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KEYNOTE MESSAGE

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10TH CBMS PHILIPPINES NATIONAL CONFERENCE

"Building Safe, Resilient and Pro-active Communities"

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Good morning, ladies and gentlemen.

It is my pleasure to be invited again to speak before the CBMS Philippines National Conference. Let me begin by commending your efforts in helping build and strengthen the capacities of our local and national planners and program implementers. The CBMS Network's unceasing support to researchers as well as its networking and technical collaboration with government and non-government organizations have provided for an improved and more transparent system of governance. Your work has also complemented and provided alternative channels for the development of improved mechanisms for impact–monitoring and evaluation of the country's various development initiatives.

In the light of the recent disasters that have tested the Filipino resilience, I would like to present the features of the Philippine Development Plan Midterm Update, specifically its strategies on disaster risk reduction and climate change adaptation. I would also give updates on the Reconstruction Assistance on Yolanda or RAY Plan.

Recently, the Philippine economy has been growing steadily, from 6.8 percent GDP growth in 2012 to 7.2 percent in 2013. While our country has been one of the best performers

among Asian economies in the current period, we recognize that more remains to be done to ensure that the growth process is inclusive. By this, we mean that everyone, regardless of location or social status, is able to contribute to and benefit from growth.

Substantial poverty reduction and generation of remunerative employment continue to be our biggest challenges. From 2003 to 2009, the proportion of the population considered poor based on official poverty lines has remained high amidst the modest economic growth. Though poverty declined to 25.2 percent in 2012, we were again impeded by the extreme natural disasters we experienced in the latter half of 2013. Moreover, the rate of employment generation has not kept pace with the labor force growth such that there is still a large stock of the unemployed.

But let me assure you that the Philippine government is up for these challenges. Cognizant of the lessons in the first three years of the Philippine Development Plan 2011-2016, with consideration of the risks and opportunities to growth, we have identified strategies to attain inclusive growth and emphasized these in the Midterm Update of the Plan.

In our pursuit of inclusive growth, we are committing to overall improvement in the quality of life of Filipinos, especially the poor. This will be measured in terms of economic growth and reduction of the incidence of poverty in its multiple dimensions such as in health, education, water, and sanitation. This emphasizes this administration's thrust to reduce poverty not solely based on income, but also to address the deprivation that could result in future income poverty.

As evidenced by the experiences of other countries, it takes a long period to substantially reduce poverty. In the case of the Philippines, we have an added challenge of overcoming geoclimatic shocks. For us to succeed against poverty, we believe that it is crucial to directly address the constraints faced by the poor with the backdrop of rapid and sustained economic growth. We recognize that these constraints operate in a highly diverse, fragmented, and hazard-prone environment.

For one, some cities or provinces have been experiencing economic growth, but the poorest are unable to participate in the growth process. This could be because the growing sectors do not require the goods or services that the poor can provide. These provinces

with very high numbers of the poor require interventions focused on increasing investments to create more growth opportunities, particularly in the growth sectors present in these areas. Consequently, we need to improve the skill sets of the poor for improved job-skills matching.

Meanwhile, some provinces are altogether not experiencing growth. These are very sparsely populated and remotely located provinces that are also confronted with weather disturbances and armed conflict, which reinforce their state of under-development. These provinces with a very high proportion of the population considered poor require massive investment in human capital development and infrastructure to facilitate the connectivity of goods, services, and people to the growing provinces.

Still, some of people are trapped in poverty because their provinces are exposed and prone to multiple hazards, such as landslides and flooding. In such provinces, even marginally non-poor can quickly fall into poverty due to shocks or natural disasters. Therefore, we need to build their resilience through disaster-risk reduction and mitigation, social insurance and social protection, and income diversification.

Without a doubt, the need for sustainable and climate-resilient environment in achieving rapid and sustained economic growth is more urgent now than ever before. The Philippines, which has been labelled by the United Nations University-Institute for Environment and Human Security as the third most vulnerable country to natural hazards in 2012, and 14th most affected by adverse impact of climate change according to the Global Climate Risk Index in 2013, have experienced tragedies due to the occurrence of extreme climate events.

To address the country's vulnerability to climate change and natural disasters, several strategies have been laid out in the Plan. The critical outcome is to effectively enhance resilience of natural systems and improve adaptive capacities of vulnerable communities. Achievement of this outcome is highly dependent on the quality of our environment, hence the need to conserve, protect, and rehabilitate our natural resources, and implement necessary policies and programs for a cleaner and healthier environment.

We will continue pursuing this critical outcome through an integrated and community-based ecosystems approach to environment and natural resources management and sound environmental impact assessment, which are all anchored on the principles of shared responsibility, good governance, and social and environmental protection.

In the past two years, we have focused on preparatory activities toward full operation of long-term actions on climate change adaptation and mitigation (CCA/M) and disaster risk reduction and management (DDRM). These include the passage of the People's Survival Fund (PSF) in 2012, completion of climate change projection at the provincial level, implementation of the Nationwide Operational Assessment of Hazards or Project NOAH, and geo-hazard mapping and assessment of all cities and municipalities using large-scale maps, among others.

In the case of Typhoon Yolanda, we have created a separate plan which we have dubbed Reconstruction Assistance on Yolanda or the RAY Plan. The RAY is the government's strategic plan to guide the recovery and reconstruction of the economy, lives and livelihoods in the affected areas. The plan aims to restore the economic and social conditions of the said areas at the very least to their pre-typhoon levels and to a higher level of disaster resilience. Through RAY, we are espousing the "Build Back Better" principle to make affected communities more resilient and sustainable.

Initially in the RAY, we have reported that the total damage and loss from Typhoon Yolanda is estimated at PhP571.1 billion. Aside from damaged infrastructure, this amount covers other physical assets, reductions in production, sales and income as well as the value of increased operating costs resulting from the disaster.

We also estimated that the Yolanda recovery and reconstruction will require a total of PhP361 billion in investments. This estimate covers shelter and resettlement, public infrastructure, education and health services, agriculture, industry and services, local government, and social protection. Funds will be disbursed over four years, in line with a phased, cumulative, and flexible implementation of the RAY Plan.

But since the RAY Plan was based on initial assessments of damage and loss, we are currently updating it to address some gaps and determine more specific interventions for

rehabilitation and reconstruction. The original RAY Plan is now being harmonized with the results of the Post-Disaster Needs Assessment conducted by the Office of Civil Defense. This will result in a unified rehabilitation and recovery program with the updated RAY as the main document and the PDNA as an attachment. We expect to finish the update by the end of this month.

Again, I would like to reiterate this government's commitment to improve the lives of the Filipino people in the midst of economic challenges and natural calamities. However, the will and perseverance of this government may not be enough to ensure that we, Filipinos, enjoy progress in the truest sense of the word. I would like to enjoin everyone, the local and national governments, the private sector and the civil society to actively participate in our pursuit of inclusive growth.

Thank you and Mabuhay tayong lahat!

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