda, and centralization of data processing service from the revenue district

offices to regional offices which addresses Agenda 12. The second project will establish data processing divisions at all revenue regions to centralize processing of returns. It has three components: (a) establishment of data processing division; (b) data capture; and (c) Document Processing Division (DPD) Back-end System. This will be implemented in Revenue Regions 1 to 19, and the National Office from 2011 to 2016 with total investment targets amounting to PhP1,289.43 million.

The BIR, moreover, has championed certain projects to contribute to the sectoral goal of improving revenue collection. These are: (a) Development of Collection Reconciliation System; (b) Revenue Administration Reform Program; (c) Integrated Tax System (ITS) Database Consolidation; (d) Mobile Revenue Collection Officers System; and (e) Electronic Taxpayer Information System (eTIS).

The Bureau will also be undertaking Phase I of the Tax Rulings and Case Management System initiative. This pertains to the implementation of a system that will monitor and manage the BIR rulings, as well as the legal and administrative cases. Phase I shall include the Reform Program wherein the BIR intends to correct critical problems in its management of taxpayer compliance through, inter alia, the cleansing of taxpayer database, strengthening of taxpayer auditing, improving collection enforcement, improving human resources management, expanding the use of technology, and improving taxpayer services. The Revenue Administration Reform Program, on the other hand, which is Millennium Challenge Corporation (MCC)-funded, aims to improve tax collection by redesigning its policies and practices and implementing eTIS, Automated Audit Tools (AAT) and Public Awareness Campaign (PAC). It will be implemented in Revenue Regions 1 to 19, its Large Taxpayers Service and the National Office from 2011 to 2016. It has total investment targets amounting to PhP1,967.26 million. The abovementioned projects of BIR are supportive of Agenda 1 to 5: Commitment to Transformational Leadership.

Other projects already in place include expansion of Electronic Certificate Authorizing Registration (eCAR) which addresses Agenda 12, enhancement of Electronic Accreditation and Registration (eAccReg) System and Electronic

Sales (eSales), Geographical Information System (GIS) for tax mapping and zonal valuation. The last three projects intend to address Agenda 1 to 5. The GIS project shall adopt GIS technology to help improve processes by integrating systems with geographic information for sound decision-making. It will also provide dynamic data and location intelligence to valuation and taxation functions as well as in the visualization of information gathered from revenue sources (e.g. eSales Reporting) which is presented to BIR and taxpayers. By 2012, the GIS Project will be expanded to cover the entire Metro Manila and four key cities. The investment targets for the project amount to PhP534 million. Also in 2012, the expansion will include the functionality of eAccReg and eSales and shall be funded by NG. The implementation of eCAR, eAccReg and eSales will encourage taxpayer compliance on registration and will consequently improve internal revenue collection.

The BOC, being an agency in transition and in the process of reinventing itself, hopes to usher in a new direction, a fresh outlook, a profound sense of purpose and a higher level of professionalism and sophistication that will reflect the visions and goals outlined in the Bureau's strategic plan for 2011-2016.

The twin mandates of the BOC remain the same: (a) to generate revenues in support of national development objectives; and (b) to level the business playing field by curbing smuggling and other customs fraud. The Bureau contributes about 20 percent of the government's annual revenue collections.

Supporting the Plan's goal of raising revenues and strengthening the tax effort are programs to optimize revenue collection by plugging leakages in the system. At the operational level, this requires the application of proper valuation within the ambit of free trade agreements, such as: (a) development of tools in addition to the value range information system (VRIS) to check on transaction value; (b) voluntary disclosure program on motor vehicles; and (c) providing for internal controls for the verification and issuance of Certificate of Origin (CO). Another vital program of the agency that needs to be strengthened is the post entry audit to include both transaction-based and account-based. These programs address Agenda 9.

In the area of expenditure management, the DBM's major project is focused on harmonizing and integrating the budgeting, auditing and accounting systems of the government.

Being a partner agency for the Government Integrated Financial Management Information System (GIFMIS) project, the DBM will link up the systems of the Commission on Audit (COA), DOF, and the Treasury to provide real time financial information to both the government and the public. Full development and installation of GIFMIS will greatly facilitate flow of information and guide oversight and implementing agencies in decision making through: (a) a common set of financial management information including real-time and accurate information on the status of government finances and cash balances; (b) timely access to knowledge on the financial performance of agencies and the quality of their financial management stewardship; and (c) permanent sharing among oversight and

implementing agencies of a common set of financial management information to guide decision making.

In the area of local government administration, the BLGF has two projects in place, namely the Local Government Finance Support Program (LGFSP) and the Second Land Administration and Management Project (LAMP2). The LGFSP aims to strengthen local government capacities in local resource mobilization to improve local government fiscal position and service delivery. It is nationwide in scope with investment targets amounting to PhP1,809.47 million. The LAMP2, on the other hand, seeks to expand the valuation and taxation reform initiatives to increase the government's capacity to generate revenues from real property, stimulate the real estate market, and foster transparency and good governance. The LGFSP addresses Agenda 1, 6, 8 and 9 while the LAMP2 addresses Agenda 1 to 3, 5 to 9 and 11 to 13.

Annex 2.1. List of Major Priority Programs and Projects By Sector/Intermediate Outcome (In PhP Million)

Programs and Project/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Stable Macroeconomy Achieved		
Intermediate Outcome: Sustainable Fiscal Sector Achieved		
1. Revenue Administration Reform Program/BIR	Interregional*	1,967.26
2. Centralization of Data Processing Service from the Revenue District Offices to Regional Offices/BIR	Interregional**	1,289.43
3. GIS/BIR	Phase 1 - Region-specific*** Expansion - Interregional****	534.00
4. LGFSP/BLGF	Nationwide	1,809.47
Total		5,600.16

Notes: * Revenue Regions 1 to 19, Large Taxpayers Service and National Office.
 ** Revenue Regions 1 to 19, National Office and selected NGAs.
 *** Revenue Regions 5 to 8 (Metro Manila Regional Offices) and Large Taxpayers Service.
 **** Revenue Regions 1 to 19 and National Office.

Annex 2.2. Investment Targets by Agency/Department (In PhP Million)*

Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
DOF							
BIR	138.46	1,774.91	898.42	607.56	498.30	408.91	4,326.56
BOC	2.50	2.90	3.50	4.10	4.60	5.10	22.70
BLGF	-	.74	430.06	943.30	387.60	180.95	1,942.64
Total	140.96	1,778.55	1,331.98	1,554.96	890.50	594.96	6,291.90

Note: * Investment targets for PAPs of DBM were reflected in Chapter 7: Good Governance and the Rule of Law.

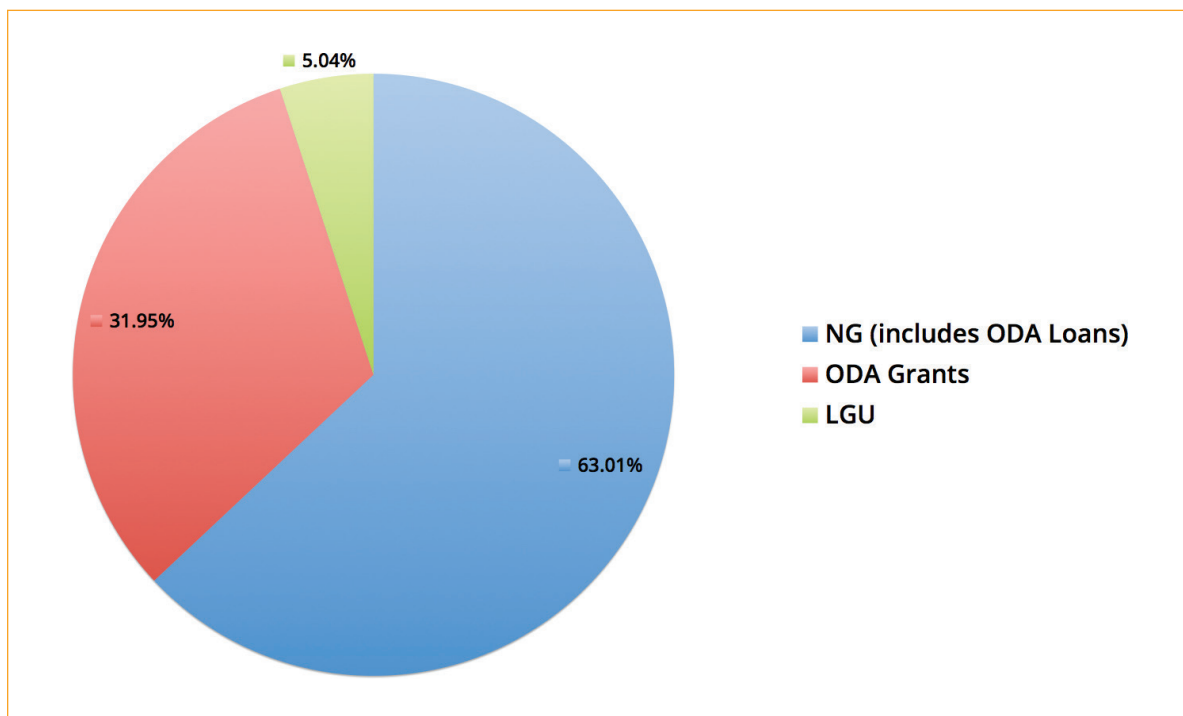
Annex 2.3. **Investment Targets by Funding Source** (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	92.55	583.95	747.54	1,185.73	793.52	561.00	3,964.28
ODA Grants	48.41	1,194.61	521.00	210.63	33.54	2.24	2,010.42
LGU	-	-	63.44	158.60	63.44	31.72	317.20
Total	140.96	1,778.55	1,331.98	1,554.96	890.50	594.96	6,291.90

Annex 2.4. **Investment Targets by Spatial Coverage** (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	2.50	3.64	433.56	947.40	392.20	186.05	1,965.34
Interregional	58.48	1,624.64	872.49	607.56	498.30	408.91	4,070.38
Region-specific	79.98	150.28	25.93	-	-	-	256.18
Total	140.96	1,778.55	1,331.98	1,554.96	890.50	594.96	6,291.90

Figure 2.1. **Investment Targets by Funding Source** (2011-2016)



CHAPTER 3

Competitive Industry and Services Sectors

The PDP 2011-2016 lists the strategies related to the development of the industry and services sectors. These strategies aim to improve the business environment, increase productivity and enhance consumer welfare. It is envisioned that the industry and services sectors will be globally competitive and innovative, contributing to inclusive growth and employment generation. These outcomes will be carried out through the following major final outputs: (a) international trade policy negotiation, facilitation and promotion services; (b) industry development and investment promotion, generation and facilitation services; (c) development and promotion services for micro, small and medium enterprises (MSMEs); and (d) consumer welfare and protection services.

Investment Targets by Funding Source and Spatial Coverage

A total of PhP37 billion will be the investment targets for the identified PAPs under the Chapter for the period 2011-2016. The bulk of the funds (86.80%) will come from NG followed by the private sector (8.65%), ODA grants (2.64%), GOCCs/GFIs (1.90%), and the rest by LGUs. There are 163 PAPs of which nationwide projects account for 82.3 percent of total investment targets, with interregional and region-specific projects sharing 1.28 percent and 16.42 percent, respectively.

Investment Targets by Agency

DTI, including its attached agencies, has investment targets of PhP15.7 billion to

implement, among others, PAPs that would streamline business procedures at the national and local levels, promote MSMEs, and strengthen enforcement and consumer advocacy efforts.

BOC, an attached agency of the DOF, has investment targets of PhP1.8 billion to implement, among others, facilitation of import and export cargoes and anti-smuggling campaign.

The National Parks Development Committee (NPDC) and the Intramuros Administration (IA) under the Department of Tourism (DOT) have investment targets of PhP5.7 billion for the development, beautification, preservation and maintenance of parks, and the restoration of Intramuros. Infrastructure projects in support of tourism are reflected in Chapter 5: Accelerating Infrastructure Development.

DOST and its attached agencies, for their part, have investment targets of PhP13.5 billion to implement, among others, Information Technology-Business Process Outsourcing (IT-BPO) Industry Development Program, Small Enterprise Technology Upgrading Program, and Electronics Industry Technology Infrastructure Support Program.

In support of the government's program for relending activities and credit guarantees¹⁰ for both sectors, a total of PhP171.8 billion¹¹ will be needed. Of that amount, 82.59 percent will be sourced from GOCCs/GFIs, 13.55 percent from NG, and 3.86 percent from the private sector.

The Land Bank of the Philippines (LBP) will extend PhP127 billion in credit assistance to small and medium enterprises (SMEs), while

¹⁰ Relending and/or guarantee-related activities to private institutions are not included in the PIP Chapter tables.

¹¹ Excludes Social Security System loan programs for MSMEs, tourism projects, industry and special financing amounting to PhP870 million.

the Small Business Corporation (SBCorp) will make available to enterprises PhP34.5 billion to finance various stages of their development under the Graduation Incubation Models scheme from 2011-2016.

Administrative capital outlay¹² amounting to PhP893 million to be sourced from NG

and GOCC will be basically used to finance the streamlining of systems and processes, and people development, renovation of buildings, upgrading of facilities and support to maintenance and operations for Department of Labor and Employment (DOLE) and DOST-attached agencies.

Annex 3.1. List of Major Priority Programs and Projects By Sector/Intermediate Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Globally competitive and innovative industry and services sectors		
Intermediate Outcome: Improved Business Environment		
1. Streamlining of Business Permits & Licensing System (BPLS)/DTI	Nationwide	625.73
2. Philippine Business Registry and Business Name Registration*/DTI	Nationwide	506.62
3. Investment and Export Promotion Brand Development Program/DTI	Nationwide	800.00
4. Implementation of the National and Association of Southeast Asian Nations (ASEAN) Single Window/BOC	Nationwide	710.00
Intermediate Outcome: Productivity Increased		
5. Doing Business in Free Trade Areas (DBFTA+)/DTI	Nationwide	1,000.00
6. Shared Services Facilities/DTI	Nationwide	1,500.00
7. National Logistics Plan/DTI	Nationwide	5,000.00
8. National Industry Clustering & One Town One Product (OTOP)**/DTI	Nationwide	1,271.54
9. Cobblestoning of Streets/DOT-IA	National Capital Region (NCR)	500.00
10. Ateneo Boutique Hotel/DOT-IA	NCR	900.00
11. Underground Parking (Plaza Roma/Plaza Moriones)/DOT-IA	NCR	600.00
12. Construction of Underground Vehicular Passageway Along Roxas Blvd. and Maria Orosa St./DOT-NPDC	NCR	500.00
13. IT-BPO Industry Development Program***/DOST-ICTO****	Nationwide	2,500.00
14. Small Enterprise Technology Upgrading Program/DOST-Osec*****	Nationwide	7,100.00
15. Electronics Industry Technology Infrastructure Support Program*****/DOST-PCIEERD*****	Nationwide	2,000.00
Intermediate Outcome: Protection of Consumer Welfare Enhanced		
16. Supply Chain Management/DTI	Nationwide	537.30
17. Consumer Advocacy, Monitoring and Enforcement (CP3SP)/DTI	Nationwide	639.73
18. Intellectual Property Registration Services/IPOPHL****	Nationwide	702.70
19. Policy, Advocacy and Innovation & Technology Support/IPOPHL	Nationwide	560.40
20. Intellectual Property Support Services/IPOPHL	Nationwide	799.60
Total		28,753.61

Notes: * Lumped costing (2 projects in 1 program).
 ** Lumped costing (3 projects in 1 program).
 *** IT-BPO Industry Development Program Components: (a) Information and Communications Technology (ICT) Workforce Capability Development Program; (b) Stepping-Up the Value Chain Program; (c) Next Wave Cities Program; (d) Domestic ICT Industry Development Program; (e) ICT Industry Marketing & Research Program.
 **** ICTO - Information and Communications Technology Office; OSec - Office of the Secretary; IPOPHL - Intellectual Property Office of the Philippines; PCIEERD - Philippine Council for Industry, Energy and Emerging Technology Research and Development.
 ***** Electronics Industry Technology Infrastructure Support Program Components: (a) Enhance the Advanced Device and Materials Testing Laboratory; (b) Establish the Printed Circuit Boards Prototyping Facility; (c) Improve the Tool and Dye Facility; (d) Establish Electromagnetic Compatibility Facility; (e) Conduct Research and Development (R&D) on Vapor Deposition; (f) Conduct R&D on Copper Wirebonding/Establish Facility; (g) Enhance Manpower Development for Semiconductor and Electronics Industry.

¹² Administrative capital expenditures are not included in the PIP Chapter tables.

Annex 3.2. Investment Targets by Agency/Department (In PhP Million)

Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
DOLE	10.00	-	-	-	-	-	10.00
DOST							
OSec	200.00	400.00	1,000.00	1,500.00	2,000.00	2,000.00	7,100.00
ASTI*	10.27	13.66	16.39	19.67	23.60	28.32	111.90
FNRI*	0.05	0.12	0.19	0.18	0.17	0.19	0.89
FPRDI*	-	52.03	79.60	63.50	28.30	29.50	252.93
ICTO	-	500.00	500.00	500.00	500.00	500.00	2,500.00
MIRDC*	21.92	17.51	35.04	171.10	34.04	46.00	325.60
PCIEERD*	-	-	500.00	500.00	500.00	500.00	2,000.00
PNRI*	221.79	62.74	85.17	52.12	53.69	60.09	535.61
PTRI*	13.88	36.78	82.05	37.23	30.68	31.61	232.21
SEI*	1.63	1.63	2.95	7.14	3.37	3.64	20.36
TAPI*	25.27	41.82	34.70	35.20	39.00	41.40	217.40
TRC*	199.90	31.60	-	-	-	-	231.50
DOT							
NPDC	170.70	423.88	984.63	258.63	258.63	108.63	2,205.11
IA	2,200.00	175.00	240.00	150.00	250.00	500.00	3,515.00
DTI							
OSec	46.78	1,082.51	3,494.84	3,412.01	2,553.58	2,117.74	12,707.46
PITC*	54.77	57.50	60.38	63.40	66.57	69.90	372.51
IPOP HL	520.00	416.50	431.70	467.50	486.50	-	2,322.20
SBCorp	7.58	8.70	8.70	8.70	8.70	8.70	51.08
PEZA*	124.21	136.64	-	-	-	-	260.84
NDC*	-	2.00	-	-	-	-	2.00
NEDA**	197.03	84.16	-	-	-	-	281.19
DOF							
BOC	1,197.70	123.80	127.40	130.00	129.60	131.20	1,839.70
Total	5,223.48	3,668.56	7,683.74	7,376.38	6,966.42	6,176.91	37,095.49

Notes: * ASTI - Advanced Science and Technology Institute; FNRI - Food and Nutrition Research Institute; FPRDI - Forest Products Research Development Institute; MIRDC - Metals Industry Research and Development Center; PNRI - Philippine Nuclear Research Institute; PTRI - Philippine Textile Research Institute; SEI - Science Education Institute; TAPI - Technology Application and Promotion Institute; TRC - Technology Resource Center; PITC - Philippine International Trading Corporation; PEZA - Philippine Economic Zone Authority; NDC - National Development Company.

** Includes investment targets of DTI, DA, DOLE, Department of Foreign Affairs (DFA) and BOC for Trade Related Technical Assistance Project 2.

Annex 3.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	2,492.66	2,990.19	6,740.64	7,132.06	6,766.05	6,077.49	32,199.09
ODA Grants	298.77	249.30	162.72	155.72	107.90	3.63	978.03
GOCC/GFI	186.55	223.94	69.08	72.10	75.27	78.60	705.53
Private Sector	2,240.50	205.13	711.30	16.50	17.20	17.20	3,207.83
LGU	5.00	-	-	-	-	-	5.00
Total	5,223.48	3,668.56	7,683.74	7,376.38	6,966.42	6,176.91	37,095.49

Annex 3.4. **Investment Targets by Spatial Coverage** (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	2,471.15	2,831.98	6,403.52	6,914.38	6,402.49	5,507.26	30,530.77
Interregional	171.46	185.95	29.70	26.70	29.70	30.70	474.21
Region-specific							
3	-	31.60	-	-	-	-	31.60
4A	-	100.00	-	-	-	-	100.00
6	10.00	-	-	-	-	-	10.00
8	-	2.00	-	-	-	-	2.00
10	149.90	2.50	7.50	5.00	-	-	164.90
NCR	2,420.97	514.54	1,243.02	430.30	534.23	638.95	5,782.01
Total	5,223.48	3,668.56	7,683.74	7,376.38	6,966.42	6,176.91	37,095.49

Figure 3.1. **Investment Targets by Funding Source** (2011-2016)

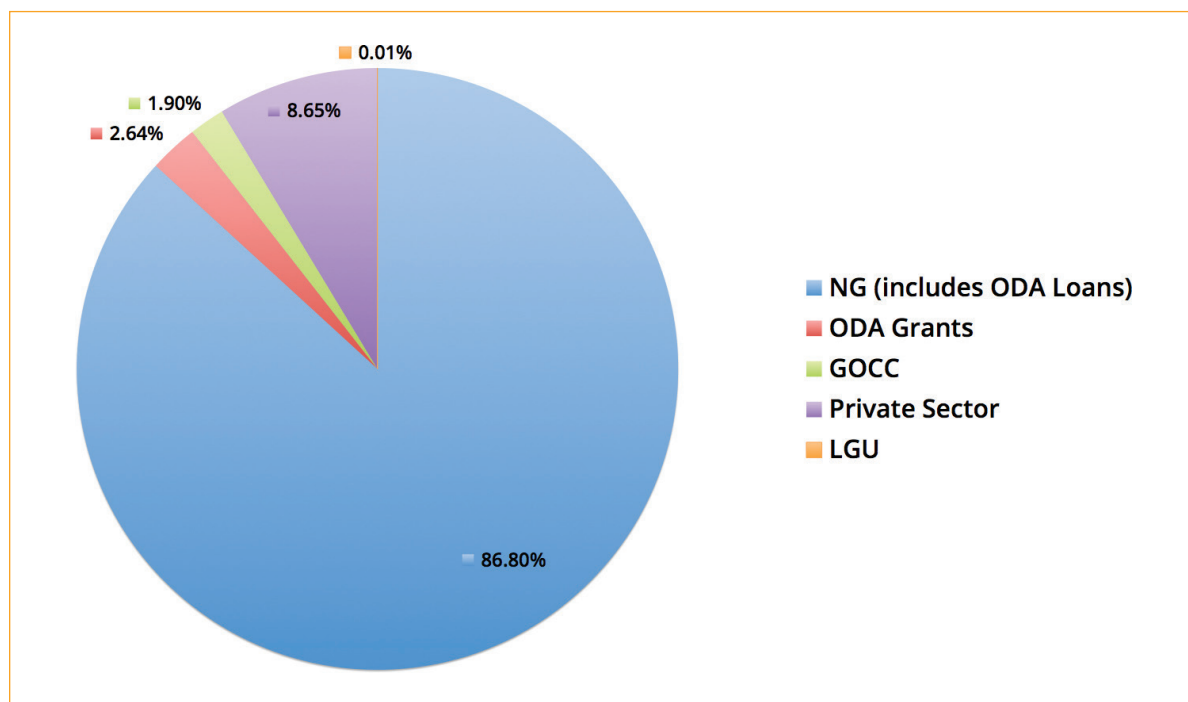


Figure 3.2. **Region-specific Major Priority Programs and Projects**



CHAPTER 4

Competitive and Sustainable Agriculture and Fisheries Sector

This chapter on the Competitive and Sustainable Agriculture and Fisheries Sector responds to the 16-point agenda embodied in the Social Contract of the President, particularly on job creation, sustained economic growth and sustainable use of resources. This reflects the PDP Chapter's two major sector goals targeted to be attained within the next six years, namely: Goal 1 - improved food security and increased rural incomes; and Goal 2 - increased sector resilience to climate change risks¹³. It also continues to support the Agriculture and Fisheries Modernization Act (AFMA) major final outputs of credit, irrigation and other infrastructure/production support, market development, extension, information and research and development (R&D) support. Consequently, the sector will contribute to the overarching goal of inclusive growth and poverty reduction.

Given the above sector goals, agencies will focus their investment programming towards: (a) productivity enhancement, value-adding and post-production interventions in areas such as marketing, logistics and credit access improvement; (b) enhancement of irrigation/farm access facilities; and (c) strengthening of R&D programs that will help reduce production losses due to weather and climate-related events, among others. These investments shall come from NG, to be supplemented by financing from other sources, comprising private sector,

LGUs, GOCCs/GFIs and ODA grants that will be mobilized for the implementation of the 2011-2016 PIP.

Priority Programs and Projects

This chapter translates the PDP Chapter 4 into PAPs that are expected to contribute to the attainment of sectoral outcomes identified in the Chapter. A total of 170 PAPs will contribute to achieve the sector outcomes.¹⁴

The DA's 2011-2016 PIP consolidates all ongoing and proposed/new PAPs of the various DA Operating Units. For 2011, the PAPs in the DA PIP were based on the approved 2011 General Appropriations Act (GAA) but for 2012, these were mainly based on the DA's 2012 Plan and Budget Proposal (PBP). For 2013-2016, these were based on the annual investment targets of each implementing DA unit which would enable them to deliver their intended targets and outputs over the medium-term. The agency's priority programs include its National Commodity Programs on Rice, Livestock, Fisheries, High Value Crops and Corn. In addition, the DA's PAPs for local funding and/or PPP implementation are: (a) Agri-Pinoy Trading Centers; (b) National Organic Agriculture Program; (c) Unified and Enterprise Geospatial Information System (UEGIS); (d) SOCKSARGEN¹⁵ Area Development Program; (e)

¹³ The third goal of enhanced policy environment and governance is deemed cross-cutting.

¹⁴ The estimate does not yet consider the following priority PAPs of the Southern Philippines Development Authority (SPDA) that will support the agriculture and fisheries sector: (a) SPDA Pikit Ice Plant; (b) SPDA Kapatagan Ice Plant; and (c) SPDA Manticao, Misamis Oriental Property for Development into a Halal Processing Plant.

¹⁵ SOCKSARGEN: South Cotabato, Sultan Kudarat, Sarangani and General Santos City.

Balog-Balog Multi-Purpose Project Phase II; and (f) Balintongan Reservoir Multi-Purpose Project.¹⁶

On the other hand, the priority foreign-assisted projects (FAPs) are: (a) Mindanao Rural Development Program 2 (MRDP2); (b) 2nd Cordillera Highland Agricultural Resource Management Project (CHARMP2); (c) Rapid Food Production Enhancement Programme (RaFPEP); (d) Upgrading and Rehabilitation Project of the Navotas Fish Port Complex; (e) Establishment of Modern Integrated Rice Processing Complex in the Four Provinces in the Philippines; and (f) Yen Loan Technical Assistance (YLTA) for Malitubog-Maridagao Irrigation Project-Agriculture Component. Priority PAPs of various DA bureaus and attached agencies are also critical in advancing the sector's competitiveness.

For DAR, the priority programs are: (a) Program Beneficiaries Development (PBD); (b) Land Tenure Improvement (LTI); and (c) Agrarian Justice Delivery (AJD). The DAR's ongoing priority FAPs are: (a) Agrarian Reform Infrastructure Support Project (ARISP) III; (b) Agrarian Reform Communities Project (ARCP) II; and (c) Italian Agrarian Reform Community Development Support Program (IARCDSP) while Mindanao Sustainable Agrarian and Agriculture Development (MinSAAD) II Project is approved for implementation. The priority pipeline projects are: (a) Convergence on Value-Chain Enhancement for Rural Growth and Empowerment (ConVERGE); and (b) Gearing Rural Organizations for Wealth Creation Towards Household Income Improvement Project (Project GROWTH). In addition, some of the DAR's priority pipeline grant-assisted projects include: (a) Bridge Construction Project for Expanded Agrarian Reform Communities (ARCs) Development (Umiray Bridge); and (b) Up-Scaling Sugarcane ARC Clusters Livelihood and Enterprises (Up-SCALE).

For LBP, its priority programs contributing to the agriculture and fisheries development are: (a) provision of credit assistance to small farmers and fisherfolks through its conduits including LBP's Rice Productivity Program and Food Supply Chain Program (FSCP); and

(b) provision of credit support for private agricultural business enterprises.

The R&D PAPs of the Department of Science and Technology (DOST), under the Food and Nutrition Research Institute (FNRI), National Research Council of the Philippines (NRCP), Philippine Council for Agriculture, Aquaculture and Natural Resources Research and Development (PCAARRD), Philippine Nuclear Research Institute (PNRI), and Technology Resource Center (TRC), further contribute to the attainment of the sector's outcome of improved food security and increased income as well as increased sector's resilience to climate change.

In particular, part of DOST-FNRI's priority R&D program includes studies on brown rice and iron fortified rice. DOST-PCAARRD's three priority programs are: (a) Investing High Impact Technology Solutions (HITS) towards Smart Farming; (b) Congressional Commission on Science and Technology and Engineering (COMSTE) Program on Precision Farming; and (c) COMSTE Program on Smart Agriculture. For DOST-TRC, its priority program on Agri-Aqua Technologies will also contribute to the achievement of the chapter's outcomes.

In identifying and prioritizing the key PAPs, an approved prioritization criteria was used by the agencies. These criteria take into account the responsiveness of the PAPs in supporting sector and subsector outcomes considering the following parameters: (a) alignment; (b) relevance; (c) effectiveness; (d) efficiency; and (e) sustainability.

Investment Targets

Funding Source

The estimated investment targets for PAPs towards a competitive and sustainable agriculture and fisheries sector over the medium-term amount to PhP868,617.37 million, PhP314,915.13 million (36.25%) of which will be financed by NG while a total of PhP553,702.23 million (63.75%) will be from other fund sources,

¹⁶ Only Balog-Balog Multi-Purpose Project Phase II and Balintongan Reservoir Multi-Purpose Project have investment targets of more than PhP500 million among the target PPP of the agency. As of 11 May 2012, only the power component of Balog-Balog Multi-Purpose Project Phase II will be implemented through PPP.

namely: PhP534,054.12 million (61.48%) from the contribution/assistance of GOCCs and GFI; PhP5,269.52 (0.61%) from LGUs; PhP2,546.14 million (0.29%) from the private sector; and PhP11,832.45 million (1.36%) from ODA grants (see Figure 4.1).

Spatial Coverage

A large portion (90.88%) of the total estimated investment targets for agriculture and fisheries development will be for PAPs that will be implemented nationwide (see Annex 4.4). Majority of the PAPs in all regions will focus on production support services for various agriculture commodities, other support services such as enterprise/livelihood development, credit assistance, extension and other training services, as well as various R&D initiatives to enhance sector productivity and address sector resilience to climate change, among others.

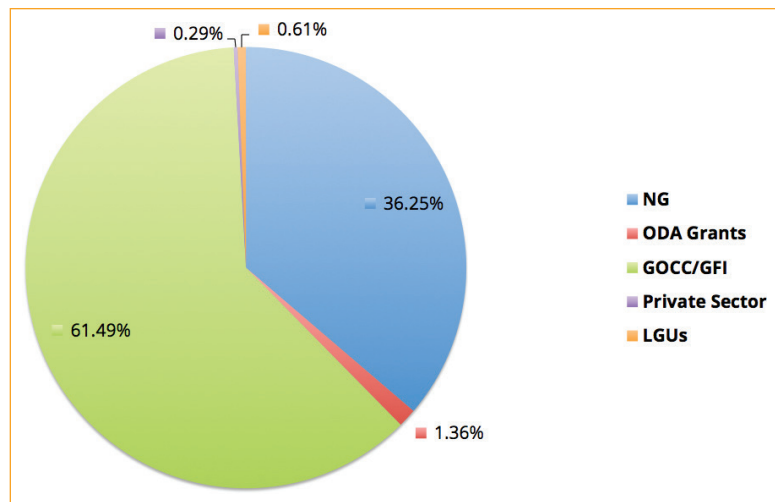
On the other hand, about 6.58 percent of the budget will be allocated for PAPs which are interregional and about 2.50 percent for PAPs which are region-specific and focus on the improvement of infrastructure facilities including irrigation and farm-to-market roads (FMRs).

Agency and Sector Goals

The bulk of total investment targets for the sector is contributed by DA (63.63%). The LBP, on the other hand, shares about 28.30 percent for its credit facilities. The DAR and DOST (FNRI, NRCP, PCAARRD, PNRI and TRC) contributes to the remaining 8.06 percent (see Annex 4.2).

Of the estimated total investment targets, a large chunk is allotted to the attainment of sector Goal 1 of improving food security and increasing incomes which amounts to PhP705,891.17 million (81.27%). This means that majority of the PAPs will focus on raising productivity such as improved rural infrastructure facilities and other production support services. About one percent (0.87%) of the total investment targets is apportioned for PAPs which will directly

Figure 4.1. Investment Targets by Funding Source (2011-2016)



contribute to the attainment of PDP Goal 2 of increasing the sector's resilience to climate change. This includes the strengthening of agricultural extension and support services to raise farmers' knowledge and capacity to adopt climate-sensitive farming and fishing technologies. The rest of the total investment targets (17.87%) is allocated for PAPs which contribute to the attainment of both Goals 1 and 2.

To contribute to the improvement of food security, the DA is implementing the Food Staples Sufficiency Program (FSSP) with a total budgetary requirement of PhP141.9 billion for 2011-2016.¹⁷ For 2011-2012, a total of PhP57.7 billion is being apportioned for its implementation. Major interventions under the program include construction, restoration and rehabilitation of national and communal irrigation systems, small scale irrigation projects, R&D, extension, mechanization and production support.

For DAR, one of the priorities under its 2011-2016 PIP is the improvement and expansion of PBD in order to increase incomes and improve lives of ARCs and contribute to food security while intensifying convergence initiatives of the three rural development agencies (DA-DAR-DENR). The PBD will cover the following: (a) Sustainable Agribusiness and Rural Enterprise Development (SARED); (b) Access Facilitation and Access Enhancement (AFAE) activities; and

¹⁷ FSSP 2011-2016 budgetary requirement is as of September 2011.

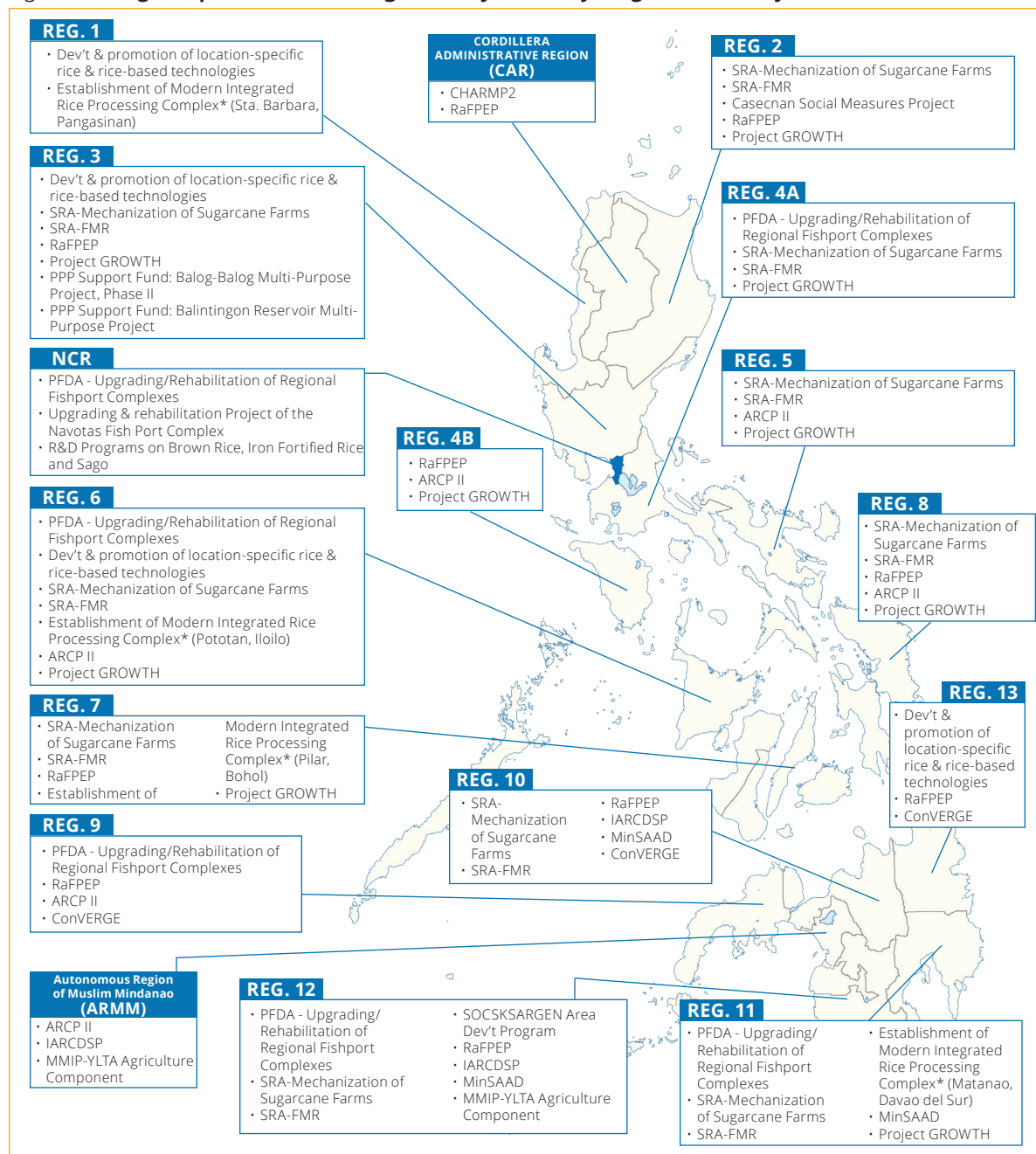
(c) Social Infrastructure and Local Capability Building (SILCAB). The DAR is also proposing capital investment for extension services for the agrarian reform beneficiaries (ARBs) and provision of credit assistance to organizations and agricultural subsidy to new ARBs.

funded projects and FAPs in support of PBD. The sources of funding for ongoing FAPs and firm pipeline projects include the national government, ODA grants and LGUs.

Moreover, additional capital investments shall be provided for the implementation of locally-

The rest of the DAR's investment targets is for LTI and AJD which is being accounted and monitored under Chapter 8: Social Development Sector.

Figure 4.2. Region-specific and Interregional Major Priority Programs and Projects



Note: * Major priority PAPs that are municipality-specific.

Annex 4.1. **List of Major Priority Programs and Projects by Sector Goal** (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Goal 1: Food Security Improved and Increased Income		
1. National Rice Program/DA	Nationwide	10,356.66
2. National Livestock Program/DA	Nationwide	6,662.91
3. National Fisheries Program/DA	Nationwide	192.30
4. Agricultural Credit and Policy Council (ACPC) - Agro-industry Modernization Credit and Financing Program (AMCFP) Implementation/DA	Nationwide	8,738.49
5. National Irrigation Development Projects/DA*	Nationwide	-
6. National Dairy Authority (NDA)- Dairy Development Program/DA	Nationwide	4,344.91
7. National Food Authority (NFA) - Market Development Services/DA	Nationwide	292,160.00
8. Philippine Fisheries Development Authority (PFDA) - Upgrading/Rehabilitation of Regional Fishport Complexes/DA	Regions 4A, 6, 9, 11, 12 & NCR	8,705.80
9. Philippine Rice Research Institute (PhilRice) - Development and promotion of location-specific rice and rice-based technologies suited for different growing conditions/DA	Regions 1, 3, 6 & 13	6,482.87
10. Philippine Carabao Center (PCC) - Genetic Improvement & Expanded Carabao Upgrading Program/DA	Nationwide	2,197.66
11. Philippine Coconut Authority (PCA) - Coconut Fertilization (Salt)/DA	Coconut Provinces	2,459.67
12. Sugar Regulatory Administration (SRA)- Mechanization of Sugarcane Farms/DA	Regions 2, 3, 4A, 5, 6, 7, 8, 10, 11 & 12	1,700.00
13. SRA - FMR/DA	Regions 2, 3, 4A, 5, 6, 7, 8, 10, 11 & 12	2,500.00
14. Agri-Pinoy Trading Center Program/DA	Nationwide	3,496.39
15. SOCSKARGEN Area Development Program/DA	Region 12	1,537.66
16. Casecnan Social Measures Project/DA	Quirino	560.00
17. MRDP 2/DA**	Mindanao	3,853.17
18. CHARMP2/DA	CAR	2,080.22
19. RaFPEP/DA	Regions 2, 3, 4B, 7, 8, 9, 10, 12, 13 & CAR	1,768.89
20. Establishment of Modern Integrated Rice Processing Complex in the Four Provinces in the Philippines/DA	Sta. Barbara, Pangasinan; Pototan, Iloilo; Pilar, Bohol; Matanao, Davao del Sur	516.97
21. PBD (Regular Projects)/DAR	Nationwide	42,895.80
22. ARISP III/DAR	Nationwide	3,838.05
23. ARCP II/DAR	Regions 4B, 5, 6, 8, 9 & ARMM	6,639.19
24. IARCDS/DA	Regions 10, 12 & ARMM	2,518.75
25. MinSAAD/DA	Regions 10, 11 & 12	4,402.74
26. ConVERGE/DA	Regions 9, 10 & 13	2,180.00
27. Project GROWTH/DA	Regions 2, 3, 4A, 4B, 5, 6, 7, 8 & 11	5,257.00
28. R&D Programs on Brown Rice, Iron Fortified Rice, and Sago/DOST-FNRI	NCR	510.00
29. Provision of credit assistance to small farmers and fisherfolk***/LBP	Nationwide	217,500.00
30. Provision of credit support to private agricultural business enterprises/LBP	Nationwide	28,344.19
Subtotal		674,400.28

(Continued on next page)

Annex 4.1. List of Major Priority Programs and Projects by Sector Goal (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Goal 2: Sector resilience to Climate Change Increased		
31. National High Value Crops Development Program/DA	Nationwide	20.57
32. National Livestock Program/DA	Nationwide	456.30
33. UEGIS/DA	Nationwide	5,146.54
<i>Sub-total</i>		5,623.41
Both Goals I and II		
34. National Rice Program/DA	Nationwide	38,203.97
35. National Corn Program/DA	Nationwide	7,509.65
36. National High Value Crops Development Program/DA	Nationwide	9,725.58
37. National Livestock Program/DA	Nationwide	7,078.67
38. National Fisheries Program/DA	Nationwide	20,264.48
39. National FMRs Program/DA, DPWH	Nationwide	27,500.32
40. Bureau of Soils and Water Management (BSWM) - Tamang Abono Program/DA	Nationwide	3,575.00
41. Philippine Crop Insurance Corporation (PCIC) - Crop Insurance Program/DA	Nationwide	1,235.71
42. PCA - Coconut Planting/Replanting/DA	Coconut Provinces	1,116.56
43. PCA - Farm Diversification (Intercropping)/DA	Coconut Provinces	989.58
44. National Organic Agriculture Program/DA	Nationwide	6,213.12
45. PPP Support Fund: Balog-Balog Multi-Purpose Project, Phase II/DA	Region 3	2,447.50
46. PPP Support Fund: Balintong Reservoir Multi-Purpose Project/DA	Region 3	1,368.00
47. Philippine Agriculture and Fisheries Biotechnology Program/DA	Nationwide	1,000.00
48. Upgrading & Rehabilitation Project of the Navotas Fish Port Complex/DA	NCR	3,470.39
49. Malitbog-Maridagao Irrigation Project (MMIP)-YLTA-Agriculture Component/DA	Region 12 & ARMM	562.33
<i>Sub-total</i>		132,260.86
Total		812,284.55

Notes: * The total investment targets for major irrigation projects of National Irrigation Administration (NIA) amounting to PhP155,443.31 million are reflected in Chapter 5: Accelerating Infrastructure Development.

** Per NEDA Project Monitoring Staff (PMS) Project Factsheet, as of September 2012, the geographic coverage of MRDP2 includes Regions 9, 10, 11, 12, 13 and ARMM.

*** Japan International Cooperation Agency-Agricultural Credit Support (JICA-ASCP) serves as one of the fund sources of this program.

Annex 4.2. Investment Targets by Agency/Department (In PhP Million)

Agency/ Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
DA	112,305.69	235,484.96	70,575.12	46,298.66	43,992.84	44,086.66	552,743.92
DAR	4,342.71	11,708.25	17,371.79	13,865.25	11,027.30	10,286.74	68,602.04
DOST							
FNRI	40.00	52.00	68.00	88.00	114.00	148.00	510.00
NRCP	6.84	6.18	40.56	49.37	86.07	101.65	290.67
PCAARRD	-	142.22	164.61	156.91	90.79	21.67	576.21
PNRI	0.33	14.00	12.00	10.00	2.00	2.00	40.33
TRC	0.50	2.50	3.50	3.50	-	-	10.00
LBP	34,186.50	36,900.83	39,580.83	42,316.87	45,054.71	47,804.45	245,844.19
Total	150,882.57	284,310.94	127,816.41	102,788.56	100,367.71	102,451.18	868,617.37

Annex 4.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	28,581.36	61,914.42	67,049.03	55,837.20	51,084.72	50,448.39	314,915.13
ODA Grants	1,891.56	3,728.05	2,408.60	1,393.39	1,241.70	1,169.16	11,832.45
GOCC/GFI	118,810.04	216,611.73	56,676.64	44,454.77	47,362.53	50,138.40	534,054.12
Private Sector	139.71	505.24	677.14	428.92	414.87	380.27	2,546.14
LGU	1,459.90	1,551.49	1,005.01	674.27	263.89	314.95	5,269.52
Total	150,882.57	284,310.94	127,816.41	102,788.56	100,367.71	102,451.18	868,617.37

Annex 4.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	140,929.10	267,001.97	112,320.75	89,327.74	88,080.88	91,759.30	789,419.73
Interregional	6,305.87	12,735.76	10,529.74	10,198.37	9,072.11	8,356.41	57,198.26
Region-specific							
NCR	184.15	1,368.94	1,338.21	1,136.12	114.25	148.26	4,289.93
CAR	602.58	597.82	558.22	270.67	50.93		2,080.22
2	60.00	100.00	100.00	100.00	100.00	100.00	560.00
3	2,532.50	1,358.00	-	-	-	-	3,890.50
4A	2.69	870.76	1,206.56	547.00	617.43	551.17	3,795.61
4B	-	-	31.50	-	-	-	31.50
5	-	-	921.76	649.80	1,714.66	909.57	4,195.79
7	-	-	10.76	3.33	-	-	14.10
9	30.89	20.89	42.88	46.25	49.49	52.91	243.31
10	40.10	49.85	49.85	49.85	49.85	49.85	289.35
11	125.00	28.13	22.69	27.96	27.45	33.94	265.16
12	-	132.98	512.99	289.31	310.16	292.21	1,537.66
13	58.85	25.69	113.50	75.00	75.00	75.00	423.04
ARMM	4.00	13.97	16.45	17.79	19.44	20.90	92.54
Not Indicated	6.84	6.18	40.56	49.37	86.07	101.65	290.67
Total	150,882.57	284,310.94	127,816.41	102,788.56	100,367.71	102,451.18	868,617.37

CHAPTER 5

Accelerating Infrastructure Development

To attain the current administration's development agenda towards achieving inclusive growth and poverty reduction, strategic infrastructure PAPs that are critical to stimulate and sustain the country's socioeconomic growth have been prioritized. These PAPs aim to accelerate the provision of safe, efficient, reliable, cost-effective, and sustainable infrastructure, anchored on the following objectives and strategies as laid out in the PDP 2011-2016:

- Optimize resources and investments;
- Attract investments in infrastructure;
- Foster transparency and accountability in infrastructure development;
- Adapt to climate change and mitigate the impacts of natural disasters; and
- Provide productive employment opportunities.

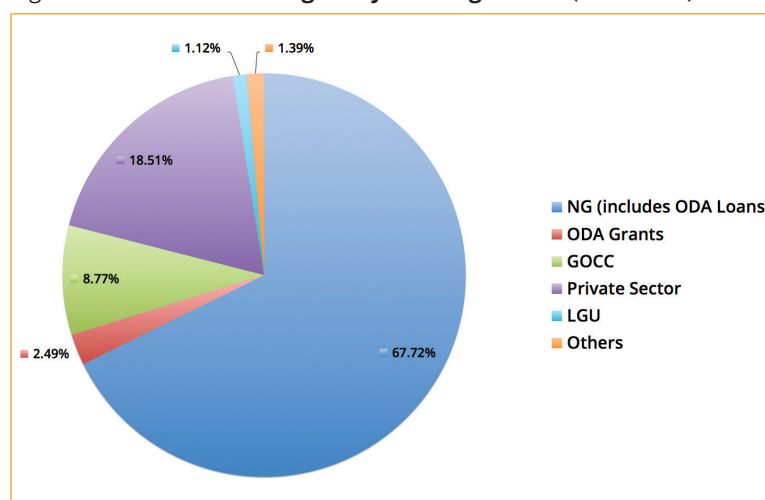
The investment targets for the infrastructure sector within the medium-term adhere to the goals and outcomes highlighted in the 2011-2016 PDP's RM, where accelerating infrastructure development substantially supports the growth requirements and performance of the various sectors of economy such as agriculture, tourism, and industry and services sectors. Moreover, infrastructure PAPs are envisioned to contribute towards improving the public's access to social goods and

services in education, health, and housing, as well as to help address the country's vulnerability to climate change and natural disasters. In consideration of the government's tight fiscal position, tapping the private sector towards increasing investments in infrastructure has also been encouraged.

Investment Targets

The 2011-2016 PIP for the infrastructure sector comprises a total of 1,228¹⁸ projects whose total investment targets amount to about PhP2,582 billion¹⁹ that includes capital infrastructure projects, both ongoing and proposed. Overall, the bulk of investments will be sourced from NG, including ODA loans, while the remaining investments are to be sourced through other

Figure 5.1. Investment Targets by Funding Source (2011-2016)



¹⁸ 1,202 if excluding cross reference projects

¹⁹ Under the 2011-2016 PIP Chapter 5 Table, some portions of the PhP2,582.05 billion (PhP2,079.60 billion total infrastructure investment targets excluding cross reference projects) total infrastructure investment targets in Chapter 5 are also reflected in several other Chapters of the 2011-2016 PIP, namely: (a) Chapter 2: Macroeconomic Policy, PhP1.99 billion; (b) Chapter 3: Competitive Industry and Services Sectors, PhP2.61 billion; (c) Chapter 7: Good Governance and the Rule of Law, PhP6.85 billion; (d) Chapter 8: Social Development Sector, PhP488.04 billion; (e) Chapter 9: Peace and Security, PhP0.75 billion; and (f) Chapter 10: Conservation, Protection and Rehabilitation of the Environment and Natural Resources, PhP2.22 billion.

financing options, such as PPP, including JVs, and ODA grants, as deemed appropriate.

Figure 5.1 shows the graphical allocation of investment targets by funding source.

The estimated investment targets according to source are:

- PhP1,749 billion (67.72%) to be funded by the national government²⁰;
- PhP226 billion (8.77%) from GOCCs;
- PhP29 billion (1.12 %) from the LGUs;
- PhP64 billion (2.49 %) from ODA grants;
- PhP36 billion (1.39%) from other sources²¹;
- PhP478 billion (18.51%) from private sector investments.

Infrastructure Subsectors

The infrastructure PAPs are generally clustered into the five major infrastructure subsectors, namely: (a) Transport; (b) Water Resources; (c) Energy; (d) Information and Communications Technology (ICT); and (e) Social Infrastructure.

Figure 5.1-A below shows the graphical allocation of investment requirements by infrastructure subsector.

The estimated investment targets according to subsector are:

- PhP1,496 billion (57.93%) for the provision of a safe, secure, efficient, viable, competitive, dependable, integrated, environmentally sustainable and people-oriented Philippine transport system;
- PhP336 billion (13.03%) for an equitable and efficient management and development of water resources to ensure adequate, safe and sustainable water for all;
- PhP491 billion (19.02%) for the protection of public health and the environment, improvement of access to quality health and education facilities, and access to housing opportunities and services;
- PhP231 billion (8.93%) for a sustainable, diverse and reliable energy sources;
- PhP27 billion (1.06%) for the provision of fast, reliable and affordable ICT access and services for all; and
- PhP0.74 billion (0.03%) for cross-cutting PAPs.

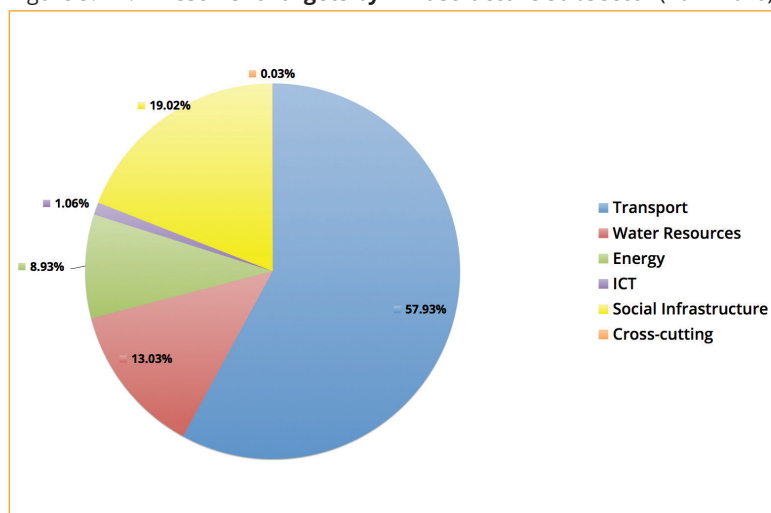
Transport

The strategies for the transport sector aim to: (a) ensure an integrated and coordinated transport network; (b) address the overlapping and conflicting functions of transport and other concerned agencies; (c) ensure transport safety and security; and (d) promote development in conflict-affected and highly impoverished areas. Accomplishment of these

objectives hinges on the adoption of a comprehensive National Transport Policy (NTP) that would guide the restructuring of the transport sector and improve governance by instituting transparency and predictability in decision-making and related processes. The NTP is proposed to be mainstreamed through legislation, but in the interim, would be instituted through an Executive Order (EO).

In developing and maintaining transport infrastructure, strategic asset preservation and upgrading the capacity of existing infrastructure would take priority over expanding network coverage. Expansion of the transport network would be based on a strategic plan that takes modal complementation into account. Major

Figure 5.1-A. Investment Targets by Infrastructure Subsector (2011-2016)



²⁰ This includes PAPs proposed for ODA loan financing.

²¹ This includes PAPs whose funding source are from MVUC and those that were not specified.

capital and high-impact PAPs (see Annex 5.1) that would address said transport strategy include the following:

- Implementation of the 4-km Daang Hari-South Luzon Expressway (SLEX) Link Road Project through PPP. This project aims to provide an alternative route to and from Metro Manila and Cavite and improve Region IV-A's competitiveness as an investment destination. The completion of the project should alleviate traffic in some areas of Cavite, Las Piñas and Muntinlupa;
- Completion, through PPP, of the ongoing 88.5-km. Tarlac-Pangasinan-La Union Expressway (TPLEx). TPLEx will extend the existing and operational Subic-Clark-Tarlac Expressway (SCTEx) up to La Union;
- Implementation/completion of asset preservation programs consisting of the Road Improvement and Institutional Development Project (RIIDP); Road Upgrading and Preservation Project (RUPP); and the National Roads Improvement and Management Project (NRIMP) Phase 2, to improve road conditions and enhance the efficient movement of goods and people in various regions of the country;
- Implementation of Phase II of the Ninoy Aquino International Airport (NAIA) Expressway (NAIAX) to provide a fast and reliable access to NAIA Terminals 1, 2 and 3, as well as interconnect the SLEX/Skyway with the Manila-Cavite Toll Expressway (MCTE)/Roxas Boulevard, Diosdado Macapagal Boulevard and the proposed Philippine Amusement and Gaming Corporation (PAGCOR) Entertainment City. Planned improvements of NAIA, such as the installation of rapid exit taxiway and retrofitting/renovation of Terminal 1, will also provide more comfortable and faster service to NAIA users;
- Completion of the Puerto Princesa Airport Development Project (PPADP), Bicol International Airport Project, New Bohol Airport Project, Lal-lo International Airport Development Project and the installation of air navigational facilities at the Laguindingan Airport. These projects aim to improve safety and efficiency of aircraft operations compliant with international standards and practices as well as would improve accessibility to tourism destinations and economic growth centers;
- Linking the Diosdado Macapagal International Airport (DMIA) in Clark with the Central Business District (CBD) in Metro Manila and NAIA through the Manila-Clark Airport Express Rail Link to provide fast rail connection among these three key areas as well as significantly increase the catchment area of DMIA and thereby improve its attractiveness to airlines and passengers;
- Extension of the existing Light Rail Transit (LRT) Line 1 to the municipality of Bacoor through a PPP arrangement and the extension of the existing LRT Line 2 up to Masinag Junction. These projects are expected to provide the public with fast, safe, efficient and affordable means of transportation, and greater access to the influence areas of the projects; and
- Reopening of the South Line operations of the Philippine National Railways (PNR) and its modernization, and the completion of the PNR Northrail-Southrail Linkage Project. This would provide a competitively priced, fast and efficient mass transport system available to the areas covered by these PNR lines.

Water Resources

Climate change and the increasing demand for water heighten the need to strengthen water resources management in the country. To address this, the National Water Resources Board (NWRB) has lined up PAPs for the medium-term to strengthen its capacity to effectively and efficiently regulate water utilization in the country. These projects include the deputization of the DENR-Regional Offices for the monitoring and enforcement of the Water Code and intensification of monitoring activities on illegal water users.

To address inequitable water supply provision, programs targeting waterless areas are being implemented. Currently, the National Anti-Poverty Commission (NAPC), the Department of the Interior and Local Government (DILG) and DOH are jointly implementing the Sagana at Ligtas na Tubig para sa Lahat (SALINTUBIG), a program with an annual allocation of PhP1.5 billion aimed at providing potable water supply to 498 pre-identified waterless municipalities in the country. To complement the water supply hardware being provided under SALINTUBIG

and ensure sustainability of systems, DILG, under the Millennium Development Goals Achievement Fund (MDG-F) 1919 Joint Programme, is also piloting capacity development tools and practices among LGUs and water service providers (WSPs) in select waterless areas that will enhance their capability to develop and manage water supply facilities. In addition, the Local Water Utilities Administration (LWUA) has also been addressing the needs of waterless municipalities through its lending windows and financial assistance. For the medium-term, LWUA will be allocating approximately PhP9.5 billion for its water supply development program.

In developing new water sources to address the increasing demand for water, the Metropolitan Waterworks and Sewerage System (MWSS) will continue to develop bulk water supply projects and maintain existing water supply facilities in the NCR. For rehabilitation and maintenance projects, MWSS plans to invest a total of PhP6.25 billion for the medium-term. This will finance projects including the Strengthening of Angat Dam and Dyke Project with its investment target of about PhP5.72 billion. In addition, the development of a 500 million liters per day (MLD) bulk water supply project, with an estimated investment cost of PhP23 billion, is being planned to augment the water supply sources for the MWSS concession areas.

To intensify the development of sanitation/sewerage/septage facilities, investments and financing services are needed to support the private sector in increasing service coverage. Thus, the LWUA will allocate a total investment of PhP6.45 billion for Water District Areas to finance 45 combined sewerage development/septage management projects in Manila Bay, and six projects outside Manila Bay. The sources of funds will come from the NG through LWUA's annual budget appropriation.

To help attain food self-sufficiency in the country, existing irrigation systems must be optimized alongside the construction of new small-scale irrigation systems and water impounding systems. The National Irrigation Administration (NIA) will thus invest PhP155.44 billion over the medium-term to implement its pipeline and ongoing projects, including

development of new irrigation systems, promotion of irrigation management transfer system, and rehabilitation of existing irrigation systems, among others.

Yearly, numerous typhoons cause major floods in various parts of the country. Unpredictable weather patterns as a result of climate change contribute to the floods which are aggravated by solid wastes that clog the waterways. The cumulative impact of floods on the loss of lives and damage to properties and livelihood results in a deceleration, if not a setback, of socioeconomic progress and activity in affected areas. In this regard, several government agencies are pursuing implementation of several critical flood control projects.

The Metropolitan Manila Development Authority (MMDA) is set to upgrade its Disaster Operations Control and Preparedness Training Facilities and Disaster Electronic and Communications System. It will also establish a Tsunami Warning System in Manila Bay to enhance the Disaster Risk Reduction Capacity of Metro Manila. In addition, MMDA has allotted PhP494 million to rehabilitate and upgrade its Effective Flood Control Operation System (EFCOS) to minimize the loss of lives, reduce casualties and prevent property damages within the metropolis. For its part, the DPWH plans to put up its share through the allotment of about PhP99.53 billion to implement its disaster prevention and flood control projects in selected parts of the country. Also, the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), with assistance from the Japanese Government, is investing around PhP1.81 billion for the Improvement of the Meteorological Radar System Project to replace existing obsolete radar facilities. The project, which is expected to be completed in 2015, will enable PAGASA to provide timely weather information and reliable forecasts nationwide. Likewise, the project will complement other government initiatives, both structural and non-structural, in mitigating the adverse effects of disasters in the country.

(Investment targets of 3 MMDA Projects amounting to PhP0.75 billion are also reflected under Chapter 9: Peace and Security).

Energy

To achieve reliable and secure supply of electric power, the DOE will be spending PhP.08 billion from 2011 to 2016 for the development and monitoring of energy policies, plans and programs as well as the formulation of national energy plans, complemented by regional plans, which will provide the long-term direction and thrusts for the energy sector.

Towards achieving 100-percent barangay and extensive household electrification, DOE will pursue the implementation of Expanded Rural Electrification Program budgeted at PhP0.83 billion within the medium-term. To complement the program, the National Electrification Administration's (NEA) Sitio Electrification Program and Barangay Line Enhancement with investment targets of PhP28.1 billion and PhP5.66 billion, respectively, will energize 33,848 sitios out of 115,902 potential sitios (of which 81,214 sitios were already energized as of December 2011) and enhance transmission lines of 2,341 barangays. Also, the National Power Corporation (NPC), through its Small Power Utilities Group (SPUG), will augment the increasing demand of various missionary areas and replace old and unreliable generator sets via its investments of PhP4.80 billion for its Acquisition of New Generator Sets and Accessories Program.

Moreover, to ensure energy security, the Philippine National Oil Company-Exploration Corporation (PNOC-EC) will provide additional coal resources through the Lumbog Coal Mine Development (PhP0.82 billion from 2011 to 2012) as well as additional generation capacities with the construction of 50-megawatt (mW) Isabela Coal Mine-mouth Power Plant (PhP5.78 billion from 2011 to 2016) and 50-mW Malangas Coal-Fired Power Plant (PhP4.51 billion from 2012 to 2016).

ICT Infrastructure

To help provide fast, reliable and affordable access to communications services and

information, the government shall further support the establishment of shared access facilities through the Philippine Community e-Center (CeC) Program in order to cater to the unserved and underserved areas of the country. The Information and Communications Technology Office (ICTO)²² under the DOST will continue to expand the establishment of CeCs nationwide with a total allocation in the medium-term of about PhP1.3 billion.

An estimated PhP9.2 billion will be allocated to improve the broadcast infrastructure and facilities of the government's public broadcast network – People's Television Network, Inc. (PTNI), and prepare for the impending migration to digital terrestrial television broadcasting (DTTB).

The government also aims to provide infrastructure support to enhance the country's e-government systems, and hence, achieve better transparency and efficiency in government operation/administration and in the delivery of services to the public. The e-Government Portal Project, to be developed by DOST-ICTO, envisions to provide a single entry point that will enable citizens and businesses to access government information and e-government services via a single government portal, thus, facilitating interface between the government and the general public and allow easier business transactions with the government. In addition, the Land Transportation Office Infrastructure and Information System (LTO-IIS) Project will build an IT network for LTO that can host and support its Front Office and Back Office Applications, in order to computerize and automate its processes and services, and develop its database information system. The IT system will also provide interconnection between and among LTO Offices nationwide.

(Investment targets for ICT-based PAPs amounting to about PhP2.6 billion are also reflected under Chapter 3: Competitive Industry and Services Sector and PhP2 billion under Chapter 2: Macroeconomic Policy.)

²² Executive Order (EO) 47 (signed on 23 June 2011) has renamed the former Commission on Information and Communications Technology (CICT) as ICTO and placed it under the policy, technical and administrative supervision of DOST.

Social Infrastructure

Sustainable development activities include ensuring public health and clean environment through a systematic, comprehensive and ecological program on waste management. MMDA will implement a three-year program within the period 2013 to 2016 with an estimated budget of PhP2.22 billion to construct an MMDA-Owned and Operated sanitary landfills (SLFs) and Materials Recovery Facilities (MRFs), and to close open dumpsites such as those in Payatas and Carmona to fully implement the solid waste management (SWM) program in Metro Manila and other neighboring provinces.

Addressing backlogs in classrooms and school buildings nationwide will be the focal thrust of the DepEd in order to provide learning conditions conducive to a high quality learning curriculum for both elementary and secondary education. DepEd has programmed about PhP232 billion from 2011 to 2016 for the construction and rehabilitation of school buildings nationwide including a classroom and school building program through PPP with an allocation of approximately PhP4 billion annually as government counterpart to prospective private proponents.

To address the need for adequate housing facilities for the public as well as to accelerate

mass housing programs nationwide, the National Housing Authority (NHA) will allocate approximately PhP134 billion from 2011 up to 2016, with priority given to the poor and the marginalized.

To improve access to and quality of services of health facilities such as Rural Health Units (RHUs) and Barangay Health Stations (BHSs), the DOH will invest approximately PhP122 billion from 2011 to 2016 in the Health Facilities Enhancement Program (HFEP). The HFEP defines a unified and rationalized health facility blueprint covering both public and private health facilities that will link provincial and city plans to national allocations for investment in health, including acquisition of right-of-way (ROW) and land dedicated for the construction of health facilities. To augment the investment requirement for the HFEP, PPPs shall be explored for the construction, structural retrofitting, rehabilitation, maintenance and management of health facilities, particularly the 25 DOH Regional hospitals nationwide.

(Investment targets amounting to PhP488 billion are also reflected under Chapter 8: Social Development Sector and PhP2.2 billion under Chapter 10: Conservation, Protection and Rehabilitation of the Environment and Natural Resources.)

Annex 5.1. **List of Major Priority Programs and Projects by Intermediate Outcome** (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Intermediate Outcome:		
Quality, adequacy and accessibility of infrastructure facilities and services enhanced		
Transport		
1. NAIA Expressway (Phase 2), 4.9km/DPWH	NCR	15,860.53
2. Manila-Clark Airport Express Rail Link/DOTC-PNR	NCR	91,180.00
3. LRT Line 2 East Extension, including JICA* Technical Assistance (TA) for Feasibility Study (FS)/DOTC-LRTA*	NCR	9,980.00
4. Retrofitting/Renovation of NAIA Terminal 1/DOTC-MIAA*	NCR	1,500.00
5. Construction of Rapid Exit Taxiway at NAIA/ DOTC-MIAA*	NCR	100.00
6. TPLeX, 88.5km/DPWH	Region 1	12,749.96
7. Lal-Lo International Airport Development/CEZA*	Region 2	1,657.00
8. Daang Hari SLEX Link Road Project Bacoor Cavite to the SLEX through Susana Heights, 4km/DPWH	Region 4A	1,886.64
9. PPADP/DOTC-CAAP*	Region 4B	4,355.41
10. New Bohol Airport Project/DOTC-CAAP	Region 7	6,613.00
11. Bicol International Airport Project/DOTC-CAAP	Region 5	4,073.60
12. Installation of Air Navigational Facilities at Laguindingan Airport (KEXIM*)/DOTC-CAAP	Region 10	568.00
13. LRT Line 1 Cavite Extension, including JICA TA for FS/DOTC-LRTA	Region 4A & NCR	61,527.81
14. Northrail-Southrail Linkage Project/DOTC-PNR	Region 4A & NCR	5,009.90
15. PNR South Line Modernization/DOTC-PNR	Regions 4A, 5 & NCR	109,250.00
16. RUPP, JICA P247/DPWH	Regions 1, 3, 4A, 4B, 5, 11 & 13	27,067.27
17. NRIMP IBRD*-Assisted Phase II/DPWH	Regions 2, 4B, 6, 7, 11, 12, 13 & NCR	24,878.57
18. ADB* RIIDP [formerly Road Sector Institutional Development and Investment Program (RSIDIP)]/DPWH	Regions 1, 2, 3, 4A, 5, 6, 7, 8, 9, 10, 12, 13 & CAR	13,615.21
Subtotal		391,872.90
Water		
19. SALINTUBIG/DILG, DOH & LWUA	Regions 1, 2, 3, 4A, 4B, 5, 6, 7, 8, 9, 10, 11, 12, 13, CAR & ARMM	6,820.00
20. Participatory Irrigation Development Project, Phase I/NIA	Nationwide	4,062.97
21. Pasig-Marikina River Channel Improvement Project, Phase III/DPWH	NCR	3,150.00
22. Integrated Disaster Risk Reduction (DRR) and Climate Change Adaptation (CCA) Measures in the Low-Lying Areas of Pampanga Bay, Pampanga/DPWH	Region 3	2,191.13
23. 500 MLD Water Supply Project/DPWH-MWSS	Region 4A & NCR	23,000.00
24. Strengthening of Angat Dam and Dyke Project/DPWH-MWSS	Region 3 & NCR	5,719.90
25. National Irrigation Sector Rehabilitation & Improvement Project/NIA	Regions 1, 3, 4B, 6, 10, 11, 12 & 13	9,069.00
26. Casecnan Multipurpose Irrigation Project (MPIP)-Irrigation Component, Phase II/NIA	Region 3	5,744.15
27. Balog-Balog MPIP, Phase II/NIA	Region 3	15,893.93
28. Jalaur River Multipurpose Project, Stage II/NIA	Region 6	5,110.00
29. Kabulnan II Multipurpose Irrigation & Power Project/NIA	ARMM	1,610.00
30. Valenzuela-Obando- Meycauayan (VOM) Area Drainage System Improvement & Related Works Project, Metro Manila, Bulacan/DPWH	Region 3 & NCR	1,202.15
31. Flood Risk Management Project (FRIMP) Along Principal Rivers/DPWH	Regions 2, 4A & 10	9,702.34
32. Irrigation Systems Operation Efficiency Improvement Project/NIA	Region 12	5,308.94
33. Umayam River Irrigation Project/NIA	Region 13	120.00
Subtotal		98,704.51
<i>(Continued on next page)</i>		

Annex 5.1. List of Major Priority Programs and Projects by Intermediate Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Energy		
34. Sitio Electrification Program/DOE-NEA	Nationwide	28,112.00
35. Improvement, Repairs, Maintenance and Spare Parts/DOE-NEA	Nationwide	8,473.83
36. Barangay Line Enhancement Program/DOE-NEA	Nationwide	5,662.00
37. Acquisition of New Gensets and Accessories for SPUG Areas/DOE-NPC	Nationwide	4,804.08
38. Expanded Rural Electrification Program/DOE	Nationwide	828.53
39. Transmission Line and Substation Projects for SPUG Areas/DOE-NPC	Regions 4B, 5, 7 & ARMM	4,636.46
40. Off-Grid Barangay Electrification Projects/DOE-NPC	Regions 4B, 5, 7, 8, 9 & ARMM	894.50
<i>Subtotal</i>		53,411.40
ICT		
41. LTO-IIS Project (DOTC Road Transport Information Technology Infrastructure Project, Phase 1)/DOTC-LTO, LTRFB*	Nationwide	6,074.87
<i>Subtotal</i>		6,074.87
Total		550,063.68

Note: * JICA - Japan International Cooperation Agency; LRTA - Light Rail Transit Authority; MIAA - Manila International Airport Authority; CEZA - Cagayan Economic Zone Authority; CAAP - Civil Aviation Authority of the Philippines; KEXIM - Export-Import Bank of Korea; IBRD - International Bank for Reconstruction and Development; ADB - Asian Development Bank; LTRFB - Land Transportation Franchising and Regulatory Board.

Annex 5.2. Investment Targets by Agency/Department (Cross reference projects included) (In PhP Million)

Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
AFAB*	30.00	45.50	30.00	30.00	30.00	30.00	195.50
BCDA*	-	717.50	-	-	26,200.00	-	26,917.50
CDC*	13,000.00	-	-	-	-	-	13,000.00
PPMC*	1,200.00	4,500.00	-	-	-	-	5,700.00
BIR	18.99	1,194.61	526.94	210.63	33.54	2.24	1,986.94
CEZA	1,334.90	1,306.71	2,154.58	5.00	75.00	75.00	4,951.19
DAR	-	115.04	191.20	154.28	-	-	460.52
DFA	-	-	100.00	100.00	100.00	-	300.00
DILG	68.36	784.43	368.25	1,494.01	1,762.51	1,850.66	6,328.21
DOE	500.78	2,272.20	3,544.21	3,346.24	7,290.97	7,484.08	24,438.48
NEA	1,333.00	5,000.00	8,377.00	9,000.00	10,064.00	-	33,774.00
PNOC	1,352.86	9,050.77	60,867.42	25,433.47	25,433.47	25,433.47	147,571.45
NPC	263.98	1,903.41	6,538.66	6,134.43	3,250.94	3,315.45	21,406.87
DOST**	86.47	127.79	93.87	109.64	96.78	80.42	594.97
ASTI	351.35	524.44	248.20	141.38	157.11	175.99	1,598.48
ICTO	-	1,393.50	800.00	800.00	800.00	800.00	4,593.50
PAGASA	2,515.06	136.48	85.53	-	-	-	2,737.07
PCIEERD	-	55.50	56.60	67.92	81.50	97.80	359.33
PHIVOLCS*	15.00	-	-	-	-	-	15.00
MIRDC	54.25	69.50	200.00	400.00	400.00	400.00	1,523.75
DOTC	100.00	200.00	400.00	400.00	400.00	400.00	1,900.00
CAAP	6,957.88	9,590.55	16,981.15	22,024.95	14,321.60	7,425.66	77,301.79
CIAC*	-	609.70	11,045.90	-	16,684.95	-	28,340.55
CPA*	341.00	972.00	418.00	444.00	470.00	10,496.00	13,141.00
LRTA	3,868.15	13,203.23	10,140.91	15,426.54	25,244.71	25,671.86	93,555.40
LTO	-	800.00	800.00	800.00	800.00	800.00	4,000.00
MCIAA*	547.00	841.50	3,296.00	2,702.00	279.50	-	7,666.00
MIAA	341.40	3,812.00	1,071.07	681.16	187.06	-	6,092.69
PCG*	2,067.20	4,618.30	4,089.25	3,150.00	2,917.00	550.00	17,391.75

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Annex 5.2. Investment Targets by Agency/Department (Cross reference projects included) (In PhP Million)

Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
PNR	2,377.00	3,152.65	4,617.38	40,016.00	79,483.87	78,620.00	208,266.90
PPA*	2,607.19	2,939.74	10,426.67	8,739.52	16,103.09	8,609.05	49,425.27
MRT3*	6,923.00	4,290.00	5,401.00	5,838.00	5,859.00	6,068.00	34,379.00
DepEd	22,335.60	30,339.09	65,676.87	22,983.54	17,885.65	63,251.30	222,472.06
DOH	7,143.91	26,800.00	43,000.00	40,300.00	4,600.00	-	121,843.91
DPWH	94,318.40	110,386.78	140,107.15	218,320.91	232,415.25	185,438.34	980,986.83
MWSS	250.00	3,500.00	6,129.25	7,376.77	10,326.77	2,267.12	29,849.91
DTI	-	-	100.00	35.00	-	-	135.00
LLDA*	-	-	-	-	-	11,500.00	11,500.00
LWUA	-	1,031.00	2,657.00	4,239.00	4,056.00	4,156.00	16,139.00
MMDA	-	2,919.02	6,078.53	5,748.22	4,448.52	4,423.52	23,617.81
NIA	12,790.65	30,000.00	28,361.26	30,610.26	29,722.41	23,958.74	155,443.31
NWRB	4.34	38.73	14.80	30.00	14.80	30.00	132.67
NEDA	98.93	113.77	178.52	178.63	108.95	69.75	748.55
PhilPost*	0.53	0.53	1.05	1.05	1.05	1.05	5.25
PCOO*-PTNI	26.94	231.68	-	1,796.34	3,592.69	3,592.69	9,240.34
PRRC*	-	15.00	105.00	70.00	-	-	190.00
DOTC & LGU	303.00	541.50	2,875.00	2,875.00	3,250.00	3,375.00	13,219.50
DILG, DOH & LWUA	20.00	800.00	1,500.00	1,500.00	1,500.00	1,500.00	6,820.00
HUDCC* & NHA	4,588.00	20,617.00	22,649.00	26,238.00	29,846.00	30,554.00	134,492.00
DepEd & DPWH	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00
DepEd & NDRRMC*	480.00	550.00	550.00	550.00	550.00	550.00	3,230.00
LTO & LTRFB	-	3,105.53	-	-	1,948.93	1,020.41	6,074.87
Total	191,615.13	306,216.65	473,853.21	511,501.89	583,793.61	515,073.59	2,582,054.08

Notes: * AFAB - Authority of the Freeport Area of Bataan; BCDA - Bases Conversion Development Authority; CDC - Clark Development Corporation; PPMC - Poro Point Management Corporation; PHIVOLCS - Philippine Institute of Volcanology and Seismology; CIAC - Clark International Airport Corporation; CPA - Cebu Port Authority; MCIAA - Mactan Cebu International Airport Authority; PCG - Philippine Coast Guard; PPA - Philippine Ports Authority; MRT3 - Metro Rail Transit 3; LLDA - Laguna Lake Development Authority; PhilPost - Philippine Postal Corporation; PCOO - Presidential Communications Operations Office; PRRC - Pasig River Rehabilitation Commission; HUDCC - Housing and Urban Development Coordinating Council; NDRRMC - National Disaster Risk Reduction and Management Council.

** Philippine Science High School (PSHS) has no indicated investment targets for E-Learning Library.

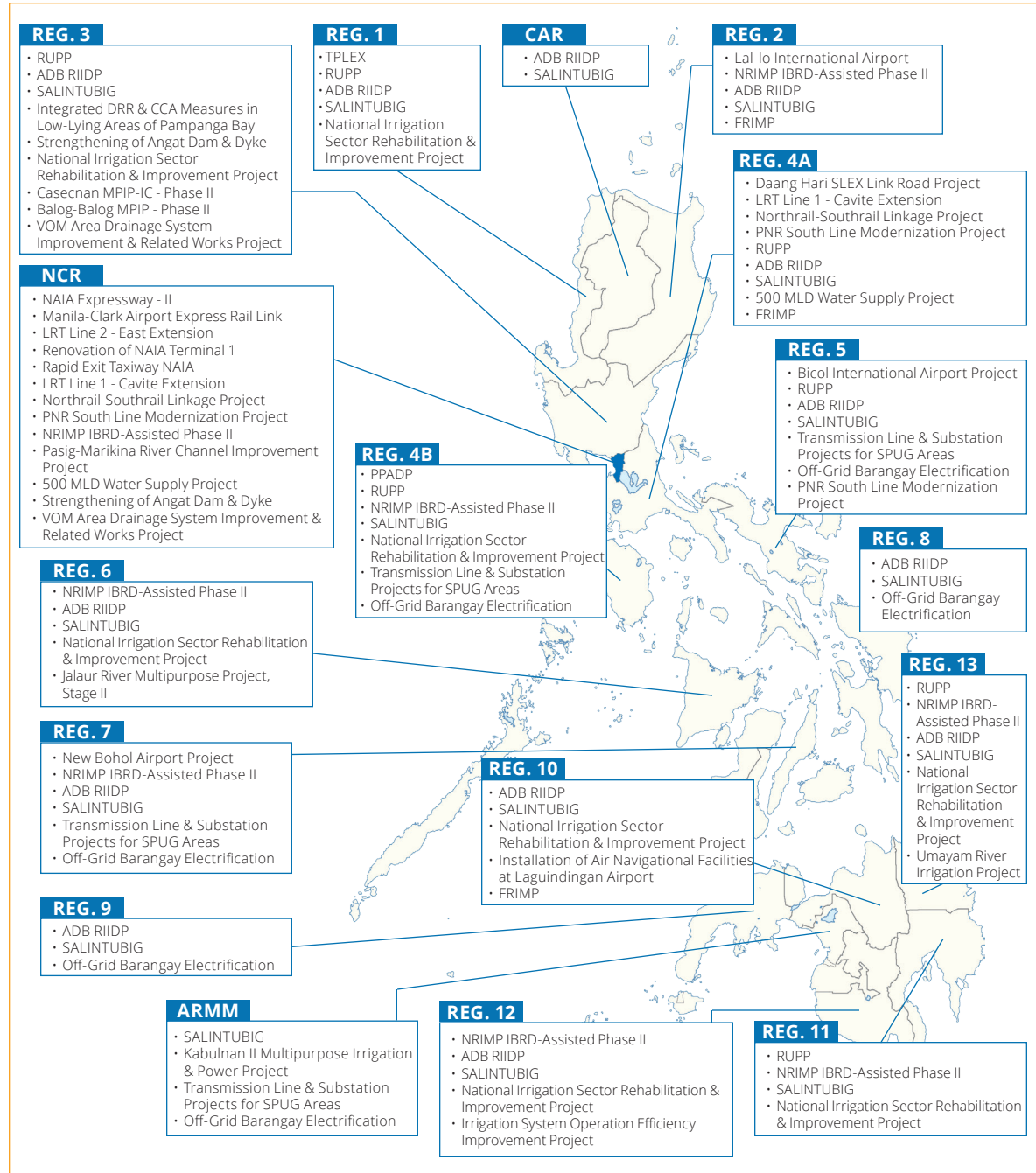
Annex 5.3. Investment Targets by Funding Source (Cross reference projects included) (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	156,244.77	230,440.10	296,778.14	312,982.89	369,222.46	382,992.18	1,748,660.53
ODA Grants	8,015.85	13,359.66	12,314.26	10,336.30	11,515.35	8,643.39	64,184.79
GOCC	18,842.62	23,665.31	77,294.86	31,127.02	41,450.52	33,992.07	226,372.40
Private Sector	3,083.77	24,197.68	65,789.67	145,781.34	150,337.16	88,640.95	477,830.57
LGU	4,328.13	9,751.90	12,509.31	2,400.00	-	-	28,989.34
Others	1,100.00	4,802.00	9,166.98	8,874.35	11,268.12	805.00	36,016.45
Total	191,615.13	306,216.65	473,853.21	511,501.89	583,793.61	515,073.59	2,582,054.08

Annex 5.4. Investment Targets by Spatial Coverage (Cross reference projects included) (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	108,911.06	175,451.32	223,623.94	196,226.91	170,446.77	200,461.91	1,075,121.91
Interregional	22,820.85	34,477.86	97,692.96	148,892.39	204,916.10	175,033.98	683,834.15
Region-specific							
1	6,507.49	12,111.21	12,057.15	10,067.58	9,313.47	6,474.42	56,531.33
2	1,863.09	4,292.59	5,599.79	2,040.33	2,132.25	2,901.73	18,829.78
3	18,616.15	8,250.87	44,736.22	24,379.66	46,686.31	31,118.42	173,787.62
4 (A & B)	2,112.97	6,733.77	7,574.19	30,675.45	33,083.36	10,851.10	91,030.85
5	1,668.10	3,151.43	4,539.18	3,678.43	3,480.45	3,573.14	20,090.73
6	1,411.95	2,939.62	3,884.55	4,300.21	4,581.43	5,396.96	22,514.70
7	2,208.22	5,356.67	7,902.76	8,720.06	5,304.40	14,599.70	44,091.80
8	2,248.58	4,540.33	5,680.76	5,499.42	3,369.05	1,943.68	23,281.82
9	360.31	2,664.03	5,708.43	7,294.42	5,321.73	3,901.93	25,250.86
10	1,159.80	3,060.78	3,006.77	2,120.49	1,189.91	1,496.76	12,034.51
11	825.56	1,906.58	2,215.12	3,697.60	4,349.30	5,394.50	18,388.66
12	1,295.35	1,426.17	1,809.77	2,861.68	2,755.33	2,450.42	12,598.72
13	794.73	2,106.02	2,778.61	1,010.25	1,227.60	1,556.78	9,473.98
NCR	17,440.42	27,615.30	36,440.59	52,825.04	78,883.18	41,942.53	255,147.07
CAR	95.00	574.45	986.96	1,645.14	1,498.90	1,524.78	6,325.22
ARMM	786.63	8,589.59	6,947.01	4,733.98	4,719.28	3,712.44	29,488.92
Not Indicated	488.87	968.08	668.44	832.86	534.78	738.42	4,231.44
Total	191,615.13	306,216.65	473,853.21	511,501.89	583,793.61	515,073.59	2,582,054.08

Figure 5.2. Region-specific and Interregional Major Priority Programs and Projects



Towards a Resilient and Inclusive Financial Sector

The financial sector's contribution to the attainment of the overall objective of PDP 2011-2016, which is to attain inclusive growth and poverty reduction, is crucial. The sector directly influences and improves access of the poor and underprivileged to credit services, increases investments in human capital, and creates jobs via expansion of opportunities for small businesses and enterprises. Towards this end, a regionally responsive, development-oriented and inclusive financial system will be pursued to serve as a platform for the efficient management and mobilization of resources that will provide alternative sources of financing for the country's economic development.

Furthermore, the sector shall ensure that an optimal level of resources will be invested domestically and equally allocated in various areas of the country. The PDP has identified two subsector outcomes that need to be attained to achieve its vision. These are: (a) efficient mobilization of resources throughout the archipelago; and (b) establishment of a strong governance and legal framework for financial sector development.

Priority Programs and Projects by Agency

To efficiently mobilize resources to the financial system, the LBP shall focus on extending credit assistance to the following sectors: (a) MSMEs; (b) Overseas Filipino Workers (OFWs); (c) the small farmers and fisherfolk; (d) agribusinesses; (e) rural infrastructure projects of LGUs; (f) socialized housing; (g) hospitals and health institutions; and (h) environment-related projects.

Moreover, the Capital Market Development Council (CMDC), with the Securities and Exchange Commission (SEC) as a member, will conduct public education campaigns on investment opportunities in the financial market through the enhancements of SEC Internet-enabled Report (iReport) System.

To promote an inclusive financial system, the LBP shall also enable micro-entrepreneurs to have access to credit via Microfinance Institutions (MFIs). The Social Security System (SSS), for its part, has earmarked PhP55.98 billion worth of corporate and infrastructure loans or bonds to spur economic growth through strategic PPP. This loan program supports the short- or long-term bonds and fixed income instruments of qualified companies while efficiently using SSS' investible resources consistent with its earnings targets.

In addition, NEDA has spearheaded the implementation of the Overseas Filipinos Diaspora Remittances for Development (OFs-RED) Project²³ in 2011. Covering the Ilocos Region and the NCR, the OFs-RED project is an interregional research undertaking that seeks to identify effective mechanisms to harness remittances for local development and, in turn, develop policies necessary for these mechanisms to be successful and sustainable.

The enabling environment for the financial system will be firmly established through close coordination with both houses of Congress and through active participation in the legislative process. The SEC shall provide inputs on proposed amendments to Securities Regulation Code (SRC) and the Corporation Code of the Philippines (CCP) to reinforce its role as capital market regulator and obtain fiscal autonomy,

²³ OFs-RED was transferred to the Commission on Filipino Overseas (CFO) starting 2012.

among others. Moreover, amendments to the CCP shall entail improvements in company registration and monitoring rules, including the institution of stiffer penalties for corporate malfeasance.

Regulators of financial institutions will push for the adoption of the Risk-Based Capital Adequacy (RBCA) framework²⁴. The SEC, along with the agencies and corporations it oversees, is seen to take on the RBCA framework by January 2013. Other agencies like the Insurance Commission (IC) and the Philippine Deposit Insurance Corporation (PDIC) are also expected to migrate to RBCA within the medium-term.

Lastly, to encourage market discipline in cooperative enterprises, the Cooperative Development Authority (CDA) will push for registration of cooperatives including the formulation of guidelines, rules and regulations, and standards for global competitiveness, evaluation of financial statements, cooperative

annual performance reports, and other reportorial requirements. This will further facilitate ease in conducting investigation and hearing of cases involving cooperatives, provision for legal assistance, and strengthening of nonbank financial institutions to enhance their contribution towards the development of the Financial System. Moreover, the CDA will formulate a Philippine Cooperative Sector's Medium-Term Development Plan (MTDP) in order to mainstream membership in cooperatives, implement an awards and recognition program, and support development services that entail rendering of technical assistance to cooperatives aimed at improving their capacities and opportunities in positioning themselves and their communities for long-term success.

The PAPs for the sector over the medium-term will be implemented on a nationwide and interregional spatial basis.

Annex 6.1. List of Major Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Resilient and Inclusive System		
Subsector Outcome: Enabling Environment for the Financial System Strengthened and Improved		
1. Registration of cooperatives, including formulation of guidelines, rules and regulations and evaluation of financial statements and Cooperative Annual Performance reports, and other reportorial requirements/CDA	Nationwide	567.01
2. Conduct of investigation and hearing of cases involving cooperatives and the provision of legal assistance/CDA	Nationwide	693.01
3. Formulation and implementation of the Philippine Cooperative Sector's MTDP including mainstreaming of membership in cooperatives and implementation of an awards and recognition program for cooperatives, formulation of standards for global competitiveness of cooperatives, and provision of technical assistance to cooperatives/CDA	Nationwide	1,820.66
Total		3,080.68

Annex 6.2. Investment Targets by Agency/Department (In PhP Million)

Agency/Department	2011	2012	2013	2014	2015	2016	Total
CDA	274.31	294.95	523.20	600.67	660.74	726.81	3,080.68
SEC*	4.00	156.05	108.95	32.55	32.55	36.55	370.65
NEDA	8.75	-	-	-	-	-	8.75
Total	287.06	451.00	632.15	633.22	693.29	763.36	3,460.08

Note: * The PAPs of CMDC were included in SEC's PIP as of 16 March 2012.

²⁴ It generally refers to the internationally accepted risk-sensitive capital adequacy standards for financial institutions. It prescribes the minimum capital that financial institutions must have at all times, commensurate with their risk taking activities.

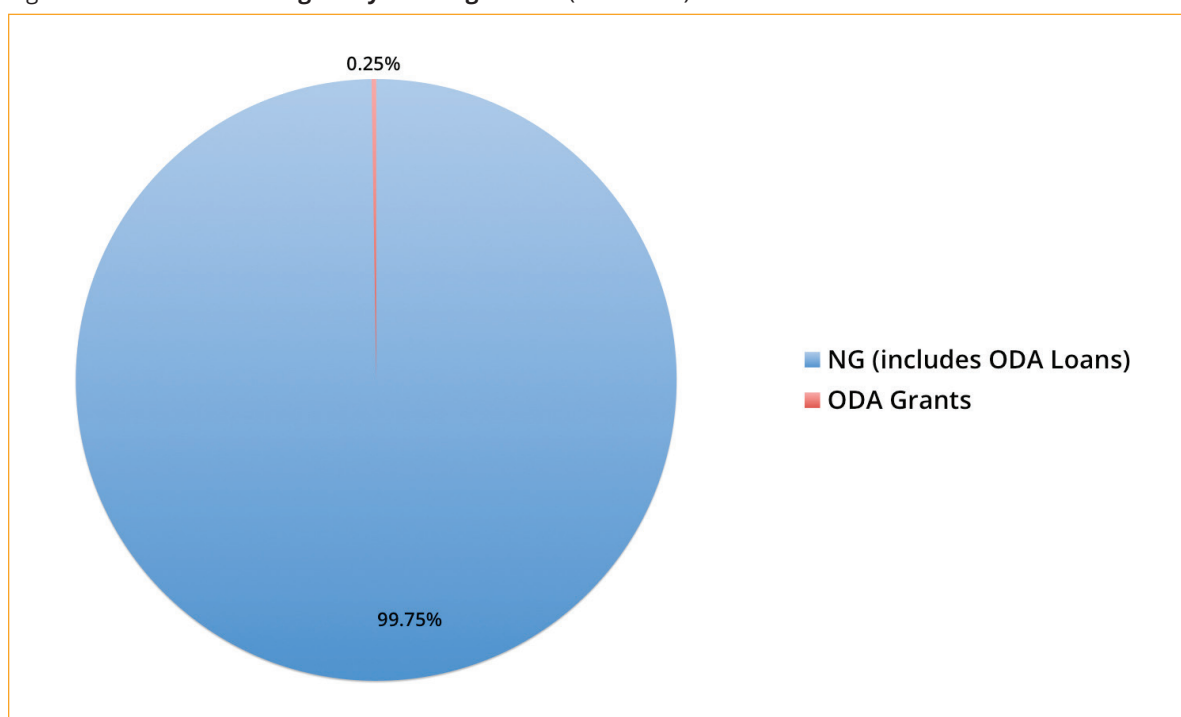
Annex 6.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	278.31	451.00	632.15	633.22	693.29	763.36	3,451.33
ODA Grants	8.75	-	-	-	-	-	8.75
Total	287.06	451.00	632.15	633.22	693.29	763.36	3,460.08

Annex 6.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	278.31	451.00	632.15	633.22	693.29	763.36	3,451.33
Interregional	8.75	-	-	-	-	-	8.75
Total	287.06	451.00	632.15	633.22	693.29	763.36	3,460.08

Figure 6.1. Investment Targets by Funding Source (2011-2016)



CHAPTER 7

Good Governance and the Rule of Law

The PDP 2011-2016 also aims to promote and practice effective and honest governance, and to strengthen the rule of law. These will be carried out through PAPs that will: (a) improve public service delivery, (b) curb corruption, (c) enhance citizens' participation in governance, and (d) strengthen the justice system. As a result of these reforms, it is expected that: (a) the public sector would be more responsive to the needs of the people, (b) the people's trust in government would be rebuilt, (c) democratic institutions would be strengthened, and (d) people's access to justice would be enhanced. The chapter includes a total of 57 projects with investment targets that total to around PhP35 billion.

Priority Programs and Projects by Agency

Effective and Transparent Governance Practiced

Responsiveness of NGAs, GOCCs and LGUs increased

The public sector's responsiveness to the needs of the people will be improved through reforms in public financial management, local governance, human resources development, and government procedures.

The efficiency, accountability and transparency of the public financial management system will be enhanced through the development of GIFMIS and the National Payroll System (NPS).

The LGUs will be empowered through capacity building interventions on various areas of governance. The Local Governance Performance Management System (LGPMS) will be used to generate the State of Local Governance Report

(SLGR) every year and the State of Development Report every three years. These will become the bases for providing capacity development services to LGUs. To reinforce accountability, tools for measuring LGU performance such as the Millennium Development Goal (MDG) Scorecard, will be developed. Performance-based incentives and awards will also be implemented to encourage exemplary performance and produce better service delivery, including the Gawad Galing Pook Program, Lupong Tagapamayapa Incentives and Awards and Gawad Pamana ng Lahi.

The bureaucracy will be professionalized by upholding competence, professionalism and integrity in the civil service. The Career Executive Service Development Program (CESDP) aims to produce an elite corps of development-oriented, competent, dedicated and honest technocrats.

Government procedures will be made more efficient. Efforts toward this end include the Streamlining of the Business Permit and Licensing System in LGUs, the Electronic Official Registry Books of the BIR, and the Unified Multi-Purpose ID System-Central Verification and Enrolment Agency Component (UMID-CVEA) of the National Statistics Office (NSO).

People's trust in government rebuilt

Curbing corruption is a major agenda of the Aquino administration as reflected in the President's Social Contract with the Filipino People. To reduce the incidence of graft and corruption in the bureaucracy, the Office of the Ombudsman (OMB) will conduct the Integrity Development Review (IDR) to identify the government agencies' vulnerability to corruption, assess the adequacy of its safeguards against corruption, and determine integrity enhancement measures. It will also implement

the Policy Development and Monitoring for the United Nations Convention Against Corruption (UNCAC) to ensure the country's compliance with the said commitment.

Democratic institutions strengthened

Citizens' access to information and participation in governance will be enhanced by creating space for free, active, voluntary and genuine participation in policy making, decision-making and development planning. The DILG spearheads the civil society organizations (CSOs)/People's Participation Partnership Program to enlist the active participation of CSOs and NGOs in local governance.

Access to Justice Enhanced

Consistent with the President's 16-point agenda and with the MDGs, the government shall take steps toward enhancing access to justice within the medium-term period. This includes improving the efficiency, effectiveness, transparency, integrity and independence of the justice system.

The Department of Justice (DOJ) aims to strengthen the rule of law through identified programs and projects consistent with the sector outcome of enhanced access to justice, observing the following principles:

- a. Equitable, fair and impartial administration of justice. This involves the administration of justice that applies the law and resolves conflict without prejudice resulting from political influence, corruption, discrimination, insensitivity and institutional deficiencies; and
- b. Available, accessible and acceptable justice system. This covers a system that is adequate, inclusive, responsive and sensitive in relation to human rights, including those of the victims and marginalized/vulnerable groups requiring special protection and/or services.

To attain its aims, the DOJ shall implement a National Justice Information System (NJIS) that integrates the criminal databases of the different justice sector agencies that shall enable accurate and timely information on cases, victims and offenders. The DOJ shall also establish/strengthen the ICT infrastructure of the Department and its agencies to support management, operations, services and inter-agency/office connectivity including the National Bureau of Investigation's (NBI) automated fingerprint identification system and the Bureau of Immigration's (BI) biometric alien registration and monitoring system.

Modernization of crime investigation capability as well as acquisition of modern surveillance equipment shall also be pursued. Furthermore, the benefits of Alternative Dispute Resolution (ADR) shall be expanded and maximized as a means of out-of-court resolution of conflicts through the full operationalization of the Office for Alternative Dispute Resolution (OADR) pursuant to Republic Act (RA) No. 9285.²⁵ Finally, an Office for Competition shall be created to strengthen the government's anti-trust framework, alongside an Office of Cybercrime that shall facilitate the development of the country's legal framework against the various forms of cybercrime and to intensify prosecution thereof.

Finally, to ensure effective recording and monitoring of inmate records and facilitate the parole and release of inmates, the Bureau of Corrections (BuCor) shall continue its computerization efforts with the acquisition of the necessary ICT infrastructure and development of an integrated corrections database. This shall help decongest the prisons and thus uphold the right of inmates. Other ICT projects shall also be undertaken to improve administrative efficiency in prison management and rehabilitation services. Additional prison dormitories shall also be constructed and other facilities rehabilitated in order to decongest the existing ones, improve living conditions, enhance security and prevent escapes.

²⁵ RA No. 9285 "An Act To Institutionalize The Use Of An Alternative Dispute Resolution (ADR) System In The Philippines And To Establish The Office For Alternative Dispute Resolution, And For Other Purposes."

Annex 7.1. **List of Priority Programs and Projects by Sector/Subsector Outcome** (In PHP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Effective and Transparent Governance Practiced		
Subsector Outcome: Responsiveness of NGAs, GOCCs, and LGUs increased		
1. GIFMIS and NPS/DBM	Nationwide	754.56
2. Embed Accountability in Local Governance through the implementation and expansion of the Seal of Good Housekeeping and the Performance Challenge Fund Grant/DILG	Nationwide	5,253.70
3. SALINTUBIG (Provision for Potable Water Supply)/DILG	Regions 1, 2, 3, 4 (A & B), 5, 6, 7, 8, 9, 10, 11, 12, 13, CAR & ARMM	6,820.00
4. Transition Investment Plan for ARMM/DILG	ARMM	750.00
5. Nationwide Streamlining of the Business Permit and Licensing System in the Philippines/DILG	Nationwide	27.27
6. LGPMS/DILG	Nationwide	48.99
7. Barangay Governance Performance Management Classification System (BGPMS)/DILG	Nationwide	9.95
8. Newly Elected Officials (NEO) Program/DILG	Nationwide	107.21
9. Barangay Newly Elected Officials (BNEO) Program/DILG	Nationwide	126.14
10. Upscaling Community Based Monitoring System (CBMS)/DILG	Nationwide	36.69
11. Tracking LGU Responsiveness to the MDGs/DILG	Nationwide	11.73
12. Mainstreaming Gender in Local Governance: Localizing Magna Carta of Women/DILG	Nationwide	4.00
13. MDG Family Based Action for Children and Environs in the Slums (FACES) Program/DILG	Nationwide	46.47
14. MDG-F 1919 Enhancing Access to and Provision of Water Services with Active Participation of the Poor/DILG	Regions 2, 5, 9, 10 & 13	89.01
15. MDG Fund/DILG	Nationwide	4.90
16. Special Local Roads Fund/DILG	Nationwide	2,629.00
17. Provincial Road Management Facility (PRMF)/DILG	Regions 6, 7, 9 & 13	4,274.00
18. Local Governance Support Programme for Local Economic Development (LGSP-LED)/DILG	Regions 1, 6, 7, 8, 9 & 12	5.14
19. Accelerating Integrated Local Development through cluster approach/DILG	Nationwide	1.28
20. Local Economic Development (LED) for LGUs/DILG	Nationwide	13.70
21. Lupong Tagapamayapa Incentives and Awards/DILG	Regions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, CAR & NCR	7.20
22. Gawad Pamana ng Lahi*/DILG	Nationwide	-
23. Gawad Galing Pook Program/DILG	Nationwide	6.00
24. National Government CESDP/Development Academy of the Philippines (DAP)	Nationwide	452.32
25. Electronic Official Registry Books (Development)/BIR	Nationwide	4.50
26. Consultancy Services for a BIR Local Internal Audit Advisor**/BIR		5.50
27. UMID-CVEA/NSO	Nationwide	264.42
28. Enhance ICT Connectivity/House of Representatives (HoR)***		1.73
29. Consolidated ICT equipment and software acquisition/HoR***		6.35
30. E-LEGIS Project/HoR***		50.00
31. Small Scale Technical Assistance for Support to Policy Formulation/NEDA	Nationwide	2.58
32. Project EXCITE (Excellence in Governance Thru Innovation Transformation and Education)/NEDA	Region 10	111.00
33. Enhancing Capacity for the Effective Management of Official Development Assistance/NEDA	Nationwide	4.52
34. Sustaining the Effective and Efficient Official Development Assistance Management and Monitoring/NEDA	Nationwide	25.07
35. Institutional Strengthening of Results Based Monitoring and Evaluation for NEDA Implementing agencies/NEDA	Nationwide	8.68

(Continued on next page)

Annex 7.1. List of Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
36. Philippines-Australia Human Resource and Organizational Development Facility (PAHRODF)****/NEDA	Nationwide	2,660.45
37. Japanese Grant Aid for Human Resource Development Scholarships (JDS)****/NEDA	Nationwide	139.00
38. Communication Advocacy Program-Support Project (CAP-SP)/NEDA	Nationwide	63.99
39. NEDA Information Network Project (NINP)/NEDA	Nationwide	271.31
40. Davao Region Geographic Information Network/NEDA	Region 11	9.30
41. Capacity Development Assistance: Results Oriented Strategic Planning and Development for Inclusive Growth/NEDA	Nationwide	43.62
Subsector Outcome: People's trust in government rebuilt		
42. Integrity Development Review/OMB	Nationwide	93.82
43. Network of Resident Ombudsman Coordinators/OMB	Nationwide	50.42
44. National Anti-Corruption Plan of Action/OMB	Nationwide	95.80
45. Policy Development and Monitoring for the UNCAC/OMB	Nationwide	99.50
46. Case Management System/OMB	Nationwide	192.22
Subsector Outcome: Democratic institutions strengthened		
47. CSOs/People's Participation Partnership Program/DILG	Nationwide	114.03
48. Fiscal Year (FY) 2012 Preparatory National and Local Elections/Commission on Elections (COMELEC)	Nationwide	7,962.22
49. FY2012 Resumption of the System of Continuing Registration/COMELEC	Nationwide	123.24
<i>Subtotal</i>		33,882.51
Sector Outcome: Enhanced Access to Justice		
50. NJIS Phase 1/DOJ-Osec, NBI & BI	Nationwide	418.00
51. ICT Support Projects/DOJ-Osec, BuCor, Parole and Probation Administration (PPA), Public Attorney's Office (PAO)	Nationwide	379.44
52. Livelihood and Skills Training Center for Parolees/Probationers/Pardonees/DOJ-PPA	Nationwide	25.00
53. Establishment of the Office for Competition/DOJ-Osec	Nationwide	25.00
54. Establishment of the Office of Cybercrime/DOJ-Osec	Nationwide	25.00
55. ICT Support Projects/DOJ-Office of the Solicitor General (OSG), DOJ-Office of Government Corporate Counsel (OGCC)	Nationwide	85.63
56. Policy Research and Training Institute/DOJ-Osec	Nationwide	200.00
57. Fully operationalize the OADR/DOJ-Osec	Nationwide	58.60
<i>Subtotal</i>		1,216.66
Total		35,099.17

Notes: * Charged to Performance Challenge Fund (PCF).
 ** Geographic coverage of this project is the National Office - BIR.
 *** Geographic coverage for the projects of HoR is the National Office - Batasan.
 **** PAHRODF and JDS Scholarship Funds are being managed by the Managing Contractor of the respective projects.

Annex 7.2. Investment Targets by Agency/Department (In PhP Million)

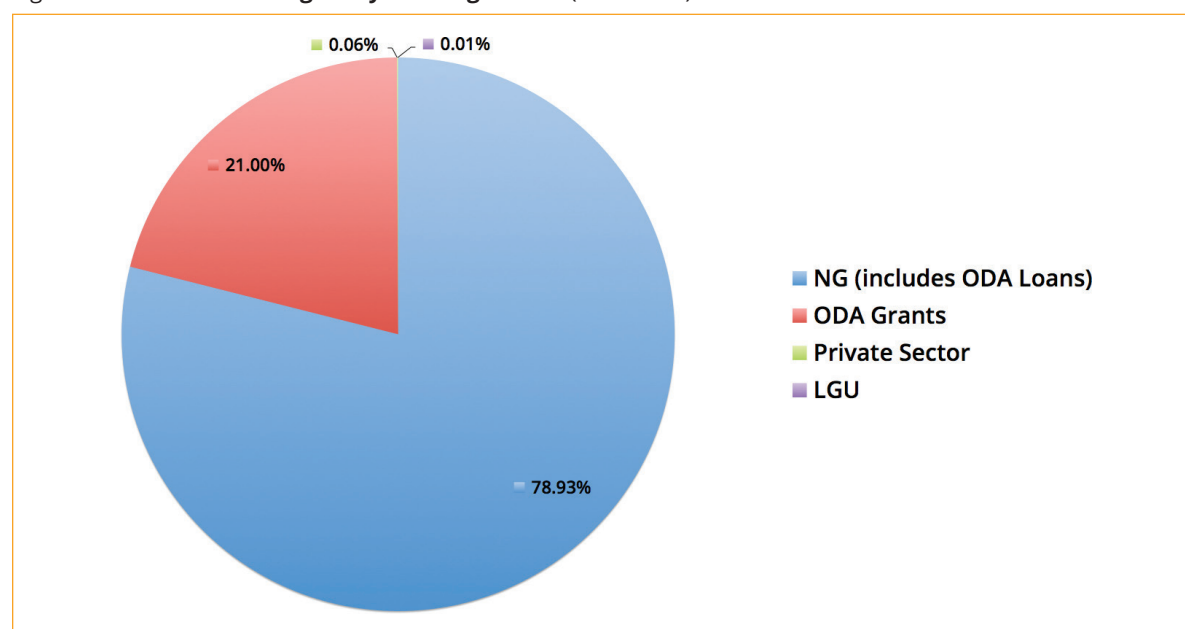
Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
DBM	120.32	164.36	146.76	176.37	146.76	-	754.56
DILG	1,398.69	4,251.12	4,027.54	4,769.10	2,921.21	3,018.73	20,386.40
DAP	-	45.00	94.50	99.23	104.19	109.40	452.32
BIR	5.50	4.50	-	-	-	-	10.00
HOR	0.58	56.93	0.58	-	-	-	58.08
NEDA*	59.21	2,888.78	196.32	69.87	61.63	63.71	3,339.52
NSO	-	12.68	73.96	6.78	120.00	51.00	264.42
OMB	87.84	148.67	120.94	85.14	47.51	41.65	531.75
COMELEC	-	8,085.46	-	-	-	-	8,085.46
DOJ	-	-	-	-	-	-	-
OSec	-	83.82	200.90	217.67	209.74	150.00	862.13
NBI	-	20.00	-	-	-	-	20.00
BI	-	20.00	-	-	-	-	20.00
BuCor	-	-	36.90	40.18	25.77	-	102.85
PPA	-	-	27.46	41.13	42.46	5.00	116.05
PAO	-	-	5.00	-	5.00	-	10.00
OSG	-	-	24.74	57.22	-	-	81.96
OGCC	-	-	1.92	1.75	-	-	3.67
Total	1,672.14	15,781.31	4,957.52	5,564.44	3,684.27	3,439.49	35,099.17

Note: * No annual breakdown on some projects.

Annex 7.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	1,189.53	11,856.12	3,822.29	3,712.44	3,684.27	3,439.49	27,704.13
ODA Grants	480.61	3,904.09	1,135.23	1,852.00	-	-	7,371.93
Private Sector	-	21.10	-	-	-	-	21.10
LGU	2.00	-	-	-	-	-	2.00
Total	1,672.14	15,781.31	4,957.52	5,564.44	3,684.27	3,439.49	35,099.17

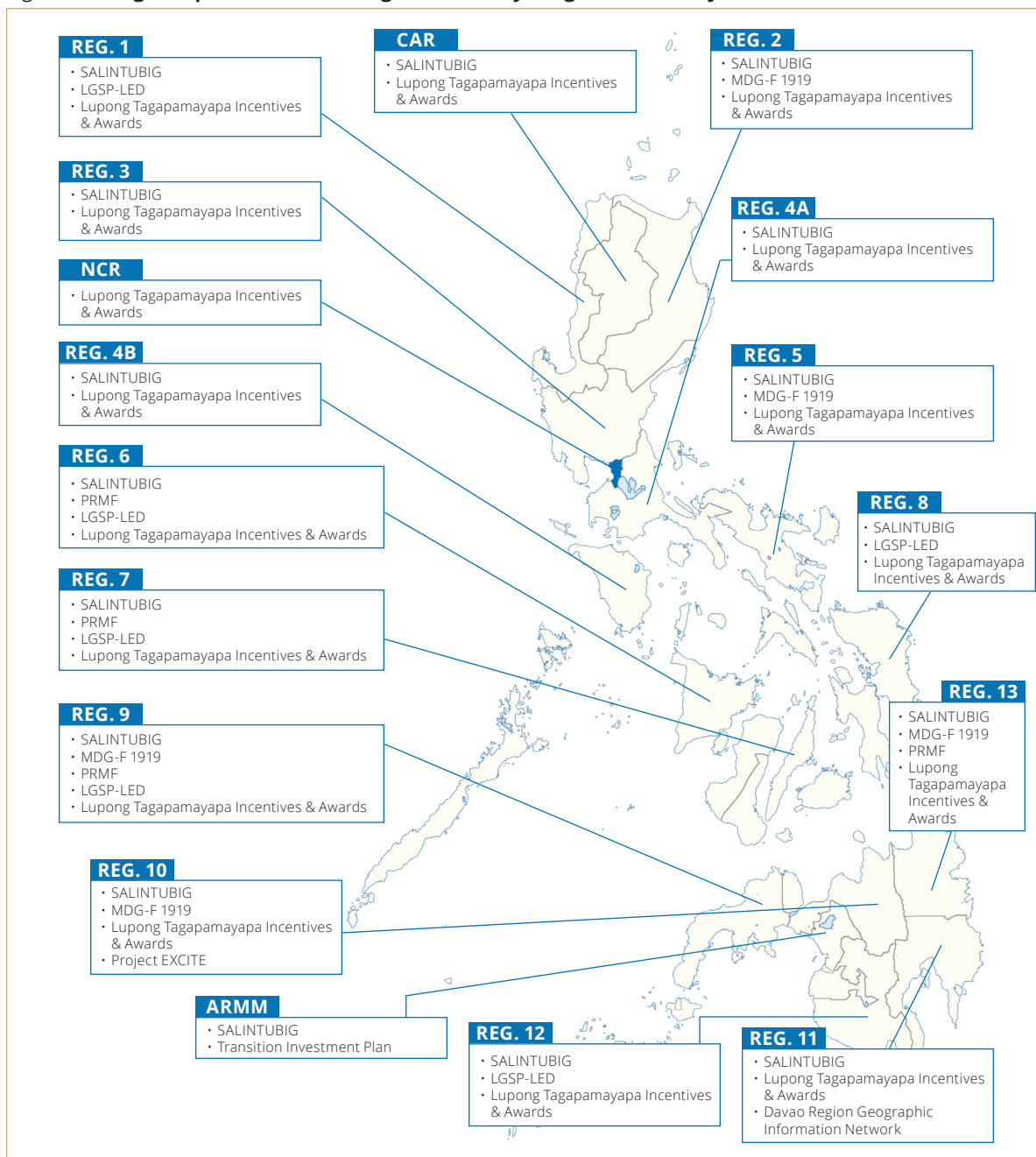
Figure 7.1. Investment Targets by Funding Source (2011-2016)



Annex 7.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	1,206.25	13,119.57	2,326.17	2,201.11	2,180.86	1,935.99	22,969.93
Interregional	459.24	1,853.98	2,523.92	3,353.99	1,502.07	1,502.16	11,195.35
Region-specific							
10	-	-	103.00	8.00	-	-	111.00
11	0.57	0.84	3.86	1.34	1.34	1.34	9.30
ARMM	-	750.00	-	-	-	-	750.00
National Office - BIR	5.50	-	-	-	-	-	5.50
National Office - Batasan	0.58	56.93	0.58	-	-	-	58.08
Total	1,672.14	15,781.31	4,957.52	5,564.44	3,684.27	3,439.49	35,099.17

Figure 7.2. Region-specific and Interregional Priority Programs and Projects



CHAPTER 8

Social Development Sector

The social development sector supports inclusive growth and poverty reduction by improving the state of human development through equitable access to quality social services. More specifically, the sector's PAPs put priority on improved access of Filipinos to quality basic social service delivery in health, nutrition and population, education, training and culture, housing and urban development, social protection, and asset reform.

To attain the social development objectives, government lead agencies are expected to deliver on their respective MFOs. These are: (a) DOH - regulatory and leveraging services; (b) DepEd - basic education services; (c) Housing and Urban Development Coordinating Council (HUDCC) - oversight services for key shelter agencies; (d) DSWD - plan and program services networks; and (e) DAR - land tenure services.

Investment Targets by Funding Source, Subsector and Spatial Coverage

Implementation of the sector's PAPs has total investment targets of PhP1,409 billion. Funding for PAPs will mainly come from NG with its 73 percent share, or PhP1,033.6 billion. Other sources are LGUs with 14 percent share or PhP203.1 billion; GOCCs/GFIs, 5 percent or PhP69.5 billion; the private sector, 5 percent or PhP65.1 billion; ODA grants, 2 percent or PhP24.8 billion; and other sources at 1 percent or PhP12.8 billion.

The investment targets by subsector are as follows: (a) Health, Nutrition and Population - PhP494.4 billion; (b) Education, Training and Culture - PhP444.5 billion; (c) Social Protection - PhP326.4 billion; (d) Housing and Urban Development - PhP131.2 billion; (e) Asset Reform - PhP12.3 billion; and (f) cross-cutting PAPs -

PhP31.5 million. In terms of spatial coverage, 104 nationwide-implemented PAPs have total investment targets of PhP1,251 billion (89%), while 17 interregional and eight regional PAPs have total investments targets of PhP85.3 billion (6%) and PhP72.7 billion (5%), respectively.

Health, Nutrition and Population

Kalusugan Pangkalahatan (KP) is the Aquino administration's agenda for achieving universal health care. Universal health care in the context of KP is defined as: (1) providing adequate financial risk protection to families by achieving universal PhilHealth coverage and expanding benefits; (2) ensuring that families have sustainable access to modern health care facilities and services through a comprehensive facilities upgrading program; and (3) attaining health-related MDGs by focusing public health effort in areas where most families who are poor and have unmet need for health services are located.

KP will implement focused public health services in order to prevent families, especially the poor, from falling ill or injured. To do this, DOH will assist LGUs in deploying 100,000 Community Health Teams (CHT), 21,000 registered nurses for health enhancement and local service (RNHeals) and 1,500 midwives to engage families and provide information, assist in health risk assessment and health use plan development, facilitate use of services and provide basic services.

To improve access to modern health facilities, DOH will upgrade a total of 2,552 government health facilities nationwide by 2015. This also closes the upgrading gap. These facilities will be compliant with KP standards where RHUs meet outpatient benefit accreditation, district hospitals qualify as Level 2 facilities (able to attend to general medical, pediatric, surgical and obstetric cases like performing normal deliveries and caesarean operation), provincial and city hospitals meet Level 3 standards (can deliver specialized care) and for DOH facilities to become modern medical centers.

Lastly, to improve financial risk protection, DOH will increase PhilHealth coverage by sustaining the enrolment of 15 million families, of which 10.9 million are poor. It will also improve benefits by implementing a no balance billing policy (i.e., no out of pocket charges) for the poor. As of June 2012, 5.2 million National Household Targeting System for Poverty Reduction (NHTS-PR) families were given their PhilHealth ID cards. In addition, 22 of the most common conditions for confinement have been included under a no balance billing case payment package for Sponsored Program members admitted in government hospitals.

Implementing KP from 2012 to 2016 requires PhP467.7 billion. This consists of PhP330.5 billion in clinic and hospital care, including membership services for National Health Insurance Program (NHIP). Another PhP114.7 billion is needed for capital upgrading of facilities and PhP22.5 billion for public health services. Capital upgrading is intended to close the gap of upgrading public facilities to ensure that all RHUs are PhilHealth-accredited for the outpatient benefit package. This should enable district hospitals to attain Level 2 status, provincial and city hospitals, Level 3 status, and that selected DOH hospitals are upgraded to become modern medical centers. Lastly, the cost of public health services includes the necessary supplies and services needed for scaled up implementation, particularly in the 12 MDG breakthrough priority areas.

Education, Training and Culture

The education, training and culture sector aims to prioritize education as the central strategy for investing in people, reducing poverty and building national competitiveness.

Within the medium-term, the government aims to: (a) improve access to and quality of basic education, (b) broaden access to and improve quality and relevance of higher education and research, (c) equip the Filipino workforce with world-class competence and positive work values, (d) develop science and technology human resource, and (e) increase awareness, education and appreciation of culture and the arts as well as preserve and promote historical,

artistic and cultural heritage. Achieving these outcomes, thus, requires the government to invest in capital-forming activities at all levels of education.

For basic education, the DepEd's major investments will cover PAPs that: (a) address severe needs for basic inputs like creation of teaching positions, construction of new/rehabilitation/repair of classrooms, procurement of textbooks/teachers' manuals; (b) address specific clientele such as universalization of kindergarten; (c) improve the quality of education in all schools and learning centers which entails curriculum reform, computerization program, teacher training, and school-based management; and (d) improve access to basic education by specific groups [e.g., expansion of Government Assistance to Students and Teachers in Private Education (GASTPE), strengthening indigenous people (IP)/Muslim education]. All of these are consistent and complementary with the K to 12 currently being implemented.

For the tertiary level, critical resources for increasing access to tertiary education, skills upgrading and intensification in both the high-level professions and in middle-level skills will be provided by the Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA), and DOST-Science Education Institute (SEI). Investments will focus on improving the quality and employability of graduates in order to produce a competent workforce that will match the diversified needs of the industries. These programs include: scholarship and financial assistance programs for both higher and technical-vocational education and training (TVET), development of top quality universities and training centers, TVET quality assurance services, and support components for TVET provisions, among others.

The sector has total investment targets of PhP444.5 billion to fund the continuing and new education PAPs for 2011-2016. Of these total investment targets, PhP109.6 billion (25%) is earmarked for priority PAPs for 2011-2012. Furthermore, out of the initial priority investments for 2011-2012, PhP89.5 billion (81.6%) is expected to be funded by the NG.

Housing and Urban Development

The housing and urban development sector has total investment targets of PhP131.2 billion. The funding for housing PAPs for 2011-2016 shall be sourced mainly from the NG.

To support the thrust of improving access to shelter security, the housing sector's investment targets for direct and indirect housing provision amount to PhP131.1 billion and PhP145.9 million, respectively. Direct housing provision targets 1.47 million units under the housing production programs of the NHA, which include resettlement and slum upgrading programs. Indirect housing provision includes support PAPs such as: (a) preparation of the National Slum Upgrading Strategy and the Urban Asset Reform Program; (b) development of shelter monitoring information system; (c) technical assistance to LGUs for the formulation of the Comprehensive Land Use Plans (CLUPs); and (d) the processing of application for permits, clearances, licenses, registration, certificates and other issuances pertaining to development and sale of subdivision/condominium and other real estate projects.

Social Protection

The investments in social protection are geared towards improving access to more effective social protection services. The PAPs are expected to empower and protect the poor, vulnerable and disadvantaged individuals, families and communities from individual life cycle, economic, environmental and social risks. The total social protection subsector investment targets for 2011-2016 amount to PhP329.2 billion.

The Pantawid Pamilya Program, the cornerstone of the government's strategy to fight poverty and attain the MDGs will be expanded to cover 4.3 million poor households by 2016. The investment targets for implementing this program is estimated at PhP213.2 billion for 2011-2016.

To ensure sustainability of the beneficiaries' gains, the Pantawid Pamilya Program will

be converged with the Self-Employment Assistance-Kaunlaran (SEA-K) Program, Kapit-Bisig Laban sa Kahirapan – Comprehensive Integrated Delivery of Social Services: Kapangyarihan at Kaunlaran sa Barangay (KALAHI-CIDSS: KKB) in 53 provinces and KALAHI-CIDSS 2 with Pilot National Community Driven Development Program (NCDDP). The investment targets for SEA-K (2011-2015), KALAHI-CIDSS: KKB (2011-2015) and NCDDP are estimated at PhP13.5 billion, PhP11.5 billion and PhP43.4 billion, respectively. The NHTS-PR will be updated to identify at least 5.6 million poor households and will need PhP2.4 billion for 2011-2015.

To ensure an increase in the number of vulnerable and disadvantaged individuals and families who are protected from various types of risks, the following programs will be implemented: (a) Supplementary Feeding Program (PhP15.8 billion); (b) Food for Work Program for Internally Displaced Persons (IDPs) (PhP4.4 billion); (c) Social Pension for Indigent Senior Filipino Citizens (PhP21.2 billion); (d) Overseas Employment Contract Verification (PhP33.4 million); (e) Social Protection and Welfare Services Program (PhP3.8 million); (f) Policy Development and Institutional Support (PhP183 million); and (g) Voluntary Provident Fund for local workers.²⁶

Furthermore, the National Violence Against Women (VAW) Documentation System, worth PhP1.4 million, will be implemented in 2011 to protect the rights of women. For 2012, the Payapa at Masaganang Pamayanan (PAMANA) or "Peaceful and Resilient Communities" Program-the Philippine Government's peace and development framework will seek to strengthen peace building, reconstruction, and development in conflict-affected areas (CAAs) with investment targets of PhP789.8 million.

Asset Reform

The Comprehensive Agrarian Reform Program (CARP) has two major components geared towards transforming the beneficiaries of CARP, particularly the ARBs, into viable entrepreneurs:

²⁶ Would depend on enrolment and members' contribution.

(a) LTI and (b) PBD. These are expected to help the agriculture and fishery sector attain its goals of improved food security and increased incomes. A third component, the AJD, is geared towards protecting the gains of agrarian reform.

For the period 2011-2016, asset reform through the three components will be the strategic contribution of CARP towards attaining food security (i.e., more food, cheaper food and more income for the farmers). While the success of CARP rests upon the government, PBD also requires assistance from the private sector, mainly local and foreign financial institutions and donor agencies.

The DAR roadmap entails the completion of Land Acquisition and Distribution (LAD) and securing the ARBs in CARP-awarded lands by: (a) stabilizing ownership through transfer of Certificate of Land Ownership Awards (CLOAs); (b) ensuring payment of distributed lands and attaining closure to property rights; (c) improvement and expansion of PBD in order to increase incomes and improve lives of ARBs and contribute to food security; and (d) achieving convergence of rural development agencies.

The important activities that DAR has to achieve by 2014 under the LTI Program include: (a) complete distribution of some one million hectares of agricultural lands in the remaining four years of Comprehensive Agrarian Reform Program Extension with Reforms (CARPER) or RA 9700; (b) the subdivision of distributed lands still covered by collective titles; and (c) fast-tracking the documentation of distributed but not yet documented/paid lands.

Direct investment targets to be infused by the NG for LTI Program from 2011 to 2014 of the CARPER amount to PhP10.1 billion. RA 9700 mandates the distribution of the CARPER balance as of July 2009 by 2014, two years ahead of the culminating period of the PDP 2011-2016.

Investment targets for LAD account for 64 percent (PhP6.5 billion) while other activities in support to LAD account for 36 percent (PhP3.6 billion). LAD PAPs include the following: (a) addressing post-LAD concerns to include subdivision and redocumentation of collective CLOAs into individual titles (PhP2.95 billion); (b) redocumentation of Distributed but Not Yet Paid (DNYP) lands (PhP217 million); (c) generation of LAD Information System (LADIS) (PhP71.7 million); (d) installation of uninstalled ARBs (PhP9.7 million); and (e) ARB profiling (PhP270 million).

LTI supports two priority areas of spending by the present Administration. These are the: (a) Poverty Reduction and Empowerment of the Poor and Vulnerable; and (b) Just and Lasting Peace and the Rule of Law. The award of land instruments Emancipation Patents (EPs) and CLOAs to landless farmers is an empowerment measure that enhances the feeling of self-dignity among the ARBs and addresses the land reform-rooted insurgency problem in the countryside.

DAR, through the AJD Program which costs PhP2.2 billion, will continue to expedite the delivery of agrarian justice to intended beneficiaries until the end of the medium-term. To effectively and efficiently carry out this crucial function, the Department's strategic directions include: (a) setting up the legal framework to hasten the LAD process and undertake PBD lawyering; (b) rationalizing DAR lawyers' and paralegals' appreciation and decision on cases by developing templates and legal outlines; (c) improving the capabilities of DAR lawyers and legal officers; and (d) tapping ICT to enhance legal work.

The total investment targets for the asset reform sector from 2011 to 2016 under the PIP amount to around PhP12.3 billion.

Annex 8.1. List of Major Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Improved human development status		
Subsector Outcome 1:		
Health, Nutrition and Population (HNP): Improved access to quality health and nutrition services		
1. National Health Insurance Program (Sponsored)/DOH/PhilHealth*	Nationwide	215,400.00
2. Subsidies for clinic and hospital care/DOH	Nationwide	121,516.00
3. HFEP (including PPP)/DOH	Nationwide	121,843.91
4. Expanded Program on Immunization/DOH	Nationwide	5,021.17
5. TB Control Program/DOH	Nationwide	1,426.73
6. Family Health and Responsible Parenting/DOH	Nationwide	4,203.90
7. Community Health Teams and Surveillance/DOH	Nationwide	6,009.15
8. Capacity building/DOH	Nationwide	7,000.00
9. HIV and AIDS/DOH	Nationwide	2,292.52
10. Mindanao Health Sector Policy Support Programme European Union (EU) Grant (2006-2012) (PhP2.2 billion)/DOH	Nationwide	733.33
11. Health Sector Policy Support Programme II (EU Grant) (2011-2014) (PhP2.4 billion)/DOH	Nationwide	2,400.00
12. Global Fund Phase 2 (2011-2012) (Grant) (PhP500 million)/DOH	Nationwide	500.00
Subtotal (HNP)		488,346.72
Subsector Outcome 2:		
Education, Training and Culture (ETC): Improved Access to quality education, training and culture		
13. Creation of Teaching Position/DepEd	Nationwide	40,529.82
14. Basic Educational Facilities Fund (Classroom)/DepEd	Nationwide	207,161.24
15. Special Purpose Funds-Regular School Building Program/DPWH	Nationwide	6,000.00
16. Quick Response Program**/DepEd	Nationwide	3,230.00
17. Procurement of Textbooks and Teachers' Manual/DepEd	Nationwide	12,184.34
18. Universalization of kindergarten education/DepEd	Nationwide	13,858.86
19. Strengthening of IP/Madrasah Education /DepEd	Nationwide	5,018.54
20. Philippines' Response to Indigenous Peoples' and Muslim Education (PRIME) Program/DepEd	Regions 1, 2, 4B, 9, 10, 11, 12, 13 & CAR	880.00
21. Support to Philippine Basic Education Reforms (SPHERE)/DepEd	Nationwide	944.56
22. Basic Education Sector Transformation (BEST) Project/DepEd	Nationwide	4,359.00
23. DepEd Computerization Program/DepEd	Nationwide	12,630.63
24. Basic Education Assistance to Mindanao (BEAM)-ARMM/DepEd	ARMM	4,114.00
25. Provision of Science and Math Equipment/DepEd-National Science Teaching and Instrumentation Center (NSTIC)	Nationwide	5,209.36
26. Human Resource and Training Development Fund/DepEd	Nationwide	4,941.77
27. Accelerate School Based Management/DepEd	Nationwide	2,000.00
28. Creation of non-teaching and related teaching positions/DepEd	Nationwide	1,639.92
29. Strengthened Technical Vocational Education Program/DepEd	Nationwide	2,711.43
30. Increase Participation to Accreditation and Equivalency Program/DepEd	Nationwide	3,179.60
31. GASTPE/DepEd	Nationwide	37,261.82
32. Scholarships (for Students, Faculty and HEI Administrators/Staff)/CHED	Nationwide	8,532.40
33. Development of World-class Universities/CHED	Nationwide	5,168.80
34. Higher Education Research and Development and Extension Program/CHED	Nationwide	1,846.61
35. Higher Education Reform Agenda (HERA)/CHED	Nationwide	985.46
36. Technical Education and Vocational Training Program/TESDA	Nationwide	40.00
37. Training for Work Scholarship Program/TESDA	Nationwide	9,100.00
38. Development, Utilization & Implementation of S&T Scholarships/DOST-SEI	Nationwide	9,708.45
39. Administration of Scholarship for Secondary Science & Technology Education that Promotes Global Excellence/DOST-Philippine Science High School (PSHS)	Nationwide	6,700.25
Subtotal (ETC)		403,236.60

(Continued on next page)

Annex 8.1. List of Major Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Subsector Outcome 3: Housing and Urban Development (HUD) - Improved Access to Shelter security		
DIRECT HOUSING		
40. Resettlement Program***/NHA	Nationwide/Interregional/ Region-specific	34,118.79
41. Emergency housing assistance/NHA	Nationwide	4,949.07
42. Settlements upgrading (slum upgrading)/NHA	Nationwide	3,014.71
43. Local housing program/NHA	Nationwide	2,060.34
44. Housing program for informal settler families (ISFs) in danger areas in Metro Manila/NHA	NCR	54,334.28
45. Institutional housing/NHA	Nationwide	32,596.47
INDIRECT HOUSING		
46. Preparation of National Slum Upgrading Strategy/HUDCC	Nationwide	20.48
Subtotal (HUD)		131,094.13
Subsector Outcome 4: Social Protection (SP) - Improved access to social protection services		
47. Pantawid Pamilya Program/DSWD, DepEd, DOH, NEDA, NAPC & DILG	Nationwide	213,198.12
48. NHTS-PR/NGAs, NSO & National Statistical Coordination Board (NSCB)	Nationwide	2,368.63
49. PAMANA/Office of the Presidential Adviser on the Peace Process (OPAPP)	Regions 1, 3, 4A, 5, 6, 7, 8, 9, 11, 12, 13, CAR & ARMM	789.80
50. SEA-K/DSWD, DOLE, DAR, DOST, MMDA, DA, DPWH & Food and Drug Administration (FDA)	Nationwide	13,518.08
51. Supplemental Feeding Program/DSWD & LGU	Nationwide	15,790.94
52. Food for Work Program for IDPs/DWSD, LGU & NFA	Regions 1, 2, 3, 4A, 5, 10, 11, NCR, CAR & ARMM	4,406.10
53. Social Pension for Indigent Senior Filipino Citizens/DSWD, DILG, DBM & COA	Nationwide	21,220.28
54. KALAHI-CIDSS-KKB/DSWD, LGU, NEDA & DOF	Regions 4A, 4B, 5, 6, 7, 8, 9, 10, 11, 12, 13 & CAR	11,450.70
55. KALAHI-CIDSS 2 with Pilot NCDDP/DSWD, Human Development and Poverty Reduction Cluster (HDPRC) & LGUs	Regions 4A, 4B, 5, 6, 7, 8, 9, 10, 11, 12, 13 & CAR	43,366.22
56. Voluntary Provident Fund for local workers (would depend on enrolment and members' contribution)/SSS		
57. Gender-Responsive Economic Actions for the Transformation of Women (GREAT Women) Project/DTI (BSMED, CITC, OSC, PTTC)*, DENR, DILG, DOLE-OSH, DOST, NAPC, PCFC*, PhilHealth, UP-ISSI*, TESDA & TRC	Ifugao, Quezon, Metro Naga, Iloilo, Bohol, Leyte, Davao del Sur & PPALMA* in North Cotabato	114.68
58. National VAW Documentation System/PCW* & IACVAWC*	Bohol, Masbate, Sultan Kudarat, Aklan, Surigao del Norte, Olongapo City, Baguio City, Davao City, Naga City	1.40
59. Overseas Employment Contract Verification System/DOLE-Osec (ILAB, POLOs)*	Nationwide	33.38
60. Social Protection and Welfare Services Program/DOLE-Osec (BWSC*, ROs)	Nationwide	3.80
61. Policy Development and Institutional Support/OWWA*, NRCO* & POEA*	Nationwide	182.97
Subtotal (SP)		326,445.07
Asset Reform (AR)		
62. LTI Program/DAR	Nationwide	10,123.92
Subtotal (AR)		10,123.92
Total		1,359,246.44

Notes: * *PhilHealth* - Philippine Health Insurance Corporation; *PPALMA* - Pigcawayan, Pikit, Aleosan, Libungan, Midsayap and Alamada; *BSMED* - Bureau of Small and Medium Enterprise Development; *CITC* - Cottage Industry Technology Center; *OSC* - Office of Special Concerns; *PTTC* - Philippine Trade Training Center; *OSH* - Occupational Safety and Health Center; *PCFC* - People's Credit and Finance Corporation; *UP-ISSI* - University of the Philippines - Institute for Small-Scale Industries; *PCW* - Philippine Commission on Women; *IACVAWC* - Inter-Agency Committee on Violence Against Women and Children; *ILAB* - International Labor Affairs Bureau; *POLOs* - Philippine Overseas Labor Offices; *BWSC* - Bureau of Workers with Special Concerns; *OWWA* - Overseas Workers Welfare Administration; *NRCO* - National Reintegration Center for OFWs; *POEA* - Philippine Overseas Employment Administration.

** Implemented in coordination with the National Disaster Risk Reduction and Management Council; includes construction of classrooms, repair and rehabilitation of classrooms and school furniture program.

*** Includes the following components: (a) danger areas (Region 3, 4A & NCR); (b) calamities (nationwide); (c) infrastructure projects (NCR); and (d) regional resettlement (16 regions).

Annex 8.2. Investment Targets by Agency/Department (In PhP Million)

Agency/Department	2011	2012	2013	2014	2015	2016	Total
I. Health, Nutrition and Population (HNP)*							
DOH /PhilHealth	19,487.01	87,076.18	117,237.71	114,537.71	78,182.71	73,582.71	490,104.04
NNC**	241.55	302.03	470.71	0.00	0.00	0.00	1,014.28
POPCOM**	202.56	323.78	372.35	428.20	492.42	0.00	1,819.30
PCW	4.97	-	-	-	-	-	4.97
DOST-FNRI	123.30	138.30	304.00	277.00	320.00	308.00	1,470.60
II. Education, Training and Culture (ETC)							
DepEd	45,206.18	53,345.71	98,932.92	54,392.84	47,386.75	102,893.32	402,157.73
CHED	5,578.53	1,315.03	1,944.05	3,420.46	2,350.64	1,924.55	16,533.26
TESDA	1,120.00	20.00	2,000.00	2,000.00	2,000.00	2,000.00	9,140.00
DOST-SEI	488.18	1,345.81	1,518.64	1,829.37	2,193.37	2,632.25	10,007.61
DOST-PSHS	479.00	705.44	1,459.56	1,273.66	1,365.80	1,416.80	6,700.25
III. Housing and Urban Development (HUD)							
<i>DIRECT HOUSING</i>							
NHA	7,553.57	24,527.70	25,713.56	24,037.58	24,410.20	24,831.05	131,073.66
<i>INDIRECT HOUSING</i>							
HLURB**	100.00	-	-	-	-	-	100.00
HUDCC	33.21	12.73	-	-	-	-	45.94
IV. Social Protection (SP)							
DSWD	28,868.94	30,776.36	66,454.18	74,801.18	71,879.33	53,328.86	326,108.85
PCW	67.68	48.39	-	-	-	-	116.07
DOLE	71.32	95.14	40.59	5.60	3.00	4.50	220.15
SSS***	-	-	-	-	-	-	-
V. Asset Reform (AR)							
DAR	2,287.98	2,487.51	3,335.10	3,424.32	395.65	403.11	12,333.68
VI. Cross-cutting							
NEDA	24.50	7.01	-	-	-	-	31.51
Total	111,938.48	202,527.10	319,783.35	280,427.91	230,979.87	263,325.16	1,408,981.89

Notes: * Includes estimated ODA grants and possible PPP projects for hospitals.
 ** NNC - National Nutrition Council; POPCOM - Commission on Population; HLURB - Housing and Land Use Regulatory Board.
 *** Amounts will depend on the members' contribution.

Annex 8.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	99,989.82	133,645.74	229,606.03	191,667.98	170,542.40	208,144.19	1,033,596.15
ODA Grants	3,611.44	6,314.78	5,318.63	5,545.59	2,372.83	1,660.10	24,823.36
GOCC/GFI	390.63	2,006.25	17,325.00	16,600.00	16,600.00	16,600.00	69,521.88
Private Sector	590.63	13,660.00	18,424.00	27,550.00	4,750.00	150.00	65,124.63
LGU	6,835.97	43,802.55	46,809.69	36,762.35	34,414.64	34,470.87	203,096.07
Others	520.00	3,097.80	2,300.00	2,302.00	2,300.00	2,300.00	12,819.80
Total	111,938.47	202,527.12	319,783.35	280,427.91	230,979.87	263,325.16	1,408,981.89

Annex 8.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	101,840.97	177,364.58	295,637.73	246,004.99	197,244.25	232,869.31	1,250,961.84
Interregional	8,449.35	10,874.39	9,936.80	20,263.82	19,527.32	16,282.26	85,333.93
Region-specific							
1	-	44.99	114.50	117.36	120.22	124.52	521.58
2	12.50	47.49	34.30	35.16	36.02	37.31	202.77
3	310.47	103.72	303.69	311.28	318.87	330.26	1,678.30
4A	-	85.97	571.10	585.38	599.66	621.07	2,463.19
4B	-	29.99	77.29	79.23	81.16	84.06	351.73
5	212.27	304.71	366.55	375.72	384.88	398.63	2,042.76
6	18.09	298.66	80.34	82.35	84.36	87.37	651.16
7	38.45	54.00	164.35	168.46	172.57	178.73	776.57
8	55.00	159.97	78.77	79.37	24.96	25.86	423.93
9	78.86	66.14	142.96	146.54	150.11	155.47	740.08
10	75.96	165.71	212.33	217.64	222.95	230.91	1,125.50
11	79.41	176.68	21.31	21.84	22.37	23.17	344.77
12	-	67.78	38.00	38.95	39.90	41.33	225.97
13	41.45	113.97	114.43	117.29	120.15	124.45	631.75
CAR	34.00	18.74	60.77	62.29	63.81	66.09	305.71
NCR	461.03	11,908.19	10,790.20	10,838.51	10,881.07	10,917.20	55,796.20
ARMM	230.66	641.44	1,037.90	881.73	885.23	727.18	4,404.14
Total	111,938.47	202,527.12	319,783.35	280,427.91	230,979.87	263,325.16	1,408,981.89

Figure 8.1. Investment Targets by Funding Source (2011-2016)

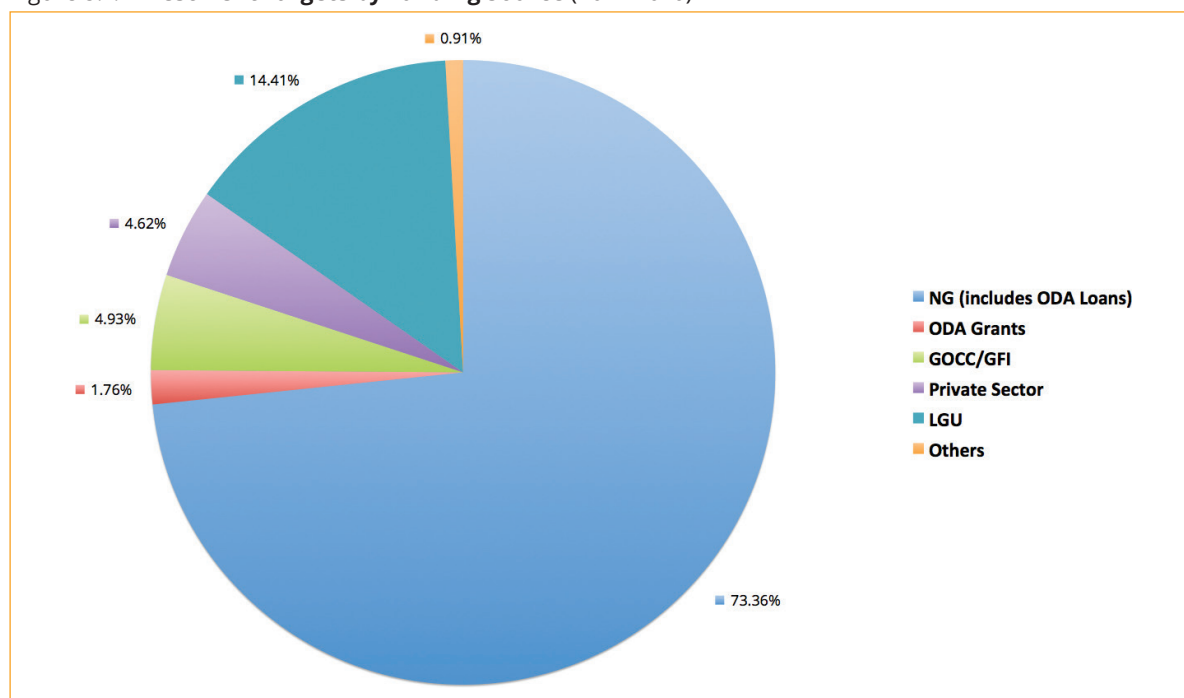
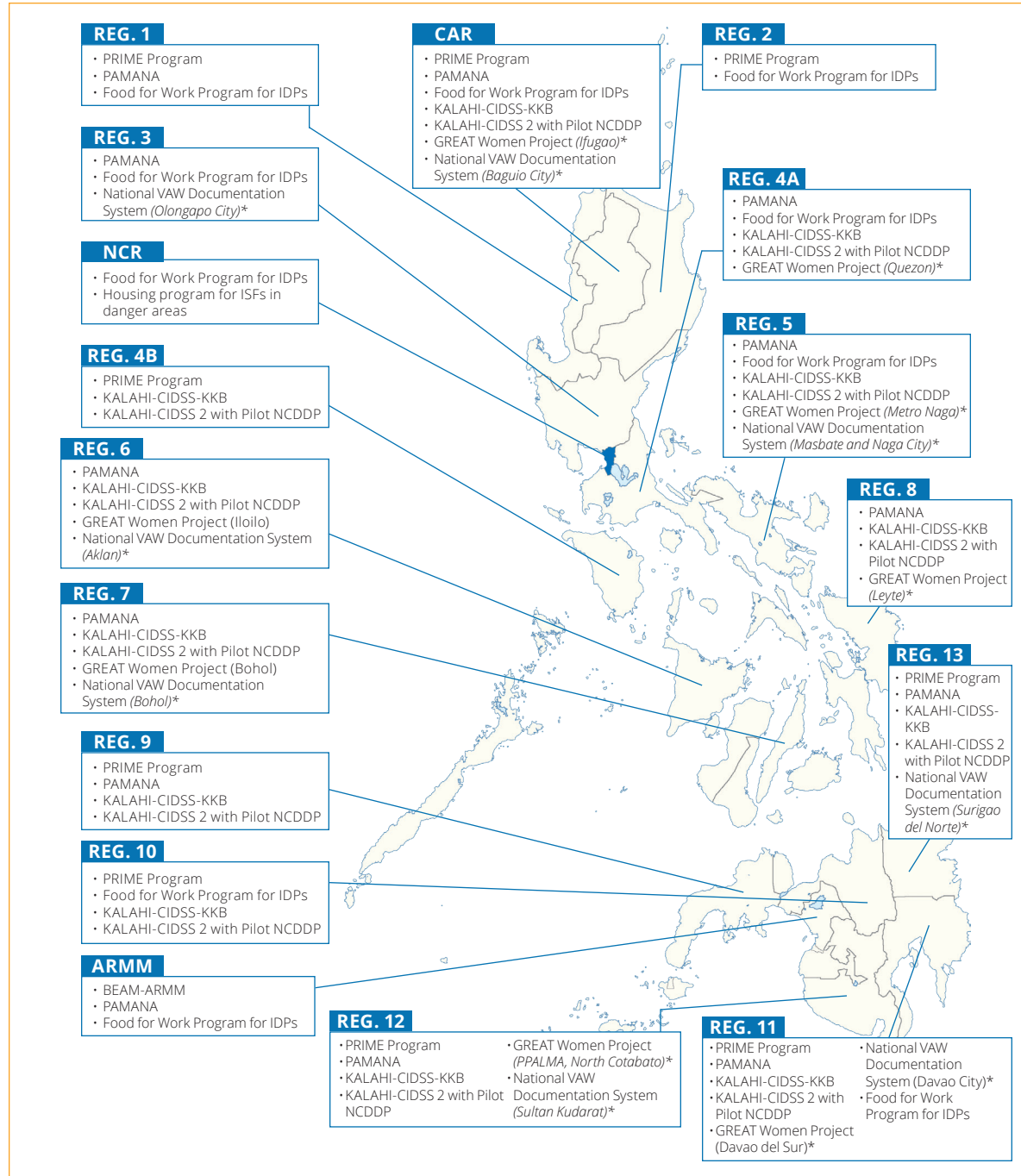


Figure 8.2. Region-specific and Interregional Major Priority Programs and Projects



Note: * Major priority PAPs that are province- and city-specific.

CHAPTER 9

Peace and Security

A stable national security environment is crucial to achieving development, human security and general welfare. This shall be done by bringing all armed conflicts to a permanent and peaceful closure, and by upgrading the capability of the security sector to protect national and community interests.

The 2011-2016 PIP for this Chapter has investment targets of approximately PhP154 billion to enable core peace and security agencies²⁷ in carrying out its strategic objectives of winning the peace and ensuring national security.

Priority Programs and Projects

Winning the Peace

Pursue negotiated political settlement of all armed conflicts

An objective for the Plan period is the Government of the Philippines' (GPH) forging of final peace agreements with Communist Party of the Philippines/New Peoples' Army/National Democratic Front (CPP/NPA/NDF) and Moro Islamic Liberation Front (MILF), as well as closure agreements with Cordillera Bodong Administration-Cordillera People's Liberation Front (CBA-CPLA) and Rebolusyonaryong Partido ng Manggagawa-Pilipinas/Revolutionary Proletarian Army/Alex Boncayao Brigade (RPMP/RPA/ABB). The indicative investment targets for the conclusion of the ongoing negotiations as well as completion of the previous peace agreements amounts to PhP603 million.

Effectively address causes of armed conflict and other issues that affect the peace process

Complementary PAPs aiming to address causes of armed conflict and other issues that affect the peace process shall be implemented. These are anchored on strategies to improve human security particularly in CAAs through conflict prevention and peace building initiatives of concerned government agencies, donor community and other stakeholders. The investment targets for these PAPs amount to about PhP19 billion.

On top of these PAPs is the PAMANA Program for CAAs. This program covers 218 municipalities in 43 provinces with 3,500 barangays and an estimated 400,000 households. The program includes delivery of basic services at the community level through conditional cash transfer approaches, community driven reconstruction and development and community livelihood. It also involves the implementation of local development projects, such as support services for farmers and farm workers including roads and post-harvest facilities, development of community-based tourism and the halal industry.

Specific PAPs funded by ODA and implemented by various government agencies for CAAs are also included in the PIP. Among the specific programs are the Mindanao Trust Fund for Reconstruction and Development (MTF-RDP), Bondoc Local Economic Development, Sorsogon Initiatives, and Mainstreaming Peace and Development in Local Governance.

²⁷ Office of the Presidential Adviser on the Peace Process, DND's Armed Forces of the Philippines and Office of Civil Defense, DILG's Philippine National Police and Bureau of Fire and Protection, and DOJ's National Bureau of Investigation and Bureau of Immigration.

These programs aim to expand livelihood assets through improved access to social and economic infrastructure and services as well as technical assistance and capability development initiatives to address governance of land and other natural resources. Also included are programs to assist IDPs and to mainstream former rebels as productive members of society.

Ensuring national security

Promote sustained internal stability

To ensure the safety and security of communities against lawless elements, the government shall intensify police operations to reduce incidents by 30 percent in 2016. The DILG-Philippine National Police (PNP) will need to build more police stations with required facilities to step up its community-based policing systems and services and enhance police visibility. An extensive Capability Enhancement Program (CEP), which entails enhancement of logistics, firearms and communication equipment, will also be undertaken to strengthen crime prevention and suppression, and to improve intelligence and investigation capability of PNP. These shall be complemented by the establishment of modern crime laboratories, acquisition of adequate and modern surveillance equipment, and ICT projects of DOJ-NBI. An ICT initiative is the Automated Fingerprint Information System aimed to enhance evidence gathering, detection and investigative capacity of the agency, thereby contributing to the improvement of crime detection and investigation resolution rate from 62 percent to 99 percent at the end of the plan period.

The Internal Peace and Security Plan "Oplan Bayanihan" of the Department of National Defense (DND) shall continue to guide the government in reducing threats to internal security from armed groups in order to win the peace. This requires the provision of modern combat equipment for internal security operations of the Armed Forces of the Philippines (AFP). Engineering support and equipment shall also be provided in the implementation of selected national development programs and in the protection of critical infrastructures and facilities and other high value projects of both the public and private sector. Moreover,

internal defense capabilities will be upgraded to effectively boost government's drive in eradicating private armed groups (PAGs), ending criminal activities of Abu Sayyaf Group (ASG), Jemiah Islamiyah (JI) and their allied armed groups, and other criminal syndicates. Total investment targets for the implementation of said PAPs amount to PhP48 billion.

Full capability to uphold the sovereignty and territorial integrity of the state

To ensure the protection of maritime assets, maritime practices, territorial integrity and coastal areas, the AFP shall strengthen its surveillance, communication and interdiction capabilities. This primarily involves acquisition of air and maritime equipment to ensure active monitoring of the country's maritime territory including its exclusive economic zones and perform essential territorial defence activities. To strengthen border management and antihuman trafficking efforts as well as thwart the entry of foreign terrorists and other lawless elements, the DOJ-BI shall improve its coordination, monitoring and control through computerization and connectivity of its central and port operations. Total investment targets for these PAPs amount to about PhP55 billion.

Highest standard of capability and preparedness against natural calamities and disasters

The Office of Civil Defense (OCD) under the DND shall continue to implement a comprehensive program on Disaster Risk Reduction and Management (DRRM). In addition, uniformed personnel shall be called upon for disaster relief and rescue operations during calamities and national emergencies. Relief and rescue equipment shall be provided to DND-AFP, including communication and resource mobilization equipment to effectively coordinate efforts to respond in times of disaster.

In Metro Manila, there is a need to enhance Disaster Risk Reduction Capacity through the upgrading of disaster operations control and preparedness facilities, establishment of a Tsunami Warning System along Manila Bay, and upgrading of a Disaster Electronic Communications System to minimize loss of lives, reduce casualties and prevent property damages.

The Bureau of Fire Protection (BFP) under the DILG, on the other hand, shall continue to provide fire prevention, suppression, investigation, and emergency medical and rescue services to the public. Priority capital investments include provision of protection services to municipalities without existing fire stations, and upgrading of protection capability in cities and municipalities with existing services. This shall also require adequate fire trucks and other firefighting accessories. With its mandate to investigate the cause and origin of fire incidents, fire arson laboratories shall be constructed in every region to improve the investigation of all fire incidents. Furthermore, the BFP shall also improve its equipment and facilities to effectively carry out its function as a front-line responder performing emergency medical and special rescue services during wide-scale emergencies, disasters and calamities.

Total investment targets to achieve high standard of capability and preparedness against natural calamities and disasters amount to approximately PhP27 billion.

Security sector reformed and modernized

The flagship programs for security sector reform and modernization have investment targets amounting to about PhP4 billion. These programs aim to improve the materiel²⁸, and nonmateriel capability of the security agencies. The nonmateriel aspect aims to uphold the principles of transparency and accountability in governing the security sector, and meet the highest standards of integrity and professional competence among officers, enlisted personnel and civilian employees. These shall be accompanied by various capacity building programs to enable the sector to perform the full spectrum of roles and mandates in accordance with national security objectives.

Moreover, the DND has proposed the Activation of Defense Acquisition Office (DAO) to properly monitor the procurement of the equipment needed by the AFP, and the Defense Intelligence Office to enhance the capacity of the AFP to closely monitor terrorists and other internal security concerns. There is also a need to modernize the Government Arsenal through

the upgrading of equipment for the production of small arms ammunition to support the operations of the AFP as well as the PNP and other forces of the government.

In sum, the government will be implementing a total of 86 programs and projects to carry out its strategies on peace and security. Of this number, about 51 are the priority PAPs which need at least PhP500 million each. These priority programs include the PAMANA Program (PhP18 billion) which supports peace process, PNP's CEP (PhP12 billion), DND's procurement of equipment for rapid deployment force, air and ground combat operations, coast watch surveillance and other support equipment for defense activities which cost a total of around PhP73 billion, and DILG's facilities improvement projects which will promote sustained internal stability, among others. Please refer to Annex 9.1 for the list of major priority PAPs.

Investment Targets by Agency

The bulk of the total investment targets for Peace and Security will be geared towards ensuring national security through upholding sovereignty and territorial integrity of the state and promoting sustained internal stability. About half of the total investment targets will come from DND amounting to PhP77 billion; and about 42 percent or PhP64 billion from DILG. On the other hand, around PhP7 billion will come from the Office of the Presidential Adviser on the Peace Process (OPAPP) for peace process and peace building and development efforts. Please refer to Annex 9.2 for the annual investment targets by agency/departments.

Investment Targets by Funding Source

Figure 9.1 shows the percentage breakdown of investment targets by funding source. About 96.45 percent of the total investment targets for the achievement of peace and security outcomes will be funded by the NG amounting to around PhP148.5 billion. The rest shall

²⁸ Most are listed under strategic objectives 3, 4, and 5.

include PhP4 billion to be sourced from ODA grants and around PhP1.5 billion to be financed by the private sector. Annex 9.3 presents annual investment targets by funding source for the period 2011-2016.

Investment Targets by Spatial Coverage

Towards a stable national security environment, the government will pour majority of its

investment targets in all regions of the country. As shown in Annex 9.4, a total of PhP147 billion will be implemented on a nationwide scale and about PhP5 billion will be interregional, mostly in Mindanao and other conflict-affected regions. Other PAPs will be implemented in specific regions particularly NCR, 4A and 5. Figure 9.2 shows the location of region-specific and interregional major priority PAPs.

Annex 9.1. List of Major Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
Sector Outcome: Stable national security environment achieved		
Subsector Outcome 1: All armed conflicts brought to a permanent and peaceful closure		
1. Support to Closure Agreements (GPH-CBA-CPLA, RPMP-RPA-ABB)/OPAPP	Regions 6, 7 & CAR	543.20
2. Support to PAMANA Program (Community Grants, Subregional Economic Development and Social Infrastructures)/OPAPP as oversight		
a. DILG Support to PAMANA (Sub-Regional Economic Development)/DILG	Nationwide	9,983.00
b. DSWD Support to PAMANA/DSWD	Regions 1, 3, 4A, 5, 6, 7, 8, 9, 11, 12, 13, CAR & ARMM	789.00
c. DAR Support to PAMANA/DAR	Nationwide	1,396.50
d. Community and Sub-Regional Grants/OPAPP	Nationwide	2,252.84
e. Enhancing LGU Capacities Towards Peace and Development*/OPAPP	Regions 4A, 5 and CAAs in Mindanao	492.49
f. MTF-RDP/OPAPP	Interregional	2,155.58
3. Comprehensive Local Integration Program (CLIP)/OPAPP & DILG	Nationwide	660.77
Subsector Outcome 2: Safer and more secured environment conducive for development		
4. Enhancing Police Stations for Greater Police Visibility/DILG-PNP	Nationwide	7,475.66
5. PNP CEP/DILG-PNP	Nationwide	11,900.00
6. Construction of New Jail Building, Additional Cells, Regional Office, PJA** Office, Perimeter Fence, Kitchen, Multi-Purpose Building, Visiting Area, etc./DILG-BJMP**	Nationwide	5,996.32
7. Purchase of Equipment (Firearms, STAR** Team Equipment, Vehicles, Probatons, CCTV** Set, etc)/DILG-BJMP	Nationwide	1,354.70
8. ICT projects of the NBI Including the Automated Fingerprint Information System/DOJ-NBI	Nationwide	1,600.00
9. Procurement of Equipment for the Enhancement of Rapid Deployment Force/DND-AFP	Nationwide	7,100.00
10. Procurement of Equipment for Air and Ground Combat Operations/DND-AFP	Nationwide	12,033.30
11. Procurement of Air Operations Equipment to Support Territorial Defense Activities/DND-AFP	Nationwide	29,587.86
12. Procurement of Coast Watch System Surveillance and Detection Equipment/DND-AFP	Nationwide	24,738.01
13. ICT projects of the BI including the Biometric Alien Registration and Monitoring System/DOJ-BI	Nationwide	538.50
14. Disaster Response & Relief Operations/DND-OCD	Nationwide	1,441.13
15. Planning, Direction, & Coordination of Civil Defense (multi-level disaster coordination and resource mobilization)/DND-OCD	Nationwide	1,740.13

(Continued on next page)

Annex 9.1. List of Major Priority Programs and Projects by Sector/Subsector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
16. Metropolitan Manila Disaster Risk Reduction Capacity Enhancement Program***/MMDA	NCR	750.00
17. Establishment of Fire Protection Services in 697 municipalities without Fire Protection Services - Service Establishment Project (SEP)/DILG-BFP	Nationwide	6,771.87
18. Upgrading of Fire Protection Capability in Cities and Municipalities with Fire Protection Services - Service Upgrading and Modernization Program (SUMP)/DILG-BFP	Nationwide	10,980.15
19. Austrian-Assisted BFP Capability Building Program for Selected Priority Cities/DILG-BFP	Nationwide	1,550.27
20. Austrian-Assisted BFP Incident Management and Communication System (IMCOS)/DILG-BFP	NCR	740.22
21. Establishment of ICT Capability for the Enforcement of the Fire Code (Fire Code Fees Collection system)/DILG-BFP	Nationwide	1,800.00
22. Establishment of Emergency and Medical Rescue Service Facilities****/DILG-BFP	Nationwide	806.42
23. Education and Training Program for Uniformed Personnel of PNP, BFP, and BJMP/DILG-PPSC**	Nationwide	3,060.91
24. Construction of PPSC Facilities to improve the learning environment for uniformed personnel/DILG-PPSC	Regions 1, 2, 3, 4A, 5, 7, 8, 9, 10, 11, 12 & NCR	427.49
Total		150,666.32

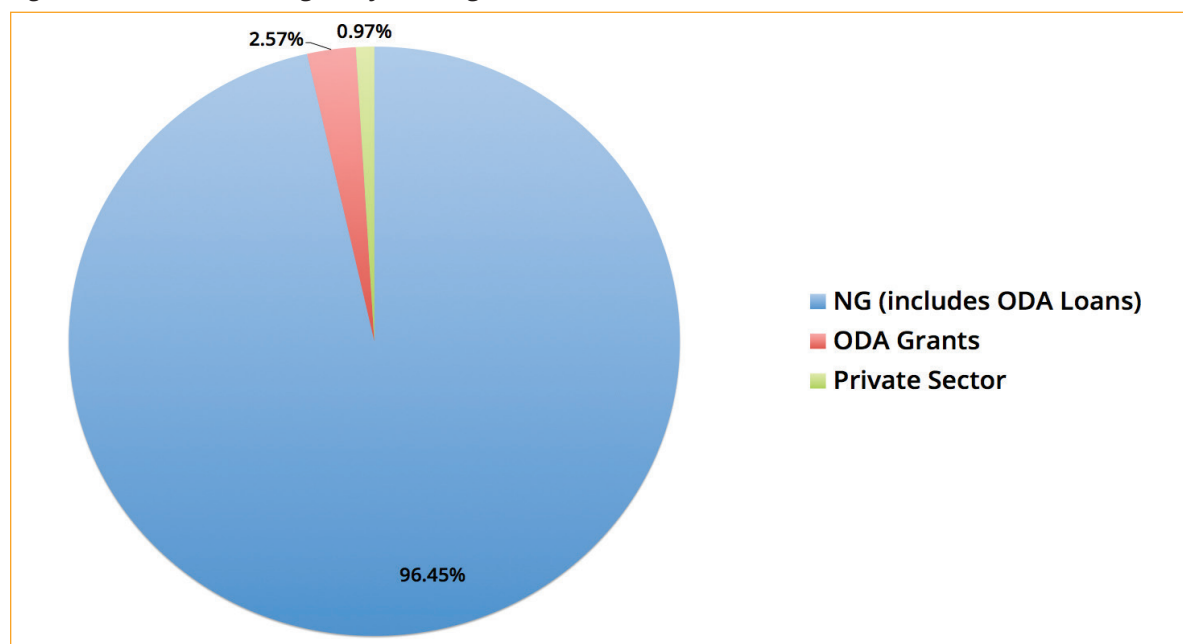
Notes: * Includes the following projects: Bondoc Local Economic Development Project (PhP188 million); Sorsogon Initiatives: Bringing about Sanctuaries for Peace and Development (PhP21 million); Capacity Building in Support for Community Development-CAAs in Mindanao (PhP200 million); and Mainstreaming Peace and Development in Local Governance (PhP84 million).

** PJA - Philippine Justices Association; BJMP - Bureau of Jail Management and Penology; STAR - Special Tactics and Response; CCTV - closed circuit television; PPSC - Philippine Public Safety College.

*** Includes the following projects: Upgrading of Disaster Operations and Preparedness Training Center and Facilities (PhP400 million); Establishment of Tsunami Warning System along Manila Bay and Earthquake Warning System (PhP100 million); and Upgrading of Disaster Electronic Communications System (PhP250 million).

**** Includes the following projects: Establishment of Emergency and Rescue Stations (PhP247 million), Construction of Special Rescue Unit Headquarters with Facilities and Amenities (PhP404 million), and Establishment of Fire Rescue Specialization School (PhP156 million).

Figure 9.1. Investment Targets by Funding Source (2011-2016)



Annex 9.2. Investment Targets by Agency/Department (In PhP Million)

Agency/Department (attached agencies)	2011	2012	2013	2014	2015	2016	Total
OPAPP	2,317.45	1,790.91	1,062.03	681.55	646.97	559.08	7,057.98
DILG							
OSec	-	958.00	2,651.82	2,226.82	2,226.82	2,226.82	10,290.27
PNP	-	1,547.83	3,615.46	4,251.32	4,184.03	5,860.82	19,459.46
BFP	408.06	4,420.60	5,102.42	4,390.72	4,324.67	4,134.84	22,781.30
BJMP	55.21	80.97	2,116.67	1,417.12	2,473.36	1,482.70	7,626.01
PPSC	590.82	543.29	680.77	734.66	690.37	676.54	3,916.44
DND							
AFP	-	56.36	14,311.32	15,229.34	13,075.00	31,035.66	73,707.67
OCD	-	231.11	917.80	816.47	110.22	1,105.66	3,181.26
Government Arsenal	-	-	251.70	-	-	-	251.70
DOJ							
NBI	-	10.80	709.03	592.86	515.49	375.00	2,203.18
BI	-	-	-	288.50	250.00	-	538.50
MMDA	-	750.00	-	-	-	-	750.00
DSWD	-	789.00	-	-	-	-	789.00
DAR	-	16.50	330.00	350.00	350.00	350.00	1,396.50
Total	3,371.54	11,195.36	31,749.01	30,979.35	28,846.92	47,807.11	153,949.28

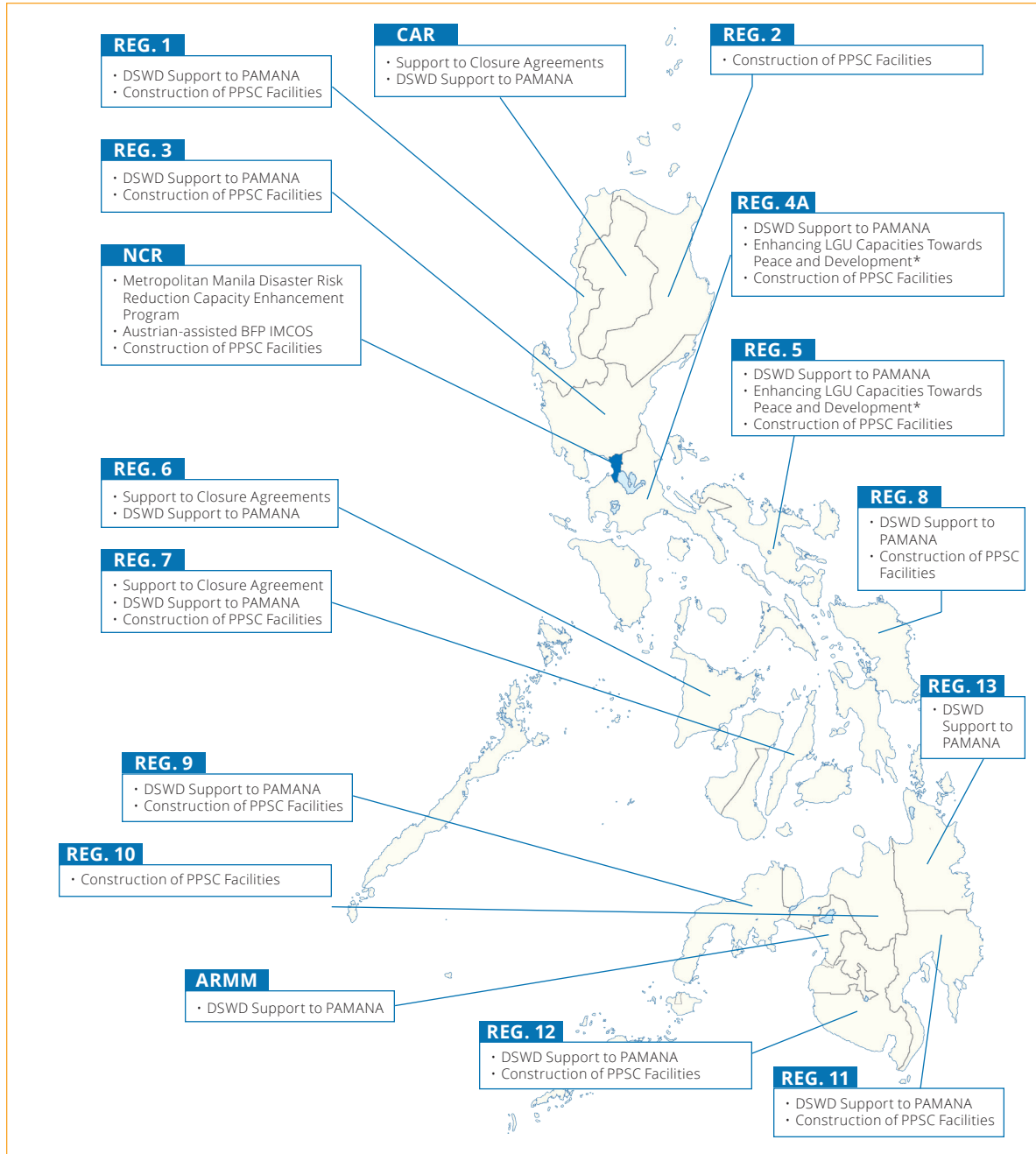
Annex 9.3. Investment Targets by Funding Source (In PhP Million)

Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	2,875.91	9,930.35	30,557.39	30,105.23	28,022.30	46,997.11	148,488.28
ODA Grants	495.63	1,265.01	816.62	499.12	449.62	435.00	3,961.00
Private Sector	-	-	375.00	375.00	375.00	375.00	1,500.00
Total	3,371.54	11,195.36	31,749.01	30,979.35	28,846.92	47,807.11	153,949.28

Annex 9.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	2,502.04	8,937.05	30,426.05	30,071.66	28,170.23	47,263.34	147,370.37
Interregional	537.03	1,488.46	916.57	746.12	621.12	533.62	4,842.92
Region-specific							
4A	39.09	19.85	137.50	9.05	9.60	10.15	225.24
5	20.52	-	-	-	-	-	20.52
NCR	272.86	750.00	268.88	152.52	45.97	-	1,490.22
Total	3,371.54	11,195.36	31,749.01	30,979.35	28,846.92	47,807.11	153,949.28

Figure 9.2. **Region-specific and Interregional Major Priority Programs and Projects**



Note: * Enhancing LGU Capacities Towards Peace and Development also covers CAAs in Mindanao.

CHAPTER 10

Conservation, Protection and Rehabilitation of the Environment and Natural Resources

The President's Social Contract to the Filipino People highlights the important role of environment and natural resources (ENR) in poverty alleviation. This Chapter thus identifies three main sector outcomes that shall contribute to the attainment of inclusive growth and poverty reduction in the next six years: Outcome 1 - improved conservation, protection, and rehabilitation of natural resources; Outcome 2 - improved environmental quality for a cleaner and healthier environment; and Outcome 3 - enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change.

To achieve these outcomes, concerned agencies have focused their investment programming towards the following: (a) sustainable forest and watershed management; (b) protection and conservation of biodiversity; (c) coastal and marine resources management; (d) land administration and management; (e) integrated lake basin management; (f) equitable utilization of mineral resources management; (g) environment-friendly enterprise and livelihood opportunities; (h) reduction of air, water pollution; (i) waste management; and (j) strengthening institutional capacities for climate change adaptation and disaster risk reduction management.

To implement the 2011-2016 PIP, funding from the NG including proceeds from ODA loans shall be supplemented by financing from other sources, comprising the private sector, LGUs, GOCCs and ODA grants.

Priority Programs and Projects

The priority PAPs in this Chapter are expected to help achieve the sector outcomes. The Planning Committee-approved prioritization criteria, used by the agencies to identify and prioritize their key PAPs, take into account the responsiveness of the PAPs in supporting sector and subsector outcomes through the following parameters: (a) alignment; (b) relevance; (c) effectiveness; (d) efficiency; and (e) sustainability²⁹.

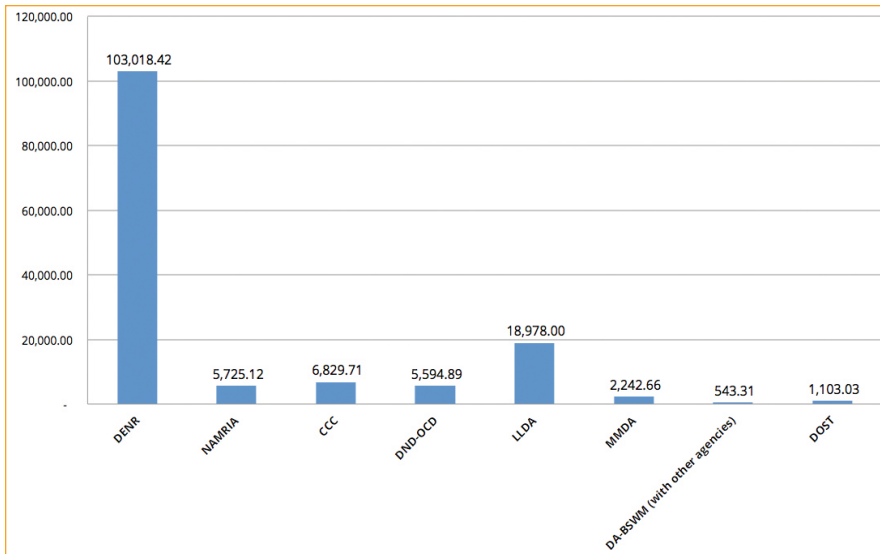
For the medium-term, the PAPs for the sector include the National Greening Program (NGP), National Climate Change Action Plan (NCCAP) implementation, Local Climate Change Action Plan formulation, Disaster Risk Reduction Management Training Institutes, Laguna de Bay Institutional Strengthening and Community Participation (LISCOP) Project, Metro Manila Greenprint 2030, and National Capability Building for Land Degradation Assessment and Climate Change Adaptation.

Investment Targets by Agency

The total estimated investment targets for the environment and natural resources over the medium-term amount to PhP144,035.15 million which consists of 137 programs and projects. The bulk of the total investment targets is allocated for DENR (PhP103,018.42 million

²⁹ Based on submissions, only the DENR ranked their PAPs based on these criteria.

Figure 10.1. Investment Targets by Agency/Department (2011-2016) (In PhP Million)



or 71.52%); the Laguna Lake Development Authority (LLDA) (PhP18,978.00 million or 13.18%), and the National Mapping and Resource Information Authority (NAMRIA) (PhP5,725.12 million or 3.97%). For PAPs in support of climate change and disaster risk reduction management³⁰, the Climate Change Commission (CCC) requires PhP6,829.71 million (4.74%); DND-OCD PhP5,594.89 million (3.88%); MMDA PhP2,242.66 million (1.56%); DOST PhP1,103.03 million (0.77%); and DA-BSWM PhP543.31 million (0.38%). (See Figure 10.1).

The DENR 2011-2016 PIP includes all ongoing and proposed PAPs of its various bureaus. The majority of the DENR's PIP budget is allocated for the attainment of around 30 percent increase in total land area covered with forest or forest development services through the NGP, Community-Based Forest Management (CBFM), Private Plantation Development, and Soil Conservation and Watershed Management. Moreover, to support the conservation and protection of natural forest and plantations, DENR will also implement programs on forestlands management, forest protection, and forest boundary delineation and land use allocation. For these, the total investment targets for DENR amount to PhP103,018.42 million.

The NGP targets to reforest a total of 1.5 million hectares under Forest Development

Services, a collaborative effort in greening and promoting the spirit of volunteerism using a portfolio approach to investment promotion in upland development and PPPs. It is directed at attaining poverty reduction, food security, land productivity, environmental stability and sustainability, climate change mitigation and adaptation, and value formation.

Forest Resource Management, on the other hand, includes forest information system (FIS) and forest resource assessment. The adoption and implementation of the FIS is envisioned to promote and enhance the sustainable management of forest through improved data collection and information processes. Forest resource assessment, for its part, will provide information on the state and trends of forests through the estimate of forest area and changes in the forest area over time. The estimate of forest change is a baseline indicator that may determine the demand for other land uses as well as environmental pressure on forest ecosystems.

The objective of the Forest Protection Project is to curb illegal logging in both tenured and nontenured areas through the strengthening and modernization of authorized forest products monitoring stations. The CBFM Program aims at addressing the continuing destruction of the remaining natural forests as well as to respond to poverty alleviation through the improvement of the socioeconomic condition of participating communities through the promotion of social justice and equitable access to sustainable development and respects the IP's rights on ancestral domains.

The Soil Conservation and Water Management Program deals with the preparation of the watershed characterization reports and integrated watershed management plan using the watershed ecosystem management (WEM) framework. These projects are deemed supportive of the goals under the PDP

³⁰ The total investment targets for NWRB of PhP 132.67 million are reflected in Chapter 5: Accelerating Infrastructure Development.

ENR chapter particularly for the improved conservation, protection, and rehabilitation of natural resources which includes the forest, watersheds, land and biodiversity.

PAPs towards addressing conflicting water uses and limited economic opportunities, improving water quality, restoration of demand sub-watersheds, and flood mitigation in the Laguna de Bay region constitute most of the LLDA's 2011-2016 PIP. These include the LISCOP project, Reforestation/Afforestation Projects, Flood Control Projects, River Rehabilitation Program, Lake Resource Research and Management, Lake Seeding in Laguna de Bay and Seven Crater Lakes, Waterfront Development Projects and the Lake Basin Transport System and Ecotourism. These projects are focused on improving water quality and reducing water pollution in Laguna de Bay, which is in line with the goal to improve the environmental quality for a cleaner and healthier environment under the PDP 2011-2016 and the MDG of ensuring environmental stability.

The LISCOP project aims to assist the LLDA, LGUs and other stakeholders improve the environmental quality of the watershed through small-scale investment subprojects, behavioral intervention and participation in environmental management of the Laguna de Bay basin. The Reforestation/Afforestation Project involves policy development for the restoration effort in Laguna de Bay region and establishing stakeholder's partnership through provision of livelihoods. With the aim to rehabilitate and transform the river systems flowing towards the Lake by creating eco-parks, the River Rehabilitation Program will create partnership with the private sector to restore the Lake through an adopt-a-river/river clean up and fortification and stabilization of river embankments activities.

Aside from these, LLDA, with the active engagement of LGUs and other local communities, plans to scale up the implementation of the solid waste and waste water management programs in the Laguna de Bay basin. Through the implementation of these projects, it is envisioned that the water quality in the Laguna de Bay basin will significantly improve and contribute to the attainment of

the outcomes of the ENR sector particularly for water quality improvement as well as sustainably managing watersheds. The total budgetary target of LLDA for these projects is approximately PhP18,978.00 million.

On the other hand, one of the priorities under the CCC's 2011-2016 PIP is the implementation of identified programs and activities in support of the Philippine NCCAP which outlines the agenda for adaptation and mitigation for 2011 to 2028 to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development within the two long-term objectives of adaptation and mitigation. It will pursue seven strategic priorities, namely: (a) Food Security; (b) Water Sufficiency; (c) Ecosystem and Environmental Stability; (d) Human Security; (e) Climate-smart Industries and Services; (f) Sustainable Energy; and (g) Knowledge and Capacity Development.

At the local level, implementation of the Local Climate Change Action Plan will be packaged using the concept of ecologically stable and economically resilient towns (eco-town). An eco-town is a planning unit composed of municipalities or a group of municipalities located within and in the boundaries of critical key biodiversity areas (forest, coastal/marine and fishery, or watersheds), highly vulnerable to climate change risks due to its geography, geographic location, and poverty situation. The Commission requires PhP6,829.71 million for these projects.

The 2011-2016 PIP for the DND-OCD will cover PAPs to enhance people's knowledge of disaster risk and vulnerabilities through scientific methodologies and indigenous practices in order to produce better coping strategies to reduce, if not totally eliminate, disaster risks.

To ensure that an enhanced understanding of disaster risks and vulnerabilities translates into proactive programs gearing towards disaster mitigation, preparedness, response and rehabilitation, the DND-OCD aims to establish the DRRM Training Institutes in strategic parts of the country. Other projects

to be implemented by the DND-OCD as well as by DOST-Philippine Institute of Volcanology and Seismology (PHIVOLCS) related to disaster monitoring are reflected in Chapter 9: Peace and Security and in Chapter 5: Accelerating Infrastructure Development, respectively. The projects identified by the DND-OCD are deemed consistent with the sector outcome which is enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change. A total of PhP5,594.89 million is required to pursue projects identified by the DND-OCD. For the other PAPs of the DND, please refer to Chapter 9.

The MMDA's 2011-2016 PIP consists mostly of projects supportive of the formulation of the Metro Manila Greenprint 2030, a 20-year indicative plan that will provide an overall framework in guiding public and private decisions on the use of land and other resources. The Greenprint shall also integrate in its formulation key development concerns such as climate change adaptation and disaster risk reduction given that the metropolis is highly vulnerable to natural and man-made disasters. The Greenprint is consistent with the strategies identified for enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change. MMDA will also pursue the development and operation of MMDA-owned SLFs and the closure, rehabilitation and revegetation of existing landfills. These projects are supportive to the subsector outcome to reduce wastes generated and improve waste disposal. The MMDA has investment targets of PhP2,242.66 million for these projects. Other PAPs of the MMDA are contained in Chapter 5.

The DA-BSWM's 2011-2016 PIP envisions that by the end of 2016, 1 million hectares of land degradation hotspots with sustainable land management (SLM) practices have been developed. The following PAPs will be the instruments to contribute to this end: (a) National Capability Building for Land Degradation Assessment (LADA) and Climate Change Adaptation; (b) Adoption of Organic-based Farming System; (c) Development of Rainwater Harvesting and related facilities; (d) Watershed Rehabilitation cum Soil Conservation Guided Farm Development in

Small Scale Irrigation Project (SSIP) sites; (e) Watershed Evaluation for Sustainable Use of Sloping Agricultural Land in Southern Philippines; and (f) Addressing Desertification, Land Degradation and Drought in the Philippines Through Strengthening Capacities in the Implementation of SLM. DA-BSWM requires PhP543.31 million for these projects.

Investment Targets by Sector Outcome

Of the estimated total investment targets, a large portion is meant to help attain improved conservation, protection, and rehabilitation of natural resources which account for PhP47,514.11 million (32.99%). This means that majority of the PAPs will contribute to the sustainable management of forests and watersheds, protection and conservation of biodiversity, enhanced coastal and marine resources management, improved land administration and management, a more equitable utilization of mineral resources and development and implementation of environment-friendly enterprises and livelihood opportunities. PhP27,587.48 million (19.15%) of the total investment targets is allocated for PAPs which will contribute to enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change. About PhP11,745.49 million (8.15%) of the total budget is apportioned for PAPs which will contribute to improved environmental quality for cleaner and healthier environment. A significant amount of PhP49,249.28 million (34.19%) is apportioned to the attainment of two outcomes while the remaining budget of around PhP7,938.79 million (5.51%) is allocated for PAPs which contribute to the attainment of all three outcomes (see Figure 10.2).

Investment Targets by Funding Source

In terms of funding source, the bulk of total investment targets for the Chapter over the medium-term will be financed by NG which amounts to PhP111,693.55 million (77.55%).

On the other hand, a total of PhP32,341.60 million (22.45%) will be from other fund sources: PhP20,997.57 million (14.58%) will be from ODA Grants; PhP11,236.80 million (7.80%) from the private sector; PhP71.19 million (0.05%) from the contribution/assistance of GOCCs; PhP36.04 million (0.03%) from LGUs (see Figure 10.3).

Investment Targets by Spatial Coverage

As indicated in Figure 10.4, a large portion (PhP91,681.85 million or 63.65%) of the total investment targets for the protection, rehabilitation and conservation of the environment and natural resources will be implemented nationwide. Majority of the PAPs to be implemented in all regions will focus mainly to enhance coastal and marine resources management, sustainably manage forests and watersheds, improve land administration and management, and enhance resilience of natural systems and improve adaptive capacities to cope with environmental hazards, including climate change.

PhP25,824.88 million (17.93%) of the investment targets will be allocated for PAPs which are interregional and focusing on efforts to sustainably manage forests and watersheds, improve protection of biodiversity, reduce wastes generated and improve waste disposal, and strengthen the institutional capacities of national and local government for climate change adaptation and disaster risk reduction management. The rest of the investment targets (PhP26,528.42 million or 18.42%) will be for region-specific projects.

Figure 10.2. Investment Targets by Sector Outcome (2011-2016)

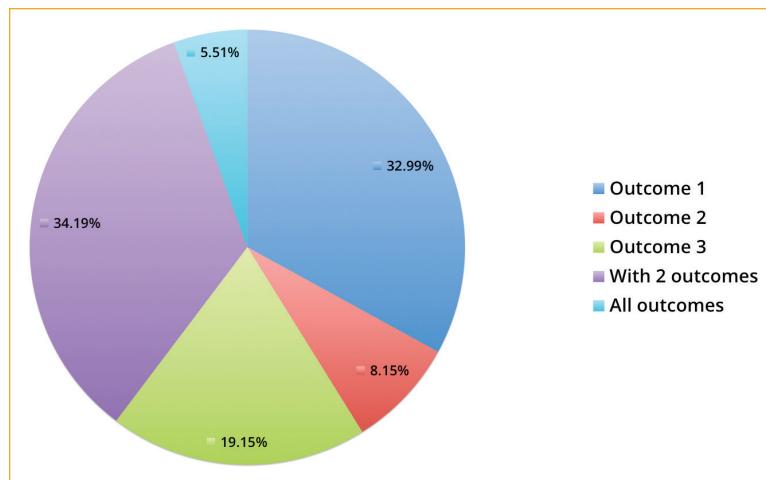


Figure 10.3. Investment Targets by Funding Source (2011-2016)

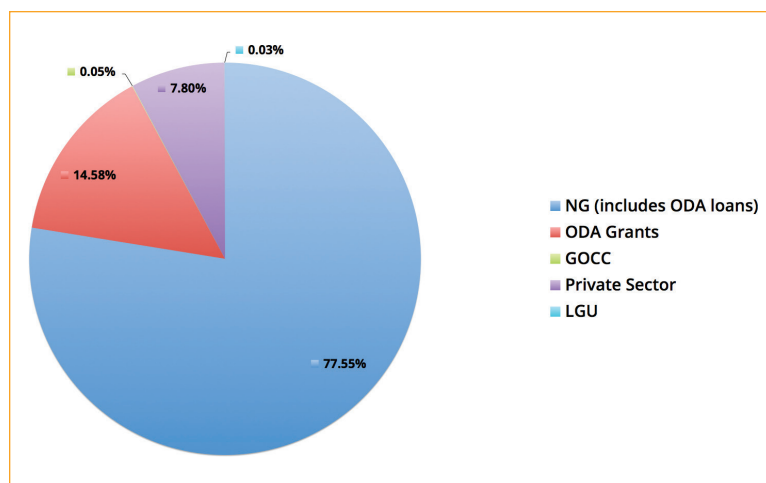
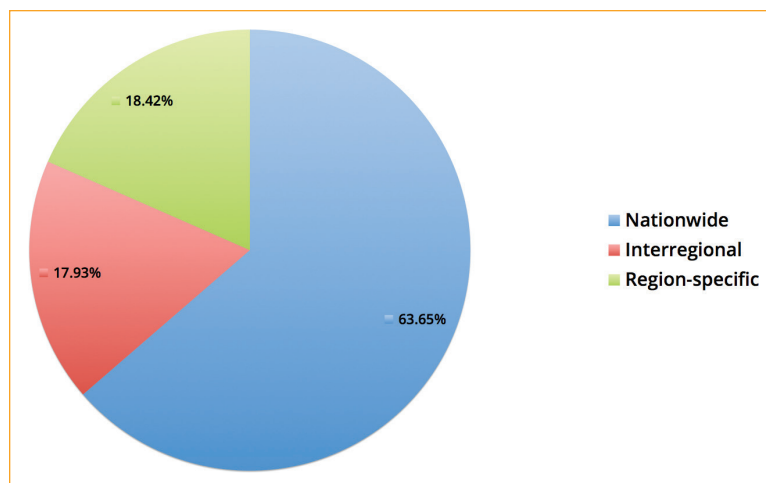


Figure 10.4. Investment Targets by Spatial Coverage (2011-2016)



Annex 10.1. **List of Major Priority Programs and Projects by Sector Outcome** (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
DENR		
Sector Outcome 1. Improved conservation, protection, and rehabilitation of natural resources		
1. Coastal and Marine Resources Management	Nationwide	1,384.55
2. Clonal Nursery and Production of Quality Planting Materials of Premium and Indigenous Species in Support to NGP	Nationwide	8,331.10
3. Forest Protection	Nationwide	2,610.65
4. Land Records Management [Land Administration Management Systems (LAMS) implementation/computerization of records]	Nationwide	1,470.71
5. Biodiversity Conservation Program	Nationwide	721.66
6. Land Management Services (Land Distribution, Land Disposition, others)	Nationwide	3,497.08
7. Mineral Lands Administration	Nationwide	573.73
8. Management of Forestland and Forest Resources	Nationwide	663.20
9. Forest Boundary Delineation and Land Use Allocation	Nationwide	1,321.72
10. Land Surveys (Implementation of Cadastral Survey)	Nationwide	13,902.52
11. Field Network Survey (Philippine Reference System of 1992)	Nationwide	1,014.47
<i>Sector Outcome 1 Subtotal</i>		35,491.41
Sector Outcome 2. Improved environmental quality for a cleaner and healthier environment		
12. Environmental Management and Pollution Control	Nationwide	2,753.94
13. Toxic Substances and Waste Management	Nationwide	588.87
14. Planning and Policy Formulation	Nationwide	616.47
15. Demonstration of Best Available Techniques (BAT) and Best Environmental Practices (BEP) in Fossil-Fuel fired utility and Industrial Boilers Response to the Stockholm Convention on Persistent Organic Pollutants (POPs)	Nationwide	996.17
<i>Sector Outcome 2 Subtotal</i>		4,955.44
Sector Outcome 3. Enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change		
16. Research, Development, and Extension Programs	Nationwide	692.58
17. Detailed Geohazard Assessment and Mapping	Nationwide	0.93
<i>Sector Outcome 3 Subtotal</i>		693.51
18. Forest Development (NGP)	Nationwide	24,178.19
19. Community-Based Forestry Program	Nationwide	1,432.91
20. Soil Conservation and Watershed Management	Nationwide	2,504.81
21. Forestland Management Project	Regions 2, 3, 6 & CAR	3,446.05
22. Agusan River Basin Integrated Water Resources Management Project	Regions 11 & 13	4,544.07
23. Integrated Resource & Environmental Management Project (INREMP)	Regions 7, 10 & CAR	3,022.30
24. Integrated Water Quality Management Project (IWQMP)	Regions 3, 4A & NCR	2,954.10
25. Manila Bay IWQMP	Regions 3, 4A & NCR	2,917.55
26. Bicol River Basin and Watershed Management Project	Region 5	4,140.00
<i>Sector Outcomes 1 & 2 Subtotal</i>		49,139.98
27. Integrated Coastal Resources Management Project (ICRMP)	Regions 2, 3, 4B, 5, 7 & 11	931.34
28. Locally Funded Projects enrolled under the World Bank (WB) National Program Support to Environment and Natural Resources Management Project (NPS-ENRMP) - Manila Bay Rehabilitation Project	Regions 3, 4A & NCR	2,760.00
29. LAMP2 / Additional Financing	Regions 7, 8 & 10	2,573.12
30. Ecosystems Research and Development Services	Nationwide	909.63
<i>Sector Outcomes 1, 2 & 3 Subtotal</i>		7,174.09
NAMRIA		
Sector Outcome 1. Improved conservation, protection, and rehabilitation of natural resources		
31. Mapping and Remote Sensing	Nationwide	2,267.93

(Continued on next page)

Annex 10.1. List of Major Priority Programs and Projects by Sector Outcome (In PhP Million)

Programs and Projects/Agency	Geographic Coverage	Total (2011-2016)
32. Topographic Base Mapping for Peace and Development in Mindanao	Regions 9 to 13	527.90
33. Water, Land and Coastal Surveys	Nationwide	1,752.32
34. Development of Philippine Geo-portal	Nationwide	900.00
<i>Sector Outcome 1 Subtotal</i>		5,448.15
LLDA		
Sector Outcome 1. Improved conservation, protection, and rehabilitation of natural resources		
35. LISCOP	Region 4A	538.32
36. Fortification & stabilization of river embankments using gabions, ripraps & Sabo dam	Region 4A	3,000.00
37. Strengthening of the River Councils and Environmental Army	Region 4A	-
38. Lake Seeding in Laguna de Bay & 7 Crater Lakes	Region 4A	2.12
<i>Sector Outcome 1 Subtotal</i>		3,540.44
Sector Outcome 2. Improved environmental quality for a cleaner and healthier environment		
39. Water Processing and Treatment Plant	Region 4A	3,000.00
40. Model Sewage Treatment Plants (STPs) in two sub-watersheds	Region 4A	500.00
<i>Sector Outcome 2 Subtotal</i>		3,500.00
Sector Outcome 3. Enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change		
41. Construction of Marikina Dam	NCR	4,500.00
42. Dredging of the Lake	NCR	7,000.00
<i>Sector Outcome 3 Subtotal</i>		11,500.00
MMDA		
Sector Outcome 2. Improved environmental quality for a cleaner and healthier environment		
43. Development and operation of MMDA-owned SLF	NCR	2,000.00
<i>Sector Outcome 2 Subtotal</i>		2,000.00
DND-OCD		
Sector Outcome 3. Enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change		
44. Hazard, Vulnerability and Capacity Analysis (HVCA)	Nationwide	2,173.95
45. Participatory, Capacity and Vulnerability Assessment (PCVA)	Nationwide	1,997.21
<i>Sector Outcome 3 Subtotal</i>		4,171.16
CCC		
Sector Outcome 3. Enhanced resilience of natural systems and improved adaptive capacities to cope with environmental hazards including climate change		
46. Sectoral Mitigation Analysis	Nationwide	600.00
47. Emission factors developed	Nationwide	600.00
48. Vulnerability Assessment Tools developed	Nationwide	1,200.00
49. Climate models developed	Nationwide	4,000.00
<i>Sector Outcome 3 Subtotal</i>		6,400.00
Sector Outcome 1 Total		44,480.00
Sector Outcome 2 Total		10,455.44
Sector Outcome 3 Total		22,764.67
With 2 Sector Outcomes Total		49,139.98
With 3 Sector Outcomes Total		7,174.09

Annex 10.2. Investment Targets by Agency/Department (In PhP Million)

Agency/Department	2011	2012	2013	2014	2015	2016	Total
DENR	5,969.44	12,934.43	36,043.77	16,857.47	15,575.34	15,637.98	103,018.42
NAMRIA	1,097.27	1,064.78	1,473.56	737.41	668.23	683.87	5,725.12
CCC	5.61	221.70	1,674.70	1,699.70	1,601.50	1,626.50	6,829.71
DND-OCD	818.41	784.81	822.58	770.32	847.35	1,551.42	5,594.89
LLDA	206.81	151.72	135.55	70.83	1.76	18,411.33	18,978.00
MMDA	-	11.61	521.35	644.70	545.00	520.00	2,242.66
DA-BSWM (with other agencies)	27.74	112.88	104.90	104.90	104.90	88.00	543.31
DOST	140.68	144.53	247.37	182.50	193.14	194.81	1,103.03
Total	8,265.96	15,426.45	41,023.79	21,067.83	19,537.21	38,713.90	144,035.15

Annex 10.3. Investment Targets by Funding Source (In PhP Million)

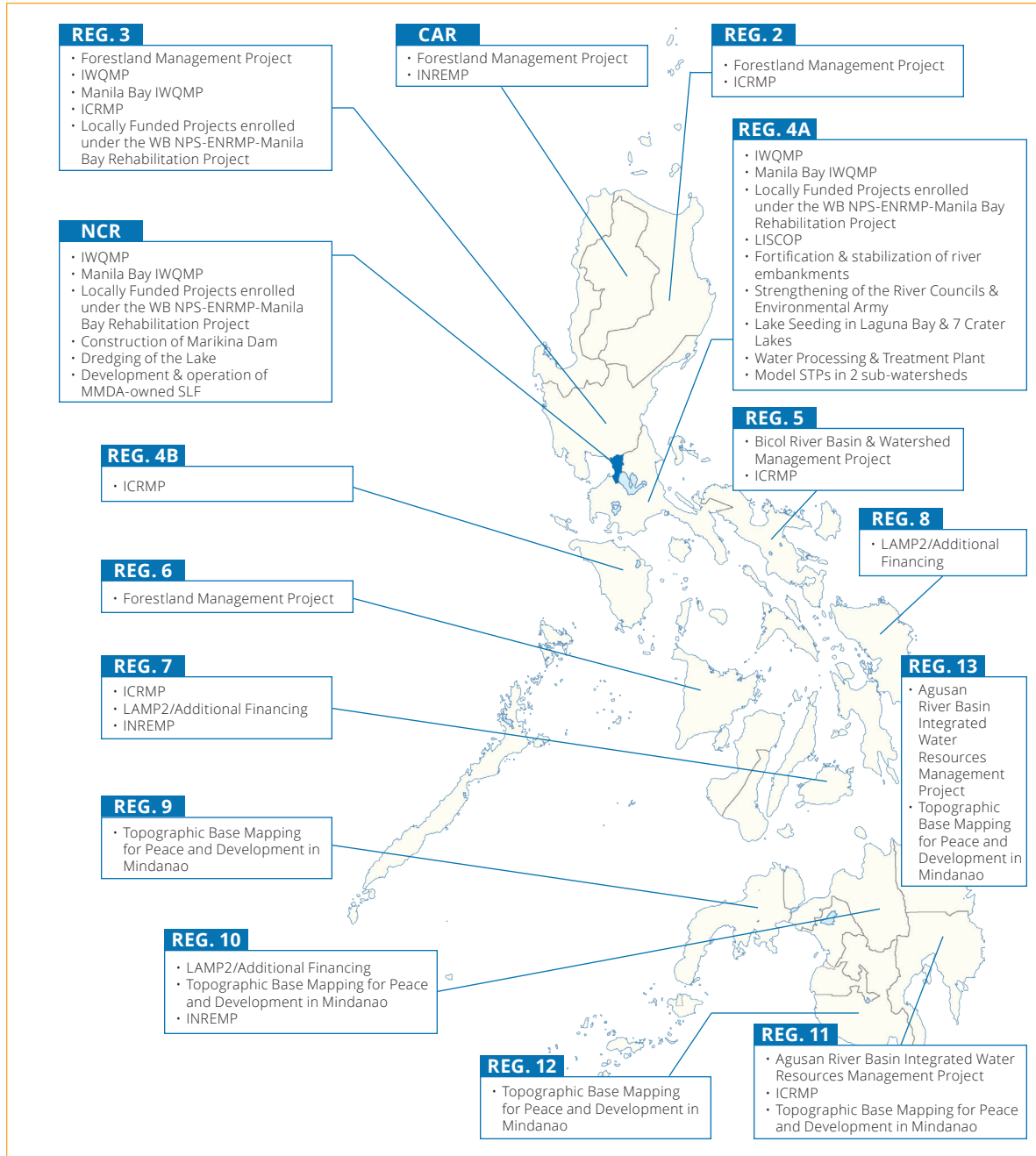
Funding Source	2011	2012	2013	2014	2015	2016	Total
NG (includes ODA loans)	6,302.56	14,064.45	30,418.92	17,965.41	17,278.84	25,663.36	111,693.55
ODA Grants	1,854.59	1,293.10	10,559.14	3,059.92	2,217.17	2,013.65	20,997.57
GOCC	39.41	21.72	4.05	3.18	1.76	1.07	71.19
Private Sector	41.47	39.06	41.69	39.31	39.44	11,035.82	11,236.80
LGU	27.93	8.11	-	-	-	-	36.04
Total	8,265.96	15,426.45	41,023.79	21,067.83	19,537.21	38,713.90	144,035.15

Annex 10.4. Investment Targets by Spatial Coverage (In PhP Million)

Spatial Coverage	2011	2012	2013	2014	2015	2016	Total
Nationwide	6,244.64	13,015.39	26,422.97	15,634.80	14,677.04	15,687.01	91,681.85
Interregional	1,593.38	2,104.95	9,569.10	4,561.45	4,173.36	3,822.64	25,824.88
Region-specific							
1*	-	-	-	-	-	-	-
2*	-	-	-	-	-	-	-
3*	-	-	-	-	-	-	-
4A	208.48	154.40	170.55	235.53	66.76	6,851.33	7,687.05
4B	6.76	9.26	25.92	30.92	35.92	166.72	275.51
5	-	-	4,140.00	-	-	-	4,140.00
6	.20	.20	-	-	-	-	.40
7	5.00	5.00	15.60	16.22	16.87	17.55	76.25
8	1.30	.10	-	-	-	-	1.40
9	1.96	2.96	22.12	22.12	22.12	22.12	93.38
10	3.92	13.60	14.00	13.00	-	-	44.52
11*	-	-	-	-	-	-	-
12*	-	-	-	-	-	-	-
13*	-	-	-	-	-	-	-
CAR*	-	-	-	-	-	-	-
NCR	200.32	120.60	643.53	553.79	545.14	12,146.55	14,209.91
ARMM*	-	-	-	-	-	-	-
Total	8,265.96	15,426.45	41,023.79	21,067.83	19,537.21	38,713.90	144,035.15

Note: * Under nationwide and interregional projects.

Figure 10.5. Region-specific and Interregional Major Priority Programs and Projects



2011-2016 Public Investment Program

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