



PHILIPPINES

(Maximum Delivery Time: Three (3) Minutes)

**2019 ECOSOC Forum on Financing for Development (Ffd) Follow-up
General Debate**

April 16, 2019 5:00 pm-6:00 pm

To be delivered by
Hon. Ms. Maria Edita Z. Tan, Assistant Secretary
Department of Finance

Thank you, Madame President.

1. The Philippines aligns with the statement of the State of Palestine on behalf of the Group of 77 and China and with the statement of Costa Rica on behalf of the Like Minded Countries Supporters of Middle Income Countries.
2. The Philippines places strong emphasis in pursuing the 2030 Sustainable Development Goals (SDGs) in its planning and investment programming processes. This can be observed in the country's adoption of the AmBisyonNatin 2040 (or Long-Term Vision 2040).
3. Since 2017, the country has linked the SDGs in its national government budgeting processes to ensure that activities and projects intended to meet the goals and indicators are adequately funded.
4. The Government, guided by the Philippine Development Plan 2018-2022, expands its infrastructure spending through an optimal mix of local funding, official development assistance (ODAs) from development partners, and Public-Private Partnership (PPP).
5. As one of the fastest growing economies, the country's inclusive, high growth story is backed with strong macroeconomic fundamentals. At the core of this strategy is the sustained fiscal discipline where debt is kept at manageable levels currently at 41.9% of GDP to ensure financial strength to support the massive infrastructure program intended to provide a strong stimulus for domestic economic activity.

6. The Philippines remains on track to join economies in the upper middle income status in the medium term. In anticipation of this upcoming elevated status and classification, the country will pursue changes in its systems and policies, including the government's financing program strategy appropriate to its growth trajectory.
7. The country has put in place an inclusive financial system, a broader tax system, an economy driven by investments to provide quality jobs, and a high quality infrastructure plan that will both improve the quality of life for Filipinos and make its economy competitive with that of its neighbors.
8. The Philippines has been investing and continues to prioritize actions and policies that are aligned with its sectoral and development plans as well as global developments and risks to growth.
9. The Philippine government targets to reduce poverty incidence to 14% by the end of President Duterte's term in 2022 to fulfill the vision of providing a comfortable life for each and every Filipino.
10. To support a more inclusive and sustainable growth, the Philippines has embarked on a massive infrastructure development through the Build! Build! Build! Program. This will help make the economy fully competitive, create jobs, open more business opportunities, bring down logistics costs and realize better-distributed growth.
11. The Philippines is pursuing a comprehensive tax reform program (CTRP) to create a more equitable, simple and more effective tax system, promote investment, create jobs, and reduce poverty. The first package of the CTRP, also known as the Tax Reform for Acceleration and Inclusion or TRAIN Law reduced personal income tax (PIT) rates while raising additional revenues to broaden the revenue base, enabled the government to invest in public goods and develop a credible fiscal position, which have attracted strong support from the Philippines' development partners and foreign governments. It is also an example of "innovative financing" as it is among the pioneer laws that puts an excise tax on sweetened beverages.
12. The CTRP will assure us of sufficient revenues to fund the infrastructure modernization and expand social services such as Universal Health Care and free tuition in state universities and colleges. These are long-term investments for the future of the Filipino people.
13. The country is building its human capital resources and creating jobs through enhanced programs for social protection, population and development, quality education for all, healthcare coverage for all, addressing stunting and malnutrition among children, expanding livelihood and economic opportunities for production and services sectors such as in agriculture, tourism, infrastructure, and education.

14. Development partners of the Government are supporting the Philippines' investment in human capital to develop skills and capabilities for the new economy through boosting the managerial capabilities of firms to absorb new technologies and create jobs and promoting investments in skill development over the lifecycle, from early childhood to adult learning.
15. The country continues to expand and improve its Conditional Cash Transfers that aims to lift millions of low income households out of the inter-generational cycle of poverty through investments in the health and education of Filipino children.
16. Along with these reform programs, the country has geared towards rapid execution of infrastructure projects that will translate into "improved economic dynamism in time for its demographic sweet spot: that surge in the number of young, better-trained Filipinos entering the workforce." The country is looking at every opportunity for economic complementation that will ensure ample opportunities for its very young labor force.
17. Realizing the risks and uncertainties from natural disasters and climate change, the national government budget and public investment processes integrates resiliency and environmental considerations in decision-making, project design, and implementation.
18. The Philippines is also actively working to create a business environment conducive to the mobilization of private sector resources. In 2018, for example, a new law, Personal Property Security Act (PPSA), was introduced to pave the way for the use of alternative assets such as inventory and accounts receivables as collateral for credit.
19. The Ease of Doing Business Act of 2018 aims to reduce red tape significantly and make the government more responsive to the needs of entrepreneurs especially the MSMEs as it would be easier to implement peer-to-peer lending, equity crowdfunding, merchant and e-commerce finance and invoice finance. This translates into an increase in investments and a better business environment.
20. The welfare of the Filipino people will always be the main goal in the country's journey towards full development. The Philippine government is ensuring the effective and efficient implementation of these infrastructure projects and fiscal and social programs for these will pave the way for a better future for the next generation of the Philippines.
21. Thank you, Madame President.