

# REPRODUCING SYSTEMIC VIOLENCE AGAINST WOMEN

RISKS OF WORLD BANK'S DEVELOPMENT POLICY LOANS  
TO WOMEN'S RIGHTS IN THE PHILIPPINES



Reproducing systemic violence against women:  
Risks of World Bank's Development Policy Loans  
to Women's Rights in the Philippines

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# 1. Introduction

The World Bank Group's (WBG) operations in the Philippines since 1945 have facilitated the free play of foreign businesses and the local elite over the country's natural resources and labour force.<sup>1</sup> Through its neoliberal framework of privatisation, liberalisation, and deregulation, the WBG has promoted corporate interests and undermined democratic ownership of resources and national sovereignty over development. Neoliberal policies privatised social services and made them more inaccessible, reversed workers' rights, and deepened inequalities.<sup>2</sup> These have also reinforced the country's dependence, along with other Southern economies, on commodity exports and foreign capital, and skewed national development priorities.

The research examines the WBG's Development Policy Loans (DPLs) to the Philippines from March 2020 to June 2023 and their attached conditionalities to show how these impinge on women's rights, and undermine sovereignty and democratic ownership over development. Development Policy Finance (DPF) is one of the WBG's lending instruments utilised especially during crises. It has been criticised for its similarity to intrusive and harmful Structural Adjustment Programs, pushing cash-strapped countries further into debt, shrinking policy space, promoting austerity, and, overall, violating countries' sovereignty over their development. Between July 2015 and June 2023, the Bank provided USD 81 billion for DPF.<sup>3</sup> During the pandemic, DPF commitments have increased. Between April 2020 and June 2021, 93% (USD 27.4 billion of the USD 29.3 billion) of DPF commitments were in the name of COVID-19 response.

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<sup>1</sup> World Bank. (2021, July 28). Through Thick and Thin: Philippines – World Bank Partnership Since 1945. <https://www.worldbank.org/en/news/feature/2021/07/28/through-thick-and-thin-philippines-world-bank-partnership-since-1945>

<sup>2</sup> IBON International. (2019). Modules on the Crisis of Neoliberal Globalization and the Way Out. <https://iboninternational.org/download/modules-on-the-crisis-of-neoliberal-globalization-and-the-way-out/>

<sup>3</sup> World Bank. (2022). 2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. <https://www.worldbank.org/en/projects-operations/products-and-services/publication/2021-development-policy-financing-retrospective-facing-crisis-fostering-recovery>

IBON International's analysis shows that the WBG's DPLs to the Philippines perpetuate systemic violence against women by promoting resource plunder, exacerbating debt burdens, and worsening the exploitation of women's labour, along with direct forms of violence such as militarisation, state reprisals, and gender-based violence. It also exposes the intrusive and powerful influence of the WBG's policy directions over national economic policies. It is timely to look into the risks of DPLs to women's rights as the WBG intends to further instrumentalise DPF to impose debt and conditionalities on the global South in line with its new 2024-2030 Gender Strategy.

The research uses the term "systemic violence" to describe the systematic violation of women's and girls' rights through policies imposed by states and other institutions (e.g. international financial institutions) dominated corporate and elite power. Systemic violence refers to direct forms of violence, such as militarisation and state repression, and indirect forms, such as economic policies that hamper women's socioeconomic rights. Direct forms of violence are often employed to enforce harmful economic policies. For instance, to facilitate foreign extractive projects in line with investment liberalisation policies, communities are subjected to militarisation. Peasant and Indigenous women who defend their communities and assert their right to land, are targeted by state reprisals. We also use the term "violence" to make more visible the brutal underside of economic policies that harm women's rights and wellbeing. For instance, privatised health services make essential healthcare inaccessible, and put the health and lives of poor and marginalised women at risk.

The research serves as a resource for people's organisations, civil society organisations, and policymakers. Many of the policies analysed here are tackled by people's organisations and civil society in the country, such as the campaign against the Rice Liberalisation Law led by the Amihan National Federation of Peasant Women and the critical stance of GABRIELA, a national women's organisation, on debt policies and regressive taxation. The research aims to link national campaigns to similar struggles,

especially in the global South, by clarifying the relation between national policies and the global policy directions of the WBG. It expounds the risks of the WBG's DPLs to women's rights in the Philippines to convince policymakers to be critical of the neoliberal development paradigm, and instead support reforms that would advance women's rights.

## 2. The World Bank's Gender Strategies: Gender commitments for private capital

The WBG created its first gender strategy in 2001 in recognition of the role of gender in “determining economic growth, poverty reduction, and development effectiveness.”<sup>4</sup> Its succeeding gender strategies (2007-2010 Gender Action Plan<sup>5</sup>, the 2016-2023 Gender Strategy<sup>6</sup>, and 2024-2030 Gender Strategy<sup>7</sup>) uphold its bias for private solutions and finance in development. The WBG describes gender equality as “smart economics”.<sup>8</sup> In this sense, the WBG views gender commitments as investments in women and girls to service private capital.

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<sup>4</sup> World Bank Group. (2002, January). Integrating Gender into the World Bank's Work: A Strategy for Action. <https://genderinsite.net/sites/default/files/worldbankstrategypaper.pdf>

<sup>5</sup> World Bank Group. (2006, September). Gender Equality as Smart Economics: A World Bank Group Gender Action Plan (2007-2010). [https://unstats.un.org/unsd/demographic/meetings/wshops/India%20Aug07/Background\\_WB\\_ActionPlan.pdf](https://unstats.un.org/unsd/demographic/meetings/wshops/India%20Aug07/Background_WB_ActionPlan.pdf)

<sup>6</sup> World Bank Group. (2015). World Bank Group Gender Strategy (2016-2023): Gender Equality, Poverty Reduction, and Inclusive Growth. <https://documents1.worldbank.org/curated/en/820851467992505410/pdf/102114-REVISED-PUBLIC-WBG-Gender-Strategy.pdf>

<sup>7</sup> World Bank Group. (2023, July 14). World Bank Gender Strategy 2024-2030: Accelerate Gender Equality for a Sustainable, Resilient, and Inclusive Future. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099013107142345483/secbos04cf7b650208a5e08b784c0db6a4>

<sup>8</sup> World Bank Group. (2023, June 28). Gender Equality in Development: A Ten-Year Retrospective. <https://openknowledge.worldbank.org/entities/publication/8a3651ba-fff2-4e76-b82a-4ff990071828>

The draft WBG Gender Strategy 2024-2030<sup>9</sup> is aligned with its overall objective, as expressed in its Evolution Roadmap, to evolve to be better equipped to address poverty and respond to crises.<sup>10</sup> It builds on the WBG's previous gender strategy (2016-2023)<sup>11</sup>, outcomes of which focus on human capital (which refers to investments, such as in health and education, that aim to maximise women's productivity for economic growth), jobs, asset control and ownership, and supporting their voice and agency over policy-making and culture. The 2016-2023 Strategy emphasises partnerships with the private sector, such as in social service delivery, to achieve its objectives.

The new 2024-2030 Strategy retains the previous strategy's outcomes, adding an objective towards ending gender-based violence; providing care, digital, and mobility services; and supporting women's leadership. It identified three ways to finance implementation: 1) loans through the WBG's Development Policy Finance (DPF); 2) mobilising financing through partnerships with the private sector and other international financial institutions; and 3) providing advisory services on fiscal policy and budget management to supposedly direct resources toward gender outcomes. The 2024-2030 Strategy will "shift in focus from individual operations to strategic country engagement,"<sup>12</sup> such as through DPF (see next section).

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<sup>9</sup> World Bank Group. (2023, July 14). World Bank Gender Strategy 2024-2030: Accelerate Gender Equality for a Sustainable, Resilient, and Inclusive Future. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099013107142345483/secbos04cf7b650208a5e08b784c0db6a4>

<sup>10</sup> IBON International. (2023, March 24). World Bank reform? A view from the Global South. <https://iboninternational.org/2023/03/24/world-bank-reform-a-view-from-the-global-south/>

<sup>11</sup> World Bank Group. (2015). World Bank Group Gender Strategy (2016-2023): Gender Equality, Poverty Reduction, and Inclusive Growth. <https://documents1.worldbank.org/curated/en/820851467992505410/pdf/102114-REVISED-PUBLIC-WBG-Gender-Strategy.pdf>

<sup>12</sup> World Bank Group. (2023, July 14). World Bank Gender Strategy 2024-2030: Accelerate Gender Equality for a Sustainable, Resilient, and Inclusive Future. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099013107142345483/secbos04cf7b650208a5e08b784c0db6a4>

The WBG's gender strategies show that it views women as human capital or as means for profit-motivated economic growth. These do not aim to realise women's rights but ensure that women's "potential contribution to capital is protected."<sup>13</sup> The WBG promotes the role of the private sector in realising its outcomes through private investments in social services, and the liberalisation of extractive industries for economic growth and jobs. It facilitates the integration of individual and women-owned and women-led small and medium enterprises into the global financial system by expanding their access to credit and other financial products on the premise of improving their asset control and ownership. It advocates for private sector financing instruments such as blended finance, which uses public finance to subsidise and mitigate risks for private investments, and debt capital markets and guarantees such as "sustainability-linked finance" (gender bonds, social and sustainability bonds, and performance-based sustainability-linked loans and bonds). The logic of the WBG's gender strategies is consistent with its Maximising Finance for Development framework<sup>14</sup> which promotes reliance on private capital to make up for the so-called financing gap in development.

Similar to its previous gender strategies, the WBG's 2024-2030 Gender Strategy co-opts gender issues and language to promote private capital interests, debt, and neoliberal interventions in the global South that especially harm women and girls' rights and development. The WBG's gender strategies contradict its professed commitment to end gender-based violence, as these even exacerbate systemic violence against women.

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<sup>13</sup> Dolan-Evans, E. (2022). Making war safe for capitalism: The World Bank and its evolving interventions in conflict. *Security Dialogue*, 53:6. <https://journals.sagepub.com/doi/abs/10.1177/09670106221091382?journalCode=sdib>

<sup>14</sup> IBON International. (2018). Implementing the World Bank Group's Maximising Finance for Development: Reinforcing Corporate Capture of the Global South. <https://iboninternational.org/download/implementing-the-world-bank-groups-mfd-reinforcing-corporate-capture-of-the-global-south/>

### 3. The World Bank's Development Policy Finance: Undermining sovereignty and democratic ownership of development for private capital

The WBG's DPF is one of its three lending instruments, along with the Investment Project Finance and Program for Results.<sup>15</sup> DPF "provides credits, loans, grants, or guarantees through 'fungible' (i.e., non-earmarked) budget support."<sup>16</sup> Unlike the WBG's other lending instruments, which are earmarked for specific projects, DPF "supports targeted policy reforms and provides finance directly to a borrowing country's general budget."<sup>17</sup> According to the latest DPF Retrospective, between July 2015 and June 2023, the Bank provided USD 81 billion for DPF.<sup>18</sup>

DPF loans were created in 2004, and succeed the WBG's Sectoral Adjustment Loans and Structural Adjustment Loans.<sup>19</sup> Similar to their predecessors, DPF loans are attached with conditionalities that require borrowing countries to implement neoliberal, macroeconomic policy reforms to facilitate private capital interests. DPF frames conditionalities as prior actions. Prior actions are legally binding conditionalities that require borrowing countries to implement laws and policies before receiving the loan disbursements. Bank approval of the DPF is conditioned on "the maintenance of an adequate macroeconomic policy framework,

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<sup>15</sup> World Bank Group. (n.d.). Financing. <https://www.worldbank.org/en/what-we-do/products-and-services/financing-instruments>

<sup>16</sup> Bretton Woods Project. (2021, March 23). What is World Bank Development Policy Financing? <https://www.brettonwoodsproject.org/2021/03/what-is-world-bank-development-policy-financing/>

<sup>17</sup> Ibid.

<sup>18</sup> World Bank. (2022). 2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. <https://www.worldbank.org/en/projects-operations/products-and-services/publication/2021-development-policy-financing-retrospective-facing-crisis-fostering-recovery>

<sup>19</sup> Bretton Woods Project. (2021, March 23). What is World Bank Development Policy Financing? <https://www.brettonwoodsproject.org/2021/03/what-is-world-bank-development-policy-financing/>

implementation of the overall program in a manner satisfactory to the Bank, and compliance with the program's prior actions."<sup>20</sup>

The WBG works closely with the International Monetary Fund (IMF) through its DPF. The IMF is involved in the DPF preparations, including the assessment of a country's central bank. DPF reforms are also implemented in complementarity with IMF programs. Between 2015-2021, 33% of countries that received DPFs also received IMF support.<sup>21</sup> During the pandemic, out of 70 countries that received DPF for crisis response, 49 countries also received IMF support.<sup>22</sup> Special DPFs for countries in crisis require an IMF program in place.

The DPF has long been criticised for taking advantage of countries in crisis situations to aggressively promote neoliberal, pro-corporate reforms that undermine sovereignty and democratic ownership of development, and harm people's rights.

CSO studies showed that the WBG's use of DPF to influence domestic economic policies, public institutions, and systems perpetuates "neocolonial power dynamics," and contradicts the Busan Partnership agreement on country-led approaches to development cooperation.<sup>23</sup> <sup>24</sup> For instance, the WBG may require the borrowing country to implement reforms on public financial management and procurement systems to facilitate foreign investments, and further integrate the local economy into the global financial system.

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<sup>20</sup> World Bank Group. (2017, August 2). Bank Policy: Development Policy Financing. <https://ppfdocuments.azureedge.net/b98d432b-7471-441b-9f39-36b7c380bd05.pdf>

<sup>21</sup> World Bank. (2022). 2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. <https://www.worldbank.org/en/projects-operations/products-and-services/publication/2021-development-policy-financing-retrospective-facing-crisis-fostering-recovery>

<sup>22</sup> Ibid.

<sup>23</sup> Mariotti, C. (2021, September). The policy lending doctrine: Development Policy Financing in the World Bank's Covid-19 response. Eurodad. [https://www.eurodad.org/the\\_policy\\_lending\\_doctrine](https://www.eurodad.org/the_policy_lending_doctrine)

<sup>24</sup> Brunswijck, G. (2019, April). Flawed conditions: The impact of the World Bank's conditionality on developing countries. Eurodad. <https://www.eurodad.org/flawed-conditions>

Similar to structural adjustment programs, DPF and its neoliberal conditionalities have made social services more inaccessible, violated workers' rights, and deepened inequalities. The WBG's 2021 DPF Retrospective covering July 2015-June 2021 showed that prior actions promoted austerity and regressive taxation for "fiscal and debt sustainability," and privatisation, deregulation, and liberalisation towards creating "an enabling private sector environment."<sup>25</sup>

The WBG claims that prior actions also focused on gender equality and climate change adaptation and mitigation. However, several CSO studies show that DPF conditionalities, such as austerity measures, impact women's access to social services, livelihoods, and wages.<sup>26</sup> Meanwhile, deregulatory business measures compromise environmental protection.<sup>27</sup> A 2021 Eurodad study showed that DPLs failed to assess the gendered impacts of prescribed macroeconomic policies.

The WBG increases its use of DPFs in times of crises, such as during the 2007-2008 food price shock, the 2008-2010 Global Financial Crisis, the 2014-16 Ebola virus outbreak in West Africa, and the 2014-2016 oil price shock.<sup>28</sup> DPF commitments increased from 24% of World Bank commitments to 36% in the latter part of 2020 in response to the COVID-19 pandemic.<sup>29</sup> However, the DPF for crisis response continues to promote macroeconomic policy reforms that cater to foreign private interests and fail to address domestic needs.

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<sup>25</sup> World Bank. (2022). 2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. <https://www.worldbank.org/en/projects-operations/products-and-services/publication/2021-development-policy-financing-retrospective-facing-crisis-fostering-recovery>

<sup>26</sup> Ella Hopkins. (2019, August). The World Bank and gender equality: Development Policy Financing. Bretton Woods Project. <https://www.brettonwoodsproject.org/wp-content/uploads/2019/08/The-World-Bank-and-Gender-Equality-DPF-2.pdf>

<sup>27</sup> The Reality of Aid Network Global Secretariat. (2021, October). Policy Conditionality in the 21<sup>st</sup> Century: A close look at Development Policy Financing in Indonesia and the Philippines. [https://realityofaid.org/wp-content/uploads/2021/10/ROA\\_BRIEFER\\_DPF\\_OCT2021\\_FINAL.pdf](https://realityofaid.org/wp-content/uploads/2021/10/ROA_BRIEFER_DPF_OCT2021_FINAL.pdf)

<sup>28</sup> World Bank. (2022). 2021 Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. <https://www.worldbank.org/en/projects-operations/products-and-services/publication/2021-development-policy-financing-retrospective-facing-crisis-fostering-recovery>

<sup>29</sup> Ibid.

Between April 2020 and June 2021, 93% (USD 27.4 billion of the USD 29.3 billion DPF commitments) were part of the COVID-19 response.<sup>30</sup> However, the DPLs for COVID-19 response focused on “fostering a business-enabling environment.”<sup>31</sup> A 2021 Eurodad study pointed out that “most prior actions related to the adoption of measures to strengthen pandemic preparedness and response had little emphasis on comprehensive strengthening of public health systems.”<sup>32</sup>

There is extensive literature showing the adverse impacts of DPF loans and conditionalities, especially on women and girls. A 2019 study by the Bretton Woods Project examined the gendered impacts of DPLs in Serbia, Turkey, Mongolia, and Colombia.<sup>33</sup> DPLs to Serbia between 2015 and 2018 contained prior actions that shrank the public sector and privatised state-owned companies and the public electric utility. Following DPL conditionalities, 28,500 public sector employees were laid off, and the public sector pay and grading system was “rationalised”. These largely affected women’s jobs and wages, as they comprised almost two-thirds of public sector employment, especially in education, health, and social protection. Thirty thousand workers lost their jobs; electricity rates became more costly after formerly state-owned companies and the public electric utility were privatised in line with DPL conditionalities. The DPLs were preceded by IMF policy interventions and financial assistance that reduced public sector wages by ten percent, as well as implementing a hiring freeze.

In Turkey, laws promoting flexible labour following a 2017 DPL worsened the precarious and insecure working conditions of women who are already concentrated in part-time jobs with less access to social security. Such working conditions “further entrench women’s greater unpaid care work burdens by

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<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Mariotti, C. (2021, September). The policy lending doctrine: Development Policy Financing in the World Bank’s Covid-19 response. Eurodad. [https://www.eurodad.org/the\\_policy\\_lending\\_doctrine](https://www.eurodad.org/the_policy_lending_doctrine)

<sup>33</sup> Ella Hopkins. (2019, August). The World Bank and gender equality: Development Policy Financing. Bretton Woods Project. <https://www.brettonwoodsproject.org/wp-content/uploads/2019/08/The-World-Bank-and-Gender-Equality-DPF-2.pdf>

reinforcing gender stereotypes that women do not work full-time, and disincentivise governments from addressing gender wage gaps as its economy becomes more reliant on precarious and lower-paid or feminised work.”<sup>34</sup>

DPLs to Mongolia in 2017, along with IMF loan conditionalities, claimed to “strengthen the social protection system during fiscal adjustment”<sup>35</sup> by reducing the coverage of formerly universal social protection programmes for women and children, affected around 22,000 women and denied income support to over 400,000 children. A DPL to Colombia in 2017 increased value-added tax (VAT) to 19%, largely affecting women in low-income households.

## 4. Key Development Policy Loan conditionalities and risks to women’s rights in the Philippines

The WBG’s DPLs to the Philippines are informed by its overarching Country Partnership Framework (CPF) objectives to “reduce core constraints to inclusive growth and poverty reduction.”<sup>36</sup> The WBG’s CPF with the Philippines identified key constraints or development challenges: the lack of investments in social services; restrictive legislation for businesses; lack of private investments in infrastructure, including education and health services; and conflict and climate vulnerabilities.<sup>37</sup> To address these, the WBG proposed to open up various industries and sectors for foreign investment and even majority ownership through liberalisation and measures on the ease of doing business, and to increase the role of private finance through PPPs and other forms of privatisation in the provision of social services to develop a post-disaster financial market.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> World Bank Group. (n.d.). Country Partnership Framework for the Republic of the Philippines, July 2019–December 2023. <https://documents1.worldbank.org/curated/en/891661574699296055/pdf/Philippines-Country-Partnership-Framework-for-the-Period-July-2019-December-2023.pdf>

<sup>37</sup> Ibid.

Between March 2020 and June 2023, the WBG provided nine (9) DPLs to the Philippines worth USD 4.85 billion, with 59 prior actions (see Appendix).<sup>38</sup> Overall, the WBG's DPLs to the Philippines promoted neoliberal reforms that fully liberalised key economic sectors such as agriculture, public services, and renewable energy, and deregulated and streamlined business processes. The loans also promoted intrusive fiscal and monetary reforms that aim to further integrate the local economy into the

**Table 1. Key DPL conditionalities and risks to women's rights in the Philippines**

Project	Key prior actions/ conditionalities	Risks
<b>2020 Promoting Competitiveness and Enhancing Resilience to Natural Disasters Sub-program 1 DPL (P170052)</b>	Liberalisation of rice industry	Facilitate influx of rice imports; adverse impacts on local rice industry, peasants' livelihoods and incomes, food security
	Ease of Doing Business	Blanket facilitation of foreign investments risks people's rights for profit
	Reforms to financial and budget management systems	Blanket facilitation of foreign investments risks people's rights for profit

<sup>38</sup> Based on the World Bank's [Project Database](#) and [Prior Actions Database](#). See [Appendix](#) for full list of prior actions.

Project	Key prior actions/ conditionalities	Risks
<b>2021 Promoting Competitiveness and Enhancing Resilience to Natural Disasters Sub-program 2 DPL (P170914)</b>	Reforms to financial and budget management systems	Blanket facilitation of foreign investments risks people's rights for profit
	Setting up of national ID system	Privacy and security risks
	Reforms to facilitate the creation of a market for disaster risk finance and insurance	Profiting off disaster responses
	Increase excise taxes on alcohol, tobacco, and e-cigarette products	Regressive taxation that shrinks working-class families' incomes and public resources
<b>2022 Promoting Competitiveness and Enhancing Resilience to Natural Disasters Sub-Program 3 DPL (P176891)</b>	Streamline business processes	Blanket facilitation of foreign investments risks people's rights for profit
	Liberalisation of retail trade	Influx of imports
	Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act	Regressive taxation reduces taxes for corporations and the elite shrinking public resources and exacerbating wealth inequality
	Reforms to facilitate the creation of a market for disaster risk finance and insurance	Profiting off disaster responses

Project	Key prior actions/ conditionalities	Risks
<b>2020 Philippines Emergency Covid-19 Response DPL (P174120)</b>	PPP for digital payments for a financial assistance program	Privatisation of social services
<b>2021 Philippines First Financial Sector Reform DPL (P175008)</b>	Reforms to bolster the Anti-Money Laundering and Counterterrorism Financing Framework	Privacy and security risks
	Reforms to facilitate the creation of a market for disaster risk finance and insurance	Profiting off disaster responses
	Reforms to financial system	Integration to global financial system to facilitate foreign capital
<b>2023 Philippines Second Financial Sector Reform DPL (P175360)</b>	Reforms to facilitate the creation of a market for disaster risk finance and insurance	Profiting off disaster responses
	Reforms to financial system	Integration to global financial system to facilitate foreign capital
<b>2023 Philippines First Sustainable Recovery DPL (P178634)</b>	Liberalisation of public services	Facilitates foreign investments
	Reforms to bolster PPP framework	Facilitates foreign investments
	Liberalisation of renewable energy investments	Facilitates foreign investments
		Militarisation and displacement of communities

Project	Key prior actions/ conditionalities	Risks
<b>2023 Philippines First Sustainable Recovery DPL (P178634)</b>	Enactment of law to create market for electric vehicle	Facilitates foreign investments
	Reforms to facilitate the creation of a market for disaster risk finance and insurance	Profiting off disaster responses

*Based on the World Bank's Project Database and Prior Actions Database. See Appendix for full list of prior actions.*

global financial system, and facilitate the creation of a market for disaster risk finance and insurance.

While the DPLs were negotiated in the context of the COVID-19 pandemic and recovery, only six prior actions are directly related to COVID-19 responses. Four of these prior actions facilitated the provision of emergency financial assistance to targeted sectors; the other two deferred the payment of taxes, and expanded credit guarantees to MSMEs, respectively. None of these COVID responses addressed health and social protection needs in the long-term.

Five prior actions attached to four DPLs are directly related to liberalising local industries and markets, including the rice industry, public service sectors (telecommunications, railways, airports, and expressways), renewable energy, and retail trade to facilitate foreign imports and investments.<sup>39</sup> One prior action on increasing the demand for renewable energy supports the liberalisation of the renewable energy sector for foreign investment.

<sup>39</sup> Medina, A. (2023, April 14). Philippines Allows 100% Foreign Investment in Public Services. ASEAN Briefing. <https://www.aseanbriefing.com/news/philippines-issues-implementing-rules-for-the-public-service-act/>

Two prior actions attached to two DPLs created a law for “ease of doing business” and identified concrete steps towards its implementation. Another two prior actions streamline business processes.

Two prior actions attached to two DPLs are directly related to privatisation, including a partnership with Maya (formerly known as PayMaya), a local financial services company, for the digital payments for a financial assistance program, and amendments on laws related to facilitating PPPs.

Eight prior actions are related to fiscal and monetary policies, including tax reforms that reduced corporate taxes and increased excise taxes on consumer goods, and reforms on the operation and management of financial and budget systems. An example of the latter is the enactment of a law concerning the national payment system governed by the Philippine central bank.

Six DPLs were dedicated to disaster risk response. However, the majority of the prior actions of these DPLs are focused on creating new markets for disaster risk finance, and insurance, and electric vehicles.

Three prior actions are related to creating a national ID system through Republic Act No. 110055, or the Philippine Identification System Act. Amid a repressive context, CSOs have criticised the national ID system for risking violation of data privacy and normalising surveillance.<sup>40</sup>

The following sections will elaborate key DPL conditionalities and their risks to women’s rights in the Philippines to show the WBG’s role in reinforcing systemic violence against women, from direct violence such as militarisation, repression, and gender-based violence to economic policies that hamper their rights and harm their wellbeing.

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<sup>40</sup> The Reality of Aid Network Global Secretariat. (2021. October). Policy Conditionality in the 21<sup>st</sup> Century: A close look at Development Policy Financing in Indonesia and the Philippines. [https://realityofaid.org/wp-content/uploads/2021/10/ROA\\_BRIEFER\\_DPF\\_OCT2021\\_FINAL.pdf](https://realityofaid.org/wp-content/uploads/2021/10/ROA_BRIEFER_DPF_OCT2021_FINAL.pdf)

## Greenwashing plunder, militarisation and displacement of rural communities

A prior action for the 2023 Philippines First Sustainable Recovery DPL required amending the 2008 Renewable Energy Act (RA 9512) to fully liberalise investments in renewable energy projects for foreign majority ownership.<sup>41</sup> This supposedly aims to encourage foreign investments towards a green transition. The Department of Energy estimates that the country needs at least USD 121 billion of investments in renewable energy between 2020 and 2040.<sup>42</sup> This policy reform is supported by another prior action for the same loan that required the Department of Energy to increase the minimum generation required to be sourced from renewable energy. It is also aligned with the WBG-funded Philippines Renewable Energy Development Project, for which the WBG provided USD 44 million, to reduce risks for private investment by providing credit guarantees to commercial banks that lend to electric cooperatives.<sup>43</sup>

These WBG-driven policies for renewable energy instrumentalise the “green transition” agenda to further corporate interests. A 2023 study by Recourse showed that 45.6% (52 of 144 projects) of WBG’s investments in renewable energy between 2017-2022 have “potential impacts on land rights,” driving land grabs, the displacement of peasant and Indigenous Peoples (IP) communities, and harming biodiversity and other natural resources.<sup>44</sup> Moreover, WBG-backed energy projects exacerbate debt burdens. The study showed that 88% of WBG’s financing was in the form of loans; only 7% was in the form of concessional finance, and 5% was guarantees.

<sup>41</sup> Koty, A. (2023, January 11). Philippines Opens Renewable Energy to Full Foreign Ownership. ASEAN Briefing. <https://www.aseanbriefing.com/news/philippines-opens-renewable-energy-to-full-foreign-ownership/>

<sup>42</sup> Crismundo, K. (2021, June 15). PH needs \$121-B investments in renewable energy: DOE. Philippine News Agency. <https://www.pna.gov.ph/articles/1143797>

<sup>43</sup> World Bank Project. (n.d.). Philippines Renewable Energy Development. <https://projects.worldbank.org/en/projects-operations/project-detail/P147646>

<sup>44</sup> Pascual, M., Doig, A., Temizyurek, C., & Sinani, N. (2023, September). Lost in Transition: Analysis of the World Bank’s Renewable Energy Investments since Paris. Recourse. <https://re-course.org/wp-content/uploads/2023/09/Lost-in-Transition-FINAL.pdf>

WBG-backed large-scale renewable energy projects in the Philippines are mired in a history of rights violations, driving lands grabs, militarisation, and consequent displacement of peasant and IP communities, and gender-based violence. Women land and environmental rights defenders risk reprisals from both state and corporate power and patriarchal institutions.<sup>45</sup> A well-known WBG project in the Philippines is the Chico River Dam Project in the Cordillera region, northern Philippines, during Marcos Sr.'s dictatorship. The WBG proposed to lend USD 50 million to finance 60% of the hydroelectric power and irrigation project.<sup>46</sup> Affected indigenous communities led by women such as Leticia “Tining” Bula-at struggled against militarisation and state repression to close down the project that threatened to submerge their ancestral lands and destroy their livelihoods and cultural heritage.<sup>47</sup>

The WBG continues to support destructive hydropower projects in the country. It has provided USD 140 million to rehabilitate and privatise (through a PPP) the Agus-Pulangi hydropower plants in Mindanao, the southern island of the Philippines.<sup>48 49</sup> In 2012, an environmental rights defender campaigning against the construction of a fifth hydropower plant on the Pulangi River, which will submerge IP communities, was killed.<sup>50 51</sup> CSO reports have documented large hydropower investments as

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<sup>45</sup> Global Initiative for Economic, Social and Cultural Rights. (2020, December). Renewable Energy and Gender Justice. [https://geneva.fes.de/fileadmin/user\\_upload/documents/2020/2020\\_GI-ESCR\\_Paper.pdf](https://geneva.fes.de/fileadmin/user_upload/documents/2020/2020_GI-ESCR_Paper.pdf)

<sup>46</sup> World Bank. (1976, March 11). Report and Recommendations of the President of the International Bank for Reconstruction and Development to the Executive Directors on a Proposed Loan to the Republic of the Philippines for the Chico River Irrigation Project – Stage 1. <https://documents1.worldbank.org/curated/en/725361468296941416/pdf/multi0page.pdf>

<sup>47</sup> Gantala Press. (2021, September 13). Mother Tining: A Narrative. <https://gantalapress.org/2021/09/13/mother-tining-a-narrative/>

<sup>48</sup> World Bank Group. (n.d.). Country Partnership Framework for the Republic of the Philippines, July 2019-December 2023. <https://documents1.worldbank.org/curated/en/891661574699296055/pdf/Philippines-Country-Partnership-Framework-for-the-Period-July-2019-December-2023.pdf>

<sup>49</sup> World Bank. (n.d.). Agus-Pulangi Hydropower Complex Rehabilitation Project 1. <https://projects.worldbank.org/en/projects-operations/project-detail/P173728>

<sup>50</sup> Aspinwall, N. (2020, January 19). China-backed dam threatens Indigenous People in the Philippines. <https://www.aljazeera.com/news/2020/1/19/china-backed-dam-threatens-indigenous-people-in-the-philippines>

<sup>51</sup> EJ Atlas. (2021, October 14). Save Pulangi Alliance, Bukidnon province, Mindanao, Philippines. <https://ejatlas.org/conflict/savepulangiriver-philippines>

unsustainable for impacts on land rights, biodiversity, and Indigenous Peoples.<sup>52</sup>

The International Energy Association projects “a six-fold increase in demand for transition minerals (e.g., copper, cobalt, lithium, nickel, manganese, zinc, as well as rare earth minerals) by 2040.”<sup>53</sup> A corporate-led energy transition threatens to exacerbate extractivism along with social and ecological impacts, especially on IP communities, as half of the needed resources for energy transition are located in or near IP’s ancestral domains.<sup>54</sup> For instance, the majority, or 85%, of lithium extraction, an important metal for energy transition and digital technologies, is located on or near IP lands.

Militarisation in the context of extractive and infrastructure projects exacerbates state-perpetrated gender-based violence, especially against women and girls, and is even weaponised to repress women activists.<sup>55</sup> This is the experience of Indigenous Lumad women in Surigao del Sur province, Mindanao, southern Philippines, whose communities were militarised and displaced to facilitate mining operations.<sup>56</sup> A 2023 global study of violence against women environmental defenders (WED) showed that the Philippines, with 26 WEDs martyred, has the most number of WEDs assassinated among 17 countries.<sup>57</sup> The study covered 523

<sup>52</sup> Pascual, M., Doig, A., Temizyurek, C., & Sinani, N. (2023, September). Lost in Transition: Analysis of the World Bank’s Renewable Energy Investments since Paris. Recourse. <https://re-course.org/wp-content/uploads/2023/09/Lost-in-Transition-FINAL.pdf>

<sup>53</sup> Dobson, C. & Zbona, A. (2022). Human rights defenders & business in 2022: People challenging corporate power to protect our planet. <https://www.business-humanrights.org/en/from-us/briefings/hrds-2022/human-rights-defenders-business-in-2022-people-challenging-corporate-power-to-protect-our-planet/>

<sup>54</sup> Owen, J., Kemp, D., Lechner, A., Harris, J., Zhang, R., Lèbre, È. (2022, December 1). Energy transition materials and their intersection with land-connected peoples. *Nature Sustainability* 6, 203-211. <https://doi.org/10.1038/s41893-022-00994-6>

<sup>55</sup> Tran, D. & Hanaček, K. (2023). A global analysis of violence against women defenders in environmental conflicts. *Nature Sustainability* 6, 1045-1053. <https://doi.org/10.1038/s41893-023-01126-4>

<sup>56</sup> Mordeno, H.M. (2018, July 24). Group says mining interests behind military presence in Lumad lands. <https://mindanews.com/top-stories/2018/07/group-says-mining-interests-behind-military-presence-in-lumad-lands/>

<sup>57</sup> Tran, D. & Hanaček, K. (2023). A global analysis of violence against women

cases involving WEDs in contexts of community struggles against mining, agribusiness, and industrial operations.

### **Making business out of climate and disaster vulnerabilities**

Since 2011, the Philippines has ranked first in the World Risk Index due to its vulnerability to natural hazards and disasters and limited capacities for coping and recovery.<sup>58</sup> Climate change exacerbates the country's vulnerability. The WBG's DPLs make business out of the country's vulnerability to disaster and climate risks through the liberalisation of investment in renewable energy (see section Greenwashing plunder, militarisation and displacement of rural communities), and through the creation of new markets for profit extraction such as disaster risk insurance and finance, and electric vehicles.

A three-part programmatic DPL series (2020-2022 Promoting Competitiveness and Enhancing Resilience to Natural Disasters) along with two other DPLs (2020 Philippines Third Disaster Risk Management Development Policy Loan and 2022 Fourth Disaster Risk Management Development Policy Loan with a Catastrophe-Deferred Drawdown Option) were dedicated to disaster risk response. The majority of the prior actions of these DPLs are focused on creating a market for disaster risk finance and insurance to promote private finance interests.

A two-part programmatic DPL series focused on structural reforms in the financial sector (2021 Philippines First Financial Sector Reform DPF and 2023 Philippines Second Financial Sector Reform DPF) facilitates the creation of this market. The DPL series claims to "strengthen the resilience of the financial sector" in the context of crises, disasters, and other risks. But a close look at the policy reforms promoted by the DPL series shows that these aim to further integrate the Philippine economy into the

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defenders in environmental conflicts. *Nature Sustainability* 6, 1045-1053. <https://doi.org/10.1038/s41893-023-01126-4>

<sup>58</sup> BusinessWorld. (2023, October 16). World Risk Index 2023: Philippines remains the most at-risk country for 13<sup>th</sup> straight year. <https://www.bworldonline.com/infographics/2023/10/16/551668/world-risk-index-2023-philippines-remains-the-most-at-risk-country-for-13th-straight-year/>

global financial system to accommodate profit extraction by private finance.

DPL's prior actions include reforming the insurance sector and anti-money laundering and counterterrorism financing legislation to adhere to international standards. The latter poses risks to activists and their organisations (see Box 1). The expansion of the financial market in the country is also promoted through the development of a corporate debt securities market by broadening the scope of institutional investors; expanding financial inclusion, including credit access for individuals and micro-, small, and medium enterprises (MSMEs) through digital technologies (e.g., establishment of digital banks); and enacting legislation for consumer protection in the financial sector. The policy reforms were informed by the 2020 Joint International Monetary Fund-World Bank (IMF-WB) Financial Sector Assessment Program Update.

The enactment of the 2022 Electric Vehicle Industry Development Act (EVIDA) as one of the prior actions for the 2023 Philippines First Sustainable Recovery DPL is also another profit-making scheme in the name of "green transition."<sup>59</sup> EVIDA claims to support the country's transition to clean energy and reduce its reliance on imported fossil fuels by "providing an enabling environment for the development of electric vehicles."<sup>60</sup> Similar to other WBG-backed policies, EVIDA emphasises the role of the private sector. It incentivises the importation of electric vehicles according to the Tax Reform for Acceleration and Inclusion (TRAIN) Law, which was also enacted in line with a WBG DPL prior action (see section, Debt burdens, shrinking public resources). Government regulations related to the EV industry are aligned with the Ease of Doing Business Law.<sup>61</sup>

<sup>59</sup> Electric Vehicle Industry Development Act, Republic Act No. 11697. <https://www.officialgazette.gov.ph/downloads/2022/04apr/20220415-RA-11697-RRD.pdf>

<sup>60</sup> Ibid.

<sup>61</sup> Implementing Rules and Regulations of Republic Act No. 11697. <https://www.doe.gov.ph/sites/default/files/pdf/announcements/DOE%20DOTR%20IRR%20EVIDA%2008212022.pdf?withshield=1>

EVIDA follows the Public Utility Vehicle Modernisation Program (PUVMP), which claims to improve the country's transportation system by replacing traditional public utility jeepneys (PUJs), the most common mode of transport in the country, with imported vehicles that comply with Euro-IV emissions standards and corporatising the PUJ's largely informal business model.<sup>62</sup> Since it was launched in 2017, the PUVMP faced widespread opposition, especially from PUJ transport drivers and small operators whose livelihoods are threatened to be displaced by the program.<sup>63</sup> The PUVMP would phase out 270,000 jeepneys nationwide and affect the livelihoods of 670,000 jeepney drivers.<sup>64</sup>

WBG-backed policies on the creation of a market for climate and disaster risk finance, and for electric vehicles commodify or make business out of climate and disaster risks that impact communities and the environment. Such policies detract from addressing, and even exacerbate these problems. Moreover, resources are misallocated, and policy space is constricted for private finance interests, instead of climate adaptation and mitigation, and disaster risk management. Women and girls, especially in rural communities, are disproportionately affected due to their dependence on the natural environment for their livelihoods, and to lack of access to resources for climate adaptation.<sup>65</sup>

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<sup>62</sup> Presto, A., Crisostomo C., Francisco, G. (2022). Policy Checkpoints: Inspecting the Public Utility Vehicle Modernization Programme in the Philippines. National University of Singapore. <https://doi.org/10.25818/c93b-i443>

<sup>63</sup> Gomez, S. (2023, June 27). Drivers, commuters suffer from PUV 'modernization'. Bulatlat. <https://www.bulatlat.com/2023/06/27/drivers-commuters-suffer-from-puv-modernization/>

<sup>64</sup> Presto, A., Crisostomo C., Francisco, G. (2022). Policy Checkpoints: Inspecting the Public Utility Vehicle Modernization Programme in the Philippines. National University of Singapore. <https://doi.org/10.25818/c93b-i443>

<sup>65</sup> United Nations Framework Convention on Climate Change. (2022, June 10). New Report: Why Climate Change Impacts Women Differently Than Men. <https://unfccc.int/news/new-report-why-climate-change-impacts-women-differently-than-men>

**Box 1. Weaponising financial policies against activists for resource and profit extraction**

Neoliberal policies of liberalisation and deregulation that ease or even outrightly do away with laws and policies that restrict foreign businesses, as promoted by the IMF and the WBG, have facilitated the deeper integration of Southern economies, such as the Philippines, into the financialised global economy. The financialised global economy is characterised by the merging of the real, productive economy and the financial sector; with the latter being more dominant. This is evident in the bigger profits made from financial activities compared to productive and manufacturing activities. Such a global economic system perpetuates the neocolonial relations between the global North and South and the underdevelopment of the latter, mainly characterised by dependence on commodity exports and foreign capital (debt and investments).

Moreover, the WBG uses its powerful influence over national economies and development to drastically change economic and political structures, systems, laws, and policies to cater to private finance. One of the prior actions for the DPL series includes reforming laws and policies related to anti-money laundering and terrorism financing to comply with recommendations by the Financial Action Task Force, an intergovernmental organisation founded by the Group of Seven (G-7) countries (Canada, France, Germany, Italy, Japan, the United Kingdom, the United States, and the European Union). A negative assessment by the FATF marks a country as “a risk to the international financial system” and means “higher interest rates and processing fees” and “more scrutiny from financial institutions.” The FATF blacklisted the Philippines in 2000 and added it to its grey list for monitoring in 2012. In 2021, the FATF put the Philippines back on its grey list, and provided a January 2024 deadline to implement its recommendations to avoid countermeasures that would impact foreign investments and transactions with financial institutions. One of the FATF recommendations to increase the prosecution for

terrorist financing has harmful implications for women human rights defenders and their organisations.

Pro-business policy reforms and measures promoted by the WBG and the FATF are violently enforced by the state, and weaponised against women human rights defenders fighting resource extraction and further profit extraction for private finance. Since the enactment of the 2020 Anti-Terror Act, anti-money laundering and counter-terrorism financing laws and policies have been increasingly used to repress and persecute people's organisations, civil society, and activists. Peasant and Indigenous organisations advocating for land rights against harmful extractive businesses such as large-scale agriculture and mining destructive mega-infrastructure projects have been especially targeted.

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De Vera, S. (2023, July 17). AMLC freezes assets, bank accounts of Cordiller activists. Rappler. <https://www.rappler.com/nation/luzon/anti-money-laundering-council-freezes-assets-bank-accounts-activists-cordillera/>

Rappler.com. (2021, June 26). Philippines lands on global dirty money watchdog's gray list again. <https://www.rappler.com/business/philippines-lands-global-dirty-money-watchdog-gray-list-again/>

De Leon, D. (2023, October 18). Malacañang wants urgent enactment of nat'l anti-money laundering strategy. Rappler. <https://www.rappler.com/nation/malacanang-wants-urgent-enactment-national-anti-money-laundering-strategy-october-2023/>

Amihan Women. (2021, September 10). Statement: Amihan calls for lifting of AMLC's freeze order on bank accounts. Facebook. <https://www.facebook.com/amihanwomen/photos/a.331238373700401/2013609462129942/?type=3>

## Commodification of public services

Two prior actions for the 2023 Philippines First Sustainable Recovery DPL include the full liberalisation of public services (telecommunications, railways, expressways, airports, and shipping industries) allowing foreign majority ownership<sup>66</sup> and the

<sup>66</sup> Medina, A. (2023, April 14). Philippines allows 100% foreign investment in public services. ASEAN Briefing. <https://www.aseanbriefing.com/news/philippines-issues-implementing-rules-for-the-public-service-act/>

strengthening of the country's Public-Private Partnership framework. Both of these measures aim to attract foreign investments in public services.

The WBG promotes PPPs to address gaps in infrastructure services.<sup>67</sup> However, several studies show that PPPs in infrastructure are ineffective in delivering social services and more costly for the public.<sup>68</sup> <sup>69</sup>PPP projects reorient infrastructure projects from social service provision to corporations' profit motive. Moreover, through PPPs, governments use public resources to subsidise and "de-risk"<sup>70</sup> private investment in infrastructure, which means governments share or take on contingent liabilities. PPPs are also more expensive than public investments because governments have to pay for private investors' profits, an annual fee to the corporation for their contracted service, among others.<sup>71</sup> Big-ticket infrastructure projects drive land grabs and the militarisation and displacement of rural communities (see section above, Greenwashing plunder, militarisation and displacement of rural communities).

Extensive literature shows that the privatisation of public services, such as through PPPs and the consequent downsizing of the public sector disproportionately impacts women and girls across the globe.<sup>72</sup> The majority of women are informally and precariously employed and rely more on public services; they also comprise the majority of public sector employment, especially in health and education. Poor social infrastructure reinforces patriarchal culture by increasing care burdens traditionally borne

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<sup>67</sup> World Bank. (2022, December 15). About Public-Private Partnerships. <https://ppp.worldbank.org/public-private-partnership/about-public-private-partnerships>

<sup>68</sup> IBON International. (2017). IBON Primer on Public-Private Partnerships. <https://iboninternational.org/download/ibon-primer-on-public-private-partnerships-ppps/>

<sup>69</sup> Woodroffe, J. (2020, February). The impact of PPPs on gender equality and women's rights. Gender and Development Network. <https://gadnetwork.org/gadn-resources/the-impact-of-ppps-on-gender-equality-and-womens-rights>

<sup>70</sup> Canilao, C. (2017, August 22). Bankability: More than de-risking projects. World Bank Blogs. <https://blogs.worldbank.org/ppps/bankability-more-de-risking-projects>

<sup>71</sup> Woodroffe, J. (2020, February). The impact of PPPs on gender equality and women's rights. Gender and Development Network. <https://gadnetwork.org/gadn-resources/the-impact-of-ppps-on-gender-equality-and-womens-rights>

<sup>72</sup> Ibid.

by women and girls. Precarity due to a lack of decent jobs makes women economically insecure and dependent, rendering them vulnerable to gender-based violence.

A 2018 CSO study<sup>73</sup> of ten PPP projects showed that PPPs were more costly and risky for the public than private partners involved, made social services more expensive and inaccessible to the poor, consequently worsening inequalities, resulted in detrimental environmental impacts, and lacked transparency and accountability. The PPP projects covered various sectors (education, energy, healthcare, transport, and water and sanitation) in both developing and developed countries (Colombia, France, India, Indonesia, Lesotho, Liberia, Peru, Spain and Sweden).

One of the projects tackled was the Queen Mamohato Memorial Hospital in Lesotho, a PPP project between the government of Lesotho and the private sector consortium Tsepong.<sup>74</sup> Tsepong was commissioned to “design, build, and operate”<sup>75</sup> the hospital which will replace the main public hospital Queen Elizabeth II. The WBG’s private sector arm, the International Finance Corporation (IFC), served as the project’s advisor. The WBG also provided a grant of USD 6.25 billion for the project. The PPP was widely criticised for its high costs and the financial risks it imposed on the public. When the contract was signed in 2008, the total investments for the PPP was estimated at USD 134.98 million (in 2017 figures) financed through a mixture of public (34.4%) and private (65.7%) capital. But even the private capital largely came from the government: it was made up of 14% equity and 86% debt loaned by the public Development Bank of South Africa and underwritten by the government.

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<sup>73</sup> Romero, M.J., & Ravenscroft. J. (Eds.). (2018, October). History RePPeated – How public private partnerships are failing. Eurodad. <https://www.boell.de/en/2018/12/11/history-reppeated-how-public-private-partnerships-are-failing>

<sup>74</sup> Marriott, A. (2018, October). Queen Mamohato Memorial Hospital. In Romero, M.J., & Ravenscroft. J. (Eds.) ,History RePPeated – How public private partnerships are failing. Eurodad. [https://www.boell.de/sites/default/files/uploads/2018/11/englisch\\_ppps.pdf](https://www.boell.de/sites/default/files/uploads/2018/11/englisch_ppps.pdf)

<sup>75</sup> Ibid.

The contract with Tsepong “doubled the initial total capital cost of the project; increased the proportion of private finance in the project from one fifth to approximately two thirds of capital expenditure; and increased the initial unitary fee” <sup>76</sup> (annual fee paid by the government to the private partner for its services). Moreover, the annual fee that the government paid to Tsepong for its services increased every year as it is “subject to inflation-related adjustments, despite 30% of Tsepong’s costs being fixed.”<sup>77</sup> In 2013 and 2014, “the annual costs of the new PPP hospital was as much as 51% of the total health budget, and approximately 3 to 4.6 times what the old public hospital would have cost.”<sup>78</sup>

Resource drains by the PPP project have harmful implications for the government’s capacity to invest in its health system, which is challenged by “high disease burdens, high maternal and infant mortality rates, and serious inequity in the distribution and reach of services.”<sup>79</sup> Even a 2017 review by the WBG itself, along with UNICEF, expressed “concerns on the financial sustainability of the PPP.”

The WBG continues to promote PPPs in healthcare despite disastrous cases such as the PPP hospital in Lesotho. In the Philippines, the University of the Philippines-Philippine General Hospital is planning to build a similar PPP Cancer Centre.<sup>80</sup> Plans for the project began in early 2023, with the WBG’s IFC as lead advisor. The case of the PPP hospital in Lesotho demonstrates the possible risks for the planned PPP Cancer Centre in the Philippines.

Interventions by the WBG and other IFIs have largely privatised and made social infrastructure and services—from electricity, health, education, and transportation—inaccessible and costly in

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<sup>76</sup> Ibid.

<sup>77</sup> Ibid.

<sup>78</sup> Ibid.

<sup>79</sup> Ibid.

<sup>80</sup> PPP.gov. (2023, March 3). UP-PGH holds Investors’ Conference for Cancer Center PPP Project. [https://ppp.gov.ph/press\\_releases/up-pgh-holds-investors-conference-for-cancer-center-ppp-project/](https://ppp.gov.ph/press_releases/up-pgh-holds-investors-conference-for-cancer-center-ppp-project/)

the Philippines. For instance, more than 50% of health spending in the country is out-of-pocket due to the lack of adequate public healthcare and the rampant expansion of private, for-profit health providers in the country.<sup>81</sup> The maternal mortality ratio and neonatal mortality rate remained stagnant and did not improve.<sup>82</sup> The WBG's promotion of exclusive, targeted provision of social services, such as health and education, and privatisation and liberalisation of these sectors for foreign majority ownership would further hamper women and girls' basic rights, eat into their incomes, and increase their care burdens.

### **Destroying peasants' livelihoods, local agriculture, and food sovereignty**

The Rice Liberalisation Law (RLL), also known as Republic Act 11203, was signed in 2019 as part of the priority actions for the 2020-2021 Promoting Competitiveness and Enhancing Resilience to Natural Disasters Sub-programs 1 and 2. The RLL has facilitated unregulated rice imports to the country and undermined local rice production. In 2019, rice imports increased to 3.12 million metric tons (MMT) from 2 MMT in 2018 and less than 1 MMT in 2017. At the height of the pandemic in 2020, rice imports declined to 2.2 MMT.<sup>83</sup> It increased to 2.97 MMT in 2021, and 3.86 MMT in 2022. The Philippines surpassed China as the world's top rice importer in 2023.<sup>84</sup> Local rice production stagnated between 2017-2022. Studies by the Amihan National Federation of Peasant Women<sup>85</sup> and the Reality of Aid-Asia Pacific<sup>86</sup> of the RLL

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<sup>81</sup> Dayrit, M., Lagrada, L., Picazo, O., Pons, M., & Villaverde, M. (2018). *The Philippines Health System Review*. World Health Organization. <https://iris.who.int/handle/10665/274579>

<sup>82</sup> Ibid.

<sup>83</sup> Philrice.gov.ph. (2022) RiceLytics: Supply and Utilization. <https://www.philrice.gov.ph/ricelytics/supplies>

<sup>84</sup> CNN Philippines Staff. (2023, September 14). PH overtakes China as world's top rice importer in 2023 – USDA. CNN Philippines. <http://www.cnnphilippines.com/news/2023/9/14/PH-takes-over-China-in-rice-imports.html>

<sup>85</sup> Amihan National Federation of Peasant Women. (2021, July). Liberalisasyon = Destruksyon ni Duterte sa Pambansang Industriya ng Palay.

<sup>86</sup> The Reality of Aid Network Global Secretariat. (2021. October). Policy Conditionality in the 21<sup>st</sup> Century: A close look at Development Policy Financing in Indonesia and the Philippines. [https://realityofaid.org/wp-content/uploads/2021/10/ROA\\_BRIEFER\\_DPF\\_OCT2021\\_FINAL.pdf](https://realityofaid.org/wp-content/uploads/2021/10/ROA_BRIEFER_DPF_OCT2021_FINAL.pdf)

implementation showed its detrimental impact on peasants' livelihoods and incomes as the influx of rice imports forced smallholder farmers to sell their produce at a loss. The Tax Reform for Acceleration and Inclusion Law (TRAIN) law (see section, Debt burdens, shrinking public resources), which was implemented in 2017 as part of prior actions for a 2019 DPL, increased prices of agricultural inputs, driving farmers to resort to usurious debts to subsidise their production.<sup>87</sup>

WBG's framework on agriculture, expressed in its market-assisted land reform projects, such as the Support for Parcelisation of Land for Individual Titling (SPLIT) in the Philippines (see Box 2), facilitates land grabs by foreign investors and big businesses. This is made worse by militarisation, state-perpetrated gender-based violence, and displacement of rural communities.

Trade liberalisation policies such as the RLL and pro-corporate agricultural policies violate peasants' rights and destroy livelihoods, local agriculture, and food sovereignty. These also further entrap smallholder farmers and food producers in the global corporate agricultural and food systems, worsen corporate and elite land monopolies, and the widespread landlessness among farmers who till the land.

**Box 2. WBG's SPLIT Project in the Philippines: Violating peasants' rights, heightening militarisation of rural communities**

The Support for Parcelisation of Land for Individual Titling (SPLIT) is a WBG-funded project with the Department of Agrarian Reform (DAR) in the Philippines. The WBG provided USD 370 million in loans to finance 78% of the USD 473 million total budget for the project. SPLIT subdivides collectively-held land titles into individual ones to supposedly "improve land tenure security and stabilise

<sup>87</sup> Amihan National Federation of Peasant Women. (2021, July). Liberalisasyon = Destruksyon ni Duterte sa Pambansang Industriya ng Palay.

the property rights” of peasants. The WBG’s framework on land and property rights, which emphasises formal, legal, and individual ownership, such as through titling, is also expressed in its 2024-2030 Gender Strategy with regard to the outcome of women’s asset ownership and control. A case study by the Kilusang Magbubukid ng Pilipinas (Peasant Movement of the Philippines) on the implementation of the project in Negros Occidental province showed that it threatens peasants’ right to own and effectively control their land and undermines organisations’ collective dynamics and practices, including peasant-led land redistribution and communal farming.

The project forcibly divided collectively-owned land with collective land titles without consulting affected peasant communities. It was implemented in a militarised context, as additional police and military forces have been deployed in the province since 2018 in line with the national counterinsurgency program. The SPLIT project intensifies the militarisation of rural communities as local DAR officials work closely with state armed forces in implementing SPLIT. Affected peasant communities reported that military forces visited them in their homes, especially those who held leadership positions in their organisations, to force them to allow the implementation of SPLIT. The SPLIT project facilitates land acquisition and reconcentration for large landowners and development projects in service of corporate interests.

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## Debt burdens, shrinking public resources

WBG's DPLs exacerbate debt burdens. As of end-October 2023, Philippine debt stood at PhP 14.27 trillion, 31.8% (PhP 4.53 trillion) of which make up foreign borrowings.<sup>88</sup> Debt is projected to increase to PhP 15.8 trillion by end of 2024.<sup>89</sup> The bloating of debt is attributed to loans for big-ticket infrastructure projects and pandemic response, especially by the current administration of Marcos Jr. and the preceding administration under former President Rodrigo Duterte.<sup>90</sup> The total loan from WBG's DPLs between March 2020 and June 2023 is USD 4.85 billion, excluding loan interest and other charges. Under the Automatic Appropriations Act, enacted under the dictatorship of Marcos Sr., a huge chunk of the country's national budget is automatically appropriated for debt payments, even before allocations for social services are made.<sup>91</sup> In 2023, PhP 611 billion, or 11.6% of the national budget, was spent on debt payments. The allocation for debt payments in 2024 increased to PhP 699.2 billion, or 12% of the national budget.

Government revenues suffer from regressive tax measures implemented as part of WBG DPL prior actions, such as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, which reduced corporate income taxes by 5-10%.<sup>92</sup> CREATE

<sup>88</sup> ABS-CBN News. (2023, October 31). Philippine debt dips by P81 billion in September to P14.27 trillion. <https://news.abs-cbn.com/business/10/31/23/philippine-debt-dips-in-september-to-p1427-trillion>

<sup>89</sup> Bordey, H. (2023, August 15). Philippines' debt seen rising to P15.8 trillion in 2024. GMA News Online. <https://www.gmanetwork.com/news/money/economy/878981/philippines-debt-seen-rising-to-p15-8-trillion-in-2024/story/>

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<sup>91</sup> An Act Repealing the Automatic Appropriation for Debt Service by Amending Section 31 of Presidential Decree No. 1177 and Section 26, Chapter 4, Book VI of Executive Order No. 292, otherwise known as the "Administrative Code of 1987" which reiterates in toto Section 31 of Presidential Decree No. 1177, House Bill No. 4087, 18<sup>th</sup> Congress. (2019). [https://hrep-website.s3.ap-southeast-1.amazonaws.com/legisdocs/basic\\_18/HB04087.pdf](https://hrep-website.s3.ap-southeast-1.amazonaws.com/legisdocs/basic_18/HB04087.pdf)

<sup>92</sup> Department of Finance. (2021, January 8). DOF bats for early passage of CREATE, other recovery measures in 2021. <https://www.dof.gov.ph/dof-bats-for-early-passage-of-create-other-recovery-measures-in-2021/>

Act reduces corporate income tax to supposedly help businesses recover and claims to proactively attract foreign investments.<sup>93</sup> However, the law was criticised as a counterintuitive pandemic and recovery measure for foregoing much-needed revenues in an emergency context.<sup>94</sup> Government estimates showed that CREATE will result in revenue losses worth PhP 251 billion.<sup>95</sup>

Since 2007, WBG DPLs in the Philippines have promoted regressive tax measures that expanded taxes on consumer goods, such as the 2017 TRAIN Law. In 2021, the highest share of tax revenues in the country was derived from value-added tax (VAT) (22%) and other taxes on goods and services (20.4%).<sup>96</sup> Only 17% was derived from corporate income tax, as corporations enjoy various tax incentives in line with the country's biased orientation towards foreign investments. The reliance of the Philippine government on regressive consumption taxes is exemplified by its reliance on the Comprehensive Tax Reform Programme, a package of regressive tax reforms that includes TRAIN<sup>97</sup> and CREATE<sup>98</sup>, to fund its programmes on health, education, and even transportation.<sup>99 100</sup>

Regressive tax measures exacerbate inequalities and shrinks public resources for social infrastructure and services. These

<sup>93</sup> Ibid.

<sup>94</sup> IBON Foundation. (2021, February 7). CREATE's three mistakes. <https://www.ibon.org/creates-three-mistakes/>

<sup>95</sup> Ibid.

<sup>96</sup> Organisation for Economic Co-operation and Development. (2023). Revenue Statistics in Asia and the Pacific 2023 – The Philippines. <https://www.oecd.org/tax/tax-policy/revenue-statistics-asia-and-pacific-philippines.pdf>

<sup>97</sup> Department of Finance. (2017, December 27). The Tax Reform for Acceleration and Inclusion (TRAIN) Act. <https://www.dof.gov.ph/ra-10963-train-law-and-veto-message-of-the-president/>

<sup>98</sup> Department of Finance. (2022, July 11). Diokno to push passage of reforms in property valuation, financial taxation. <https://www.dof.gov.ph/diokno-to-push-passage-of-reforms-in-property-valuation-financial-taxation/>

<sup>99</sup> Department of Finance. (2016, November 24). Tax reform program to fill backlog in infra, education and health. <https://www.dof.gov.ph/tax-reform-program-to-fill-backlog-in-infra-education-and-health/>

<sup>100</sup> World Bank Group. (n.d.). Country Partnership Framework for the Republic of the Philippines, July 2019–December 2023. <https://documents1.worldbank.org/curated/en/891661574699296055/pdf/Philippines-Country-Partnership-Framework-for-the-Period-July-2019-December-2023.pdf>

reduce the purchasing power of low-income and middle-income families, especially those headed by women, who earn less than their male counterparts and are largely informally and precariously employed. Women in affected households are more likely to experience food insecurity and nutrient deficiency, as they usually eat last and the least. They are also strained by social pressure as they traditionally take on the budgeting of household incomes.

**Conclusion: Making business out of crises and systemic violence, harming women's rights and well-being**

Our analysis of the WBG's DPLs and neoliberal conditionalities identified the following risks to women's rights:

- greenwashing of plunder, and the consequent militarisation and displacement of rural communities;
- making business out of the country's vulnerability to disaster and climate risks;
- the commodification of public services and its impacts on women's access to social services, jobs, and care burdens
- the destruction of peasants' livelihoods, local agriculture, and food sovereignty;
- and the exacerbation of debt burdens and shrinking of public resources.

The WBG's promotion of the full liberalisation of renewable energy and public services drives the displacement of rural communities, along with the repression of civil-political rights and gender-based violence against women activists and their organisations, especially those involved in land and rights struggles against extractive and mega-infrastructure projects.

Its promotion of privatisation of public services, including PPPs, deprives women of access to social services, such as health and education, and to decent jobs in the public sector. This has ominous implications for women's well-being and prospects for development. Women's unpaid and underpaid labour makes up

for the state's negligence of public infrastructure and services, especially in rural communities where feudal-patriarchal culture persists.

The WBG's DPLs to the Philippines contribute to systemic violence against women. The neoliberal conditionalities of these loans subject women to a systematic violation of their rights both through direct violence, such as militarisation and state reprisals, and economic policies that hinder women's access to social services and undermine their well-being.

## 5. Ways forward and recommendations

The WBG's neoliberal paradigm reinforces a status quo based on the violent plunder and exploitation of people and resources for private capital. Moreover, it co-opts development and people's issues, such as gender equality and climate, to legitimise its harmful policies. WBG's DPLs to the Philippines align with its framework on gender commitments that aim to service private capital.

- **Break from neocolonial relations** – Moving away from the dominance and neoliberal dictates of the IMF-WBG would open possibilities for genuine national and sustainable development. Cancelling or repudiating debts, including neoliberal conditionalities, and supporting reforms such as the repeal of the Automatic Appropriations Act, would free up resources and policy space to pursue development that promotes gender and social justice, such as the prioritisation of public investments in social services, instead of austerity cuts, PPPs, and privatisation.
- **Promote national development; uphold women's rights** - Redistributing land to tillers, including peasants and rural women, is the first step towards the development of local agriculture and industries. Moving away from dependence on commodity exports and foreign capital would only be possible

by diversifying national economies. This would also ensure food security, create conditions for food sovereignty, and provide secure employment. Prioritising national development would uphold women's rights by: addressing peasant women's historical and longstanding demand for land; and ensuring employment and social security for women by veering away from labour deregulation, austerity, and other neoliberal directions.

- **Bolstering public finance for development; socialisation of care work** - Taxing corporations and the elite is crucial to bolstering public finance for development. Northern countries should also deliver on their historical development finance commitments, including 0.7% of their Gross National Income on Official Development Assistance. This is urgent amid new data showing that an additional USD 360 billion per year is needed to achieve gender equality.<sup>101</sup> Increasing public investments in social infrastructure and services is a way to redistribute wealth and resources. Strengthening public investments in social infrastructure and services—health, education, childcare, among others—would socialise traditionally gendered reproductive labour. Such services could also be exempted from private, profit-oriented actors to protect public interest and women's rights.
- **People-Powered Democracy and women's leadership in social struggles** - System change is realised through the struggle of social movements, with women and their organisations taking part in the struggles of working peoples. History has shown that women's liberation is realised through participation and leadership in social struggles. Building a feminist economy would require upholding the sovereignty of women and peoples, allowing the full play of their initiative, and supporting their full participation and leadership in policy-making and governance.

<sup>101</sup> UN Women. (2023, September 7). Press release: The world is failing girls and women according to new UN report. <https://www.unwomen.org/en/news-stories/press-release/2023/09/press-release-the-world-is-failing-girls-and-women-according-to-new-un-report>



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