



PROPOSED PHILIPPINE STATEMENT

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Deputy Permanent Representative

General Debate
2018 ECOSOC Financing for Development Follow-Up
Trusteeship Chamber, UN Headquarters, New York

Thank you Madame President.

We align ourselves with the statement of Egypt on behalf of the Group of 77 and China and with Honduras on behalf of the Like-Minded Group of Countries Supporters of Middle-Income Countries.

The Philippines is committed to achieving the Sustainable Development Goals (SDGs) and we recognize that domestic resource mobilization is a key strategy for this. To this end, we have passed the Tax Reform for Acceleration and Inclusion (TRAIN) law. Its goal is to create a more just, simple, and more effective system of tax collection, where the rich will have a bigger contribution and the poor will benefit more from the government's programs and services.

It is also an example of "innovative financing", as it is among the pioneer laws that puts an excise tax on sweetened beverages. This is a measure that is meant to encourage consumption of healthier products, while raising revenue for complementary health programs.

With our "Build, Build, Build" program, consisting of 75 flagship projects with a combined public investment of \$170 billion over the next five years,¹ we are raising infrastructure spending from nearly 4% of GDP in 2017 to around 7% by 2022.²

We continue to recognize the important role of the private sector through the Public-Private Partnership (PPP) Program. The Philippine Development Plan 2018-2022 provides that our investment program for

¹ <https://www.dof.gov.ph/index.php/phl-fast-tracking-infra-program-to-attain-inclusive-growth-dominguez/>

² <http://www.neda.gov.ph/2018/03/06/critical-economic-reforms-gaining-traction-and-must-continue-neda-says/>

infrastructure projects will be based on an optimal mix of government domestic financing, official development assistance (ODA), and private capital.³

To maximize PPPs, our new Financing Strategy shifts to a hybrid model, such that the government now implements projects funded by Official Development Assistance (ODA) with a combination of public funds, ODA itself and funds raised from bond floats at investment-grade rates, to speed up project delivery and reduce completion risks.⁴

Madame President,

The Philippines is one of the countries most affected by natural disasters and the adverse effects of climate change. Hence we have mainstreamed both disaster risk reduction and climate action in our planning and budgeting processes. As part of our overall disaster risk finance strategy, we launched in July 2017 a new “catastrophe risk insurance program” to protect national and provincial government agencies against the financial losses from typhoons and earthquakes. It aims to provide immediate liquidity after such severe disasters, supporting rapid response and recovery.⁵ This is again another example of “innovative financing” that we hope other countries similarly affected can use and adopt.

Remittances are an important source of external finance for our economy – amounting to \$3.89B at the end of 2016 -- and consistently surpassing ODA and foreign direct investment. Remittances are private capital flows, and we will continue to leverage them for the SDGs and ensure that financial technology should lead to the lowering – and not the increase – of remittance costs, as well as to greater financial inclusion.

Finally, Madame President,

We continue to reaffirm that international trade is an engine for development as agreed upon in the Addis Ababa Action Agenda. As such, we strongly call for a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system.

Thank you.

³ <http://www.neda.gov.ph/2017/05/31/oda-ppp-public-infrastructure-funding/>

⁴ <https://www.dof.gov.ph/index.php/phl-fast-tracking-infra-program-to-attain-inclusive-growth-dominguez/>

⁵ https://www.financialprotectionforum.org/sites/default/files/Philippines%20FAQ_0.pdf