

PHILIPPINE DEVELOPMENT PLAN RESULTS MATRICES 2017-2022
CHAPTER 15: ENSURING SOUND MACROECONOMIC POLICY

Objectives/Results	Indicator	Baseline ^a		Annual Plan Targets						Plan Target ^b	Means of Verification	Responsible Agency ^c	Reporting Entity ^d	Assumptions and Risk	
		Year	Value	2017	2018	2019	2020	2021	2022						
Societal Goal															
To lay down the foundation for inclusive growth, a high-trust and resilient society and a globally competitive knowledge economy															
Intermediate Goal															
Reducing inequality and increasing growth potential															
Chapter Outcome 1															
Stable, sound, and supportive macroeconomic environment achieved															
Sub-chapter Outcome 1.1															
Responsible, strategic and supportive fiscal sector achieved	Government revenue-to-GDP ratio improved (%) ^e	2016	15.2	15.6	16.6	16.9	17.0	17.3	17.7	17.7	BTr Cash Operations Report and PSA NIA	DOF	DOF	Outturns are contingent on the economic performance. The tax reform program is passed.	
	Tax revenue to GDP ratio improved (%) ^e	2016	13.7	14.5	15.7	16.1	16.2	16.6	17.0	17.0	BTr Cash Operations Report and PSA NIA	DOF	DOF	Outturns are contingent on the economic performance. The tax reform program is passed.	
	Primary expenditure to GDP ratio improved (%) ^e	2016	15.5	16.5	17.7	18.0	18.1	18.4	18.8	18.8	DBM Disbursement Report and PSA NIA	DBM	DBM	Outturns are contingent on the economic performance. The tax reform program is passed.	
	Percentage share of interest payments in the total disbursements declined (%) ^e	2016	11.9	11.3	10.1	10.0	9.7	9.5	9.2	9.2	DBM Disbursement Report and PSA NIA	DBM, DOF-BTr	DBM	Outturns are contingent on disbursement level and deviation of forecast or assumptions vs. actual.	
	Manageable consolidated public sector balance as a share of GDP maintained (%)	2016	42.7	43.9	47.5	48.1	48.6	49.1	50.1	50.1	DBM Obligation Report	DBM	DBM		
	NG fiscal deficit to GDP ratio maintained (%) ^e	2016	2.4	3.0	3.0	3.0	3.0	3.0	3.0	3.0	BTr Cash Operations Report and PSA NIA	DBM, DOF	DOF, DBM	Outturns are contingent on the economic performance. The tax reform program is passed.	
	Percentage share of Outstanding NG debt stock to GDP reduced (%) ^e	2016	42.1	41.0	38.9	37.4	36.8	35.4	35.4	35.4	BTR Outstanding NG debt stock report and PSA NIA	DOF-BTr	DOF-BTr	Outturns are contingent on the economic performance. The tax reform program is passed.	
	Manageable consolidated public sector balance as a share of GDP maintained (%) ^{aa}	2016	-0.1	-1.1	-0.9	-0.8	-1	-0.9	-0.9	-0.9	Budget of Expenditures and Sources of Financing (BESF)	DOF	DOF		
Investment grade credit rating improved	2016	Stable/Positive ^h	At least Stable/Positive	Credit Rating Agency reports	N/A	BTr	Macroeconomic fundamentals (e.g. inflation, GDP growth, fiscal balance, external position, interest rates) remained sound. Political stability is maintained. Governance improvement efforts are strengthened.								

^a Actual data as of December 2015, or most recent available data. May not necessarily be year-end values

^b May either be the cumulative or incremental target value at the end of the Plan period

^c Agency accountable for delivering the outputs/achievement of outcomes

^d Lead agency responsible for reporting progress on indicator targets

^e 2017 Targets are based on the 2017 Budget of Expenditures and Sources of Financing while 2018-2022 targets are based on the 169th DBCC approved levels on December 20, 2016

^f Discretionary spending is computed based on obligations made. Budget is based on the 2016 GAA.

^g Under the PFMCP Strategic Plan, 8,130 of the 16,255 PFM practitioners are targeted to be trained in at least one PFMCP course from 2016 to 2022. The targets cover both foundation and specialty track courses where one class is composed of 30 participants.

^h Moody's Investor Service - Baa2/Stable (as of October 2016 report; rating affirmed on 14 December 2015); Standard and Poors - BBB/A2/Stable (rating affirmed on 21 September 2016); and Fitch Ratings - BBB-/Positive (as of May 2016 press release; rating affirmed on 8 April 2016)

^{aa} CPSFP targets are based on 2018 BESF

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		Year	Value	2017	2018	2019	2020	2021	2022					
	Ratio of local source of LGU income to total current operating income increased (%)	2016	33.0	35.4	34.4	35.2	36.2	35.7	37.0	37.0	Bureau of Local Government Finance Statement of Receipts and Expenditures	BLGF	BLGF	Legislated measures passed. Shares from LGUs IRA and Other Shares from National Tax Collections at minimal growth rate. Political will of LGUs to adopt locally legislated measures. All newly-appointed municipal/city/provincial treasurers and assessors ^k trained (% of newly-appointed treasurers and assessors) ^l . All LGUs capacitated/informed on local finance policies (% of LGUs) ^l .
Aggregate Outputs														
	Incremental revenue of BIR with the implementation of tax administration and tax policy reform realized (% of GDP) ^e	None	None	N/A	0.35	0.39	0.18	0.17	0.16	N/A	BIR Reports	DOF-BIR	DOF-BIR	Tax Reform Program is passed.
	Incremental revenue of BOC with the implementation of tax administration and tax policy reform realized (% of GDP) ^e	None	None	N/A	0.76	0.83	0.84	0.84	0.85	N/A	BOC Reports	DOF-BOC	DOF-BOC	Tax Reform Program is passed.
	Incremental revenue of LTO with the implementation of tax administration and tax policy reform realized (% of GDP) ^e	None	None	N/A	0.07	0.07	0.07	0.07	0.06	N/A	BTr Cash Operations Report	LTO	LTO	Tax Reform Program is passed.
	Number of Public Financial Management (PFM) practitioners who attended at least one PFM Competency Program (PFMCP) course increased	2016	540	900	1,080	1,380	1,380	1,410	1,440	7,590 ^g	PFMCP Accomplishment Report	DBM	DBM	Outturns are contingent on the registration rate of target participants, and arrangement with select universities for the conduct of training programs in 2018.
	Number of training activities conducted on Government Procurement Reform Act (RA 9184) and its revised implementing rules and regulations (IRR) increased	2016	100	110	121	133	146	161	177	848	GPPB-TSO Accomplishment Report, Online Registration & Roll-out Report	GPPB-TSO	GPPB-TSO	Number of training activities conducted may increase or decrease depending upon GAA funding, implementation of programs in partnership with other agencies, roll-out training of recognized trainers, and training demand/requests.
	Foreign currency debt maintained within debt management targets (% of total outstanding debt)	2016	33.7	31 - 33	31 - 33	31 - 33	31 - 33	30.5 - 32.5	30.5 - 32.5	30.5 - 32.5	BTR Outstanding NG debt stock report	DOF-BTr	DOF-BTr	Outturn is contingent on robustness of macro assumptions and in-year funding requirements (deficit).
	Average maturity of NG debt portfolio maintained within strategic guidelines (residual maturity in years)	2016	10.1	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	BTR Outstanding NG debt stock report	DOF-BTr	DOF-BTr	Key variables include prevailing market conditions and investor appetite.
	All LGUs assessed on revenue and assessment performance (% of LGUs) ^l	2016	100	100	100	100	100	100	100	100	MFO QPRO submitted to DBM	BLGF	BLGF	Subject to the full release of proposed budgetary allocation and staff complement.

^l As of 3rd Quarter 2016

^l Based on MFO targets

^k Treasurers and assessors shall refer to newly appointed municipal/city/provincial treasurers/assessors that are included in (or passed) the Standardized Examination and Assessment for Local Treasury Service (SEAL) Program and the continuing professional development program. The SEAL Program is a certification program which measures different competencies in the field of local treasury.

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		Year	Value	2017	2018	2019	2020	2021	2022						
Sub-chapter Outcome 1.2															
Resilient and inclusive monetary and financial sector achieved	Low and stable inflation rate achieved (%) ¹	2016	1.3 (2012=100); 1.8 (2006=100)	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	2.00 - 4.00	Inflation Report	BSP	PSA	Pending petitions for adjustments in electricity rates as well as proposed tax policy reform program pose as upside risks to inflation.
	Growth of financial system's total assets increased (%) ^m	2016	11.3	>10.0	>10.0	>10.0	>10.0	>10.0	>10.0	>10.0	>10.0	Report on Financial System	BSP	BSP	Better real sector performance.
	Gross National Savings to GNI Ratio sustained (%)	2016	30.0	>30.0	>30.0	>30.0	>30.0	>30.0	>30.0	>30.0	>30.0	SEFI / Consolidated and Outlay Accounts	NA	PSA, BSP, NEDA	Increasing BPO, tourism and remittance receipts.
	Number of deposit accounts maintained above 50 million (cumulative)	2016	53.3	>50	>50	>50	>50	>50	>50	>50	>50	Internal BSP data	BSP	BSP	Higher level of financial literacy.
	Annual value of microfinance services delivery maintained above PHP10 billion (PHP billion) ^p	2016	13.7	>10.0	>10	>10.0	>10.0	>10.0	>10.0	>10.0	>10.0	SDC	BSP	BSP	Increasing programs and project conduits on microfinance delivery of public and private agencies.
	Number of access points per 10,000 adults increased (cumulative) ^q	2016	10.1	>10	>10	>10	>10	>10	>10	>10	>10	Internal BSP data	BSP	BSP	Greater economic activities.
	Percentage share of adults with formal account ^r to total adult population maintained above 22 percent (% , cumulative)	2015	22	>22	>22	>22	>22	>22	>22	>22	>22	IFAO	BSP	BSP	Higher financial literacy rate among adults.
	Remittance costs as a proportion of the amount remitted reduced (%) ^s	2016	4.7	<5.5	<5.0	<4.5	<4.0	<3.5	<3.0	<3.0	<3.0	IFAO	ReDC	BSP	Innovative policies of National Strategy for Financial Inclusion.
	Microinsurance penetration or density expanded (as % of total population, cumulative)	2016	30	31.0	32.0	33.0	34.0	34.0	35.0	35.0	35.0	Internal IC data	IC	IC	Increasing programs and project conduits on microfinance delivery of public and private agencies.
	Total number of applications for registration, licensure, or accreditation of stock corporations, non-stock corporations, partnerships, foreign corporations, multinational companies, capital market institutions, and professionals, and securities processed and approved increased	2016	125,622	38,692	135,754	147,142	160,837	175,851	192,313	192,313	192,313	Analysis of record of issued certifications of incorporation, licenses, and certifications of accreditation	SEC	SEC	The number of registration, licensure and accreditation processed and approved depends on the number of applications received and the conduciveness of the economic environment.

¹ Headline inflation targets are only until 2020. Figures for 2021 and 2022 are inflation assumptions.

^m The Philippine Financial System is composed largely of the banking system which includes universal and commercial banks, thrift banks, rural banks and cooperative banks. In addition, the country's financial system also accounts for Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs) and non-stock

^p As of 2nd Quarter 2016

^q This data refers to microfinance services delivery by the banking sector. Data from the cooperative and microfinance NGO sectors are not yet included. No numerical target but value should be increasing over time.

^r This includes deposit accounts and e-money accounts. There is no numerical target but the ratio should be increasing over time. The BSP will monitor improvements based on results of a biennial demand-side survey.

^s Formal account refers to financial services (e.g. deposits, investments, etc) within the formal financial sector (bank or non-bank financial institutions)

^t Proxy indicator: cost (in %) of sending USD 200 from the United States to the Philippines

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		Year	Value	2017	2018	2019	2020	2021	2022					
	Value of securities registered increased (PHP billion, cumulative) ^u	2016	418.9	None	171.1	186.3	195.6	205.4	215.7	215.7	Order of Registration; Certificate of Permit to Offer Securities for Sale; Certificate of Permit to Sell Securities	SEC	SEC	Registration is demand-driven: SEC cannot compel applicants to register their securities. Several economic and regulatory factors and risks are considered by the applicants before they decide to register. Market risk pertaining to the movement in the financial market which may affect the value of its underlying assets. This is particularly relevant to investment companies where the Net Asset Value (NAV) of its portfolio is based on the underlying securities that are mainly coming from the securities in the market. The other factors that may affect the fluctuation of the market are the state of the economy, current events, corporate earnings, and interest rate movements.
Sub-chapter Outcome 1.3														
Strategic external trade policy regime achieved	Exports of goods increased (US\$ billion, cumulative) ^w	2016	43.4	45.1-45.6	47.8-48.8	51.2-52.7	54.8-56.9	59.2-62.0	61 to 62.2	61 to 62.2	Exports Data	DTI	DTI	
	Exports of services increased (US\$ billion, cumulative) ^w	2016	31.3	34.5-34.9	38.3-39.0	42.6-43.7	47.2-49.0	52.4-55.3	61 to 68.6	61 to 68.6	Exports Data	DTI	DTI	
	Sustainable current account balance to GDP ratio achieved ^x	2016	-0.4	0.2	0.02	0.01	0.01	0.001	0.001	0.001		NA	BSP	
Aggregate Outputs														
	Number of DTI-assisted technology-enabled and technology-based exporters increased ^y	None	None	100	150	150	200	200	200	1,000	Report/Internal DTI data	DTI	DTI	Exporters are open to the use of technology. High cost of production and Insufficient investment are possible risks
	Number of validated enrollees to the Regional Interactive Platform for Philippine Exporters (RIPPLES) Plus Program exporting increased	2016	30 ^z	200	200	200	200	200	200	1,200	Report/Internal DTI data	DTI	DTI	Enrollees' absorption capacity is high.
	Number of new export products certified as Halal increased	None	None	≥100	≥100	≥100	≥100	≥100	≥100	≥600	Report/Internal DTI data	DTI	DTI	Exporters have a high level of awareness on Halal.

^u These indicators have been accepted by DBM under PREXC. The targets for 2019 and beyond are still to be discussed and determined with DBM depending on actual performance accomplishments for 2017.

^v This is 10% increase from the estimated value of securities to be registered in 2017, i.e, PhP 34.4B.

^w Baseline figures for goods and services exports are based on BOP (BPM6) data. Figures for 2017-2022 were estimated based on annualized 2016 BPM6 levels and latest DBCC assumptions on growth rates for exports of goods and services approved on 20 December 2016

^x Targets were based on the medium term projections as approved by the Monetary Board on 23 December 2016

^y Technology-enabled and technology-based exporters include existing exporters and startups.

^z Total number of Ripples Plus enrollees for 2016