

## **Report Title: Performance Audit of Preparedness for Implementation of Sustainable Development Goals**

This is a preparedness audit on Sustainable Development Goals (SDGs) conducted by the Philippine Commission on Audit (COA). As the Supreme Audit Institution (SAI) of the Philippine Government, COA participated in the cooperative performance audit of preparedness for implementation of the SDGs under the programme of the International Organization of Supreme Audit Institutions (INTOSAI) Development Initiative (IDI) and Knowledge Sharing Committee (KSC), the Asian Organization of Supreme Audit Institutions (ASOSAI) and the United Nations.

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### **Executive Summary**

In September 2015, the Philippines, as a member of the United Nations (UN) together with other 192 Member States, jointly committed to the 2030 Agenda for Sustainable Development and the Sustainable Development Goals. Consequently, the Philippine Government has the responsibility for follow-up and review, at the national, regional and global levels, in relation to the progress made in implementing the SDGs and targets for 15 years or until 2030. There are 17 goals, 169 targets and 244 indicators in the global indicator framework of the SDGs.

In line with the mandate of the COA and in support of the cross-cutting priority on SDGs of the INTOSAI, COA conducted the Performance Audit of Preparedness for Implementation of SDGs in CY 2018. The audit would provide independent oversight aimed at contributing inputs to the challenges in the implementation, follow-up and review of the SDGs by the government. Aside from generating value and making the work of the SAI more relevant, the audit would also contribute to the transparency and accountability in SDGs implementation. The audit assessed how the Philippine Government has provided enabling environment for the following areas: a) government's adaptation of the 2030 Agenda and SDGs into its national context; b) means of implementation; and c) mechanism for monitoring, follow-up, review and reporting on the progress towards implementation of SDGs.

The Philippine Government is committed in achieving the SDGs envisioned in the 2030 Agenda and facing the bigger challenges ahead. The National Economic and Development Authority (NEDA) has been setting the tone for all stakeholders and putting in place various implementation mechanisms. A year after the SDGs adoption and based on the results of the series of consultative/assessment workshops conducted by NEDA and Philippine Statistics Authority (PSA) with various stakeholders, 102 indicators (41.8%) were classified under Tier 1, 55 indicators (24.6%) under Tier 2, 74 indicators (29.1%) under Tier 3, while 13 indicators (4.51%) were not applicable in the country. Currently, 155 indicators with 92 targets under the 17 SDGs are in the approved initial list of SDG indicators for monitoring in the Philippines.

Progress has been made in the integration of the 2030 Agenda into the national context while there are on-going preparatory activities and initiatives such as development of communication

strategies, conduct of campaign on raising awareness and strengthening of coordination among multi-stakeholder bodies on sustainable development dealing on cross-cutting issues that overlap. Issues noted include partial integration of the SDG indicators (68 out of 155 indicators in 15 out of 17 SDGs) in the Philippine Development Plan (PDP) Results Matrix (RM) for 2017-2022 and gap in operationalizing inclusiveness and leaving no one behind principles of the 2030 Agenda. The mechanisms of the medium-term PDP and sectoral plans were considered the de facto implementation roadmap of the SDGs to avoid contradiction in the current efforts of integration. While some sectoral plans have already reflected the SDGs, there are identified sectors (e.g. labor and social protection) where works are still in progress. The Socio-Economic Report for 2017, which is an annual report of the progress towards the achievement of the PDP, did not contain information and updates on the extent of the integration of the SDGs in the PDP. At the local level, alignment of the SDGs to its budget and policies is in progress. The noted issues might also lead to unfunded programs relating to affected SDGs, progress not being tracked and assessed and non-involvement of relevant stakeholders contrary to the principles of inclusiveness and leaving no one behind.

The existing planning, programming and budgetary frameworks have facilitated the responsible entities in the identification and sourcing of resources and capacities needed to implement the SDGs. Resource gaps and innovative scheme were identified on long-term financing for disaster risk reduction, disaster risk financing for reconstruction efforts, and climate change adaptation measures to cope and build resilience against hazards and calamities. However, a financing plan has yet to be developed in line with the lessons learned from the implementation of the Millennium Development Goals (MDGs). Likewise, review of a country paper on financing SDGs in the Philippines revealed the need to strengthen the process in the development and implementation of policies across all types of financing for the country's sustainable development programs. Further, the formulation of the Medium-Term Expenditure Framework for PSA and agencies under the Philippine Statistical System need support and guidance for realistic budget proposals for the programs, activities and projects relating to the Philippine Statistical Development Plan for 2018-2023.

The capacity building enhancement programs and activities of the PSA and the Philippine Statistical Research and Training Institute (PSRTI) on collection of data, monitoring and reporting on the SDGs are on-going at the national, sub-national and local levels. PSA, which serves as the official repository of SDG indicators, has been building-up data and information for the PSA SDG Dashboard. The Department of Interior and Local Government (DILG) through its Bureau of Local Government and Development is enhancing the Community-Based Monitoring System (CBMS) Portal to facilitate generation of report on 39 SDG indicators using CBMS data.

It was noted that institutional organization exists for SDG statistical development and there are strategies and process in place to ensure quality and availability of data but there is a need to improve the quality of admin-based data and availability of desired level of disaggregation on SDG data. Gathering of national baseline data and year-wise targets as well as development of metadata for regional SDGs is in progress. Challenges and emerging issues including data gaps attributable to Tiers 2 and 3 are being addressed by relevant stakeholders. It is notable that the Philippine

Government has signified its intention to participate in the Voluntary National Review (VNR) for 2019 after its 2016 VNR. It aims to conduct the VNRs every three years. The thematic approach and structured process of the VNR shall enable the government to track its progress on the attainment of SDGs.

Overall, significant progress has been achieved in the government's preparation to implement the Agenda 2030 and the SDGs. While the identified gaps and work which are still in progress pose challenges to the readiness of the government, it is expected that once these gaps have been addressed and work in progress have been substantially completed, the government's readiness for the implementation of the SDGs will be further enhanced.