

Country Partnership Strategy for the Republic of the Philippines

June 2023

The Government of the Republic of Korea

This strategy was drafted in close consultation with the government of the recipient country and may be subject to change depending on the country's local circumstances.

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I . Overview

**Philippine
Development Plan(PDP)
2023-2028**

**ECONOMIC AND SOCIAL TRANSFORMATION FOR A
PROSPEROUS, INCLUSIVE, AND RESILIENT SOCIETY**

**Development Cooperation
Objectives
of
the Republic of Korea**

Contribute to the sustainable growth of the Philippines
by developing key engines of growth (transportation and digitalization)
and providing assistance to strengthen resilience and capacity to
respond to crises (climate change, food security, etc.)

Focus of Assistance by Priority Area

Transportation

- Assist in building airport, port, and road infrastructure to enhance connectivity between regions and lay a foundation for sustainable economic growth
- Assist in building workforce to facilitate self-reliance in establishment and operation of transportation plans

* Relevant PDP objectives: *EXPAND AND UPGRADE INFRASTRUCTURE*

* Relevant SDGs: 9.1, 11.2

Water Management, Health and Sanitation

- Build water and sewage facilities and improve water resource management system to ensure a stable supply of clean water
- Provide healthcare for vulnerable groups and strengthen digital-based healthcare capacity

* Relevant PDP objectives: *BOOST HEALTH*

* Relevant SDGs: 3.1, 3.2, 3.7, 3.8, 6.1, 6.2, 6.3

Climate Change and Environment

- Provide comprehensive support to enhance climate resilience and achieve carbon neutrality by developing digital technology, building infrastructure, and capacity building for mitigation and adaptation

* Relevant PDP objectives: *ACCELERATE CLIMATE ACTION AND STRENGTHEN DISASTER RESILIENCE*

* Relevant SDGs: 11.5, 11.b, 13.1, 13.2

Regional De velopment (Food Security)

- Establish a sustainable food production system and strengthen food security by raising productivity and enhancing value chains in the agriculture, livestock, and fisheries sectors

* Relevant PDP objectives:

- *ENSURE FOOD SECURITY AND PROPER NUTRITION*
- *MODERNIZE AGRICULTURE AND AGRI-BUSINESS*

* Relevant SDGs: 1.2, 2.1, 2.3, 2.4, 2.a

ICT

- Improve transparency of the government through digitalization of public administration
- Enhance digital accessibility and capabilities through ICT education

* Relevant PDP objectives: *PRACTICE GOOD GOVERNANCE AND IMPROVE BUREAUCRATIC EFFICIENCY*

* Relevant SDGs: 16.6, 4.4, 9.c

II. Priority Cooperation Areas

(1) Transportation

☐ Development Needs

- The Department of Public Works and Highways (DPWH) and the Department of Transportation (DOTr) of the Philippines are constructing and improving airport, port, and road facilities to build transportation infrastructure for sustainable economic growth.
 - * Airport: Improve facilities to international standards, and expand connectivity between gateway airports and regional airports
 - * Port: Strengthen the cargo rail system connected to ports, expand container ports, and automate port operations
 - * Road: Construct bridges, expand road connectivity between regions, and establish a smart road transportation system

☐ Basic Directions

- **Improve and construct key transportation infrastructure, such as airport, port, and road** to lay a foundation for sustainable economic growth and to enhance connectivity between regions
- **Strengthen the capacity of the workforce in transportation infrastructure** to develop and implement inclusive and eco-friendly transportation plans and conduct self-reliant operation

☐ Detailed Implementation Plan

- **(Airport)** Assist in **building airport infrastructure in local areas and major islands**, such as improvement of existing airports and construction of new airports to increase tourism revenue and stimulate the local economy
- **(Port)** **Construct new port infrastructure in key regions and improve maritime transportation environment** to increase trade volume and ensure sustainable and safe maritime transportation

- **(Road) Forge stronger connectivity of road infrastructure**, improve traffic, and **establish smart transportation systems** to alleviate chronic road congestion and promote balanced national development
- **(Capacity-building of workforce in transportation infrastructure)** Assist in developing inclusive and eco-friendly transportation policies by transferring knowledge on regarding transportation infrastructure development, operation, management and other related systems

□ Key Projects

- Project 1: The New Dumaguete Airport Development Project

Managing Agency	(Korea) EDCF (Philippine) Department of Finance (DOF)	Budget	255,715,000 USD
Type	Development Project Loan	Project Objective	Enhance the safety and efficiency of airport operations and promote regional economic revitalization by constructing a new airport that meets international safety standards and possesses high climate resilience
Schedule	Feasibility Study: 2021 / Disbursement: 2023-2031		
Activities	<ul style="list-style-type: none"> • Architectural buildings: passenger and cargo terminal, control tower, Administration building, etc. • Airport infrastructure: runway, apron, access roads, etc. • Consulting service: tender assistance, supervision, etc. 		
Outcomes	<ul style="list-style-type: none"> • Economic development and decrease of poverty in the region • Effective operation by improving air traffic service • Increasing connectivity of airport and related facility 		

- Project 2: Establishment of Smart Public Transport System in Makati City

Managing Agency	(Korea) KOICA (Philippine) City Government of Makati	Total Budget	13,000,000 USD
Type	Project	Objective	Establish an integrated and inter-operable smart public transportation system for Makati City
Period	Preliminary Survey: 2020 / Implementation: 2022-2025		
Components	<ul style="list-style-type: none"> • Development of public transportation master plans, and capacity building • Establishment of Automatic Fare Collection System(AFCS), Fleet Management System(FMS), and Mobile Passenger Information System(MPIS) • Provision of eco-friendly buses, construction of bus depot, and pilot operation 		
Target/ Indicators	<ul style="list-style-type: none"> • The number of new public transportation plans for the City Government of Makati • The number of people with access to improved public transportation • Reduced greenhouse gases emissions 		

(2) Water Management, Health and Sanitation

☐ Development Needs

- **(Water Management)** The National Water Resources Board (NWRB) and various water sector agencies of the Philippines is building a stable and clean water supply system by establishing sustainable water supply and sanitation management infrastructure, including reservoirs and dams.
- **(Health and Sanitation)** The Department of Health (DOH) of the Philippines is implementing a mid- to long-term strategy to ensure non-discriminatory medical services for all citizens.

Philippines' Goal for Safe Drinking Water and Healthcare and Sanitation (2028)

- Safe water supply coverage increased (% families) to 97.48%
- Access to basic sanitation increased (% families) to 98.17%
- Average life expectancy increased (years) : Male 71.14, Female 77.42
- Maternal mortality ratio decreased (per 100,000 live births) to 74
- Neonatal mortality rate decreased (per 1,000 live births) to 7.65
- Infant mortality rate decreased (per 1,000 live births) to 11.52
- Under-5 mortality rate decreased (per 1,000 live births) to 21.67

☐ Basic Directions

- **(Water Management)** Assist in expanding water/sewage facilities and improve the water management system to ensure sustainable water use and secure clean water and sanitation
- **(Health and Sanitation)** Assist in improving health security by providing essential healthcare services for vulnerable groups (infants, women and youth), and enhancing digital-based capabilities to respond to any health crisis

☐ Detailed Implementation Plan

- **(Water Management)** Support the improvement of basic sanitation facility for water, sanitation and hygiene (WASH) through building dams and water/sewage facilities, and ICT-based water management systems for stable and clean water supply
- **(Health and Sanitation)** Put priority on maternal and child health programs for the underprivileged to strengthen local health capacity and seek to attain universal medical coverage

- Effect behavioral change in health and stimulate demand for healthcare services through healthcare awareness campaigns, thereby laying the groundwork for improving health indicators
- Provide capacity building for government officials to improve health crisis prevention/response for infectious diseases

□ Key Projects

- Project 1: Establishment of an Integrated Water Resources Management Information System for the Pampanga River Basin-IWRMIS Phase 2

Managing Agency	(Korea) KOICA (Philippine) National Water Resources Board(NWRB)	Budget	5,800,000 USD
Type	Project	Objective	<ul style="list-style-type: none"> - Improve water resources planning, management and regulation in the whole Pampanga River Basin - Utilize Integrated Water Resources Management System for water allocation and distribution, irrigation, and flood analysis
Schedule	Preliminary Survey: 2018 / Implementation: 2019-2024		
Activities	<ul style="list-style-type: none"> • Development of water management plan (BPR/ISP) for NWRB • Establishment of water resources information GIS Database • Provision of hydrological observation equipment • Capacity building of Philippine officials and workforce 		
Outcomes	<ul style="list-style-type: none"> • Increase rate (%) of water resource data accumulation, • Water information data usage (%), • Reduction rate (%) of time consumed for data analysis (Task enforcement time) 		

- Project 2: Strengthening Health Care Provider Network(HCPN) with Enhanced Linkage to Community for RMNCAH Improvement

Managing Agency	(Korea) KOICA (Philippine) WHO, Department of Health (DOH)	Budget	7,000,000 USD
Type	Project	Objective	Project for reduced maternal mortality ratio and infant mortality rate in all project sites by end of the 42-month project implementation
Schedule	Preliminary Survey: 2019 / Implementation: 2020-2024		
Activities	<ul style="list-style-type: none"> • Supported communities to develop effective approaches to essential health services for RMNCAH • Strengthened governance and management for responsiveness of HCPN • Sustained and scaled up initial gains in Region XI 		
Outcomes	<ul style="list-style-type: none"> • Percentage of women with at least 4 prenatal consultations with health professionals • Percentage of women who are examined by skilled health professionals during delivery • Decreased number of teenage or adolescent pregnancies in project sites 		

(3) Climate Change and Environment

☐ Development Needs

- The National Disaster Risk Reduction and Management Council (NDRMC) has announced the *National Disaster Risk Reduction and Management Plan 2011-2028* to address climate change by establishing an integrated disaster response system and restoring the ecosystem

National Disaster Risk Reduction and Management Plan(NDRRMP)

- **Prevention:** Identify and address vulnerabilities to natural disasters and strengthen the capacity of local communities
- **Preparation:** Establish an early disaster prediction system and enhance national and regional resilience from disasters
- **Response:** Minimize casualties through prompt response, provide basic necessities, and restore essential social networks
- **Restoration:** Restore economic and residential facilities, reconstruct public infrastructure, and provide rehabilitation support to victims

- The Department of Public Works and Highways (DPWH) and the Department of Transportation (DOTr) are not only establishing infrastructure to tackle climate change and enhance resilience, but are also encouraging private investment in the eco-friendly sector and supporting the development of low-carbon technology and products.

☐ Basic Directions

- Assist in establishing infrastructure and strengthening capacity for climate change response to protect the livelihood of people, minimize the damage, and increase resilience
- Assist in reduction of greenhouse gas emission in support of the international commitment to achieve carbon neutrality

☐ Detailed Implementation Plan

- ※ Mitigation: Reduction and limitation of greenhouse gas emissions (eg, renewable energy, public transportation, smart city, etc.)
Adaptation: Maintenance and increase of resilience to climate change (eg, dikes and irrigation facility, climate-adapted agriculture, etc.)

- **(Mitigation) Maximize synergy by linking grant and loan projects, and utilize program loans** to enhance assistance
 - Grant project be used for planning, such as conduct of master plan, then linked with loan project for the construction of physical infrastructure
 - Support policy-making for climate change mitigation through program loans
- **(Adaptation) Enhance ICT-based disaster response capacity and assist infrastructure development** by linking grant and loan projects
 - Link grant and loan projects to establish infrastructure, such as river dredging, embankment construction
 - Assist in disaster risk reduction through digitalization of water information, flood/drought forecasting and warning, watershed management, etc.
- **(Environment) Assist in improving waste management and strengthening marine environment for sustainable environmental protection**

□ Key Projects

- Project 1: Integrated Disaster Risk Reduction and Climate Change Adaptation Measures in the Low Lying Areas of Pampanga Bay

Managing Agency	(Korea) EDCF (Philippine) Department of Finance (DOF)	Budget	80,483,000 USD
Type	Development Project Loan	Objective	Establish flood control measures (dredging and excavation of river channels, construction of sluice gates & levees) in the low-lying areas of Pampanga Bay to mitigate flood damage and enhance the quality of life in the area.
Schedule	Feasibility Study: 2009 / Disbursement: 2016-2024		
Activities	Establishing flood control measures, repair of sluice gates, consulting services (detailed engineering design, construction supervision, tender assistance, etc)		
Outcomes	The extent of reduction in flood water level & increase in cross-sectional size of river, construction outputs of flood control measures		

- Project 2: Development of Flood Forecasting and Early Warning System for the Greater Metro Manila and Surrounding Provinces of Laguna Lake Complex for Disaster Mitigation

Managing Agency	(Korea) KOICA (Philippine) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA)	Budget	12,700,000 USD.
Type	Project	Objective	Strengthen resilience and adaptability to disaster preparedness for sustainable development in the Philippines
Schedule	Preliminary Survey: 2021 / Implementation: 2021-2026		
Activities	<ul style="list-style-type: none"> • Design for flood forecasting and early warning system • Development of flood forecasting and early warning system • Establishment of flood Information Monitoring Room • Capacity building for government officials 		
Outcomes	<ul style="list-style-type: none"> • Increased number of local governments that are equipped with Early Warning System • Level of competence in system and equipment operation management 		

(4) Regional Development (Food Security)

☐ **Development Needs**

- The Department of Agriculture (DA) in the Philippines aims to lay the foundation for sustainable growth by advancing the agriculture, livestock, and fisheries industries, and increasing agricultural productivity and profitability.
- Reduce cost and improve efficiency by expanding business scale, modernizing production technology, localizing machinery, and introducing digital management systems

Philippines' Goal for agriculture, livestock, and fisheries

- Growth in Average Family Income of Skilled Agricultural Workers or Farm Laborers and Fisherfolk(%) to 20~30% by 2027
- Growth in agriculture, forestry, and fisheries (AFF) gross value added (GVA) increased (%, in constant prices) to 1.8-3.3% by 2028
- Growth in the total value of approved investments in agribusiness increased (%, in real terms) to 10% by 2028
- Growth in the value of agriculture and fisheries exports increased (%, free on board value) to 6.4% by 2028

☐ **Basic Directions**

- Enhance **food security by improving productivity** through the establishment of infrastructure for agriculture, livestock, and fisheries, and development and distribution of appropriate technologies
- Strengthen **value chain**, including processing and distribution capacity to **increase farmers' income**

☐ **Detailed Implementation Plan**

- Build capacity for sustainable food production and improve food security through comprehensive rural development, and development and dissemination of customized agricultural technologies
 - Establish infrastructure such as dams and irrigation facilities, supply and provide training for agricultural machinery, develop and promote use of locally customized agricultural technology , and strengthen the value chain (production, processing, distribution, and sales)
- Promote locally-led rural development and revitalize farmers' cooperatives based on the traditional spirit of cooperation in the Philippines (e.g. Bayanihan)
 - Contribute to poverty reduction and job creation by promoting rural development projects through cooperation between development agencies (KOICA-KOPIA, etc.)

☐ **Key Projects**

- Project 1: The Jalaur River Multipurpose Project - Stage II

Managing Agency	(Korea) EDCF (Philippine) Department of Finance (DOF)	Total Budget	207,880,000 USD
Type	Development Project Loan	Objective	Promote irrigation and agricultural productivity by constructing dam and irrigation facilities
Schedule	Feasibility Study: 2011 / Disbursement: 2013-2025		
Activities	<ul style="list-style-type: none">• Construction of three dams and highline canal• Upgrading of the existing irrigation system		
Outcomes	<ul style="list-style-type: none">• Increased farmer's income and reduced poverty• Increased agricultural productivity and irrigation and water use efficiency• Construction of multipurpose dam and irrigation facilities		

- Project 2: Enhancing Local Capability to Design, Develop and Manufacture Agricultural Machineries to Accelerate Mechanization of Philippine Agriculture

Managing Agency	(Korea) KOICA (Philippine) Department of Agriculture (DA)	Total Budget	5,780,000 USD
Type	Project	Objective	Enhance local capability to manufacture good quality agricultural machineries and assist modernization of agriculture sector in the Philippines
Schedule	Preliminary Survey: 2019 / Implementation: 2020-2027		
Activities	<ul style="list-style-type: none"> • Establish the Agricultural Modernization Design and Prototyping Center(AMDPC) • Develop new agricultural machines through the dissemination of agricultural machinery technologies • Strengthen the agricultural machinery research and development(R&D) and enhance the capacity of technicians 		
Outcomes	<ul style="list-style-type: none"> • Increased number of a long-term operation plans • Validation-test pass rate • Increased number of technology adopters 		

- Project 3: Establishment of the National Dairy Herd Improvement (NDHI) System and Enhancing Carabao Smallholder Farm Productivity in the Philippines

Managing Agency	(Korea) KOICA (Philippine) Department of Agriculture (DA)	Total Budget	7,000,000 USD
Type	Project	Objective	Enhance farm productivity and capability through establishment of NDHI system
Schedule	Preliminary Survey: 2021 / Implementation: 2023-2028		
Activities	<ul style="list-style-type: none"> • Establishment of database system for the operation of NDHI system • Improving milk composition analysis capabilities • Capacity building for farmers on-site training, invitation training) 		
Outcomes	<ul style="list-style-type: none"> • Income of carabao smallholder farm • Yearly milk yield per cow • Increased number of newly participating farms 		

(5) ICT

☐ Development Needs

- The Philippine Development Plan(PDP) 2023-2028 highlights digital transformation as a key agenda, with focus on the prompt delivery of administrative services and prevention of corruption through digitalization.

Philippines' Goal for Digital Transformation in PDP	
Public Administration <ul style="list-style-type: none">• Achieve good governance and improve efficiency of the bureaucratic system• Increase the number of government agencies/offices onboard to 40 and contribute to the Open Data Philippines Portal by 2028• Strengthen the judicial administration by expanding the use of ICT in the judiciary	Education <ul style="list-style-type: none">• Enhance the education and learning environment through online classes, and expand the digital learning opportunities• Establish Inclusive Learning Resource Centers for people with disabilities• Narrow the technological gap through ICT-enabled technical and vocational trainings

☐ Basic Directions

- Enhance government transparency through the digitalization of various sectors of public administration
- Strengthen digital accessibility and competency through ICT education, etc.

☐ Detailed Implementation Plan

- Assist in setting up a sustainable e-government by establishing a digital system for various sectors, including international trade (customs, customs clearance, quarantine, etc.) and police, and building the ICT capacity of the operational workforce
- Supply equipment and materials to expand ICT education, support to build capacity development of teachers, provide remote education programs, and enhance technological capacity
- Expand opportunities for digital access by providing inclusive digital education to close the digital gap for the underprivileged, including women and children

□ Key Projects

- Project 1: Project for Establishment of Criminal Investigation Data Management and Analysis System of Philippine National Police(PNP)

Managing Agency	(Korea) KOICA (Philippine) Philippines National Police (PNP)	Total Budget	6,900,000 USD
Type	Project	Objective	Enhance crime prevention, investigation, and security management and IT capabilities of the Philippine National Police (PNP)
Period	Preliminary Survey: 2021 / Implementation: 2023-2028		
Components	<ul style="list-style-type: none"> • Establishment of ISMP • Development of the Criminal Investigation Data Management and Analysis System • Construction of data center and provision of software, equipment, and materials • Capacity building of Philippine officials and workforce 		
Target/ Indicators	<ul style="list-style-type: none"> • Case processing time reduction rate (%) • Increased usage rate of the Criminal Investigation Data Management and Analysis System (case) • Satisfaction level with the Criminal Investigation Data Management and Analysis System (point) 		

- Project 2: Implementation of Philippine FTA Origin Management System for the Promotion of FTA

Managing Agency	(Korea) Ministry of Trade, Industry and Energy (Philippine) Department of Trade and Industry (DTI)	Total Budget	4,900,000 USD
Type	Project	Objective	Expand and vitalize the Philippines FTA implementation, assist in converting SMEs into exporting companies, improve SME's competitiveness through cost reduction in FTA the origin management and Support to increase export, and job creation
Period	Preliminary Survey: 2021 / Implementation: 2023-2025		
Components	<ul style="list-style-type: none"> • Consulting support for building an integrated FTA platform • Establishment of a system to manage origins of products under FTA • Operation of FTA expert training programs for import and export companies in the Philippines • Supply of basic infrastructure equipment to build an FTA integrated platform 		
Target/ Indicators	<ul style="list-style-type: none"> • Utilization degree of Philippine FTA exports, utilization degree of Korea's exports to the Philippines, time spent managing product origins 		

III. Implementation Strategy

1 Measures to Strengthen Linkages and Cooperation

- ☐ **Enhancement of cooperation with other donors**
 - Participation in donors' consultative bodies to **strengthen the cooperation system among donors and promote aid alignment**
 - Enable the expertise and network of major multilateral development banks (MDBs) to develop **various cooperation plans**
- ☐ **Diversification of inter-agency cooperation and public-private partnerships**
 - Strengthen the **collaboration system and linkages of projects among ODA agencies**, with focus on ground operations
 - **Open cooperation channels** with private companies and civil society to **revitalize private partnerships**

2 Measures to Improve Aid Effectiveness

- ☐ **Enhancement of alignment with the Philippines' development strategy**
 - **Identify projects supportive of the PDP and sector-specific development needs** through high-level policy consultations, coordination, and discussions
- ☐ **Diversification of project delivery methods**
 - Respond to changes in the development environment and improve project effectiveness by **exploring new types of cooperation and various project approaches**
- ☐ **Systematic management and utilization of outcome**
 - **Mainstream planning that focuses on development goals and performance indicators** linked to the SDGs and development strategies of both countries. Strengthen **outcome-oriented project evaluation and feedback**

☐ **Consideration of Philippines' national context in cross-cutting issues**

- Address not only priority areas of cooperation but also cross-cutting issues such as **environmental protection, climate change, digital transformation, and gender equality** throughout ODA projects

* Based on Korea's *Green ODA Strategy* formulated in Jul 2021 and *Science&technology and ICT ODA Strategy* in Jan 2022, expand ODA to support climate change response and science and ICT development