About the Cover:

The advances in Information and Communication Technology (ICT) provide a wide latitude for doing things more efficiently and effectively. They also offer more opportunities for growth and improvement. However, to maximize their use, appropriate adjustments must be made on the part of the users. For knowledge and research entities, this calls for the institution of a prompt and ingenious response—one requiring a change in mindset at times—if they are to mark their niches in the 21st century.

For the PIDS, these technologies that bring about shifts in almost all aspects of life—from the traditional (as represented by the bamboo) to the modern (as represented by fiber optics)—become the tools in its strategy of providing the infrastructure that will enable the research community to face the demands and challenges of policy research in the so-called “new economy” era.

*Concept by Genna J. Estrabon*
*Design by Ruth F. Murillon of Printon Press*
2000
Annual Report

Providing the infrastructure for research and networking
TABLE OF CONTENTS

The Institute ............................................................... ii
The President’s Report .................................................. iii
Research and Research-Related Activities .......................... 1
Research Dissemination and Utilization ............................. 7
Management Information ............................................... 11
Investment and Financial Operations ............................... 15
Philippine APEC Study Center Network (PASCN) ................ 17
The PIDS Provident Fund .............................................. 19
Online Initiatives ......................................................... 21
Annexes
  A Completed Research Projects ..................................... 29
  B Ongoing Research Projects ....................................... 31
  C Proposals Developed .............................................. 34
  D Publications Program ............................................. 38
  E Public Affairs Activities ......................................... 44
  F Media Exposure ................................................... 48
  G Balance Sheet - Investible Funds ............................... 51
  H Income Statement - Investible Funds .......................... 51
  I Income Statement .................................................. 52
  J Balance Sheet ........................................................ 53
  K Actual vs. Budgeted Receipts/Disbursements .................. 54
  L PIDS/PASCN Statement of Operations ......................... 55
  M PIDS/PASCN Statement of Financial Condition ............... 56
  N PIDS Provident Fund: Statement of Financial Condition .... 57
  O PIDS Provident Fund: Statement of Operations ............... 57
  P Management Committee .......................................... 58
  Q Research Staff .................................................... 58
  R Affiliated Researchers/Institutions ............................. 59
The Institute

The Philippine Institute for Development Studies (PIDS) is a nonstock, nonprofit government research institution engaged in long-term, policy-oriented research. It was established on September 26, 1977 by virtue of Presidential Decree No. 1201.

PIDS is envisioned to be a development policy “think tank” for planners, policy- and decisionmakers in government. In serving this role, PIDS has tapped and encouraged the existing reservoir of research resources in the Philippine academic community to become productive in research lines considered by PIDS to be of high priority, without drawing them away from the academic and research institutions where they are based. It has likewise built its inhouse research staff.

Through the Institute’s activities, it is hoped that policy-oriented research on social and economic development can be expanded to assist the government in planning and policymaking.
The year 2000 marks the beginning of the Institute's new strategy for engaging itself in policy research—**Providing the infrastructure for research and networking.** The decision to switch to this new strategy was prompted by the following factors: (1) the fact that the demand for policy-oriented research will definitely increase over time; (2) the realization that the Institute will continue to have limited human and financial resources to deal with the growing demand for policy research; (3) the emergence of strong policy-oriented research institutes/centers whose contribution to policy research will likely increase in the future; and (4) as a result of the information and communication technology, the advent of new opportunities and expansion of ways to conduct research and disseminate research findings. The Institute believes that this new strategy will enable it to achieve more effectively the objectives of encouraging more researchers to conduct policy-oriented studies and of facilitating public discussions of major socioeconomic policy issues.

The infrastructure for research and networking has four major elements. First is the **research agenda**, which will guide and inspire researchers to direct their attention to specific policy issues. In this regard, the Board approved this year the Institute’s five-year research agenda, which was developed through a consultation process involving key stakeholders. It consists of eight thematic areas—macroeconomic management in a globalized setting; competitiveness and competition policies; governance; social sector reform; infrastructure development; modernizing Philippine agriculture; environment and natural resource management; and policy analysis, planning tools and monitoring systems.

The second element is **literature**. Decisionmakers, planners and researchers must have access to existing stock of knowledge. In this regard, the Institute developed the SocioEconomic Research Portal for the Philippines (SERP-P), an electronic database of completed, ongoing and pipeline policy-oriented studies related to socioeconomic development and policymaking in the Philippines, and the Online Public Access Catalog (OPAC), a computerized version of the card catalog records of the PIDS library that can be accessed online.

The third element is **database**. The Institute maintains its Information and Database System (IDS) that provides researchers, decisionmakers and planners with Internet-based reliable economic information in various formats. It contains both Philippine and selected international databases. It also maintains the GIS-based Socioeconomic Profile of the Philippines, an automated, Internet-based and user-friendly database system that provides ease in analyzing spatial data presented in a geographical format. The Institute is now in the process of developing a special database system for the agricultural sector. It has also successfully developed, in partnership with the Congressional Planning and Budget Office (CPBO), the Electronic Resource Base for Legislators (ERBL), which contains a database system of major socioeconomic bills pending in Congress. Each bill is linked to the database system in SERP-P so that interested parties may access existing studies when they study the bill. It is also hoped that researchers will be inspired to do a rigorous study on the merits of the bill.
The fourth element is networking. The Institute believes that research institutions, individual researchers and decisionmakers must be networked to facilitate the flow of information and exchange of ideas on specific policy issues. In the process, the networks can enrich the Institute’s research agenda, contribute more to the reservoir of policy-oriented studies, and actively participate in policy debates. The Institute now has two existing networks—the Philippine APEC Study Center Network, consisting of 12 university-based research institutes, and the Social Science Policy Network for Agriculture, which is composed of four state-owned universities with PIDS as the lead institution. It is in the process of building more networks.

While the Institute realizes the need to bring research to new heights, it likewise continues to disseminate the results of its studies to the general public and selected stakeholders through various media. In 2000, 44 studies were circulated under the PIDS Discussion Paper series and 16 under the PASCN Discussion Paper series. Some of these technical studies were translated into Policy Notes, which is a short and reader-friendly version of a study’s main findings and policy recommendations. A total of 22 Policy Notes were produced and distributed to various stakeholders in 2000. Other studies were featured in the five Development Research News circulated in the same year. The Institute completed five issues of the Journal of Philippine Development, which contained five to six refereed articles written by the Institute’s research staff and other local and foreign researchers. Upon the suggestion of the Board, the Institute has added a new product, the Economic Issue of the Day, which briefly explains important economic concepts in simple language. Four issues were published this year, which focused on inflation, oil deregulation and a two-part write-up on trade liberalization. The studies featured in these publications, except in the Journal, can be accessed and downloaded from the PIDS website so the Institute’s various audiences have a ready access to these materials.

To reach a wider audience, the Institute also increased its media exposure in the print and broadcast media this year. Several PIDS studies were featured in major local dailies either in their print or online version. Of course, there is no substitute to researchers personally discussing key research results and important findings with stakeholders. In this regard, the Institute organized and/or co-sponsored 42 fora/workshops/roundtable discussions/trainings to give PIDS research staff, subcontractors and other researchers opportunities to discuss various policy issues with the general public.

These modest accomplishments have helped to strengthen the Institute’s primary goal in assisting the government in its policymaking decisions. Furthermore, through the innovations in information technology, the Institute has become well-equipped to face the new millennium with its new strategy and a forward-looking approach to addressing policy issues. These initial structures, as laid down by the Institute, are expected to set in motion a more proactive and timely response from the whole research community.
For the past 23 years in the research scene, the Institute has been regularly contributing to the generation of relevant policy research studies. The accomplishments in the past have also served to inspire the Institute to even strive harder in producing more substantive, responsive and timely research studies. Thus, each succeeding year has been more productive than the previous year for the Institute. In 2000, for instance, the Institute implemented a total of 128 research studies, of which 55 were completed while the remaining 73 are still ongoing.

Completed Research Studies

In the area of modelling, four existing models have been further refined, improved or updated and one new model has been developed primarily intended for use in generating timely analysis on a particular area of interest. These are:

- The first model, An Analysis of Philippine Trade Reforms in 1992-2000 Using the 1994 APEX Model, attempts to make an impact assessment of the reforms during the period 1995 and 2000 using the updated APEX model, a computable general equilibrium (CGE) of the Philippine economy. Results indicate that there is a generally favorable trade reform program effect for the period 1995-2000 as real gross domestic product (GDP) inches up and employment improves.

- The second model, PIDS Annual Macroeconomic Model 2000, traces the manner by which macroeconomic policies affect relative prices and sectoral allocation of resources by focusing on the production sector. The results of the simulation exercises show that if regulations governing foreign exchange transactions were not liberalized, the GDP would have been at a lower level and the general price level (PGDP or the implicit GDP deflator) would have been higher. The increase in the price level stems from higher exchange
rate. Subsequently, higher interest rates and higher prices dampen aggregate demand while the higher cost of production curtails aggregate supply.

- The third model, *Philippine Tariff Reforms: A CGE Analysis*, analyzes the effects of the trade program using a CGE model calibrated to Philippine data. Simulation results show that a change in factor demand indicates movement of resources across industries while the movement of labor and variable capital are the same. The change also shows the movement of resources to food manufacturing from other manufacturing.

- The fourth model in the paper on *Oil Price Increase: Can Something be Done to Minimize its Effects? (A Computable General Equilibrium Analysis)* shows that the impact of an oil price change is negative using the CGE model of the Philippine economy. It is negative not only in terms of economic growth but also in terms of income inequality and welfare.

- Meanwhile, the new model in the paper *Philippine Computable General Equilibrium Model (PCGEM)* is a medium-sized CGE model of the Philippine economy. It disaggregates the production sector into 34 sectors and incorporates three types of factor inputs: labor, variable capital, and capital. It is best described as a full employment model.

Agriculture plays a vital role in the economy of most developing countries like the Philippines. It is no wonder that efforts of the Philippine government since the 1950s had been focused on enhancing agricultural productivity. Modernizing agriculture is viewed as one way of attaining this target. In this regard, six related research studies were completed under this area. These are the following:

- *Property Rights Reform in Philippine Agriculture: Framework for Analysis and Review of Recent Experience* – indicates that research work is scanty and not clearly generalizable to the national level, even for such a major and long-standing program as agrarian reform;

- *International Trade Patterns and Trade Policies in the Philippine Fisheries* – results of the study consistently showed the Philippines’ advantage and potential from continued efforts in exporting value-added products such as various preparations of fish, crustaceans and mollusks;

- *Marketing and Post-Harvest Research (MPR) in the Philippine Fisheries: A Review of Literature* – the review found out that the number of studies on MPR started to decline after 1986, while studies on fishery resource management and conservation increased. Furthermore, MPR evolved from the fundamentals of measuring the profitability of marketing and post-harvest operations to a more intricate goal of modeling its structure, conduct and performance;

- *State of Statistical and Bibliographic Databases and Database Requirements of the Fisheries Component of the BAR-PIDS Project* – the paper proposes a specialized electronic fishery database that is useful for economic and policy research in response to the lack of comprehensive fishery economic databases;

- *Research Program Planning for Pest and Disease Management* – the study finds it a must to enhance the capability of our government to handle quarantine protocols in order to reduce occurrence of pests and diseases and to increase the farmers’ understanding of pest management since they are the ultimate decisionmakers in this regard; and
Key Indicators for Public Expenditure in Agriculture, Natural Resources, and the Environment – the paper points out the crucial need for a thorough analysis, monitoring and evaluation of expenditure programs to ensure that policy objectives are attained through efficient and effective public resource allocation.

The government budget may be viewed as the financial mirror of society’s economic and social choices, but does the budget contribute to the attainment of the overall objectives of economic policy, namely, growth, equity and stability? Thus, it has been the Institute’s commitment to regularly examine how the yearly national government budget performed in meeting these objectives. Four papers focused on this issue:

• The paper entitled National Government Budget for the Year 2000 points out that the trend in deficit finance since 1997 has been toward an increasing reliance on foreign debt financing. Of total national government borrowing in that year, 91 percent is sourced from external sources. Given the volatility of the foreign exchange rate and the absence of a good hedging instrument for the government, the appropriateness of this policy track is not obvious.

• The paper entitled The President’s Budget for 2001: Depleted Economic Choices assesses both the expenditure and revenue programs of the President’s budget for 2001. Results of the analysis show that there is a decline in real per capita national government expenditures on basic education and basic health care despite the reallocation of resources within the social services sector toward basic social services. This development would tend to undermine the government’s poverty alleviation efforts since poor families are largely dependent on publicly provided basic social services.

Interestingly, two special papers were generated from this study.

• An Assessment of the Absorptive Capacity of Agencies Involved in the Public Works Sector, the first offshoot paper, indicates that a variety of factors have contributed to the low absorptive capacity of the Department of Public Works and Highways (DPWH) during the period under study. These factors include those which derive from the structural and systemic weaknesses of the agency as well as those that have been brought about by the inefficiencies in the budgeting system and coordination with various sectors or institutions.

• The second offshoot paper, An Assessment of the Absorptive Capacity for Government and Donor Funding: The Case of the Department of Health (DOH), shows that the performance of major public health programs of the DOH, particularly in terms of cases treated and served, is greatly influenced by the magnitude of financial resources, timing of fund release and the fund’s accessibility from various sources.

Meanwhile, a number of papers focusing on the trade and industry sector were completed this year. Seven papers that dwell on the review and analysis of the state of competition and market structure in the service sector were completed under the auspices of the Philippine APEC Study Center Network (PASCN). These include:

• Analysis of the State of Competition and Market Structure of the Philippine Air Transport Industry – the paper points out that although deregulation has brought genuine competition in the domestic air transport industry through lower airfare, improvement in the quality of service and efficiency in the industry in general, it has, however, resulted in a segmented market structure with the
big players concentrating on the major routes where traffic demand is heavier while the smaller airlines are flying the secondary and tertiary routes where traffic demand is lighter;

- **Competition Policy in the Financial Sector: A Review of the Issues and the Literature** – the review mentions the significant progress that has taken place in the implementation of competition policies within the Philippine banking system. However, the study suggests the conduct of a definitive study that would assess how competition and efficiency in the financial services sector have been affected by the regulatory regime and market structure;

- **Analysis of the State of Competition and Market Structure of the Banking and Insurance Sectors** – the paper points out the need to improve the competitiveness of other financial institutions to provide savers and borrowers with real alternatives. For instance, the insurance industry has a potentially important role to play in this regard. Thus, the scope of competition policy must be widened to include the other sectors of the Philippine financial system;

- **The State of Competition in the Philippine Manufacturing Industry: A Review of Literature** – although it is common knowledge that barriers to competition within an economy—whether due to government policy or restrictive business practices—lead to welfare losses, there is not much work done in this area. Hence, studies which analyze the impact of barriers on market entry, costs, prices, profits, product quality and innovation need to be carried out;

- **Analysis of the State of Competition and Market Structure of the Manufacturing Sector** – this paper shows that even if trade barriers are removed, there are other factors that can impede the procompetitive effects of trade liberalization. These include the presence of nontradables, absence of effective competition due to the ability of domestic firms to increase prices and still prevent imports from entering the market, and the presence of cartels that may divide the markets through price-fixing or geographic market sharing agreements;

- **Government Policies and Regulations: Interrelationship with Competition Policy Objectives** – in general, the paper points out the need to bring in more closely the principles of competition policy into the analysis and evaluation of government policies; and

- **Issues in Competition Policies and Elements of a Rational Competition Policy for the Philippines: An Overview Paper** – the paper suggests that the government should actively seek ways to bring about its development given the huge benefits that could be derived from a working competition policy.

Relatedly, six studies focusing on the effects of liberalization and globalization on the industry sector were completed, namely:

- **Expanding AFTA: Prospects for Inter-regional Trade** – the study finds the need for a progression in the level of depth in the integration process, both in the level of tariff and timeframe in order for the ASEAN Free Trade Area’s (AFTA) inter-regional expansion to make sense;

- **Globalization and Economic Integration: A Philippine Experience** – the study cited that one of the pressing concerns that need to be addressed to allow the country to reap the full gains from economic integration is the area of competition
policy whereby liberal trade and investment policies play a major role;

◆ Implementation of Investment Liberalization and Facilitation Commitments in the IAP and APEC Economies: An Assessment – the study cites the need for the Asia-Pacific Economic Cooperation (APEC) to address several issues to keep it on track for its 2010/2020 deadline. Actions and projects that address the medium- to long-term objectives of the Osaka Action Agenda (OAA) should now be identified with a clear timetable and benchmarks on hand to aid monitoring and assessment;

◆ The Effects of Shifting to Transaction Value and Other Issues – the findings of the study support the argument that trade liberalization in the form of lower tariffs will reduce the incidence of under invoicing;

◆ Impact of Trade Policy Reforms on the Environment; and

◆ Environmental Costs and Competitiveness of Manufacturing Industries – the last two studies strongly suggest that the Philippines should vigorously pursue its current thrust toward greater trade liberalization given that the average pollution intensity (abatement cost) for manufacturing declines with trade reforms (for all cases considered).

On the other hand, future transactions completed over a computer-mediated network that involves the transfer of ownership or rights of use of goods and services—more popular as e-commerce—will be a common thing. The paper entitled E-Commerce in Southeast Asia: A Review of Developments, Challenges and Issues points out that although a lot of opportunities are created by e-commerce through the Internet, there are also accompanying risks that need to be understood and dealt with properly. For many of the ASEAN countries where PC penetration is low and credit card ownership is thin, consumer benefits will be limited for sometime.

In the area of resource mobilization, the paper entitled Transforming LandBank into a Microfinance Development Institution recommends that the LandBank should shed off its commercial and investment functions, as these can be handled more effectively by private commercial banks, and instead focus on its development function. The paper also argues that there is a need for the government to create a Grameen-type of bank because the LandBank, once transformed into a market-based microfinance development institution, can play that role.

We cannot argue on the fact that whatever development that would occur to our neighboring countries would somehow affect the performance of Philippine economy. Thus, it is also important to conduct an assessment of regional performance in order to put a safeguard to the country’s economic condition. Three papers tried to look into this aspect, namely:

◆ A look at the economic performance and prospects in the APEC Region has been carried out in the paper entitled APEC Economic Outlook for 2000-2001. The paper points out that most APEC-member economies will record positive growth in 2000 and 2001, with a large part of such growth dependent on stronger global demand, as influenced by the US economy, and the gradual but sustained rebound of the Japanese economy. It is equally important to identify some risk factors that could possibly hinder the progress of economic recovery in the APEC region. One of these factors is the development of the US economy in the next few years.
The study entitled **Reforming the International Financial Architecture: The East Asian View** points out that the concern of East Asia and other developing economies regarding the governance structure for the reform of the international architecture and the governance structure of Bretton Woods Institutions (BWIs) deserves to be given utmost attention in discussions on reforming the international financial architecture. Also as far as the substance of the reform agenda is concerned, the paper suggests that for East Asia, apart from choosing the appropriate exchange rate, issues like the stability of the three major currencies, regulation of hedge funds, increased transparency of credit rating agencies, capital controls, and reform of the International Monetary Fund (IMF), among others, deserve to be given their due importance in the discussions regarding the strengthening of the international financial architecture.

An interesting study is the **Impact of Currency Substitution and Prospects for Dollarization of the Philippine Economy**. Currency substitution implies the greater share of foreign currency in the asset holdings of domestic residents. Dollarization is the complete replacement of the local currency—in this case, the peso—by a foreign currency, most likely the US dollar. The study points out that full dollarization or official dollarization has both its costs and benefits but this is not a viable option for the Philippines at the moment.

The Institute likewise vigorously pursued its goal to promote APEC-related studies in 2000. As the secretariat of the Philippine APEC Study Center Network (PASCN), the Institute completed two major projects, **Towards a Philippine Competition Policy** (the completed studies of which were enumerated earlier) and **Labor HRD and Globalization**, in 2000. The first project reviewed the present state of competition in the Philippines while the second focused on globalization issues which directly and indirectly affect the Filipino workers. Along with four independent studies, a total of 20 studies were completed by expert researchers from various member-organizations of the Network last year. In addition, three dissertations and five masteral theses were completed and presented under the Thesis and Dissertation Assistance Program (TDAP).

Refer to Annex A for the list of completed studies and their corresponding authors.

**Ongoing Research Studies**

Seventy-three research studies are still ongoing at the end of the year. Majority of these studies are funded from the government budget while the rest are externally funded projects.

Refer to Annex B for the list of ongoing studies.

**Projects in the Pipeline**

A total of 28 research proposals were developed in 2000. Nineteen of these were developed by the Institute’s senior research staff to form part of the Institute’s research commitment to the government as well as nine proposals for external funding either by local or international donors. Ten of the proposals developed were implemented within the year while the remaining 18 proposed projects would be implemented by next year.

Refer to Annex C for the list of pipeline projects.
The Institute pumped up its information and dissemination activities in 2000 in an effort to contribute more to policy research. The focus stemmed from the initial challenge of bridging the gap between the research community and the policymakers. The Institute chose to rise up to the call by meeting the challenge head on. From its daring moves of connecting with the public—the policy and decisionmakers included—in 1999, the Institute began building the appropriate infrastructure for research and networking in 2000.

The response to the challenge was facilitated by innovations in information technology (IT), an area which the Institute has employed to its fullest. By September 2000, several online initiatives were presented by the Institute to its audience in time with the celebration of its 23rd founding anniversary. The initiatives included the SocioEconomic Research Portal for the Philippines (SERP-P), the Electronic Resource Base for Legislators (ERBL), the Online Public Access Catalog (OPAC), the Geographical Information Systems-based Socioeconomic Profile of the Philippines, and the Social Science and Policy Research Network for Agriculture (SSPN), all accessible through the PIDS website at http://www.pids.gov.ph.

And while each one of these initiatives is linked to one another, each one offers specific information to its target audience. This “virtual infrastructure system anchored on IT innovations” is expected to provide researchers with needed information and data to encourage them to conduct policy-oriented studies as well as to facilitate public discussions of major economic policy issues among themselves and between researchers and the various stakeholders, including the policymakers (see separate articles on these initiatives in

---

1Mario B. Lamberte. Welcome remarks delivered during the opening ceremonies of the PIDS 23rd founding anniversary, 25 September 2000, Makati City.
the following pages). Subsequently, this undertaking paved the way for widening the reach of PIDS research studies. In fact, soon after, the demand from both researchers and policymakers for a number of the studies increased.

Publications

The Institute produced a total of 96 publications in various formats this year. Of this number, five were Development Research News (DRN) issues, another five were Journal of Philippine Development (JPD) issues, 22 issues of the Policy Notes (PN) series, 60 studies under the Discussion Paper (DP) series, and four titles under the Economic Issue of the Day (EID), the Institute’s newest publication outlet.

The EID was conceptualized in the last quarter of 1999 and the first issue that focused on inflation came out during the first quarter of 2000. This latest information vehicle is intended to raise the awareness level of the general population on common economic concepts. The positive response to the initial issue that came out further challenged the Institute to continue with the series. Thus, a second issue dealing with oil deregulation followed suit. This was soon followed by a two-part issue on the World Trade Organization (WTO).

As of December 2000, a total of six books were in various stages of publication, that is, layouting, editing and typesetting. Among these are two volumes under the project entitled Population and Urbanization: Managing the Urbanization Process Under a Decentralized Governance Framework, two separate PASCN research studies on Coalition-Building and APEC, and China and its Implications to the Asia Pacific, one on the project Assessment of the Economic Policies, 1992-1996, and another compilation of studies on the 1997 East Asian financial crisis. These books are expected to come out by the middle of 2001.

In addition, the Institute embarked on an ambitious repository-type of project in the middle of the year by reviving its previous Clearinghouse project which was implemented during the late 1980s. Dubbed as the SocioEconomic Research Portal for the Philippines (SERP-P), the project serves—as its name suggests—as a portal to various socioeconomic studies relating to the Philippines as done by institutions and individuals based in the country. It also employs the latest in IT and serves as an electronic database of completed, ongoing and pipeline research studies focusing on economic development and policy issues in the Philippines. On its launching during the 23rd founding anniversary of the Institute, a number of studies from the Institute and the University of the Philippines School of Economics (UPSE) were presented online containing pertinent information such as the author, geographic coverage, focus of study, abstract of the study and keywords, among others.

See Annex D for a complete list of PIDS publications released in 2000.

Public Affairs

For the past several years, the Institute has been conceptualizing and organizing major local and international conferences. In recognition of this vast experience in handling such fora and of the Institute’s pool of experts who can serve as resource persons and analysts, the Institute was selected by the World Bank Institute (WBI) to be its collaborator in organizing the first regional workshop on poverty analysis for East Asia under the WBI’s Poverty Analysis and Data Initiatives (PADI) project. The result was the conduct of a two-week training workshop at the ACCEED Conference Center in Makati City participated in by statisticians, researchers, and economists from eight Asian countries.
Participants were taught basic concepts on and measures of poverty, public policy, modelling and monitoring. They were also allowed to perform hands-on analysis of cross-section and panel data using the STATA software to examine the (a) construction of household consumption aggregates and poverty lines, measures and incidence curves; (b) basic inputs in a poverty profile; (c) management of panel data for poverty analysis; and (d) analysis of poverty transitions. A follow-up workshop in mid-2001 is also being arranged by the Institute wherein country reports based on the concepts discussed in this workshop will be presented and commented on by policymakers from each of the participating countries.

In keeping with the goals of maintaining an open channel between researchers and policymakers, and of promoting the utilization of research results, the Institute made the rounds of a number of provinces as well as the halls of the Senate and the House of Representatives to present the various policy recommendations from its numerous research.

One of the most widely presented was the GIS-based Socioeconomic Profile of the Philippines which was shown before policymakers and their technical staffs in both houses of Congress in January and February 2000. In both presentations, the audience responded positively and welcomed the innovative project which will greatly help them in their legislative work especially during budget deliberations. The GIS-based profile was likewise presented to audiences in Iloilo City, Guimaras, and the Cordillera Administrative Region. The GIS is an automated, Internet-based and user-friendly database system that provides a unique way of viewing and analyzing spatial data by presenting them in a geographical format. Full color maps based on corresponding color codes are used to reveal patterns and relationships, thereby allowing users of data to view information in a new perspective. With the key socioeconomic data and indicators gathered and analyzed by the Institute through the years providing the substance and meat to the system, the Institute was able to present a picture of the performance in socioeconomic development of the different regions, provinces and municipalities in the country in a more pronounced and easy-to-understand manner.

On the other hand, studies under the Competition Policy project for the Philippines were presented a total of six times to various audiences, including those in Davao City. The PASCN-funded project was aimed at examining the elements of and rationale for competition policy, with the end view of developing an appropriate competition policy framework for the Philippines. The project also involved the conduct of studies assessing the state of competition in specific sectors such as telecommunications, oil, power, aviation, electricity, banking and manufacturing.

For one of the joint projects with the Bureau of Agricultural Research (BAR), the Institute conducted eight fora under the Agricultural Policy Discussion Series for Corn and Other Major Commodities. Each of these fora presented a review of available studies focusing on different policy topics such as Philippine agriculture and the next...
round of World Trade Organization (WTO) negotiations; credit policy improvement; marketing issues in agricultural competitiveness; irrigation; community-based coastal resources management; opportunities and challenges in agricultural biotechnology in the Philippine setting; trade liberalization and China’s food economy in the 21st century; and the Department of Agriculture’s role in food safety, other issues and opportunities. It is expected that the findings and conclusions from these fora will be summarized and disseminated for future research.

See Annex E for a complete list of public affairs activities conducted during the year.

Media Exposure

The Institute enjoyed a reasonably broad exposure in the print and broadcast media this year. Aside from the aggressive dissemination of press releases, a number of its research fellows and associates were interviewed on radio or for the newspaper on such topics as the ban on commercial foresting, income distribution, trade and environment, inflation, and overcoming poverty. Dr. Danilo Israel, a senior research fellow, and Dr. Mario Lamberte, PIDS President, were separately featured in a morning radio commentary program over radio station DZMM. Dr. Lamberte was also interviewed in a talk show on RPN-9. A total of 42 articles focusing on the highlights of public affairs activities and selected PIDS publications were featured in major dailies. The second half of 2000 specially saw an increased visibility of the Institute in the local media, with more than two-thirds of the year’s exposure appearing in various local publications during the period.

See Annex F for a list of media articles and exposure in 2000.

Library Development Program

Among the major accomplishments of the PIDS Library this year are the streamlining of its collection, the refurbishing and physical restructuring of the library itself and the completion of the first phase of the Online Public Access Catalog (OPAC) project. The renovation was meant to provide a user-friendly environment at the library. On the other hand, the latest library undertaking—the OPAC—which was presented during the 23rd anniversary celebration of the Institute, is a technological endeavor meant to facilitate library research for both inhouse and outside researchers through an online search of the library’s catalog. In the future, the OPAC will also provide easy access even to foreign-based researchers who may want to browse through the PIDS library collection via the Internet.

In 2000, the PIDS Library acquired additional books and journals for use as reference in various research projects undertaken by the research staff. It has continued to subscribe to most Philippine daily broadsheets and international weekly magazines to keep the whole Institute updated on the current political and economic issues. Lately, the library has opted to purchase CD-ROM versions of publications such as the Foreign Companies in the Philippines 2000/2001, the Philippines Country Forecast Report 2000, and the Philippine edition of the Lex Libris Folio 2000 Laws. Such electronic materials allow simultaneous access of the publications by several staff.

The Library has also maintained its interlibrary loan agreements with various private and government libraries as well as its publications exchange with 18 local institutions and 38 foreign institutions. All of these serve to assist the Institute’s staff in their research work and to facilitate the dissemination of the Institute’s research outputs through library exchanges and networking.
The procurement of new information technology (IT) equipment and the upgrade of non-Y2K compliant resources in CY 1999 paved the way for the development of major application systems in CY 2000. These new systems supported the conduct and management of research and research dissemination activities of PIDS.

The MIS focused on the development of strategic applications systems in 2000. These include the monitoring system for the Institute’s projects, namely, SocioEconomic Research Portal for the Philippines (SERP-P), Economic Resource Base for Legislators (ERBL), Online Public Access Catalogue (OPAC), mailing system for PIDS publications, and business operations related systems. Most of these systems were entirely developed inhouse.

At the same time, the MIS continued to undertake its regular functions such as the maintenance and improvement of the PIDS local area network (LAN) and Internet systems; the maintenance of IT equipment, software procurement and installation; improvement of the PIDS webpage; conduct of IT training; and provision of general IT support services to PIDS staff.

Systems Development

The major systems developed during the year were:

- **Project Monitoring System.** This is an online system for monitoring the implementation of PIDS research projects. It incorporates a database on PIDS projects and researchers.

- **Electronic Resource Base for Legislators (ERBL).** A joint effort between the Institute and the Congressional Planning and Budget Office (CPBO) of the House of Representative, the ERBL features an online database on major economic legislation including full text versions of
the bills. In addition, it provides a link between the bills and related research materials produced by PIDS and/or some of the major research organizations in the country.

- **SocioEconomic Research Portal for the Philippines (SERP-P).** This is an online electronic database of completed, ongoing and pipeline research studies related to economic development and policymaking in the Philippines. It links various socioeconomic studies implemented by various research institutions such as the PIDS, government agencies and the academe.

- **Geographic Information Systems-based Philippine Socioeconomic Profile.** This is the latest initiative from the Institute to establish an automated, Internet-based and user-friendly database system, which provides a unique way of viewing and analyzing spatial data by presenting them in a geographical format.

- **Social Science and Policy Research Network (SSPN) for Agriculture.** The SSPN’s lead institute is the PIDS. The Network is now constructing the pages for the searchable annotated bibliography and the agricultural statistics. Data to be found on this site are gross value added, production, input, trade, food balance sheet, and public expenditure for agriculture collected and collated from the different agencies. This site also contains a directory of social scientists engaged in agricultural research.

- **Online Public Access Catalogue (OPAC).** The OPAC is an online database system of PIDS major economic related books and research materials which is housed at the PIDS Library for PIDS staff and outsiders’ research purposes.

- **Online Request Forms for Vehicles/Drivers.** The use of online forms is intended to automate the existing manual system of submitting requests to the Motorpool Unit of PIDS for vehicle/driver for official use.

- **Financial Management Information System (FMIS).** The FMIS is an application system specific for administrative and management purposes. This comprehensive computer-based information system comprises of subsystems specific for human resource, accounting, budget and finance, among others. To help set the FMIS project in motion, the MIS provided technical expertise in the drawing up of specifications and system features. The MIS also provided assistance during the selection of the contractor by providing the criteria for the selection of the most credible and competent contractor from among those who submitted proposals for the system’s development.

- **Personnel Information System.** A problem was encountered with the entrance of year 2000 on the dates of reports generated from DOS-based systems and other reports which were date-dependent. The problem was immediately corrected by migrating the existing DOS-based systems to their Windows-based version wherein many improvements have been made to the user interfaces and database structures. The systems were able to provide the required functions such as the generation of the employees’ service records in a flexible manner, personnel listing, report on employee’s special assignment, personnel action on new appointees, and promotion of contractual and permanent employees, among others.

- **Provident Fund Information System.** The system has been operational since its development last November 1999. It provided information such as personal information, contributions, beneficiaries
of the members, and total funds accumulated by individual members of the Provident Fund, among others. Members can check their fund contributions and other personal information in the Provident Fund’s website.

◆ Others. An update was made in the RIS mailing list system after a problem was encountered due to the system’s voluminous database. The PIDS webpage was also redesigned to project a more user-friendly and contemporary look. Another webpage developed during the year was the PIDS-World Bank Institute (WBI) Training Program page where updates on the joint poverty analysis workshop can be found.

Local Area Network
The same network architecture of coaxial backbone and UTP/10baseT network hub star-bus topology is still being maintained. A network antivirus protection system is constantly being updated and an uninterrupted power supply setup is being maintained which features an automatic shutdown of the server in case of power failure. Through these network security measures, the PIDS LAN services are accessible 24 hours a day throughout the week.

During the third quarter of the year, an additional dedicated CD server capable of handling 20 data CDs was acquired to facilitate the accessing of different data CDs from different workstations within the Institute.

At present, around 80 workstations are connected to the PIDS LAN and three high-speed laser printers. Toward the middle of the year, a heavy-duty color printer was fully configured for connection to the network. Accounts for 80 staff members are still being maintained, allowing them full access to the PIDS LAN.

Remote access to PIDS LAN resources through a dial-up system, which can accommodate up to 10 connections, is also constantly being maintained.

Internet System
To further improve the existing connection of 64 kbps to 256 kbps so as to meet the needs of the PIDS staff, especially on research-related online searching, the MIS is considering the possibility of converting from leased-line Internet connection to wireless broadband Internet connection for faster Internet connection, and faster and easier facilitation of online initiatives and activities. An ISP had already provided the MIS a 15-day trial period and had been evaluated. The decision to convert from leased-line Internet connection to wireless broadband Internet connection will be made known within the first quarter of the year 2001.

The PIDS webpage was redesigned with the help of a consultant who integrated all the links to different subsystems within the PIDS Internet System.

Software Architecture
All of the Institute’s workstations run under the Windows 98 operating system. The staff uses Microsoft Office
2000 for word processing and a combination of Outlook Express, Microsoft Outlook and a customized Web-based mail client for Internet and e-mail messaging. The MS FrontPage 2000 is used for webpage editing while the PHP Editor and HomeSite ver. 4.5 editor are used as web-editing tools. Browsers still use the Netscape Communicator and Internet Explorer. The SAS 6.12 and STATA serve as the research department’s statistical analysis software package in 2000.

For the year 2000, the MIS renewed the licenses for its acquired softwares such as McAfee Total Virus Defense (100 users), Windows NT 4.0 Server (25 users), MS Office Back Office Server Suite (25 users), Adobe Acrobat and Adobe PageMaker, among others, and acquired new licensed MS Projects 2000 and MS Powerpoint 2000.

Majority of the servers in the MIS operate under the Linux operating system and are constantly being updated in order to support the most current hardware architecture as well as to ensure improve service in the systems. The MIS had already developed Web Database Applications using a backend client/server database and web scripting language.

Support Services
Maintenance and troubleshooting of client and server PCs are still the major functions of the MIS. During the year, scores of requests were received from clients whose problem ranged from simple software and hardware configuration to problems that require referrals for repair jobs from suppliers.

During the STATA training in the second quarter of the year, the MIS staff provided technical assistance in the setting up and installation of PCs to be used as well as during the training.

The MIS also provided support during the 2000 PIDS Research Fair by providing computers with network and Internet connection and IT technical support to the Research Fair participants.

Trainings
The MIS facilitated the inhouse Advanced Geographical Information Systems (GIS) Training Workshop during the third quarter of 2000 as a continuation of the previous year’s training on GIS. Resource speakers from the International Rice Research Institute (IRRI) trained participants from the PIDS and some guests from different state universities and colleges.

The MIS staff attended separate trainings on JAVA, STATA as well as training seminars on Migrating from Windows NT to Windows 2000 and Advanced Visual Basic Programming.
Status of the PIDS Endowment Fund and Investment Operations

As of December 31, 2000, the principal of the Institute’s Endowment Fund amounted to P187.841 million. Of this amount, P187.253 million (99.67%) represents the yearly contribution of the national government to the Fund while the amount of P0.588 million (0.33%) represents contributions from the Canadian International Development Assistance (CIDA) Policy, Training and Technical Assistance Facility (PTTAF) Project during the years 1994 to 1997.

The portfolio mix of the Institute’s investible funds consisted of P146.364 million (64.94%) representing investment in government securities, and P79.035 million (35.06%) representing placement in long-term bonds and stocks/shares (refer to Annex G for the balance sheet of the Institute’s investible funds).

Total income generated by the Institute from its investment operations amounted to P25.557 million. On the other hand, net income after tax amounted to P20.446 million, surpassing the targeted level of P18.409 million (Annex H). This represents an internal rate of return of 10.88 percent. This accomplishment may be attributed to the high interest rates realized by the Institute on its placement in Treasury bills/bonds.

Overall Financial Operations

Annex I shows the Institute’s consolidated Income Statement for the year ended December 31, 2000. The gross income realized by the Institute during the year amounted to P60.579 million. This came from the following sources: P20.446 million (33.75%) representing income generated from investment operations; P24.734 million (40.83%) representing subsidy support for operations received by the Institute from the national government; P7.205 million (11.89%) representing financial grants; P0.054 million
(0.09%) representing the proceeds from the sale of the Institute’s publications; and P8.139 million (13.44%) representing miscellaneous/other income (including interest income from CTD placements, proceeds from the closing of project bank accounts, reproduction services, etc.).

Total expenses incurred during the period, on the other hand, amounted to P47.919 million. On a program basis, the amount of P22.992 million (47.98%) was spent for the Research Program; P1.446 million (3.02%) for the Project Services Program; P3.793 million (7.91%) for the Publications Program; P1.983 million (4.14%) for the Public Affairs Program; P16.062 million (33.52%) for the General Administrative and Support Services Program; and P1.642 million (3.43%) for the Management Information Services Program.

For the year ended 31 December 2000, the net income realized by the Institute from its operations amounted to P12.66 million, representing an internal rate of return of 6.74 percent.

The Institute’s total assets increased by 11 percent (from P279.241 million as of 31 December 1999 to P310.752 million as of 31 December 2000), which represents a P31.516 million increase over 1999. This is due to the receipt of the P15 million subsidy earmarked for the augmentation of the Institute’s Endowment Fund, and the income realized and increase in the financial grant received during the year. Corollary, total liabilities of the Institute increased by 53 percent from P10.232 million during 1999 to P15.680 million by end of 2000 (refer to Annex J for the Balance Sheet of the Institute).

**Comparison of Actual versus Budgeted Receipts and Disbursements**

Annex K shows a comparison of the Institute’s actual versus budgeted receipts and disbursements.

As far as the budget for the period is concerned, total receipts and disbursements have been projected as P59.498 million and P59.352 million, respectively. Actual receipts during the semester, however, amounted to P55.518 million only while actual disbursements amounted to P46.695 million.

Actual receipts were lower by P3.980 million from the targeted level mainly because of the delay in the releases of the subsidy for operations from the national government. Disbursements, on the other hand, was lower by P12.657 million from the targeted amount, which may be attributed to the proactive measures undertaken by management to synchronize the Institute’s level of expenditure to its income stream.

Overall, the Institute was able to realize a surplus of P8.823 million.

**Conclusion/Recommendation**

The Institute posted a satisfactory financial performance for CY 2000 based on its positive net income as well as the high rate of return realized from its investment operations.

It will continue to closely monitor costs so that, at any given time, it is assured that only necessary costs are allowed. It will also continue to implement cost-cutting measures designed to enhance operating efficiency. All these, however, will be done without prejudice to the attainment of the objectives of its various programs and projects.
Philippine APEC Study Center Network (PASCN)

The Philippine APEC Study Center Network (PASCN) was established in November 1996 under Administrative Order No. 303. The network was the Philippines’ response to the APEC Leaders Education Initiative (ALEI) to promote APEC-related studies and greater exchange of scholars and students among institutions of higher learning in the region.

At present, the network has 12 members composed of universities, research institutions, and government agencies with the Institute as the secretariat and lead convenor. Since then, the Network has helped enlighten the Philippine government on the various issues within the APEC agenda.

Financial Operations

As of 31 December 2000, the Network’s gross receipts amounted to P4.508 million. This amount came from the following sources: P0.620 million (13.76%) representing income from short-term investment; P3.863 million (85.68%) from subsidy support for operations from the national government; and P0.025 million (0.56%) representing miscellaneous and other income (Annex L).

Total disbursements incurred during the period amounted to P7.897 million, broken down per program as follows: P4.485 million (56.8%) for the Research Program; P0.284 million (3.59%) for the Thesis and Dissertation Assistance Program; P0.420 million (5.32%) for the Information and Dissemination Program; P0.635 million (8.04%) for the Publication Program; P0.102 million (1.29%) for the Networking; and P1.970 million (25.05%) for the Study Center Secretariat.

The net savings realized by the Network from its operation for said period amounted to P5.595 million.

On the other hand, the Network’s total assets as of 31 December 2000 amounted to P13.394 million (Annex M).
The PIDS Provident Fund

The PIDS Provident Fund, Inc. is a nonstock corporation registered under SEC Registration No. A199919546 dated January 25, 2000. Its membership is exclusive to and automatic for regular officials and employees of the Institute who are holding plantilla positions unless they indicate otherwise in writing. Membership shall be terminated upon the member’s retirement, resignation or separation from the Institute.

Goals and Objectives

The PIDS Provident Fund was primarily organized to establish and maintain a fund, the sources of which shall be derived from contributions of the members of the corporation and counterpart contribution of the Institute. All earnings and/or interest are distributed to the members as benefits in cases of retirement, resignation, separation or other cases as may be allowed and determined by its Board of Trustees, in addition to other forms of benefits due to the employee member.

The secondary purpose of the PIDS Provident Fund are as follows:

- To invest its surplus, if any, in high grade securities, real estate or other nonspeculative investments for the exclusive benefits of its members;
- To purchase, acquire, hold, sell, lease, mortgage, convey or otherwise dispose of real as well as personal properties in accordance with existing laws, rules and regulations, the earnings of which shall accrue to the sole benefit of the members;
- To extend financial assistance to members by way of loans, including salary and/or other kinds of loans; and
- To do and perform such acts as necessary and incident to the purposes for which the corporation is organized, provided that these are legally inherent to the operations of the corporation and
consistent with the powers vested on corporations organized under the laws of the Philippines.

Fund Management
The operation of the Fund is in accordance with the general policies and guidelines determined by its Board of Trustees. The Board is composed of the PIDS President, Vice-President, Director for Operations and Finance, Director for Research Information and four other members elected from among the PIDS staff.

All available funds of the PIDS Provident Fund, except those tagged for operations, constitute its investible funds. Each Fund investment, as a matter of investment policy, is being guided by consideration of safety, profitability and liquidity.

The Board of Trustees is mandated to (a) promulgate operational guidelines for investing the Fund’s investible funds, and (b) engage the services of a professional fund management consultant from among reputable banks and financial institutions who shall assist the Board in the conduct of investment operations to ensure that investible funds are invested in a prudent manner to ensure the preservation of the Fund capital and the adequacy of its earnings.

Net income or losses from operations incurred or realized each calendar year are shared by the Fund members in proportion to their average monthly equity balance for said year. For planning and budgeting purposes, the Board shall determine the amount to be set aside to finance the Fund’s administrative operation.

Activities During Year 2000
As the Fund was set up in late of 1999, activities for the year 2000 were mainly organizational in nature, which included the registration of its Constitution and By-Laws with the Securities and Exchange Commission (SEC); registration of its books of accounts with the Bureau of Internal Revenue (BIR); design of corporate seal, letterhead, standard chart of accounts, Fund members’ ID number, and Internet homepage; adoption of different forms (Membership Data Form, Member’s Change of Information, Member’s Change of Monthly Contribution, Claims Form); and establishment of the computer-based individual ledger for its members.

The Fund Management also applied for a tax-exemption with the BIR on the payment of income tax, investment tax, and the payment of 20 percent final tax on interest and/or yield on deposit substitute instruments and interests on Philippine currency bank deposits.

The management likewise formally requested the Bureau of Treasury for the inclusion of the PIDS Provident Fund in the roster of Tax Exempt Institutions (TEIs) so it can participate in the over-the-counter (OTC) sale of government securities (GS).


Future Thrusts
In the ensuing years, management will concentrate its effort in securing a tax exempt status with the BIR. This way, it can maximize its earnings from investment operations so as to ensure the provision of maximum benefits to its members.
True to its commitment to provide the fundamentals to a research community that is connected to the policy-makers in the government, the Institute launched five online initiatives during its 23rd anniversary last September 2000. These are the following:

**ERBL**

Public policies formulated by members of the national leadership pertain to “what governments choose to do or not to do.” A policy that is finally enacted is actually a product of choice from among a few or many policy options and alternatives. The choice to enact a particular policy has both direct and indirect impacts on the nation and its citizens. Thus, it is imperative that the choices be made wisely and upon solid data based on research and consultations.

Each Philippine lawmaker is assumed to be backed up by a technical team which undertakes serious research and consultations. In the House of Representatives, the Congressional Planning and Budget Office (CPBO) provides such kind of support. Nevertheless, there still may not be sufficient existing technical support available to the legislators to meet their demands and needs for timely, relevant and responsive policy research studies that would help in the policymaking process.

Policies resulting from a mixture of critical analyses of vast information, highlighted arguments, and exploration of a wide array of options and alternatives are relatively responsive to the needs of the targeted public and are beneficial for the common good. On the other hand, policy research derives its ultimate satisfaction from being able to directly serve as inputs to policies formulated. This is a mutual need which the PIDS and the CPBO addressed with enthusiasm.
**PIDS responds to the need**

In the second quarter of 2000, the Institute set out to initiate a collaboration with the legislature through the CPBO as a response to the legislative body’s demand for such policies and the Institute’s own enthusiasm to contribute to policymaking. The partnership between the two government institutions is expected to enhance the quality of policymaking and legislation in the country.

Dubbed as the Electronic Resource Base for Legislators (ERBL) Project, the joint undertaking aims to:

- strengthen the quality of legislation in terms of substance and content, and
- to make information available in order to encourage debate and discussions to magnify the public’s opinion.

In the initial stage of the project, the CPBO committed to provide all the necessary legislative documents such as copies of bills, House Committee reports and status reports, among others. The Institute, meanwhile, provided technical assistance to the CPBO in the areas of web design, database build-up, and setting up of a link between the two institutions’ electronic systems. The Institute likewise provided the prototype and initial maintenance of the site including the setup of a research base for legislation by matching the pending bills with relevant research resources from PIDS and other affiliate institutions.

The ERBL has four components, which make up the subpage within the PIDS homepage (http://www.pids.gov.ph). These are:

- access to pending economic bills,
- research base to pending legislation from PIDS studies and those of its affiliate institutions,
- electronic discussion on bills filed, and
- advocacy in the form of conferences and other fora.

The ERBL subweb offers the following features:

- Full text of major economic bills – users can do a search on bills by field (author, bill number, subject, keywords, date filed, status, etc.) or by full text;
- Full text of committee reports for major economic bills;
- Status report on major economic bills;
- Research materials that are relevant to the featured bills;
- Notes on the legislative process;
- Threaded discussion group;
- Write-to-your congressman module;
- User customization; and
- Links to other and related sites (such as the Congressmen’s individual homepages).

The ERBL project was launched to a varied audience during the 23rd founding anniversary of the Institute. Mr. Mario Feranil, director of the project services department and head of the PIDS team in charge of the project, presented the new online initiative and its features.
SERP-P

The importance of socioeconomic research and analysis to decisionmakers and policymakers cannot be overemphasized.

Through the years, the demand for policy-oriented research, which could serve as inputs to the deliberation and formulation of socioeconomic policies, has increased tremendously resulting in the rise in number of institutions conducting policy-oriented studies.

Despite this, however, there is still a dearth of information on what studies have been done and are available, where they can be found, and what key findings they might contain. This poses a constraint to many decisionmakers and policymakers on which information can help them in the process.

In this regard, it seems that one of the biggest hurdles in policy research is not the absence of research studies per se but the lack of dissemination on their availability. The problem could be rooted to the fact that there is no central body or a mechanism in the country today which supplies such information in an organized manner.

It is in response to this shortcoming that the Institute embarked on a project to develop an electronic database of policy research. The database was named SocioEconomic Research Portal for the Philippines (SERP-P) and launched during the PIDS 23rd founding anniversary.

The SERP-P project is actually a take-off from a previous undertaking of the Institute known as the Clearinghouse Project, a database of policy research studies from various academic and research institutions that appeared in the Institute’s bimonthly newsletter, Development Research News (DRN). Compared to the Clearinghouse project, however, the SERP-P is more comprehensive in terms of content and coverage, and makes use of the latest information technology as well as the benefits of research networking.

The SERP-P’s main objectives are three-fold:

- to disseminate the availability of and key information about research materials and studies required for the formulation of national development plans and policies;
- to promote and strengthen research networking and collaboration among researchers conducting economic and policy-oriented studies; and
- to provide the public with easy and immediate access to socioeconomic information.

The database will contain ongoing, completed and pipeline projects conducted by various private and government research organizations and academic institutions in the country. It is envisioned to become the Philippines’ gateway to policy research, thus increasing the availability of key information about research materials and studies.

Currently, only select research studies of the Philippine Institute for Development Studies and the UP School of Economics are available in the SERP-P. However, as the network of partner-institutions grows, the portal will also grow both in terms of coverage and content. The SERP-P will then have a more comprehensive coverage of research outputs and will become more useful to the research community, thereby encouraging more institutions to participate in building the database.

Ultimately, the goal is for the partner-institutions to undertake a dynamic role in developing SERP-P by participating in the entire project cycle, that is, in the planning, imple-
A PIDS Annual Report 2000

mentation, monitoring and evaluation stages. The SERP-P will then be a joint undertaking between PIDS and its partner-institutions in the research community.

The SERP-P utilizes a browser-user interface or what people commonly call the “point-click” technology. To access the portal, one only needs a personal computer with Internet connection. The portal is equipped with a user-friendly search facility whereby users can search the information they want by title of study, author, research area, institution, type of publication, type of study, or keyword. In case they still cannot find the information that they want, they can use the free text search facility.

In addition, the full text of some studies can also be downloaded from the SERP-P website in portable document format. This way, users will have immediate access to studies in the SERP-P and they need not request or buy copies of these studies from the source institution(s). It is envisioned that, in the future, all studies contained in the portal will have downloadable full-text versions.

SERP-P may be accessed via the Institute’s website at http://www.pids.gov.ph. Any comments or suggestions may be addressed to publications@pidsnet.pids.gov.ph.

GIS-based Socioeconomic Profile of the Philippines

Prodded by the increasing demand by national and local decisionmakers for data and information having a spatial dimension, the PIDS has recently adopted the use of the Geographic Information Systems (GIS) in doing and presenting socioeconomic analyses at the national, regional, provincial and very soon, municipal/barangay levels in the country.

The GIS is an automated, Internet-based and user-friendly database system that provides a unique way of viewing and analyzing spatial data by presenting them in a geographical format. Full color maps based on corresponding color codes are used to reveal patterns and relationships, thereby allowing users of data to view information in a new perspective.

Through the years, the Institute has compiled a database on selected socioeconomic indicators for various governing levels in the Philippines. With the use of the GIS’ color-coded maps, it is able to present these indicators in a manner that immediately shows how regions and provinces are faring in terms of their socioeconomic status. Likewise, the maps provide an easy way of comparing and analyzing the socioeconomic performance of these units, thereby serving as inputs in determining the needs of the regions and provinces and the responses required to address said needs.

**Color guide to performance**

What makes this method of analysis and presentation easily appreciated is its use of color guides to show relative levels of performance of
regions/provinces vis-à-vis one another. The color green, for instance, is used to show a good performance as determined by a ratio/statistic that is equivalent to or better than the national average. The color red, on the other hand, is used to denote a performance that is worse than the national average. Moreover, a darker shade is used to indicate a relatively better (dark green) or relatively worse (dark red) performance of the regions/provinces concerned.

**Building the infrastructure for research**

On the whole, what the GIS provides is a more enhanced way of analyzing and presenting data and information. It facilitates a grasp of the implications of figures and statistics and the understanding of patterns and relationships through clear and simple color-coded visuals.

The Institute’s use of the GIS in establishing an automated and online database system for research is in line with its mandate to assist in the functions of planning and policymaking. In many ways, it serves as one of the Institute’s contributions to the building up of the infrastructure for research in the Philippines.

**SSPN**

The Social Science and Policy Research Network for Agriculture (SSPN) is one of the 23 commodity and disciplinary-based research networks recently established by the Bureau of Agricultural Research (BAR) of the Department of Agriculture (DA) to strengthen agricultural research and development. PIDS is the lead institute and includes as core member-institutions the University of the Philippines at Los Baños (UPLB), Visayas State College of Agriculture (VISCA), Central Luzon State University (CLSU) and the University of Southern Mindanao (USM).

In the future, the research network shall also include social scientists from other research networks so as to

- facilitate interaction across networks;
- ensure minimum level of uniformity in methodology;
- identify possible centralization of efforts to minimize cost and improve quality;
- facilitate integration; and
- facilitate exchange of analysis and information across networks.

SSPN aims to achieve efficient, equitable and sustainable agricultural development through a more rigorous analytical and empirical understanding of producer and consumer behavior, and the structure, conduct and performance of markets, policies, programs, regulations and institutions. Specifically, social science research shall contribute to the establishment of incentive structures that will promote efficient, sustainable and equitable allocation of resources; determination of appropriate levels of investment and efficient and cost-effective programs and institutions for the provision of public goods; and design a cost-effective institutions, market-based policy and regulatory instruments that will address externalities in production and consumption.

To achieve these goals, the network has identified eight program areas concerned with macro level/intersectoral linkages that influence agriculture’s performance, micro/farm level issues that affect farmers’ land use and technology decisions and institutional issues that have significant bearing on the incentive structures. These areas include rural society; supply-demand-trade analysis; macro-economic policy issues; technology, irrigation and market infrastructure; resource management and sustainability (coastal resources, soils, freshwater, genetic resources); and institutional issues.
Networking activities cover the whole range of SSPN research areas but the research to be funded by the network necessarily has to be selective. Current researches initially focus on agricultural technology issue such as research, development and extension; neglected areas in terms of research topics; and emerging areas of concern. Generally, these researches are aimed at:

- informing the research community and various stakeholders of past and ongoing studies;
- promoting critical reviews of the studies by peers, other related researchers, and their local and international publication;
- commissioning synthesis or state-of-art studies by topic or problem areas to facilitate advocacy, reviews of literature and identification of relevant areas for further research;
- establishing and providing public access to socioeconomic database and collection of gray literature via the Internet; and
- organizing or cohosting a variety of interaction modes among researchers and between researchers and stakeholders, including roundtable discussions, workshops, seminar series, conferences and symposia.

During the 23rd founding anniversary of the lead institute, the Network formally launched its website. It contains the network goals, program areas, focus of both research and network activities, and a database on agricultural statistics.

The SSPN database features a searchable bibliographic reference of available publications and materials authored by the respective staff of the network members. The search parameters include author, title, topic, institution, type of publication, year and keyword. These features are expected to facilitate the search for relevant studies focusing on agriculture.

**OPAC**

With the advent of the new millennium and the technological innovations that go with it, it is but natural that libraries also undergo changes. In recent years, the concept and face of the library had evolved (and are continuing to evolve) into more flexible, client-oriented structures designed to better serve knowledge-based organizations. In fact, new models are emerging in which traditional library practices and services are blended with an electronic environment that transcends the four walls of the library.

The PIDS special library, in its aim to provide its clients adequate and immediate access to information, has also changed with the dictates of time and technology. A user survey in late 1997 was done to determine the specific needs and wants of its inhouse researchers and staff.

Fuelled by the management’s desire to upgrade and modernize the library in line with the emerging direction of special libraries, an Inter-Office Library Committee which includes users within the Institute was created to provide guidelines on the direction that the library is to take. The first step it took was to increase the budget for the library and review and streamline its collection. Afterwards, it approved the contracting of a consultant to help in the upgrade and modernization of the library.

Thus, in January 1998, Mrs. Lourdes David, head librarian of the University of the Philippines-College of Science Library, was invited as library consultant. She reviewed and evaluated the library’s existing setup, collection, facilities and equipment, staff complement and services. She then mapped out, based on consultations with the PIDS manage-
ment, members of the Inter-Office Library Committee and other personnel of the Institute, a strategic development plan that took into consideration the PIDS vision and mission, the direction and objectives envisioned for the library’s upgrading and modernization, and the desired computerization of access to its collection and networking with other libraries.

The Online Public Access Catalog (OPAC) was a major part of this development plan. For the next two years, then, the library’s catalog records were successfully converted into an electronic format using CDS/ISIS, a familiar Windows-based library software. By September 2000, the OPAC was one of the PIDS online initiatives launched in time with the Institute’s 23rd founding anniversary.

This new PIDS initiative is a technological endeavor meant to facilitate library research not only for inhouse but also outside researchers and, in the future, for foreign-based researchers who may want to have access to the PIDS library collection. The OPAC is a Windows-based and user-friendly electronic catalog system designed to assist library users in their search and retrieval of bibliographic records even without the assistance of the library staff. The system provides users with a means to view bibliographic descriptions of PIDS collections wherever they may be.

At present, work is being finalized in having the OPAC accessible via the PIDS local area network (LAN) but in the coming months, the OPAC will be available on the Web. This means that very soon, users can access and download information from the OPAC anytime and anywhere.

In addition, part of the PIDS library’s future plans is the digitization of all the Institute’s research materials and publications and making these available in CD-ROM. This plan is aimed at preserving the wealth of research outputs that the Institute has generated for 23 years as well as at helping PIDS’ various clients gain easy and low-cost access to its materials.

Aside from the PIDS research outputs, the library also has a wide collection ranging from macroeconomics to international cooperation and international relations to economic and social policy planning, economic condition, research and systems to institutional framework (including law, politics, and human rights). It also holds CD-ROMs, reference books, newspapers, theses and dissertations, newspaper clippings and maps in its collection. The materials are acquired through donations, exchanges and purchases/subscriptions and lately, based on recommendations of the PIDS research users and screened by the Institute’s Inter-Office Library Committee.

Inquiries about the OPAC may be addressed to either ttina@pidsnet.pids.gov.ph or canne@pidsnet.pids.gov.ph.
Annexes

Annex A

Completed Research Projects

Macroeconomic management in a globalized setting
- The President’s Budget for 2001: Depleted Economic Choices (Rosario Manasan)
- Impact of Currency Substitution and Prospects for Dollarization of the Philippine Economy (Josef Yap)
- Reforming the International Financial Architecture: The East Asian Views (Mario Lamberte)
- Globalization and Economic Integration: A Philippine Experience (Myrna Austria)
- APEC Economic Outlook for 2000-2001 (Mario Lamberte, Josef Yap and Ma. Teresa Caparas)

Competitiveness and competition policies
- Implementation of Investment Liberalization and Facilitation Commitments in the IAP and APEC Economies: An Assessment (Myrna Austria)
- E-Commerce in Southeast Asia: A Review of Developments, Challenges and Issues (Aniceto Orbeta Jr.)
- The Effects of Shifting to Transaction Value and Other Issues (Erlinda Medalla and Leah Castro)
- Expanding AFTA: Prospects for Interregional Trade (Myrna Austria)
- The State of Competition and Market Structure of the Philippine Air Transport Industry (Myrna Austria)
- Review of Literature on the State of Competition and Market Structure of the Finance Sector (Ma. Melanie Milo)
- Analysis of the State of Competition and Market Structure of the Banking and Insurance Sectors (Ma. Melanie Milo)
- The State of Competition in the Philippine Manufacturing Industry: A Review of Literature (Rafaelita Aldaba)
- Analysis of the State of Competition and Market Structure of the Manufacturing Sector (Rafaelita Aldaba)
- Issues in Competition Policy and Elements of a Rational Competition Policy for the Philippines (Erlinda Medalla)
- Government Policies and Regulations: Interrelationship with Competition Policy Objectives (Erlinda Medalla)
- Competition in Philippine Telecommunications: A Survey of the Critical Issues (Ramonette Serafica)
- Competition Policies for the Philippine Oil Industry (Peter Lee U)
- An Evaluation on the Readiness of Filipino Professionals to Meet International Competition (Tereso Tullao Jr.)
- Framework for a New Regionalism (Dante Canlas)
- Existing and Emerging Regional Trading Arrangements (Gwendolyn Tecson)
- Advancing Philippine Interests Through Enhancing the 1998 Individual Action Plan (Cid Terosa)
- An Inquiry into the Competitiveness of Emerging Philippine Cities (Karen Tecson et al.)

Governance
- An Assessment of the Absorptive Capacity of Agencies Involved in the Public Works Sector (Rosario Manasan and Ruben Mercado)
- An Assessment of the Absorptive Capacity for Government and Donor Funding: The Case of the DOH (Rosario Manasan and Alexander Michael Palma)

Social sector reform
- An Analysis of Globalization and Wage Inequality in the Philippines (Leonardo Lanzona)
Trade Liberalization and International Migration: The Philippine Case (Fernando Aldaba)
Reassessing Tripartism and the Role of the State in a Period of Restructuring Under Globalization (Virginia Teodosio)
Factors Influencing the Degree of Observance of the Core ILO Labor Standards by Manufacturing Companies (Divina Edralin)
Labor, HRD and Globalization - Integrative Report (Leonardo Lanzona)

Modernizing Philippine Agriculture
Transforming LandBank into Microfinance Development Institution (Mario Lamberte)
Toward the Sustainable Development of the Fisheries Sector: An Analysis of the Philippine Fisheries Code and Agriculture and Fisheries Modernization Act (Danilo Israel and Ruchel Marie Grace Roque)
Key Indicators for Public Expenditure in Agriculture, Natural Resources, and the Environment (Cristina David and Arlene Inocencio)
Property Rights Reform in Philippine Agriculture: Framework for Analysis and Review of Recent Experience (Roehlano Briones)
International Trade Patterns and Trade Policies in the Philippine Fisheries (Nerissa Salayo)
Marketing and Post-Harvest Research in the Philippines Fisheries: A Review of Literature (Nerissa Salayo)
State of Statistical and Bibliographic Databases and Database Requirement of the Fisheries Components of the BAR-PIDS Project (Nerissa Salayo)
Research Program Planning for Pest and Disease Management (Gloria Molina)
National Government Budget for the Year 200 (Rosario Manasan)
Irrigation Component Study (Rahimaisa Abdula)

Environment and Natural Resource Management
Impact of Trade Reforms in the Environment (Erlinda Medalla)
Environmental Cost and the Competitiveness of Manufacturing Industries (Erlinda Medalla)

Policy Analysis, Planning Tools and Monitoring Systems
An Analysis of Philippine Trade Reforms in 1995-2000 Using the 1994 APEX Model (Caesar Cororaton)
PIDS Annual Macroeconometric Model 2000 (Josef Yap)
Philippine Tariff Reforms: A CGE Analysis (Caesar Cororaton)
Philippine Computable General Equilibrium Model (Caesar Cororaton)
Oil Price Increase: Can Something Be Done to Minimize Its Effect (A CGE Analysis) (Caesar Cororaton)

PASCN Thesis/Dissertation Grants
The Relationship of Entrepreneurial Styles and Firm Performance of Small and Medium Manufacturing Firms in Metro Manila (Gloria Chavez - Ph.D. Business Administration, De La Salle University)
Genetic Analysis and Molecular Mapping of Bacterial Wilt Resistance in Tomato [Lysopersicon esculentum Mill] (Conrado Balatero – Ph.D. Genetics, University of the Philippines at Los Baños)
A Community-based Adaptation of Land Readjustment for Renewal in Metro Manila: Lessons from Three East Asian Cities’ Experiences (Joel Oana – MS Urban and Regional Planning, University of the Philippines, Diliman)
TQM Constructs Development and Validation: A Survey of Selected Philippine Manufacturing Companies (Ma. Gloria Talavera – Ph.D. Business Administration, De La Salle University)
Administration, University of the Philippines Diliman)

- The Effects of Interest Rate Liberalization on the Supply of and Demand for Agricultural Credit in the Philippines (Irene Binohlan – MS Agricultural Economics, University of the Philippines at Los Baños)
- APEC: China’s Vehicle in Integrating into the International Political Economy (Abigail de Leon – MA Political Science, University of Asia and the Pacific)
- Philippines and APEC: Tariff Compliance (Wildan Brian Cabactulan/Paolo Crisostomo Dy – Ateneo de Manila University)
- Isozyme and Morphometric Analyses of Natural Populations of the Asian Honey Bee [Apis cerana Fabricius] from Different Geographical Areas in the Philippines (Maynoll Montalbo – University of the Philippines at Los Baños)

Annex B

Ongoing Research Projects

Macroeconomic management in a globalized setting

- Payments System in the Philippines: Implications for the Competitiveness of the Financial System and Monetary Policy (Mario Lamberte)
- Impact of Financial Sector Reforms on Money Demand (Melanie Milo)
- Financial Liberalization and Integration in the APEC Region: Performance and Comparison with Chile and the European Union (Ponciano Intal Jr. and Victor Pontines)
- The Role of the GATS-FA in the Financial Liberalization Efforts of APEC Economies (Victor Pontines)
- Risks and Opportunities of Financial Liberalization for the Philippine Export Sector (Arturo Boquiren)
- Financial Liberalization and Integration: Implications for Philippine Policy - Integrative Report (Ponciano Intal Jr. and George Manzano)
- Economic Globalization on Trade and Investment in Muslim Areas in the Philippines (Habib Macaayong)
- Islamic Economy: Its Relevance to the Globalization of Economy in Muslim Areas in the Philippines (Ali Panda)

Competitiveness and competition policies

- Impact of Globalization on Employment (Aniceto Orbeta Jr.)
- National and Sectoral Productivity Estimates (Caesar Cororaton)
- Quality Standards and Cost and Performance Indicators for Infrastructure Services (Ramonette Serafica)
- Review of Literature on the State of Competition and Market Structure of the Transport Sector (Myrna Austria)
- Analysis of the State of Competition and Market Structure of the Shipping Industry (Myrna Austria)
- An Analysis of the State of Competition and Market Structure of the Distribution Sector – Wholesale and Retail (Myrna Austria and Ma. Teresa Caparas)
- Towards a National Competition Policy: Integrative Report (Erlinda Medalla)
- Managing the Adjustment Process Towards International Competitiveness - Changing Shape of Industries and Restructuring of Industries via Exit and Entry of Firms (Erlinda Medalla)
- Export Platform Program (Erlinda Medalla)
• Nature, Magnitude and Impact of E-Commerce in the Philippines and Other Countries (Aniceto Orbeta Jr.)
• Studies on the Impact of Trade Reforms and Globalization Catalogue, Organized Data Bank for Trade and Policy Industry Analysis (Erlinda Medalla)
• Towards a National Tax Policy for the Philippines on E-commerce (Peter Lee U)
• The Philippine Information Infrastructure: A Survey of Critical Success Factor (Leticia Clavella)
• Conceptual Framework and Measurement Issues in E-Commerce for the Philippines (Aniceto Orbeta Jr.)
• Effect of Global Economic Liberalization on Manufacturing Industries in Muslim Areas in the Philippines (Eugenio Manulat)
• Formulating a Philippine Position on Dispute Settlement in the Asia-Pacific Cooperation (Ma. Lourdes Sereno)
• The Impact of the Liberalization of Foreign Bank Entry on the Philippine Domestic Banking Market (Angelo Unite and Michael Sullivan)
• Reactions to the Entry of Foreign Banks in the Philippines: A Critical Case Study of Selected Banks (Rene Hapitan)
• Human Resource Requirements of the Financial Sector under a Liberalized Regime (Tereso Tullao Jr.)
• An Inquiry Into the Effects of Liberalized Foreign Bank Entry on the Philippine Banking Industry (George Manzano and Romulo Neri)
• Microfinance: A Market Approach (Mario Lamberte)

Social sector reform
• The Social Impact of E-Commerce on Philippine Workers (Roberto de Vera)
• Liberalization, Education and Globalization: Policy Implications for Philippine Higher Education Institutions (Higino Ables, Felix Librero, Aurora Fe Bautista and Melinda Lumanta)
• Higher Education Institutions Benchmarking with International Standards: Towards Mutual Recognition Agreements (Veronica Ramirez)
• Domestic Regulations and the Trade in Services: The Role of the Commission on Higher Education (CHED) and the Professional Regulation Commission (Tereso Tullao Jr.)
• Continuing Professional Education: Training and Developing Filipino Professionals Amid Globalization (Zenon Arthur Udani)
• International Education: Models, Constraints and Issues (Allan Bernardo)
• Towards a Policy Framework for Expanding Open and Long Distance Learning as a Means of Increasing Labor Flexibility and Reinforcing the Education-for-All Programme in the Philippines (Gerardo Largoza)
• Gender and Technology (Amelia Ancog)
• Assessing the Situation of Women Working in CALABARZON (Divina Edralin)
• The Impact of Globalization on Employment (Aniceto Orbeta Jr.)

Modernizing Philippine agriculture
• Extension System Supporting Agricultural Research (Virginia Cardenas)
• Economic Methodology for the Privatization and Allocation of National Research Development and Extension Programs for Corn and Other Major Commodities - Integrative Report (Cristina David, Arlene Inocencio, Saturnina Halos)
• Socioeconomic Database and Bibliographic Reference of the Philippine Agricultural Sector (Eliezer Albacea)
• Survey and Region IV Component Study (Nora Carambas)
• Agro-Ecological Characterization of the Philippines for Research Prioritization of Major Agricultural Crops (Study 1) and Performance of the National Irrigation System (Study 2) (Tolentino Moya)
• Structure and Conduct of the Extension Function of Selected SCUs (Catherine Ragasa)
• Structure, Conduct, and Performance of DA Extension Units (Tito Contado)
• Literature Review on the Agricultural Distribution Services Sector: Performance, Efficiency and Research Issues (Angelo King Institute of Business and Economics)
• Food Security, Agricultural Efficiency and Regional Integration (Amelia L. Bello)
• Achieving Food Security: The Role of and Constraints Faced by LGUs (Liborio Cabanilla)
• An Evaluation of Agricultural Cooperatives as a Mechanism for Promoting Efficiency of Agriculture in the Philippines (Eulogio Castillo)
• Assessment of the Physical Resource Capability in Philippine Agriculture (Luis Rey Velasco and Liborio Cabanilla)
• Inquiry Into the Decline of the Sugar Industry in the Philippines (Phares P. Parayno)
• Political Economy of Biotechnology in the Philippines (Rolando Bello)

Environment and natural resource management
• Review of Literature on Coastal Resource Management (Danilo Israel)
• Analysis of Coastal Resources Management (Danilo Israel)

Policy analysis, planning tools and monitoring systems
• Updating of the Population and Development Planning Model (Sub-Model) (Aniceto Orbeta Jr.)
• Economic Monitoring System (Database Information System) (Celia Reyes)
• Geographical Information Systems (GIS) for the Philippine Socioeconomic Profile (Celia Reyes)
• Social Sector Model (Celia Reyes)
• Leading Indicator System for the Philippine Economy (Josef Yap)
• Initial Attempt into Micro Simulation (CGE Modeling with Poverty Analysis) (Caesar Cororaton)

PASCN Thesis/Dissertation Grants
• The Structure of Protection in the Tradable Services Sector of the Philippines (Marina Fe Durano – Ph.D. Economics, University of the Philippines Diliman)
• Real Exchange Rate and International Price Competitiveness in Four ASEAN Countries (Pete Raymond Delfin – MS Economics, De La Salle University)
• Household Dynamics in the Face of Rural Industrialization and Globalization: Case Studies of Household in a Southern Luzon Community (Aurora Belina Vistro – Ph.D. Anthropology, University of the Philippines Diliman)
• Nutritional Quality of Minimally Processed Pineapple Fruits [Ananas comusus L. Merr] (Ma. Fe B. Pepito – Ph.D. Human Nutrition and Food, University of the Philippines at Los Baños)
• Biochemical and Physiological Responses of “Carabao” Mango (Mangifera indica L.) Fruit to Chilling Stress (Andrea S. Agillon – Ph.D. Horticulture, University of the Philippines at Los Baños)
• Fruit Development and Ripening in ‘Sinta’ Papaya [Carica papaya Linn.] (Salud Geronimo – Ph.D. Horticulture, University of the Philippines at Los Baños)
• Measuring and Evaluating Manufacturing Strategy Effectiveness of the Philippine Electronic Industry Using the Hayes-Wheelwright Framework (Anthony Shun-Fung Chiu – Ph.D. Business Administration, De La Salle University)
• Competencies of Human Resource Managers at the Philippine Economic Zone Authority in Rosario, Cavite (Evelia Pardo – MS Industrial Relations, University of the Philippines Diliman)
• Impacts of Whale Watching on Dolphin and Whale Species Diversity and Population Size and...
on the Socioeconomics on the Local Community in Bais City, Negros Oriental (Florence Chan Evacitas – MS Environmental Science, University of the Philippines at Los Baños)

- Impact of the Socioeconomic Conditions of the Local Community on Mangrove Cover and its Consequent Effects on Sedimentation Rates and Amount of Total Suspended Solids (TSS) in Consanga Bay, Cebu City (Mary Joyce Flores – MS Environmental Science, University of the Philippines at Los Baños)

- An Analysis of Commercial Banks’ Incentives and Opportunities for Risk-Taking in the Philippines (Marvin Raymond Castell – MS Economics, De La Salle University)

Annex C
Proposals Developed

Macroeconomic management in a globalized setting

- The Impact of Financial Sector Reforms on Money Demand

  If e-commerce will take over many of the over-the-counter transactions, the government, therefore, has the responsibility of ensuring equitable access to its facilities. Equitable access is necessary to minimize rent-seeking activities. The framework has to cover issues such as pricing, network externalities, and distribution issues relative to other electronic media instruments such as voice and TV/cable networks.

- Some Measures of Financial Market Integration

  This study will try to determine if and to what extent the liberalization process has increased the integration of the Philippines’ financial markets with the rest of the world by analyzing interest rate movements. Increased integration will have strong implications on the effectiveness and independence of monetary policy.

- Payments System Innovations and Policy and Regulatory Issues

  One of the important roles of the financial system is to facilitate payments. A payments system can influence the speed, financial risk, reliability, and cost of domestic and international transactions. Given the rapid technological and financial innovations as well as globalization of finance, there is now a need to examine the existing payments system in the Philippines with the end view of modernizing it and eliminating barriers to accelerate the development of the financial system. The study should start with a review of modern payments system in more advanced jurisdictions, followed by an analysis of the effectiveness and efficiency of existing payments system in the Philippines. The study must propose the best payments system for the country as well as the institutional and organizational framework governing such system.

- Study on Intergovernmental Fiscal Transfers for Equitable In-Country Growth

  This regional technical assistance project of the Asian Development Bank (ADB) covers India, Pakistan and the Philippines where there is said to be a strong need to formulate a more realistic intergovernmental fiscal transfer system to help achieve more equitable and sustainable socio-economic growth. This project aims to examine the evolution of fiscal equalization arrangements between the central, provincial or state governments, and lower level governments; identify impediments to fiscal equalization and decentralization from both political and economic viewpoints; study how to improve fiscal equalization; and evaluate the fiscal transfer arrangements for the major ADB-related development projects in each
province or state, and identify measures for improvement by both local and central governments.

**Competitiveness and competition policies**

- **Studies on the Impact of Trade Reforms and Globalization**

  Although substantial trade and industrial reforms have already been carried out, controversies continue to abound regarding their implementation. More empirical studies on the impact of trade and industrial reforms are needed to support the government efforts to continue the reforms and implement further measures that would help sustain and maximize the benefits from them. The studies will focus on certain key sectors that have been liberalized. For this year, continuous monitoring of key factors would be undertaken, e.g., wages, productivity and overall competitiveness of Philippine industries, over time and in comparison with other countries.

- **On GATT-WTO**

  Five years have elapsed since the ratification of the General Agreement on Tariffs and Trade-World Trade Organization (GATT-WTO). It is therefore timely to examine where we are now in terms of what has been implemented and what the impact of implementing these provisions of the GATT-WTO has been. Initial activities for this research program would include a review of status of its implementation and impact studies on selected provisions of GATT-WTO like for example, shifts in customs valuation.

- **Productivity and R&D**

  A number of important issues were not tackled in the recently completed series of studies on R&D in the Philippines funded by the DBM and UNDP. This study would include an analysis of these issues, namely, the role of patent in industrial R&D; the role of intellectual property rights in industrial R&D; and, the impact of transfer of technology on productivity.

- **Analysis of the Regulatory Regime**

  Clearly, the responsibility of establishing a regulatory framework where competition is fostered lies in the hands of the government. The study will examine the government’s capability to implement regulations answering the questions that naturally arise in terms of who are the regulators, which institutions are involved, what power do they have, and how the structure of these institutions has affected the behavior of the players in the sectors.

- **Developing the Competition Policy for the Services Sector**

  Considering the findings of the first phase of the project, the study will recommend a competition policy for the financial, transport and distribution sectors. To what extent should the government regulate the activities of the players in the industry? Should the regulations be removed or limited and in what areas? Policies and regulations will be identified that would enable industry players to operate where they are appropriate, i.e., allow them to exploit economies of scale and scope, and yet force them to behave and operate like in a perfectly competitive environment. This will allow the government to protect the interest of the public.

- **Nature, Magnitude and Impact of E-Commerce in the Philippines and other Countries**

  There is a need to establish baseline information and to continuously monitor the forms and growth of e-commerce in the country and other countries of interest. This will also include analyses of how e-commerce has affected conventional transactions. The analyses will enable policy analysts to appropriately value the growth of e-commerce and separate the hype from what actually is going on.
• **Designing Appropriate Regulatory Framework to Promote a Competitive E-Commerce while Ensuring Consumer Protection**

  Government has the twin responsibility of promoting this fast emerging mode of transacting business and protecting the interest of consumers. There is therefore a need to develop regulatory principles that will balance these objectives. This will build on the researches currently being undertaken worldwide on formulating the appropriate regulatory framework for e-commerce.

• **Determining Appropriate Tax Policy Framework for E-Commerce**

  The challenge of imposing tax on e-commerce transactions is enormous. As tariffs are being removed with globalization and transactions becoming “invisible” because they are done electronically, countries are scouring for new forms of tax base. In addition, in line with globalization, taxation should not hinder the growth of e-commerce. There is therefore a need to review existing tax policy to determine whether they are still appropriate in a world of increasing e-commerce. Tax instruments need to be developed and tax bases need to be identified to deal with this new mode of doing business. The challenge of raising revenue in the face of globalization and rapid growth of e-commerce is an urgent issue that has to be dealt with systematically.

• **Winners and Losers of Privatization in the Philippines**

  While the concern for efficiency was just a byproduct of the need to regulate the sector to avoid abuse by the private providers with monopolistic features, it is not quite clear at this point whether efficiency gains are taking place. Data show that while there was economic growth during period of rapid implementation of economic reforms in the 1990s, income distribution worsened especially from 1994 to 1997. The Gini coefficient increased indicating that the income share of the poor deteriorated while the rich improved. The objective of the research program is to look into this issue and to assess its impact on the socioeconomic sector, particularly on income distribution and consumer welfare. Case studies would be undertaken to complement general equilibrium modeling.

• **Review of Major Government Policies and Regulations with Anti-Competition Effects**

  This study will attempt to identify the major government regulations and policies that discourage or hinder competition. A cost-benefit type of analysis will be made, in particular, with respect to whether they could really be justified on grounds of public interest. The study would also identify the areas that need more in-depth study on the impact of such government policy or regulation and recommendations for policy reforms.

• **Vertical Balance and the IRA**

  The study aims to evaluate the merits of the proposals raising the LGUs share of internal revenue taxes from 40 percent to as high as 60 percent and those that would expand the coverage of taxes shared with LGUs to include even customs duties.

• **Creation of New Cities**

  In recent years, there was a rapid conversion of municipalities to cities. This phenomenon was largely driven by grantsmanship, i.e., it was aimed at increasing the IRA share of the would-be city. There is a need to design new rules that will govern the creation of cities so that the incentives for grantsmanship are eliminated.

• **Global Competitiveness Through Improved Productivity: MNAAP Study, Phase 2**

  This project will focus on the measurement and construction of productivity indicators per sector in
order to address the issues and gaps identified in Phase 1 of the MNAAP Study. Each study will outline the state of productivity in each sector and present the structural issues that are already identified in Phase 1.

- **Policy Network**
  
  The task shall involve: (a) identifying the participants to the “Policy Network”; (b) acting as convenor of the network; (c) conducting necessary meetings with the Principals of the network and/or workshops with the technical staff of the network members; (d) jointly developing with other government and research institutions the “Policy Network” Forum agenda and timetable; and (e) undertaking a trial run of the Forum.

- **Governance**

- **An Assessment of the Institutional Capability and Absorptive Capacity of Agencies Involved in the Public Works Sector**

  The study undertakes an assessment of the institutional capability and absorptive capacity of the agencies involved in the public works sector. This is considering that the bulk of the Japan Bank for International Cooperation’s (JBIC) loan portfolio is for infrastructure and public works activities. One of the main objectives of the study is to assess the institutional framework, capability and absorptive capacity of such institutions in implementing local and foreign-funded projects and programs and in institutionalizing measures that will strengthen the country’s international competitiveness.

- **Social sector reform**

- **Safety Nets**

  The study will start with a comprehensive review of existing public safety nets programs and assess effectiveness of traditionally household-based safety nets vis-à-vis prospects for a more institution-based safety net programs. There is a need to identify what interventions are the most effective to address specific social concerns.

- **Poverty Alleviation in the Fisheries Sector**

  In general, poverty is a well-researched social issue in the Philippines. For the fisheries sector, however, poverty studies done in the past did not adequately address the sector’s burgeoning problems. This program would therefore attempt to fulfill the gap by focusing on the following important research priorities on poverty alleviation in the fisheries sector: economic and social impact of the financial crisis in the sector; analysis of effectiveness of poverty alleviation activities; and economic and social impacts of people empowerment in the fisheries sector.

- **Policy Evaluation Research of the Philippine Population Management Program (PPMP) Research Plan**

  The project will be undertaken into two phases: Phase 1 will involve the conduct of a comprehensive inventory of policies, programs and researches on population issues, especially those that directly or indirectly relate to the PPMP. The inventory will not merely be a compilation of data but would lead to an analytical synthesis and review of policies, programs and researches on population. Phase 2 will cover the more substantive part of the project involving the actual evaluation of the PPMP. The results of the inventory in Phase 1 will be used to design a research plan including a survey plan and questionnaire for Phase 2. The research plan shall include the strategy for policy and program review and the overall evaluation framework.

- **Infrastructure development**

- **Commercial and Industrial Water Demands**

  The Institute already initiated research on urban commercial and industrial water supply and demand. This particular activity constitutes mostly finishing
up of data cleaning and processing and further analyses of the data gathered. A more indepth and an integrated analysis of the data from surveys of commercial and industrial establishments in Metro Manila and Metro Cebu will be done to come up with a water demand study of these establishments which will look at implications on groundwater pollution and depletion. Meanwhile, a volume of all the water studies undertaken by the Institute in the 1998 DENR-funded project on Urban Water Pricing would soon be published.

**Modernizing Philippine agriculture**

- **A Comprehensive Assessment of the Philippine Agricultural Extension System**
  
  The general objective of this research project is to describe and analyze the structure, conduct and performance of the Philippine agricultural extension system in order to provide the bases for the design of policy and institutional reforms needed to strengthen the research, development and extension system.

- **Agricultural Policy Forum Series**
  
  This project aims to duplicate the ongoing discussion series project between PIDS and BAR since the activities have been helpful in disseminating recent issues and developments in agriculture. This time, however, the policy topics to be presented are those issues that emerged from the previous fora conducted.

- **Operationalizing the Social Science and Policy Research, Development and Extension (RDE) Network**
  
  The project aims to achieve efficient, equitable and sustainable agricultural development through a more rigorous analytical and empirical understanding of producer and consumer behavior and the structure, conduct (process) and performance of markets, policies, programs, regulations and institutions.

**Environment and natural resource management**

- **Trade and Industrial Policy and the Environment**
  
  Increasingly, the question of the impact of the growth of industry on and the sustainability of the environment would become more important. Studies that would focus on both growth and environmental objectives should thus be done. What trade-offs exist, if any? Since previous studies have, to some extent, attempted to do this, a comprehensive review of literature should first be done.

**Policy analysis and planning tools and monitoring systems**

- **Targeting Technology Intervention for Food Security in the Philippines: A GIS Application for Agricultural Research Prioritization**
  
  The project is aimed at developing procedures for integrating socioeconomic data from secondary regional and national statistics with biophysical data and other spatial and agroclimatic attributes into a single, spatially linked digital database using advanced computer technologies and spatial analysis tools in an interdisciplinary manner.

---

**Annex D**

**Publications Program**

**Development Research News**

**September–October 1999**

- Scaling the Economic Ship’s Mast (Mario B. Lamberte)
- A Fair to Remember: PIDS at 22
- The 1999 Research Fair: How Did It Fare?

The Role of the International Community and Donor Agencies in the Research Process (Terence D. Jones)

Involvement of the Private Business Sector in Economic Policy Research (Sergio R. Ortiz Luis Jr.)

The Sicat Legacy

The Effort of Producing PIDS (Gerardo P. Sicat)

Family Day at Fontana: Getting Sporty

Post-Crisis Philippines: The Social Impact

November-December 1999


Policy and Institutional Reforms in Metro Cebu’s Water Resource Management (Cristina C. David and Arlene B. Inocencio)

Philippine R&D: Who will Fill the Gap?

March-April 2000

Metro Manila: On the Road to Clean Air in 2000

Toward a More Responsive Research Agenda for Development (Ledivina V. Cariño)

Urbanization in a Decentralized Framework: The Lure of the City

A Challenge for Health in the 21st Century (Fortunato Cristobal)

What Inflation is About

May-June 2000

Harnessing the Tools of Agri-biotechnology

Creating Opportunities through Agri-biotechnology (Rodolfo G. Biazon)

Points of View: Agri-biotechnology and the Government

Introducing the GIS: A New Instrument in Analyzing and Presenting Socioeconomic Data

Journal of Philippine Development

JPD 1998, Vol. XXV, No. 1


The Emerging Philippine Investment Environment (Myrna S. Austria)

Policy Responses to Future Population Growth in the Philippines (Alejandro N. Herrin and Marilou P. Costello)

Environmental and Natural Resources Management: Lessons from City Program Innovations (Ruben G. Mercado)

Simulating the Impact of Macroeconomic Policy Changes on Macronutrient Availability in Households (Aniceto C. Orbeta Jr. and Michael M. Alba)
PIDS Annual Report 2000

JPD 1998, Vol. XXV, No. 2
- Water in Metro Cebu: The Case for Policy and Institutional Reforms (Cristina C. David, Arlene B. Inocencio, Francisco M. Largo and Ed L. Walag)
- Investors’ Response to Philippine Capital Market Liberalization: Evidence from the First Philippine Fund (Angelo A. Unite and Steve Beveridge)
- The Current Economic Crisis and the Environment: Philippine Case (Danilo C. Israel)
- Public Administration Reform in a Transitional Economy: Case of Vietnam (Quan Xuan Dinh)

JPD 1999, Vol. XXVI, No. 1
- Framework for Watershed Resources Valuation (Roberto B. Rapera)
- Valuation of Forest Resources in Watershed Areas: Selected Applications in Makiling Forest Reserve (Herminia A. Francisco and Nena O. Espiritu)
- Integrated Land Use Planning and Sustainable Watershed Management (Rex Victor O. Cruz)
- Watershed Land Use Allocation: Potential Mechanisms for Addressing Societal Concerns (Marian S. delos Angeles)
- Assessment of Watershed Technologies (Medel P. Lim Suan)
- Soil and Water Conservation Measures and Investment Requirements (Severo R. Saplaco and Domingo M. Ramirez)
- Ownership and Property Rights (Ma. Elena Chiong-Javier)
- Impact of Climate Variability/Change on Water Resources in the Philippines (Aida M. Jose, Raquel V. Francisco and Nathaniel A. Cruz)
- Greenhouse Gas Inventory in the Forestry Sector (Raquel V. Francisco and Sofio Quintana)

JPD 1999, Vol. XXVI, No. 2
- Constraints to Food Security: The Philippine Case (Cristina C. David)
- R&D Gaps in the Philippines (Caesar B. Cororaton)
- Contagion Effects of the Asian Crisis, Policy Responses and their Social Implications (Ma. Melanie R.S. Milo)
- Indicators of Good Governance: Developing an Index of Governance Quality at the LGU Level (Rosario G. Manasan, Eduardo T. Gonzalez and Romualdo B. Gaffud)

JPD 2000, Vol. XXVII, No. 1
- APEC: A Review and the Way Forward (Ponciano S. Intal, Jr. and Myrna S. Austria)
- Assessing the Economic Value of Credit Guarantees (Cesar G. Saldaña)
- Asymmetric Prices: Implications on Trader’s Market Power in Philippine Rice (Meyra M. Reeder)
- Effect of Trade Liberalization in the Short-Grain Japonica Rice Market: A Spatial-Temporal Equilibrium Analysis (Romina Calaguas Magno and John F. Yanagida)
- Book Review (Gelia T. Castillo)

Policy Notes

PN99-15 Housing Policy: Developing a Market-based Housing Finance System (Gilberto M. Llanto and Leilanie Q. Basilio)
PN99-16 Why Slowing Population Growth in the Philippines is an Imperative (Aniceto C. Orbeta Jr. and Ernesto M. Pernia)
PN2000-01 Hatchery-Bred Milkfish Fry: A Must for Fisheries Development! (Danilo C. Israel)
PN2000-02 Competitiveness of the Philippine IT Industry: What Lies Ahead (Myrna S. Austria)
| PN2000-03 | Mercury Pollution Due to Small-scale Gold Mining: A Serious Menace (Danilo C. Israel) |
| PN2000-04 | Is LandBank EO138 Ready? (Mario B. Lamberte) |
| PN2000-05 | Shifting the Country’s Customs Valuation System to Transaction Value: What Can We Expect? (Erlinda M. Medalla) |
| PN2000-06 | Defining the Agricultural Biotechnology Policy of the Philippines (Saturnina C. Halos) |
| PN2000-08 | Protecting Deposits in Savings and Credit Cooperatives (Gilberto M. Llanto) |
| PN2000-10 | Oil Price Increase: Can Something be Done to Minimize its Adverse Effects? (Caesar B. Cororaton) |
| PN2000-11 | Improving Tax Administration: A New View from the Theory of Tax Evasion in a Corrupt Regime (Rosario G. Manasan) |
| PN2000-12 | Exchange is No Change (Peter Lee U) |
| PN2000-13 | Tacit Price Collusion in the Philippine Cement Industry (Rafaelita A.M. Aldaba) |
| PN2000-14 | Implementing the AFTA-CEPT Scheme: Will the Philippine Automotive Industry Survive? (Rafaelita A.M. Aldaba) |
| PN2000-15 | China’s Changing Trade Patterns: Implications for ASEAN-China Trade (Ellen Palanca) |
| PN2000-16 | China-ASEAN Relations: Political Security and Economic Interests |

| PN2000-17 | Managing Government Guarantees and Contingent Liabilities (Gilberto M. Llanto) |
| PN2000-18 | Strengthening APEC’s Institutions (John Lawrence V. Avila) |
| PN2000-19 | From APEC Formation to Consolidation: Policy Suggestions for ASEAN (Malcolm Cook) |
| PN2000-20 | Rationalizing Finance and Budgeting in Basic Education (Rosario G. Manasan) |

**Economic Issue of the Day**

EID No. 1, Vol. I  Inflation
EID No. 2, Vol. I  Oil Deregulation
EID No. 3, Vol. I  World Trade Organization (Part 1)
EID No. 4, Vol. I  World Trade Organization (Part 2)

**Discussion Papers**

DP2000-01  The Effects of Shifting to Transaction Value and Other Issues (Erlinda M. Medalla and Leah Panganiban-Castro)
DP2000-02  The Philippines: Challenges for Sustaining the Economic Recovery (Mario B. Lamberte)
DP2000-03  Assessing the Competitiveness of the Philippine IT Industry (Myrna S. Austria)
DP2000-04  Analysis of Fishing Ports in the Philippines (Danilo C. Israel and Rachelle Marie Grace R. Roque)
DP2000-05  The Milkfish Broodstock-Hatchery Research and Development Program and Industry: A Policy Study (Danilo C. Israel)
DP2000-06  Mercury Pollution Due to Small-Scale Gold Mining in the Philippines: An Economic Analysis (Danilo C. Israel and Jasminda P. Asirot)
DP2000-07  Vegetable Program Area Research Planning and Prioritization (Flordeliza A. Lantican)
DP2000-08 Ornamental Program Area Research Planning and Prioritization (Flordeliza A. Lantican)

DP2000-09 Research Program Planning for Natural Resource Management: A Background Analysis (Agnes C. Rola)

DP2000-10 Economic Perspective for Agricultural Biotechnology Research Planning (Agnes C. Rola)

DP2000-11 Shrimp Price and Quality Changes in the Asia Pacific: Implications for the Philippines (Nerissa D. Salayo)

DP2000-12 Investment Opportunities for the Shrimp Processing Industry in the Philippines: Results from a Hedonic Analysis (Nerissa D. Salayo)

DP2000-13 PIDS Annual Macroeconometric Model 2000 (Josef T. Yap)

DP2000-14 MWSS Privatization: Implications on the Price of Water, the Poor, and the Environment (Cristina C. David)

DP2000-15 International Trade Patterns and Trade Policies in the Philippine Fisheries (Nerissa D. Salayo)


DP2000-17 Agricultural Biotechnology Research and Development in the Philippines: The Need for a Strategic Approach (Saturnina C. Halos)

DP2000-18 Fruits Program Area Research Planning and Prioritization: Background Analysis (Isabelita M. Pabuayon)

DP2000-19 Review and Evaluation of Publicly Funded Research and Development in Agro Processing (Augusto L. de Leon)

DP2000-20 Land Use Planning in Metro Manila and the Urban Fringe: Implications on the Land and Real Estate Market (Marife Magno-Ballesteros)

DP2000-21 S&T/R&D – Medium-Term National Action Agenda for Productivity (MNAAP) (Caesar B. Cororaton)


DP2000-23 A Review of the Components of the Medium-Term National Action Agenda for Productivity: Industrial Sector (Erlinda M. Medalla)

DP2000-24 Public Sector Governance and the Medium-Term National Action Agenda for Productivity (MNAAP) (Rosario G. Manasan)


DP2000-26 Key Indicators for Public Expenditure in Agriculture, Natural Resources and the Environment (Cristina C. David and Arlene B. Inocencio)


DP2000-28 Philippine Productivity Performance in the 1990s: An Assessment (Myrna S. Austria)

DP2000-29 Property Rights Reform in Philippine Agriculture: Framework for Analysis and Review of Recent Experience (Roehlano M. Briones)

DP2000-30 Fiber Crops Program Area Research Planning and Prioritization (Corazon T. Aragon)

DP2000-31 Coconut Program Area Research Planning and Prioritization (Corazon T. Aragon)

DP2000-32 Oil Price Increase: Can Something be Done to Minimize its Effects? (A Com
putable General Equilibrium Analysis)  
(Caesar B. Cororaton)

DP2000-33 Philippine Computable General Equilibrium Model (PCGEM)  
(Caesar B. Cororaton)

DP2000-34 Transforming LandBank into a Microfinance Development Institution  
(Mario B. Lamberte)

DP2000-35 Philippine Tariff Reforms: A CGE Analysis (Caesar B. Cororaton)


DP2000-37 Reforming the International Financial Architecture: The East Asian View (Mario B. Lamberte)


DP2000-39 Constraints, Opportunities and Options in Irrigation Development (Wilfredo P. David)

DP2000-40 Socioeconomic Profile of the Philippines (Celia M. Reyes)


DP2000-43 The President’s Budget for 2001: Depleted Economic Choices (Rosario G. Manasan)

DP2000-44 Impact of Trade Liberalization and Exchange Rate Policy on Industrial Water Pollution and Groundwater Depletion (Arlene B. Inocencio, Cristina C. David and Debbie M. Gundaya)

PASCN Discussion Papers

PASCN DP2000-01 An Evaluation on the Readiness of the Filipino Professionals to Meet International Standards (Tereso S. Tullao Jr.)

PASCN DP2000-02 Factors Influencing the Observance of the Core ILO Labor Standards by Manufacturing Companies (Divina M. Edralin)


PASCN DP2000-04 Trade Liberalization and International Migration: The Philippine Case (Fernando T. Aldaba)

PASCN DP2000-05 An Inquiry Into the Competitiveness of Emerging Philippine Cities (Karen G. Tecson, Raymund E. Magdaluyo, Ma. Victoria H. Batac, Annabel T. Genzia, Francisco M. Largo, Rusela Yuson-Pepito, Mario V. Abastar, Jason Santiago Reyes and Vel J. Suminggit)

PASCN DP2000-06 The Legal Characterization of the Asia-Pacific Economic Cooperation (APEC) and the Individual Action Plans in International Law (Sedfrey M. Candelaria)

PASCN DP2000-07 Reassessing Tripartism and the Role of the State in a Period of Restructuring Under Globalization (Virginia Teodosio)

PASCN DP2000-08 Issues in Competition Policy and Elements of a Rational Competition Policy for the Philippines:
### An Overview Paper (Erlinda M. Medalla)

**PASCN DP2000-09** Recommendations for Philippine Anti-Trust Policy and Regulation (Anthony R.A. Abad)

**PASCN DP2000-10** Government Policies and Regulations: Interrelationship with Competition Policy Objectives (Erlinda M. Medalla)

**PASCN DP2000-11** Analysis of the State of Competition and Market Structure of the Banking and Insurance Sectors (Ma. Melanie R.S. Milo)

**PASCN DP2000-12** The State of Competition and Market Structure of the Philippine Air Transport Industry (Myrna S. Austria)

**PASCN DP2000-13** The State of Competition in the Manufacturing Sector (Rafaelita Mercado-Aldaba)

**PASCN DP2000-14** Competition Policy for the Philippine Downstream Oil Industry (Peter Lee U)

**PASCN DP2000-15** Competition in Philippine Telecommunications: A Survey of the Critical Issues (Ramonette Serafica)

**PASCN DP2000-16** A Strategy for Enhancing the Philippine IAP (Cid Terosa and George Manzano)

### 1st Agricultural Policy Forum Series: Philippine Agriculture and the Next WTO Negotiations

5 January 2000, C. P. Romulo Hall, NEDA Makati Bldg.

**Presenters:** Dr. Cielito Habito, Dr. Ponciano Intal Jr., Ms. Beulah dela Peña, Dr. Cristina David

**Co-sponsor:** Bureau of Agricultural Research

### 2nd Agricultural Policy Forum Series: Credit Policy Improvement

2 February 2000, C. P. Romulo Hall, NEDA Makati Bldg.

**Presenters:** Dr. Gilbert Llanto, Assistant Director Joselito Almario

**Co-sponsor:** Bureau of Agricultural Research

### 3rd Agricultural Policy Forum Series: Marketing Issues in Agricultural Competitiveness

14 March 2000, C. P. Romulo Hall, NEDA Makati Bldg.

**Presenters:** Mr. Rolando Dy, Asst. Secretary Teresa Capellan

**Co-sponsor:** Bureau of Agricultural Research

### 4th Agricultural Policy Forum Series: Irrigation

17 May 2000, C. P. Romulo Hall, NEDA Makati Bldg.

**Presenters:** Dr. Wilfredo David

**Co-sponsor:** Bureau of Agricultural Research

### International Workshop on the Impact of the East Asian Crisis: Poverty Analysis Using Panel Data

29 May – 9 June 2000, AIM Conference Center (ACEED), Makati City

**Resource Persons:** Dr. Shahidur Khandker, Dr. Jonathan Haughton, Dr. Dominique Haughton, Ms. Kathleen Beegle, Dr. Gaurav Datt, Dr. Nanak Kakwani and Dr. Celia Reyes

**Co-sponsor:** World Bank Institute

### Technical Workshop on Competition Policy

13 June 2000, Room 208, NEDA Makati Bldg.

**Presenters:** Dr. Erlinda Medalla, Dr. Ramonette Serafica

---

### Annex E

**Public Affairs Activities**

**Network/Project Related Fora**

**PIDS 5-Year Research Agenda: 2000 – 2004**

13 January 2000, C. P. Romulo Hall, NEDA Makati Bldg.

**Presenters:** Dr. Cielito Habito and Mr. Margarito Teves
Serafica, Prof. Jose Tabbada and Atty. Anthony Abad
Co-sponsor: Philippine APEC Study Center Network

Workshop on the Review of the Components of the Medium-Term National Action Agenda for Productivity (MNAAP)
19 June 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenter: Dr. Epictetus Patalinghug
Co-sponsor: Development Academy of the Philippines

Technical Workshop on Competition Policy
20 June 2000, Room 208, NEDA Makati Bldg.
Presenters: Dr. Peter Lee U, Dr. Ma. Joy Abrenica and Dr. George Manzano/Dr. Cid Terosa
Co-sponsor: Philippine APEC Study Center Network

5th Agricultural Policy Forum Series: Community-Based Coastal Resources Management (CBCRM)
22 June 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenters: Dr. Kuperan Viswanathan, Dr. Danilo Israel, Dr. Porfiro Aliño/Dr. Marie Antonette Meñez, Dr. Ma. Luisa Mabunay, Ms. Annabelle Cruz-Trinidad and Dr. Arnel Andrew Yaptinchay
Co-sponsor: Bureau of Agricultural Research

6th Agricultural Policy Forum Series: Opportunities and Challenges in Agricultural Biotechnology in a Philippine Setting
26 June 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenters: Dr. William Padolina, Dr. Leocadio Sebastian, Dr. Randy Hautea, Dr. Nina G. Barzaga and Dr. Catherine L. Ives
Co-sponsor: Bureau of Agricultural Research

7th Agricultural Policy Forum Series: Trade Liberalization and China’s Food Economy in the 21st Century
5 July 2000, C. P. Romulo Hall, NEDA Makati Bldg.,
Presenter: Dr. Jikun Huang
Co-sponsor: Bureau of Agricultural Research

8th Agricultural Policy Forum Series: Department of Agriculture’s Role in Food Safety – Issues and Opportunities
9 August 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenters: Dr. Ma. Concepcion Lizada, Dr. Auxilia Siringan, Exec. Director Efren Nuestro, Dr. Aida Aguinaldo and Mr. Andrew delos Angeles
Co-sponsor: Bureau of Agricultural Research

Moving Towards a Rational Competition Policy for the Philippines
27 September 2000, C. P. Romulo Hall, Rooms 207 and 208, NEDA Makati Bldg.
Presenters: Dr. Erlinda Medalla, Commissioner Anthony Abad, Prof. Jose Tabbada, Dr. Ma. Joy Abrenica, Dr. Peter Lee U, Dr. Myrna Austria, Dr. Ramonette Serafica, Dr. Melanie Milo and Ms. Rafaelita Aldaba
Co-sponsor: Philippine APEC Study Center Network

Conference on Labor, HRD and Globalization
24 November 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenters: Dr. Leonardo Lanzona Jr., Dr. Tereso Tullao Jr., Dr. Divina Edralin and Dr. Virginia Teodosio
Co-sponsor: Philippine APEC Study Center Network

PASCN 5th Annual Symposium on Trade and Competition: Implications for Philippine Diplomacy
5 December 2000, Department of Foreign Affairs Auditorium, Pasay City
Presenters: Dr. Ellen Palanca, Ms. Aileen Baviera, Dr. Erlinda Medalla, Dr. Myrna Austria, Dr. Tereso Tullao Jr., Dr. Fernando Aldaba
Co-sponsors: Philippine APEC Study Center Network and Foreign Service Institute

First Thesis and Dissertation Assistance Program (TDAP) Conference
6 December 2000, FSI Room 520-A, Department of Foreign Affairs Bldg., Pasay City
Presenters: Ms. Abigail de Leon, Ms. Juliet Mendoza, Dr. Gloria Chavez
Co-sponsors: Philippine APEC Study Center Network and Foreign Service Institute

Technical Workshop on Impacts, Risks and Opportunities of Financial Liberalization and Integration: A Macro-Micro Analysis
12–13 December 2000, Room 207, NEDA Makati Bldg.
Presenters: Dr. George Manzano, Mr. Victor Pontines, Dr. Ponciano Intal Jr., Mr. Rene Hapitan, Mr. Arturo Boquiren, Dr. Angelo Unite and Dr. Tereso Tullao Jr.

Pulong Saliksikan

Hatchery-Bred Milkfish Fry: A Must for Fishery Development
24 February 2000, Room 208, NEDA Makati Bldg.
Presenter: Dr. Danilo Israel

Impact of Trade Liberalization and Exchange Rate Policy on Industrial Water Pollution and Groundwater Depletion
21 March, Room 208, NEDA Makati Bldg.
Presenter: Dr. Arlene Inocencio

Geographical Information System: A New Tool for Data Analysis
14 April 2000, Room 208, NEDA Makati Bldg.
Presenter: Dr. Celia Reyes

Assessment of the Absorptive Capacity for Government and Donor Funding
15 August 2000, Room 208, NEDA Makati Bldg.
Presenters: Mr. Ruben Mercado and Mr. Alexander Michael Palma

Regulatory Environment and Financial Cooperative Performance
11 September 2000, Room 208, NEDA Makati Bldg.
Presenter: Dr. Klaus P. Fischer

E-Commerce in Southeast Asia: A Review of Developments, Challenges, and Issues
14 December 2000, Room 208, NEDA Makati Bldg.
Presenter: Dr. Aniceto Orbeta Jr.

Managing Government Guarantees and Contingent Liabilities
20 December 2000, Room 208, NEDA Makati Bldg.
Presenter: Dr. Gilberto Llanto

Policy Roundtable Discussion

Forum-Discussion on Regional and Provincial Socioeconomic Indicators Using the Geographical Information System: Focus on CAR
9 May 2000, Mount Crest Hotel, Baguio City
Presenter: Dr. Celia Reyes
Co-sponsor: NEDA–CAR

LEDAC Forum Series: Competition Policy Issues in the Philippines
14 July 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenters: Dr. Erlinda Medalla, Commissioner Anthony Abad, Dr. Ma. Joy Abrenica and Dr. Peter Lee U
Special Guest: Senator Loren Legarda-Leviste
Co-sponsors: Legislative-Executive Development Advisory Council, National Economic and Development Authority, and Philippine APEC Study Center Network

Geographical Information Systems (GIS) – Based Socioeconomic Profile for the Philippines
25 September 2000, C. P. Romulo Hall, NEDA Makati Bldg.
Presenter: Dr. Celia Reyes
PIDS – International Monetary Fund Consultative Meeting
12 October 2000, Room 208, NEDA Makati Bldg.
*Facilitator:* Dr. Mario Lamberte

Regional and Provincial Socioeconomic Indicators Using the Geographical Information System: Focus on Region VI
7 November 2000, Four-Season Hotel, Iloilo City
*Presenter:* Dr. Celia Reyes
*Co-sponsor:* NEDA Region VI

LEDAC Forum Series – Improving Tax Administration: New Perspective from the Tax Evasion Theory
14 November 2000, C. P. Romulo Hall, NEDA Makati Bldg.
*Presenter:* Dr. Rosario G. Manasan
*Co-sponsor:* Legislative-Executive Development Advisory Council

Towards a Workable Competition Policy for the Philippines
7 December 2000, Marco Polo Hotel, Davao City
*Presenters:* Dr. Erlinda Medalla, Atty. Anthony Abad,
  Dr. Ma. Melanie Milo, Ms. Rafaelita Aldaba and
  Dr. Peter Lee U
*Co-sponsor:* NEDA Region XI

**Congressional Training Workshops**

Geographical Information System
27 January 2000, C. M. Recto Room, Senate Bldg.
*Presenter:* Dr. Celia Reyes

Geographical Information System
1 February 2000, Batasan Pambansa Bldg.
*Presenter:* Dr. Celia Reyes

Hatchery-Bred Milkfish Fry
28 March 2000, Batasan Pambansa Bldg.
*Presenter:* Dr. Danilo Israel

Training Workshops

Oil Exchange
21 September 2000, Speaker’s Conference Hall, Batasan Pambansa Bldg.
*Presenter:* Dr. Peter Lee U

GIS Data Validation in Region VI
8 – 9 November 2000, Iloilo City and Guimaras Province
*Coordinators:*
  - Mr. Melvin Porzuelo – Green Forum
  - Mr. Ronald Teves – Swede Survey, DAR
  - Ms. Rowena Gelonga – DOST Region VI
  - Elizur Militar – DENR Region VI
  - Norberto de la Cruz – PPDO, Guimaras

Research Exhibit

*Theme:* Providing the Infrastructure for Research and Networking
25 September 2000, C. P. Romulo Hall, NEDA Makati Bldg.
*Presenters:* Dr. Mario B. Lamberte, Mr. Mario C. Feranil,
  Mr. Rodolfo Vicera, Dr. Aniceto Orbeta Jr., Ms. Jennifer P.T. Liguton,
  Ms. Lourdes David, Dr. Cristina David and Dr. Celia Reyes

Flag Ceremony Meetings

PIDS Health Care Maintenance Program
10 January 2000, C. P. Romulo Hall, NEDA Makati Bldg.
*Guest Speaker:* Insular Life Health Care, Inc.
*Ceremony Leaders:* Room 404 occupants

PIDS Matters
7 February 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 403 occupants
PIDS Matters
13 March 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 405 occupants

Revised Policies on Performance Evaluation System and Agency Performance Evaluation System
(a model)
3 April 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Guest Speaker:* Director Leticia Bugtong, CSC
*Ceremony Leaders:* Room 406 occupants

PIDS Matters
8 May 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 407 occupants

PIDS Matters
5 June 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Mr. Mario C. Feranil
*Ceremony Leaders:* Room 303 occupants

PIDS Matters
3 July 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 304 Occupants

PIDS Matters
7 August 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 305 occupants

PIDS Anniversary Celebration and other PIDS Matters
4 September 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 306 occupants

PIDS Matters
9 October 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 307 occupants

PIDS Christmas Celebration and other PIDS Matters
6 November 2000, C.P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 308 occupants

PIDS Christmas Celebration and other PIDS matters
4 December 2000, C. P. Romulo Hall, NEDA Makati Bldg.
*Presider:* Dr. Mario B. Lamberte
*Ceremony Leaders:* Room 309 occupants

---

**Annex F**

**Media Exposure**

In Depth: How much water do households require?
*Philippine Daily Inquirer,* 9 January 2000

Local IT industry needs quantum leap to survive
*The Philippine Star,* 20 January 2000

Banning commercial foresting: An AGE analysis in the Philippines
*558-kHz AM DZXL: Sama-sama sa Siglo 21,*
2 January 2000

What would life be in the new century: Ensure income distribution doesn’t worsen

An analysis on the environment by the government’s trade policy
*The Philippine Star,* 18 February 2000

What ails the fisheries sector?
*The Philippine Star,* 5 February 2000

Inflation trend not definite as data still sketchy – PIDS
*BusinessWorld,* 2 February 2000

Trade and environment: An impact multiplier assessment
*The Philippine Star,* 26 February 2000

Hatchery-bred milkfish fry: A must for fisheries development
*558kHz AM DZXL: Sama-sama sa Siglo 21,* 27 February, 2000
The government’s microfinance policy needs updating
_The Philippine Star, 7 March 2000_

Understanding inflation
_The Philippine Star, 27 March 2000_

What’s the real score behind oil deregulation
_The Philippine Star, 31 March 2000_

Why slowing population growth in the Philippines is an imperative
_The Philippine Star, 26 April 2000_

The Philippine economy in 2000: Prospects and key issues
_Manila Times, 14 April 2000_

Lamberte named new PIDS head
_Philippine Daily Inquirer, 12 April 2000_

Overcoming human poverty: Poverty Report 2000, its highlights and remedies
_558kHz AM DZXL: Sama-sama sa Siglo 21, 30 April 2000_

Competitiveness of the Philippine IT industry: What lies ahead?
_Manila Times, 1 May 2000_

Slowing Population Growth: Why it is imperative for RP?
_Today, 1 May 2000_

Hatchery-bred milkfish fry: A must for fisheries development
_The Philippine Star, 8 May 2000_

Tariff changes: How do they affect the poor?
_The Philippine Star, 9 May 2000_

Competitiveness of the Philippine IT industry: What lies ahead?
_The Philippine Star, 17 May 2000_

Developing a market-based housing finance system
_The Philippine Star, 6 June 2000_

RP as WTO member: What’s the score after 5 years?
_Manila Bulletin, 3 July 2000_

Government’s role in competition policy
_Manila Bulletin, 19 July 2000_

WTO aided RP industry while agriculture wilted
_BusinessWorld, 19 July 2000_

RP to support multilateral trade
_The Philippine Star, 19 July 2000_

World Trade Organization in focus
_Manila Times, 1 August 2000_

WTO: What’s the score so far?
_Manila Times, 2 August 2000_

RP needs to find place in infotech map
_Philippine Daily Inquirer, 15 August 2000_

The menace from mercury pollution from small-scale gold mining
_Manila Times, 4 August 2000_

Structural reforms needed at LandBank
_The Philippine Star, 11 August 2000_

Defining the agricultural biotechnology policy
_Manila Times, 21 August 2000_

Banning commercial foresting: The costs (First of two parts)
_Manila Times, 24 August 2000_

Banning commercial foresting: The costs (Last of two parts)
_Manila Times, 25 August 2000_

Dwindling milkfish fry supply hampers industry growth
_The Philippine Post, 5 September 2000_

Radio Program
“Gising” DZMM, 7 September 2000

Withdraw from commercial banking, LandBank urged
_The Philippine Star, 6 September 2000_

Symposium on competition policy
_TAMBULI Federation of the Phil. Industries Inc., 12 September 2000_

Cuts in excise taxes on oil under study
_BusinessWorld, 14 September 2000_

Protecting deposits in savings, credit coops
_Philippine Daily Inquirer, 15 September 2000_

High cost of oil, not its shortage
_Manila Bulletin, 16 September 2000_

IT sector suffers from structural weakness
_Philippine Daily Inquirer, 22 September 2000_

IT seen boosting government policy research efforts
_BusinessWorld Online (I.T. matters), 26 September 2000_

Symposium on competition policy
_Tambuli Vol.5, Issue No. 8, 2 October 2000_
New tax structure fails to improve collection rate
*BusinessWorld*, 2 October 2000

Philippine trade policy: Reflecting on its effects on the environment
*Policy Digest* Vol III, No. 12, December 1999

What does elevating the early voluntary sectoral liberalization (EVLS) scheme imply?
*Policy Digest* Vol III, No. 12, December 1999

Unstable economy linked with poverty—paper
*BusinessWorld*, 4 October 2000

Radio interview
*Siglo 21*, 8 October 2000

Class war
*Philippine Daily Inquirer*, 21 October 2001

Mr. CEO, don’t just let your CIO do the IT stuff
*Philippine Daily Inquirer*, 23 October 2001

Interest rate cure: Here we go again
*Philippine Daily Inquirer*, 24 October 2001

RP needs to cross “wall” economy to join New Economy
*Philippine Daily Inquirer*, 26 October 2001

Local IT sector losing edge
*The Philippine Star*, 3 November 2000

October inflation rate
*Business Daily*, 6 November 2000

PIDS bats for tariff cut to lower prices of oil products
*The Philippine Star*, 11 November 2000

Oil price increase in the Philippines: Can something be done to minimize its adverse effects?
*Eidis.com*, 13 November 2000

Expert says RP’s IT agenda lacks focus, bats for ‘branding’
*The Philippine Star*, 26 November 2000

E-commerce, IT issues need action
*Manila Bulletin*, 1 December 2000

Low inflation could lead to new BSP rate cut
*BusinessWorld*, 5 December 2000

Visayan student tops statistics quiz
*The Philippine Star*, 12 December 2000

2001 budget highlights ‘hard choices’
*BusinessWorld*, 13 December 2000

Scrapping tax incentives eyed to tame budget gap
*BusinessWorld*, 20 December 2000

Government pushes low-cost access to Internet

Government pushing for low-cost Net access to spur e-commerce
*Manila Times*, 27 December 2000

Philippine government looks at low-cost Internet access
*Newsbytes.com*, 28 December 2000

Interview with Dr. Mario Lamberte
*Business Class, RPN-9* (TV), 30 December 2000
**Annex G**  
*Balance Sheet - Investible Funds*  
*(as of December 31, 2000)*

<table>
<thead>
<tr>
<th>Assets</th>
<th>Treasury Bills</th>
<th>Stocks and Bonds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term Investment</td>
<td></td>
<td></td>
<td>P146,363,717.52</td>
</tr>
<tr>
<td>Long-term Investment</td>
<td></td>
<td></td>
<td>79,035,000.00</td>
</tr>
<tr>
<td>Total Investment</td>
<td></td>
<td></td>
<td>225,398,717.52</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td></td>
<td></td>
<td>8,179,009.15</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td></td>
<td>P233,577,726.67</td>
</tr>
</tbody>
</table>

**Capital**

- Principal (Endowment Fund)        P187,840,724.59
- Retained Earnings - Beginning    P42,000,838.50
  Add:  Net Income            20,446,383.38
- **Total**                    62,447,221.88
- Less:  Withdrawal            16,710,219.80
- Retained Earnings - End       45,737,002.08
- **Total Capital**          P233,577,726.67

---

**Annex H**  
*Income Statement - Investible Funds*  
*(for the period ended December 31, 2000)*

<table>
<thead>
<tr>
<th>Income</th>
<th>Treasury Bills</th>
<th>Stocks and Bonds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Short-term Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investible Fund</td>
<td>P25,544,239.03</td>
<td>P25,544,239.03</td>
<td></td>
</tr>
<tr>
<td>PTIF Contributions</td>
<td>9,365.20</td>
<td></td>
<td>9,365.20</td>
</tr>
<tr>
<td>Interest on Stocks and Bonds</td>
<td>P3,500.00</td>
<td></td>
<td>3,500.00</td>
</tr>
<tr>
<td><strong>Total Income Before Tax</strong></td>
<td>25,553,604.23</td>
<td>3,500.00</td>
<td>25,557,104.23</td>
</tr>
<tr>
<td>Income Tax</td>
<td>5,110,720.85</td>
<td>0.00</td>
<td>5,110,720.85</td>
</tr>
<tr>
<td><strong>Total Income After Tax</strong></td>
<td>P20,442,883.38</td>
<td>P3,500.00</td>
<td>P20,446,383.38</td>
</tr>
</tbody>
</table>
# Annex I

## Income Statement (Unaudited)
(for the period ended December 31, 2000)

### Income
- Interest Income - Investible Funds: P20,446,383.38
- Grants and Aid - Other Level of Government: 24,734,000.00
- Financial Grants/Project Fund: 7,205,149.06
- Sale of Publications: 53,747.80
- Miscellaneous: 8,139,709.08
- **Total Income**: 60,578,989.32

### Operating Expenses
- Research Program: 16,062,276.59
  - Research Proper: 15,787,030.68
  - Project Chargeable Expenses: 7,205,149.06
- Project Services Department: 1,446,011.23
- Research Information Services - Publications: 3,792,696.92
- Research Information Services - Public Affairs: 1,983,926.82
- Gen. Administrative and Support Services
  - Administration Proper: 9,076,395.19
  - Common Cost: 4,133,040.08
  - Management Information Services: 1,641,504.94
  - Depreciation Expenses: 2,852,841.32
- **Total Expenses**: 47,918,596.24

### Net Income
- **P12,660,393.08**
# Annex J

**Balance Sheet (Unaudited)**

*As of December 31, 2000*

## Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
</tr>
<tr>
<td>Cash in Bank</td>
<td>P 11,873,751.47</td>
</tr>
<tr>
<td>Cash - Time Deposit</td>
<td>12,263,862.34</td>
</tr>
<tr>
<td>Cash - Other Officers</td>
<td>79,602.24</td>
</tr>
<tr>
<td>Short-term Investment-Funds for Operations</td>
<td>24,306,975.02</td>
</tr>
<tr>
<td>Receivables</td>
<td>12,909,943.88</td>
</tr>
<tr>
<td>Accrued Interest Receivables</td>
<td>8,179,009.15</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,032,494.97</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>70,645,639.07</td>
</tr>
<tr>
<td><strong>Investments:</strong></td>
<td></td>
</tr>
<tr>
<td>Stocks and Bonds (Investible Funds)</td>
<td>79,035,000.00</td>
</tr>
<tr>
<td>Treasury Bills-Investible Funds</td>
<td>146,363,717.52</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>225,398,717.52</td>
</tr>
<tr>
<td><strong>Fixed Assets:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>P 25,481,747.32</td>
</tr>
<tr>
<td><strong>Less: Accumulated Depreciation</strong></td>
<td>13,678,628.32</td>
</tr>
<tr>
<td><strong>Total Other Assets</strong></td>
<td>2,909,100.00</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>P310,756,575.59</td>
</tr>
</tbody>
</table>

## Liabilities and Capital

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities:</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable - Miscellaneous</td>
<td>5,749,308.22</td>
</tr>
<tr>
<td>Trust Liabilities</td>
<td>9,335,671.76</td>
</tr>
<tr>
<td>Withholding Payables</td>
<td>321,966.03</td>
</tr>
<tr>
<td>Depository Liabilities</td>
<td>231,874.30</td>
</tr>
<tr>
<td>Miscellaneous Liabilities and Deferred Credits</td>
<td>41,458.27</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>15,680,278.58</td>
</tr>
<tr>
<td><strong>Capital:</strong></td>
<td></td>
</tr>
<tr>
<td>Capital - Endowment Fund</td>
<td>187,840,724.59</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>92,210,295.36</td>
</tr>
<tr>
<td>Add: Net Income for the Period</td>
<td>12,660,393.08</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>104,870,688.44</td>
</tr>
<tr>
<td>Less: Prior Period Adjustment</td>
<td>(1,654,702.81)</td>
</tr>
<tr>
<td><strong>Invested Capital - Held in Trust</strong></td>
<td>103,215,985.63</td>
</tr>
<tr>
<td><strong>Donated Capital</strong></td>
<td>2,030,208.43</td>
</tr>
<tr>
<td><strong>Total Capital</strong></td>
<td>295,076,297.01</td>
</tr>
<tr>
<td><strong>Total Liabilities and Capital</strong></td>
<td>P310,756,575.59</td>
</tr>
</tbody>
</table>
### Annex K

**Actual vs. Budgeted Receipts/Disbursements**

*(In million pesos)*

*As of December 31, 2000*

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings of the Endowment Fund</td>
<td>P18.409</td>
<td>P20.446</td>
<td>P 2.037</td>
</tr>
<tr>
<td>Financial Grants (Project Funds)</td>
<td>-</td>
<td>7.205</td>
<td>7.205</td>
</tr>
<tr>
<td>Corporate Fund</td>
<td>16.100</td>
<td>-</td>
<td>(16.100)</td>
</tr>
<tr>
<td>Subsidy from National Government</td>
<td>24.734</td>
<td>19.673</td>
<td>(5.061)</td>
</tr>
<tr>
<td>Sale of Publications</td>
<td>0.120</td>
<td>0.054</td>
<td>(0.066)</td>
</tr>
<tr>
<td>Other Income</td>
<td>0.135</td>
<td>8.140</td>
<td>8.005</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>P59.498</td>
<td>P55.518</td>
<td>P(3.980)</td>
</tr>
<tr>
<td><strong>Disbursements</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Proper</td>
<td>P27.730</td>
<td>P15.818</td>
<td>P11.912</td>
</tr>
<tr>
<td>Research Projects</td>
<td>7.205</td>
<td>-</td>
<td>(7.205)</td>
</tr>
<tr>
<td>Project Services Program</td>
<td>2.664</td>
<td>1.481</td>
<td>1.183</td>
</tr>
<tr>
<td>Publications Program</td>
<td>4.511</td>
<td>4.075</td>
<td>0.436</td>
</tr>
<tr>
<td>Public Affairs Program</td>
<td>2.268</td>
<td>2.004</td>
<td>0.264</td>
</tr>
<tr>
<td>General Administration and Support Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrate Proper</td>
<td>11.406</td>
<td>9.702</td>
<td>1.704</td>
</tr>
<tr>
<td>Common Cost</td>
<td>7.675</td>
<td>4.036</td>
<td>3.639</td>
</tr>
<tr>
<td>Management Information Services Program</td>
<td>3.098</td>
<td>2.374</td>
<td>0.724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>P59.352</td>
<td>P46.695</td>
<td>P12.657</td>
</tr>
<tr>
<td><strong>Surplus</strong></td>
<td>P 0.146</td>
<td>P 8.823</td>
<td>P 8.677</td>
</tr>
</tbody>
</table>
## Annex L

**PIDS/Philippine APEC Study Center Network**

**Statement of Operations**

*For the period ended December 31, 2000*

### Receipts

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from Investment</td>
<td>P 620,279.99</td>
</tr>
<tr>
<td>Subsidy</td>
<td>3,863,000.00</td>
</tr>
<tr>
<td>Miscellaneous Income</td>
<td>25,111.93</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,508,391.92</strong></td>
</tr>
</tbody>
</table>

### Disbursements

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Programs</td>
<td>4,485,182.20</td>
</tr>
<tr>
<td>Thesis and Dissertation Assistance Program</td>
<td>283,659.50</td>
</tr>
<tr>
<td>Information and Dissemination Program</td>
<td>420,114.65</td>
</tr>
<tr>
<td>Publication Program</td>
<td>635,259.20</td>
</tr>
<tr>
<td>Networking</td>
<td>102,025.00</td>
</tr>
<tr>
<td>Study Center Secretariat</td>
<td>1,970,452.66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,896,693.21</strong></td>
</tr>
</tbody>
</table>

Income (Loss) from Operations (3,388,301.29)

Add: Fund Balance Forwarded 8,982,844.01

**Net Savings Deficit** 5,594,542.72
# Annex M

**PIDS/Philippine APEC Study Center Network**

**Statement of Financial Condition**

*As of December 31, 2000*

## Assets

**Current Assets:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in Bank A</td>
<td>P 2,568,293.33</td>
</tr>
<tr>
<td>Cash - Collecting Officer</td>
<td>4,562.57</td>
</tr>
<tr>
<td>Short-term Investment</td>
<td>8,121,873.56</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,125.00</td>
</tr>
<tr>
<td>Receivables</td>
<td>375,868.95</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>11,071,723.41</strong></td>
</tr>
</tbody>
</table>

**Fixed Assets:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvement</td>
<td>519,179.50</td>
</tr>
<tr>
<td>Office Furnitures and Equipment</td>
<td>486,380.00</td>
</tr>
<tr>
<td>IT Equipment</td>
<td>1,316,392.40</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td><strong>2,321,951.90</strong></td>
</tr>
</tbody>
</table>

**Total Assets**

P13,393,675.31

## Liabilities and Capital

**Current Liabilities:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable - Miscellaneous</td>
<td>5,310,210.54</td>
</tr>
<tr>
<td>Trust Liabilities</td>
<td>5,594,542.72</td>
</tr>
<tr>
<td>Withholding Tax Payables</td>
<td>5,401.47</td>
</tr>
<tr>
<td>Depository Liabilities</td>
<td>161,568.68</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>11,071,723.41</strong></td>
</tr>
</tbody>
</table>

**Capital**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested Capital - Held in Trust</td>
<td>2,321,951.90</td>
</tr>
</tbody>
</table>

**Total Liabilities and Capital**

P13,393,675.31
**Annex N**

**PIDS Provident Fund**

**Statement of Financial Condition**

*As of December 31, 2000*

---

**Assets**

- Cash in Bank: P 220,569.82
- Due From PIDS: 104,212.88
- Accrued Interest Receivable: 114,497.67
- Short-term investments: 2,826,794.94
- Long-term investments: 1,000,000.00
- **Total:** P4,266,075.31

---

**Liabilities and Fund Balance**

**Liabilities**

- Dividends Payable: P 102,751.23

**Fund Balance**

- Contributions: 1,816,184.01
- Fund Equity: 2,000,000.00
- **Total:** 3,816,184.01

**Fund Earnings**

- General Reserve Fund: 52,855.27
- Add Net Income for the period: 294,284.80
- **Total:** 347,140.07

**Total**

- P4,266,075.31

---

**Annex O**

**PIDS Provident Fund**

**Statement of Operations**

*For the period January - December 2000*

---

**Income**

- Interest income on investments: P293,801.10
- Miscellaneous income: 4,514.45
- **Total:** 298,315.55

---

**Less: Expenses**

- Miscellaneous Expenses: 4,030.75

---

**Net Income**

- P294,284.80
**Annex P**

Management Committee

**President**
Mario B. Lamberte  
Ph.D. Economics, UP School of Economics  
Post-Doctoral, Stanford University  
(Money and Banking, International Finance  
and Development Economics)

**Vice-President**
Gilberto M. Llanto  
Ph.D. Economics, UP School of Economics  
(Money and Banking, Public Finance  
and International Trade)

**Directors**
Mario C. Feranil  
Project Services and Development  
M.A. Economics (Candidate)  
University of the Philippines-Diliman

Jennifer P.T. Liguton  
Research Information  
M.A. Mass Communication  
University of the Philippines-Diliman

Andrea S. Agcaoili  
Operations and Finance  
M.A. Business Administration  
Philippine Christian University

**Legal Counsel**
Atty. Roque A. Sorioso  
Bachelor of Laws  
University of the Philippines-Diliman

**Annex Q**

Research Staff

**Research Fellows**

Myrna S. Austria  
Ph.D. Economics, Australian National University  
(Trade and Industrial Policy, Macroeconomics,  
Development Economics and International  
Economics)

Caesar B. Cororaton  
Ph.D. Economics, Clark University  
(Econometric Modelling, Money and Banking  
and Trade and Investments)

Cristina C. David  
Ph.D. Agricultural Economics, Stanford University  
(Agricultural Economics)

Arlene B. Inocencio  
Ph.D. Economics, UP School of Economics  
(Agricultural Economics, Public Finance)

Danilo C. Israel  
Ph.D. Applied Economics, Clemson University  
Post-Doctoral, University of British Columbia  
(Resource Economics, Natural Resource  
and Environmental Economics)

Rosario G. Manasan  
Ph.D. Economics, UP School of Economics  
Post-Doctoral, Massachusetts Institute of  
Technology  
(Public Finance, Fiscal Policy Economics  
and International Trade)

Erlinda M. Medalla  
Ph.D. Economics, UP School of Economics  
Post-Doctoral, Yale University  
(Trade and Industrial Policy)
Ma. Melanie R.S. Milo
Ph.D. Economics, Australian National University
(International Macroeconomics, Money and Banking)

Aniceto C. Orbeta Jr.
Ph.D. Economics, UP School of Economics
Post-Doctoral, Harvard University
(Demographic Economics and Macroeconometric Modelling)

Celia M. Reyes
Ph.D. Economics, University of Pennsylvania
(Econometric Modelling)

Josef T. Yap
Ph.D. Economics, UP School of Economics
Post-Doctoral, University of Pennsylvania
(Econometric Modelling, Science and Technology and Development Policy)

Visiting Senior Research Fellow

Gonzalo M. Jurado
Ph.D. Economics, University of Wisconsin
(International Economics, Political Economy and Labor and Social Services)

Research Associates

Rafaelita A.M. Aldaba
M.A. Economics, UP School of Economics
Advanced Studies Program in International Economic Policy Research
Kiel Institute of World Economics, Germany
(Trade and Industrial Policy)

Marife M. Ballesteros
M.A. Economics, UP School of Economics
Ph.D. Economic Anthropology (Candidate)
University of Nijmegen, The Netherlands
(Socioeconomics, Institutional Economics)

Ma. Teresa D. Caparas
M.A. Economics, UP School of Economics
Diploma in Advanced International Economics
Institute of World Economics, Germany
(International Trade, Macroeconomics, International Finance and Development Economics)

Ruben G. Mercado
M.A. Policy Analysis, Saitama University, Japan
M.A. Demography, University of the Philippines-Diliman
Post-Graduate Diploma in Development Studies
Institute for Developing Economies Advanced School, Japan
(Regional and Urban Development, Demography, Environmental Management, Public Finance and Governance)

Virginia S. Pineda
M.A. Economics, UP School of Economics
(International Trade, Health Economics, Public Finance and Governance)

Annex R
Affiliated Researchers/Institutions

Ponciano S. Intal Jr.
Angelo King Institute of Business and Economics

Leticia Clavella
Karen Tecson
Raymund E. Magdaluyo
Ma. Victoria H. Batac
Annabel T. Geniza
Phares P. Parayno
Asian Institute of Management
Wildan Brian Cabactulan
Paolo Crisostomo Dy
Ateneo de Manila University

Francisco M. Largo
University of San Carlos

Rusela Yuson-Pepito
University of Southeastern Philippines

Arturo Boquiren
University of the Philippines-Baguio

Ma. Lourdes Sereno
Roehlano Briones
Dante Canlas
Gwendolyn Tecson
Joel Oana
Ma. Gloria Talavera
Amelia Ancog
Aurora Belina Vistro
Marina Fe Durano
Evelia Pardo
University of the Philippines-Diliman

Higino Ables
Felix Librero
Aurora Fe Bautista
Melinda Lumanta
Maynoll Montalbo
Conrado Balatero
Irene Binohlan
Nerissa Salayo
Gloria Molina
Virginia Cardenas
Ma. Fe B. Pepito
Andrea S. Agillon
Salud Geronimo
Amelia L. Bello
Liborio Cabanilla
Eulogio Castillo
Rolando Bello
Florence Chan Evacitas

Mindanao State University
Mary Joyce Flores  
Eliezer Albacea  
Tolentino Moya  
University of the Philippines – Los Baños  

Vel J. Suminggit  
Xavier University  

Leah Castro  
Tito Contado  
Alexander Michael Palma  
In their personal capacity
Editorial Staff

Editorial Advisory Board

Jennifer P.T. Liguton  
Editor-in-Chief

Genna J. Estrabon  
Sheila V. Siar  
Associate Editors

Valentina V. Tolentino  
Rossana P. Cleofas  
Exchange

Genna J. Estrabon  
Photography

Jane C. Alcantara  
Design and Layout