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# **The Republic of Korea' s Country Partnership Strategy for the Republic of Philippines 2016–2020**

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**The Government of the Republic of Korea**

**March 2020**

# Table of Contents

<b>I. Cooperation Plan .....</b>	<b>3</b>
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<b>II. Proposed Cooperation by area .....</b>	<b>6</b>
-----------------------------------------------	----------

(1) Regional Development

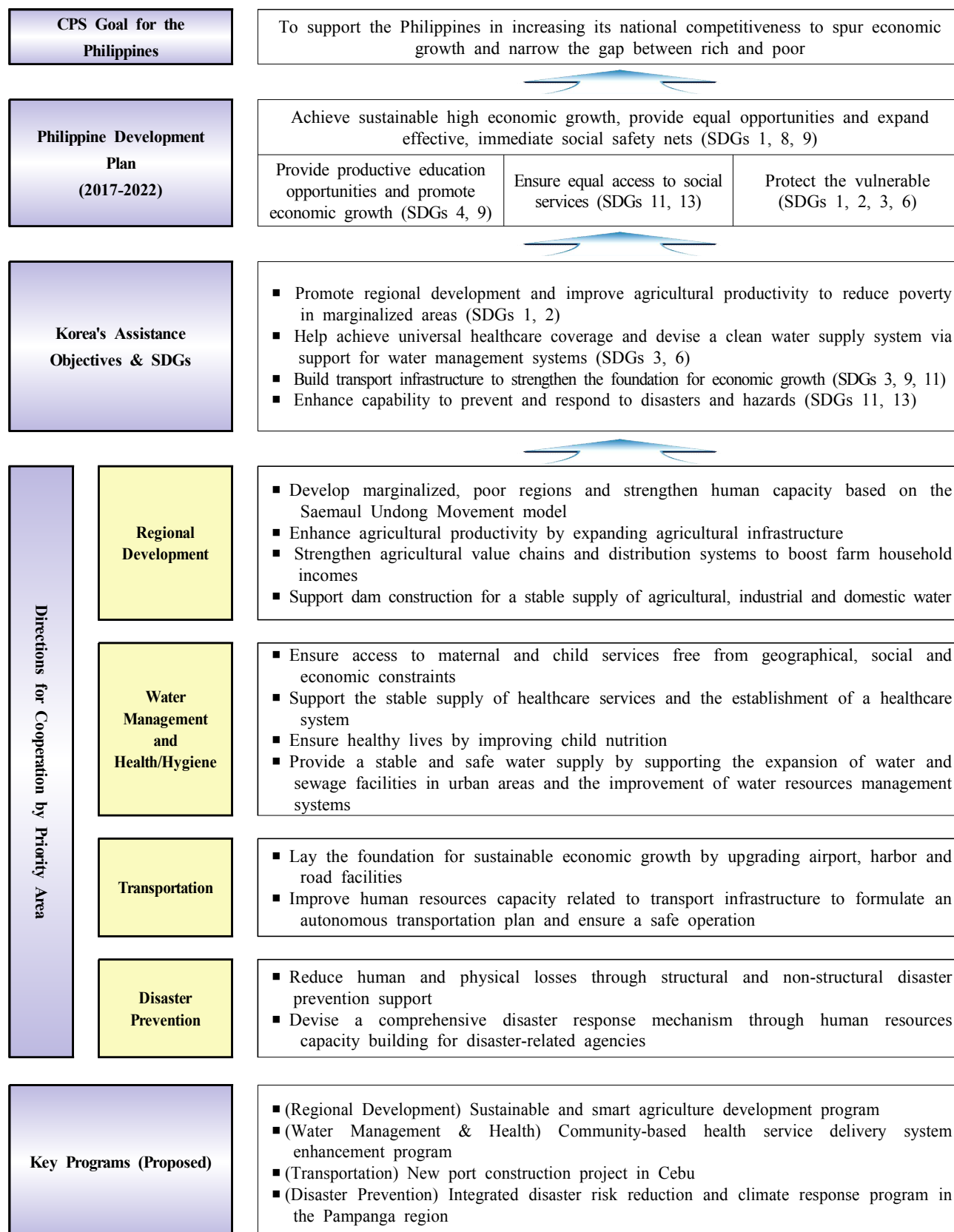
(2) Water Management and Health/Sanitaion

(3) Transportation

(4) Disaster Prevention

<b>III. Performance Monitoring Guidelines .....</b>	<b>17</b>
-----------------------------------------------------	-----------

# I. Cooperation Plan



\* Key projects are subject to change, depending on the situation

## ☐ **Assistance Goal**

- To Support the implementation of the Philippine government's development plans to ensure the nation's recent rapid economic growth\* can drive sustainable growth; and to contribute to reducing inequality and the gap between the rich and the poor arising out of economic growth

\* The Philippines posted average annual economic growth surpassing 6% from 2016 to 2018, a record high over the last 40 years

## ☐ **Reasons for Selection by Priority Area of Cooperation**

- **(Regional Development)** About 21 percent of the Philippine population live on less than 1.25 dollars a day, mostly in rural areas.

\* The Philippine Development Plan (PDP) in chapter 8 sets the five-year goal of raising the gross value-added (GVA) ratio from 0.1% to 2.5-3.5% in 2017 in agriculture and fisheries and maintaining that growth rate for the next five years.

→ In terms of poverty eradication, provide support for the regional development sector by developing human resources, increasing agricultural productivity and improving value chains.

- **(Water/Health)** The country's maternal and neonatal health remains poor compared to other countries in the West Pacific region, and malnutrition is prevalent among children.

- The maternal mortality ratio in the Philippines is about 114 for every 100,000 live births (as of 2015), more than two-fold the average ratio of 49 in the Western Pacific region, while 32 percent of newborns in the Philippines were of low birth weight (as of 2013).

\* The PDP in chapter 10 presents the goal of improving people's nutrition and health through a healthcare service program.

→ Help achieve universal healthcare coverage and support water management for stable water supply

- **(Transportation)** The Global Competitiveness Report found that the country lacked transport infrastructure, a key element for economic growth

\* The PDP states in chapter 15 and 19 that the government will raise its budget allocation for the social and infrastructure sector, while the Duterte administration vowed to increase infrastructure investment through his Build Build Build initiative.

→ Support the nation in paving the way for economic growth and regional connectivity by improving transport infrastructure and adopting intelligent transport systems

○ **(Disaster Prevention)** Frequent natural disasters, such as floods, typhoons, and earthquakes, hinder the nation's sustainable economic growth, but the government has an inadequate response system to deal with hazards and disasters.

\* The PDP states in chapter 18 and 20 that the government will strengthen its natural disaster monitoring and assessment systems and accelerate disaster response mechanisms

→ Contribute to supporting structural and non-structural disaster prevention efforts and enhancing resilience

◇ **(Criteria for Selection of Priority Areas of Cooperation)** Key considerations include the new Philippine government's development plans, development needs proposed during bilateral policy consultations, Korea's ODA capabilities/opportunities/challenges, size of the expected fund, aid coordination with other donor countries, linkage among areas, etc.

◇ **(ODA Plan)** To commit **70%** of total aid considering the Philippines' development needs, Korea's aid capacity, effects of completed ODA programs and cooperation with other donor organizations, etc.

## II. Proposed Cooperation by Area

### (1) Regional Development

#### ☐ Basic Directions

- Improve agricultural productivity through agricultural infrastructure expansion and agricultural technology transfer
- Increase farm household income through stronger agricultural value chains and enhanced distribution system capacity
- Boost agricultural production and value chains for inclusive and sustainable rural development

#### ※ Related SDG Target

- (SDG 1.2) By 2030, reduce by half the population living in poverty in all its dimensions according to national definitions
- (SDG 2.3) By 2030, increase the agricultural productivity and incomes of small-scale food producers
- (SDG 2.a) Increase investment in rural infrastructure through enhanced international cooperation

#### ☐ Development Needs

- **(Basic Goal)** To increase added value in the agricultural sector and the value of production in the fisheries sector (National development strategies in agriculture, forestry, and fisheries in chapter 8 of PDP 2017-2022)
  - △ Conduct research and development (R&D) on and disseminate rice varieties △ Expand water management and irrigation facilities △ Modernize agricultural machines and farming △ Facilitate farmer household income increases as well as balanced and inclusive urban-rural development by enhancing value chains, etc.
- **(Related Policies)** △ Agriculture and Fisheries Modernization Plan (2011-2017) △ Republic Act No. 10601: The Agricultural and Fisheries Mechanization Law (amended in 2013), etc.

### The PDP's Key Points for the Agricultural Sector

- (Challenges) ① Limited access to agricultural financing and insurance, ② Inadequate farm mechanization and postharvest handling facilities, ③ Lack of irrigation facilities, ④ Insufficient R&D support, ⑤ Weak agricultural extension services (e.g., technology diffusion), ⑥ Unfinished implementation of agrarian reform, and ⑦ Aging farmers and fisherfolk
- (Targets) Growth of GVA in agriculture (By 2022, Crops: 2-3%, Livestock: 3-4%, Poultry: 3-4%, Forestry: 2-3%), Growth of the value of production of fisheries (By 2022, Commercial: 2.5%, Municipal: 1%)

- **(Related Ministries)** Department of Agriculture (DA) and its affiliated agencies, such as the Philippine Rice Research Institute (PhilRICE) and the Philippine Center for Postharvest Development and Mechanization (PhilMECH)

### ☐ Implementation Plan

- **(Resident-Participatory Regional Development)** Utilize human resources and organizational leadership based on the Philippines' traditional spirit of cooperation (e.g., *bayanihan*) to organize the poor and implement rural and regional development programs involving citizen participation
  - Promote resident-led rural development and farmers' cooperatives to address ageing within the farming sector in rural areas and support inclusive growth for the poor
  - Implement rural development programs and support regional agricultural development in connection with the Korea International Cooperation Agency (KOICA), the Korea Program on International Agriculture (KOPIA) and other related agencies, thus contributing to poverty reduction and job creation in the region
- **(Agricultural Water Resources & Agricultural Infrastructure Facilities)** Build agricultural infrastructure to increase Philippine farmers' productivity and incomes
  - Build dams, waterways, roads and other agricultural infrastructure; and maintain agricultural waterways and land via program implementation in target rural areas

- Support the diffusion of agricultural machinery design and production, contributing to enhancing agricultural productivity and incomes
- Use information and communication technology (ICT) to identify and spread best practices from smart farms
- **(Creation of Agricultural Value Chains)** Support value chains to enhance agricultural distribution, focusing on economic efficiency and market demand
  - Increase farmers' incomes by supporting postharvest processing facilities and creating agricultural value chains encompassing input, production, delivery, storage, and consumption
  - Support agricultural distribution policy-making and enhance processing and distribution systems to build a self-reliant agriculture-enabling ecosystem
  - Establish quality control and quarantine systems for key agricultural exports to lay the foundation for promoting regional trade and agricultural exports
  - Improve smallholder farmers' access to microcredit and financing as well as market access (sales and supply chain, and market price information)
  - Identify more projects and diversify implementation methods in connection with non-governmental organizations (NGOs), both at home and abroad
- **(Development and Diffusion of Locally Tailored Agricultural Technology)** Partner with local agencies to develop and distribute agricultural technology customized for the local agricultural industry, thus supporting productivity-enhancing capacity development
  - Develop and diffuse agricultural technologies to "grow agriculture and reduce rural poverty rates through the introduction of advanced technology," the goal of the Philippines' development plan and long-term development vision.



## **(2) Water Management & Health/Hygiene**

### ☐ **Basic Directions**

- Support the Philippines in achieving universal healthcare free from economic, social and geographical constraints
- Ensure efficient water management for a safe and clean water supply and support the construction of water resource treatment facilities

#### **※ Related SDG Target**

- (SDG 3.2) Reduce deaths of newborns to 12 per 1,000 live births and the mortality of children under 5 to 25 per 1,000 live births
- (SDG 3.7) Ensure access to sexual and reproductive healthcare services
- (SDG 3.8) Achieve universal health coverage, including access to quality essential healthcare services and essential medicines
- (SDG 6.1) Achieve stable, universal access to safe drinking water
- (SDG 6.3) Improve water quality by reducing pollution and enhancing waste and sewage treatment
- (SDG 6.4) Increase water-use efficiency and promote stable water use to address water scarcity

### ☐ **Development Needs**

#### **① Health/Hygiene**

- **(Basic Directions)** Ensure healthcare services for all free of discrimination (Strategies to improve people's nutrition and health through healthcare services in chapter 10 of the PDP 2017-2022)
  - Secure stable financing to relieve the burden of individual medical costs and increase investment in national healthcare services
  - Strengthen local governments' service delivery systems to ensure access to primary healthcare services and improve service quality
  - Establish good governance in health by enhancing administrative systems and accountability; and adopt health regulations in compliance with national and international standards

**The Philippine Government's  
Healthcare Improvement Tasks\***

- Raise the social health insurance coverage spending to 30% of the total health expenditures (2020)
- Improve basic health indicators (teenage birth rate, neonatal mortality rate, TB treatment rate, safe drinking water supply, etc.); expand health facilities (% of provinces with adequate hospitals and public health centers); and enhance health personnel capacity
- Achieve full provision of regional service delivery networks in all provinces (2020)
- Increase the proportion of health facilities that meet the government standards to 96% (2022)
- Build harmonized and efficient regulatory systems and administrative processes

\* National Objectives for Health 2017-2022

- **(Related Ministries)** Department of Health (DOH), National Nutrition Council (NNC) and Philippine Health Insurance Corporation (PhilHealth)

☐ **Implementation Plan**

- **(Basic Health Services)** Provide intensive support for a mother-child health program intended for the disadvantaged to enhance regional healthcare capacity and universal health coverage
  - Build regional service delivery systems, taking into account the Philippines' decentralized healthcare system; and improve access to basic health services focusing on maternal and child healthcare in the areas and populations with limited access to such services
  - Enhance local mother-child health facilities, including hospitals, public health centers and sub-centers, and improve health personnel capacity so that local health facilities can satisfy the licensing standards of the central government and PhilHealth.
  - Mount campaigns to raise awareness of healthcare among local residents to alter health-related behavior and boost healthcare service demand, paving the way for improved health indicators
- **(Child Nutrition)** Promote child development with proper nutrition, contributing to the protection of children's basic rights and the fight against hunger

- Support the implementation of national-level campaigns on the importance of child nutrition management and related government policies and institutions
- Carry out nutrition programs fundamental to improving child nutrition, such as an acute and chronic malnutrition management initiative and an essential nutrient provision project
- **(Health Policy & Administration)** Support the establishment of a health information system and other healthcare mechanisms, while enhancing healthcare workforce capacity building
  - Continue to increase the use of ICT in the health sector; and establish an efficient, user-centered healthcare service system with standardized technology
  - Support the capacity building of DOH officials and other human resources to establish and upgrade healthcare systems

## ② Water Management

- **(Basic Goal)** To improve people's health through stable water supply and enhanced access to sanitation services (Infrastructure development strategies in chapter 19 of the PDP 2017-2022)
  - Strengthen the government's administrative structure, institutions and human resources capacity to enhance the sustainability and efficiency of water use
  - Build water supply and treatment facilities to ensure the safe use of water by people and continuously expand access to basic sanitation facilities for all households

**The Philippine Government's  
Water Management Improvement Tasks  
(Centering on Safe Drinking Water)**

- Increase the rate of households with access to safe water supply to 95.16% (2020)
- Raise the rate of households with access to basic sanitation facilities to 97.64% (2020)
- Adopt and operate integrated basin-unit water management systems for efficient water management

- **(Related Ministries)** National Water Resources Board (NWRB),

Metropolitan Waterworks and Sewerage System (MWSS), Department of the Interior and Local Government (DILG) and Department of Social Welfare and Development (DSWD)

## ☐ **Implementation Plan**

- **(Waterworks and Sewerage Facilities)** Support the expansion and upgrade of urban waterworks and sewerage facilities to build facility systems for stable clean water supply and water treatment
  - Support the government's investment in waterworks facilities to expand the scope of beneficiary areas
  - Support the upgrade of aged waterworks pipeline facilities and the improvement of related management systems
  - Create proper sewage treatment systems to address serious water pollution in densely populated areas and at industrial sites
- **(Water Resources Management)** Manage water resources effectively at the national level through an integrated water resources management system, water-related organizations and human resources capacity building
  - Support the construction of dams, etc. for stable supply of agricultural, industrial, and domestic water and effective water management

## **(3) Transportation**

### ☐ **Basic Directions**

- Build and upgrade airports, harbors, railways and roads to lay the foundation for regional connectivity and sustainable economic growth
- Adopt intelligent transport systems (ITSs) for effective traffic management
- Enhance transport infrastructure human resources capacity to design and safely operate an autonomous transportation plan

※ **Related SDG Target**

- (SDG 3.6) By 2020, halve the number of global deaths and injuries from road traffic accidents
- (SDG 9.1) Develop sustainable and resilient social infrastructure
- (SDG 11.2) Provide access to safe, affordable, accessible and sustainable transport systems

□ **Development Needs**

- **(Basic Goal)** To build infrastructure for economic diversification and sustainable economic growth (Strategies to facilitate infrastructure development in chapter 18 of the PDP 2017-2022)
  - **(Roads)** ① Introduce ITSs, ② Extend the reach of Metro Manila's major highway network by 100km, ③ Connect the Philippines' major islands (via bridge construction), ④ Reinforce crackdown on trucking operations and adopt the Motor Vehicle Inspection System for road safety and environmental impact improvement
  - **(Public Transportation)** Shift the paradigm to move more people and cargo by extending rail transport and bus rapid transit (BRT) (△ Standard gauge (1.4m) retrofitting △ Railroad passenger car component improvement)
  - **(Airports)** To relieve congestion at Manila Airport, ① Disperse flight demand to other airports, ② Expand local airports, ③ Develop and implement optimal airport strategies, including a new airport construction review
  - **(Harbors)** To make existing harbors more efficient, ① Enhance links between Manila and Batangas ports, ② Build up bulwarks, ③ Expand RORO shipping networks
  - **(Road Safety)** Improve road safety by creating an independent body that investigates traffic accidents and provides road safety guidance
- **(Related Ministries)** National Economic and Development Authority (NEDA), Department of Finance (DOF), Department of Transportation (DOTr) and Department of Public Works and Highways (DPWH)

## □ **Implementation Plan**

- **(Transport Policy & Administration)** Provide stronger support for comprehensive planning of transport infrastructure expansion, feasibility studies, and capacity building at transport-related agencies in line with the Philippine government's transportation strategies
  - Adopt ITSs (e.g., public transportation data management systems, electric toll collection systems, and a driver's license issuance system) and provide management technology support to set up a more effective traffic management system
  - Use knowledge-sharing programs to support the development, operation and management of transport infrastructure and related institutions, aiming to enhance the Philippines' transportation capacity
  - Strengthen the capacity of management agencies by transferring technology through previous transport infrastructure construction projects (e.g., Laguindingan Airport Development Project, Southern Manila Commuter Railway Project, GSO Road Widening Project and Samar Pacific Coastal Road Project)
  - Build large-scale essential transport infrastructure for an improved regional investment environment and balanced development and support safe and effective operational management systems using ICT
- **(Road Transportation)** Actively support the improvement in road infrastructure connectivity and in the transportation environment and promote the introduction of ITSs to address chronic road congestion and promote balanced land development, while contributing to sustainable economic growth
  - Seek participation in infrastructure construction, taking into account the need for bridges connecting the Philippines' major islands
- **(Air Transportation)** Build new airport infrastructure in local and island areas and enhance the transport environment to contribute to increased trade, balanced land development and sustainable economic growth

- Support local airport infrastructure building on major islands by improving existing airports or building new airports
- **(Harbor Transportation)** Build new port infrastructure in key areas and improve the marine transportation environment to promote trade and balanced land development

#### (4) Disaster Prevention

##### ☐ **Basic Directions**

- Reduce human and physical losses from disasters through structural and non-structural disaster prevention support
- Strengthen the human resources capacity of disaster-related agencies and local government units (LGUs) to build a comprehensive disaster response mechanism; and improve resilience to disaster damage

##### ※ Related SDG Target

- (SDG 11.5) Protect the vulnerable from disasters and reduce human and economic losses
- (SDG 13.3) Improve awareness-raising as well as human and institutional capacity in relation to climate change mitigation, adaptation, early warning systems and more

##### ☐ **Development Needs**

- **(Basic Goal)** To devise a safer and more integrated disaster prevention and response system for sustainable economic growth (Disaster risk management and climate change response capacity building in chapter 20 of the PDP 2017-2020)
  - Build community-based capacity to improve hazard forecasting and disaster response
  - Build infrastructure and integrated response mechanisms to prevent and mitigate disasters
  - Minimize damage through early forecasting and timely warnings

regarding natural disasters

**The Philippine Government's Key Tasks for**

**Disaster Risk Reduction**

- Design an LGU-based Disaster Risk Reduction Management (DRRM) plan
- Build hazard forecasting and early warning systems and implement related capacity-building
- Raise awareness of DRRM and CCA (Climate Change Action) among people
- Establish a control, management and supervision system in the event of a disaster

- **(Related Ministries)** Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), National Disaster Risk Reduction and Management Council (NDRRMC), Department of the Interior and Local Government (DILG) and Department of Social Welfare and Development (DSWD)

☐ **Implementation Plan**

- **(Disaster Risk Reduction)** Carry out structural and non-structural programs in parallel for disaster risk reduction to minimize damage from natural hazards
  - Provide structural support needed to fundamentally prevent hazards and disasters, including multipurpose dam construction, river dredging, bank management and pump facilities improvement to protect low-lying areas from flooding
  - Adopt an ICT-based system to improve weather forecasting, early warnings, etc., as part of non-structural support projects
  - Increase the quality of weather and hazard forecasting information services by enhancing the disaster-related human resources capacity of the Philippine government; and support the creation of a community based disaster risk reduction (DRR) system
  - Promote the establishment of community-based DRR systems and awareness-raising activities in partnership with international organizations and civil society organizations that have secured a local base and expertise.



### III. Performance Monitoring Guidelines

◆ **Recipient-country Development Goals (Cambodia's National Strategic Development)**

: To achieve inclusive growth, promote poverty reduction and improve quality of life in order to leap toward becoming an advanced democracy

◆ **CPS Goal**

: To contribute to improving the quality of people's lives through regionally balanced infrastructure building and economic growth

Priority Area	Goal(s)	Limitation(s)	Outcome(s)	Performance Indicator(s)
<b>Regional Development</b>	<ul style="list-style-type: none"> <li>To improve agricultural productivity through regional development and infrastructure development to reduce poverty among the poor and marginalized</li> </ul>	<ul style="list-style-type: none"> <li>Chronic poverty in marginalized areas</li> <li>Lack of irrigation canals</li> </ul>	<ul style="list-style-type: none"> <li>Regional imbalance of local infrastructure expansion narrowed</li> <li>Spread of participatory rural development models promoted</li> <li>Agricultural income growth program implemented</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in poverty index in program implementation target areas</li> <li>Growth in agricultural technology and information delivery</li> <li>Rise in the number of areas adopting participatory rural development models</li> <li>Income increase per farm household</li> <li>Increase in agricultural production</li> </ul>
<b>Water Management and Health/Hygiene</b>	<ul style="list-style-type: none"> <li>To improve access to primary health services through mother-child healthcare and universal health insurance</li> <li>To expand water management and waterworks facilities</li> </ul>	<ul style="list-style-type: none"> <li>Poor social infrastructure and the urban-rural gap</li> <li>Seasonal/regional disparity in supply of water resources</li> </ul>	<ul style="list-style-type: none"> <li>Health system modernized</li> <li>Health service environment improved through medical/health facilities modernization and health human resources capacity building</li> <li>Efficiency of water management improved</li> <li>An integrated water management master plan devised, and infrastructure established</li> </ul>	<ul style="list-style-type: none"> <li>Growth in the number of health professionals</li> <li>Improvement in satisfaction levels in health facilities among medical staff and patients</li> <li>Number of trained medical personnel</li> <li>Rise in waterworks penetration rates</li> </ul>
<b>Transportation</b>	<ul style="list-style-type: none"> <li>To lay the foundation for sustainable economic growth by building transport infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Poor transport infrastructure</li> <li>Lack of industrial development planning capacity</li> </ul>	<ul style="list-style-type: none"> <li>A comprehensive transport/housing infrastructure plan devised, and related institutions improved</li> <li>Transportation facilities management/maintenance capacity enhanced</li> <li>Transportation facilities expanded and upgraded</li> </ul>	<ul style="list-style-type: none"> <li>Rise in the length of upgraded roads (km)</li> <li>Growth in the number of transport facility users and freight volume</li> <li>Increase in regional traffic volume</li> <li>Decrease in average travel time</li> <li>Improvement in logistics competitiveness index</li> </ul>
<b>Disaster Prevention</b>	<ul style="list-style-type: none"> <li>To support disaster risk reduction through enhanced disaster/hazard prevention and response capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Weak social infrastructure</li> <li>Insufficient capacity of related agencies</li> </ul>	<ul style="list-style-type: none"> <li>Flood/hazard prediction and response system devised</li> <li>A DRR master plan tailored for LGUs fragile to disasters formulated</li> </ul>	<ul style="list-style-type: none"> <li>Rate of increase in forecast accuracy</li> <li>Rate of increase in relation to evacuation time before disasters</li> </ul>