

# **PIUS** ANNUAL REPORT



**Investing in Risk Reduction  
for a Resilient Philippines**



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PIDS 2016 Annual Report

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# About the Institute



*Service through policy research*

**T**he Philippine Institute for Development Studies (PIDS) was created on September 26, 1977 by virtue of Presidential Decree No. 1201. It is organized as a nonstock, nonprofit government corporation.

PIDS serves as the Philippine government's primary socioeconomic policy think tank. It is ranked as one of the best think tanks in the world in the *Global Go To Think Tank Index Report* annually published by the Think Tanks and Civil Societies Program of the University of Pennsylvania.

Since its establishment, PIDS has been engaged in the conduct of policy-oriented studies to assist policymakers in crafting development policies, plans, and programs that are based on sound research evidence.

To carry out its mandate, the Institute maintains three basic programs: Research, Dissemination and Research Utilization, and Outreach.

## Research Program

The Research Program is concerned with the identification of studies based on the research agenda, development of research topics and

projects, and conduct of the studies. The PIDS research agenda is reviewed and updated every five years to reflect new and emerging development issues.

## Dissemination and Research Utilization Program

PIDS ensures that its research outputs are well disseminated to its stakeholders to promote their utilization in planning and policymaking. It fulfills this function by producing different types of publications; organizing appropriate fora to provide the proper venue for its researchers to present, discuss, and disseminate their research findings to various agencies and institutions, especially to policymakers; and using social media and online tools, including knowledge databases.

## Outreach Program

PIDS senior researchers provide direct advice to decisionmakers in the crafting or evaluation of policies or in the review and refinement of proposed legislations in Congress. Whether it is to assist in formulating the country's strategic position on APEC-related issues, in drafting a nationwide tax and tariff reform program, or in putting together a set of policy issues on food and agriculture in the Asia-Pacific region, they provide the necessary analysis by serving as resource speakers or technical advisers.

# Resilience Capacity Building



The year 2015 ushers in a new focus for the Institute's research program. The new PIDS research agenda centers on resilience capacity building. By resilience, the Institute recognizes the following characteristics: (a) capacity to reduce the vulnerability of society or communities to expected adverse shocks, and mitigate the adverse effects if and when these occur; (b) capacity to rebuild after shocks and build back better; and (c) capacity to take advantage of expected positive shocks, such as trade agreements.

To pursue this research agenda, the Institute upholds the importance of studying development issues using a multidisciplinary lens. Engaging different professions—social workers, psychologists, sociologists, educators, economists, and many others—is necessary to better understand what makes up resilient systems as well as the interaction of their various components in order to

come up with more effective and precise policy recommendations.

Related to this is taking a systems perspective in coping with adversity or in taking advantage of growth opportunities for the country. Understanding one side of the system is useful, but it is more useful if such knowledge is combined with others that are looking at the other components of the system. The systems perspective makes research become more useful to policymakers.

This new agenda likewise underscores that a good understanding of a system, its components, and how it works requires determining the trade-offs that policymakers need to consider in deciding between several policy options. Looking for the unintended consequences of proposed policies and programs is helpful in strengthening a policy recommendation and ensuring that it is consistent with the development objective it is supposed to attain.

You may download the full version of the PIDS research agenda at <http://bit.ly/pidsagenda>.

# PRESIDENT'S MESSAGE

The year 2016 marks the start of the operationalization of our new research agenda. Crafted by a team of social science experts through a rigorous review of current and emerging development issues and through consultations with various stakeholders, the five-year research agenda centers on building multiple resilience systems.

Thus, our studies in 2016 centered on investigating the factors that reduce the capacity of society to absorb different shocks and stresses that are not just economic in nature. These studies yielded results and policy recommendations anchored on data and evidence that policymakers will find useful in crafting appropriate interventions in building resilience. For instance, the study on the impact of the logging ban in the Caraga region found that the law was unsuccessful in averting the depletion of forests and even provoked corrupt activities to gain employment and income. This shows that well-intentioned policies can have bad outcomes that may further weaken the system and make it less resilient. Policies, therefore, need to be well studied before they are implemented. More holistic and realistic approaches are also needed to address both environmental and economic objectives.

All in all, we completed 36 studies in the areas of agriculture and fisheries, credit and microfinance, health and education, labor and employment, trade, housing and urban development, infrastructure, disaster risk reduction and management, social protection, and regional integration, among others.

In 2016, PIDS—the secretariat of the Philippine APEC Study Center Network—also began the APEC Policy Tools project. The output of this project is intended to assist policymakers in formulating the Philippine position in various agreements and in pushing the national agenda and priorities in APEC and other international fora.

The results of completed PIDS studies were circulated to our stakeholders through our comprehensive knowledge dissemination program consisting of publications, seminars, knowledge databases, and

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online and social media tools. During the year, the Institute released 56 discussion papers, 28 policy notes, a book that examined the issues affecting the logistics sector particularly port congestion, and two titles under the *Research Paper Series* (one tackling nongovernment reforestation in the Philippines and the other providing empirical evidence on the relationship between innovation and better productivity among firms). A double-volume of the *Philippine Journal of Development* sporting a new cover and page design was also released in 2016, which also coincided with the installation of the new Editorial Board headed by Dr. Dante Canlas. Through our quarterly newsletter, *Development Research News*, we continued making our stakeholders cognizant of pressing policy issues featured in PIDS studies and fora. We also released articles discussing global value chains and the blue economy under our *Economic Issue of the Day* series.

To encourage public engagement and promote informed conversations about the important issues of the country, we organized a total of 30 events in 2016. Among these events are our ongoing knowledge-sharing activities with the Senate Economic Planning Office and the Congressional Planning and Budget Research Department. Those fora have enabled us to assist legislators and technical staff in formulating their legislative programs and advocacies with the Institute's studies providing evidence and policy insights.

Another channel through which we inform our policymakers is by giving our comments and insights on proposed legislations. These are provided at the request of particular Senate and House Committee or specific senators or congressmen. Although we have been doing this for many years, we are reporting it in our Annual Report for the first time under the section "Legislative Inputs".

Furthermore, we completed another successful celebration of the Development Policy Research Month (DPRM). To disseminate the importance of resilience building throughout the Philippines, we proposed "Risks, Shocks, Building Resilience" as the DPRM theme for 2016, which we popularized through the slogans "Investing in Risk Reduction for a Resilient Philippines" and "*Angkop na Kahandaan: Matatag na Ekonomiya at Lipunan*" coined by the PIDS staff and used in all DPRM information and communication materials. Just like in the past years, we released a complementary technical publication, the *PIDS Economic Policy Monitor*, which examined the theme comprehensively in one of its chapters by providing in-depth analysis of policy issues and gaps as well as recommended interventions.

During the DPRM, we conducted five press conferences, two policy fora, a number of media appearances in radio and television shows, and the Second Annual Public Policy Conference (APPC) co-sponsored by the *Bangko Sentral ng Pilipinas* (BSP). The APPC brought together social science academics and policy experts from the

Philippines and overseas who meticulously examined the issues affecting the resilience of the macroeconomic/financial, agriculture, urban environment, and health sectors. Various government and private sector agencies, local governments, and academic/research institutions—totaling 81—also took part in the DPRM by promoting it and organizing their own events. Let me thank them for their active participation in this activity. As DPRM lead agency and convenor, PIDS is grateful to its fellow DPRM Steering Committee members—National Economic and Development Authority, Civil Service Commission, Presidential Management Staff, and Philippine Information Agency—for their relentless support to the DPRM all these years. The Department of the Interior and Local Government and the BSP have also become part of the Steering Committee in 2016. We were also fortunate to have collaborated this year with the National Disaster Risk Reduction and Management Council, Department of Health, Department of Agriculture, Department of Science and Technology, and Department of Social Welfare and Development as additional members of the committee in view of the theme on resilience building.

Finally, I am proud to report that PIDS was again recognized in the *2015 Go To Think Tank Index Report*. This is the fourth time that the Institute is being recognized by the Think Tanks and Civil Societies Program of the University of Pennsylvania which organizes the annual ranking and publishes the report. PIDS remained the top social policy think tank in Southeast Asia and placed 37th among the top 100 in the world. It ranked 40th in this category in 2012, when PIDS was included in the list for the first time. It also performed well in the international development think tank category (70th among the top 128 from 71st in 2012) and education policy think tank category (33rd among the top 65 since 2014). In 2016, PIDS also made it to the list of best think tanks in Southeast Asia and the Pacific, best government-affiliated think tanks, and think tanks with the best external relations/public engagement program. The East Asian Development Network Secretariat, which PIDS has been managing since 2010, was also recognized as one of the best think tank networks.

As the Philippines enters a new chapter in 2016 with the assumption of a new administration, the Institute remains committed to its mandate to provide this country's roster of policymakers and development planners with sound policy advice and empirical evidence necessary to make informed policy decisions.

Mabuhay!

**GILBERTO M. LLANTO**  
President

# Research Activities



With “resilience capacity building” as the theme of its Research Agenda for 2015–2019, PIDS conducted policy-oriented studies in 2016 that focused on reducing the vulnerability of society to adverse shocks and stresses.

Through these studies, the Institute highlighted the importance of resilience thinking and the role of research institutes and policy think tanks in the

formulation of appropriate policy interventions for building resilience. In line with this thrust, the Institute completed a total of 36 research projects/studies in 2016 in the areas of agriculture and fisheries (3), competition policy (2), credit and microfinance (1), disaster risk reduction and management (2), education (5), environment and natural resources (1), governance (1), health (4), housing and urban development (1), information and communications technology (1), infrastructure (1), labor and employment (2), poverty/livelihood (3), regional integration (1), services sector (2), and impact

evaluation (6). Furthermore, there were 24 ongoing research projects as of the last quarter of 2016.

The Institute also continued its collaboration not only with national government agencies but also with international research organizations in the conduct of several of its ongoing and completed studies in 2016. The local agencies included the Department of Agrarian Reform, the Department of Health (DOH), the Department of the Interior and Local Government, the Development Academy of the Philippines (DAP), and the Commission on Higher Education (CHED). Among its international research partners were the Australian Centre for International Agricultural Research (ACIAR), the CUTS Centre for Competition, Investment and Economic Regulation (CUTS C-CIER) – Jaipur, the Economic Research Institute for ASEAN and East Asia, the International Initiative for Impact Evaluation (3ie), and the Institute of Developing Economies–Japan External Trade Organization.

Brief descriptions of the completed studies are provided below with other details in Annex A. The list of ongoing studies is in Annex B.

## Completed Studies

### AGRICULTURE AND FISHERIES

#### Food (In)security and the Price of Rice Self-Sufficiency

This study examines the unintended consequences of the quantitative restrictions on rice imports. Data reveal that the government's rice self-sufficiency policy, implemented in the name of food security, drove rice prices up to the detriment of the poor. The study notes that the Philippine government did the right thing in pursuing production support programs for rice. What the government got wrong was the extension of the special treatment when it expired in 2012, which maintained the restrictive policies through the quantitative restrictions, which only continued to escalate rice prices. The study argues that the government should have taken a more judicious stance as far

as the special treatment is concerned and should have implemented tariffication in 2012 instead of extending it.

#### Embedding the Agricultural Model for Policy Evaluation (AMPLE) in a Computable General Equilibrium (CGE) Model to Analyze Intersectoral and Economy-Wide Policy Issues

This study uses an updated set of projections for Philippine agriculture that addresses the following key issues: (a) the proper modeling of land allocation to better analyze the implications of land scarcity under climate change; (b) the impact of climate change, agricultural productivity growth, and trade liberalization on agriculture; (c) the indirect impacts of climate change and agricultural productivity growth on the rest of the economy; and (d) the impact of productivity growth in manufacturing and services on agriculture, including on agricultural wages. To address issues (a) and (b), the study provides a new approach toward modeling land allocation and updated projections for agriculture to 2030 using the extended AMPLE. The study addresses issues (c) and (d) by extending AMPLE into a CGE version, called AMPLE–CGE, which is still being developed. It also documents the compilation of the AMPLE–CGE dataset, namely, the 2013 Social Accounting Matrix.

#### Reducing the Unintended Consequences of Overfishing: Learning from the Zamboanga Experience

The study reviews the basic theory of overfishing; the institutions, laws, and policies related to overfishing in the Philippines; and past and current efforts to curb overfishing in the country. It also looks into the sardine industry in the Zamboanga Peninsula as a case study. Among others, the study argues that the effectiveness of the closed fishing season in Zamboanga was brought about, to a significant extent, by the active involvement of the private stakeholders in fisheries management and the promotion and enabling of effective collective actions by all involved parties. The study recommends conducting an impact assessment of the closed season strategy and looking into its economic, social, environmental, institutional, and other effects to determine its long-term viability as an approach to the overfishing problem.



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## COMPETITION POLICY

### Competition Reforms in Key Markets for Enhancing Social & Economic Welfare in Developing Countries (CREW Project)

The CREW Project implemented by CUTS C-CIER aims to develop an approach that would help assess the benefits of competition reforms on consumers and producers in the staple food and passenger transport sectors. As the implementer of the CREW Project in the Philippines, PIDS conducted two studies. One of them investigated the current state of competition in the Philippine rice sector, particularly the effects of the import monopoly and quantitative restrictions; the other focused on improving bus operations.

### Assessment of Bus Transport Operator Consolidation along EDSA as a Regulatory Strategy: Benefits, Costs, and Implications for Market Competition

This paper looks at options for consolidating bus operators along Metro Manila's main thoroughfare, the Epifanio de los Santos Avenue (EDSA), as a way to address road congestion. Based on the review of country experiences, one option is to shift the competition framework for bus transport services toward the competition "for the market" model from the current "in the market" model. Under competition "in the market", which is Metro Manila's existing framework, buses directly compete for passengers on the road. In contrast, the competition "for the market" framework requires bus operators to compete ex-ante, under a government-led tendering mechanism, for the right to provide services in a particular bus route, ensuring that

only the most efficient bidder will be selected. The paper argues that this approach creates a stronger incentive for operators to consolidate because they have to compete for the right to provide bus service in a given route. In this case, government has more control of critical aspects of bus services, such as the design of the bus network, quality standards, and frequency, among others, providing an opportunity to address the market failures inherent in liberalized urban bus markets. The Philippine government, via its pipeline of bus-rapid-transit (BRT) projects, is on its way to test the efficacy of the "for the market" framework, but for this framework to be effective, the paper recommends a review of the Public Service Act and the application of the framework to non-BRT networks.

## CREDIT/MICROFINANCE

### Comprehensive Study on Credit Programs to Smallholders

This study looks at the existing credit programs for smallholders, including agrarian reform

beneficiaries (ARBs). It assesses the Agrarian Production Credit Program (APCP) implemented jointly by the Department of Agriculture and the Land Bank of the Philippines for ARBs using agrarian reform beneficiary organizations (ARBOs) as retailers. The study shows that there are various credit programs for small farmers with almost similar features; their basic difference is in the funding source that essentially determines the purpose and the specific target clientele. The study finds a weak coordination between and among agencies assisting small farmers, which leads to duplication and, at times, even conflicting signals. The APCP seems to have accomplished its objective of increasing the flow of credit to ARBs and ARBOs. But in terms of enhancing capacities, the capacity-building assistance received from the APCP has been mostly random, sporadic, and not systematic. The study recommends policy measures, such as reducing the costs of and the risks associated with agricultural lending and smallholder finance in order to provide the appropriate environment that would increase private sector participation in smallholder finance.

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## DISASTER RISK REDUCTION AND MANAGEMENT

### An Assessment of the Sectoral and Institutional Implementation of the National Disaster Risk Reduction and Management Plan (NDRRMP)

This study examines the grounding and sectoral translation of the NDRRMP, focusing on the thematic areas of disaster prevention and mitigation, preparedness, response, and recovery. Republic Act (RA) 10121, also known as the Philippine Disaster Risk Reduction and Management Act of 2010, provided for the crafting and implementation of the NDRRMP, outlining the activities aimed at managing risks and strengthening institutional arrangements and capacity at the national and subnational levels. The NDRRMP supposedly outlined the way toward mainstreaming of disaster risk reduction and management (DRRM) and climate change adaptation in policy formulation, development planning, budgeting, and governance with its 4 priority pillars detailed in 14 objectives and 24 outcomes. The study notes that notwithstanding evident weaknesses in grounding and institutional translation, the policy support and the departmental creativity exhibited by the theme leaders attest to the competence of local executive servants. Disaster risk management (DRM) had influenced development processes and institutional initiatives within five years from the NDRRMP's launching. Key recommendations from this study include addressing equitable distribution of resources by giving priority to the poorest local government units; developing financing schemes for preparedness; establishing a separate window and audit rules for disaster funding, and budget tagging and strict reporting of DRRM funds; capitalizing on the mainstreaming opportunities afforded by the Local Disaster Risk Reduction and Management Councils; addressing human resource and institutional issues; using relevant information and communications technology (ICT), including the development of a dynamic unified vulnerability map; and ensuring a whole-of-society approach and bottom-up participation in DRM. Ultimately, strengthening RA 10121 through appropriate local and sectoral grounding and more apt institutional arrangements would ensure the realization of the full potential of the law.

## Research on Urban Resilience to Natural Disasters of Households, Firms, and Communities in the Philippines

This study looks into the current socioeconomic research on resilience to natural disasters among urban households, firms, and communities in the Philippines. It reviews available analytical frameworks, methodologies, and empirical studies to identify research gaps. The paper describes the Philippines and Manila as among the least resilient countries and cities in the world. It also shows that there are foreign and locally developed analytical frameworks and methodologies on urban resilience that have been used in research including in the Philippines. The paper identifies some gaps in the current research on urban resilience in the country and recommends specific researches and related activities that can be undertaken in the future.

## EDUCATION

### Trends in Out-of-School Children and Other Basic Education Statistics

The study finds improvements in school participation of school-age children based on statistics sourced from the Basic Education Information System and the Enhanced Basic Education Information System of the Department of Education (DepED), and from results of household surveys conducted by the Philippine Statistics Authority (PSA) such as the Annual Poverty Indicators Survey (APIS). Further scrutinizing these data sources to analyze persisting disparities among various groups (e.g., boys versus girls, poor versus nonpoor, urban versus rural population), and to probe why some children continue to be out of school, the paper notes that despite the gains in output measures of the basic education system, some children are still left behind. The study emphasizes some policy issues, such as increasing the cash support of PHP 300 for preprimary and primary-age beneficiaries of the *Pantawid Pamilyang Pilipino* Program (4Ps), carrying out more aggressive interventions to improve the health and nutrition of children even before they go to school, investigating why more boys than girls lack interest in attending school, reviewing and beefing up the use of ICT inside and outside the classroom, strengthening the alternative learning system, and improving DepED's capacity in using data generated from its administrative reporting systems as well as from surveys of the PSA.

## Review of the Student Financial Assistance Program (StuFAP)

The study reviews the student assistance for higher education to determine what enabling legislation and other measures are needed to strengthen the efficiency and equity of higher education. This study was motivated by pending bills in Congress seeking to improve tertiary education completion by strengthening student financial assistance. There are three basic kinds of student financial assistance: scholarships, loans, and grants-in-aid. Despite their different target beneficiaries, all were designed to improve efficiency and access to education. In the current scenario, the StuFAP is far from perfect. It is bordering on tokenism and covers merely a small percentage of students. State universities and colleges (SUCs) have also been unsuccessful in expanding access to education,

## WHY ARE MANY FILIPINO KIDS NOT IN SCHOOL?

Data from 2008 to 2014 reveal improvements in school participation. However, there remains more than a million school-age Filipino children who are not in school.

### CURRENT SCENARIO

FILIPINO CHILDREN WHO WERE OUT OF SCHOOL IN 2014

1.1 M  
AGED 5-15 Y.O.

420,000  
AGED 6-11 (PRIMARY)

606,000  
AGED 12-15 (SECONDARY)

About  
**50%**  
belonged to families in the bottom  
25 percent of the income ladder



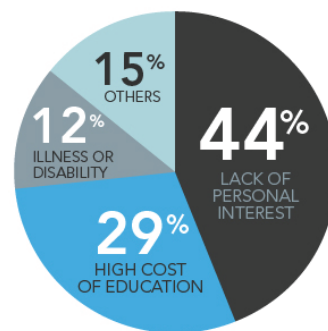
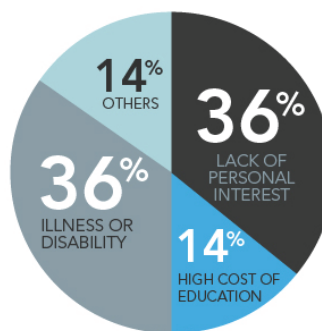
**3 out of 5** children were boys



### REASONS FOR DROPPING OUT

AGED 6-11 (PRIMARY)

AGED 12-15 (SECONDARY)



Infographic by Gizelle Manuel/PIDS

**"The success of a student loan program depends on the details of its design, institutional arrangement, and implementation capacity, particularly in terms of repayment that is critical for program sustainability. Better financing for the development of a workable, efficient, and sustainable student loan program is needed."**



Photo by Gizelle Manuel/PIDS

leaving the poor even more disadvantaged. Given all these, the study accentuates the need to reform the current student financial assistance system and to have a well-tested and empirically verified integrated StuFAP that offers its beneficiaries the freedom of informed choice.

### Review of Student Loan Program

This study presents the past and current government student loan schemes and processes, assesses the student loans' existing legal framework and initiatives, and identifies possible policy recommendations in scaling up the student loan program. In theory, student loan has the potential to serve as an effective financing instrument. It gives a higher rate of return and addresses household liquidity constraints and capital market failure. It is, however, misconstrued as intended for the poor. In reality, low-income and better-off families who are willing and able to pay for tertiary education but are financially constrained are the market of student loans. The success of a student loan program depends on the details of its design, institutional arrangement, and implementation capacity, particularly in terms of repayment that is

critical for program sustainability. Better financing for the development of a workable, efficient, and sustainable student loan program is needed. In lieu of legislative measures introduced in Congress to address specific problems, a unified bill on student loans can be proposed, which is what the proposed Unified Student Financial Assistance System for Higher and Technical Education Act aims to address. This bill aims to harmonize and strengthen the existing scholarship, grants-in-aid, and student loan programs of the national government for higher education and technical and vocational education, in order to improve their efficiency and ensure that access to educational opportunities are given to deserving Filipinos who need them most.

### Framework for Tuition Fee Negotiations

This study aims to establish a reasonable rate of increase for tuition fees in private universities. Increasing tuition fees has important consequences on overall educational attainment and distribution of educational opportunities. To rationally justify tuition fee adjustments, a general framework needs to be established. To develop



the framework and to provide empirical bases for the adjustments, the study analyzes school inputs, school performance outcomes, and tuition rates, and also assesses financial viability. The study also proposes methodologies on tuition fee calculation that involves a long-term planning orientation in consideration of sustainability, and addresses problems with monitoring and regulation based on short reference periods (i.e., one year). It suggests the use of performance indicators for the financial monitoring and performance assessment of higher education institutions (HEIs). Related to this, the study conducted activities aimed at improving the data collection of CHED on tuition fees. Complete, valid data on faculty, enrollment, and tuition fees are necessary to establish relationships between identified proxies for higher education quality.

### Research for K to 12 Transition Planning

In 2014, the Tertiary Education Sector Transition Fund (TESTF) was proposed to help mitigate the impact of K to 12 on HEIs and their personnel during the transition period from school year (SY) 2016 to SY 2021. CHED commissioned PIDS to conduct a number of research activities to provide empirical basis for the TESTF, including: (a) a census of HEI teaching and nonteaching personnel who may be affected; (b) a geo-mapping of demand for K to 12 and supply of senior high schools (SHS); (c) a study on the plans and perception of

teaching and nonteaching personnel regarding K to 12; and (d) a study on the HEI transition plans given various scenarios of enrollment during the transition period. The census of faculty and nonteaching staff provided information on the qualifications of faculty and potential recipients of the scholarships and grants. The geo-mapping of the supply and demand for SHS has allowed CHED to create a policy on SUC engagement with their HEIs. The estimates of staff that may be displaced, including estimates on median salaries, guided the Department of Labor and Employment (DOLE) in forming their Adjustment Measurement Program (AMP). There are several mitigation measures that go beyond income support for displaced personnel, such as DepED's Green Lane, DOLE's AMP, and CHED's measures to upgrade higher education. To mitigate the impact of the K to 12 transition, the study suggests implementing scholarships for graduate studies and short-term training for professional advancement, development grants for faculty and staff, innovation grants for institutions, and support for SHS implementation.

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## ENVIRONMENT AND NATURAL RESOURCES

### Planting Seeds of Self-Defeat: Effects of Unrealistic Regulations on the Caraga Wood Industry and Forest Conservation

The study examines the impact of Executive (EO) Order 23 on the wood industry by building from the findings of a study that analyzed the performance of the wood industry in the Caraga Region (Region XIII). It finds that EO 23 has failed to achieve its avowed objective of stopping the cutting of trees in the natural-growth and residual forests. The law has also adversely impacted the timber and wood processing industry within a relatively short time of five years of implementation. If left unchecked, there can be more potential adverse effects in the years ahead. The study emphasizes the need to redesign EO 23 and its implementation. The redesign should recognize that a more holistic but realistic approach is needed for a sustainable, effective, and economically sensible alternative strategy—one that would be a win-win for both conservation of natural-growth forests and generation of jobs and income.

**“EO 23 has failed to achieve its avowed objective of stopping the cutting of trees in the natural-growth and residual forests. The law has also adversely impacted the timber and wood processing industry within a relatively short time of five years of implementation.”**

## GOVERNANCE

### Program Evaluation of the Public Management Development Program (PMDP)

Commissioned by the DAP, this study conducted a process evaluation of the PMDP and looked into indicative intermediate outcomes. The assessment focuses on course content and program implementation, scholars' performance after graduation, scholars' application of gained learnings and developed competencies from their PMDP experience, and other indicators of intermediate program outcomes at the individual and institutional levels. Results indicate that after four years of program implementation and after having graduated multiple batches of middle managers and senior executives, the PMDP appears to have adhered to its mandate and program objectives. Emerging or indicative patterns of results signify movement toward the realization of intended program outputs and outcomes. The testimonies and experiences of the scholars helped clarify the PMDP's specific program objectives. A survey among graduates further pointed to behavioral competencies that demonstrated increased confidence, readiness to assume greater responsibilities, and strengthened sense of kinship, mutual support, and harmony. Scholars returned to work with improved competencies to contribute to their respective organizations but limited by institutional opportunities, barriers, and other bureaucratic realities. Successful introduction of change and innovation in their respective agencies have also been reported by the returnees. Given the above and notwithstanding attribution issues, the PMDP may have a reasonable claim to relative success. However, certain issues and weaknesses in program implementation have to be addressed.

## HEALTH

### Putting Prevention of Childhood Stunting into the Forefront of the Nutrition Agenda: A Nutrition Sector Review

Based on a review of how the nutrition agenda has been formulated in various national and international goals, this paper suggests that preventing childhood stunting be placed at the forefront of the national nutrition agenda. The paper describes a simple framework that brings



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together various dimensions of the childhood stunting problem, namely, (a) the key determinants (pathogenesis) based on the interplay between dietary intake and infection; (b) the short- and long-term consequences (survival, learning, and economic productivity); (c) the short window of opportunity to prevent stunting (the first 1,000 days from conception to the first two years of the child's life); (d) the link between childhood stunting and chronic diseases; and (e) the intergenerational aspects of childhood stunting. Assessments of specific nutrition projects have uncovered various implementation issues of targeting, coordination, management structures, logistics, and sustainability. On the underlying structural problems, the paper proposes an approach for delivering and financing nutrition interventions using existing platforms—in particular, the social protection platform and the health services and financing platforms. It also outlines areas for further research and analysis, including the regular estimation and publication of nutrition expenditures (nutrition accounts) as a subaccount of the National Health Accounts.

### **The Irony of Reproductive Health (RH) Law Critics' Opposition to Comprehensive Sex Education**

In December 2012, Congress approved a comprehensive RH law that guarantees universal access to services, including age-appropriate health and sexuality education in schools. Critics then raised a public health concern, arguing that exposing children to reproductive health care, especially mandatory sexuality education, would lead to earlier sexual initiation and higher rates of sexual activity among them. Using the 2008 National Demographic and Health Surveys, this

paper analyzes how sex education relates with the sexual behavior of women aged 15–24. Contrary to critics' expectations, the study finds that less informed women tend to have earlier sexual initiation and a higher rate of sexual activity among young adults. The evidence further indicates that these consequences would likely lead subsequently to reduced human capital given a lower level of educational attainment.

### **Health Financing for the Poor in the Philippines**

The study reviews the progress of various initiatives for the Indigent and Sponsored Programs of the Philippine Health Insurance Corporation (PhilHealth). Results show that indigent membership in PhilHealth has surged in recent years due to the nationwide identification of the poor. However, this has led to the enrollment of more members than what official poverty estimates give, resulting in leakages. The study suggests the compulsory enrollment of informal sector members. With its current voluntary nature, informal sector enrollment is determined more by the ability to pay, which neglects the needy who have no ability to pay and, thus, cannot enroll and avail of the program benefits. To address these issues, the paper recommends the expansion of the sponsored program to include the informal sector, particularly the disadvantaged.

## Health Systems Research Management in the DOH

Funded by the DOH, this project aims to assist in building the capacity of the DOH and PhilHealth to formulate, implement, and monitor health policies in support of the former administration's Aquino Health Agenda (AHA), which was articulated in the Universal Health Care–*Kalusugan Pangkalahatan* Initiative. Through this project, several component studies were carried out, which provided critical updates and new information on the progress of the AHA. Several of these critical updates and new information were published in a special volume of the *Philippine Journal of Development*, the peer-reviewed journal of PIDS. The volume featured seven papers from the project, namely, (1) Analysis of the Philippine Health Insurance Corporation's Individually Paying Program and Employed Program; (2) Sustainability of the National Government Premium Subsidy for Indigents; (3) Institutional Financing of Catastrophic Health Expenditures; (4) Analysis of Out-of-Pocket Expenditures in the Philippines; (5) Prevalence of Philippine Prescribing, Dispensing, and Use Behavior in Relation to Generic Drugs and their Risk Factors; (6) Public-Private Partnership Options toward Achieving Universal Health Coverage in the Philippine Setting; and (7) Health Care in Private Schools and Private Establishments in the Philippines.

## HOUSING AND URBAN DEVELOPMENT

### Rent Control in the Philippines: An Update

Rent control was introduced in the Philippines in 1971 to stabilize the prices of basic commodities during periods of calamities and macroeconomic instability. Rent control-related policies, however, have been noted in many countries to have adverse impacts on the rental market. Consequently, in the Philippines, the government made changes to the original rent control setup by adopting rent controls with less rigidities. Using 2014 data of families in Metro Manila from the Family Income and Expenditure Survey and the APIS, this study determined whether second-generation rent control is free of the adverse impacts of its predecessor. The results show (a) there is little evidence of the transfers from landlords to tenants of units under rent control in Metro Manila in

2014; (b) there is evidence that the housing services, specifically for the low-income groups, are substandard; and (c) those who benefit most are the higher-income groups that have access to better housing while the low-income families have to contend with substandard and expensive housing. The study concludes that the rent control law is not the appropriate policy to address the housing problem of the poor and marginalized households, nor of encouraging investments in affordable rental housing. A better alternative could be the provision of rental incentives to private owners in housing subdivision with legal rights and adopting a tenure-neutral housing policy in order to address the main issue of the lack of affordable and decent housing in the market.

## ICT

### Examining Trends in ICT Statistics: How Does the Philippines Fare in ICT?

This paper discusses the rise of big data or digital data exhaust from using ICT tools, and its potentials as an alternative data source for statistics especially in the wake of the world's commitment to the 2030 Agenda on Sustainable Development and the Sustainable Development Goals. It also gives a brief history of the Internet in the Philippines and discusses the increased Internet access and usage in the country. It also examines the issues affecting the ICT sector, particularly infrastructure and the policy environment, and provides some suggestions on how the Philippines can make its digital dividends more inclusive.

## INFRASTRUCTURE

### Cargo Truck Ban: Bad Timing, Faulty Analysis, Policy Failure

This study examines the impact of the Manila truck ban that constrained the movement of cargo to and from the Port of Manila. Although the road congestion was relieved, the truck ban led to a negative spillover effect—port congestion—that delayed the releasing of cargo and increased shipping costs. The study recommends immediate, medium-term, and long-term solutions to the congestion problem, including expanding the capacities of the Batangas and Subic ports. This,

the authors noted, should be part of a policy package to divert volume away from the Port of Manila and to compel shippers and consignees near these two ports to use them.

## LABOR AND EMPLOYMENT

### The Impact of Legal Minimum Wages on Employment, Income, and Poverty Incidence in the Philippines

It is commonly believed that mandating higher legal minimum wages (LMWs) is needed to help the poor earn a level of income that would allow them healthy and dignified lives. This study looks into current data to see how effective in reality is minimum wage legislation as a tool for improving the standard of living of the poor and other disadvantaged population groups. Current empirical evidence suggests that LMW effects are mixed. The size of the employment impact in developed countries tended to be negligible or slightly positive. Some influential advocates of higher LMWs have used this finding to support calls for large increases in LMWs. The study finds that contrary to the above findings, increases in LMWs have had statistically and quantitatively significant negative impact on employment and hours of work. Particularly, it indicated that higher LMWs: (a) are likely to reduce the work hours of average workers; (b) can be disadvantageous against the very groups that LMWs are intended to protect; (c) decrease the employment probability of the young, inexperienced, less educated, and women laborers; and (d) tend to ironically reduce average income and raise household poverty rate. Results illustrate how rapid rises in LMWs can be counterproductive and can go against the spirit of equal protection principle of the Constitution. If the goal is to help the poor and protect the weak, these findings signify the need to think more deeply and prudently about the use of LMWs and to consider other tools for achieving decent wages.

### Beware of the “End Contractualization!” Battle Cry

In the aftermath of the 2016 election, labor leaders and their political allies pushed for an immediate end to the so-called employment “contractualization”. The idea is for the government to tighten and reduce, if not prohibit, the use of

temporary employment contracts (TECs) and job outsourcing. This study analyzes the policy idea and its potential economic consequences by looking at the roles of TECs and job outsourcing in the functioning of efficient labor markets, the experience of European countries regarding TECs, and Philippine employment data. Based on the results, the study notes that while the policy idea is anchored on good intentions, it can undermine the goal of achieving rapid, inclusive, and sustained economic growth. It suggests a framework that can be useful in formulating a coherent policy on temporary employment and a strategy for dealing with end-of-contract (otherwise known as “endo”) practices.

## POVERTY

### Why Inequality Matters in Poverty Reduction and Why the Middle Class Needs Policy Attention

This paper examines trends in macroeconomic statistics, and the progress the country has had in implementing the Philippine Development Plan as well as in achieving the Millennium Development Goals. It discusses the need to address the lack of political inclusion. It also looks into income distribution and income inequality, and proposes a definition of the middle-income class, laying down seven income classes based on the national poverty lines (set by the PSA). The paper also profiles the middle-income class vis-à-vis other income classes given the potential of the middle-income

**“While the (endo) policy idea is anchored on good intentions, it can undermine the goal of achieving rapid, inclusive, and sustained economic growth. ”**

**"The limited economic opportunities for women suggest the need to have more home-based livelihood activities, beyond farming and vending."**



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class to sustain economic growth. It argues that government should not only focus its attention on the poor but should also strengthen the middle class to improve economic opportunities and reduce inequalities.

#### ***Pantawid Pamilyang Pilipino Program: Boon or Bane?***

The study examines whether the 4Ps is useful or wasteful in terms of advancing social protection alongside economic reforms. Data show that the poor do respond correctly to incentives of highlighting the importance of investing in the human capital of their children even if returns from such investments are far from their usual immediate concern. The study finds that the abolition or the scaling down of the 4Ps would probably have damaging unintended consequences on the present and future welfare of poor children. Such policy decision would arguably reduce beneficiary children's opportunities for gainful jobs as well as their chances of moving out of poverty when they become adults. The study recommends addressing issues on the mixed effects of the program, size of grant, and grant conditions, in order to maintain and enhance the impact of 4Ps on the welfare of the poor.

#### **Poverty Alleviation of Women and Children with Disabilities**

This study seeks to understand the disability-poverty nexus in the Philippines and to provide deeper insights on the situations of women and children with disabilities. The study also aims to look into the access of persons with disabilities (PWDs) to various government programs. To this end, PIDS conducted a survey of adult women PWDs and households with PWD children in San Remigio and Mandaue City, both located in Cebu Province. Based on the survey results, there are certain areas where improvements can be done to elevate the well-being of women and children with disabilities. The findings also suggest the need to have a Special Education School in San Remigio to provide a better learning environment for children with disabilities. The limited economic opportunities for women suggest the need to have more home-based livelihood activities, beyond farming and vending. Training related to such activities may also be necessary to provide PWD women with the needed skills. Access to PhilHealth is still quite low, despite the aim of government to provide universal health coverage. More targeted information campaign is necessary to expand coverage, particularly for PWDs, many of whom require health services.

## REGIONAL INTEGRATION

### What Does ASEAN Mean to ASEAN Peoples? The Philippine Case

Using a purposive online and paper-based survey and focus group discussions with select target groups, this study makes inferences about the level of awareness of the Filipino people on the Association of Southeast Asian Nations (ASEAN), their perceived problems confronting the Philippines and ASEAN, and their aspirations, concerns, and hopes for the association. It reveals moderate familiarity of ASEAN as well as modest identification as ASEAN citizens, which improves with age and experience. There is also a general sentiment that Philippine membership in the association is beneficial for the country, albeit also moderate. The study validates the most immediate concerns being faced by the Philippines today, notably, affordable Internet connection, poverty, corruption, agriculture and food security, and energy provision and price. The most pressing regional-level concerns are climate change and natural disasters, territorial/maritime disputes, trade and investment issues, agriculture and food security, and income disparity and social inequality. These reflect the priorities that ASEAN leaders should focus on in the immediate future to remain relevant and responsive to the needs of ASEAN peoples. For its part, ASEAN must provide a strong leadership role in integrating its member-states, which individually are also confronted by a host of problems. As ASEAN's coordinating body, the ASEAN Secretariat needs to strengthen its capability to provide more effective technical support to the association in meeting its goals and aspirations.

## SERVICES SECTOR

### Service Innovation in Philippine Industries

This paper examines the evidence on service innovation using the 2012 Census of Philippine Business and Industry and the 2009 Pilot Survey of Innovation Activities. It reveals the wide variation in research and development intensities and the differences in innovation behavior between the manufacturing and services sectors, for example, with respect to information sources and innovation activities. Many similarities were also

**"A big push for the manufacturing sector implies more and better services, not less. Services are critical inputs in manufacturing production and this is likely to intensify with the advent of new technologies."**

detected in terms of service product innovation, the popularity of organizational innovation, and the preference for training activities, among others. Analyses reveal that the size of the firm is a good determinant for all types of innovation. Ownership and age were also significant for certain innovation outputs, which could help inform policies on foreign direct investments and entrepreneurship. Furthermore, the results show the importance of service innovation not only for the services sector but also for the manufacturing sector consistent with servicification. In general, different types of innovation are undertaken by industries for various reasons and the technological and the nontechnological forms of innovation complement each other. If the government aims to promote economy-wide upgrading, support for innovation should not favor only one type of innovation output or activity. Further research on innovation behavior to cover more industries would be useful in developing a comprehensive and more nuanced approach to innovation policy.

### Why Manufacturing Resurgence Will Mean More Services, Not Less

To inform policy discussions and the formulation of additional strategies to implement the government's Manufacturing Resurgence Program (MRP), which

is planned to be implemented until 2025, the paper examines the role of services in manufacturing production and trade. It examines patterns of services utilization in Philippine manufacturing and in other countries. Implications of the MRP for services reform are discussed to better align the strategies under the Comprehensive National Industrial Strategy. A key message of the paper is that a big push for the manufacturing sector implies more and better services, not less. Services are critical inputs in manufacturing production and this is likely to intensify with the advent of new technologies. The paper emphasizes that the government, in its pursuit of manufacturing resurgence, should prioritize structural reforms particularly in services needed by producers and exporters. Improving the regulatory regime for services trade is especially crucial to enable manufacturing firms to participate and move up the global value chains.

## IMPACT EVALUATION

### 3ie-CLEAR-PIDS Course on Impact Evaluation

PIDS conducted the “Impact Evaluation Course: How to Design and Conduct Impact Evaluation” sponsored by the 3ie as part of its capacity-building activities. The two-week course from January 4 to 15 trained young academics, evaluators, and researchers on how to use econometric and statistical methods to evaluate the impacts of social and other programs in developing countries. It was attended by 30 participants—12 from regional universities and 18 from government agencies.

### Design of Impact Evaluation of Programs under the Department of Social Welfare and Development in the Philippines

This study crafts an evaluation design for enhancing the effectiveness of the Sustainable Livelihood Program (SLP) through better sorting of beneficiaries into the microenterprise development (ME) track, and the employment facilitation (EF) track using the Public Employment Service Office (PESO), for employment facilitation of 4Ps beneficiaries. While it is known that not all can be entrepreneurs, there is really no clear-cut sorting mechanism for identifying which participants have a better chance of succeeding under the ME and EF tracks. The primary evaluation questions considered were: (a) for the first evaluation: Do characteristics-based sorting schemes improve the chances of success in the ME and EF tracks of SLP? and (b) for the second evaluation: Does employment facilitation through the PESO compared to the readily available alternative in employment programs of national government agencies and cooperating private firms improve the chances of landing in sustainable employment in the private sector?

### Impact Evaluation of Banana Insurance Program of the Philippine Crop Insurance Corporation (PCIC) in the Davao Region

This study evaluates how the agricultural insurance program (AIP) implemented by the Philippine Crop

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Insurance Corporation (PCIC) made an impact on banana growers in Davao Region (Region XI). The study shows that the present coverage of the agricultural insurance is not sufficient to stabilize the income of banana farmers hit by shocks. This can be attributed to the low insurance coverage, which is only 55 percent of the production cost of banana. Without the subsidy of the government and the existing coverage and premium rate, the agricultural insurance for banana would not be sustained. Moreover, the AIP has not fully penetrated the whole banana industry due to poor information dissemination. Thus, the study recommends that educational programs to inform the farmers about the benefits of modern risk management schemes be prioritized to instill the importance of agricultural insurance in boosting their resilience to shocks.

### **Evaluation of the Impact of the Agricultural Insurance Program of PCIC on Rice Producers in Region VI**

With the substantial amount of public funds that goes to PCIC, the study aims to evaluate the impacts of PCIC's AIP on the well-being and the ability to cope with risks of rice farmers in Western Visayas through the conduct of a survey following a quasi-experimental design. The results of the impact evaluation show that agricultural insurance had a positive impact on rice farmers during the period of observation (October 2013 to October 2015). The AIP increased access to credit, smoothened consumption, and increased net income from rice production. The impact on income was particularly pronounced among smaller farms. Thus, the study recommends that PCIC should expand to small farm holders to maximize the benefits of the AIP.

### **Impact Evaluation of the Agricultural Insurance Program of the PCIC on Agricultural Producers in Central Visayas**

Findings show that agricultural insurance had a positive and significant impact on the incomes of corn farmers in Central Visayas (Region VII), particularly those with corn farms greater than 0.5 hectare. Six variables were found to have significant impacts on insurance availment by corn farmers: membership in farmers' organization,

size of farmlands, educational attainment of the farmer, location of the farmer's household relative to the PCIC office, status of land tenure, and access to community-level facilities. Given the positive results, the study recommends improving the penetration rate and insurance coverage through aggressive awareness campaigns by local government units on the crop insurance programs that farmers can avail of. It also suggests clarifying the rules on the approval and disapproval of claims and the serious implementation of the rule on type of corn allowable for agricultural insurance in order to help farmers increase yield.

### **Evaluation of Financial Sustainability of the Agricultural Insurance Programs of the PCIC**

This study aims to evaluate the financial sustainability of PCIC's AIP using secondary data and financial reports. Data indicate low penetration rate and the possibility of program leakage to unintended beneficiaries (big farmers). The study also notes low claim benefits for some farmers and insufficient agricultural insurance in some regions such as the Autonomous Region in Muslim Mindanao that has a big share in palay production yet there are no insured rice farmers. In terms of premiums, the AIP's rate of premium subsidy is comparable with other countries. However, while premium subsidies should vary across regions and seasons and by programs, they remain the same even if the farm is in a low-, medium-, or high-risk area. The study also finds that the ratio of operating expenses to premiums under the AIP had been high compared to other countries. To ensure financial sustainability, PCIC should look into the possibility of implementing a ceiling for allowable operating expenses. Given these findings, the study provides institutional and policy recommendations, such as improving the supervision of the AIP and investing in good management and statistical information system for evidence-based decisionmaking. PCIC should also address the leakages to better serve its intended target population, clarify the focus of its product lines, and tackle the need for premium subsidy differentials across regions. The study also underscores the benefit of availing actuarial services in the design of the premium benefit and the actuarial reserving structure as well as periodic actuarial valuation to enhance financial sustainability of the program.



Photo by Misha Borbon/PIDS

Undersecretary Ferdinand Cui, acting head of the Presidential Management Staff (PMS), turns over to PIDS (lead institution of the PASCN) the APEC Policy Tools project. In photo are, from left to right: Dr. Erlinda Medalla, PASCN project director; Dr. Gilberto Llanto, PIDS president; Usec. Cui; and Mark Robert Baldo, PMS staff.

## Philippine APEC Study Center Network

The Philippine APEC Study Center Network (PASCN) is one of the Asia-Pacific Economic Cooperation (APEC) Study Centers in APEC member-economies and is part of the APEC Study Centers Consortium (ASCC). It was established in 1996 through Administrative Order 303 as the Philippines' response to the APEC Leaders' Education Initiative, which aims to develop regional cooperation among higher education and research institutions in the APEC region.

The network is composed of the Asian Institute of Management, Ateneo de Manila University, Central Luzon State University, De La Salle University, Mindanao State University, Silliman University, University of Asia and the Pacific, University of San Carlos, University of the Philippines, Xavier University, Department of Foreign Affairs-Foreign Service Institute, and the PIDS as lead institution and secretariat. PASCN creates an avenue for universities and research institutions in the country to work together not only on issues pertaining to APEC but also on development reforms.

PASCN carries out four major programs: (a) Research Program, (b) Thesis and Dissertation Assistance Program (TDAP), (c) Information Dissemination and Publication Program, and (d) Technical Assistance Program.

The Research Program focuses on studies for promoting a better understanding of APEC and the Asia-Pacific economies and in guiding the country's position on APEC issues. The members of PASCN would each have some contribution toward this end. In addition, PASCN is part of the wider ASCC that has the same objective. An

initiative under the ASCC is to promote research collaboration among its member-institutions. PASCN also welcomes opportunities for joint activities with other ASCC members. In 2016, this included Dr. Peter Ross of Griffith University as a visiting research fellow at PIDS (thru PASCN). He conducted a study titled "Australian SME Micro-Offshoring Opportunities in the Philippines: An Expanding Niche Market", which was disseminated through the Institute's dissemination channels as a discussion paper and policy note.

During the year, the PASCN Secretariat also started the Management and Improvement of the APEC Policy Tools, an initiative of the Office of the President through the Presidential Management Staff and the APEC 2015 National Organizing Council. The project was turned over to the PASCN for continuation, refinement, and potential expansion to other international fora. It highlights the importance of policy tools as a useful resource for policymakers in formulating the Philippine position in various agreements and in pushing the national agenda and priorities in APEC and other international fora. The tools will ensure continuity and build institutional memory on knowledge about APEC and other international engagements.

Under the TDAP, graduate students from PASCN member-institutions are given financial assistance in the writing and production of their thesis or dissertation. The secretariat received three grant applicants and one of them was endorsed for funding by the Thesis Grants Committee and later approved by the Steering Committee. The recipient was Mr. Robert Roque of the C. Virata School of Business, University of the Philippines-Diliman, for his dissertation proposal on Forecasting Market Risk through Turbulent Times.

In terms of publication outputs, the PASCN produced two discussion papers: "Social Protection in APEC: In Pursuit of Inclusive Growth" (DP 2016-03) and "Australian SME Micro-Offshoring Opportunities in the Philippines: An Expanding Niche Market?" (DP 2016-35) (see Annex C for details).

Moreover, three papers presented during the ASCC Conference 2015 were published in the *Philippine Journal of Development* 2014–2015 combined volume. These are: (1)

"Is the Pacific Alliance a Potential Pathway to the FTAAP?" by Camilo Pérez-Restrepo and Adriana Roldan-Pérez (Asia-Pacific Studies Centre-Universidad EAFIT, Colombia); (2) "Services-Manufacturing Linkage and the Role of Policy" by Gloria O. Pasadilla and Andre Wirjo (APEC Policy Support Unit); and (3) "The Dominant Supplier Approach to Liberalizing Trade in APEC Environmental Goods" by George Manzano and Shanti Aubren Prado (University of Asia and the Pacific).

PASCN, through its Technical Assistance Program, has supported government agencies, notably the Department of Foreign Affairs (DFA), the Department of Trade and Industry (DTI), and the National Economic and Development Authority (NEDA), as well as private organizations, in the preparations for APEC-related meetings, conferences, and other matters related to APEC. As an active member of the Technical Board for APEC Matters (TBAM) in 2016, PASCN attended five TBAM meetings including the book launch of the APEC 2015 Report to the President by the DFA APEC National Secretariat and DAP. It also provided inputs to the following documents: DFA APEC National Secretariat's President's Report specifically on the ASCC Conference 2015 organized by PIDS and PASCN; DTI report on Individual Action Plan specifically on the policy updates on Information Gathering and Analysis (November 2013–2015); DFA APEC National Secretariat's APEC Connectivity Blueprint 2015–2025; National Disaster Risk Reduction Management Council-Office of Civil Defense on Proposed Action Plan Template for APEC Disaster Risk Reduction Framework; DTI's (Bureau of International Trade Relations-APEC Desk) Collective Strategic Study on the Free Trade Area of the Asia-Pacific draft chapters; and Committee for ASEAN Economic Community Technical Secretariat's Proposed Thematic Priorities for the Philippines' ASEAN Chairmanship in 2017.

As PASCN's contribution to Peru's hosting of the APEC Summit in 2016, the project director participated in the Senior Officials' Dialogue on Regional Trade Agreements and Free Trade Agreements (RTAs/FTAs) held in Lima. She was one of the presenters in the session on capacity building for FTA/RTA negotiations.

# Knowledge Dissemination



PIDS brought the result of its studies to the forefront of policy discourse by implementing a comprehensive knowledge dissemination program consisting of publications, seminars, knowledge databases, and social media. These tools were used to reach and engage policymakers, government staff, academics, private sector, civil society, and the general public in tackling critical policy issues. The Institute also continued its knowledge-sharing collaboration with the planning offices of both houses of Congress in bringing its studies and policy recommendations to the consciousness of the country's top decisionmakers.

## PUBLICATIONS

### Book

PIDS released the book *Easing Port Congestion and Other Transport and Logistics Issues* in 2016. This book discusses the unintended consequences of the truck ban implemented in February 2014 and frames the problem of congestion by studying the logistics industry in the Greater Capital Region. It also provides recommendations relating to the use of the Batangas and Subic Ports to ease the congestion in the Port of Manila.

### Research Paper Series

Two titles under the Research Paper Series were released in 2016. *Nongovernment Reforestation in the Philippines: Ways Forward* evaluates the

nongovernment reforestation in the Philippines, its potential in reversing the trend of deforestation in the country, and the limitations faced by the forestry sector. Meanwhile, *Does Innovation Mediate Good Firm Performance?* focuses on why and how investing in innovations generates better productivity and firm performance.

## Economic Policy Monitor

First published in 2011, the *Economic Policy Monitor* (EPM) is a three-chapter publication that focuses on a particular economic policy. The first chapter provides an analysis of the macroeconomic trends of the past year and projects the economic expectations for the year ahead. The second chapter discusses the policy updates in specific sectors and their implications. The third chapter, which is the theme of the EPM, features an in-depth analysis of an existing or a proposed policy and provides recommendations to address issues or policy gaps. This chapter may also be about a current or an emerging development issue. The EPM theme chapter provides the foundation for the theme of the Development Policy Research Month (see p. 32).

The 2015–2016 issue of the EPM titled “Risks, Shocks, Building Resilience: Philippines” focuses on building economic resilience. It highlights the critical role of good policies to develop and sustain resilient systems. It presents a framework that underscores the significance of appropriate interventions to develop absorptive, adaptive, and transformative capacities.

## Philippine Journal of Development

In 2016, PIDS released the combined 2014–2015 volume of the Journal. The said volume featured eight articles on Pacific Alliance for the Free Trade Area of the Asia-Pacific, liberalizing trade in APEC environmental goods, Philippines–United States free trade agreement on trade in goods, services-manufacturing linkage, competitiveness of Philippine services, stock market development in the Philippines, domestic resource cost in Philippine agriculture, and health accounts estimates of the Philippines.

## Development Research News

PIDS published four issues during the year. The banner stories featured an assessment of the

country’s economic performance in 2015 and the economic prospects for 2016, a piece weighing on the current administration’s economic policy, the highlights of the Second Annual Public Policy Conference on Risks, Shocks, and Building Resilience, and the results of the impact evaluation of the government’s Agricultural Insurance Program.

## Economic Issue of the Day

Two issues were released in 2016. *Mergers and Acquisitions: Do They Hinder Competition?* discusses the advantages and disadvantages of mergers and acquisition to the economy. *Diving into the Blue Economy* provides an overview of the concept of the blue economy and explores how different groups view and apply it to their sustainable development efforts and businesses.

## Policy Notes Series

Twenty-eight Policy Notes were published in 2016. They covered the major projects of the Institute, including studies on health care, reforestation, digital inclusiveness, higher education, housing, water supply and sanitation, access to credit, transportation issues, motor vehicle taxes, access to credit, and tariffication of rice imports.

## Discussion Paper Series

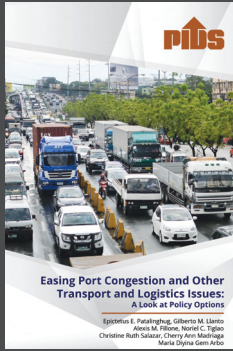
Fifty-six Discussion Papers were released in 2016, focusing on a plethora of topics, including building resilience, agriculture, human capital, foreign direct investment, shared service facilities, innovation, nutrition, water supply and sanitation, bottom-up budgeting, trade pacts, greening and reforestation programs, crop insurance, food security, services sector, and manufacturing.

Annex C lists all the publications released in 2016.

To disseminate these knowledge products, printed copies were regularly sent to legislators of both houses of Congress, chairpersons of relevant committees, key government agencies, NEDA attached agencies, national and local government officials, planning and policy development staff of local government units, academic libraries, state universities and colleges, and international organizations. In addition, the full texts of all publications were made available on the Institute website (see Online and Social Media Tools).

Moreover, the Institute took part in several book events to further market its publications. These

# CATEGORIES OF PIDS PUBLICATIONS



**PIDS books** are the ultimate printing outlet of the Institute's studies. Papers published in a PIDS book have undergone a rigid review process by subject matter experts. They are circulated to policymakers, researchers, and the general public, and have a variable frequency.

Like books, the **Research Paper Series** publishes studies in their most polished form. Studies released under this series usually come from research projects conducted or sponsored by PIDS and are reviewed by experts prior to their publication.



The **Economic Policy Monitor** reviews macroeconomic trends and the critical policies and programs adopted by the government during the year in review. Its main chapter features an in-depth analysis of a development issue or an existing or a proposed policy intervention.

The **Philippine Journal of Development (PJD)** is the Institute's peer-reviewed journal published twice a year. A multidisciplinary journal, it publishes manuscripts tackling the various aspects of development, which may or may not be directly related to Philippine concerns. Its target readers are decisionmakers, educators, and researchers.



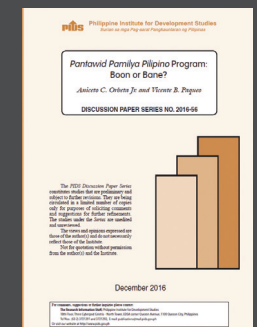
The **Development Research News** is the Institute's quarterly newsletter written in a language that is succinct and easy to understand. It highlights the most relevant policy issues and recommendations gleaned from contemporary PIDS studies and fora as well as digests of new PIDS publications.

An **Economic Issue of the Day** issue is a concise, two- to four-page publication that discusses a particular economic phenomenon, often one that is relevant, and explains how it affects everyday matters.



A **Policy Note** presents the observations and analyses of PIDS research staff on certain policy issues, usually based on a PIDS study. It presents the main findings of the study and the policy recommendations to provide useful inputs for decisionmaking. The PIDS Policy Notes are written primarily for the country's leaders and decisionmakers.

**Discussion Papers** are the technical reports of studies completed by PIDS. They are circulated through the PIDS website to gather comments and suggestions for their refinement. They may eventually graduate into any of the Institute's regular publication series, such as research papers, books, or an article for the PJD.



# Online and Social Media Tools



include the Bangko Sentral ng Pilipinas book fair on July 4–5, and 7, the Philippine Statistical Association Statistical Information Management Exhibit on October 3–4, and the Philippine Library Associations, Inc. Annual Library Congress on November 22–25.

## SEMINARS AND EVENTS

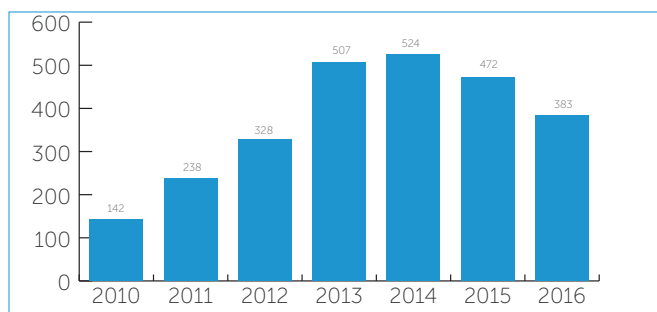
A total of 30 events were organized and sponsored by the Institute in 2016. These events include 13 PIDS Seminar Series, 3 Legislators' Forum Series, 1 Senate Staff Forum, 5 Press Conferences, 6 Regional/Provincial Seminars, 1 Annual Public Policy Conference, and 1 PIDS Corner Inauguration,

A complete list and information about these events are available in Annex D.

## PRESS RELEASES AND MEDIA EXPOSURE

PIDS released 44 news articles on the key findings of its studies and the highlights of its seminars and events. These were directly circulated to the media and also disseminated to the public through the PIDS website. Based on its regular media monitoring, a total of 383 articles published in the

print and online media tackled or mentioned PIDS studies or activities.



## ONLINE AND SOCIAL MEDIA TOOLS

The whole range of the Institute's publication outputs is available through its website, [www.pids.gov.ph](http://www.pids.gov.ph), where electronic copies can be downloaded free of charge.

The PIDS website is a rich resource of publications, seminars, presentations of speakers, press releases, inputs of PIDS researchers to pending bills in Congress, and basic information about the Institute as an organization.

PIDS is also an active user of social media. In 2016, it intensified the use of Twitter (@PIDS\_PH) and

Facebook (@PIDS.PH) for announcing seminars and new publications and for communicating the key findings of PIDS studies and the highlights of public fora. Since 2014, PIDS has been live-tweeting its seminars.

The Institute also continued producing its monthly electronic newsletter, PIDS UPDATES. The main feature of the PIDS UPDATES is the In Focus, which highlights an important socioeconomic issue and intends to draw readers' attention to related research that has already been undertaken by PIDS. In 2016, the In Focus articles focused on impact evaluation, education, economic resiliency, nutrition, and the logistics sector. The PIDS UPDATES also provides information on new publications, events and seminars, and database updates. It is sent via e-blast to the Institute's clients, subscribers, and networks.

## SOCIOECONOMIC RESEARCH PORTAL FOR THE PHILIPPINES (SERP-P)

Started in year 2000, SERP-P is an online knowledge portal of socioeconomic studies produced by PIDS and more than 50 member-institutions comprising the SERP-P Network.

By the end of 2016, SERP-P is home to 5,650 publications, contributed by more than 3,000 authors. In its effort to increase awareness and reach more researchers, the PIDS SERP-P team participated in five knowledge events and meetings across the country. Four quarterly newsletters (i.e., SERP-P News) were also published, featuring Socioeconomic Issues on Spotlight on personal income tax, urbanization, child labor, and domestic migration. Likewise, eight e-newsletters were released, featuring the latest publications, upcoming events, and other announcements of the SERP-P Network.

Following the 2015 Global Open Knowledge Hub meeting, the SERP-P team, in 2016, (1) crafted and uploaded a license statement for all PIDS publications, (2) contributed a total of 2,214 materials on the Open Knowledge Hub (OKhub), and (3) produced a story of change citing the success story of the partnership between SERP-P and the Mindanao Development Authority (MinDA). As of the end of 2016, SERP-P is the fourth partner with the most number of contributions to the OKhub.

In November 2016, the new SERP-P website (<http://serp-p.pids.gov.ph>) went live. The redesigned

## CATEGORIES OF PIDS EVENTS

The **PIDS Seminar Series** includes dissemination activities for PIDS research outputs and network meetings. Project-related seminars and events are those arising from studies conducted by PIDS. The series also includes events that come about as a collaboration between PIDS and other institutions that are part of the PIDS network of organizations. All of these events may come in various forms, such as roundtable discussions, seminars, or workshops, and may be held within Metro Manila or out of town. Seminars given by visiting researchers, local or foreign, who are not part of PIDS or of a PIDS project, are also part of the series.

The Institute also holds **press conferences** on a regular basis to directly inform members of the media about an important development and to explain its significant implications. Press conferences are also held to publicize the Development Policy Research Month.

The **Legislators' Forum Series** is a discussion forum with members of the House of Representatives (HOR) and their technical staff on key policies to help them in formulating their legislative programs. PIDS has been collaborating with the HOR-Congressional Policy and Budget Research Department since 1999 in conducting this seminar series.

The **Senate Staff Forum Series** is a forum organized by PIDS and the Senate Economic Planning Office for members of the Senate technical staff. It aims to update them on recent developments in economic analysis as well as research results from PIDS studies on key policy issues.

The **Annual Public Policy Conference** is the newest category of PIDS fora. Debuting in 2015 with the theme "Harnessing Human Capital and Institutions for Inclusive Growth", its main objective is to bring together experts and researchers in the fields of economics, political science, sociology, and other social science disciplines to flag to policymakers critical issues that must be addressed in the immediate term.



# Socioeconomic Research Portal for the Philippines

 **5,650** studies uploaded

 **53** member-institutions

 **3,015** authors

 **7,462** average number of daily hits

 **2,253** average number of daily site visits

as of December 2016



## What is SERP-P?

The **Socioeconomic Research Portal for the Philippines (SERP-P)** is an online knowledge resource that contains socioeconomic studies and materials produced by the Philippine Institute for Development Studies, other government agencies, and academic and research institutions. Launched in 2002, it is the country's first electronic repository of socioeconomic research and information that capitalizes on research networking, where users can access materials in various formats.

SERP-P website showcases new and improved facilities and features, including search options, navigation inside the website, updated statistics, and additional spotlight issues.

Lastly, the 4th SERP-P Network Biennial Meeting was held on December 6, 2016. Representatives from more than 30 member-institutions attended the meeting, which was intended to: (1) strengthen the partnership between and among SERP-P member-institutions; (2) discuss issues, challenges, and accomplishments of the SERP-P Project in the last two years; and (3) develop future pathways for SERP-P. To incentivize active members (or those who are regularly contributing materials to the SERP-P database) for the period December 2014–December 2016, certificates of recognition were awarded to Central Philippine University, MinDA, NEDA Caraga, Congressional Policy and Budget Research Department, Silliman University, Bangko Sentral ng Pilipinas, and

University of the Philippines Los Baños-Center for Strategic Planning and Policy Studies.

## LIBRARY SERVICES

The PIDS Library continued supporting various activities and initiatives of the Institute. To strengthen its role in knowledge dissemination, the PIDS Library catered to the research needs not only of the PIDS staff but also of students and researchers from various offices. Through the Institute's Library Development Program, a total of 63 books and 59 CDs were added to the library collection in 2016. The Library also continued exchanging publications with both local and foreign institutions and subscribing to major newspapers and magazines. In 2016, the PIDS Library has completed the migration of its online public access catalog from WEBLIS to KOHA.

- 1 Mariano Marcos State University  
Batac City, Ilocos Norte
- 2 Cagayan State University Library  
Carig, Tuguegarao City
- 3 University of the Philippines, Baguio City
- 4 Central Luzon State University Library  
Science City of Muñoz, Nueva Ecija
- 5 Knowledge for Development Center  
House of Representatives, Quezon City
- 6 University of Rizal System Antipolo City  
Campus Library, Rizal Province
- 7 De La Salle University  
Dasmariñas City, Cavite
- 8 Dasmariñas Public Library  
Dasmariñas City, Cavite
- 9 Southern Luzon State University Library  
Lucban, Quezon Province
- 10 City College of Calapan Library, Oriental Mindoro
- 11 Bicol University Library, Legazpi City, Albay
- 12 Central Philippines University Library  
Iloilo City, Iloilo
- 13 Bacolod City Public Library  
Bacolod City, Negros Occidental
- 14 Eastern Visayas State University Library  
Tacloban City, Leyte
- 15 University of San Carlos – Talamban Campus  
Cebu City
- 16 Bohol Provincial Library and Information Center  
Tagbilaran City, Bohol
- 17 Silliman University Library, Dumaguete City
- 18 Butuan City Public Library, Butuan City, Agusan Del Norte
- 19 NEDA 10 Knowledge Center, Cagayan De Oro City
- 20 Bukidnon State University Library, Malaybalay, Bukidnon
- 21 Mindanao State University Library, Marawi City
- 22 University of Southeastern Philippines, Davao City
- 23 Western Mindanao State University, Zamboanga City
- 24 Palawan State University, Puerto Princesa City, Palawan



# CORNERS

## MAKING RESEARCH OUTPUTS MORE ACCESSIBLE

The Institute launched the "PIDS Corners" in 2007 as a dissemination strategy to make the results and findings of its research studies more accessible at the local and community levels. Aside from making PIDS knowledge products available in localities and communities outside of Metro Manila, the Corners aim to contribute to the socioeconomic education of people in localities with limited access to development and policy-oriented materials. In September 2016, PIDS opened its newest PIDS Corner at the University of San Carlos - Talamban Campus in Cebu City.

## 14<sup>th</sup> DEVELOPMENT POLICY RESEARCH MONTH

September 2016



### Investing in Risk Reduction for a Resilient Philippines *Angkop na Kahandaan: Matatag na Ekonomiya at Lipunan*

For 2016, PIDS underscored the importance of resilience building in the Philippines during the celebration of the 14th Development Policy Research Month (DPRM).

According to PIDS President Gilberto Llanto, this year's DPRM steers the nation's attention to resilience to multiple kinds of risks, whether economic, financial, environmental, technological, geopolitical, or societal. Specifically, he urged the country to look beyond natural hazards and acknowledge that the sources of risks are many but interconnected.

To promote this brand of resilience, PIDS, together with its partner agencies, organized a series of fora anchored on the theme, "Investing in Risk Reduction for a Resilient Philippines".

Just like in 2015, PIDS hit the ground running in Mindanao, this time in Butuan City, where it conducted the Second Mindanao Policy Forum together with the Mindanao Development Authority and Father Saturnino Urios University. The event gathered local government officials, business sector, and the civil society in the Caraga region to discuss resiliency issues in the agriculture and environment sectors. It also featured several studies on the policy environment in Mindanao, where many of the country's poorest regions are located.

Together with the World Bank, PIDS also organized a workshop that aimed to strengthen the resilience of micro, small, and medium enterprises (MSMEs). The discussions focused on the factors that threaten the competitiveness and sustainability of MSMEs,

such as low rate of business entry, low productivity, and the stagnation of the sector's structure, to name a few. The workshop also tackled the vulnerability to disasters of microenterprises and the meager to nonexistent assistance provided by government to assist MSMEs when calamities strike.

Building on the success of its inaugural conference in 2015, PIDS mounted the Second Annual Public Policy Conference on Risks, Shocks, Building Resilience with support from the Bangko Sentral ng Pilipinas. The event gathered the most prominent Filipino economists, political scientists, and sociologists to discuss the complexities of the risk landscape in the country. To facilitate a more focused discussion of issues, PIDS distributed this year's presentations in four sessions, covering the resilience issues in the macroeconomic, agricultural, urban environment, and health sectors of the country.

To reach more stakeholders, PIDS also conducted press conferences in Manila and in the cities of Butuan, San Fernando, Tacloban, and Cebu. These were co-organized by the Philippine Information Agency, one of the permanent members of the DPRM interagency steering committee.

The DPRM is celebrated every September in view of Malacañang Proclamation No. 247 issued in 2002. The said proclamation designates PIDS as the lead government agency in the observance of the DPRM. The DPRM aims to promote and draw public awareness and appreciation of the importance of policy research in the formulation of sound policies, programs, and projects. In 2016, a total of 81 entities consisting of local government units, government agencies, and academic and research organizations, among others, participated in the DPRM celebration (see Annex E).

## 2nd Annual Public Policy Conference on Risks, Shocks, Building Resilience



For its second installment, PIDS repackaged the Annual Public Policy Conference (APPC) by organizing parallel sessions to discuss the conference theme “Risks, Shocks, Building Resilience”. The sessions delved on the issues affecting the resilience of the macroeconomic, agriculture, urban environment, and health sectors. The new format reflects the state think tank’s commitment to promote a systems approach in analyzing the impacts of risks and devising appropriate solutions to address them.

Leading the conversation were top Filipino political scientists, sociologists, and economists who presented their studies on fundamental issues pivotal in achieving resilience in the Philippines. Recognizing the risk landscape in the country, Socioeconomic Planning Secretary Ernesto Pernia emphasized the importance of building multiple resilience systems in sustaining the country’s economic gains.

On the aspect of agricultural resilience, discussions revolved around the current agricultural productivity support services to farmers, such as the agricultural insurance program and irrigation facilities. The agriculture sector continues to suffer from low productivity, primarily as a result of governance issues and destructive impacts of strong typhoons, floods, and droughts. Dr. Marites Tiongco of De La Salle University urged the government to monitor

and evaluate the effectiveness of policies and programs in reducing the impacts of climate change and climate-related risks on agriculture. PIDS Senior Research Fellow Celia Reyes supported this, arguing that the current amount of insurance coverage, for instance, is not enough to finance replanting when disaster strikes. The poor structure and management, particularly of the government irrigation services, also deters the country from achieving agricultural resilience, according to Dr. Agnes Rola of the University of the Philippines (UP) Los Baños.

Meanwhile, experts highlighted the role of improved management and health workers' welfare, and cross-sectoral collaborations in achieving resilience in the health sector. According to Dr. Orville Jose Solon, dean of the UP School of Economics, the country still endures the fragmented delivery and financing of public health services, which have led to a wide variation in access. He also called attention to the government's failure to improve the technical coordination among health units, which can actually enhance the quality and efficiency of the health sector.

Aside from the physical infrastructure, the session also tackled the usually neglected issue of emotional resilience in the health sector. Department of Health Undersecretary Madeleine De Rosas-Valera urged the government not to abandon the welfare of the health workers, primarily in the face of stress. To achieve emotional resilience in the health sector, Valera recommended the adoption of professional and personal resilience that involves preorientation and debriefing activities. United Nations Children's Fund Consultant, Johanna Banzon, backed Valera, arguing that investments in the emotional resilience of health workers can help improve the productivity of the sector.

Meanwhile, experts on urban environment called for an integrated policy approach to urban environment resilience. Dr. Marife Ballesteros, officer-in-charge of the PIDS Office of the Vice President, encouraged the public and the policymaking bodies to push for a holistic approach in addressing the risks in urban areas, such as Metro Manila, where the environmental problems are "most glaring".

Dr. Emma Porio, sociologist from the Ateneo de Manila University, also raised the need for an integration of disciplines—the social and natural sciences—to maximize their strengths in crafting policies. She also encouraged policymakers to look at the interaction of the geophysical, political, economic, and social aspects of the Philippine

**"In 2016, the APPC centered on building resilient communities through educating policymakers and the public on the complex risk landscape confronting the Philippines."**

society in addressing the policy gaps. Among these gaps, experts called for the review of the Philippine Disaster Risk Reduction and Management Act of 2010, which Ballesteros considered inadequate to counter the impacts of disasters in the country.

In terms of macroeconomic and financial resilience, experts targeted the contemporary issues of oil price shocks in the Middle East and weather disruptions and their effects on the services and manufacturing sectors in the Philippines. University of Hawaii Department of Economics' Dr. Arlan Brucal noted that the oil price shocks in the Middle East became a stunning blow to the country's export labor and services, hurting the Philippine economy in the process. His study proves the interconnectedness of risks and highlights the importance of using a systems approach in analyzing risks.

Meanwhile, Dr. Philip Arnold Tuano and Dr. Ramon Clarete discussed the impact of Typhoon Ondoy, internationally known as Typhoon Ketsana, on the services and manufacturing sectors in Pasig and Marikina Cities. They found that the typhoon impacted the sectors differently, demonstrating the importance of disaggregated analyses of the impact of shocks, like weather disruptions, on the economy.

Since 2015, the APPC serves as the culminating event of the DPRM. This year, it centered on building resilient communities through educating policymakers and the public on the complex risk landscape confronting the Philippines.

# Legislative Inputs

**P**IDS—through its researchers—aids legislators in the analysis and refinement of proposed bills by submitting their comments to relevant Senate and House Committees or particular senators/congressmen at their requests. In 2016, comments/inputs were provided for the following legislations:

- House Bill No. 1156, “An Act Expanding the Center for International Relations and Strategic Studies to Include Research and Formulation of Strategic Options for National Economic and Security Policies”
- House Bill No. 568, “Enhanced Participatory Governance Act”
- House Joint Resolution No. 3, “Joint Resolution Ordaining a Glossary of Significant Housing Terminologies for Adherence by the Key Shelter Agencies, Other Appropriate Agencies of Government, and Other Housing and Urban Development Stakeholders”
- Senate Bill No. 136, “An Act Reforming the National Apprenticeship Program and Providing Standards for the Training and Employment of Apprentices and Regulatory Standards for Accreditation of Apprenticeship Programs”
- Senate Bill No. 10, “An Act Providing Tax Relief to Public School Teachers”
- Senate Bill No. 160, “An Act to Protect Filipino Mothers and Children from Malnutrition by Establishing a Maternal and Child Care Program and Appropriating Funds for the Purpose”
- Senate Bill No. 491, “An Act Expanding the Center for International Relations and Strategic Studies to Include Research and Formulation of Strategic Options for National Economic and Security Policies”
- Draft Bill on “Ease of Doing Business”, Senate Committee on Trade, Commerce and Entrepreneurship
- Senate Resolution No. 213, “A resolution directing the appropriate Senate committee to conduct an inquiry, in aid of legislation, to generate evidentiary data to establish the economic effects upon the consumer in particular, and the national economy in general, of the present model of operation and regulation of the telecommunications industry, to the end in view of recommending policy to strengthen key economic reforms that are consistent with the country’s medium-term development plan and long-term vision and protective of the interests of consumers in a robust economy that is fostered by free competition and inclusive growth”
- Senate Bill No. 40, “The Budget Reform for Village Empowerment Act of 2016”
- Senate Bill No. 1065, “Local Budgeting Reform Act of 2016”

In addition, PIDS researchers also served as resource speakers in various workshops and meetings organized by the technical staff of the Senate and the House of Representatives.

# PIDS

## Provident Fund

The PIDS Provident Fund was established on April 29, 1999. It was registered with the Securities and Exchange Commission on January 25, 2000. It was organized to establish and maintain a fund, the sources of which are derived from the contributions of its members and counterpart contributions of PIDS. All earnings from its investment operations are distributed to the members as benefits.

As of December 31, 2016, the Fund has a total membership of 73 permanent PIDS member-employees and 3 co-terminous PASCN employees.

The 16th Annual Members' Meeting of the PIDS Provident Fund on April 12, 2016 at the PIDS office in Quezon City had the following activities: (a) presentation of the annual report and audited financial statements by the Fund president, (b) proposed declaration of dividends, and (c) election of level representatives to the Board of Trustees.

For calendar year (CY) 2016, the Fund paid benefits amounting to PHP 1.299 million to the following employees who resigned/retired from PIDS: Jasmine Magtibay, Angelica Maddawin, Keith Detros, Manuel Mores, Reinier de Guzman, Donald Yasay, Kirsten dela Cruz, Fatima del Prado, and Jose Ignacio Tenorio.

The Fund also distributed dividends amounting to PHP 0.058 million to qualified members of the Fund pursuant to Section 7, Amendment No. 4 of its By-Laws.

In terms of financial position, the Fund's assets increased by 11.1 percent from PHP 40.480 million in 2015 to PHP 44.972 million in 2016. Figure 1

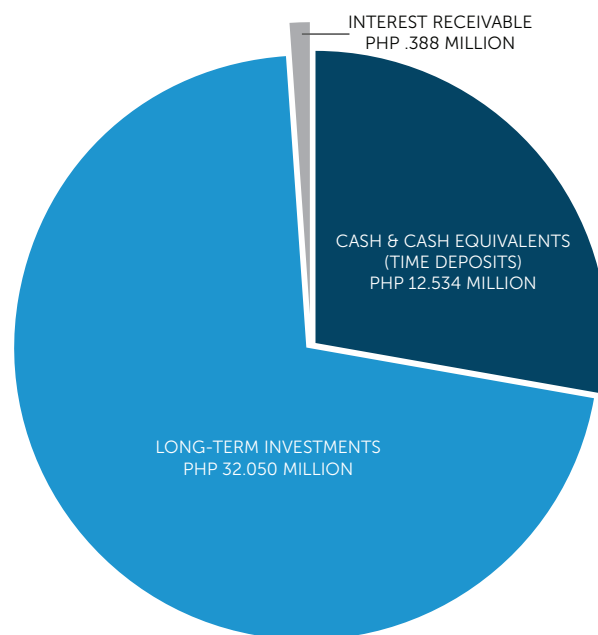



Figure 1. Asset Distribution by Class of Asset  
As of December 31, 2016

shows how the Fund's assets were distributed among cash and cash equivalent, accrued interest receivable, short-term investments, and long-term investments.

As to the members' equity account, the members' equity increased in 2016 by 11.6 percent, from PHP 37.482 million in 2015 to PHP 41.814 million in 2016. The members' equity consists of members' contributions, that of PIDS, and dividends.

In terms of revenue generation for CY 2016, the Fund earned revenues of PHP 1.468 million, which is slightly lower by PHP 0.177 million compared to the total revenues of PHP 1.645 million in CY 2015. The Fund spent PHP 0.171 million in operating expenses and paid shares in net income to resigned members in the amount of PHP 0.051 million during the year. Thus, a net income of PHP 1.245 million in 2016 was realized. This is slightly lower than the PHP 1.478 million net income in 2015. The decrease in net income during the year can be attributed to the lower revenues generated from investments due to the declining interest rates.

# PIDS Employees Association

 In its 16th year, the Philippine Institute for Development Studies Employees Association (PIDSEA) continues to uphold unity and camaraderie among PIDS staff and management.

As a testament to its continued commitment to promote a positive working environment, an Employees' Day was held on September 29, 2016, in celebration of the Institute's 39th founding anniversary. The festivities provided a much-needed break from the busy work schedule of everyone and fostered camaraderie among the management and staff who actively participated and supported the event.

This year, PIDSEA also welcomed its new set of officers following the results of the General Assembly and Election of Officers held on October 26, 2016.

In response to the call for transparency and collaboration between the PIDS management and staff, PIDSEA members were nominated to represent the organization in various existing and ad hoc committees of the Institute. Most important is the representation of PIDSEA in the regular meetings of the Management Committee wherein the concerns of the employees are conveyed to the Institute's officials.

The PIDSEA Executive Committee (ExeCom) also convened regular meetings to discuss urgent matters. During these meetings, the ExeCom engages in dialogue with the members on important reminders, such as support to the Institute's policy measures. These meetings also serve as a venue for the ExeCom to hear and address members' concerns. The PIDS/PIDSEA-

Management Consultative Council, which is composed of three representatives each from the PIDS Management Committee and the PIDSEA, was also reinstituted in line with the provision in the collective negotiation agreement to maintain open communication, consultation, and dialogue between PIDSEA and PIDS Management.

All of these activities would not have been possible without the support of the management and staff. PIDSEA is always grateful for everybody's cooperation, and it will continue to serve as an instrument for fostering camaraderie within PIDS.

## PIDSEA OFFICERS 2016

Chairperson	Christine Ruth Salazar
Vice Chairperson	Mark Vincent Aranas
Secretary	Clarissa Lagoras
Assistant Secretary	Danica Aisa Ortiz
Treasurer	Minerva Lachica
Assistant Treasurer	Jane Alcantara
Auditor	John Mark Fernandez
PRO (external)	Janet Cuenca
PRO (internal)	Jan Michael Oseo
Sergeant-at-Arms	Lucita Melendez

## COMMITTEE CHAIRPERSONS

Organizing and Membership Committee	Ronina Asis
Finance Management	Winnie Gerio
Grievance and Welfare Committee	Ma. Dana Patuar
Labor and Education Committee	Melalyn Mantaring

# Board of Trustees



**DR. ERNESTO M. PERNIA**  
**Chairperson**

Socioeconomic Planning  
Secretary and Director-General  
National Economic and  
Development Authority



**DR. WILLIAM G. PADOLINA**  
**Member**

Project Manager, CHED-PCARI  
Office, Commission on Higher  
Education - Higher Education  
Development Center



**ATTY. RAPHAEL PERPETUO  
M. LOTILLA**  
**Member**

Fellow  
Philippine Center for Economic  
Development, School of  
Economics, University of the  
Philippines



**DR. ALFREDO E. PASCUAL**  
**Member**

President  
University of the Philippines



**DR. GILBERTO M. LLANTO**  
**Member**

President  
Philippine Institute for  
Development Studies

# Management Committee



**DR. GILBERTO M. LLANTO**  
President

PhD Economics  
UP School of Economics



**DR. MARIFE M. BALLESTEROS**  
OIC, Office of the Vice President

PhD Social Sciences  
University of Nijmegen



**ANDREA S. AGCAOILI**  
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Administrative and Finance  
Department  
MA Business Administration  
Philippine Christian University



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Department Manager III

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Department  
PhD Development Studies  
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**RENEE ANN JOLINA C. AJAYI**  
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Project Services Department  
MA Development Management  
Development Academy of the  
Philippines  
MA International Relations  
Eastern Mediterranean University

# Research Fellows



**JOSE RAMON G. ALBERT**  
Senior Research Fellow

PhD Statistics, State University of  
New York at Stony Brook  
(statistical analysis especially  
on poverty measurement and  
diagnostics, agricultural statistics,  
survey design, data mining, statistical  
analysis of missing data)



**ROEHLANO M. BRIONES**  
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**CONNIE B. DACUYCUI**  
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(household, family and gender  
issues, poverty analysis,  
applied economic modeling)



**SONNY N. DOMINGO**  
Research Fellow

PhD Applied Economics  
Charles Sturt University, Australia  
(agricultural science and resource  
economics, mathematical  
programming, disaster risk  
reduction and management)



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PhD Applied Economics  
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Postdoctoral, University of British  
Columbia  
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economics, fisheries economics)



**ROSARIO G. MANASAN**  
Senior Research Fellow

PhD Economics  
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Postdoctoral, Massachusetts  
Institute of Technology  
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education)



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Senior Research Fellow

PhD Economics  
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Postdoctoral, Yale University  
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**ADORACION M. NAVARRO**  
Senior Research Fellow

PhD Economics  
UP School of Economics  
(infrastructure, electricity markets,  
and public-private partnerships)



**ANICETO C. ORBETA JR.**  
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PhD Economics  
UP School of Economics  
Postdoctoral, Harvard University  
(demographic economics,  
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modeling, information and  
communication technologies)



**CELIA M. REYES**  
Senior Research Fellow

PhD Economics  
University of Pennsylvania  
(econometric modeling, poverty  
analysis)



**RAMONETTE B. SERAFICA**  
Senior Research Fellow

PhD Economics  
University of Hawaii  
(services and trade in services)



**VICENTE B. PAQUEO**  
Visiting Senior Research Fellow

PhD Economics  
UP School of Economics  
Postdoctoral, Princeton University  
(education, social protection, and  
health economics)

# Annex A

## Completed Studies

STUDY TITLE	RESEARCH AREA	RESEARCHERS
Food (In)security and the Price of Rice Self-Sufficiency	Agriculture and Fisheries	Roehlano Briones
Embedding the Agricultural Model for Policy Evaluation in a Computable General Equilibrium Model to Analyze Intersectoral and Economy-Wide Policy Issues	Agriculture and Fisheries	Roehlano Briones
Reducing the Unintended Consequences of Overfishing: Learning from the Zamboanga Experience	Agriculture and Fisheries	Danilo Israel, Milva Lunod-Carinan, and Vicente Paqueo
Competition Reforms in Key Markets for Enhancing Social and Economic Welfare in Developing Countries (CREW Project)	Competition Policy	Roehlano Briones
Assessment of Bus Transport Operator Consolidation along EDSA as a Regulatory Strategy: Benefits, Costs, and Implications for Market Competition	Competition Policy	Gilberto Llanto and Hope Gerochi
Comprehensive Study on Credit Programs to Smallholders	Credit/Microfinance	Ma. Piedad Geron, Gilberto Llanto, and Jocelyn Alma Badiola
An Assessment of the Sectoral and Institutional Implementation of the National Disaster Risk Reduction and Management Plan	Disaster Risk Reduction and Management	Sonny Domingo and Ma. Divina Olaguera
Research on Urban Resilience to Natural Disasters of Households, Firms, and Communities in the Philippines	Disaster Risk Reduction and Management	Danilo Israel and David Feliks Bunao
Trends in Out-of-School Children and Other Basic Education Statistics	Education	Jose Ramon Albert and Martin Joseph Raymundo
Review of the Student Financial Assistance Program	Education	Aniceto Orbeta Jr., Vicente Paqueo, Michael Ralph Abrigo, Ann Jillian Adona, Kathrina Gonzales, and Sol Francesca Cortes
Review of Student Loan Program	Education	Aniceto Orbeta Jr., Kathrina Gonzales, and Gerille Hope Patagan
Framework for Tuition Fee Negotiations	Education	Aniceto Orbeta Jr.
Research for K to 12 Transition Planning	Education	Aniceto Orbeta Jr., Josefina Natividad, Elma Laguna, Ann Jillian Adona, Connille Abellera, Michael Geroche, Sheena Kristine Cases, and Jessamine de Perio
Planting Seeds of Self-Defeat: Effects of Unrealistic Regulations on the Caraga Wood Industry and Forest Conservation	Environment and Natural Resources	Vicente B. Paqueo and Danilo C. Israel

Program Evaluation of the Public Management Development Program	Governance	Sonny Domingo
Putting Prevention of Childhood Stunting into the Forefront of the Nutrition Agenda: A Nutrition Sector Review	Health	Alejandro Herrin
The Irony of Reproductive Health Law Critics' Opposition to Comprehensive Sex Education	Health	Michael Ralph Abrigo and Vicente Paqueo
Health Financing for the Poor in the Philippines	Health	Michael Cabalfin
Health Systems Research Management in the Department of Health	Health	Celia Reyes (Project Director), Denise Valerie Silfverberg, Ida Marie Pantig, Alvin Caballes, Valerie Gilbert Ulep, Nina Ashley Dela Cruz, John Wong, J. Richelcyn Bacay, Richelle Duque, Patricia Margarita Roque, Grace Kathleen Serrano, Jenina Olivia Tumlos, Aisha-Aziza Ronsing, Kim Cochon, Eduardo Banzon, Josephine Anne Lucero, Beverly Lorraine Ho, Maria Elizabeth Puyat, Emmae June Quibod, Patricia Ann Factor, and Rachel Racelis
Rent Control in the Philippines: An Update	Housing and Urban Development	Marife Ballesteros, Tatum Ramos, and Jasmine Magtibay
Examining Trends in ICT Statistics: How Does the Philippines Fare in ICT?	Information and Communications Technology	Jose Ramon Albert, Ramonette Serafica, and Beverly Lumbea
Cargo Truck Ban: Bad Timing, Faulty Analysis, Policy Failure	Infrastructure	Gilberto Llanto
The Impact of Legal Minimum Wages on Employment, Income, and Poverty Incidence in the Philippines	Labor and Employment	Vicente Paqueo, Aniceto Orbeta Jr. and Leonardo Lanzona Jr.
Beware of the "End Contractualization!" Battle Cry	Labor and Employment	Vicente Paqueo and Aniceto Orbeta Jr.
Why Inequality Matters in Poverty Reduction and Why the Middle Class Needs Policy Attention	Poverty	Jose Ramon Albert and Martin Joseph Raymundo
Pantawid Pamilyang Pilipino Program: Boon or Bane?	Poverty	Aniceto Orbeta Jr. and Vicente Paqueo
Poverty Alleviation of Women and Children with Disabilities	Poverty	Celia Reyes, Christian Mina, Reneli Ann Gloria, and Adrian Agbon
What Does ASEAN Mean to ASEAN Peoples? The Philippine Case	Regional Integration	Sheila Siar, Jose Ramon Albert, and Gilberto Llanto
Service Innovation in Philippine Industries	Services Sector	Ramonette Serafica
Why Manufacturing Resurgence Will Mean More Services, Not Less	Services Sector	Ramonette Serafica

3ie-CLEAR-PIDS Course on Impact Evaluation	Impact Evaluation	Aniceto Orbeta Jr., Jose Ramon Albert, Celia Reyes, and Vicente Paqueo
Design of Impact Evaluation of Programs under the Department of Social Welfare and Development in the Philippines	Impact Evaluation	Aniceto Orbeta Jr., Vicente Paqueo, and Celia Reyes
Impact Evaluation of Banana Insurance Program of the Philippine Crop Insurance Corporation (PCIC) in the Davao Region	Impact Evaluation	Roperto Deluna Jr., Jennifer Hinlo, and Michael Ayala
Evaluation of the Impact of the Agricultural Insurance Program of PCIC on Rice Producers in Region VI	Impact Evaluation	Gay Defiesta and Hanny John Mediodia
Impact Evaluation of the Agricultural Insurance Program of the PCIC on Agricultural Producers in Central Visayas	Impact Evaluation	Corazon Anzano and Julian Thomas Alvarez
Evaluation of Financial Sustainability of the Agricultural Insurance Programs of the PCIC	Impact Evaluation	Romulo Virola

## Annex B

### Ongoing Studies

PROJECT/STUDY TITLE	RESEARCH AREA	RESEARCHERS
Review of Government Disaster Financing Schemes	Disaster Risk Reduction and Management	Marife Ballesteros and Deanna Villacin
Action Ready Climate Knowledge to Improve Disaster Risk Management for Smallholder Farmers in the Philippines	Disaster Risk Reduction and Management	Celia Reyes and Sonny Domingo
Welfare Issues in Price Control on Occasions of Calamities, Emergencies, and Like Occurrences	Disaster Risk Reduction and Management	Sonny Domingo
Institutional Issues on Disaster Risk Reduction and Management	Disaster Risk Reduction and Management	Sonny Domingo
Study on Value Chain of the Wood Industry of the Philippines	Environment and Natural Resources	Danilo Israel
Technical Assistance to the Study on Federalism: Prospects for the Philippines (Phase 1)	Governance/Decentralization	Romulo Miral Jr.
Assessment of Proposals to Adopt a Federal Form of Government	Governance/Decentralization	Rosario Manasan
The Promises and Pains in Procurement Reforms in the Philippines	Infrastructure/Governance	Adoracion Navarro
Study on the Renewable Energy Policy Debate in the Philippines	Infrastructure	Maureen Rosellon
Poverty Assessment: Evaluation of the Pantawid Pamilyang Pilipino Program	Poverty/Social Protection	Celia Reyes
Assessment of the Bottom-up Budgeting Program: Alleviating Poverty and Strengthening Social Capital	Poverty	Rosario Manasan
Social Enterprises and Community Development	Poverty	Marife Ballesteros and Gilberto Llanto
Improving the Chances of Success in Assisting the Poor Households Through Better Beneficiary Sorting and Employment Facilitation in the Philippines	Poverty/Labor and Employment	Marife Ballesteros, Aniceto Orbeta Jr., Celia Reyes, and Vicente Paqueo
Study and Survey on Intra-ASEAN Nontariff Measures on Trade and Foreign Direct Investment	Trade/Regional Integration	Erlinda Medalla

Regulatory Measures Affecting Services Trade and Investment	Regulations/ Services Policy	Ramonette Serafica
Reducing Unnecessary Regulatory Burdens and Engendering Informed Regulatory Conversations in Priority Integration Sectors In ASEAN	Regulations	Gilberto Llanto
Study on Regulations: Component Study: Technical Assistance for "Reducing Unnecessary Regulatory Burdens in the Philippine Food Manufacturing Industry"	Regulations	Nexus Agribusiness, Inc.
Examining Divergence of National Accounts and Survey-Based Estimates of Household Expenditure	Statistics	Jose Ramon Albert
Survey and Focus Group Discussions to Support AANZFTA Review Study	Trade/Regional Integration	Erlinda Medalla and Francis Quimba
Impact Evaluation of the Agricultural Insurance Programs	Impact Evaluation/Social Protection	Celia Reyes
Evaluation of the Impact of the Agricultural Insurance Program of the Philippine Crop Insurance Corporation on Agricultural Producers in Region II (Cagayan Valley)	Impact Evaluation/Social Protection	Cagayan State University
Evaluation of the Impact of the Agricultural Insurance Program of the PCIC on Agricultural Producers in Region IVA	Impact Evaluation/Social Protection	Felino Lansigan
Measuring and Examining Innovation in Philippine Business and Industry	Impact Evaluation/ Innovation	Jose Ramon Albert and Philippine Statistics Authority
Capacity-Building Activities for the Impact Evaluation of Key Government Programs and Projects and Capacity Building of Oversight Agencies on Impact Evaluation	Impact Evaluation	

BOOK		
CODE	TITLE	AUTHOR(S)
Book 2016-01	Easing Port Congestion and Other Transport and Logistics Issues	Epictetus Patalinghug, Gilberto Llanto, Alexis Fillone, Noriel Tiglao, Christine Ruth Salazar, Cherry Ann Madriaga, and Ma. Diyina Gem Arbo
RESEARCH PAPERS		
CODE	TITLE	AUTHOR(S)
RPS 2016-01	Nongovernment Reforestation in the Philippines: Ways Forward	Danilo Israel
RPS 2016-02	Does Innovation Mediate Good Firm Performance?	Gilberto Llanto and Fatima Lourdes Del Prado
ECONOMIC POLICY MONITOR		
CODE	TITLE	AUTHOR(S)
EPM 2015–2016	Risks, Shocks, Building Resilience: Philippines	Various PIDS Authors
PHILIPPINE JOURNAL OF DEVELOPMENT		
CODE	TITLE	AUTHOR(S)
PJD 2014–2015 Vol. 41–42 Nos. 1–2a	Is the Pacific Alliance a Potential Pathway to the Free Trade Area of the Asia-Pacific?	Camilo Perez-Restrepo and Adriana Roldan-Perez
PJD 2014–2015 Vol. 41–42 Nos. 1–2b	Dominant Supplier Approach to Liberalizing Trade in APEC Environmental Goods	George Manzano and Shanti Aubren Prado
PJD 2014–2015 Vol. 41–42 Nos. 1–2c	Implications of a Philippines–United States FTA on Trade in Goods: An Indicator Approach Using the Sussex Framework	George Manzano and Kristine Joy Martin
PJD 2014–2015 Vol. 41–42 Nos. 1–2d	Services-Manufacturing Linkage and the Role of Policy	Gloria Pasadilla and Andre Wirjo
PJD 2014–2015 Vol. 41–42 Nos. 1–2e	Sustaining the Competitiveness of Philippine Services	Ramonette Serafica

PJD 2014–2015 Vol. 41–42 Nos. 1–2f	Stock Market Development in the Philippines: Past and Present	Sin-Yu Ho and Nicholas Odhiambo
PJD 2014–2015 Vol. 41–42 Nos. 1–2g	Domestic Resource Cost in Philippine Agriculture: Measuring Global Competitiveness of Key Commodities	Roehlano Briones
PJD 2014–2015 Vol. 41–42 Nos. 1–2h	Health Accounts Estimates of the Philippines for CY 2012 Based on the 2011 System of Health Accounts	Rachel Racelis, Fe Vida Dy-Liacco, Lilibeth David, and Lucille Nievera

## DEVELOPMENT RESEARCH NEWS

CODE	DESCRIPTION OF THE ISSUE	AUTHOR(S)
DRN 2016 Vol. 34 No. 1	The Philippine Economy in 2015 and Prospects for 2016	Roehlano Briones PIDS Research Information Staff
DRN 2016 Vol. 34 No. 2	Duterte Must Be Bold on Economic Policy	Gilberto Llanto PIDS Research Information Staff
DRN 2016 Vol. 34 No. 3	Building Resilience—Key to Achieving Sustainable and Inclusive Growth	PIDS Research Information Staff
DRN 2016 Vol. 34 No. 4	The Potentials of Agricultural Insurance as a Poverty Reduction Tool	PIDS Research Information Staff

## ECONOMIC ISSUE OF THE DAY

CODE	TITLE	AUTHOR(S)
EID 2016-01	Mergers and Acquisitions: Do They Hinder Competition?	Kirsten Dela Cruz and Misha Borbon
EID 2016-02	Diving into the Blue Economy	Gizelle Manuel

## POLICY NOTES

CODE	TITLE	AUTHOR(S)
PN 2016-01	PhilHealth's Employed Program: Strengthening a Mandatory Scheme	Denise Valerie Silfverberg
PN 2016-02	PhilHealth Coverage in the Informal Sector: Identifying Determinants of Enrollment	Denise Valerie Silfverberg
PN 2016-03	Nongovernment Reforestation in the Philippines: Ways Forward	Danilo Israel
PN 2016-04	Assessment of the COMPACK Program	Dennis Batangan
PN 2016-05	Optimizing PhilHealth's Case-Based Payment Scheme to Achieve Greater Financial Protection	Godofreda Dalmacion, Noel Juban, and Zenith Zordilla
PN 2016-06	How Effective Has the Generics Act Been?	John Wong, J. Richelcyn Bacay, Richelle Duque, Patricia Margarita Roque, Grace Kathleen Serrano, Jenina Olivia Tumlos, Aisha-Aziza Ronsing, and Kim Cochon

PN 2016-07	Making Digital Dividends Inclusive	Jose Ramon Albert, Ramonette Serafica, and Beverly Lumbea
PN 2016-08	Promoting Inclusive Growth through Higher Education	Dante Canlas
PN 2016-09	Importance of Entrance Exam Scores for Selecting Grants-in-Aid Recipients	Denise Valerie Silfverberg
PN 2016-10	What Is the Impact of DepEd's School-Based Feeding Program?	Jose Ramon Albert, Ana Maria Tabunda, and Imelda Angeles-Agdeppa
PN 2016-11	Do Capital Investments in Health Increase Local Service Utilization?	Oscar Picazo, Ida Marie Pantig, Danica Aisa Ortiz, Melanie Aldeon, Nina Ashley Dela Cruz, and Juan Alfonso Tanghal
PN 2016-12	Economic and Poverty Impacts of the National Greening Program	Caesar Cororaton, Arlene Inocencio, Marites Tiongco, and Anna Bella Manalang
PN 2016-13	National Greening Program: Lessons from Institutional Analysis	Maria Paz Luna
PN 2016-14	Competition for the Market: A Policy Framework for Improving Bus Operation along EDSA	Gilberto Llanto and Hope Gerochi
PN 2016-15	How to Improve Smallholders' Access to Formal Credit: Lessons from the Agrarian Production Credit Program	Gilberto Llanto, Ma. Piedad Geron, and Jocelyn Badiola
PN 2016-16	The Motor Vehicle User's Charge: Some Issues and Recommendations	Ma. Sheilah Napalang, Pia May Agatep, Adoracion Navarro, and Keith Detros
PN 2016-17	Continue But Redesign the Grant Program for Water Supply and Sanitation	Alma Porciuncula, Doreen Carla Erfe, and Adoracion Navarro
PN 2016-18	Is the Community Mortgage Program Propoor?	Marife Ballesteros, Tatum Ramos, and Jasmine Magtibay
PN 2016-19	What Do Statistics Say about Basic Education in the Philippines?	Jose Ramon Albert
PN 2016-20	Compensatory Payment Scheme for Rice Farmers after Tariffication	Roehlano Briones and Lovely Ann Tolin
PN 2016-21	Analysis of Out-of-Pocket Expenditures in the Philippines	Valerie Gilbert Ulep and Nina Ashley Dela Cruz
PN 2016-22	Seeking Universal Health Coverage of Social Health Insurance in Three Asian Countries: China, Thailand, and Viet Nam	Rolando Talampas
PN 2016-23	Analysis of Catastrophic Health Financing by Key Institutions	Alvin Caballes
PN 2016-24	What the Philippines Can Learn from Other Countries in Financing Catastrophic Health Expenditures	Anna Mae Dela Cruz
PN 2016-25	PPP Options for Universal Health Coverage in the Philippines	Eduardo Banzon, Josephine Anne Lucero, Beverly Lorraine Ho, Maria Elizabeth Puyat, Emmae Quibod, and Patricia Ann Factor
PN 2016-26	Taking Stock of the National Greening Program Six Years Hence	Danilo Israel
PN 2016-27	How Budgeting Practices on Health-Care Equipment May Fail Government Hospitals	Eduardo Banzon, Ma. Gerry Lyn Alcantara, Maria Alyana Diez, and Lorra Angela Sayson

PN 2016-28	How Do Private Schools Fare in the Provision of Health-Care Services to Students?	Rachel Racelis
<b>DISCUSSION PAPERS</b>		
CODE	TITLE	AUTHOR(S)
DP 2016-01	Inadequate N Application of Rice Farmers in the Philippines: Problems, Causes, Solutions	Roehlano Briones
DP 2016-02	Investing in Human Capital for Inclusive Growth: Focus on Higher Education	Dante Canlas
DP 2016-03	Social Protection in APEC: In Pursuit of Inclusive Growth	Janet Cuenca
DP 2016-04	Examining Processes in Research and Development at the Department of Science and Technology	Jose Ramon Albert, Donald Yasay, and Raymond Gaspar
DP 2016-05	Results of an Impact Evaluation Study on DepEd's School-Based Feeding Program	Ana Maria Tabunda, Jose Ramon Albert, and Imelda Angeles-Agdeppa
DP 2016-06	Growing Inclusive Businesses in the Philippines: The Role of Government Policies and Programs	Roehlano Briones
DP 2016-07	The National System of Technical Vocational Education and Training in the Philippines: Review and Reform Ideas	Aniceto Orbeta Jr. and Emmanuel Esguerra
DP 2016-08	Are Higher Education Institutions Responsive to Changes in the Labor Market?	Aniceto Orbeta Jr., Kathrina Gonzales, and Sol Francesca Cortes
DP 2016-09	Risks, Shocks, Building Resilience: Philippines	Gilberto Llanto
DP 2016-10	Estimation of Vulnerability to Poverty Using a Multilevel Longitudinal Model: Evidence from the Philippines	Christian Mina and Katsushi Imai
DP 2016-11	National Greening Program Assessment Project: Environmental Component - Process Evaluation Phase	Tonie Balangue
DP 2016-12	Technical and Institutional Evaluation of Selected National and Communal Irrigation Systems and Characterization of Irrigation Sector Governance Structure	Arlene Inocencio, Carl Ureta, Alex Baulita, Arman Baulita, Roberto Clemente, Roger Luyun, and Dulce Elazegui
DP 2016-13	Assessment of the Sustainable Livelihood Program - Employment Facilitation Process	Marife Ballesteros, Tatum Ramos, Jasmine Magtibay, Aniceto Orbeta Jr., Gerald Daval-Santos, Ann Jillian Adona, and Kathrina Gonzales
DP 2016-14	The Impact of Improving Capital Stock on the Utilization of Local Health Services: Preliminary Findings on the Evaluation of the Health Facilities Enhancement Program	Oscar Picazo, Ida Marie Pantig, Danica Aisa Ortiz, Melanie Aldeon, Nina Ashley Dela Cruz, and Juan Alfonso Tanghal
DP 2016-15	Post-EPIRA Impacts of Electric Power Industry Competition Policies	Adoracion Navarro, Keith Detros, and Kirsten Dela Cruz
DP 2016-16	Examining Trends in ICT Statistics: How Does the Philippines Fare in ICT?	Jose Ramon Albert, Ramonette Serafica, and Beverly Lumbea
DP 2016-17	Cross-Country Econometric Study on the Impact of Fiscal Incentives on Foreign Direct Investment	Ma. Laarni Revilla

DP 2016-18	Preliminary Assessment of the Shared Service Facilities	Erlinda Medalla, Fatima Del Prado, Melalyn Mantaring, and Angelica Maddawin
DP 2016-19	Review and Assessment of the Students Grants-in-Aid Program for Poverty Alleviation (SGP-PA) and Expanded SGP-PA	Denise Valerie Silfverberg and Aniceto Orbeta Jr.
DP 2016-20	Service Innovation in Philippine Industries	Ramonette Serafica
DP 2016-21	Putting Prevention of Childhood Stunting into the Forefront of the Nutrition Agenda: A Nutrition Sector Review	Alejandro Herrin
DP 2016-22	Results of the Process and Impact Evaluation for Selected Government Water Supply and Sanitation Programs	Alma Porciuncula, Doreen Carla Erfe, and Adoracion Navarro
DP 2016-23	Assessment of the Bottom-Up Budgeting Process for FY 2016	Rosario Manasan
DP 2016-24	Bottom-Up Budgeting Process Assessment: Zamboanga del Norte	Danileen Kristel Parel, Reinier De Guzman, and Keith Detros
DP 2016-25	Camarines Sur Assessment of the Bottom-Up Budgeting Process for FY 2016	Cleofe Pastrana and Marites Lagarto
DP 2016-26	Results of the Assessment of the Utilization and Impacts of the Motor Vehicle User's Charge in the Philippines	Ma. Sheilah Napalang, Pia May Agatep, Adoracion Navarro, and Keith Detros
DP 2016-27	Impact Assessment of the National Greening Program of the Department of Environment and Natural Resources (DENR): Scoping or Process Evaluation Phase (Economic Component)	Arvin Vista, Caesar Cororaton, Arlene Inocencio, Marites Tiongco, and Anna Bella Manalang
DP 2016-28	Who Weans with Commodity Price Shocks? Rice Prices and Breastfeeding in the Philippines	Michael Ralph Abrigo
DP 2016-29	Impact Assessment of the National Greening Program of the DENR: Scoping or Process Evaluation Phase (Institutional Component)	Maria Paz Luna
DP 2016-30	Potential Effects of the Regional Comprehensive Economic Partnership on the Philippine Economy	Caesar Cororaton
DP 2016-31	Consumption, Labor Income, and Lifecycle Deficit by Urban-Rural Residence and by Income Group: Philippines NTA 1991, 1999, and 2011	Rachel Racelis, Michael Ralph Abrigo, J.M. Ian Salas, and Alejandro Herrin
DP 2016-32	Economic Gain, Age Structure Transition, and Population Groups in the Philippines	Rachel Racelis, Michael Ralph Abrigo, J.M. Ian Salas, and Alejandro Herrin
DP 2016-33	The Role of Indicators in Policy Formulation: The Case of Maternal and Child Health Care Policy in the Philippines	Janet Cuenca
DP 2016-34	Weather Events and Welfare in the Philippine Households	Connie Dacuycuy
DP 2016-35	Australian SME Micro-Offshoring Opportunities in the Philippines: An Expanding Niche Market?	Peter Ross
DP 2016-36	Wages, Housework, and Attitudes in the Philippines	Connie Dacuycuy
DP 2016-37	Health Financing for the Poor in the Philippines: Final Report	Michael Cabalfin
DP 2016-38	Embedding the AMPLE in a CGE Model to Analyze Intersectoral and Economy-Wide Policy Issues	Roehlano Briones
DP 2016-39	Trends in Out-of-School Children and Other Basic Education Statistics	Jose Ramon Albert and Martin Joseph Raymundo
DP 2016-40	Rent Control in the Philippines: An Update	Marife Ballesteros, Tatum Ramos, and Jasmine Magtibay

DP 2016-41	Research on Urban Resilience to Natural Disasters of Households, Firms, and Communities in the Philippines	Danilo Israel and David Feliks Bunao
DP 2016-42	Impact Evaluation of Banana Insurance Program of the Philippine Crop Insurance Corporation (PCIC) in the Davao Region	Roberto Deluna Jr., Jennifer Hinlo, and Michael Ayala
DP 2016-43	Evaluation of the Impact of the Agricultural Insurance Program of PCIC on Rice Producers in Region VI	Gay Defiesta and Hanny John Mediodia
DP 2016-44	Reducing the Unintended Consequence of Overfishing Due to Open Access: Learning from the Zamboanga Experience	Danilo Israel, Milva Lunod-Carinan, and Vicente Paqueo
DP 2016-45	Warehouse Receipts as a System for Improving the Efficiency of Rice and Corn Marketing in the Philippines	Roehlano Briones and Lovely Ann Tolin
DP 2016-46	Why Manufacturing Resurgence Will Mean More Services, Not Less	Ramonette Serafica
DP 2016-47	Impact Evaluation of the Agricultural Insurance Program of the PCIC on Agricultural Producers in Central Visayas	Corazon Anzano and Julian Thomas Alvarez
DP 2016-48	Comprehensive Study on Credit Programs to Smallholders	Ma. Piedad Geron, Gilberto Llanto, and Jocelyn Alma Badiola
DP 2016-49	An Assessment of the Sectoral and Institutional Implementation of the National Disaster Risk Reduction and Management Plan	Sonny Domingo
DP 2016-50	Food (In)security and the Price of Rice Self-Sufficiency	Roehlano Briones
DP 2016-51	Planting Seeds of Self-Defeat: Effects of Unrealistic Regulations on the Caraga Wood Industry and Forest Conservation	Vicente Paqueo and Danilo Israel
DP 2016-52	Cargo Truck Ban: Bad Timing, Faulty Analysis, Policy Failure	Gilberto Llanto
DP 2016-53	The Irony of RH Law Critics' Opposition to Comprehensive Sex Education	Michael Ralph Abrigo and Vicente Paqueo
DP 2016-54	The Impact of Legal Minimum Wages on Employment, Income, and Poverty Incidence in the Philippines	Vicente Paqueo, Aniceto Orbeta Jr., and Leonardo Lanzona Jr.
DP 2016-55	Beware of the "End Contractualization!" Battle Cry	Vicente Paqueo and Aniceto Orbeta Jr.
DP 2016-56	<i>Pantawid Pamilya Pilipino</i> Program: Boon or Bane?	Aniceto Orbeta Jr. and Vicente Paqueo

## PIDS UPDATES

CODE	TITLE
January 2016	PIDS, NEDA, 3ie Bolster Campaign to Create a Culture of Evaluation
February 2016	Education for Inclusive Growth
March 2016	New Publications, Past and Forthcoming Events, Database Updates
April 2016	The Philippine Economy in 2015 and Prospects for 2016
May 2016	Risks, Shocks, Building Resilience
June 2016	New Publications, Past and Forthcoming Events, Database Updates
July 2016	Nutrition and Inclusive Growth
August 2016	Building a Resilient Philippines
September, October, November 2016	New Publications, Past and Forthcoming Events, Database Updates
December 2016	Easing Port Congestion and Other Transport and Logistics Issues

# Annex D

## Events

PIDS SEMINAR SERIES				
DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
February 23, 2016	Seminar on Diminished Global Growth Prospects: New Economic Uncertainty and the Philippines	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Dan Steinbock
March 2, 2016	Workshop on Competition and Competition Reforms in Key Sectors in the Philippines	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	CUTS, PIDS	Stella Quimbo Roehlano Briones Hope Gerochi Cherry Lyn Rodolfo Alvin Ang Roberto De Vera
April 11, 2016	Seminar on The European Union Immigration Crisis	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Lino Briguglio
April 25, 2016	Forum on ASEAN Economic Community: Accessing Market Opportunities	Multifunction Hall 1 and 2, ADB Headquarters, Mandaluyong City	Asian Development Bank, Department of Trade and Industry, PIDS	Erlinda Medalla Ganeshan Wignaraja Rafaelita Aldaba
May 24, 2016	Evidence in the Education Sector Policy Forum	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS, Department of Education, Innovations for Poverty Action (IPA)	Gilberto Llanto Rosemarie Edillon Ivan Elvin Uy Vicente Paqueo Aniceto Orbeta Jr.
June 1–2, 2016	2015/2016 Annual Forum of the East Asian Development Network (EADN)	Marco Polo Hotel, Ortigas Center, Pasig City	PIDS	EADN members
June 15, 2016	Impact Evaluation of the Health Facilities Enhancement Program	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Ida Marie Pantig
July 7, 2016	Seminar on Randomized Controlled Trial of the International Care Ministries' Ultra Poor Program	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS, IPA	Dean Karlan, David Sutherland
July 20, 2016	Forum on Addressing Transient Poverty: Evaluation of Agricultural Insurance Program of the Philippine Crop Insurance Corporation (PCIC)	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Celia Reyes Romulo Virola
August 8, 2016	Seminar on How to Increase Heights in Short Populations such as the Philippines	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Alok Bhargava

September 8, 2016	Workshop on Increasing Philippine SMEs' Participation in Global Value Chains	World Bank Philippines Office, Taguig City	PIDS, World Bank	Various presenters
October 19, 2016	Seminar on the Purchasing Managers' Index Philippines: A Leading Economic Indicator	PIDS Conference Room, Three Cyberpod Centris - North Tower, EDSA, Quezon City	PIDS	Aniceto Fontanilla
November 3, 2016	12th East Asian Institutes Forum (Theme: The ASEAN Centrality and East Asia Cooperation)	Marco Polo Ortigas Hotel, Ortigas Center, Pasig City	PIDS, Korea Institute for International Economic Policy	Various presenters

#### LEGISLATORS' FORUM SERIES

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
November 23, 2016	Forum on the Review and Assessment of the Students Grants-in-Aid Program for Poverty Alleviation	Speaker's Social Hall, House of Representatives, Quezon City	PIDS, Congressional Planning and Budget Research Department (CPBRD)	Aniceto Orbeta Jr.
December 6, 2016	Forum on the Evaluation of PCIC's Agricultural Insurance Programs	Speaker's Social Hall, House of Representatives, Quezon City	PIDS, CPBRD	Celia Reyes
December 8, 2016	Forum on Results of the Assessment of the Utilization and Impacts of the Motor Vehicle User's Charge in the Philippines	Speaker's Social Hall, House of Representatives, Quezon City	PIDS, CPBRD	Ma. Sheilah Napalang

#### SENATE STAFF FORUM SERIES

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
February 16, 2016	Senate Centennial Lecture Series (Topic: Comparative Assessment of Proposals to Amend Personal Income Tax Law)	Senate of the Philippines	PIDS, Senate Economic Planning Office	Rosario Manasan

#### PRESS CONFERENCES

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
September 1, 2016	Regional Press Conference on the 14th Development Policy Research Month (DPRM)	FSUU, Butuan City	PIDS, MinDA, FSUU	Sheila Siar Danilo Israel
September 5, 2016	Press Conference on the 14th DPRM	PIA Conference Room, 3/F Media Center Building, Visayas Avenue, Quezon City	PIDS, Philippine Information Agency (PIA) Central Office	Gilberto Llanto Representatives of the Office of Civil Defense, Department of Health, Project NOAH, and PIA
September 21, 2016	Press Conference on the 14th DPRM	Capampangan Island, San Fernando City, Pampanga	PIDS, PIA Region 3 Office	Gilberto Llanto

September 27, 2016	Press Conference on the 14th DPRM	PIA Region 8 Office, Tacloban City	PIDS, PIA Region 8 Office	Sonny Domingo
September 29, 2016	Press Conference on the 14th DPRM	Ramon Aboitiz Foundation, Inc. Conference Hall, Cebu City	PIDS, PIA Cebu Provincial Information Center	Marife Ballesteros

#### REGIONAL/PROVINCIAL SEMINARS

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
March 30, 2016	Forum on Impact Evaluation of Irrigation and Postharvest Facilities	RET Amphitheater, Central Luzon State University, Science City of Muñoz, Nueva Ecija	PIDS, Central Luzon State University	Nerlita Manalili Kevin Yaptenco Alessandro Manilay Arlene Inocencio
April 6, 2016	Policy Research Forum on Human Capital: Health, Education, and Building Resilience	Abraham Sarmiento Hall, UP Baguio Alumni Center, Baguio City	PIDS, University of the Philippines-Baguio	Ana Maria Tabunda Gilberto Llanto
August 5, 2016	Dissemination Forum on Addressing Transient Poverty: Evaluation of the Impact of the Agricultural Insurance Program of the PCIC on Corn Farmers in Cagayan Valley Region	Cagayan State University, Carig, Tuguegarao City	PIDS, Cagayan State University	Celia Reyes Adrian Agbon
August 10, 2016	Policy Research Forum on Harnessing the Capacity of SMEs as Engines of Growth	University of Southeastern Philippines, Davao City	PIDS, University of Southeastern Philippines	Erlinda Medalla Sonny Domingo
September 1, 2016	2nd Mindanao Policy Forum on Nurturing Resilient Communities in Mindanao toward Sustainable Development	Father Saturnino Urios University (FSUU), Butuan City	PIDS, Mindanao Development Authority (MinDA), FSUU	Celia Reyes Danilo Israel
September 29, 2016	Policy Forum on Social Protection and Risk Management (Results of the Impact Evaluation of the Government's Community Mortgage Program and PCIC's Agricultural Insurance Programs)	University of San Carlos (USC), Cebu City	PIDS, USC	Celia Reyes Marife Ballesteros

#### ANNUAL PUBLIC POLICY CONFERENCE

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
September 22, 2016	Second Annual Public Policy Conference on Risks, Shocks, Building Resilience	Marco Polo Ortigas Hotel, Ortigas Center, Pasig City	PIDS, Bangko Sentral ng Pilipinas	Various presenters

#### PIDS CORNER

DATE	TITLE	VENUE	SPONSORS	PRESENTER(S)
September 29, 2016	Inauguration of the PIDS Corner at the University of San Carlos	USC, Cebu City	PIDS, USC	Sheila Siar

# Annex E

## 14th Development Policy Research Month

ACTIVITIES			
DATE	TITLE	VENUE	SPONSORS
August 30, 2016	Ateneo Research Center Regional Research Conference 2016	Carlos Dominguez Conference Hall Ateneo de Zamboanga University	Ateneo de Zamboanga University
September 1, 2016	2nd Mindanao Policy Forum	Father Saturnino Urios University, Butuan City	MinDA, PIDS, FSUU
September 1, 2016	Press Conference on the DPRM (Investing in Risk Reduction for a Resilient Philippines)	Father Saturnino Urios University, Butuan City	MinDA, PIDS, FSUU
September 1, 2016	Run for a Change (Fun Run Activity)	Maddela, Quezon Province	Municipality of Maddela, Quezon Province
September 1, 2016	Livelihood Training for Employees of Maddela	Maddela, Quezon Province	Municipality of Maddela, Quezon Province
September 1, 2016	Creation of Barangay IEC Team	Maddela, Quezon Province	Municipality of Maddela, Quezon Province
September 1, 2016	Recruitment of Volunteers to DRRM	Maddela, Quezon Province	Municipality of Maddela, Quezon Province
September 3–4, 2016	Training of Youth on Basic Principles and Frameworks on DRM and Advocacy Planning on RA 10121	Villa Annabelle Beach Resort, Brgy. Balagtasin, San Luis, Batangas	Municipal Government of San Luis
September 5, 2016	Introducing the DPRM in NEDA-CAR Staff Meeting	RDC Hall, Botanical Garden, Leonard Wood Rd., Baguio City	NEDA-CAR
September 5, 2016	Press Conference on the DPRM (Investing in Risk Reduction for a Resilient Philippines)	PIA, Visayas Avenue, Quezon City	PIDS, DPRM 2016 Steering Committee
September 6, 2016	Dengue Awareness, Prevention, and Control Forum	University of the Cordilleras Gym, Baguio City	NEDA-CAR
September 6–10, 2016	Attendance to Panagdadapon 2016 (Agro-Industrial Trade Fair)	Quezon Province	Municipal Government of Maddela
September 7–9, 2016	4th Phil-LiDAR 1 Mindanao Cluster Conference	Davao City	UP Mindanao
September 8, 2016	Workshop on Increasing Philippine SMEs' Participation in Global Value Chains	World Bank Philippines, Taguig City	PIDS, World Bank
September 12–16, 2016	First Aid, CPR/AED Training (Basic Safety Services)	Municipal Reformation Center, Minalin, Pampanga	Minalin Municipal Government
September 14–16, 2016	Ropes Rescue and Fire Suspension Training	Mankayan, Benguet	Mankayan Municipal Government
September 19–20, 2016	Hosting of the Cascade of the Organizational Resiliency Manual - Business Continuity Management	BSP Cebu Regional Office	Bangko Sentral ng Pilipinas (BSP)

September 20, 2016	Geohazard Awareness and Disaster Preparedness Seminar	Legazpi City Convention Center, Albay	City Government of Legazpi
September 20–21, 2016	BSP International Research Conference on Revisiting Macro-Financial Linkages: Looking Back and Looking Ahead	Manila Peninsula Hotel, Makati City	BSP
September 21–October 10	Public Information Campaign: Role of the BSP in the Economy and Other BSP Advocacies	BSP Dagupan Branch	BSP
September 21, 2016	Press Conference on the DPRM (Investing in Risk Reduction for a Resilient Philippines)	Capampangan Island Restaurant, San Fernando, Pampanga	PIA Region 3, PIDS
September 22, 2016	2016 Second Annual Public Policy Conference on Risks, Shocks, Building Resilience	Marco Polo Hotel, Pasig City	PIDS, BSP
September 22, 2016	Lecture on the Role of the BSP under Recent Economic Developments and Updates on ASEAN Integration	BSP Batac Branch, Ilocos Norte	BSP
September 23, 2016	Tanjay City River Clean-Up Drive	Tanjay City, Negros Occidental	Tanjay City Government
September 27, 2016	Press Conference on the DPRM (Investing in Risk Reduction for a Resilient Philippines)	PIA Region 8 Office, Tacloban City	PIA Region 8, PIDS
September 27–30, 2016	Basic Life Support and Cardio Pulmonary Resuscitation Training	Municipal Gymnasium, Sevilla, Bohol	Municipal Government of Sevilla
September 28, 2016	Press Conference on the DPRM (Investing in Risk Reduction for a Resilient Philippines)	Ramon Aboitiz Foundation, Inc. Hall, Cebu City	PIA Cebu Information Center, PIDS
September 29, 2016	Inauguration of the PIDS Corner at the University of San Carlos, Cebu City	University of San Carlos, Talamban Campus, Cebu City	PIDS, USC
September 29, 2016	Policy Forum on Social Protection and Risk Management	University of San Carlos, Main Campus, Cebu City	PIDS, USC
September 30, 2016	Operation Linis/Tree Planting and Fellowship Lunch cum Team Building	Maddela, Province of Quezon	Municipal Government of Maddela
September 30, 2016	Policy Seminar-Workshop on Toward a Rice-Secure Philippines	PhilRice, Science City of Muñoz, Nueva Ecija	PhilRice
September–October 2016	Systematization of Albay DRRM Model Workshop	Bicol University, Legazpi City	Embassy of Spain-Spanish Agency for International Development Cooperation
October 12, 2016	Seminar on Disaster Preparedness and Resiliency	Isabela State University (ISU), Echague Campus, Isabela	ISU
October 31, 2016	Fourth UPLB College of Economics and Management (CEM) Forum	UP Los Baños, College, Calamba City, Laguna	UPLB-CEM

## PARTICIPATING INSTITUTIONS

1. Aklan, Province of
2. Armed Forces of the Philippines  
- Western Mindanao Command
3. Ateneo de Zamboanga University
4. Bangko Sentral ng Pilipinas
5. Batangas State University
6. Bayambang (Pangasinan), Municipality of
7. Calbiga (Samar), Municipality of
8. Camalaniugan (Cagayan), Municipality of
9. Civil Service Commission
10. Colegio de San Juan de Letran Calamba
11. Department of Agrarian Reform  
- Marinduque Provincial Office
12. Department of Agriculture
13. Department of Health
14. Department of the Interior and Local Government
15. Department of the Interior and Local Government  
- Bulacan Provincial Office
16. Department of the Interior and Local Government  
- Marinduque Provincial Office
17. Department of Science and Technology
18. Department of Social Welfare and Development
19. Embassy of Spain-Spanish Agency for International  
Development Cooperation
20. Father Saturnino Urios University
21. Government Service Insurance System
22. Guinayangan (Quezon), Municipality of
23. Ifugao, Province of
24. Inanglupa Movement
25. Isabela State University
26. Jagna (Bohol), Municipality of
27. Legazpi (Albay), City of
28. Loreto (Dinagat Islands), Municipality of
29. Maddela (Quirino), Municipality of
30. Mankayan (Benguet), Municipality of
31. Mariano Marcos State University
32. Maribojoc (Bohol), Municipality of
33. Metropolitan Manila Development Authority
34. Minalin (Pampanga), Municipality of
35. Mindanao Development Authority
36. National Disaster Risk Reduction and Management  
Council - Office of the Civil Defense
37. National Economic and Development Authority  
- Caraga
38. National Economic and Development Authority  
- Central Office
39. National Economic and Development Authority  
- Cordillera Administrative Region
40. National Economic and Development Authority  
- Region 1
41. National Economic and Development Authority  
- Region 2
42. National Economic and Development Authority  
- Region 6
43. National Economic and Development Authority  
- Region 7
44. National Economic and Development Authority  
- Region 12
45. National Electrification Administration
46. Office of the Cabinet Secretary
47. Philippine Amusement and Gaming Corporation
48. Philippine Army - Civil Military Operations
49. Philippine Charity Sweepstakes Office
50. Philippine Economic Zone Authority
51. Philippine Health Insurance Corporation
52. Philippine Information Agency  
- Central Office
53. Philippine Information Agency - Region 3
54. Philippine Information Agency - Region 7
55. Philippine Information Agency - Region 8
56. Philippine Institute for Development Studies
57. Philippine Rice Research Institute
58. Philippine Statistical Research and Training  
Institution
59. Presidential Commission for the Urban Poor
60. Presidential Management Staff
61. Roxas (Isabela), Municipality of
62. San Luis (Batangas), Municipality of
63. San Pascual (Batangas), Municipality of
64. Siaton (Negros Oriental), Municipality of
65. Small Enterprises Research and Development  
Foundation
66. Southeast Asian Regional Center for Graduate  
Study and Research in Agriculture
67. Sta. Catalina (Ilocos Sur), Municipality of
68. Tacurong (Sultan Kudarat), City Government of
69. Tanjay City (Negros Oriental)
70. University of the East
71. University of the Philippines Center for Women's  
and Gender Studies
72. University of the Philippines College of Education
73. University of the Philippines National College of  
Public Administration
74. University of the Philippines School of Economics
75. University of the Philippines Los Baños
76. UPLB College of Economics and Management
77. University of the Philippines-Mindanao
78. Santo Tomas (La Union), Municipality of
79. Sevilla (Bohol), Municipality of
80. Virac (Catanduanes), Municipality of
81. West Visayas State University

# Annex F

## Audit Certificate



*Republic of the Philippines*  
**COMMISSION ON AUDIT**  
*Commonwealth Avenue, Quezon City, Philippines*

### INDEPENDENT AUDITOR'S REPORT

THE BOARD OF TRUSTEES  
Philippine Institute for Development Studies  
18F Three Cyberpod Centris - North Tower  
EDSA corner Quezon Avenue, Quezon City

#### Report on the Financial Statements

We have audited the accompanying financial statements of the Philippine Institute for Developmental Studies, which comprise the Statement of Financial Position as at December 31, 2016 and 2015, and the Statement of Financial Performance, Statement of Changes in Equity, Statement of Cash Flows and Statement of Comparison of Budget and Actual Amount for the years then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Public Sector Accounting Standards (PPSAS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Public Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Philippine Institute for Developmental Studies as at December 31, 2016 and 2015, and its financial performance and its cash flows for the years then ended in accordance with Philippine Public Sector Accounting Standards.

#### Report on Supplementary Information Required Under BIR Revenue Regulation 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties, and license fees paid or accrued during the taxable year described in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

COMMISSION ON AUDIT

(SGD.) REBECCA Y. RAGSAG  
Supervising Auditor – Audit Group H  
Cluster 6 – Corporate Government Sector

March 21, 2017

## Statement of Financial Position

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES  
**STATEMENT OF FINANCIAL POSITION**  
 ALL FUND CLUSTERS  
 As of December 31, 2016  
 (With corresponding figures for 2015; in Philippine peso)

	Notes	2016	2015
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	3.2 & 5	282,171,065	346,119,898
Receivables	7	5,186,737	6,754,793
Investments	6	0	20,519,271
Inventories	3.3 & 8	390,424	455,012
Other Assets	10	6,465,321	12,385,443
<b>Total Current Assets</b>		<b>294,213,547</b>	<b>386,234,417</b>
Noncurrent Assets			
Receivables	7	61,560,578	172,938,956
Investments	6	368,016,984	312,828,502
Property, Plant, and Equipment - Net	3.4 & 9	31,878,206	42,563,934
Other Assets	10	11,203,592	84,635
<b>Total Noncurrent Assets</b>		<b>472,659,360</b>	<b>528,416,027</b>
<b>TOTAL ASSETS</b>		<b>766,872,907</b>	<b>914,650,444</b>
<b>LIABILITIES AND EQUITY</b>			
Current Liabilities			
Financial Liabilities	11	2,932,146	28,123,494
Interagency Payables	12	17,303,827	6,132,867
Trust Liabilities	13	4,205,154	8,334,778
Other Payables	15	282,283	256,927
<b>Total Current Liabilities</b>		<b>24,723,410</b>	<b>42,848,066</b>
Noncurrent Liabilities			
Financial Liabilities	11	597,500	0
Interagency Payables	12	61,560,578	181,315,960
Trust Liabilities	13	1,300,076	836,209
Deferred Credits	14	37,688,892	64,461,732
Other Payables	15	878,631	742,173
<b>Total Noncurrent Liabilities</b>		<b>102,025,677</b>	<b>247,356,074</b>
<b>TOTAL LIABILITIES</b>		<b>126,749,087</b>	<b>290,204,140</b>
<b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>		<b>640,123,820</b>	<b>624,446,304</b>
<b>NET ASSETS/EQUITY</b>			
Accumulated Surplus/(Deficit)		640,123,820	624,446,304
<b>TOTAL NET ASSETS/EQUITY</b>		<b>640,123,820</b>	<b>624,446,304</b>

The notes on pages 65–76 form part of these financial statements.

## Statement of Financial Performance

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES  
**STATEMENT OF FINANCIAL PERFORMANCE**  
 For the Year Ended December 31, 2016  
 (With corresponding figures for 2015; in Philippine peso)

	Notes	2016	2015
<b>REVENUE</b>			
Service and Business Income	16	20,627,390	22,247,374
Shares, Grants, and Donations	17	190,430	0
Gains	18	15,321,394	19,393,174
<b>Total Revenue</b>		<b>36,139,214</b>	<b>41,640,548</b>
<b>LESS: CURRENT OPERATING EXPENSES</b>			
Personal Services	19	62,843,643	63,823,121
Maintenance and Other Operating Expenses	20	47,883,750	102,879,439
Financial Expenses	21	46,687	109,659
Noncash Expenses	22	11,802,878	4,949,900
<b>Total Current Operating Expenses</b>		<b>122,576,958</b>	<b>171,762,119</b>
<b>DEFICIT FROM CURRENT OPERATIONS</b>		<b>(86,437,744)</b>	<b>(130,121,571)</b>
Subsidy from National Government	23	100,444,486	274,716,036
Gains on Foreign Exchange	24.1	994,931	518,688
Losses on Foreign Exchange	24.2	(40,583)	(40,895)
<b>SURPLUS FOR THE PERIOD</b>		<b>14,961,090</b>	<b>145,072,258</b>

The notes on pages 65–76 form part of these financial statements.

# ANNEX I

## Statement of Changes in Net Assets/Equity

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
ALL FUND CLUSTERS  
For the Year Ended December 31, 2016  
(With corresponding figures for 2015; in Philippine peso)

	Notes	2016	2015
<b>BALANCE AT JANUARY 1</b>		<b>624,446,304</b>	<b>563,280,519</b>
Changes in Accounting Policy	3.5	(1,297,147)	0
Prior Period Adjustments/Unrecorded Income and Expenses		3,073,783	(83,866,250)
Other Adjustments		0	0
<b>Restated Balance</b>		<b>626,222,940</b>	<b>479,414,269</b>
<b>Changes in Net Assets/Equity for the Calendar Year</b>			
Surplus for the Period		14,961,090	145,072,258
Adjustment of Net Revenue Recognized Directly in Net Assets/Equity		0	0
Others		(1,060,210)	(40,223)
<b>Total Recognized Revenue and Expense for the Period</b>		<b>13,900,880</b>	<b>145,032,035</b>
<b>BALANCE AT DECEMBER 31</b>		<b>640,123,820</b>	<b>624,446,304</b>

*The notes on pages 65–76 form part of these financial statements.*

# ANNEX J

## Statement of Cash Flows

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES

### STATEMENT OF CASH FLOWS

ALL FUND CLUSTERS  
For the Year Ended December 31, 2016  
(With corresponding figures for 2015; in Philippine peso)

	Notes	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Collection of Receivables		42,553,281	133,788,661
Receipt of Refunds of Cash Advances and Overpayment of Expenses		1,376,415	87,479,533
Receipt of Subsidy for Operations	23	73,672,000	71,180,000
Collection of Interest - PIDS Proper		20,147,098	30,505,265
Receipts of Project Fund		41,833,638	25,988,105
Collection of Income/Revenues		5,511,137	1,259,744
Collection of Interest - PIDS Projects		40,686	99,993
Refund of Performance/Bidders/Bail Bonds Payable		0	(134,927)
Purchases of Inventories	3.3	(1,236,190)	(724,478)
Payment for Payables Incurred in Operations		(2,723,964)	(2,485,286)
Advances to Employees/Projects		(6,636,880)	(4,147,616)
Granting of Cash Advances/Petty Cash Fund		(4,858,816)	(7,029,995)
Remittance of Withholding Taxes/Authorized Deductions		(31,991,214)	(37,021,360)
Payment for Operating Expenses		(87,605,307)	(112,717,052)
Payment for Project Expenses		(78,168,901)	(289,121,599)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>(28,087,017)</b>	<b>(103,081,012)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Maturing Treasury Bills and Other Securities		41,963,069	61,511,951
Proceeds from Maturing Treasury Bonds		15,900,000	19,901,910
Proceeds from Sale of Property and Equipment		0	235,677
Purchase of Property, Plant, and Equipment	3.4	(3,401,516)	(6,684,976)
Placements/Reinvestments/Rollover of Matured Investments		(90,323,369)	(31,363,921)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<b>(35,861,816)</b>	<b>43,600,641</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(63,948,833)</b>	<b>(59,480,371)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>		<b>346,119,898</b>	<b>405,600,269</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>3.2 &amp; 5</b>	<b>282,171,065</b>	<b>346,119,898</b>

The notes on pages 65–76 form part of these financial statements.

# ANNEX K

## Statement of Comparison of Budget and Actual Amount

PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES

### STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

ALL FUND CLUSTERS

For the Year Ended December 31, 2016

(In Philippine peso)

PARTICULARS	Notes	Original Budget	Final Budget	Actual Amount	Difference Final Budget and Actual
RECEIPTS					
Service and Business Income	3.7	7,479,377	7,479,377	20,627,390	(13,148,013)
Assistance and Subsidy	3.7	138,115,730	138,115,730	100,444,486	37,671,244
Shares, Grants, and Donations	3.7	0	0	190,430	(190,430)
Gains	3.7	6,300,000	6,300,000	15,321,394	(9,021,394)
<b>Total Receipts</b>		<b>151,895,107</b>	<b>151,895,107</b>	<b>136,583,700</b>	<b>15,311,407</b>
PAYMENTS					
Personal Services	3.7	98,601,151	86,605,151	62,843,643	23,761,508
Maintenance and Other Operating Expenses	3.7	117,351,526	116,602,526	47,883,750	68,718,776
Capital Outlay	3.7	4,879,000	4,879,000	3,493,565	1,385,435
Financial Expenses	3.7	100,000	100,000	46,687	53,313
<b>Total Payments</b>		<b>220,931,677</b>	<b>208,186,677</b>	<b>114,267,645</b>	<b>93,919,032</b>
<b>NET RECEIPTS/PAYMENTS</b>		<b>(69,036,570)</b>	<b>(56,291,570)</b>	<b>22,316,055</b>	<b>(78,607,625)</b>

The notes on pages 65–76 form part of these financial statements.

# ANNEX L

## Notes to Financial Statement

(All amounts in Philippine peso unless otherwise stated)

### 1. GENERAL INFORMATION

The Philippine Institute for Development Studies (PIDS) is a nonstock, nonprofit government research institution created under PD 1201 in September 1977. The Institute's nature of operation/principal program/activities include, among others, the following:

- 1.1 Provide analyses of socioeconomic problems and issues to support the formulation of plans and policies for sustained social and economic development in the Philippines;
- 1.2 Establish a continuing channel of communication between policymakers and planners, on one hand, and researchers, on the other;
- 1.3 Establish a repository for economic research information and other related activities.

As of December 31, 2016, the Institute's principal place of business is at 18th Floor, Three Cyberpod Centris – North Tower, EDSA corner Quezon Avenue, Quezon City.

For the fifth time since 2012, the PIDS has been recognized as among the world's top think tanks. In the *2016 Global Go to Think Tanks Report* by the Think Tanks and Civil Societies Program of the University of Pennsylvania, PIDS ranked 38th among the 100 top think tanks in Southeast Asia and the Pacific. It has also retained its rank as number one social policy think tank in Southeast Asia and 37th among the top 100 in the world under this category. PIDS also maintained its ranking as among the top international development think tanks (70th among the top 130) and among the top education policy think tanks (33rd among the top 65). PIDS also made it to the list of best government-affiliated think tanks and think tanks with the best external relation/public engagement program. A total of 6,846 think tanks were assessed in this round.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements were prepared in accordance with the Philippine Public Sector Accounting Standards (PPSAS) issued by the Commission on Audit (COA) per COA Resolution No. 2014-003 dated January 24, 2014, Revised Chart of Accounts (RCA) issued under COA Circular No. 2014-003 dated April 15, 2014, and Unified Accounts Code Structure (UACS) prescribed under the COA-Department of Budget and Management (DBM)-Department of Finance (DOF) Joint Circular No. 2013-1 dated August 6, 2013.

The Financial Statements were prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of Accounting

The Financial Statements are prepared on the accrual basis in accordance with the PPSAS.

#### 3.2 Cash and Cash Equivalents

Cash and Cash Equivalents are comprised of cash on hand and cash at bank deposits on call and highly liquid investments with an original maturity of three months, which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents, cash and short-term deposits as defined above.

### 3.3 Inventories

Inventory is measured at cost. Additional acquisitions will increase this account while issuance/consumption will decrease the amount.

Inventories are recognized as an expense when issued to end-users for utilization or consumption in the ordinary course of operations using the weighted average method.

### 3.4 Property, Plant, and Equipment

#### *Recognition*

An item is recognized as Property, Plant, and Equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are as follows:

- Tangible items,
- Are held for use for administrative purposes, and
- Are expected to be used for more than one reporting period.

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

#### *Measurement at Recognition*

An item recognized as PPE is measured at cost.

A PPE acquired through nonexchange transaction is measured at its fair value as the date of acquisition.

The cost of the PPE is the cash price equivalent or for PPE acquired through nonexchange transactions, its cost is its fair value as at recognition date.

Cost includes the following:

- Purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates;
- Expenditure that is directly attributable to the acquisition of the items; and
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

#### *Measurement after Recognition*

After recognition, all PPE are stated at cost less accumulated depreciation and impairment losses.

When significant parts of PPE are required to be replaced at intervals, the PIDS recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in surplus or deficit as incurred.

#### *Depreciation*

Each part of an item of PPE with a cost is significant in relation to the total cost of the item which is depreciated separately,

The depreciation charge for each period is recognized as an expense unless it is included in the cost of another asset.

#### *Initial Recognition of Depreciation*

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

For simplicity and to avoid proportionate computation, the depreciation is for one month if the PPE is available for use on or before the 15th of the month. However, if the PPE is available for use after the 15th of the month, depreciation starts on the succeeding month.

#### *Depreciation Method*

The straight line method of depreciation is adopted.

#### *Estimated Useful Life*

The PIDS uses the schedule on the estimated useful life of PPE by classification prepared by the COA.

The PIDS uses a residual value equivalent to 5 percent of the cost of the PPE.

#### *Impairment*

An asset's carrying amount is written down to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable service amount.

#### *Derecognition*

The PIDS derecognizes items of PPE and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

### 3.5 Changes in Accounting Policies and Estimates

The PIDS recognizes the effects of changes in accounting policy retrospectively. The effects changes in accounting policy were applied prospectively if retrospective application is impractical.

The PIDS recognizes the effects of changes in accounting estimates prospectively by including surplus or deficit.

The PIDS corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented.

### 3.6 Foreign Currency Transactions

Transactions in foreign currencies are recorded in Philippine peso based on the Bangko Sentral ng Pilipinas (BSP) rate of exchange prevailing at the date of transactions.

Transactions in foreign currencies are initially recognized by applying the spot exchange rate between the function currency and the foreign currency at the transaction at each reporting date:

- Foreign currency monetary items are translated using the closing rate;
- Nonmonetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and
- Nonmonetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising (a) on the settlement of monetary items or (b) on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements, are recognized in surplus or deficit in the period in which they arise, except as those arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation.

### 3.7 Budget Information

The annual budget is prepared on a cash basis and is published in the government website.

### 3.8 Employee Benefits

The employees of the PIDS are members of the Government Service Insurance System (GSIS) which provides life and retirement insurance coverage.

The PIDS recognizes the undiscounted amount of short-term employee benefits, like salaries, wages, bonuses, and allowance as expense unless capitalized, and as a liability after deducting the amount paid.

The PIDS recognizes expenses for accumulating compensated absences when these were paid (commuted or paid as terminal benefits). Unused entitlements that have accumulated at the reporting date were not recognized as expense. Nonaccumulating absences, like special leave privileges, were not recognized.

## 4. CHANGES IN ACCOUNTING POLICIES

The PIDS adopted the following new accounting policies upon the rollout of the new Electronic New Government Accounting System (eNGAS) version 2.0 in a training conducted by COA on March 2–6, 2015, with financial statements as of January 1, 2016 converted as beginning balances.

### 4.1 Philippine Public Sector Accounting Standards

On January 1, 2016, the PIDS adopted the PPSAS. The new standards include the requirement for recognition, measurement, presentation, and disclosure, and are effective beginning January 1, 2016. These accounting changes had significant impact on the PIDS financial statements.

### 4.2 Revised Chart of Accounts (RCA)

Conversion of old to new accounts pursuant to the RCA issued under COA Circular No. 2014-003 dated April 15, 2014.

### 4.3 Unified Accounts Code Structure (UACS)

Implementation of the UACS prescribed under the COA-DBM-DOF Joint Circular No. 2013-1 dated August 6, 2013.

These accounting changes had significant impact on the PIDS financial statements.

## 5. CASH AND CASH EQUIVALENTS

Accounts	2016
Cash on Hand	9,930
Cash in Bank - Local Currency	22,918,628
Cash in Bank - Foreign Currency	6,238,894
Time Deposit - Foreign Currency	12,063,079
Special Savings Account/High-Yield Savings Account	240,940,534
	<b>282,171,065</b>

### 5.1 Cash on Hand

Cash Collecting Officer account balance represents collections during the last working day of the year after banking hours. This was immediately deposited to the peso account of PIDS Land Bank – National Irrigation Administration (NIA) Branch on the first working day of January 2017.

## 5.2 Cash in Bank - Local Currency

Particulars	Account No.	Amount
LBP/PIDS-APPSC Project	1872-1038-36	14,263,391
LBP/PIDS Proper (NIA Branch)	1872-1037-39	7,798,480
LBP/PIDS GDN "EADN Project"	1782-1033-06	469,250
DBP/PIDS Proper	0405-026125-530	174,553
LBP/PIDS 3ie DSWD Project	1872-1037-63	62,286
LBP/PIDS PAWCD Project	1872-1038-44	50,419
LBP/PIDS ACIAR Project	1872-1037-71	36,571
LBP/PIDS Proper (Buendia Branch)	0052-1149-34	31,992
LBP/PIDS Proper (Pasong Tamo Branch)	1782-1011-50	30,837
LBP/PIDS Head Office	3401-07-.0973	849
		<b>22,918,628</b>

The PIDS total Cash in Bank - Local Currency amounted to PHP 8.037 million, while the externally funded project funds amounted to PHP 14.882 million. This was used to pay various project expenses incurred for the specific project in peso.

## 5.3 Cash In Bank - Foreign Currency

Particulars	Account No.	Amount
LBP/PIDS - 3ie DSWD Project	1874-0028-91	2,792,082
LBP/PIDS GDN "EADN Project"	1784-0120-57	1,630,014
LBP/PIDS Proper (Pasong Tamo Branch)	1784-0093-66	1,560,067
LBP/PIDS ACIAR Project	1874-0029-13	256,731
		<b>6,238,894</b>

The PIDS total Cash in Bank - Foreign Currency amounted to PHP 1.560 million, while the externally funded project funds amounted to PHP 4.679 million, used to pay the various project expenses incurred for the specific project in dollars.

## 5.4 Time Deposit - Foreign Currency

Placement of USD 237,327.86 for a period of 91 days at a rate of 1 percent per annum to mature on March 22, 2017 at LBP- Pasong Tamo Branch.

## 5.5 Special Savings Account (SSA)/High-Yield Savings Account (HYSA)

The SSA/HYSA is an investment facility of the Development Bank of the Philippines/Land Bank of the Philippines (DBP/LBP) through the Trust Department of the said banks that offer interest rates higher than the yields on government securities of the same tenor.

## 6. INVESTMENTS

This account consists of Investment in Bonds - Investible funds account comprising mainly of government treasury bonds with coupon rates between 2.85 percent and 7.36 percent. These investments are scheduled to mature from calendar year 2017 to 2037.

## 7. RECEIVABLES

This account is broken down as follows:

Particulars	2016	
	Current	Noncurrent
Due from National Government Agencies (NGAs)	126,821	61,560,578
Interest Receivables	5,027,445	0
Other Receivables - Miscellaneous	32,471	0
	5,186,737	61,560,578

### 7.1 Due from National Government agencies (NGAs)

Particulars	2016	2015
PIDS/Commission on Higher Education (CHED)-Research Development Extension (RDE) Project	61,560,578	172,938,956
PIDS/Department of Agrarian Reform "A Comprehensive Study on Credit Programs to Smallholders"	0	122,135
PIDS/Department of Health Project "Health System Research Project"	0	976
PIDS/Department of the Interior and Local Government (DILG) Project "Assessment of Bottom-Up Budgeting Program: Alleviating Poverty and Strengthening Social Capital"	126,821	0
	61,687,399	173,062,067

The receivable from PIDS/CHED "RDE Project" amounting to PHP 61.561 million was part of the PHP 560 million Disbursement Acceleration Program (DAP) for the implementation of the Grants-in-Aid for Research Development and Extension Project which was released by the DBM to the PIDS. Of the PHP 560 million fund, PHP 504 million was transferred/released to CHED last June 20, 2012. Per monitoring report submitted by CHED to PIDS, the said amount was composed of the unliquidated balances from state universities and colleges (SUCs) amounting to PHP 58.300 million and unliquidated CHED operating expenses amounting to PHP 3.261 million. Furthermore, after the closing of PIDS books of CY 2016, CHED submitted a revised monitoring report as of December 31, 2016, reflecting the unliquidated balances from SUCs amounting to PHP 45.391 million and CHED operating expenses amounting to PHP 3.261 million.

### 7.2 Interest Receivable

This account refers to the interest income earned but not yet received for the year from various investment operations.

### 7.3 Other Receivables - Miscellaneous

This account refers to the advances made by the Institute to the externally funded projects.

## 8. INVENTORIES

Regular purchases of office supplies for stock are recorded under the Inventory account, and issuances thereof are recorded based on the Report of Supplies Issuance.

## 9. PROPERTY, PLANT, AND EQUIPMENT

This account is broken down as follows:

Particulars	Communi- cation/IT Equipment	Office Equipment/ Furniture and Fixtures, Others	Lot/Lease- hold and Building Improve- ment	Motor Vehicles and Acces- sories	PPE-Held in Trust	Total
<u>Cost</u>						
Balance, January 1, 2016	31,869,654	6,966,281	20,665,326	7,572,178	1,133,710	68,207,149
Additions	3,515,632	456,540	0	0	52,985	4,025,157
Disposals/Adjustments	(1,374,569)	(3,727,451)	10	(750,000)	(1,106,495)	(6,958,505)
Balance, December 31, 2016	34,010,717	3,695,370	20,665,336	6,822,178	80,200	65,273,801
<u>Accumulated Depreciation</u>						
Balance, January 1, 2016	18,239,700	4,384,363	0	3,019,152	0	25,643,215
Depreciation	4,103,866	457,155	6,544,019	697,927	0	11,802,967
Disposals/Adjustments	(994,336)	(2,380,688)	0	(675,563)	0	(4,050,587)
Balance, December 31, 2015	21,349,230	2,460,830	6,544,019	3,041,516	0	33,395,595
Net book value, December 31, 2016	12,661,487	1,234,540	14,121,317	3,780,662	80,200	31,878,206
Net book value, December 31, 2015	13,629,954	2,581,918	20,665,326	4,553,026	1,133,710	42,563,934

For every acquisition of PPE items to be used in the implementation of externally funded projects, the PPE-Held in Trust account is debited. Upon completion of the project, the PPE items held in trust are reclassified to the specific PPE items account classifications.

## 10. OTHER ASSETS

This account is broken down as follows:

Particulars	2016	
	Current	Noncurrent
Prepayments	6,454,553	0
Guaranty Deposits	0	11,202,239
Other Assets	10,768	1,353
	6,465,321	11,203,592

### 10.1 Prepayments

This consists of the payment of rent of office space, parking, and aircon charges with Eton Properties Philippines, insurance premiums with the GSIS, as well as unexpired portion of the fidelity bond premiums of Special Disbursing Officers with the Bureau of Treasury and unexpired portion of various subscriptions for the library.

### 10.2 Guaranty Deposits

The guaranty deposits account represents the security deposit and advance rent for the lease of the PIDS office space.

### 10.3 Other Assets

The Other Assets account represents PPE items awaiting disposals.

## 11. FINANCIAL LIABILITIES

This account is broken down as follows:

Particulars	2016	
	Current	Noncurrent
Accounts Payable	2,613,370	597,500
Due to Officers and Employees	318,776	0
	2,932,146	597,500

## 12. INTERAGENCY PAYABLES

This account is broken down as follows:

Particulars	2016	
	Current	Noncurrent
Due to NGAs, PIDS/CHED "RDE Project"	0	61,560,578
PIDS/DILG Project "Assessment of the Bottom-Up Budgeting Program: Alleviating Poverty and Strengthening Social Capital"	14,263,391	0
Due to Bureau of Internal Revenue (BIR)	3,040,436	0
	17,303,827	61,560,578

The account Due to BIR consists of the income tax on accrued interest income subject to final tax and taxes withheld from employees' compensation, contractors, and suppliers. The same are regularly remitted by the Institute to the BIR on or before their due dates.

The account PIDS/CHED Project and PIDS/CHED "Returned Funds from CHED for RDE Project" pertains to the DAP-RDE funds released to PIDS (see Note 7.1). The releases and disbursements were stopped by the Institute and CHED in compliance with the Supreme Court decision on July 1, 2014 declaring "DAP as unconstitutional".

## 13. TRUST LIABILITIES

This account is broken down as follows:

Particulars	2016	
	Current	Noncurrent
PIDS/International Initiative for Impact Evaluation (3ie) Project "Improving the Chances of Success Through Better Beneficiary Sorting and Employment Facilitation in the Philippines"	2,854,369	0
PIDS/Global Development Network – East Asian Development Network (GDN-EADN) Project	0	1,300,076
PIDS/Australian Center for International Agricultural Research (ACIAR) Project "Action Ready Climate Knowledge to Improve Disaster Risk Management for Smallholder Farmers of the Philippines"	293,302	0
PIDS/Economic Research Institute for ASEAN Project "What Does ASEAN Mean to ASEAN People"	260,437	0
Guaranty/Security Deposits Payable	797,046	0
	4,205,154	1,300,076

Trust Liabilities account pertains to cash held in trust from above foreign-funded projects for specific purpose.

Guaranty/Security Deposits Payable account pertains to retention fees to guarantee performance by the contractor of the terms of the contract.

#### 14. DEFERRED CREDITS

The details of the account are presented below:

Particulars	2016	2015
Impact Evaluation	37,674,283	64,443,730
Subscriptions on Publication Items	11,990	2,875
Return Service Obligations	2,619	15,127
	<b>37,688,892</b>	<b>64,461,732</b>

This account represents amount collected for revenue not yet earned. The PHP 37.674 million will be used for the implementation of the two remaining projects under the "Impact Evaluation of Key Government Programs and Projects and Capacity Building of Oversight Agencies on Impact Evaluation" which was extended until December 2017.

#### 15. OTHER PAYABLES

The details of the account are presented below:

Particulars	2016	
	Current	Noncurrent
Health Maintenance Organization (HMO) Refund of Retired/Resigned Employees	154,230	878,631
Bids and Awards Committee	128,053	0
	<b>282,283</b>	<b>878,631</b>

The HMO Refund of Retired/Resigned PIDS employees pertains to cash withheld from the resigned/retired PIDS employees for the COA HMO disallowances which is under appeal by the Institute to the Supreme Court.

#### 16. SERVICE AND BUSINESS INCOME

The details of the account are presented below:

Particulars	2016	2015
Interest Income	20,602,685	22,215,698
Sale of Publication	24,705	31,676
	<b>20,627,390</b>	<b>22,247,374</b>

#### 17. SHARES, GRANTS, AND DONATIONS

Income from Grants and Donations in Kind account pertains to the reclassification of PPE items from closed/completed externally funded projects to the specific PPE or Semi-Expendable items.

## 18. GAINS

This account pertains to the earnings from the externally funded research projects, most of which were completed and closed during the year. As part of the Institute's cost recovery program, the projects were charged for Management fee and for the actual time rendered by the Research Fellows, Supervising Research Specialists, and Research Assistants who worked on the project. In addition, overhead project expenses ranging from 5 to 20 percent of the total project cost were charged by the Institute as agreed upon with the funding entities.

## 19. PERSONNEL SERVICES

This account consists of the following:

Particulars	2016	2015
Salaries and Wages	37,175,335	37,621,081
Other Compensation	14,832,869	18,312,366
Personnel Benefit Contribution	6,027,541	5,050,734
Other Personnel Benefits	4,807,898	2,838,940
	<b>62,843,643</b>	<b>63,823,121</b>

## 20. MAINTENANCE AND OTHER OPERATING EXPENSES

Below is the breakdown of the account:

Particulars	2016	2015
Professional Services	6,787,130	58,239,242
Training and Scholarship Expenses	5,756,770	3,032,186
Taxes, Insurance Premiums, and Other Fees	5,423,844	5,602,013
Supplies and Material Expenses	1,911,546	1,162,636
Communication Expenses	1,447,992	1,546,494
Utility Expenses	1,411,083	3,757,955
Repairs and Maintenance	526,946	556,714
Travelling Expenses	464,760	5,856,496
Confidential, Intelligence, and Extraordinary Expenses	126,854	112,300
Other Maintenance and Operating Expenses	24,026,825	23,013,403
	<b>47,883,750</b>	<b>102,879,439</b>

## 21. FINANCIAL EXPENSES

Particulars	2016	2015
Bank Charges	46,687	109,659

## 22. NONCASH EXPENSES

Particulars	2016	2015
Depreciation	11,802,878	4,949,900

## 23. NET FINANCIAL ASSISTANCE/SUBSIDY

Particulars	2016	2015
Subsidy from National Government - Operations	73,672,000	71,180,000
Impact Evaluation	26,772,486	203,536,036
	100,444,486	274,716,036

## 24. NON-OPERATING INCOME, GAIN, OR LOSSES

### 24.1 Non-operating Income/Gain

Particulars	2016	2015
Gain on Foreign Exchange	994,931	518,688

### 24.2 Non-operating Losses

Particulars	2016	2015
Loss on Foreign Exchange	40,583	0
Loss on Sale of Disposed Assets	0	40,895
	40,583	40,895

## 25. REPORT ON THE SUPPLEMENTARY INFORMATION REQUIRED BY BIR UNDER REVENUE REGULATION NO. 15-2010

On November 25, 2010, the BIR issued Revenue Regulations (RR) No. 15-2010 prescribing the manner of compliance in connection with the preparation and submission of financial statements accompanying the tax returns. Under the said RR, it is required that, in addition to the disclosures mandated under the Philippine Financial Reporting Standards and such other standards and/or conventions as may be adopted, the Notes shall include information on taxes, duties, and license fees paid or accrued during the taxable year.

In compliance with the requirements set forth by RR 15-2010, the information on taxes, duties, and licenses paid or accrued during the taxable year are as follows:

### 25.1 Value-Added Tax (VAT)

This tax type was already cancelled per our new BIR registration in Regional District Office (RDO) 039.

### 25.2 Excise Tax

There are no transactions subject to excise taxes for the years ended December 31, 2016 and 2015.

### 25.3 Other Taxes, Local and National

This account consists of taxes and licenses paid for the years ended December 31, 2016 and 2015 as follows:

	2016	2015
Under Taxes, Insurance Premiums, and Other Fees:		
20% Final Tax on Interest Income on Investments and Bank Deposits	4,587,322	4,786,650
Documentary Tax	101,210	0
Renewal of Vehicle Registration	9,262	11,276
Under Other Maintenance and Operating Expenses Account:		
Business Permits	0	12,800
	<b>4,697,794</b>	<b>4,810,726</b>

### 25.4 Withholding Taxes

The Institute's withholding taxes for the years ended December 31, 2016 and 2015 are as follows:

#### I. Withholding Tax on Compensation

	2016	2015
Total Withheld Tax for the Year	8,541,140	7,721,206
Less: Payments made from January to November	7,439,769	6,579,576
<b>Withholding Tax Still Due and Payable</b>	<b>1,101,371</b>	<b>1,141,630</b>

#### II. Expanded Withholding Tax

	2016	2015
Total Withheld Tax for the Year	2,395,293	5,407,827
Less: Payments made from January to November	2,074,312	4,681,469
<b>Withholding Tax Still Due and Payable</b>	<b>320,981</b>	<b>726,358</b>

#### III. Withholding Tax on Compensation

	2016	2015
Total Withheld Tax for the Year	2,326,871	4,358,801
Less: Payments made from January to November	1,922,776	3,569,199
<b>Withholding Tax Still Due and Payable</b>	<b>404,095</b>	<b>789,602</b>

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PIDS Annual Report 2016

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