



Australian Government

Department of Foreign Affairs and Trade

AUSTRALIA'S AID PROGRAM IN THE PHILIPPINES

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AUSTRALIA'S AID PROGRAM IN THE PHILIPPINES

Leading position as a foreign aid donor and 2nd largest bilateral donor in 2014 after US
7th largest donor overall in terms of Official Development Assistance (ODA) grants & loans

Australian ODA to the Philippines in 2015-16: AUD 84.8 M
represents 0.2 % of Philippine Governments annual revenue of USD 42.5 Billion

Table 1 Total ODA Expenditure in FY 2015-16

| Objective | AUD million | % of total ODA |
|---|--------------------|-----------------------|
| <i>Bilateral</i> | | |
| Objective 1 Enhancing the foundations for economic growth | 32.8 | 38.7 |
| Objective 2 Building stronger institutions for transparent and accountable governance | 17.8 | 21.0 |
| Objective 3 Improving conditions for peace and stability | 17.8 | 21.00 |
| Sub-Total Bilateral | 68.4 | 80.7 |
| <i>Regional and Global</i> | 12.5 | 14.7 |
| <i>Other Government Departments</i> | 3.9 | 4.6 |
| Total ODA Expenditure | 84.8 | 100 |

AUSTRALIA'S STRATEGIC PRIORITIES

Objective 1: ECONOMIC

Enhancing the foundations for economic growth

- Infrastructure, Women's Economic Empowerment, Education, Economic Reform

Objective 2: GOVERNANCE

Building stronger institutions for transparent and accountable governance

- HR and Organisational Development, Financial Management, Policy Reform, Child Protection

Objective 3: PEACE & STABILITY

Improving conditions for peace and stability

- Peace Process, Access to Quality Education, Humanitarian Assistance

THE OPERATING ENVIRONMENT

- 6% growth in 2015 and one of the fastest in Asia
- High population = slow GDP per capita
- Poverty incidence at 26.3% (27.9% in 2012)
- Improved credit ratings, increased FDI, fiscal policies sound
- Increased access to education and nutrition and K – 12 reforms
- Peace is holding, but BBL did not pass and new plans are being developed
- Reforms continue from Aquino to Duterte; 10 point economic plan is welcome
- A new AUS-PH Comprehensive Partnership (Nov 2015)

HIGHLIGHTS FOR AUSTRALIA IN 2015-16

- Leveraged AUD200 million in Phil. Gov funding for local roads in 74 provinces; rehabilitating 380 kms and maintaining 248 kms provincial roads
- Supported PPP's - tendered 12 projects; assisted Phil Government get the projects to market in which 2 projects worth USD631 million were awarded
- Supported the establishment of the Philippine Competition Commission
- Responded to Typhoons Melor and Koppu
- With the Dept of Education, we supported the K to 12 agenda with new curriculum development and teacher standards, built 87 classrooms, 101 day care centres and 252 school buildings
- Brokered three partnerships with Australian and Philippine Universities
- Supported the peace process with Gov't of Philippines, MILF and conflict affected communities

ANNUAL PERFORMANCE ASSESSMENT 2015-2016

AQC RATINGS

AQC investment performance over the previous 12 months and where available last year's AQC ratings are included.

| Investment name | Approved budget and duration | Year on year | Relevance | Effectiveness | Efficiency | Monitoring and Evaluation | Sustainability | Gender equality | Risks and Safeguards |
|---|---|--------------|-----------|---------------|------------|---------------------------|----------------|-----------------|----------------------|
| INI294 - Human Resource Organisational | AUD48,378,054.39 23/03/09 - 30/06/19 | 2015-16 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| | | 2014-15 | 6 | 6 | 6 | 6 | 5 | 6 | 5 |
| INI428 - Philippines Social Protection | AUD27,791,190.21 3/02/09 - 30/06/17 | 2015-16 | 5 | 5 | 5 | 4 | 5 | 4 | 5 |
| | | 2014-15 | 6 | 5 | 5 | 4 | 5 | 4 | 5 |
| INJ168 - Philippines Research Initiative | AUD5,844,267.74 1/01/10 - 30/06/19 | 2015-16 | 5 | 4 | 4 | 3 | 4 | 4 | 5 |
| | | 2014-15 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| INJ223 - Basic Education Sector Transformation (BEST) Program | AUD157,465,811.48 1/07/10 - 30/06/19 | 2015-16 | 6 | 5 | 5 | 4 | 5 | 5 | 5 |
| | | 2014-15 | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| INJ766 - Strengthening Public Private Partnership Program | AUD41,074,557.68 22/03/11 - 31/06/17 | 2015-16 | 6 | 5 | 5 | 5 | 5 | 4 | 5 |
| | | 2014-15 | 6 | 6 | 5 | 5 | 5 | 4 | 5 |
| ING581 - Philippines: Disaster and Climate Risks Management | AUD45,888,342.85 2/06/06 - 31/12/17 | 2015-16 | 6 | 5 | 4 | 4 | 5 | 5 | 4 |
| | | 2014-15 | 6 | 4 | 4 | 4 | 6 | 4 | 5 |
| INK078 - Public Financial Management Program Phase 2 | AUD29,264,942.93 1/07/11 - 30/06/17 | 2015-16 | 5 | 5 | 4 | 5 | 4 | 4 | 5 |
| | | 2014-15 | 5 | 5 | 4 | 5 | 4 | 3 | 5 |
| INH947 - Basic Education Assistance for ARMM | AUD97,899,830.33 1/09/09 - 30/06/17 | 2015-16 | 5 | 4 | 4 | 5 | 5 | 4 | 6 |
| | | 2014-15 | 6 | 4 | 4 | 4 | 4 | 4 | 5 |
| INI632 - Australia-WB Philippines Development Trust Fund | AUD47,094,288.00 1/06/09 - 30/06/16 | 2015-16 | 5 | 4 | 4 | 3 | 4 | 4 | 4 |
| | | 2014-15 | 4 | 4 | 4 | 3 | 4 | 3 | 4 |
| INJ839 - The Asia Foundation Partnership Philippines | AUD33,920,000.92 1/07/11 - 30/06/17 | 2015-16 | 5 | 5 | 4 | 4 | 5 | 4 | 5 |
| | | 2014-15 | 6 | 4 | 4 | 4 | 5 | 3 | 5 |
| INL343 - Peacebuilding in Conflict-Affected Mindanao | AUD22,401,639.26 1/04/14 - 30/06/17 | 2015-16 | 5 | 5 | 5 | 5 | 5 | 4 | 5 |
| | | 2014-15 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

ALIGNING INVESTMENTS TO PHILIPPINE PRIORITIES

- A new Philippine Development Plan is being drafted and Australia will update our AIP to align in 2017
 - new performance framework
 - strategic priorities and investments to remain broadly the same
- Agree a Plan of Action under the Comprehensive Partnership with mutual obligations
- New Gender Plan of Action across our investments
- Work with Gov't of Philippines and communities to support the peace process
- Good implementing partner performance needs to continue. Better use of partnerships to meet joint aid objectives

STRATEGIC PRIORITIES – THE NEW INVESTMENTS

New investments in next 18 months:
approximately 40% of the bilateral program will be re-set

Objective 1: ECONOMIC: Enhancing the foundations for economic growth
Infrastructure, Women's Economic Empowerment, **Education**, **Economic Reform**

Objective 2: GOVERNANCE: Building stronger institutions for transparent and accountable governance

- HR and Organisational Development, Financial Management, Policy Reform, Child Protection

Objective 3: PEACE & STABILITY: Improving conditions for peace and stability

- Peace Process, **Access to Quality Education**, Humanitarian Assistance



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