PRESS RELEASE

PSA releases the 2023 Statistical Indicators on Philippine Development

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The 2023 Statistical Indicators on Philippine Development (StatDev 2023) is a statistical instrument that tracks the progress and likelihood of achieving the economic and social development goals outlined in the Philippine Development Plan (PDP) 2023-2028 and its corresponding Results Matrices.

StatDev 2023 features the performance of the country based on the 374 assessed indicators across 14 sectoral chapters of the PDP. The StatDev framework is designed to serve as an early warning system, highlighting areas where the country is on or off track in meeting its end-of-plan (EOP) targets.

Presented below are the overall and sectoral chapter performances in 2023. Performance is categorized as follows:

Progress	Good	Average	Poor
Icon	🟢⭐	🟡⭐	🔴⭐

Note: Refer to the Technical Notes for the interpretation and other details of the rating system.

Overall performance

Overall, the performance of the country in 2023 based on the 14 sectors in the PDP 2023-2028 and the 374 assessed indicators across all sectors was Average. Four (4) of the sectors were assessed to have a good performance, six (6) were average and four (4) were poor.

Of the 374 indicators assessed, 190 or 50.8 percent had medium to high likelihood of achieving the EOP targets.

Services

In terms of reinvigorating Services, the country's progress showed a good performance as all the five (5) indicators assessed for this sector reflected high probabilities of achieving their EOP targets.

Specifically, the Gross Value Added growth rate in the services sector at 7.1 percent has reached its EOP target of 6.4 percent to 7.9 percent. Moreover, the number of higher education graduates in culture and arts-related disciplines reached 20,993 graduates, exceeding its EOP target of 15,081. The rest of the indicators under the sector also showed high probabilities of achieving the EOP targets.

Science and Technology

The country's progress in advancing Research and Development (R&D), Technology and Innovation reflected a good performance as both indicators assessed for the sector exhibited high probabilities of achieving their targets in 2028.

Based on the latest Global Innovation Index (GII), the Philippines jumped to rank 56 from 59, making the Philippines on track in achieving its EOP target of rank 43. Likewise, the GII ranking for academe-industry-government R&D linkages has improved to rank 57 from 64, indicating a high likelihood of achieving the EOP target of rank 50.

Employment

On increasing income-earning ability, the country had a good performance as 13 out of 18 assessed indicators (72.2%) for the sector indicated high or medium likelihood of achieving the EOP targets.

Specifically, the percentage of youth not in education, employment, or training at 12.0 percent; female labor force participation rate at 52.3 percent; and percentage of trained

Micro, Small, and Medium Enterprises (MSMEs) that implemented productivity improvement program at 70.0 percent were within the range of EOP targets.

Indicators which were on track in meeting their targets by 2028 with high probabilities were Technical Education Skills Development Authority (TESDA) certification rate in priority sectors, employment rate of Technical and Vocational Education and Training (TVET) graduates, and number of graduates in in-demand and hard-to-fill occupations, among others.

On the other hand, some indicators which will unlikely achieve the 2028 target based on their current performances are proportion of employed college graduates in elementary occupations and percentage of educated unemployed to total unemployment.

Competition

The country demonstrated good performance in promoting competition and improving regulatory efficiency as 7 out of 10 assessed indicators (70.0%) for the sector had high or medium probability of reaching the targets for 2028.

Percentages of merger cases and adjudication proceedings were all resolved within reglementary period, and percentage of competition-related complaints were all acted upon within prescribed period, all maintaining a 100.0 percent success rate since 2021.

Indicators with high probabilities of achieving the EOP targets were number of capacity building activities undertaken; and number of trained investigators, prosecutors, judges, and competition specialists.

However, indicators which will unlikely meet their respective targets in 2028 are regulatory quality rank and score, and number of policy papers/reports/position papers produced based on pro-active review of policies and regulations.

	Peace, Security and Justice The Philippines demonstrated progress with average performance in ensuring peace and security, and enhancing administration of justice as 20 of the 34 assessed indicators (58.8%) for the sector had high or medium likelihood of reaching the targets in 2028. Exceeding the EOP target was percentage of criminal complaints resolved on preliminary investigation at 93.2 percent with a 92.3 percent EOP target. Other indicators that have reached their targets for 2028 include clearance rate of all courts. Some indicators with high probability of meeting the EOP targets were prosecutor-to-court ratio, settlement rate of Alternative Dispute Resolution (ADR) cases by the executive branch, and average congestion rate in jail facilities. While the peace, security and justice sector show remarkable improvements for some key areas, more efforts are still needed to achieve its EOP goals by 2028.
	Infrastructure On expansion and upgrading of infrastructure, the country demonstrated an average performance as 24 out of 43 assessed indicators (55.8%) for the sector had high or medium likelihood of reaching their targets in 2028. Based on latest data, internet access has reached 76.9 percent of households and 72.2 percent for individuals, surpassing their EOP targets of 60.0 percent and 70.0 percent, respectively. Projected energy peak demand for Luzon, Visayas, and Mindanao, which showed upward trends, indicated high likelihood of achieving the targets in 2028. Other indicators which exhibited high probabilities of meeting the EOP targets were number of passenger transported via air and sea, ratio of actual irrigated area to total potential irrigable area, among others.

On the other hand, the number of households provided access to safe water supply by the water districts remained low at 5.58 million in 2023, falling short of its target of 7.93 million. Similarly, only 22.2 percent of provinces had adequate primary care facilities, far behind the end goal of reaching 50.0 percent.

Macroeconomy

The country's macroeconomy sector fared average in achieving its EOP goals. Of the 32 assessed indicators for the sector, 17 (53.1%) exhibited high or medium likelihood of achieving the targets in 2028.

Some indicators with high probabilities of meeting their respective targets for 2028 were capital adequacy, profitability, liquidity, and primary expenditure-to-Gross Domestic Product (GDP) ratio.

However, some indicators showed low likelihood of achieving the EOP targets. Among them were revenue-to-GDP and tax revenue-to-GDP ratios, falling by 1.4 percentage points and 1.2 percentage points, respectively. Stock market performance is also a concern as total market capitalization relative to GDP showed a significant decrease from 93.2 percent to 68.9 percent.

Governance

The performance of the country in terms of governance was average with 15 out of 29 assessed indicators (51.7%) for the sector reflected high or medium likelihood of achieving the EOP targets.

Indicators surpassing the EOP targets were success rate in processing requests in the Electronic Freedom of Information (eFOI) portal, complaints compliance rate, business satisfaction, and citizen satisfaction. Reaching the EOP target was complaints referral rate, which maintained its 100 percent rate since 2022.

Moreover, some indicators that improved with high chance of reaching the targets for 2028 were Corruption Perception

Index, and Local Government Units (LGUs) with local cultural inventories.

On the other hand, Local Development Councils across the Philippines faced challenges in meeting functionality standards. The latest data of provinces, cities and municipalities (PCMs) indicates a decline in compliance rates with only 69.1 percent for provinces, 78.1 percent for cities, and 56.4 percent for municipalities. These figures suggest low likelihood in achieving the end goal of 100.0 percent for both provinces and cities and 91.0 percent for municipalities.

Human and Social Development

On human and social development, the country had an average performance, with 37 out of the 72 assessed indicators (51.4%) for the sector exhibited high or medium likelihood of achieving the targets for 2028.

The poverty incidence has improved to 15.5 percent in 2023 from 18.1 percent in 2021. This indicates a high likelihood of achieving the target rate in 2028.

The progress in addressing the social determinants of education has been varied. On positive note, across different levels, the completion rate, cohort survival rate, and dropout rate were on track of achieving their respective 2028 targets.

However, based on the 2022 data, the country encountered challenges in terms of the proportion of learners earning at least "Proficient" in the National Achievement Test (NAT) for reading and mathematics, which fell even below their respective baseline data across different levels.

Environment

For the environment sector, the country exhibited average performance with 12 out of 24 assessed indicators (50.0%) for the sector showed either high or medium probability of achieving the EOP targets.

The number of People's Organizations for biodiversity-friendly enterprises established and the percentage of surface metallic

mines compliant with the several management programs for the mineral resources development showed promising progress from their respective baselines, both posting high likelihoods of meeting their 2028 targets.

However, some indicators still remained to face challenges. For instance, the goals of decreasing the number of deaths, number of missing persons and number of directly affected persons attributed to disasters have not improved in 2023 since 2021. Also, there was only a gradual reduction in land degradation hotspots and a small increase in the number of agricultural and residential free patents issued.

Social Protection

The countries performance in reducing vulnerabilities and protection of purchasing power was rated as poor. Of the 29 indicators assessed for the sectors, only 14 (48.3%) had high or medium likelihood of reaching the EOP targets.

On natural, health, climate, and other human-induced hazards mitigated, the EOP target of 100 percent was achieved for two indicators, namely, percentage of disaster-affected families provided with disaster responsive service and the proportion of emergency loan applications granted to the calamity-affected members and pensioners of the Government Service Insurance System (GSIS).

Also, improvements were noted for subsistence incidence, percentage of economically active population contributing to the Social Security System (SSS), and poor households with members who are 18 years old and below who are Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries, among others, with high probability of reaching the EOP targets.

However, there were indicators that remain as a challenge in terms of achieving the targets for 2028 as they reflected low likelihood of being achieved by EOP. Among these were food inflation, rice buffer stocks, and percentage of households with damaged houses provided with emergency shelter assistance.

	Trade and Investment
	Of the seven (7) assessed indicators for trade and investment, only three (3) or 42.9 percent had high or medium likelihood of being achieved by EOP, putting the rating of the country for this sector as poor.

The green, social, and sustainability bonds issued at 10.1 percent exceeded the 8 to 10 EOP target for the indicator. Moreover, indicators that improved were services exports, and Total Investment Promotion Agencies (IPA) approved investments with high probabilities of reaching the EOP targets.

However, areas with low likelihoods of achieving the EOP targets were merchandise exports, non-electronics exports, Philippines foreign direct investment to GDP ratio, and share of investments outside the National Capital Region (NCR) which applied for incentives under the Strategic Investment Priority Plan (SIPP)/Corporate Recovery and Tax Incentives for Enterprises (CREATE). |
| | **Industry**

In the industry sector, the country was rated as poor since only 8 out of 21 assessed indicators (38.1%) for the sector had high or medium likelihood of achieving their respective 2028 targets.

Percentage of firms with e-commerce via the internet, both for core and non-core industries exceeded their respective targets by EOP. Moreover, indicators with high probability of meeting their targets were average wage of manufacturing and construction, and number of knowledge, innovation, science and technology (KIST) parks established.

Some indicators with low probabilities of achieving the EOP targets were gross value-added (GVA) growths of modern basic needs sectors and construction, and labor productivity and employment in manufacturing. |

	Agriculture and Agribusiness
	On agriculture and agribusiness sector, the country experienced a poor rating as only 13 of the 48 assessed indicators (27.1%) for the sector were likely to be achieved by 2028. Majority of the indicators under this sector showed low likelihoods of meeting their goals by 2028. Out of 13 major agricultural commodities, only two (2) crops - abaca and palay posted high and medium likelihoods of achieving their respective targets. The remaining 11 commodities, which include white corn, yellow corn, banana, coconut, pineapple, mango, sugarcane, cassava, coffee, cacao, and rubber, all exhibited low likelihoods of reaching their yield goals by 2028. Despite exhibiting poor performance, the sector also had improvements in the overall growth of GVA for the agriculture, forestry and fisheries, as well as for crops, livestock and poultry subsectors, with high probabilities of achieving their EOP targets.

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TECHNICAL NOTES

The Philippine Statistics Authority (PSA) has developed the Statistical Indicators on Philippine Development (StatDev) to monitor the likelihood of achieving the economic and social development goals set forth in the Philippine Development Plan (PDP) prepared by the National Economic and Development Authority (NEDA). The StatDev 2023 is anchored on the PDP 2023-2028 Results Matrices (PDP-RM). Targets have been set for these strategies against which the development efforts of the government will be measured vis-à-vis the Plan. From the measurable outputs/targets in the PDP-RM, the PSA compiled data for the key indicators by sector. However, due to data unavailability, not all the strategies or targets in the PDP are covered in the StatDev.

Latest data were requested directly from source agencies and other PSA operating units. Additional data were also obtained from secondary sources such as the agency websites and publications, e.g., Annual Reports of source agencies, among others.

The tracking method used in monitoring the Millennium Development Goals (MDGs) was adopted. The method is presented below.

$$Likelihood\ of\ achieving\ the\ target\ = \frac{actual\ annual\ growth\ rate}{required\ annual\ growth\ rate}$$

where:

$$actual\ annual\ growth\ rate\ = \frac{\left(\frac{latest\ data}{baseline\ data}\right) - 1}{number\ of\ years\ elapsed}$$

$$required\ annual\ growth\ rate\ = \frac{\left(\frac{target\ data}{baseline\ data}\right) - 1}{number\ of\ years\ covered}$$

The computed values are then used as basis for rating the likelihood of achieving the end-of-plan (EOP) target based on the following ranges:

Likelihood	Range	Icon	Interpretation
High	More than 0.9		The chance of attaining the target is high and thus, the target is likely to be achieved.
Medium	0.5 to 0.9		The chance of attaining the target is medium and thus, the target may or may not be achieved.
Low	Less than 0.5		The chance of attaining the target is low and thus, the target is not likely to be achieved.

It is important to note that an indicator with low likelihood of achieving the target does not necessarily mean that the EOP target will not be met. The likelihood serves as an indicator that the actual growth rate from the baseline to the latest data given the number of years elapsed is relatively low for the required growth rate from the baseline to the EOP target given the number of years covered.

To assess the progress of each sector in achieving the EOP targets of its respective indicators, the following threshold were considered:

Sectoral Progress	Icon	Interpretation	
Good		The percentage of indicators included in StatDev 2023 which posted low likelihood of achieving their respective EOP is at most 33.3 percent.	$R \le 33.3\%$
Average		The percentage of indicators included in StatDev 2023 which posted low likelihood of achieving their respective EOP targets is more than 33.3 percent but at most 50.0 percent.	$33.3\% < R \le 50.0\%$

Sectoral Progress	Icon	Interpretation	
Poor		The percentage of indicators included in StatDev 2023 which posted low likelihood of achieving their respective EOP targets is more than 50.0 percent.	$R > 50.0\%$

Note: **R** is the proportion of indicators with low likelihood of achieving the EOP targets

Likewise, it is important to note that poor sectoral progress does not necessarily mean that the concerned agencies under the sector performed poorly. The sectoral progress is affected by the following factors: 1) number of indicators considered, and 2) data for indicators under the sector. A poor sectoral progress may improve when there are changes in the two aforementioned factors under the sector.