

A collage of seven hexagonal frames on the left side of the slide, each containing a different scene from the Philippines: a city skyline, a busy street, a harbor with ships, a modern building, a highway, a city street with a bridge, and a natural landscape with a waterfall.

# Republic of the Philippines

## *Economic Recovery Underway; Long-term Growth Potential Intact*

May 2022

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# Key Highlights

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## **Socioeconomic Response Framework against COVID-19**

I

- Rapid, comprehensive, and fiscally sustainable responses to COVID -19 supports economic recovery
  - BSP key relief measures to mitigate impact of COVID-19 crisis
  - Swift enactment of key legislations complements pandemic response
  - Vaccine rollout supports full economic recovery
  - Building Momentum for strong, sustained economic recovery
  - Economic blueprint on long-term goals, transition towards economic recovery
- 

## **Sound Credit Profile**

II

- Ratings affirmation and upgrade, a vote of confidence in the economy's resilience and recovery
  - ROP's credit profile is well-placed even among higher-rated peers
  - Investors remain confident in the Philippines' sound credit quality
- 

## **Long Track Record of Strong Macroeconomic Performance**

III

- Economy posts 21 years of uninterrupted growth prior to pandemic
  - Philippine economy is now recovering strongly
  - Broad economic recovery rolls along
  - Economy bounces back with most sectors contributing to growth
  - Philippine economy outperforms peers in the region
  - Economic recovery gains momentum
  - Manageable inflation outlook to help mitigate downside risks to growth and boost market confidence
  - Strategic policy reforms improve business environment
- 

## **Demonstrated External Resiliency**

IV

- Philippines enjoys manageable balance of payments position
  - Structural current account inflows support the balance of payments
  - The economy has adequate buffers against external headwinds
  - Opportunities for regional trade, investment to support external resilience
-

# Key Highlights

V

## Stable Financial System

- Banking system remains stable, resilient to crisis
  - Digital Transformation towards a new economy
- 

VI

## Sound Government Finances

- Long history of prudent fiscal management created fiscal buffers going into the pandemic
  - Adequate fiscal space to fund emergency initiatives and support economic recovery
  - 2021 and 2022 budgets to support sustainable economic recovery
  - Sustainable debt profile supported by diversified sources of financing
  - Strong bias for domestic sources of financing to minimize FX risks
- 

VII

## Infrastructure Development: Ensuring Tomorrow's Vision by Building It Today

- Build, Build, Build Program to improve mobility of goods and people and create jobs
  - Timely implementation of infrastructure flagship projects to fuel economic recovery
  - Building and modernizing infrastructure today to power tomorrow's economy
- 

VIII

## Outlook

- Sound Fundamentals Propel Swift Economic Recovery
  - Managing risk and implementing economic recovery policies to solidify growth and recovery
- 

IX

## Institutional Foundations Propel Structural Reforms

- Strong Political Will Wins Broad Support, Gains Critical Reforms
  - Economy has long track record of purposeful and policy reforms
  - Results of entrenched reforms recognized by third party assessors
- 

X

## Environmental, Social and Governance

- The Philippines is building a sustainable and inclusive future for Filipinos
- Capacitating institutions and fortifying fiscal position to ensure climate and disaster resilience
- The Philippines joins global effort toward climate and disaster resilience
- Overview of the Sustainable Finance Framework and the SPO
- The Philippines adopts proactive approach to disaster risk reduction and climate change adaptation
- Investments in human capital development improve social inclusion
- Initiatives rolled out toward sustainable and green finance
- Enabling regulatory environment and development of digital infrastructure supports financial inclusion
- Strengthened institutions support transformational reform momentum

# **Duterte Administration's Key Accomplishments**

# Solid Groundwork in Place for More Inclusive Growth, Prosperity

## Continue Macroeconomic Policies

## Institute Progressive Tax Reform

## Increase Competitiveness & Ease of Doing Business

## Accelerate Infrastructure Spending, Upgrading of Infrastructure

## Promote Rural and Value Chain Development

### 0-10 Point Development Agenda: Milestones achieved to ensure sustainable, inclusive growth

- Robust growth of more than 6% annually prior to the pandemic
- Sound government finances
- Manageable inflation environment
- Manageable external debt
- Adequate external liquidity buffers
- Stable financial system
- The New central Bank Act (Republic Act No. 11211)
- Amendments to the Public Service Act (RA No. 11659), Retail Trade Liberalization Act (RA No. 11595) and Foreign Investment Act (RA No. 11647)

- Tax Reform for Acceleration and Inclusion (TRAIN) Law
- Sin tax laws
- Tax revenues from the implementation of TRAIN reached PHP476.1bn for 2018-2021 and PHP85.0bn in 2020-2021 for sin tax laws
- Tax amnesty law
- Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act - largest fiscal stimulus for businesses in recent history
- Tax on Philippine Offshore Gaming Operations (POGOs)
- Recorded the highest tax revenue as a percentage of GDP of 16.1% (2019) since 2007

- Ease of Doing Business Law
- Anti-Red Tape Authority and Presidential Anti-Corruption Commission
- Republic Act (RA) No. 11371 or "Murang Kuryente" Act
- Free Wi-Fi for all in more than 11K active sites nationwide
- One stop shop for Overseas Filipinos
- 5-year Driver's License Validity
- 10-year Passport Validity
- Establishment of a Green Lane for Securing Permits, Licenses, and Authorizations for the Establishment and Operation of a Bulk Import, Fill, and Finish Local Disease 2019 (COVID-19) Vaccine Manufacturing Facility and for the Registration for Availment of Incentives

- PHP6.7tn Build Build Build Program [PHP5.0tn Infrastructure Flagship Projects]
- Doubling of public infrastructure spending e.g., 5.8% of GDP in 2021
- 34,291 kilometers of road
- 6,656 bridge projects
- 484 Commercial, Social, and Tourism Ports
- 246 Airport projects
- From 77kms of rail network to 395kms (+695kms under procurement and +119kms to be procured) as of 2021
- 154,058 classrooms
- 13,224 flood mitigation structures
- 497kms of bike lane nationwide
- 112 new Land Transportation Offices nationwide
- Night rating of airports
- Historic rehabilitation of Boracay island within six months

- Administrative Order No. 18: Accelerating Rural Progress Through Robust Development Of Special Economic Zones In The Countryside
- Rice Competitiveness Enhancement Fund
- Over 2.5mn farmers benefitted from Rice Tariffication Law
- Act Authorizing the Department of Agriculture to provide direct cash assistance to farmers tilling rice land 2 hectares and below until 2024
- Plant, Plant, Plant Program
- Balik Probinsya Program
- Sagip Saka Act
- Free Irrigation benefitted over 1mn beneficiaries
- Barangay Development Program

## Peace and Order

- Anti-Terrorism Law
- Bangsamoro Organic Law

- Armed Forces of the Philippines (AFP) Modernization Act
- 911 Emergency Hotline

- Peace in Mindanao
- Enhanced Comprehensive Local Integration Program
- Anti-illegal drug campaign

# Solid Groundwork in Place for More Inclusive Growth, Prosperity

Ensure Security of Land Tenure & Address bottlenecks in Land Management

Invest in Human Capital

Promote Science, Technology & Arts

Improve Social Protection Programs

Strengthen Implementation of Responsible Parenthood & RH Law

## 0-10 Point Development Agenda: Milestones achieved to ensure sustainable, inclusive growth

- Aggressive Agrarian Reform Program
- 229K hectares of land distributed to over 166k agrarian reform beneficiaries (2016-2019)
- PHP75bn coco levy funds returned to coconut farmers
- RA No. 11573 or An Act Improving the Confirmation Process for Imperfect Land Titles which simplifies the procedure and requirements in granting land deeds.
- BARMM's Ministry of Agriculture, Fisheries, and Agrarian Reform (MAFAR) granted 507 land titles to 758 agrarian reform beneficiaries across the region, covering a total of 1,590.29 hectares

- Free education benefitted about 2mn learners (2020-2021)
- Alternative Learning System (ALS) Act benefitted more than 2mn ALS completers (2016-2020)
- Free Technical Vocational Training with over 10mn graduates (2016-2021)
- Task Force on Zero Hunger
- National School Feeding Program
- Government Workers' Pay Hike
- Mental Health Law
- OFW Hospital
- Department of Migrant Workers Act
- Technology for Education, Employment, and Economic Development (Tech4Ed) Project

- Philippine Innovation Act
- Innovative Startup Act
- Balik Scientist Program
- Philippine Space Act created the Philippine Space Agency
- Digitalization efforts of the BSP
- Digital Cities 2025 program
- Advanced Manufacturing Center
- Advanced Mechatronics, Robotics and Industrial Automation Laboratory
- Metals and Engineering Innovation Centers in 5 regions nationwide
- R&D Center for Advanced Batteries
- Nutritional Genomics Program
- GeoRiskPH: Geospatial Information Management & Analysis Project for Hazards & Risk Assessment in the Philippines

- More than PHP500bn given to Pantawid Pamilyang Pilipino Program (4Ps) beneficiaries (2016-2021)
- Magna Carta for the Poor
- Universal Health Care
- Malasakit Centers assisted about 3mn Filipinos (2019-2021)
- Lingap sa Masa Free Medicine and Medical Services
- Doktor Para sa Bayan Act
- Increased number of public health workers
- 30-year extension of power subsidy for the poor
- Regulation of Prices in the Retail of Drugs and Medicines
- More decent housing for the poor with about 1mn beneficiaries (2016-2021)
- 4.7mn displaced workers benefitted from safety-net programs
- National ID System

- Attaining and sustaining "zero unmet need for modern family planning" through the strict implementation of the responsible parenthood and Reproductive Health Act, providing funds therefor, and for other purposes
- First 1,000 Days Law or "Kalusugan at Nutrisyon ng Mag-Nanay Act"
- 105-Day Expanded Maternity Leave Law
- National Program on Population and Family Planning
- Social Protection Program for Adolescent Mothers and their Children
- Landmark passage of RA No. 11596 or "An Act Prohibiting the Practice of Child Marriage"

# **Socioeconomic Response Framework against COVID-19**



# Rapid, Comprehensive, and Fiscally Sustainable Responses to COVID-19 Supports Economic Recovery

Congress swiftly passed fiscally responsible measures that the government can implement within its means

## BAYANIHAN 1 Act

*Enacted on 24 March 2020,  
expired on 24 June 2020*

PHP387.9bn (US\$7.6bn)  
*Total Allotment Releases*

- To better respond to the COVID-19 crisis, Congress initially, through **Republic Act (RA) No. 11469** also known as the “**Bayanihan to Heal as One Act**” or **Bayanihan 1**, granted the President the power to adopt emergency measures and to reallocate and realign from regular appropriations and savings on other items in the 2020 National Budget.

## BAYANIHAN 2 Act

*Enacted on 11 September 2020,  
expired on 30 June 2021*

PHP140.0bn (US\$2.7bn)  
*Regular Appropriation plus standby fund worth  
PHP25.5bn  
(US\$501.0mn)*

- The special powers of the President granted under Bayanihan 1 was extended through **RA No. 11494** also known as the “**Bayanihan to Recover as One Act**” or **Bayanihan 2**
- Meanwhile, RA No. 11519 signed on 29 December 2020 extended the availability of funds appropriated through the Bayanihan 2 until 30 June 2021.
- Provisions were allocated to vulnerable sectors and households, health related programs, businesses, public transport and tourism, and education

# Rapid, Comprehensive, and Fiscally Sustainable Responses to COVID-19 Supports Economic Recovery

Congress swiftly passed fiscally responsible measures that the government can implement within its means

## CREATE Act

*Enacted in March 2021*

### Corporate Recovery and Tax Incentives for Enterprises Act\*

- **Republic Act No. 11534** accelerated the reduction in corporate income tax rate to ease the impact of the pandemic.
- Lowers CIT rate from 30% to 20% for MSMEs, and 25% for large corporations
- Immediate reduction in CIT rate is effective starting in July 2020 for domestic and foreign corporations, and January 2021 for foreign nonresident corporations
- Also provides for performance-based, targeted and time-bound tax incentives for new investment and firms replacing a decentralized system of tax incentive provision by individual ministries and agencies

## FIST Act

*Enacted on 16 February 2021*

### Financial Institutions Strategic Transfer Act

- **Republic Act No. 11523** strengthens the financial sector by allowing banks and financial institutions to efficiently dispose of their non-performing assets (NPAs) and non-performing loans (NPLs) to asset management firms, known as FIST corporations (FISTC), thereby enabling banks to extend credit to more sectors
- FIST law can possibly free up PHP1.19tn worth of loans from the sale by banks of their NPAs
- Expected to improve banking system's NPL ratio of the banking system by 0.6 to 5.8 percentage points for 2021 to 2025

## GUIDE Bill

*Pending in Congress*

### Government Financial Institutions Unified Initiatives to Distressed Enterprises for Economic Recovery (GUIDE) Act (House Bill No. 7749)

- Approved on third reading at the House of Representatives on 9 February 2021. Pending in various committees at the Senate
- Seeks to expand the loan assistance, rediscounting and other credit facilities of government financial institutions, Development Bank of the Philippines (DBP) and Land Bank of the Philippines (Landbank), to help MSMEs cope with the effects of COVID-19. The bill directs:
  - DBP to expand capital stock to PHP100bn from PHP35bn
  - Landbank and DBP to invest in or enter into a joint venture agreement in creating a special holding company meant to assist in rehabilitating Strategically Important Companies (SIC) to remain solvent
  - Provides PHP10bn to GFIs to create SICs, of which PHP7.5bn for Landbank and PHP2.5bn for DBP

# Rapid, Comprehensive, and Fiscally Sustainable Response to COVID-19 Supports Economic Recovery

Congress swiftly passed fiscally responsible measures that the government can implement within its means

	Bayanihan 1	Bayanihan 2	Regular Funds*	Total
<b>Allotment Releases (in PHP bn)</b>	387.93	214.22	114.79	716.95
<b>Obligations (in PHP bn)</b>	371.60	204.26	82.42	658.27
<i>Obligation Rate (%)</i>	<i>95.79</i>	<i>95.35</i>	<i>71.80</i>	<i>91.82</i>
<b>Disbursements (in PHP bn)</b>	363.16	195.64	57.22	616.02
<i>Disbursement Rate (%)</i>	<i>97.73</i>	<i>95.78</i>	<i>69.43</i>	<i>93.58</i>

- As of 31 December 2021, released allotments from Bayanihan 1 and Bayanihan 2 funds, including Regular funds amounted to PHP716.95bn\*\* or around US\$14.12bn\*\*\*.

\* FY 2020 and 2021 General Appropriation Act

\*\*Figures may not add up due to rounding

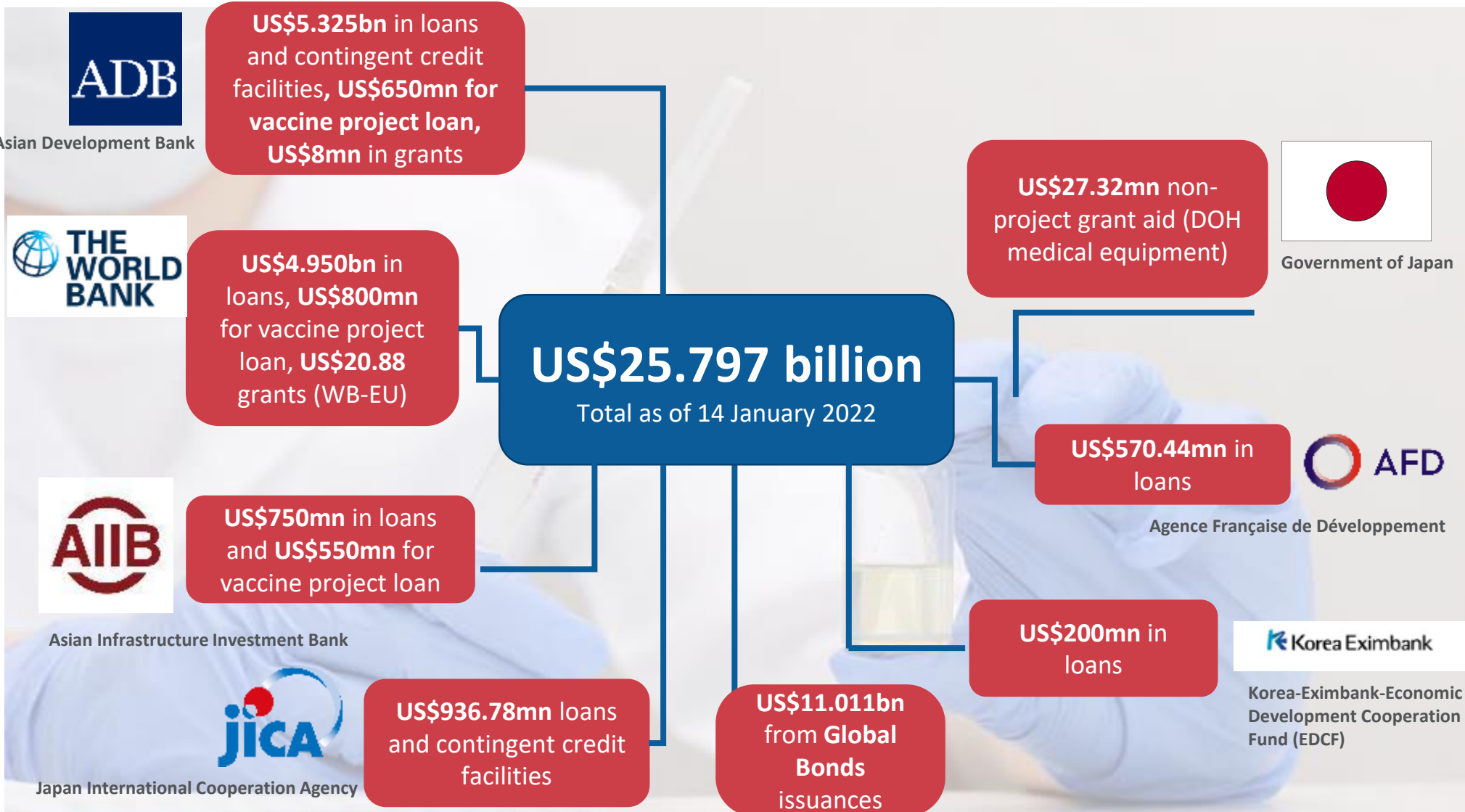
\*\*\*Forex used is PHP/US\$ = 50.774 (Average from 1 Jan –31 Dec 2021)

Note: Under Bayanihan 2, the government was authorized to realign and generate savings for COVID-19 response measures

Source: Department of Budget and Management

# Rapid, Comprehensive, and Fiscally Sustainable Response to COVID-19 Supports Economic Recovery

Financing secured from development partners and commercial markets to support COVID-19 response efforts



# BSP's Pandemic Response

## BSP's policy interventions amid the pandemic

### Shore up market confidence and ensure adequate liquidity and credit

- Cumulative 200 bps policy rate cuts, which reduced the RRP from 4.0% to 2.0%
- RRR reduction of 200 bps for UKBs and 100bps for TBs and RCBs

### Complement government programs through extraordinary liquidity measures

- Short-term provisional advances to national government
- Purchase of government securities in the secondary market
- Php20 billion dividends remitted

### Help maintain stability of the banking system through regulatory relief measures

- Extended financial relief to borrowers
- Incentivized lending
- Support for continued financial services delivery
- Promote continued access to financial services

The BSP is mindful that as the economy recovers and gradually returns to normal, the extraordinary measures will need to be scaled back



The BSP has infused over PhP2.2tn into the financial system. Equivalent to 11.2% of GDP\*

# BSP Key Relief Measures to Mitigate Impact of COVID-19 Crisis

## Extend Financial Relief to Borrowers

- Excluded some loans from past due and non-performing classification
- Staggered the booking of allowance for credit losses
- Provided grace period on settlement of outstanding obligations or restructuring of rediscounted loans
- Issued temporary cap/ceiling on interest rates of credit card receivables

## Incentivize Lending

- Reduced credit risk weights of loans granted to MSMEs
- Assigned zero-percent risk weight to some guaranteed loans
- Allowed loans to some large corporations and to MSMEs as alternative reserve requirement compliance, with limits
- Deferred implementation of revised risk-based capital framework
- Reduced minimum liquidity ratio
- Temporarily relaxed regulatory limits, i.e., increased borrowing limit of pawnshops, and single borrower limit (SBL)
- Allowed use of capital and liquidity buffers

## Promote Continued Access to Financial Services

- Relaxed KYC requirements
- Suspended fees and charges on use of online banking platforms
- Temporarily waived fees i.e., on application to provide Electronic Payments and Financial Services (EPFS), on PhilPaSS fund transfer transactions

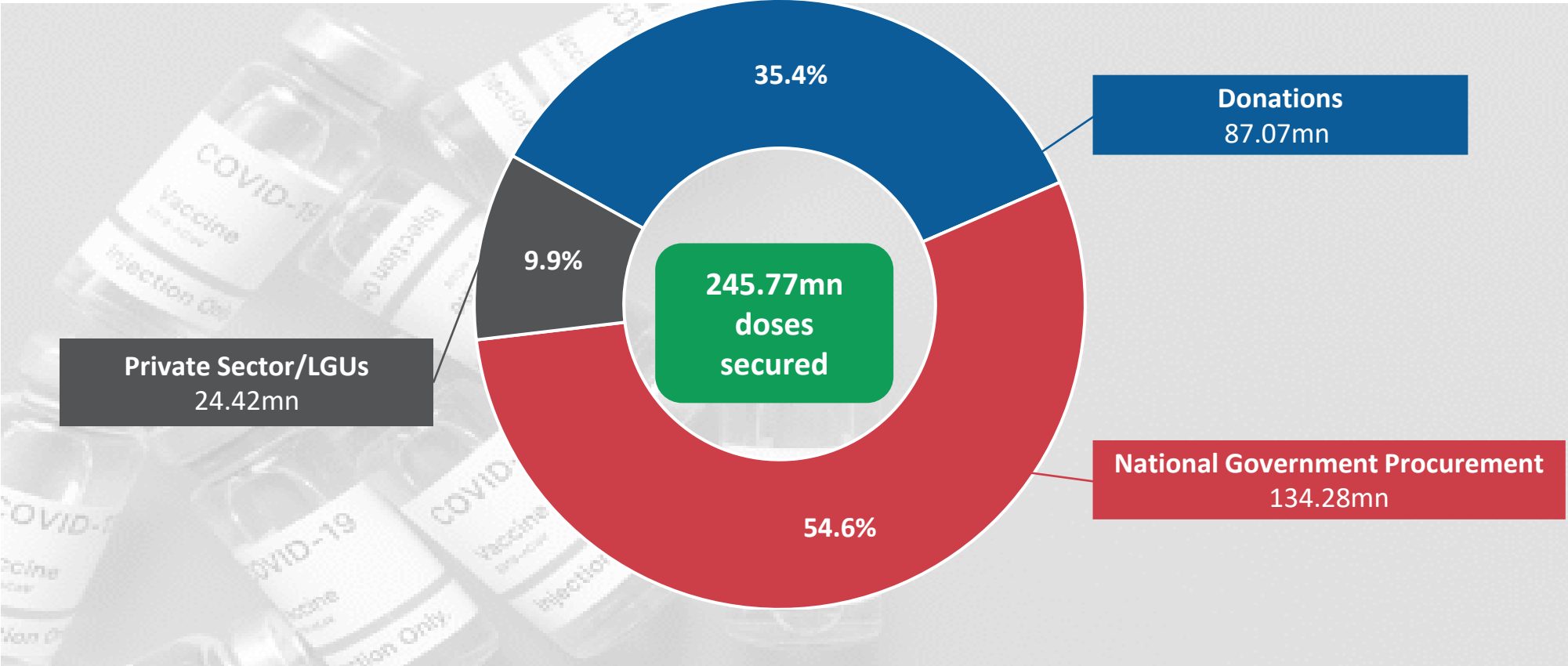
## Support Continued Financial Services Delivery

- Waived notarization requirement for certifications (bank report)
- Provided relief measures on mark-to-market treatment of investments
- Relaxed penalties on reserve requirement deficiencies
- Relaxed notification requirements
- Extended the transition period for the implementation of the interest rate risk in the banking book
- Extended the implementation timeline of the certification requirements for UITF marketing personnel

# Stable Vaccine Supply Boosts Inoculation Drive

More than enough vaccines have been secured

Summary of Vaccine Doses Secured by Source (as of 3 March 2022)



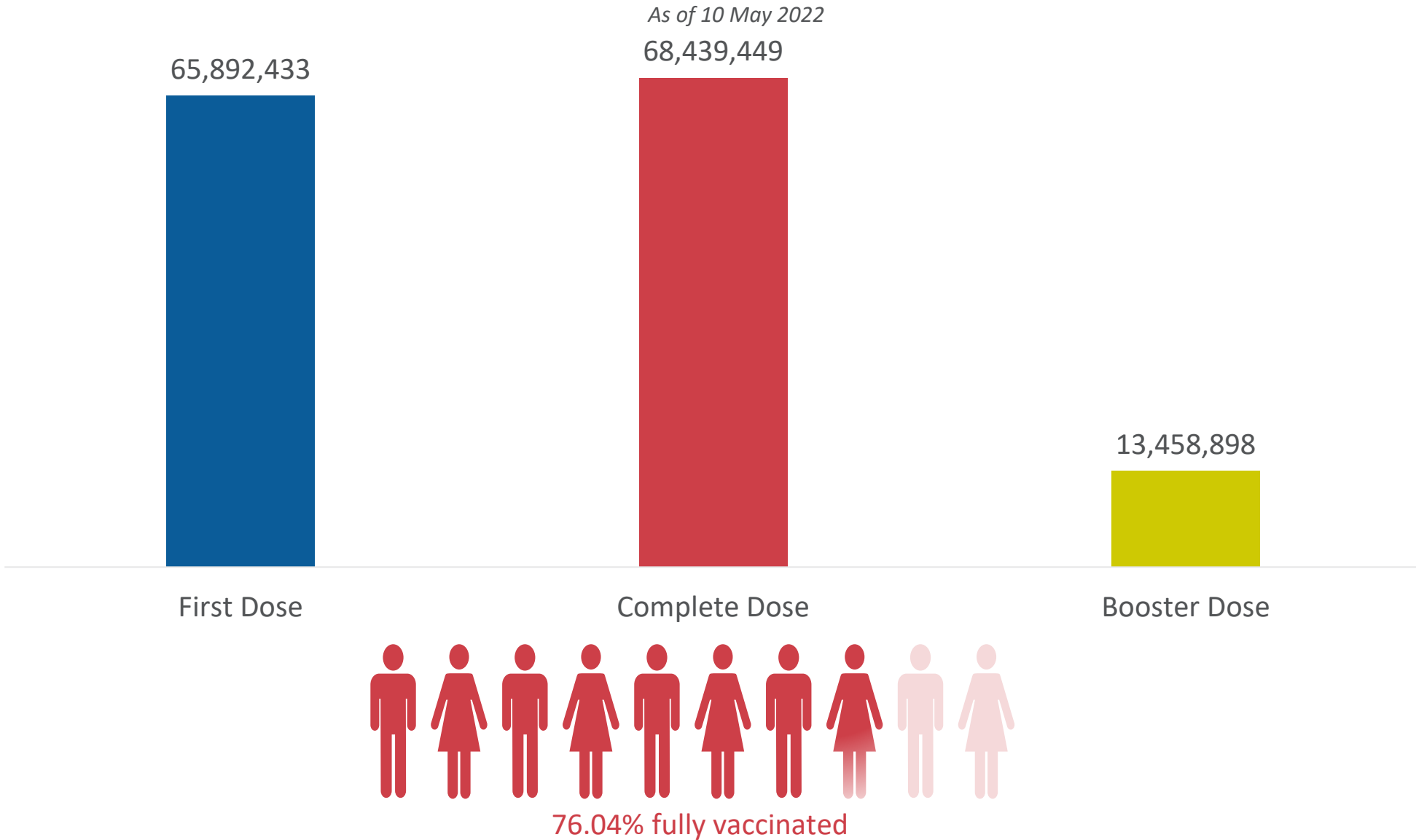
244,768,560

Total COVID-19 Vaccine Doses that Arrived  
in the country as of 29 April 2022

# Improved Vaccination Rate Supports Full Economic Recovery

## National COVID-19 Vaccination Rollout

As of 10 May 2022

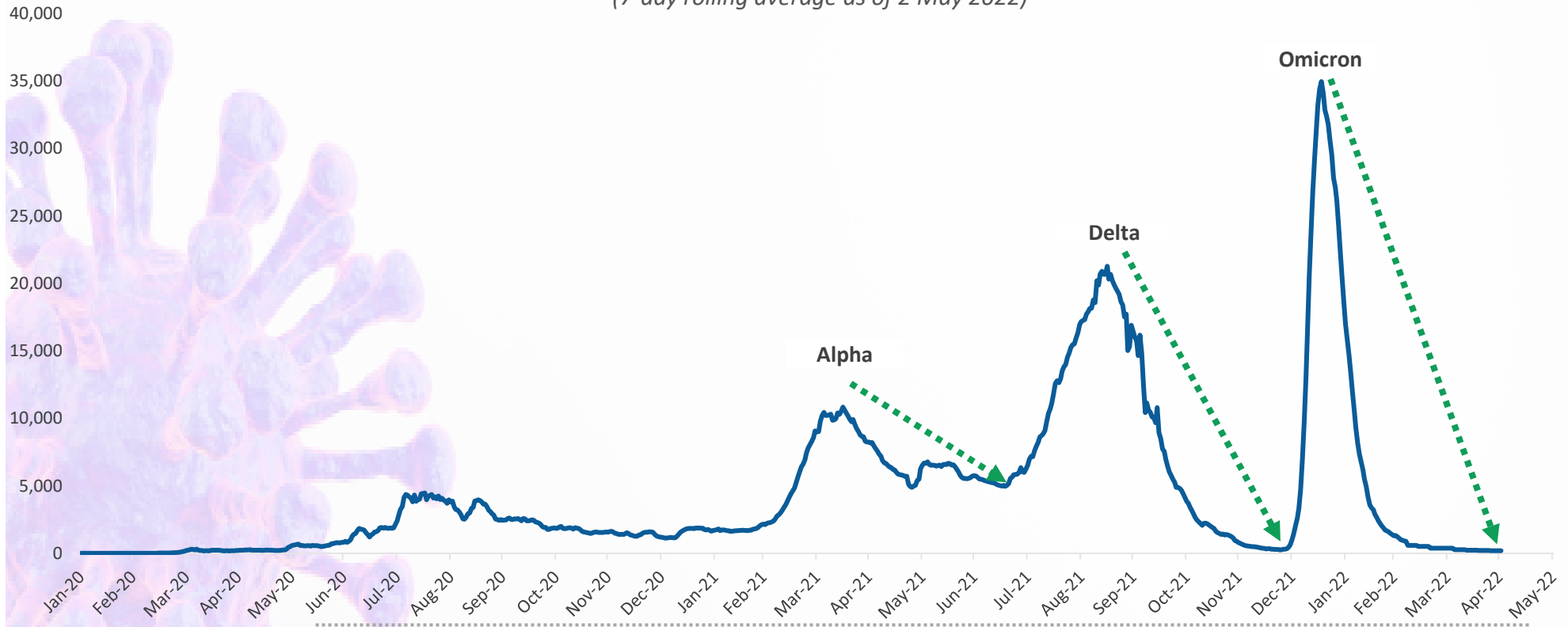




# Government's Pandemic Response Effectively Controls COVID-19 Waves

## Philippine Covid-19 Situation

(7-day rolling average as of 2 May 2022)



Wave in April 2021  
(Alpha Variant)

Wave in August 2021  
(Delta Variant)

Wave in January 2022  
(Omicron Variant)

Mild and Asymptomatic  
Cases (%)

98.8

97.3

98.3

Covid-19 Hospital Bed  
Occupancy Rate (%)

53.5

67.5

44.4

Data for severity of case and hospital capacity during wave peaks, i.e., 2 April 2021, 11 September 2021, 15 January 2022

Sources: Our World in Data (OWID), DOH

# Building Momentum for Strong, Sustained Economic Recovery

## Executive Order No. 166 adopts 10-point policy to align government's economic recovery response

- Shift from pandemic to endemic mindset to build on gains from the pandemic and restore path to rapid and inclusive growth

<b>Metrics</b>  Change metrics used in making decision; this will align better to the objectives in an "endemic world"	<b>Vaccination</b>  Accelerate vaccination rate and expand to children	<b>Healthcare Capacity</b>  Ensure adequate healthcare capacity at all times  PHP305.2bn (US\$6.0bn)	<b>Economy and Mobility</b>  Further reopen the economy and expand public transport capacity: move people, not strand them	<b>Schooling</b>  Reopen face-to-face learning
<b>Domestic Travel</b>  Remove most restrictions and requirements for domestic travel for vaccinated travelers	<b>International Travel</b>  Further relax requirement for international arrivals	<b>Digital Transformation</b>  Enhance service delivery in both the public and private sectors and ensure delivery during another pandemic or lockdown	<b>Pandemic flexibility bill</b>  Strengthen the government's institutional capacity to quickly respond to health emergencies in the future	<b>Medium-term preparation for pandemic resilience</b>  Use lessons learned from this pandemic to make society more resilient against future pandemics

# Economic Blueprint on Long-Term Goals, Transition Towards Economic Recovery

## Updated Philippine Development Plan to accelerate economic recovery and build a healthy and resilient Philippines

- Universal Health Care Act to provide a framework for health system improvement
- Paradigm shift in provision of healthcare, from being fragmented and facility-based, to having a network of healthcare with primary care facilities acting as the gatekeeper
- Education sector agencies will design inclusive mechanisms that deliver quality education focused on digital training skills
- Decongest urban areas via the Balik Probinsya Bagong Pag-asa Program that encourages informal settlers in Metro Manila to return to the province
- Review different land use plans and local development plans to incorporate disaster risk reduction and management
- Invest in infrastructure, agriculture, business, transportation and healthcare across the region



- Food value chain approach – from farm to plate
- Investments in storage facilities, postharvest, cold chain, and technologies that prolong the shelf-life of food

- Implement the National Broadband Plan and Free Wi-Fi program
- Use of digital platform in government transactions
- Provide technical and financial assistance programs to businesses, especially the MSMEs, to transition towards greater digitalization

### Economic liberalization reforms to increase the country's competitiveness and create more jobs

- Public Service Act
- Foreign Investment Act
- Retail Trade Liberalization Act

# Sound Credit Profile



# Strong Credit Profile Underpins Swift Economic Recovery

Metric	2016	2017	2018	2019	2020	2021	2022
<b>Credit Rating</b> <ul style="list-style-type: none"> <li>Moody's</li> <li>S&amp;P</li> <li>Fitch</li> <li>R&amp;I</li> <li>JCR</li> </ul>	Baa2/stable BBB/stable BBB-/positive BBB/stable BBB+/stable	Baa2/stable BBB/stable BBB/stable BBB/stable BBB+/stable	Baa2/stable BBB/positive BBB/stable BBB/stable BBB+/stable	Baa2/stable BBB+/stable BBB/stable BBB/stable BBB+/positive	Baa2/stable BBB+/stable BBB/stable BBB+/stable A-/stable	Baa2/stable BBB+/stable BBB/negative BBB+/stable A-/stable	Baa2/stable BBB+/stable BBB/negative BBB+/stable A-/stable
Real GDP Growth Rate (%), 2018 prices	7.1	6.9	6.3	6.1	-9.5	5.7	8.3 (Q1)
GDP Per Capita (US\$), current prices	3,108	3,153	3,280	3,512	3,326	3,576	3,806 (Annualized)
GNI Per Capita (US\$), current prices	3,453	3,501	3,629	3,864	3,578	3,704	4,029 (Annualized)
Inflation Rate <sup>1/</sup> (%)	1.3	2.91	5.2	2.4	2.4	3.9	3.7 (Jan-Apr)
Fiscal Balance/GDP (%)	-2.3	-2.1	-3.1	-3.4	-7.6	-8.6	N/A
Tax Revenue/ GDP (%)	13.1	13.6	14.0	14.5	14.0	15.5	N/A
National Government Interest Payments/ Revenues (%)	13.9	12.6	12.3	11.5	13.3	14.1	19.0 (Jan-Mar)
General Government Debt/GDP (%)	33.2	34.9	34.4	34.1	44.2	55.9 (end-Sep)	N/A
Gross International Reserves (US\$ bn)	80.7	81.6	79.2	87.8	110.1	108.8	106.8 (end-Apr)
Import Cover (months) <sup>2/</sup>	8.8	7.8	6.9	7.6	12.6	10.3	9.4
Overseas Filipinos' Cash Remittances (US\$ bn)	26.9	28.1	28.9	30.1	29.9	31.4	5.1(Jan-Feb)
Foreign Direct Investments (US\$ bn)	8.3	10.3	9.9	8.7	6.8	10.5	0.8 (Jan)
Current Account/GDP (%)	-0.4	-0.7	-2.6	-0.8	3.2	-1.8	N/A
External Debt/GDP (%)	23.5	22.3	22.8	22.2	27.2	27.0	N/A

<sup>1/</sup> Note: Starting 2022, the Philippine Statistics Authority (PSA) adjusted the base year from 2012 to 2018, reflecting the changing household consumption patterns of Filipinos. Data presented for 2016-2018 uses base year 2012. Meanwhile, 2019- 2021 inflation base year is 2018.

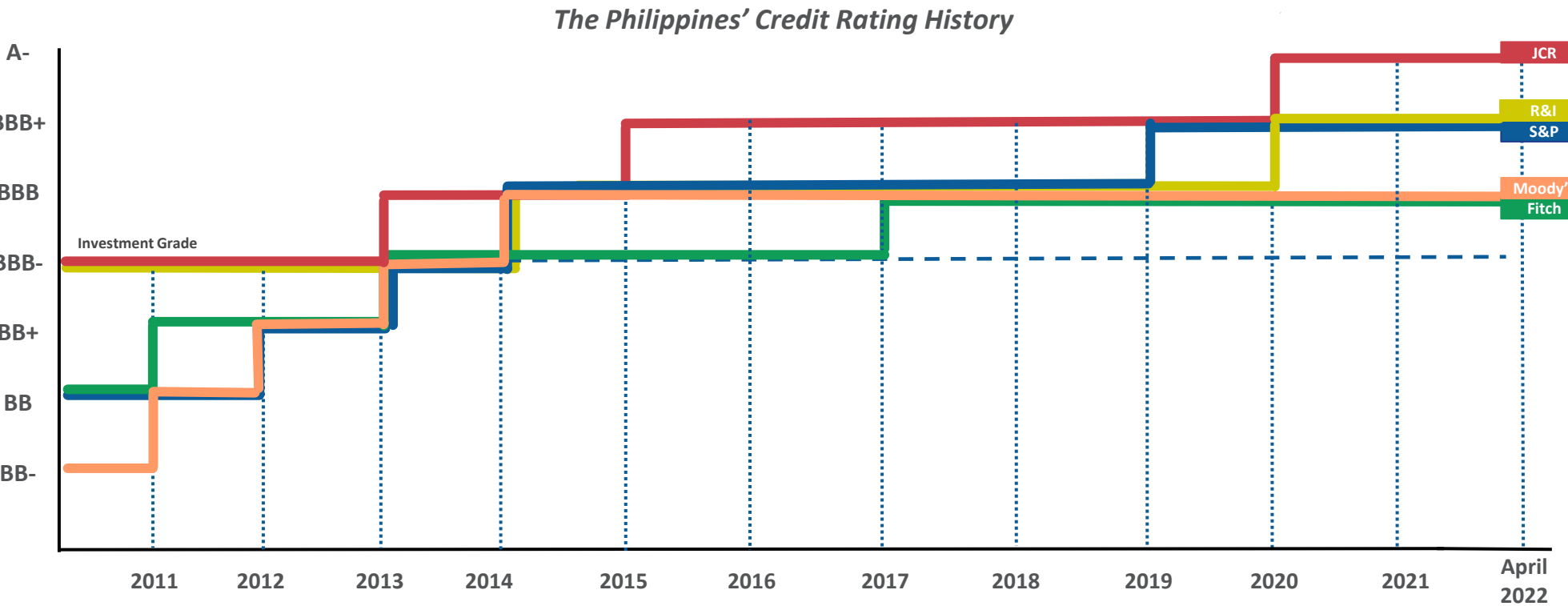
<sup>2/</sup> Number of months of average imports of goods and payment of services and primary income that can be financed by reserves. Starting 2005, data are based on IMF's Balance of Payments and International Investment Position Manual, 6<sup>th</sup> Ed concept.

Source: BSP's Selected Economic and Financial Indicators, Department of Finance (DOF), Bureau of Treasury (BTR), N/A: Not Available

# Ratings Affirmed Amid Pandemic Shock: A Vote of Confidence in the Philippine Economy

The potential impact of COVID 19 and the government’s policy responses are key considerations of credit rating agencies

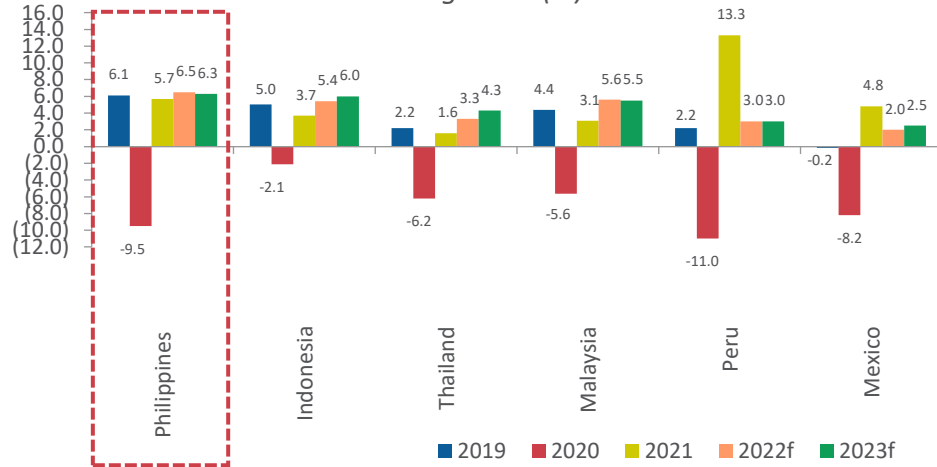
JCR	Affirmed at A-/Stable – Sep 2021
R&I	Affirmed at BBB+/Stable – Apr 2022
S&P	Affirmed at BBB+/Stable – May 2021
Fitch	Affirmed at BBB/Negative – Feb 2022
Moody’s	Affirmed at Baa2/Stable – Jul 2020



# ROP's Credit Profile is Well-placed Even Among Higher-rated Peers

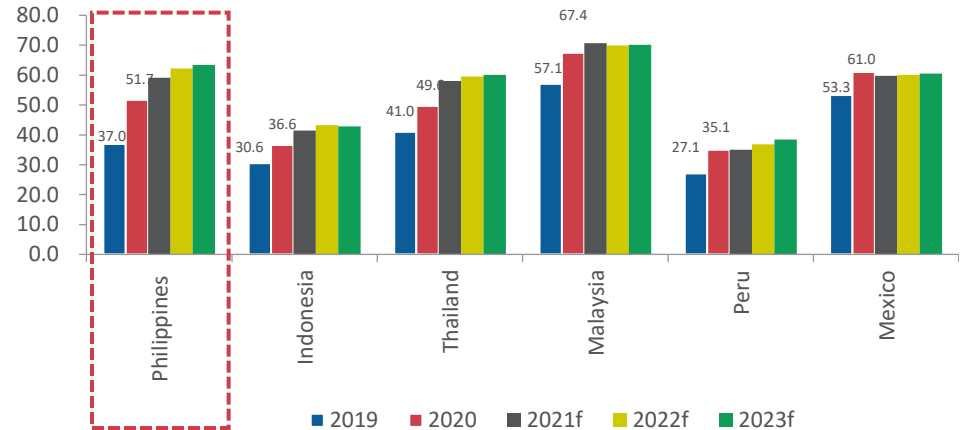
## Growth outlook among the highest

GDP growth (%)



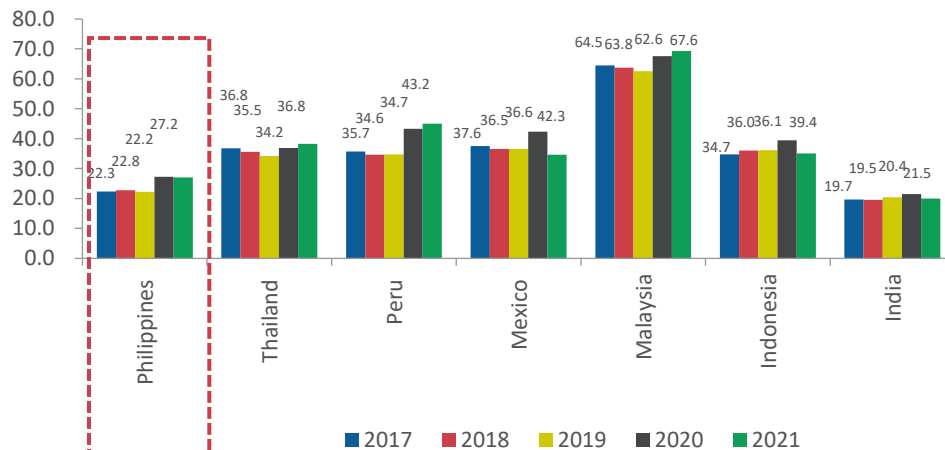
## Debt burden remains manageable

General Government gross debt (% of GDP)



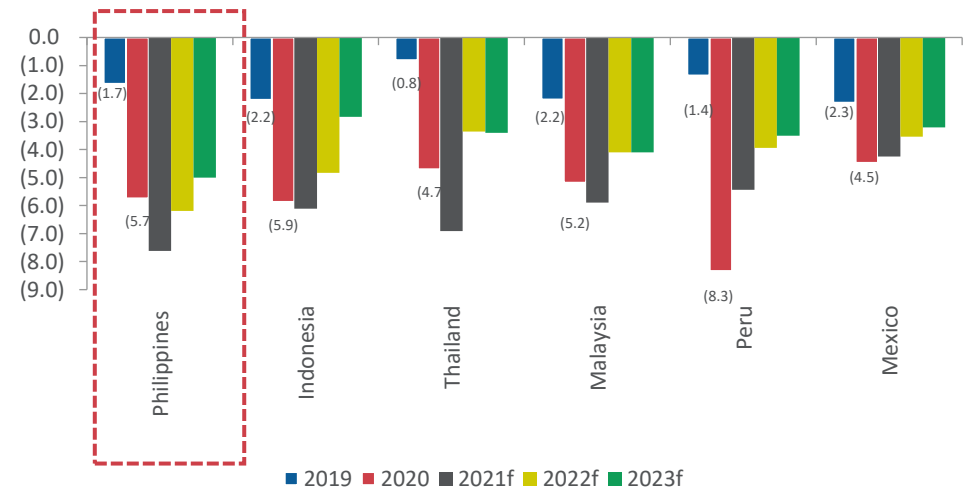
## Low external debt

External Debt (% of GDP)



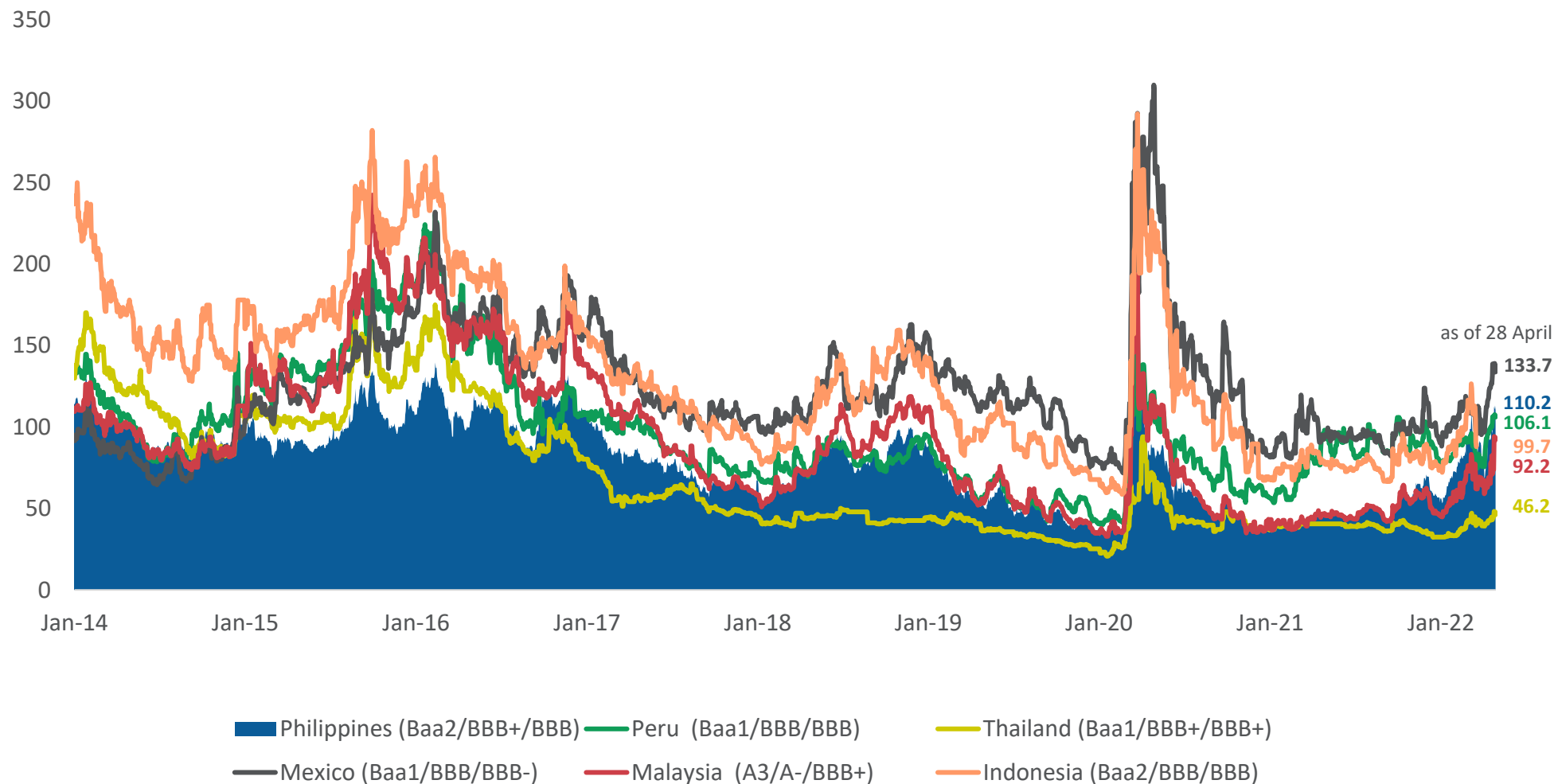
## Sound fiscal position going into pandemic

General Government fiscal balance (% of GDP)



# Investors Remain Confident in the Philippines' Sound Credit Quality

5-year Sovereign CDS spreads (in basis points)



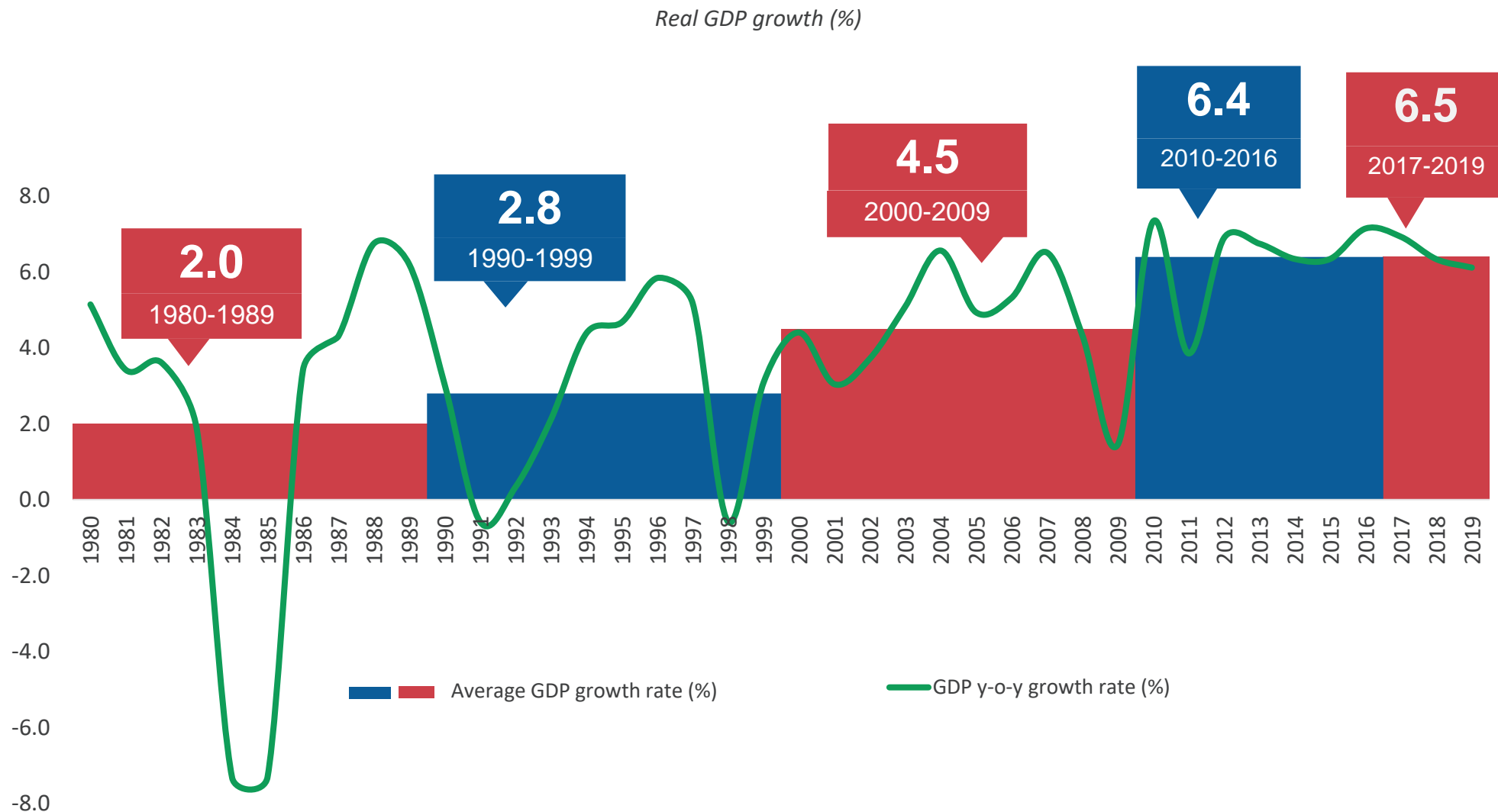


# Long Track Record of Strong Macroeconomic Performance



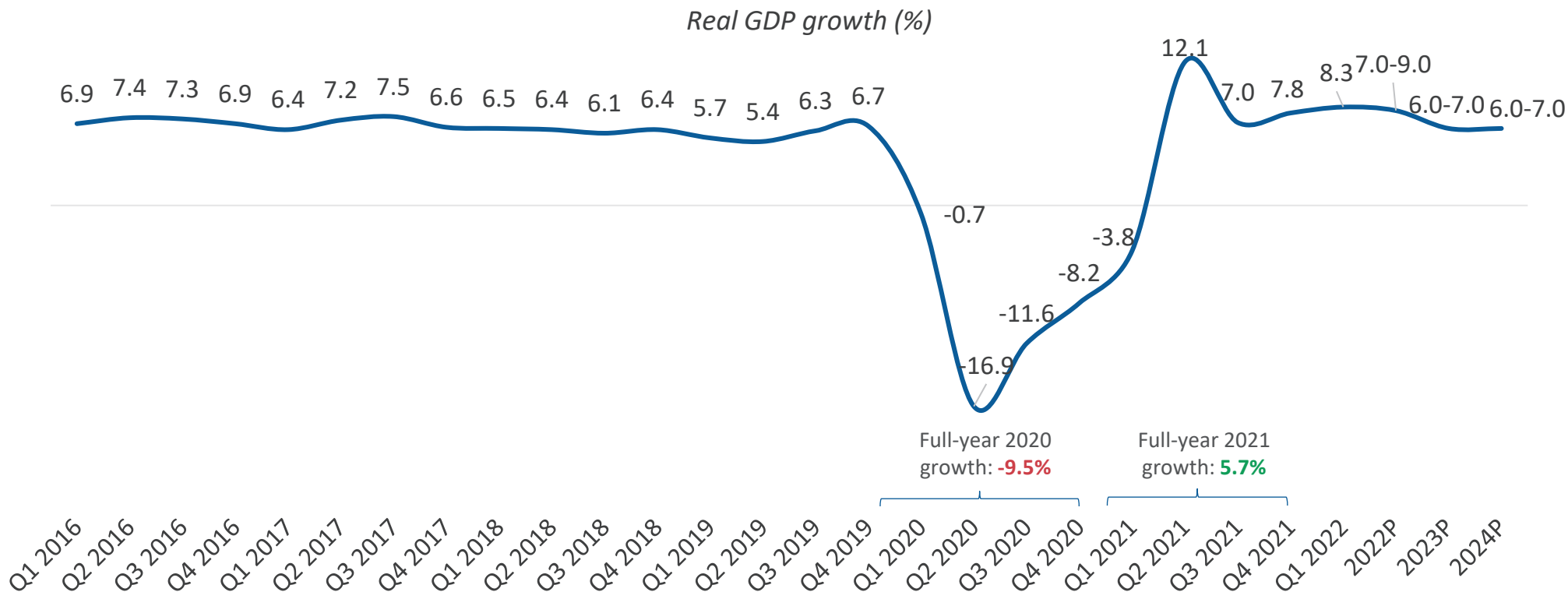
# 21 Years of Uninterrupted Growth Prior to Pandemic

Long history of structural reforms boosted economic growth



# Philippine Economy is Now Recovering Strongly

Economic recovery further gained traction on better risk management in balancing COVID 19 related restrictions and improving health and economic outcomes

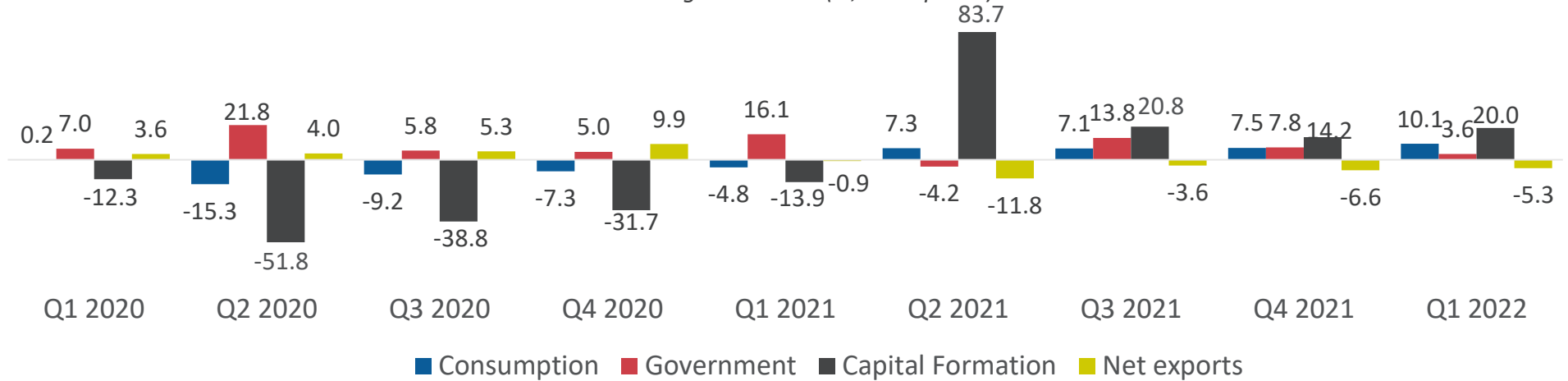


- The Philippines robust performance in 2021 showed continued expansion of most sectors as a result of recalibrated strategies in addressing the COVID-19 pandemic. The full year growth of 5.7% exceeded targets and expectations, which signal that the country is on track to rapid recovery.
- The extended validity of 2021 appropriations and 2022 national budget, Build, Build, Build program, implementation of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) law, amendments to the Retail Trade Liberalization Act, Foreign Investment Act and Public Service Act, and the shift to the least stringent alert level will help attract investments, support resilient growth, and create more and better jobs.

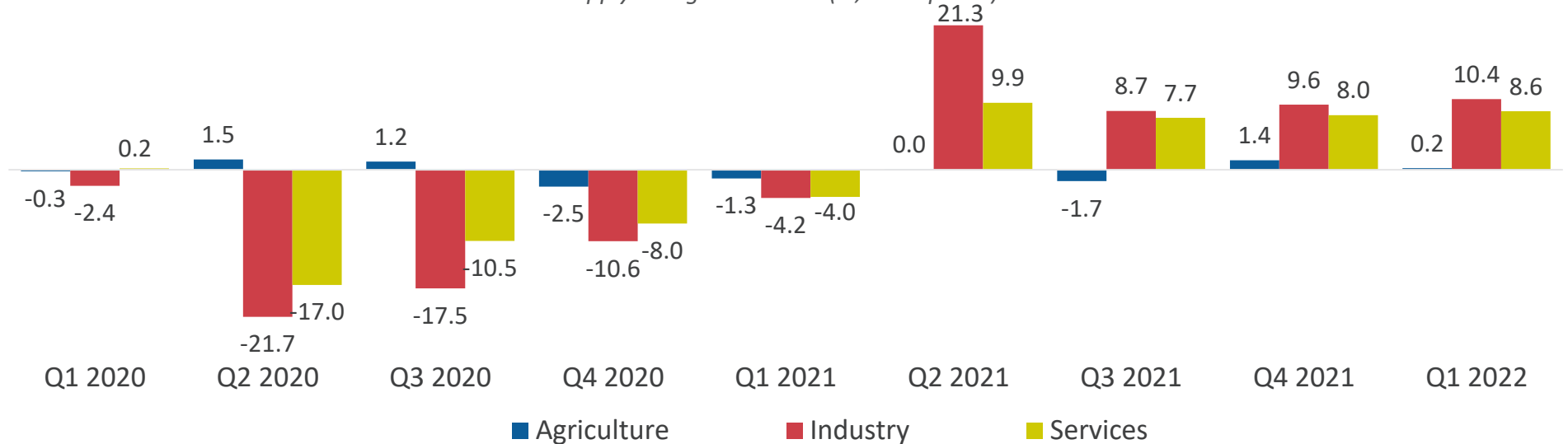
# Broad Economic Recovery Rolls Along

## Growth seen across sectors on improving consumer and business confidence

*Demand side growth rates (% , 2018 prices)*



*Supply side growth rates (% , 2018 prices)*

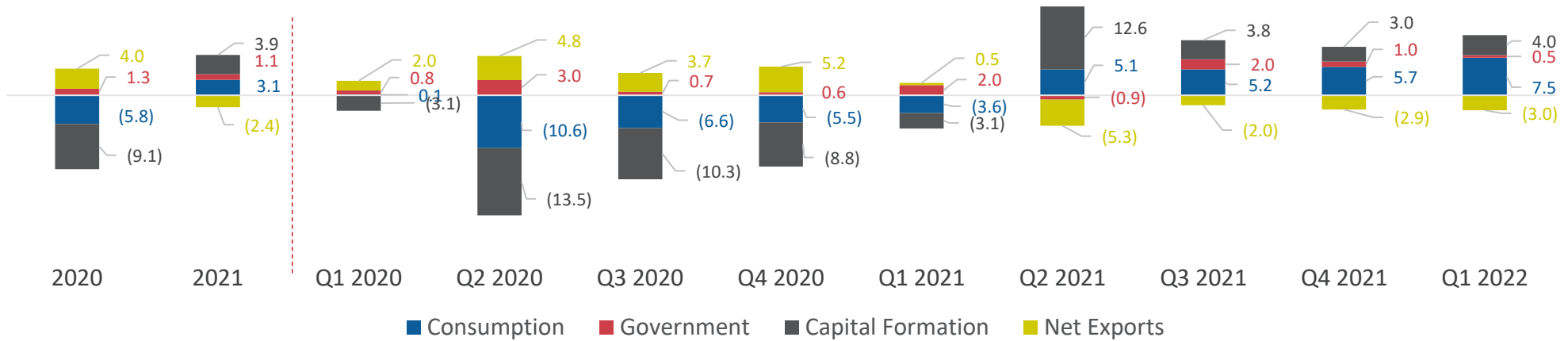


# Economy Bounced Back with Most Sectors Contributing to Growth

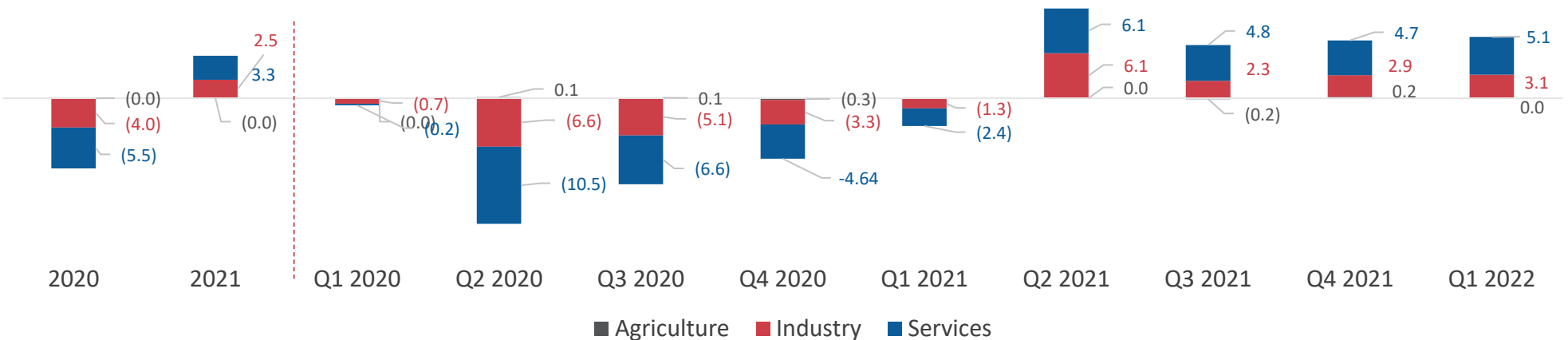
## Growth seen across sectors on improving consumer and business confidence

GDP breakdown by component

Contribution to growth: demand side (% , 2018 prices)



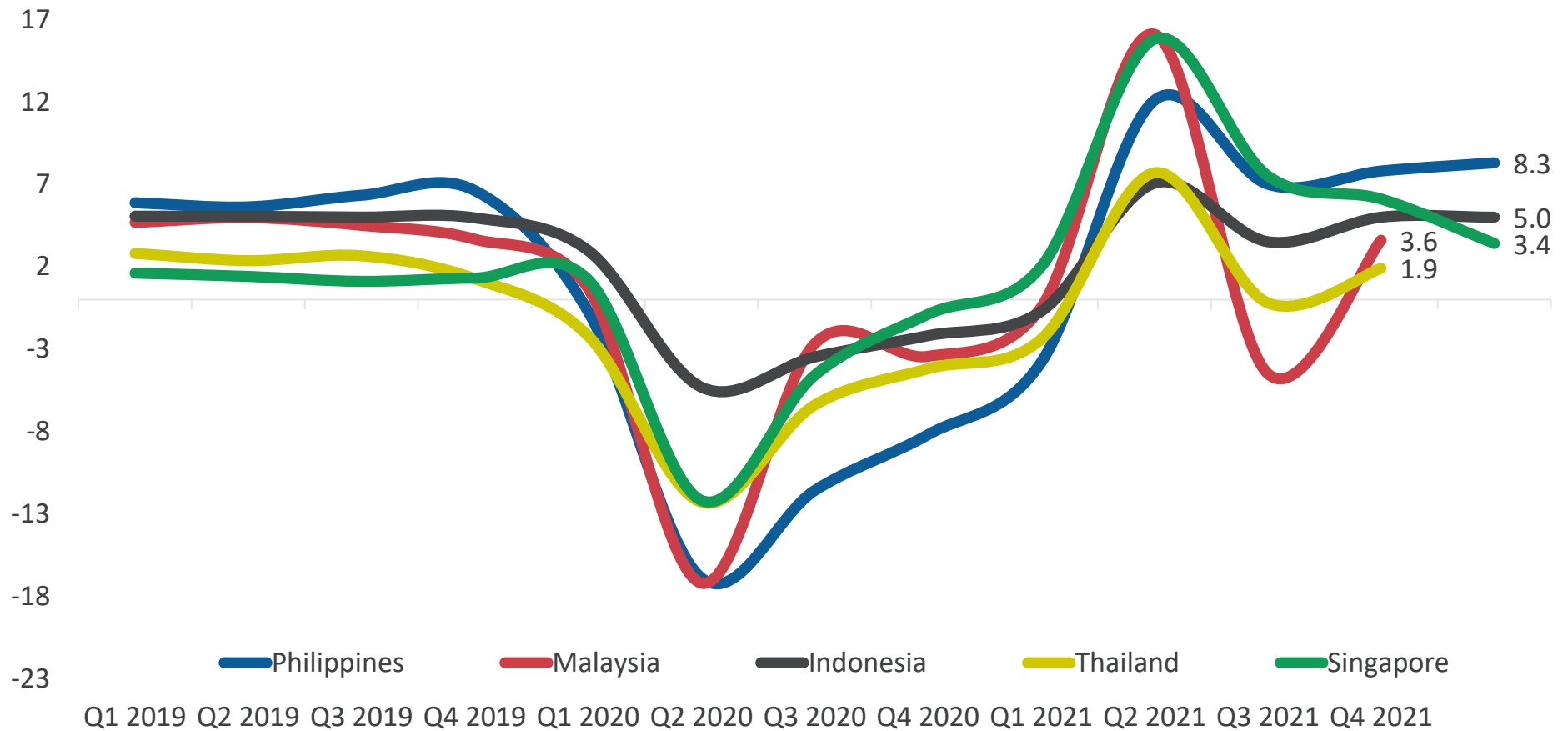
Contribution to growth: supply side (% , 2018 prices)



# Philippine Economy Outperforms Peers in the Region

The Philippines' GDP growth trajectory in 2021 is among the highest within ASEAN 5 economies

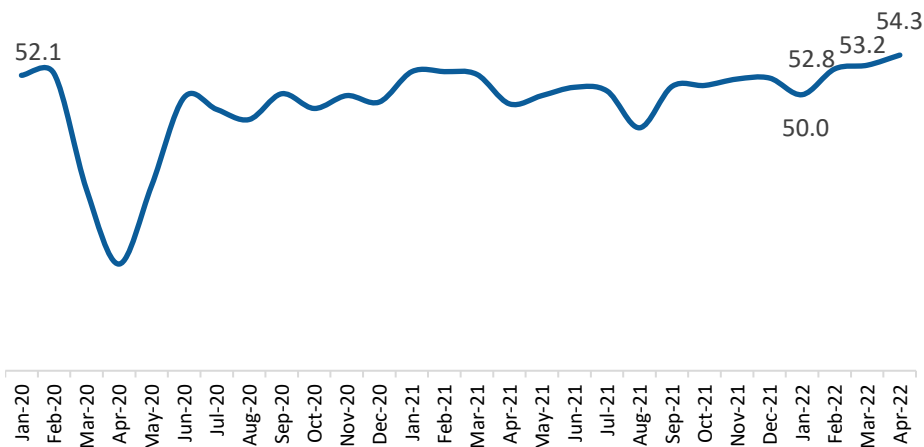
GDP growth (%)



# Economic Recovery Gains Momentum

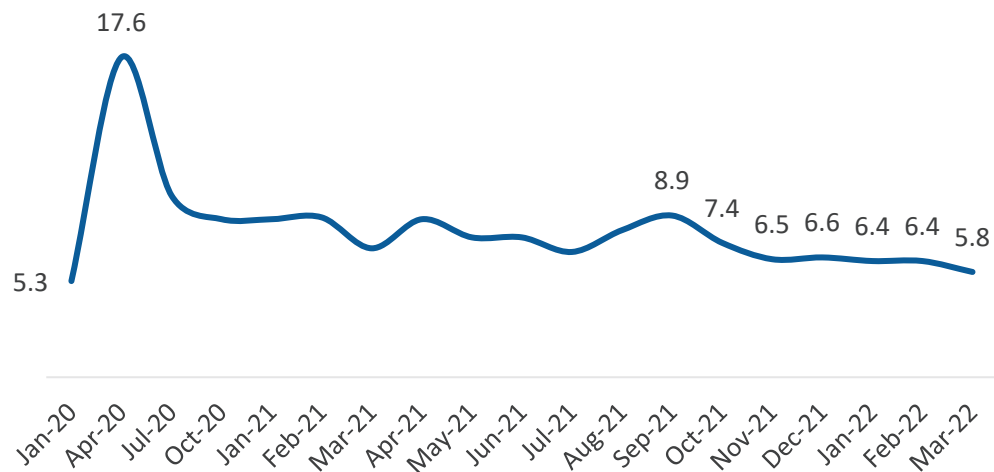
## Manufacturing returns to growth trajectory: Exceeded pre-pandemic output

S&P Global Philippines Manufacturing Purchasing Managers' Index (PMI)



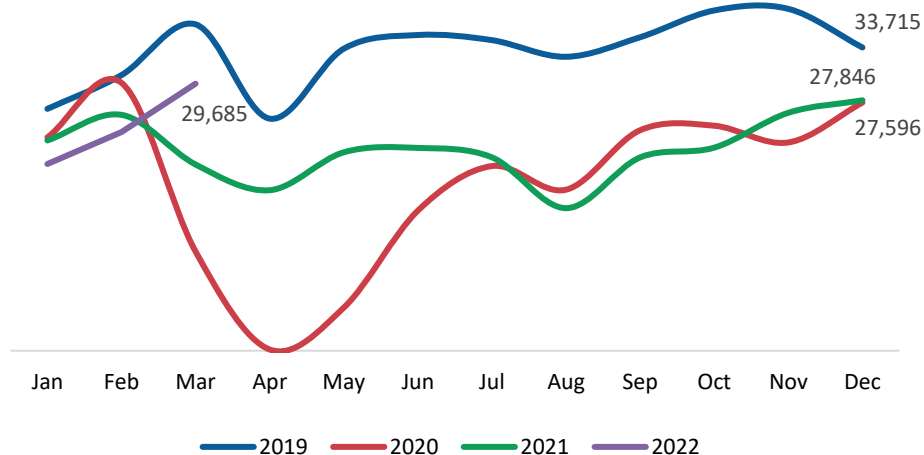
## Employment situation continues to improve

Unemployment rate (%)



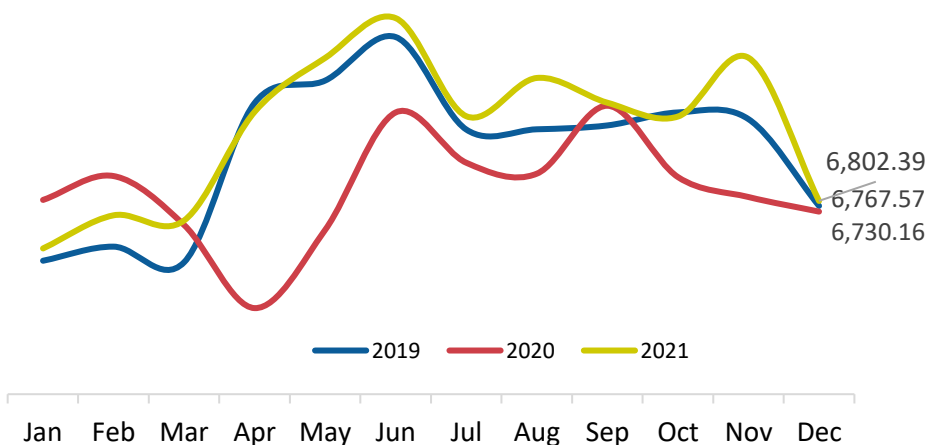
## Humming back to life: Motor vehicle sales continue to recover

In Unit



## Increased energy consumption

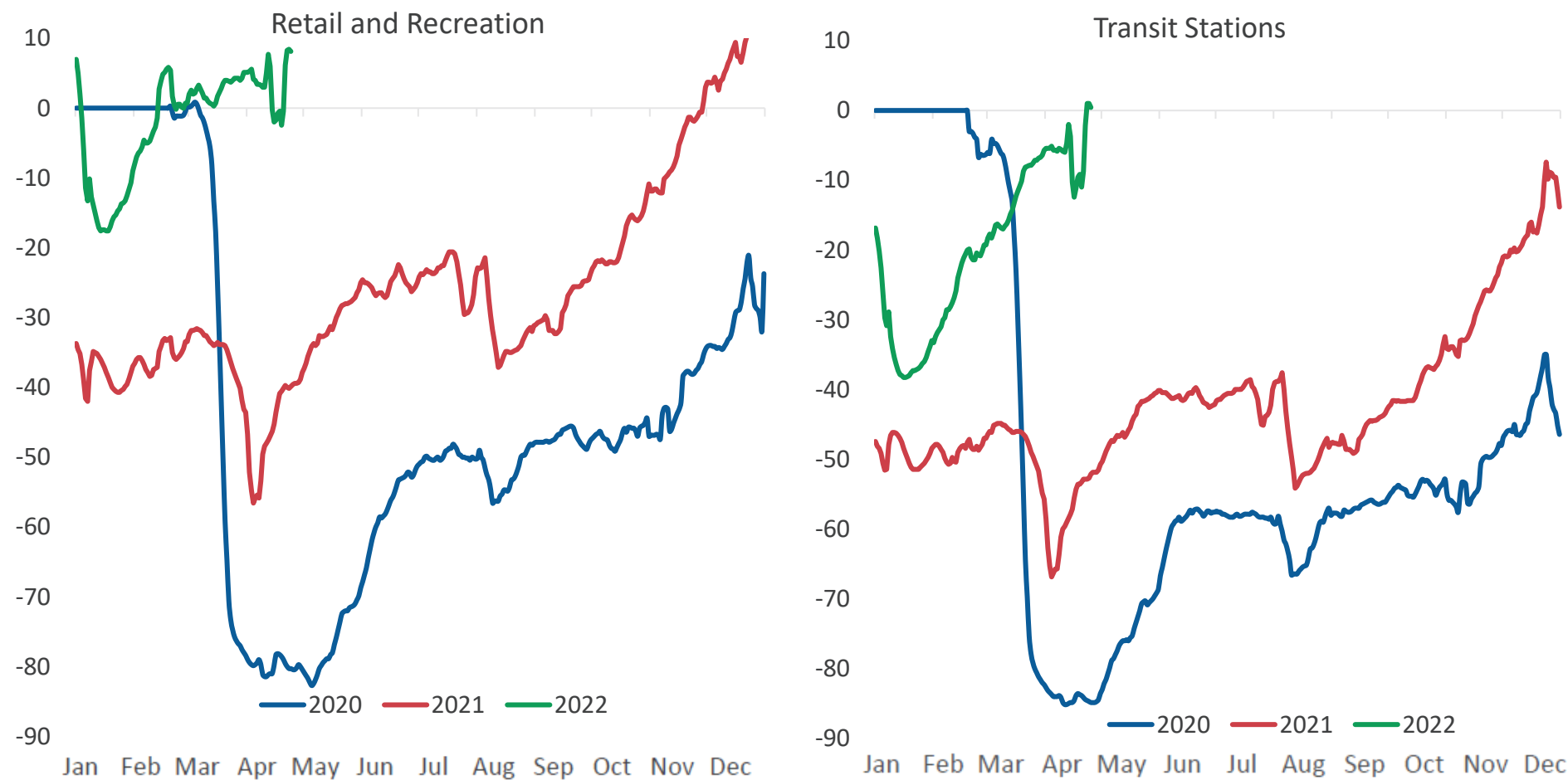
Energy delivery (in GWh)



# Mobility Data Show Strong Improvement

## Significant improvements in the Philippines' mobility data

*Google Mobility Indices for the Philippines*

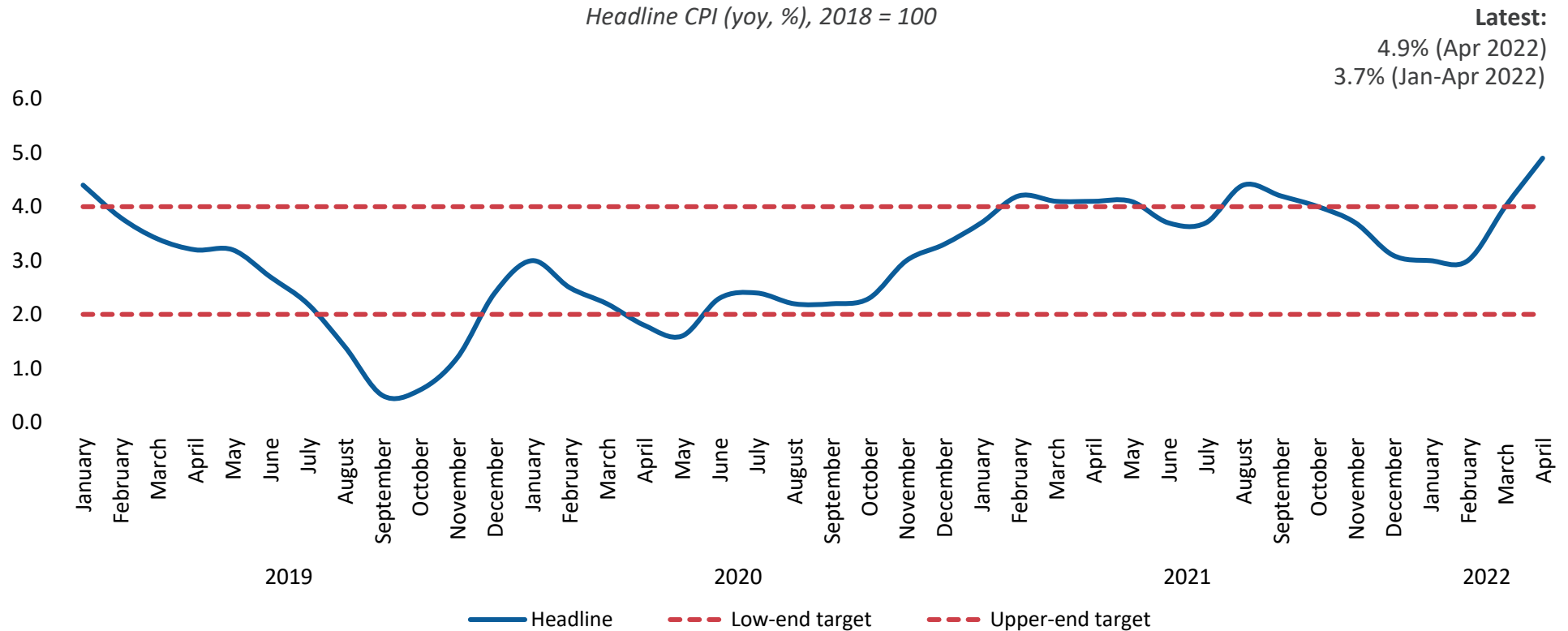




# Manageable Inflation Outlook Mitigates Downside Risks to Growth, Boost Market Confidence

## Manageable inflation environment

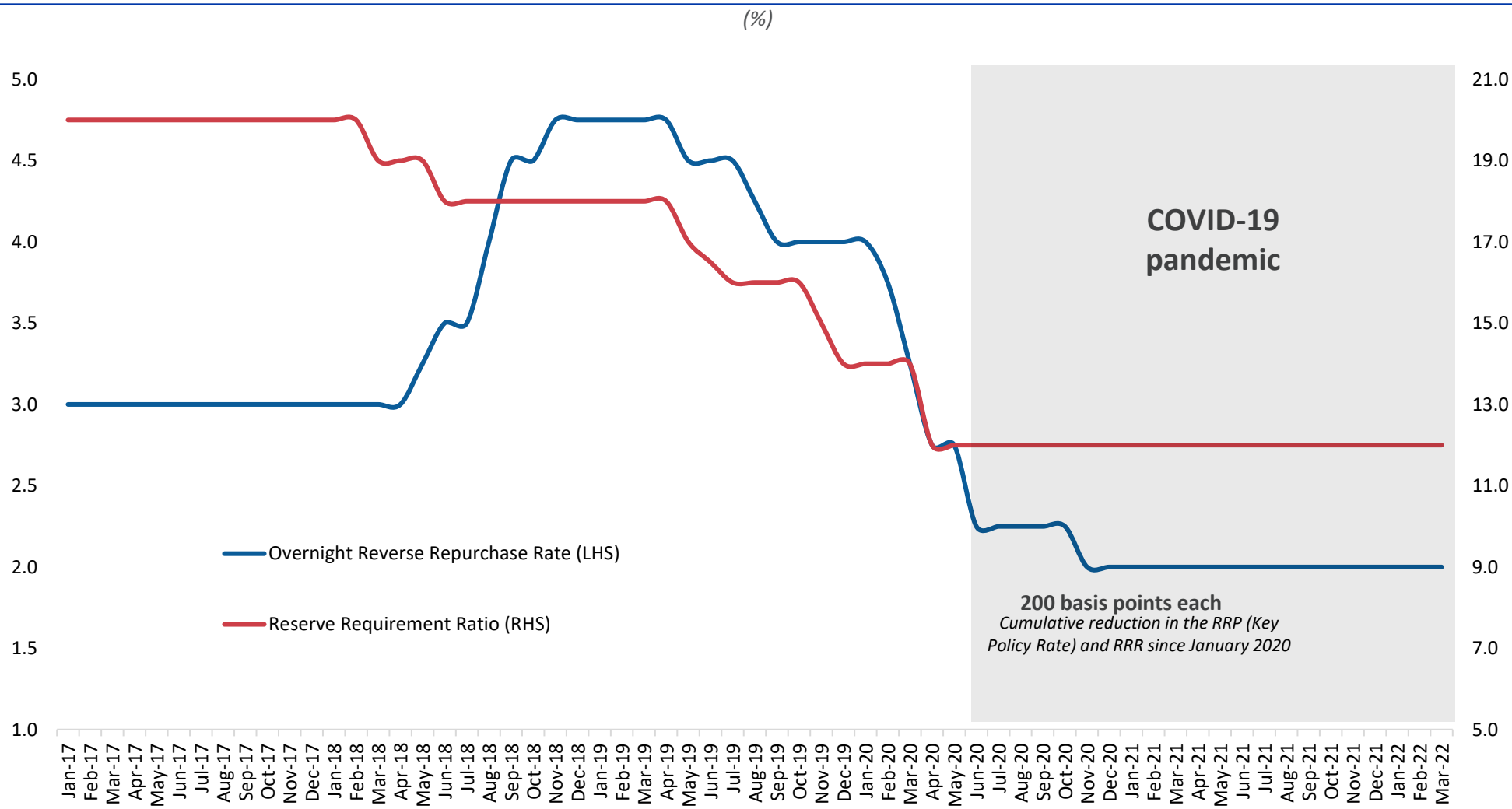
Headline CPI (yoy, %), 2018 = 100



- Headline inflation rose to 4.9% year-on-year in April 2022 from the previous month's rate of 4.0%. The resulting year-to-date average inflation of 3.7% is within the Government's average target range of 2.0-4.0% for the year. The latest inflation outturn is consistent with the BSP's assessment that inflation could settle above the government's target range in 2022, before decelerating back to target in 2023 as supply-side pressures ease.
- The BSP continues to support sustained initiatives to ensure adequate domestic food supply, which could mitigate further supply-side pressures on inflation. The BSP will carefully consider the latest developments and all other relevant information at its next monetary policy meeting to ensure that the monetary policy stance remains consistent with its price stability objective.

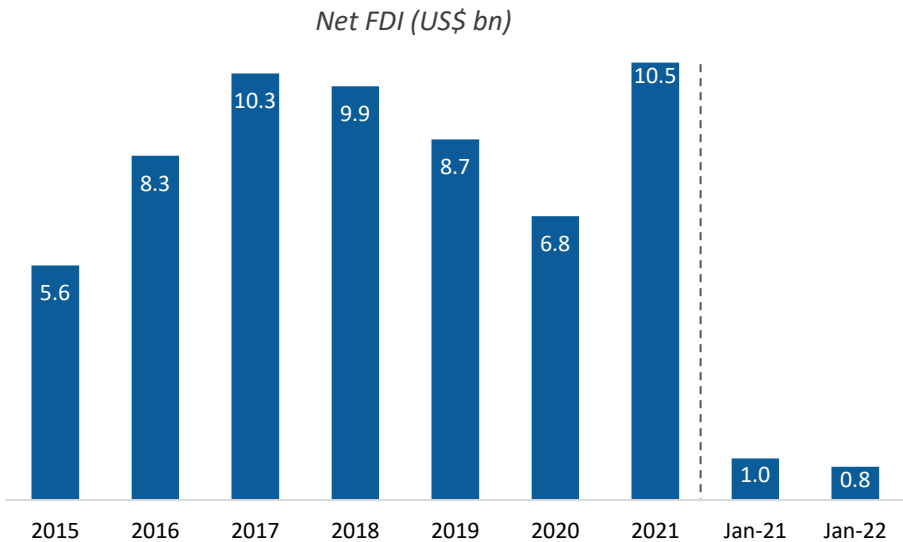
# Accommodative Monetary Policy Stance Supports Sustainable Economic Recovery

Overnight Reverse Repurchase Rate vis-à-vis Reserve Requirement Ratio

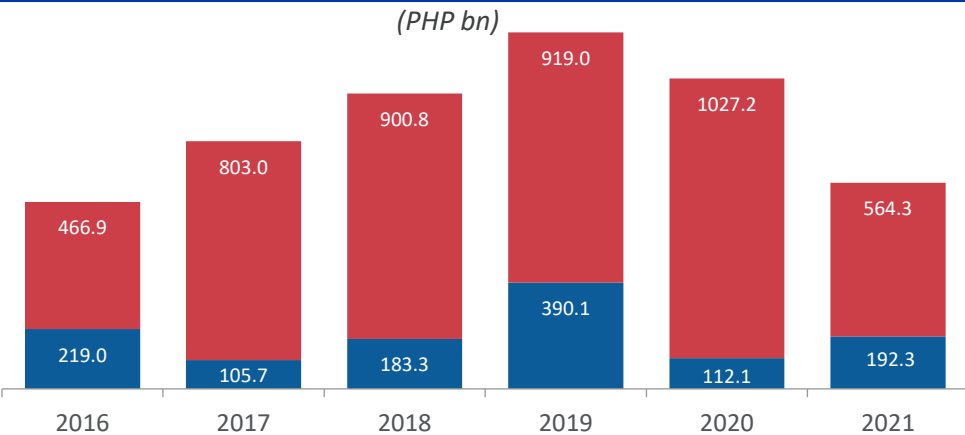


# Favorable Prospects Supports Sustained Investment Flows

Net FDI inflows continued its growth momentum, indicating confidence in economic recovery and long-term growth prospects

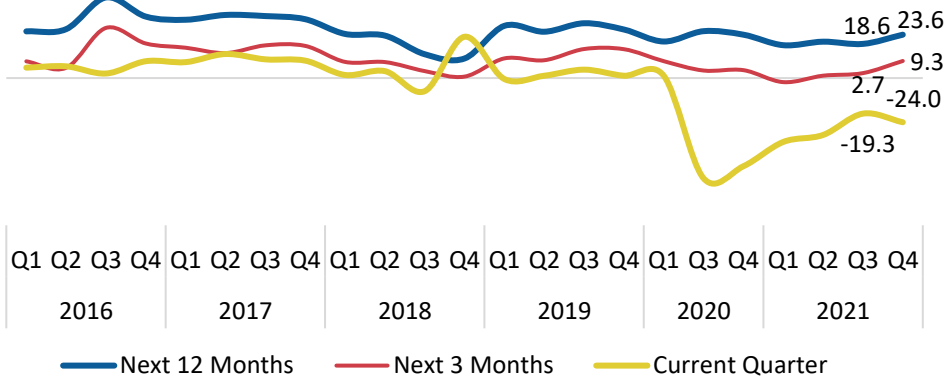


Foreign investment pledges grew by 71.5% in 2021 signaling strong investor interest

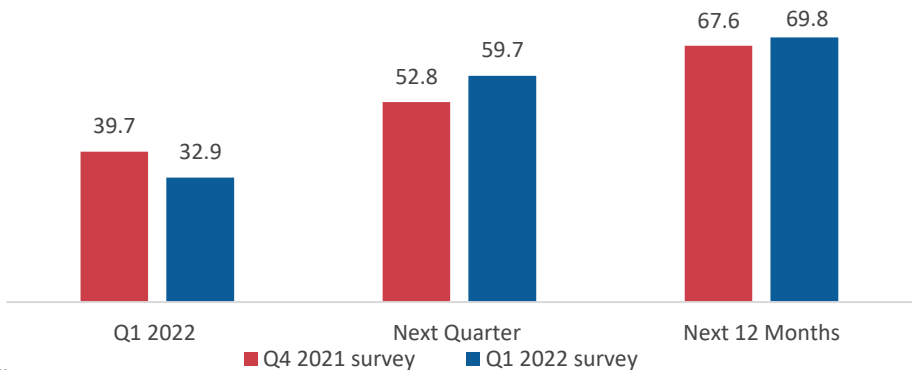


Investment approved by the Philippines' Investment Promotion Agencies – Board of Investments (BOI), Clark Development Corporation (CDC), Philippine Economic Zone Authority (PEZA), Subic Bay Metropolitan Authority (SBMA), Authority of the Freeport Area of Bataan (AFAB), BOI-Autonomous Region of Muslim Mindanao (BOI-ARMM), and Cagayan Economic Zone Authority (CEZA)  
Source: BSP, PSA

Consumer confidence more optimistic for Q1 2022 and the next 12 months\*



Business Sentiment is Less Optimistic in Q1 2022, but More Buoyant for Q2 2022 and the Next 12 Months



Note:  
\* The Business Expectations Survey (BES) is a quarterly survey of firms drawn at random from the list of Top 7,000 Corporations ranked based on total assets in 2016 from the Bureau van Dijk database. Meanwhile, the Consumer Expectations Survey (CES) is a quarterly survey of a random sample of about 5,000 households in the Philippines.  
\*Due to the implementation of the Community Quarantine nationwide from 16 March to 31 May 2020, the conduct of the Q2 2020 BES and CES was cancelled.  
\*Next 12 months outlook was only included in BES Q3 survey of 2019

# Strategic Policy Reforms Improve Business Environment

## Economic Liberalization Reforms

**RA No. 11647**  
**Signed on 2 March 2022**

### Amendments to Foreign Investment Act (FIA)

**Allows qualified non-Philippine nationals to do business in the country or invest in a domestic enterprise up to 100% of its capital and liberalizes the practice of professions not governed by existing special laws**

- Micro and small domestic enterprises with less than the equivalent of US\$200,000 paid-in equity capital are reserved to Philippine nationals. Provided that, if: 1) they involve advanced technology as determined by the Department of Science and Technology; or 2) they are endorsed as startup or startup enablers by the lead host agencies; or 3) employ at least 15 direct employees, majority of which are Filipinos, then a minimum paid-in capital of US\$100,000 shall be allowed to non-Philippine nationals. Further, registered foreign enterprise employing foreign nationals and enjoying fiscal incentives shall implement an understudy or skills development program ensuring the transfer of technology or skills to Filipinos
- Allows up to 100% ownership in export enterprises whose products and services do not fall within the foreign investment negative list
- Created the Inter-Agency Investment Promotion Coordination Committee to be headed by the Department of Trade and Industry that integrates all promotion and facilitation efforts to encourage foreign investments
- Establishment of an updated database tool to promote investment and business matching in the local supply chain

**RA No. 11659**  
**Signed on 21 March 2022**

### Amendments to Public Services Act

**Allows up to 100% foreign ownership of public services; e.g., telecommunications, railways, expressways, airports, and shipping industries**

Limited the 60-40 rule on the following list of public utilities:

- Distribution of electricity;
- Transmission of electricity;
- Petroleum and petroleum products pipeline transmission or distribution systems;
- Water pipeline distribution systems and wastewater pipeline systems;
- Seaports; and
- Public utility vehicles.

**RA No. 11595**  
**Signed on 6 January 2022**

### Amendments to the Retail Trade Liberalization Law

**Allows more foreign players in the retail market by lowering minimum paid-up capital for foreign corporations from US\$2.5mn (PHP125mn) to US\$500,000 (PHP25mn) and removing the required net worth, number of retailing branches, and retailing track record conditions**

# Strategic Policy Reforms Improve Business Environment

## Select legislations and policies to improve government efficiency



### **Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act (R.A. No. 11534) of 2021**

Lowers the corporate income tax from 30% to 25% and sets a more competitive and level-playing field for businesses through modernization and improvement of the fiscal incentive system for different investors, which are performance-based, targeted, time-bound and transparent. This is expected to be a game-changer for investment environment. *(Detailed provisions are provided on slide 65 of the fiscal section)*



### **An Act Authorizing the President to Expedite the Processing and Issuance of National and Local Permits, Licenses, and Certifications in Times of National Emergency (RA No. 11517) of 2020**

Makes it easier for business owners and ordinary citizens to apply for government documents and ensures prompt delivery of public services especially during the COVID-19 pandemic



### **Revised Corporation Code of the Philippines Act (RA No. 11232) of 2019**

Improves ease of doing business (EODB) by instituting significant changes to the legal framework for the registration and operation of private corporations, aligning the corporate setting with international best practices



### **Energy Virtual One-Stop Shop Act (RA No. 11234) of 2019**

Streamlines the permitting process of power generation, transmission, and distribution projects to reduce the cost of doing business in the country, and encourage investors



### **Seal of Good Local Governance Act (RA No. 11292) of 2019**

Institutionalized the incentive program for local government units to improve service delivery and help create a business climate conducive to investments and growth



### **National Identification System Act (RA No. 11055) of 2018**

Provides a valid proof of identity for all citizens and resident aliens as a means of simplifying public and private transactions in line with the government's drive to curtail bureaucratic red tape



### **National Payment Systems Act (RA No. 11127)**

Provides a comprehensive legal and regulatory framework that supports the twin objectives of maintaining a safe, secured, efficient and reliable payment system in order to control systemic risk and providing an environment conducive to the sustainable growth of the economy

# Demonstrated External Resiliency

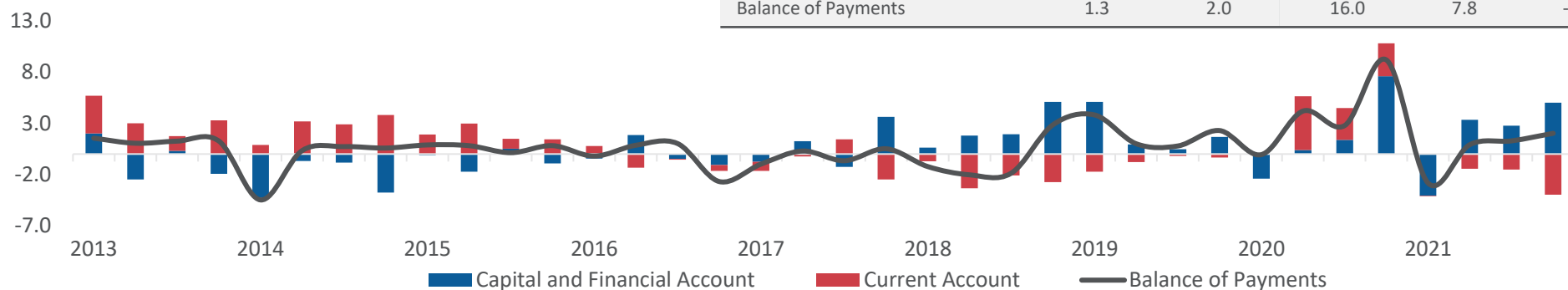
IV

# Philippines enjoys manageable balance of payments position

## Balance of Payments

Balance of Payments Components (US\$ bn)

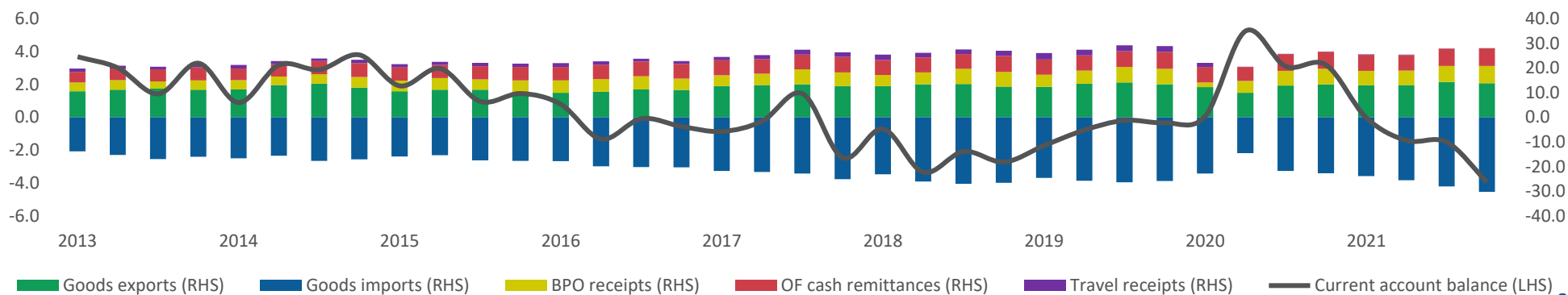
	2021	Q4 2021	2020	2019	2018
Capital and Financial Account	7.0	5.0	7.0	8.2	9.4
Current Account	-6.9	-4.0	11.6	-3.0	-8.9
Balance of Payments	1.3	2.0	16.0	7.8	-2.3



## Current Account

Current account components (US\$ bn)

	2021	Q4 2021	2020	2019	2018
Current Account /GDP (%)	-1.8	-3.5	3.2	-0.8	-2.6

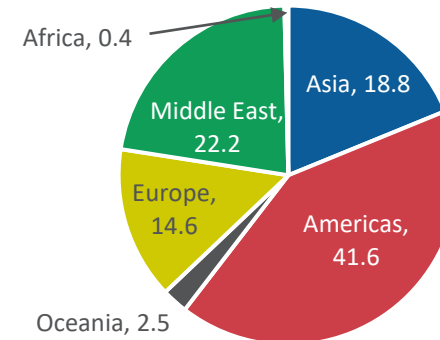
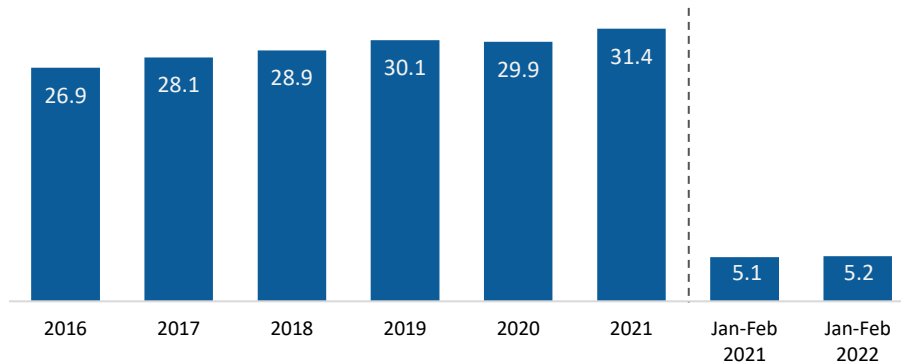


# Structural Current Account Inflows Support the Balance of Payments

## Overseas Filipinos' remittances flows resilient amidst the pandemic

Overseas Filipinos' cash remittance

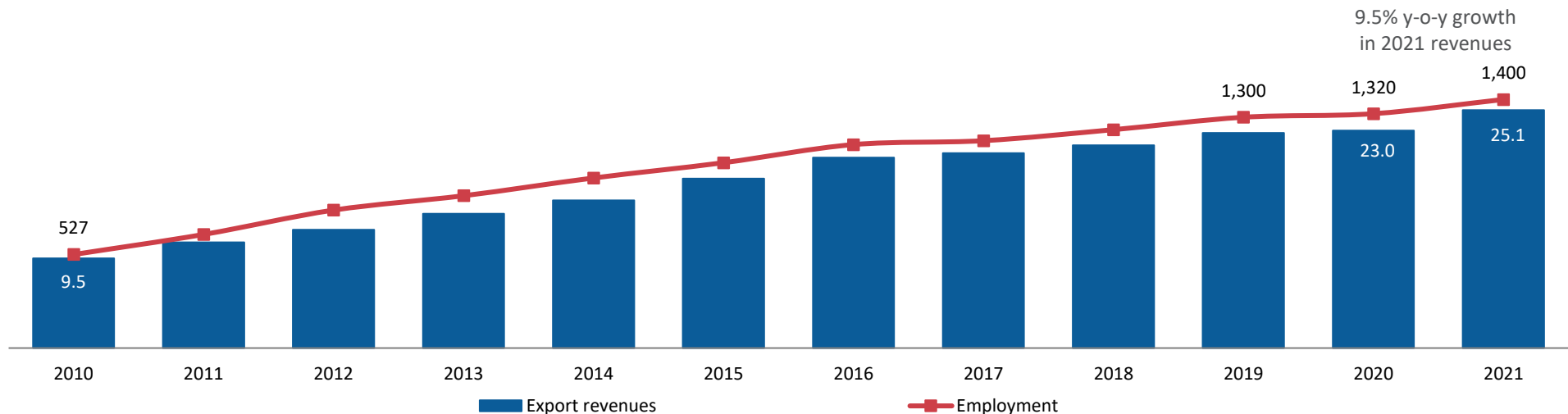
Overseas Filipinos' cash remittances by source 2012- 2021 average (% share to total)



Note: Remittances through correspondent banks mostly located in the U.S. On the other hand, remittances coursed through money couriers cannot be disaggregated into their actual country source and are lodged under the country where the main offices are located, which, in many cases is in the U.S.

## BPO remains a strong driver of employment and export revenues

BPO employment ('000s) and export revenues (US\$ bn)

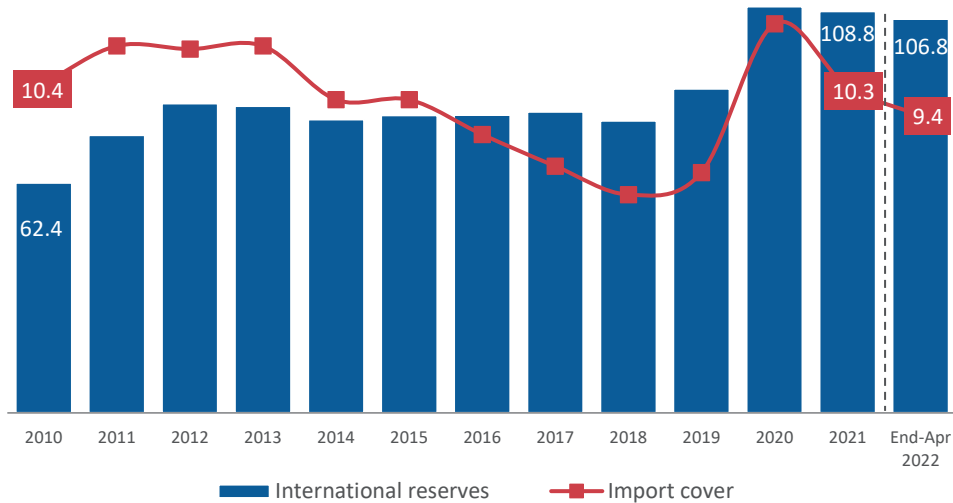




# The Economy has adequate buffers against external headwinds

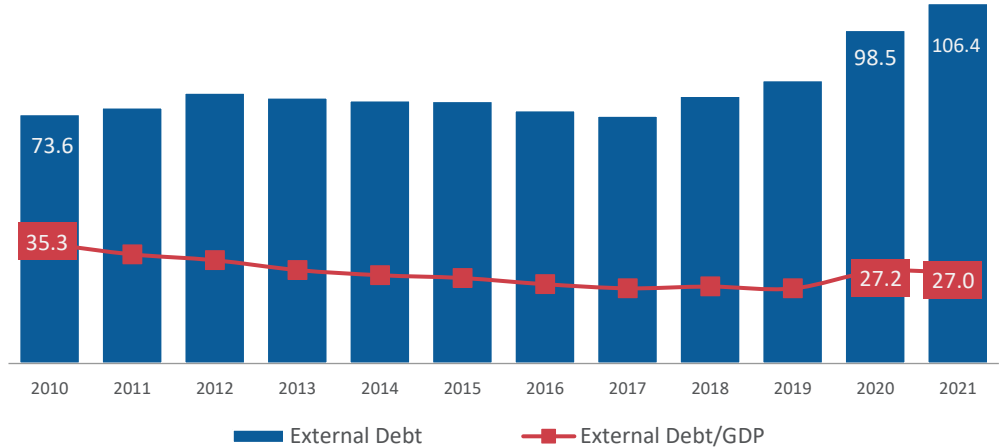
## Hefty level of reserves

International reserves (US\$ bn) and months of import cover



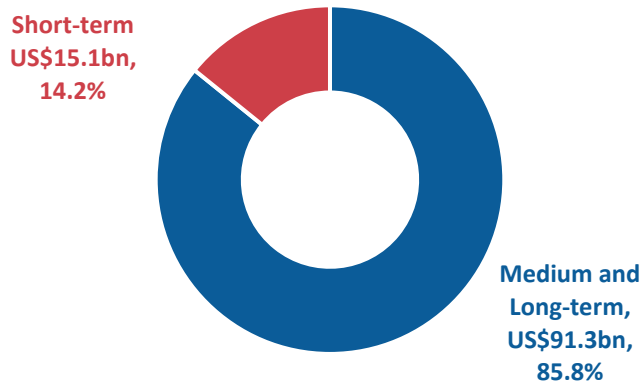
## Low external debt/GDP ratio underscores the health of external finances

External debt (US\$ bn) and external debt/GDP (%)

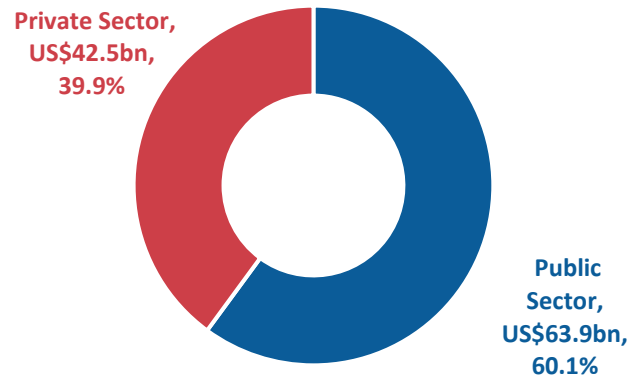


## Favorable external debt profile (as of end-December 2021)

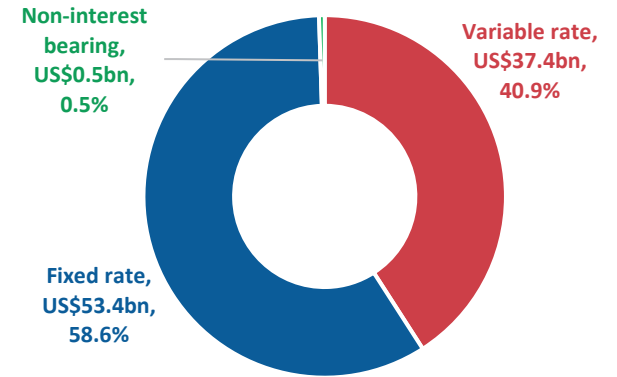
### External Debt by Maturity



### External debt by borrower



### External debt by interest type



# Opportunities for Regional Trade, Investment to Support External Resilience



## Philippines: A strategic point of access to key markets

- Critical entry point to over 600mn people in the ASEAN Market
- Natural gateway to the East-Asian economies
- Placed at the crossroads of international shipping and airlines
- Reachable within 3-4 hours by plane within Asia

## Philippines' Foreign Trade Agreements (FTA)

- **US:** 70% of Philippines' exports enter US duty free under the US' Generalized System of Preferences (GSP).
- **EU:** duty-free access for 6,274 tariff lines under GSP+ Program; the Philippines is the only ASEAN country with GSP+
- **ASEAN Free Trade Area** comprised of Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand has lower intra-regional tariffs of 0-5%
- **ASEAN Partners:** China, South Korea, Japan, India, Australia-New Zealand, and Hong Kong
- **European Free Trade Association (EFTA):** Switzerland, Norway, Iceland and Liechtenstein

# Opportunities for Regional Trade, Investment to Support External Resilience



## Regional Comprehensive Economic Partnership (RCEP)

- RCEP is an FTA between the ASEAN member states (i.e., Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, Singapore, and Vietnam) and its FTA partners (i.e., Australia, China, Japan, New Zealand, and South Korea).
- Creates a more business-friendly environment, encouraging closer integration of economies, and providing a more stable and predictable rules-based system of trade in the region
- RCEP member countries constitute, as of 2019, 28.2% of the world's GDP; 23.6% of global inward FDI; and 29.7% of the world's population
- The President has already ratified RCEP in September 2021. Subsequently, Senate's concurrence is needed before the Philippines can deposit its instrument of ratification

## Expected Benefits of RCEP to Philippines

- Philippine Institute for Development Studies (PIDS) research found that Philippines and Vietnam are the top gainers of RCEP deal.
- Based on the PIDS study<sup>1/</sup>, RCEP is expected to increase the Philippines' GDP by 2%
- RCEP would open markets for 92% of Philippine products

Improves export competitiveness of the Philippines' key products of interests, such as agricultural products, automotive parts, and garments

Improves levels of market access; provides a specific chapter for MSMEs; includes simplified and business friendly customs procedure for trade; enhanced cooperation on e-commerce

Provides a platform to encourage more investments and service providers in vital sectors such as manufacturing, creative sectors, financial services, research and development, IT-BPO, and energy, among others

- Another research also show that RCEP would improve the country's trade balance by as much as US\$128.2mn, increase overall welfare by US\$541.2mn, contribute 1.93% real GDP growth, and lower poverty incidence by 3.62% in 2031. <sup>2/</sup>

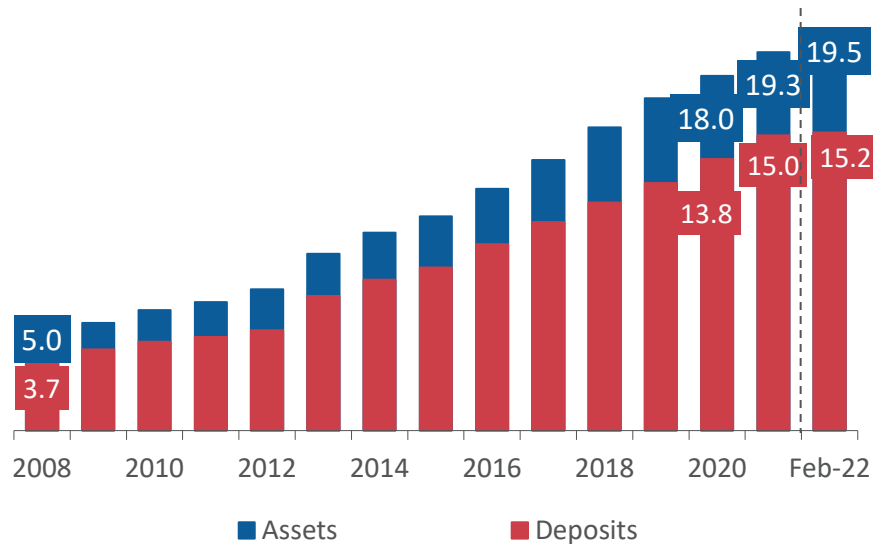
# Stable Financial System



# Banking System Remains Stable, Resilient to Crisis

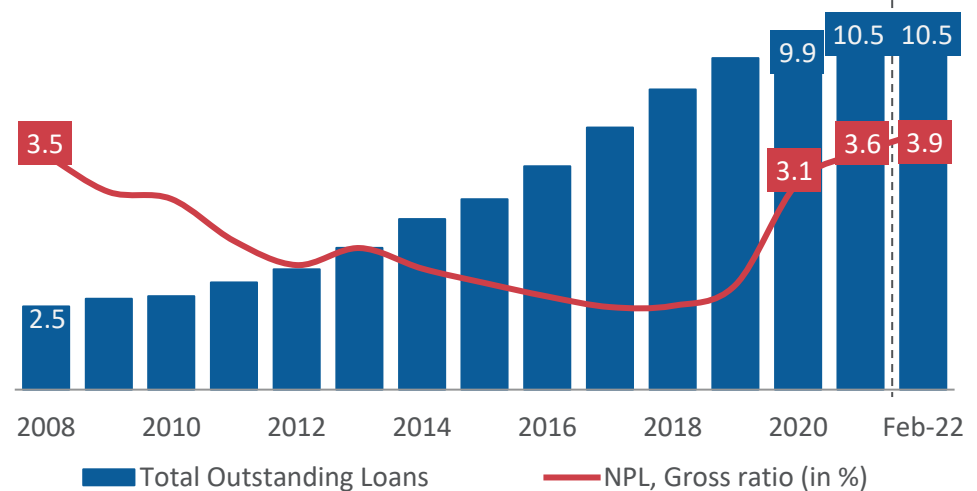
## Modest asset growth

Total asset and deposit levels (PHP tn) of U/KBs



## Loan portfolio remains satisfactory

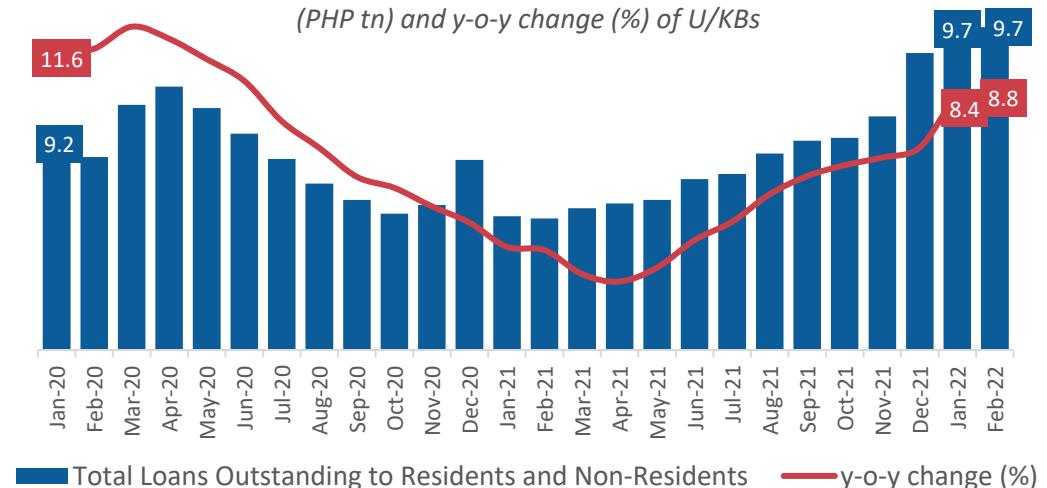
Total loans outstanding, Gross of BSP RRP agreements (PHP tn) and non-performing loans (NPL) ratio (%) of U/KBs



- Bank assets continued to grow primarily due to expansion of funds channeled to lending and investment activities and sourced from deposits, bond issuance and capital infusion
- Amid the pandemic, loan quality remained manageable with NPL significantly lower than the levels during the Asian Financial Crisis
- The passage of Financial Institutions Strategic Transfer Act (FIST) will ensure that financial institutions are able to maintain their financial health to cushion the adverse economic impact of the health pandemic. This law is expected to reduce the banking system's NPL ratio by 0.6 to 5.8 percentage points for 2021 to 2025

## Bank lending continuous to improve

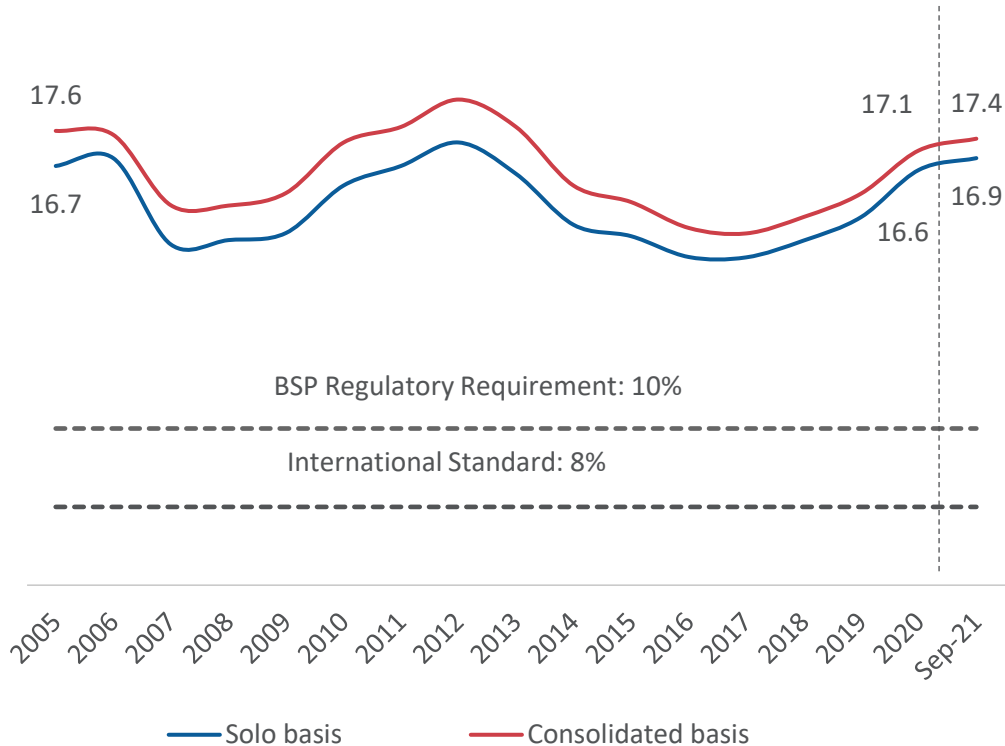
Total Loans Outstanding to Residents and Non-Residents, Net of BSP RRP Agreements (PHP tn) and y-o-y change (%) of U/KBs



# Banking System Remains Stable, Resilient to Crisis

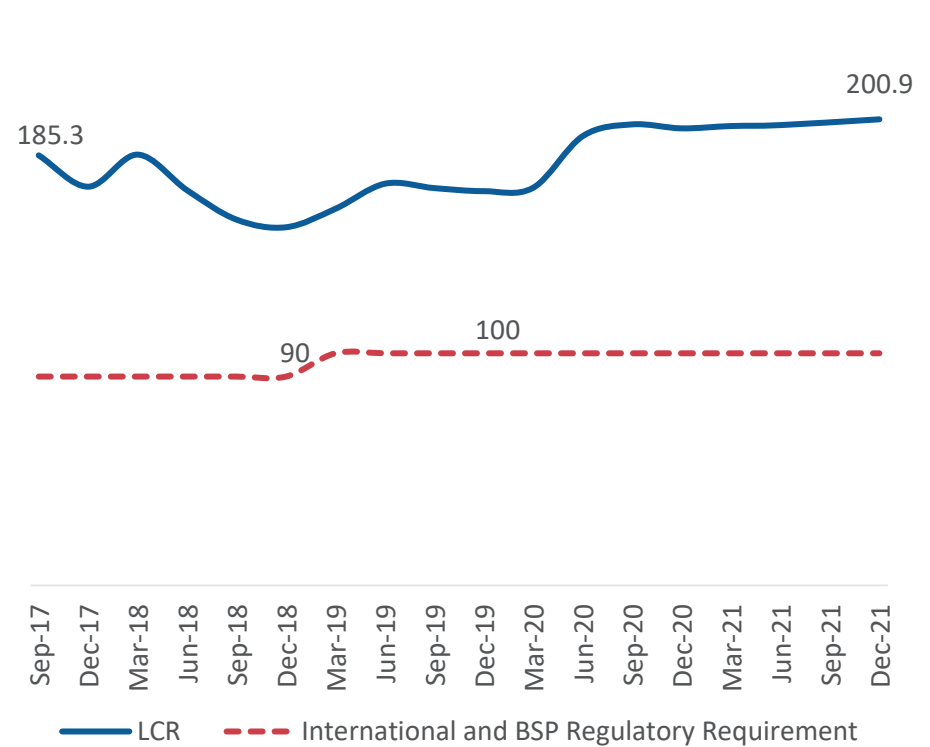
## Strong capitalization well above international norms

Capital adequacy ratio (%) of U/KBs



## Strong liquidity position shows ability to fund requirements during shocks

Liquidity coverage ratio (LCR) (%) of U/KBs



- Banks remained well-capitalized as the CARs of the UB/KB industry on solo and consolidated bases are well above the minimum thresholds set by the BSP at 10% and the Bank for International Settlements (BIS) at 8%.
- Banks maintained sufficient buffers to meet liquidity and funding requirements with liquidity coverage ratio (LCR) above international norms

# Digital Transformation Towards a New Economy

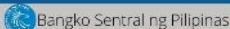
## Digital Payments Transformation Roadmap 2020-2023 to shift from cash-heavy to a cash-lite economy

Goals, objectives and policy initiatives:

- 70% of Filipino adults to have transaction accounts by 2023
  - Status: 53% as of Q2 2021 from 34.5% in 2017
- 50% of financial transactions done digitally by 2023
  - Status: 20.1% in 2020 from 10% in 2018
- Availability of more innovative digital financial products and services that are responsive to consumers' needs, enabled by a digital ID (Philippine Identification System), and supported by the next generation payment and settlement system to facilitate real-time processing of financial transactions

### Roadmap anchored on 3 Pillars for the development of the Next Generation Payment Settlement System

 <b>Digital Payments Streams</b>	 <b>Digital Finance Infrastructure</b>	 <b>Digital Governance Standards</b>
<ul style="list-style-type: none"> <li>▪ Catalyze broader adoption of digital payments among consumers and businesses</li> <li>▪ P2P P2B P2G B2G B2B G2G G2B G2P</li> </ul>	<ul style="list-style-type: none"> <li>▪ Enhance key infrastructure that supports the expansion of an inclusive, digital, payments ecosystem</li> <li>▪ National ID System – PhilSys, PhilPaSS, Open banking</li> </ul>	<ul style="list-style-type: none"> <li>▪ Promote responsible digital innovations</li> <li>▪ Open Banking and Application Programming Interfaces Standards, Adoption of ISO 20022 Standards, Cybersecurity Policies and Measures, Use of Data Policy</li> </ul>

 <b>Bangko Sentral ng Pilipinas</b>	<b>Regulatory approach</b>
	<ul style="list-style-type: none"> <li>▪ Registration and licensing framework with the establishment of digital banks and virtual asset service providers</li> <li>▪ Adoption of Payment System Oversight Framework (PSOF) as the second leg of the National Payment Systems Act (NPSA)</li> <li>▪ Consumer protection and digital literacy</li> </ul>

The BSP approved on 26 November 2020, the creation and licensing of digital banks to promote market efficiency and expand a broad range financial services, bringing it closer to achieve its goals. Digital banks are expected to have the same prudential requirements applicable to other banks. The approval of 6 digital bank licenses is expected to accelerate financial digitalization.

# Digital Transformation as Strategic Enabler of Financial Inclusion

## Landmark legislations of payment systems

- National Payment Systems Act or Republic Act (RA) No. 11127 provides a clear and holistic legal and regulatory framework to support the BSP in fulfilling its enhanced mandate of ensuring that payment systems function safely, efficiently, and reliably
- Amendments to the New Central Bank Act RA No. 11211 empowers the BSP to oversee payment and settlement systems in the Philippines, including critical financial market infrastructure

## Policy objectives for safe, efficient, and reliable systems

Achieve stability and effectiveness of monetary and financial system

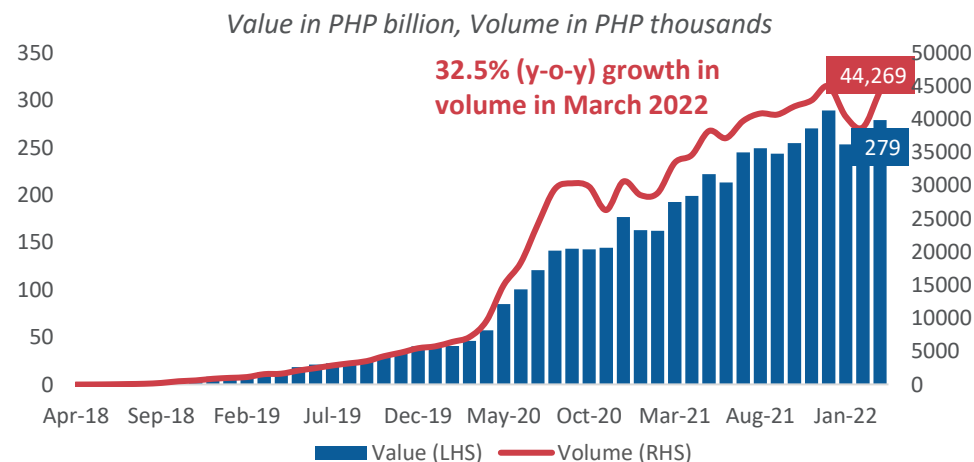
Manage systemic risk

Promote sustainable economic growth

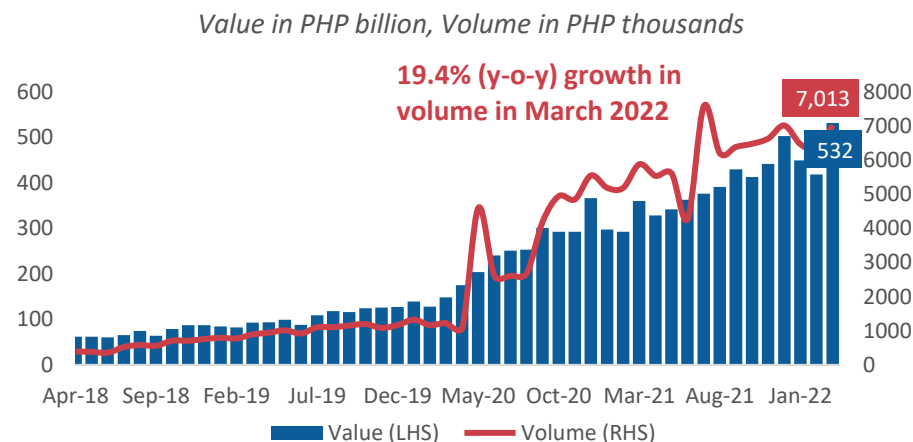
## National Retail Payment System (NRPS) for a cash-lite economy

- NRPS is a policy and regulatory framework that defines high-level policies, standards, and governance principles covering retail payment operations and infrastructure. It aims to fast-track the establishment of an effective electronic retail payment system, thereby promote a “cash-lite” economy
- Localized community quarantines during the COVID pandemic resulted in huge increase in the volume and value of electronic fund transfers via PESONet and Instapay
- BSP launched the New Order of Payment System or NOPS in September 2020, a web-based system that provides accessible payment facilities for clients to pay their obligations to BSP

### instaPay Transactions (Apr 2018-Mar 2022)



### PESONet Transactions (Apr 2018-Mar 2022)





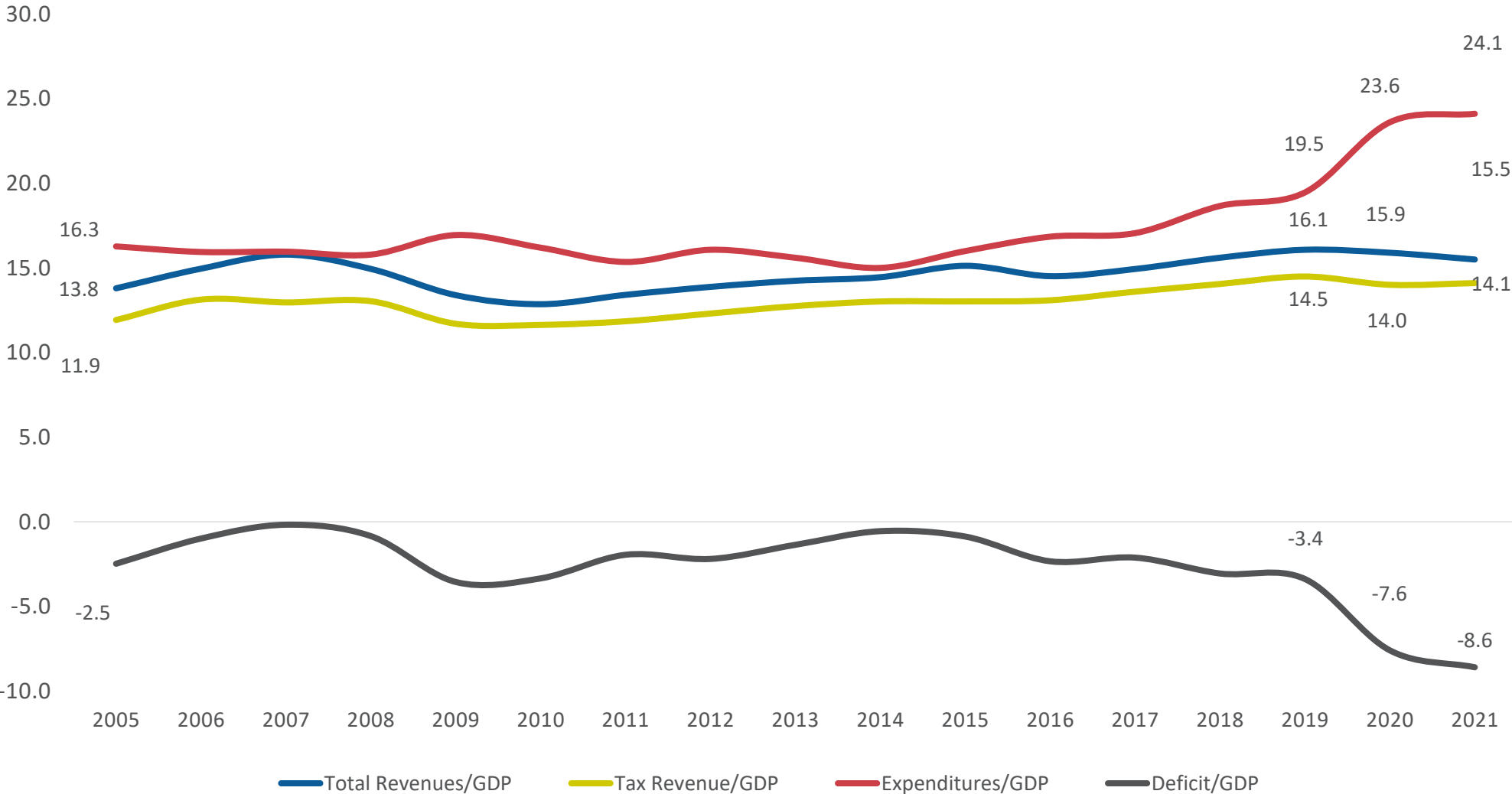
# Sound Government Finances

VI

# Facing the Global Health Crisis from a Position of Fiscal Strength

Long history of prudent fiscal management strengthened government’s financial position

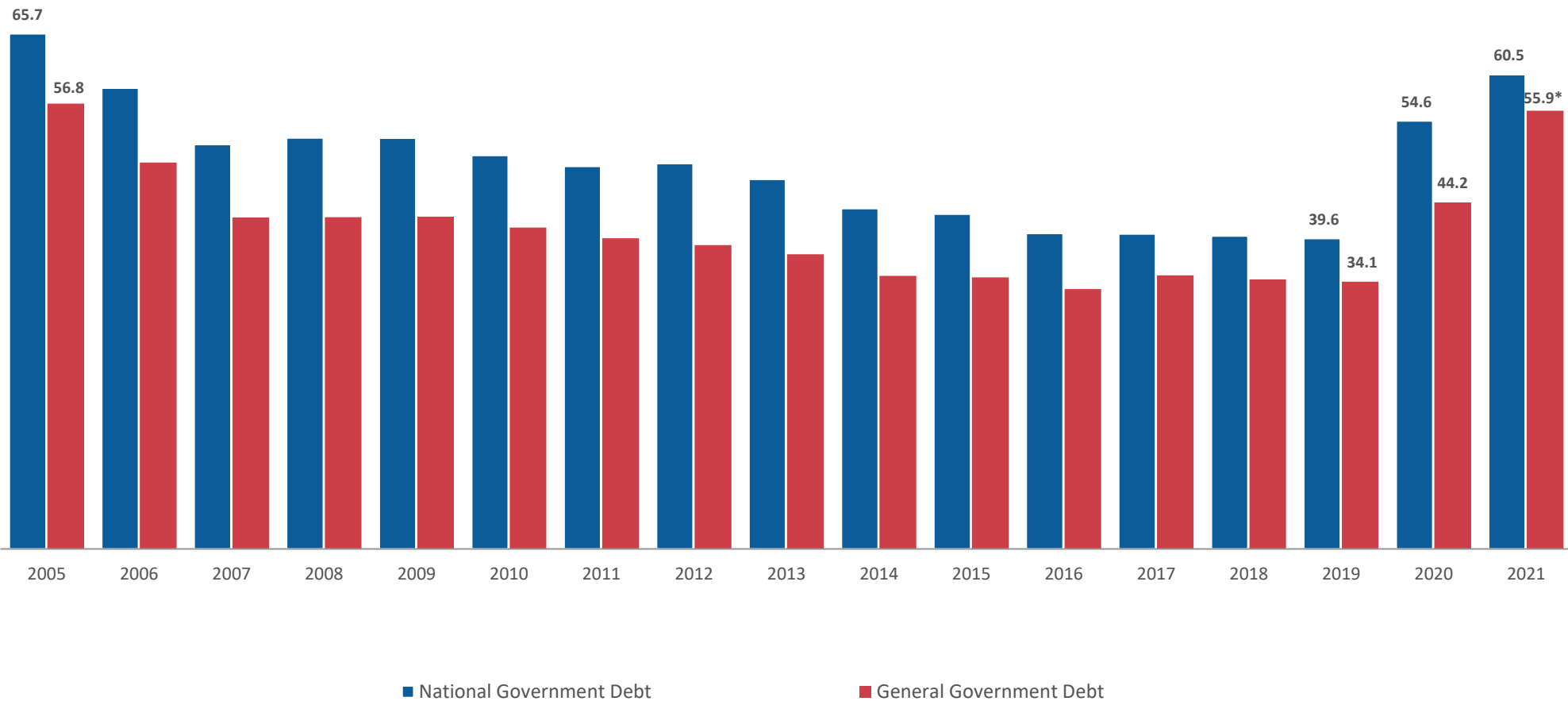
National Government (NG) Expenditure, Revenue, Tax Revenue and Deficit (% of GDP)



# Facing the Global Health Crisis from a Position of Fiscal Strength

Keeping debt position within the prescribed boundaries of fiscal viability

Government debt (% of GDP)



\*General Government debt as of end-September 2021  
Sources: DOF, Bureau of the Treasury

# Adequate Fiscal Space to Fund Emergency Initiatives, Support Economic Recovery

Enhanced tax collection efficiency due to tax administration reforms and TRAIN lend support to funding critical initiatives to combat the pandemic

	Actual	Program*	Actual	Program**	Actual	Budget Assumption	Actual
	2019	2020	2020	2021	2021	2022	Jan-Mar
Particulars	PHP bn						
<b>Revenues</b>	<b>3,137.5</b>	<b>2,853.4</b>	<b>2,856.0</b>	<b>2,881.5</b>	<b>3,005.5</b>	<b>3,304.1</b>	<b>784.4</b>
% of GDP	16.1	15.7	15.9	14.8	15.5	15.3	NA
<b>Tax Revenues***</b>	<b>2,827.8</b>	<b>NA</b>	<b>2,504.4</b>	<b>2,714.8</b>	<b>2,742.7</b>	<b>3,139.6</b>	<b>697.2</b>
% of GDP	14.5	NA	14.0	13.9	14.1	14.6	NA
<b>Non-tax Revenues</b>	<b>308.8</b>	<b>NA</b>	<b>351.3</b>	<b>166.2</b>	<b>262.5</b>	<b>164.5</b>	<b>87.1</b>
% of GDP	1.6	NA	2.0	0.9	1.4	0.8	NA
<b>Expenditures</b>	<b>3,797.7</b>	<b>4,233.7</b>	<b>4,227.4</b>	<b>4,737.1****</b>	<b>4,675.6</b>	<b>4,954.6</b>	<b>1,101.2</b>
% of GDP	19.5	23.3	23.6	24.3	24.1	23.0	NA
<b>Surplus/(-Deficit)</b>	<b>-660.2</b>	<b>-1,380.3</b>	<b>-1,371.4</b>	<b>-1,855.6</b>	<b>-1,670.1</b>	<b>-1,650.5</b>	<b>-316.8</b>
% of GDP	-3.4	-7.6	-7.6	-9.5	-8.6	-7.7	NA

- The 2022 fiscal program shows continuous improvement in revenue collection performance returning to pre-pandemic levels and accelerated spending performance in infrastructure and other capital outlays, personnel services, transfers to Local Government Units (LGUs) included in the 2022 national budget and 2021 GAA (with extended validity period). Deficit is projected to be lower than the previous year's record at 7.7% of GDP.
- The Philippines is expected to return to fiscal consolidation (i.e., to reduce deficit and debt stock accumulation) in the medium-term when the adverse impact of the pandemic abates and the economy gets back to its pre-pandemic growth path, given its strong track record of revenue improvement and prudent expenditure management

Source: DBM, BTr, DOF, Budget of Expenditures and Sources of Financing (BESF) 2022 <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2022/A2.pdf>

TRAIN refers to Tax Reform for Acceleration and Inclusion Act

NA- not available

\* As approved during the 3 December 2020 Development Budget Coordination Committee Meeting

\*\* As approved during the 14 December 2021 Development Budget Coordination Committee Meeting

\*\*\*Includes revenues from approved Comprehensive Tax Reform Program (CTRP) measures and projected impact of CREATE

\*\*\*\* Includes continuing appropriations under 2020 budget and Bayanihan 2

# 2022 National Budget for Resiliency, Sustaining Recovery, Infrastructure Development

Theme: *Sustaining the Legacy of Real Change for Future Generations*

- The FY 2022 General Appropriation Act (GAA) of **PHP5.024tn** is the last budget of the Duterte administration signed on 30 December 2021 . This is **11.5% higher than the 2021 budget and equivalent to 23.3% of GDP**.

## Spending Priorities

**Build resilience amidst the pandemic**

**Sustain the momentum towards recovery**

**Continue the legacy of infrastructure development:**

**Empower local governments**

**Ensure a smooth transition to the next administration**

## Select Projects and Programs, in PHP bn

Health		Nutrition and Food Security		Social Protection	
National Health Insurance	80.0	Irrigation Services (DA,NIA)	32.8	Pantawid Pamilyang Pilipino Program	107.7
Health Facilities Operations Program	56.4	Banner Programs and Projects of the DA	28.1	Protective Services for Individuals and Families in Difficult Instances	39.9
Procurement of COVID-19 Vaccine booster Shots	48.2 <sup>1/</sup>	Supplementary Feeding Program	4.2	Social Pension for Indigent Senior Citizens	25.5
Medical Assistance to Indigent Patients	21.4	<b>Education</b>		<b>Labor and Employment</b>	
Compensation and Other Benefits for Covid-19 Workers in Health Facilities	9.0 <sup>2/</sup>	Operations of DepEd-Managed Public Schools	461.1	Livelihood and Emergency Employment Program	28.0
COVID -19 Laboratory Network	7.9	Universal Access to Quality Tertiary Education	47.7	Emergency Repatriation Program	11.5
COVID-19 HRH Emergency Hiring	4.3	DepEd Computerization Program	11.7	<b>Infrastructure Development</b>	
				<b>Build, Build, Build Program PHP1.18tn (5.3% of GDP)</b>	
				Road Networks	485.0
				Flood Control Systems	210.0
				Development Fund of LGUs	191.8
				Buildings	72.9
				Irrigation Systems	21.8

1/Lodged under the Department of Health (PHP2.8 bn) and the 2022 Unprogrammed Appropriations (PHP45.4bn)

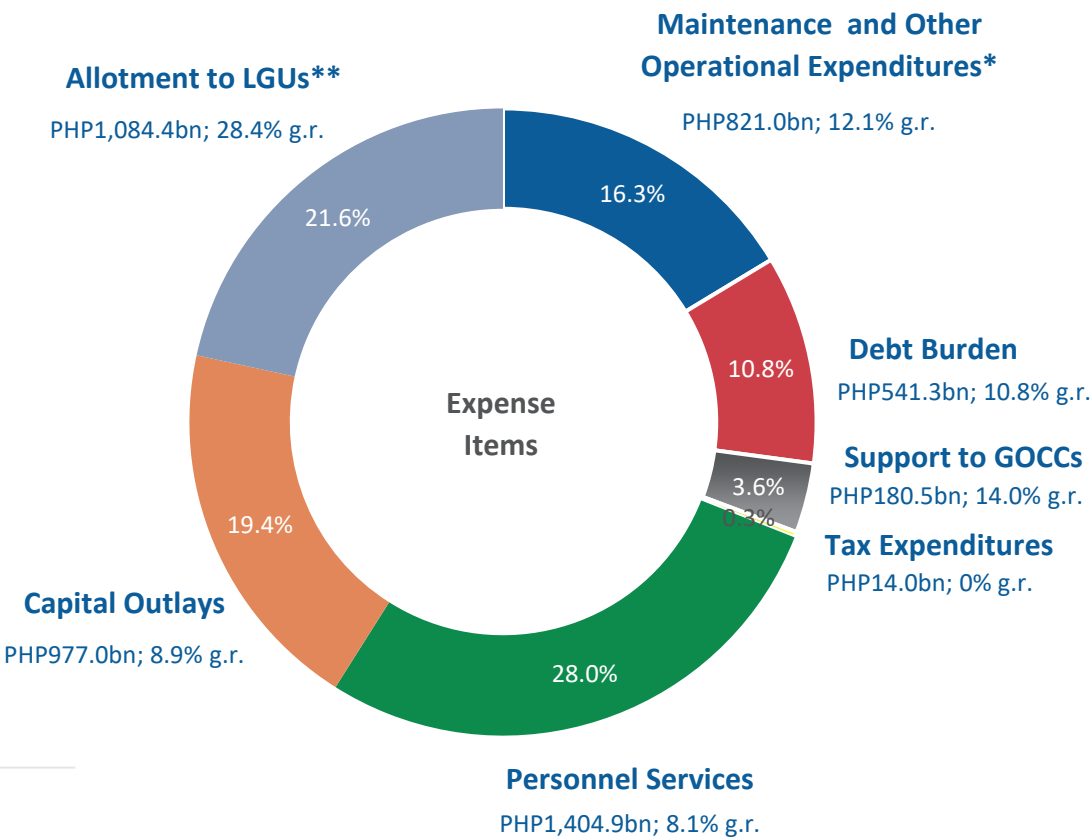
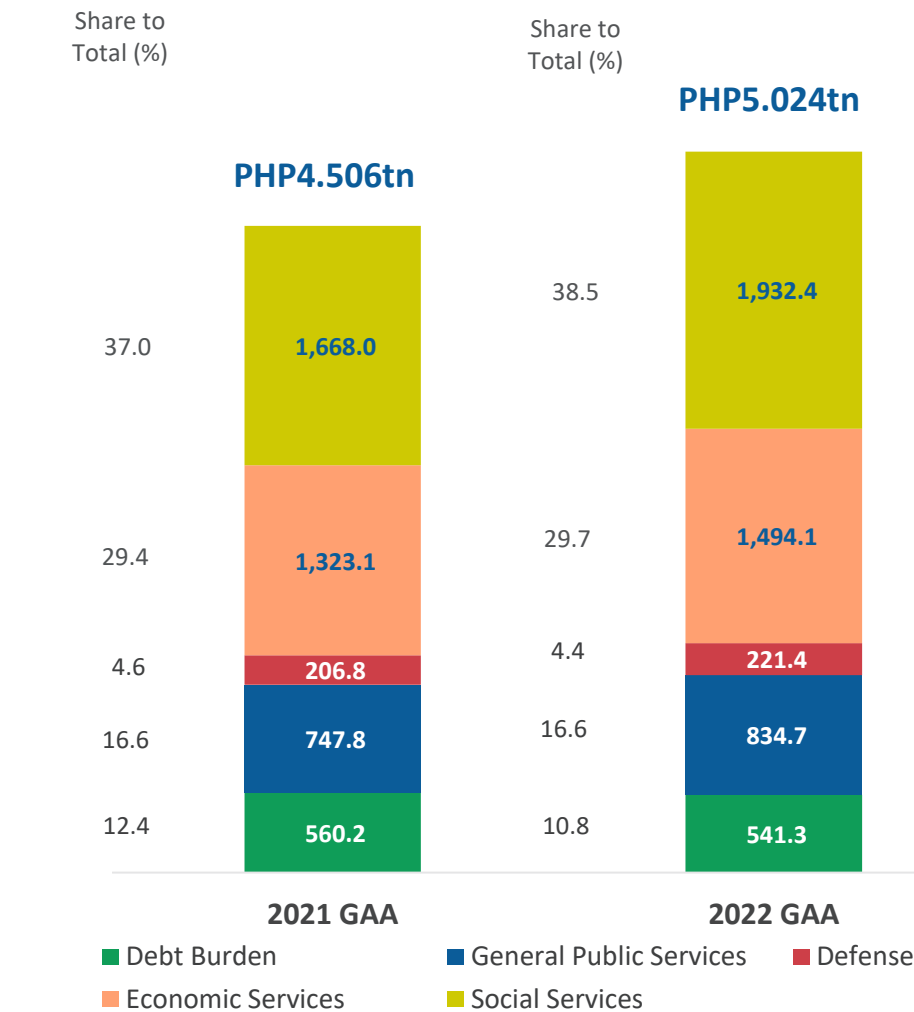
2/ Includes Benefits (PHP7.9 bn) and Compensation (PHP1.1 bn) for COVID-19 Workers

# 2022 National Budget for Resiliency, Sustaining Recovery, Infrastructure Development

FY 2022 budget pillars: building resilience amid pandemic, sustaining momentum towards recovery and continuing legacy of infrastructure development

2021 vs 2022 National Budget by Sector, PHP bn and % share

2022 National Budget by Expense Class, PHP bn, % Share and growth rate (in %)



Note: g.r. is y-o-y growth rate  
\* Inclusive of Financial Expenses  
\*\* Inclusive of National Tax Allotment, Special shares of LGUs in the proceeds of national taxes, Local Government Support Fund, MMDA and other Financial Assistance to LGUs

# Consistently Strong Investor Appetite for ROP's Issuances

Highlights of Transaction <sup>1</sup>			
Feb 2016	Jan 2017	Jan 2018	Mar 2018
<ul style="list-style-type: none"> <li>1<sup>st</sup> trade coming out of EM Asia in 2016</li> <li>Concurrent execution of one-day accelerated switch tender offer</li> <li>Lowest coupon by ROP at 3.7% for a 25-year debt</li> </ul>	<ul style="list-style-type: none"> <li>1st US\$ Transaction under the Duterte Presidency</li> <li>Coupon of 3.7%; priced at a tight 66.7 bps spread over U.S. Treasuries – the lowest ever achieved by the ROP for 25 years</li> </ul>	<ul style="list-style-type: none"> <li>Benchmark issue of 10-year debt concurrent with 1-day accelerated switch tender offer</li> <li>All-time low coupon for ROP at 3.0% for 10-year debt; at a very tight 37.8 bps spread over U.S. Treasuries</li> </ul>	<ul style="list-style-type: none"> <li>1st ASEAN sovereign to issue Panda with an “Exceptional tight debut”, according to International Financing Review</li> <li>RMB1.46bn with 3-yr tenor</li> <li>Priced at 5.0% with a spread of 35bps above benchmark</li> </ul>
Aug 2018	Jan 2019	May 2019	May 2019
<ul style="list-style-type: none"> <li>1st time after almost 20 years that ROP issued Samurai bonds on a standalone basis</li> <li>ROP sold JPY154.2bn Japanese samurai bonds in 3 tenors</li> <li>JPY107.2bn priced 0.38% for 3Y with a spread of 25bps, JPY6.2bn at 0.54% for 5Y with a spread of 35bps, JPY40.8bn at 0.99% for 10Y with a spread of 60bps</li> </ul>	<ul style="list-style-type: none"> <li>1st emerging market sovereign US\$ bond issuance in 2019</li> <li>US\$1.5bn of 10-year dollar-denominated global bonds</li> <li>Coupon of 3.75% at 110bps over US Treasury</li> </ul>	<ul style="list-style-type: none"> <li>ROP's return to European capital market after 13 years with offering of EUR750mn of 8-yr global bonds</li> <li>Priced at EUR Midswaps +70bps vs. +294bps in 2006</li> </ul>	<ul style="list-style-type: none"> <li>ROP's 2nd Panda bond issuance amounting to RMB2.5bn with 3-yr tenor</li> <li>Priced at 3.58% with a spread of 32bps above benchmark</li> </ul>

<sup>1</sup>At time of issuance  
Source: Bureau of the Treasury; Bloomberg L.P.

# Consistently Strong Investor Appetite for ROP's Issuances

Highlights of Transaction <sup>1</sup>			
Aug 2019	Jan 2020	Apr 2020	Dec 2020
<ul style="list-style-type: none"> <li>ROP's successful return to the Samurai bond market with a record JPY92bn transaction on its 4-tranche bond offering</li> <li>Priced at 0.18% for 3Y, 0.28% for 5Y, 0.43% for 7Y, and 0.59% for 10Y, with a spread of 23bps, 33bps, 44bps and 53bps, respectively</li> </ul>	<ul style="list-style-type: none"> <li>Issued first-ever zero-coupon euro bonds, and lowest coupon euro-denominated bonds</li> <li>Sold a dual tranche EUR1.2bn bond which consists of a EUR600mn 3Y zero coupon bond at a re-offer yield of 0.133% and EUR600mn 0.70% 9Y bond at a re-offer yield of 0.752%</li> </ul>	<ul style="list-style-type: none"> <li>ROP as the first sovereign globally to price syndicated benchmark tranche with zero new issue premium during the COVID-19 crisis</li> <li>ROP's lowest yielding US\$ offerings; Largest offshore offering since 2010</li> <li>Sold a dual tranche US\$2.35bn bond consisting of US\$1.0bn 2.457% 10Y bond and US\$1.35bn 2.95% 25Y bond with spread of 180bps and 169bps, respectively</li> </ul>	<ul style="list-style-type: none"> <li>ROP successfully offered the largest bond historically and achieved the tightest yield for both ROP 10-year and 25-year bucket</li> <li>The dual tranche offering was comprised of US\$1.25bn 10.5-year notes priced at T+70bps (1.648%) and US\$1.5bn 25-year notes priced at 2.650%</li> </ul>
Mar 2021	Apr 2021	June 2021	Oct 2021
<ul style="list-style-type: none"> <li>ROP successfully returned to the Samurai market with JPY55bn first-ever zero-coupon bond transaction</li> <li>The 3-year Samurai tranche was priced at 21bps above benchmark, the tightest spread since ROP's return to the market</li> </ul>	<ul style="list-style-type: none"> <li>ROP's largest and first triple-tranche euro offering</li> <li>The EUR2.1bn issuance was comprised of EUR650mn 0.250% 4Y bond, EUR650mn 1.200% 12Y bond, and EUR800mn 1.750% 20Y bond with spread of 75bps, 105bps, and 135bp, respectively.</li> </ul>	<ul style="list-style-type: none"> <li>ROP issued a US\$3bn dual tranche global bonds comprised of US\$750mn 10.5-year notes priced at T+60bps (1.95%) and US\$2.25bn 25-year notes priced at 3.25% with a coupon of 3.20%</li> </ul>	<ul style="list-style-type: none"> <li>ROP successfully raised US\$1.6bn via 5-year and 10-year first-ever retail onshore dollar bonds</li> <li>5-year bonds had a coupon rate of 1.375%, while the 10-year bonds fetched a 2.25% coupon</li> </ul>

<sup>1</sup>At time of issuance  
Source: Bureau of the Treasury; Bloomberg L.P.



# Consistently Strong Investor Appetite for ROP's Issuances

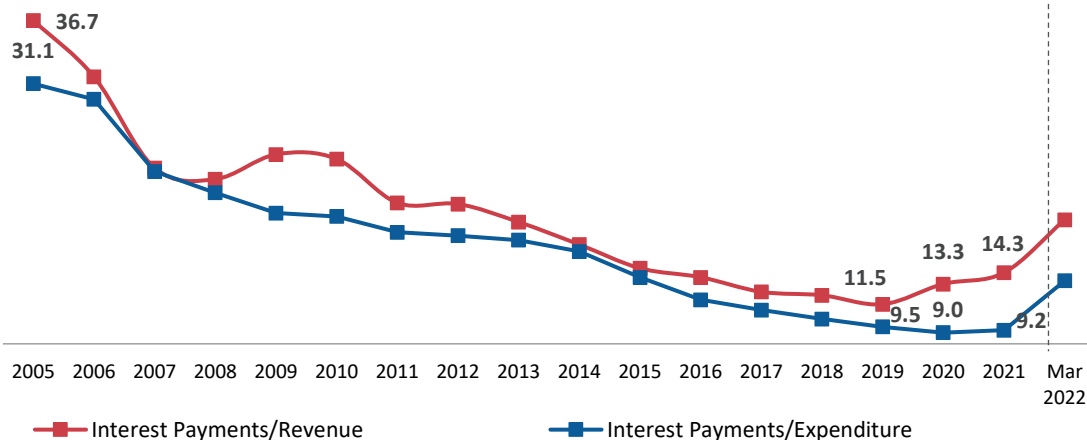
Highlights of Transaction <sup>1</sup>	
March 2022	April 2022
<ul style="list-style-type: none"> <li>ROP's successfully raised US\$2.25 billion first triple tranche Global Bonds, which includes a 25-year notes issued under the Sustainable Finance Framework and marks the ROP's debut ESG Global Bonds offering</li> <li>The global bonds issuance is comprised of US\$500mn 5-year notes priced at T+90bps (3.229%), and US\$750mn 10.5-year notes priced at T+125bps (3.556%) and new US\$1bn 25-year sustainability bonds priced at T+50bps (4.200%)</li> </ul>	<ul style="list-style-type: none"> <li>ROP's first Sustainability samurai bond of JPY70.1bn multi-tranche offering with an Environmental, Social and Governance (ESG) label across all four tranches</li> <li>Priced at 0.76% for 5Y (JPY52bn), 0.95% for 7Y (JPY5bn), 1.22% for 10Y (JPY7.1bn), and 1.83% for 20Y (JPY6bn), with a spread of 60bps, 70bps, 85bps and 115bps, respectively</li> </ul>

<sup>1</sup>At time of issuance  
Source: Bureau of the Treasury; Bloomberg L.P.

# Sustainable Debt Profile Supported by Diversified Sources of Financing

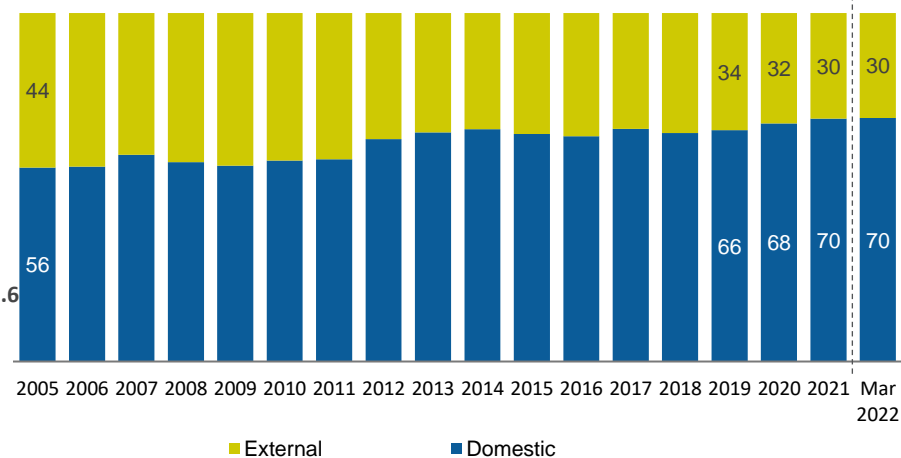
Improved debt affordability resulting from proactive and prudent debt management provides additional fiscal space

Interest payments / NG revenue (%) and Interest payments / NG expenditure (%)



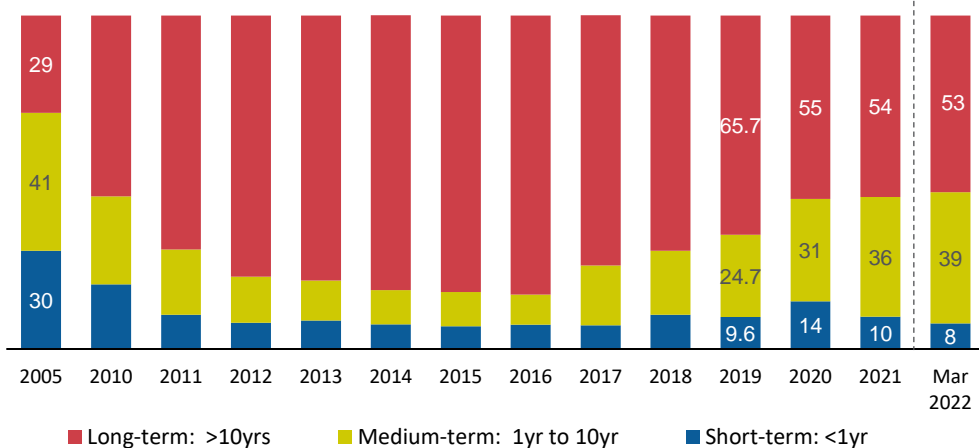
Ample domestic liquidity allows ROP to rely on domestic market to fund majority of its requirements while minimizing FX risks

Total debt breakdown (%)

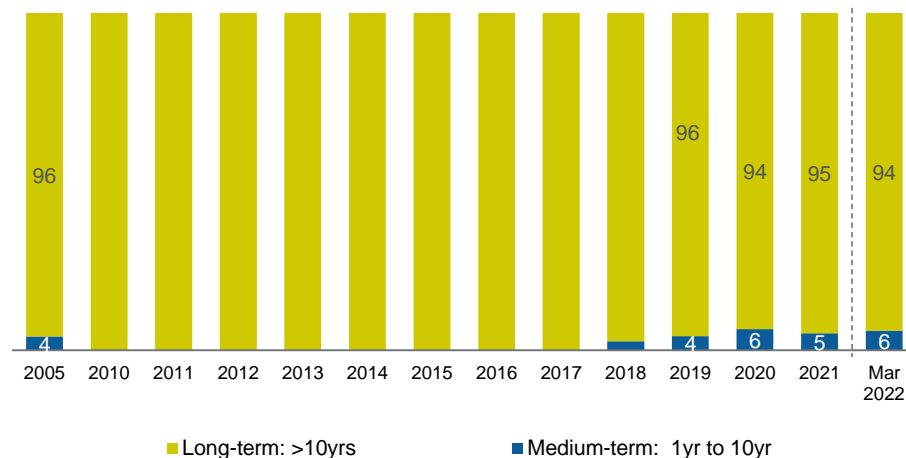


Long-dated debt profile reduces refinancing risk

Domestic debt breakdown (%)



External debt breakdown (%)



## Strong Bias for Domestic Sources of Financing to Minimize FX Risks

Strategic Financing Program								
Particulars	2015	2016	2017	2018	2019	2020	2021	2022 Budget Assumption
	(PHP bn)							
<b>Gross Borrowing</b>	609.6	507.0	901.7	897.6	1,015.8	2,652.5	2,579.2	2,211.8
<b>External</b>	189.5	149.5	168.1	303.1	321.9	742.4	568.7	560.6
<i>Program Loans</i>	72.0	35.6	35.1	80.4	78.2	375.2	166.1	126.7
<i>Project Loans</i>	28.2	18.8	33.4	34.0	58.0	49.1	110.2	80.4 <sup>a/</sup>
<i>Bonds and other inflows</i>	89.4	95.1	99.6	188.7	185.7	318.1	292.3 <sup>b/</sup>	353.5
<b>Domestic</b>	420.1	357.5	733.5	594.5	693.8	1,910.1 <sup>c/</sup>	2,010.6 <sup>c/</sup>	1,651.2 <sup>c/</sup>
<i>Treasury Bills</i>	-17.3	23.5	26.4	179.9	-8.1	463.3	-153.3	52.0
<i>Fixed Rate T-bonds</i>	437.4	334.0	707.1	414.5	702.0	1,446.8 <sup>d/</sup>	2,163.9 <sup>e/</sup>	1,599.2 <sup>f/</sup>
<b>Financing Mix (Domestic: External)</b>	<b>69:31</b>	<b>71:29</b>	<b>81:19</b>	<b>66:34</b>	<b>68:32</b>	<b>72:28</b>	<b>78:22</b>	<b>75:25</b>

Note: Figures may not add up due to rounding

<sup>a/</sup> Based on BTr estimates of disbursements

<sup>b/</sup> Includes Euro, Samurai and Global bonds

<sup>c/</sup> Includes net proceeds from Repurchase Agreement and Provisional Advances. In 2020 and 2021, short term (ST) Borrowing from BSP was fully repaid within the year

<sup>d/</sup> Excludes PHP88.6 bn proceeds used for bond exchange exercise

<sup>e/</sup> Includes Premyo bonds and retail onshore dollar bonds

<sup>f/</sup> Includes agrarian reform bonds

Source: Bureau of the Treasury, DOF, DBM BESF 2022 <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2022/D1.pdf>

# Major Tax Reforms Showing Good Results; Providing Critical Support to Government's Pandemic Response

## TRAIN and Sin Tax Collections

Tax Measure	FY 2020			FY 2021		
	Revised Program (in PHP billion)	Actual (in PHP billion)	Program vs Actual (in %)	Program (in PHP billion)	Actual (in PHP billion)	Program vs Actual (in %)
TRAIN Law	96.9	105.7	9.0	157.94	171.10	8.3
Sin Tax Laws	28.8	32.1	11.4	43.11	52.89	22.7

# Major Tax Reforms Support Expansionary Fiscal Policy

## Package 1A: RA No. 10963 Tax Reform for Acceleration and Inclusion (TRAIN)

- TRAIN was first implemented on 01 January 2018
- Seeks to correct structural weaknesses in the current tax system to make it simpler, fairer, and more efficient and to generate stable revenue stream to upgrade infrastructure and reduce poverty. It includes mitigating measures designed to redistribute some of the gains to the poor

**99%** of population to benefit from income tax cuts and tax exemption

**30%** of revenues earmarked for social protection programs, e.g., cash transfers for the poorest 10mn households and social welfare card

**70%** of the incremental revenues to fund the country's infrastructure

- Revenue collection reached PHP130.65bn in 2019 and PHP105.7bn in 2020



Lowered personal income tax (PIT) - PIT exemptions for the first PHP250,000 taxable income and significant PIT cuts for other tax brackets



Increased excise tax on automobiles, petroleum products, and tobacco products



Expanded the value-added tax base



Introduced excise tax on sugar-sweetened beverages and cosmetic excise tax of 5%



Simplified estate and donor's tax to 6% flat rate

# Major Tax Reforms Support Expansionary Fiscal Policy

## Package 1B: Republic Act No. 11213 or “Tax Amnesty Act”

- Involves granting an amnesty on all unpaid estate tax, other internal revenue taxes, and tax on delinquencies imposed by the national government for 2017 and prior years. Signed by the President into law on 14 February 2019. The government collected a total of PHP4.03bn from this measure in 2019. Republic Act No. 11569 signed on 30 June 2021 extended the period for availment of estate tax amnesty to June 2023.

### Tax amnesty on delinquencies

### Salient Features of Tax Amnesty Act

Covers all national internal revenue taxes collectible by the BIR and the BOC for year 2017 and prior years with tax amnesty rate falling under the delinquencies below:

**40%** of tax assessed on final delinquencies

**50%** of tax assessed on tax cases subject to final judgements of court

**60%** of tax assessed on pending criminal cases

**100%** of basic tax assessed for withholding tax agents who withheld taxes but failed to remit to BIR

### Republic Act No. 11346 or “Increasing Excise Tax on Tobacco Products, Heated Tobacco Products and Vapor Products”

- An act increasing excise taxes on tobacco products, imposing excise tax on heated tobacco and vapor products and increasing penalties for violations of provisions on excise tax. Tax collections from RA No. 11346 are earmarked for Universal Health Care. Signed by the President on 25 July 2019

### Estate tax amnesty

Covers estate of decedents who died before 31 Dec 2017

**6%** Tax rate based on decedent’s total net estate





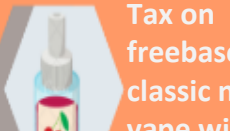

**PHP5,000** Minimum tax amnesty rate if the value of the allowable deductions exceeds the value of the gross estate



# Major Tax Reforms Support Expansionary Fiscal Policy

## Package 2+: Republic Act No. 11467 or “Increasing sin taxes (i.e., excise tax on alcohol, heated tobacco products and e-cigarettes) for Universal Health Care (UHC)”

- An act increasing the excise taxes on alcohol, heated tobacco, and vapor products to generate funds for the government’s universal health care program. It was signed into law on 22 January 2020. Revenue collection from sin taxes law amounted to PHP32.1bn in 2020.

	Imposes a 22-percent ad valorem tax on top of the specific tax per proof liter of distilled spirits	Specific Tax					
		2020	2021	2022	2023	2024	2025
		PHP42.0	PHP47.0	PHP50.0	PHP59.0	PHP66.0	6.0% Increase per year effective 2025
	Excise tax on beer and fermented products with a PHP 2 increase every year until 2024	2020	2021	2022	2023	2024	2025
		PHP35.0	PHP37.0	PHP39.0	PHP41.0	PHP43.0	6.0% Increase per year effective 2025
	New excise tax schedule for heated tobacco products per pack:	2021	2022	2023	2024	2025	
		PHP25.0	PHP27.5	PHP30.0	PHP32.5	5.0% Increase per year effective 2025	
	Vapor products classified as nicotine salt will have an excise tax	2021	2022	2023	2024	2025	
		PHP37.0	PHP42.0	PHP47.0	PHP52.0	5.0% Increase per year effective 2025	
	Tax on freebase or classic nicotine vape will be increased to:	2021	2022	2023	2024	2025	
		PHP45.0	PHP50.0	PHP55.0	PHP60.0	5% Increase per year effective 2025	
		Puts specific tax of PHP50 per liter on all wines starting 2020 and increases by 6% every year starting 2021.					

# Major Tax Reforms to Improve Tax Governance, Attract Desirable Investments

## Republic Act No. 11534: Corporate Recovery and Tax Incentives for Enterprise (CREATE) Act

- Package 2 of the Comprehensive Tax Reform Program aims to provide immediate relief for business affected by COVID-19 crisis and attract highly desirable investments. It was signed by the President on 26 March 2021. Salient features are as follows:

### I. LOWER TAXES

- ✓ Lower CIT rate from 30% to 20% for small and medium corporations (with net taxable income of PHP5 million and below, and with total assets of not more than PHP100mn)
- ✓ Lower CIT rate from 30% to 25% for large corporations; Foreign non-resident corporations subject to 25% rate effective 1 January 2021
- ✓ Lower percentage tax from 3% to 1% for small businesses (gross sales or receipts under PHP3mn (effective 1 July 2021 to 30 June 2023)
- ✓ Lowered minimum CIT from 2% to 1% (effective 1 July 2021 to 30 June 2023)
- ✓ Lower CIT rate from 10% to 1% for non-profit hospitals and educational institutions (effective 1 July 2020 to 30 June 2023)
- ✓ Tax –exempt foreign dividends received by domestic corporations, subject to reinvestment of earnings

### II. FISCAL INCENTIVES

- ✓ Up to 17 years of incentives (4-7 years of income tax holiday + 10 years of special corporate income tax, *i.e.*, 5% tax on gross income earned, or enhanced deductions) for exporters
- ✓ Up to 12 years of incentives (4-7 years of income tax holiday + 5 enhanced deductions) for domestic market enterprises
- ✓ Performance-based enhanced deductions:
  - a. depreciation allowance for assets acquired for production of goods and services (additional 10% for buildings and additional 20% for machineries and equipment)
  - b. 50% additional deduction on labor, domestic input and power expenses
  - c. 100% additional deduction for research and development and training expense
  - d. Reinvestment allowance for the manufacturing industry—up to 50% of reinvested profit allowed as a deduction within 5 years from reinvestment
  - e. net operating loss not yet offset from gross income for the first 3 years of operations can be carried over as a deduction from gross income within the next 5 years following the loss

### III. COUNTRYSIDE DEVELOPMENT

- ✓ Additional 3 years of income tax holiday for registered enterprises that will fully relocate outside of NCR
- ✓ Additional 2 years of income tax holiday for registered enterprises in areas recovering from disasters or conflict

### IV. COVID-19, HEALTH INCENTIVES and OTHER TAX RELIEF

- ✓ VAT exemption and duty-free importation of prescription medicines for diabetes, high cholesterol and hypertension beginning 1 January 2020; for cancer, mental illness, tuberculosis and kidney diseases beginning 1 January 2021; VAT and duty-free importation of COVID-19 vaccines, VAT-free importation and sale of COVID-19 medicines and PPE components beginning 1 January 2021 to 31 December 2023
- ✓ VAT exemption, duty-free importation, printing or publication of books, newspaper, magazine, journal including digital or electronic format



# Corporate Recovery and Tax Incentives for Enterprise (CREATE) Act

## Largest fiscal stimulus for enterprises in the country's history

*Provides an estimated US\$2bn of tax relief annually to the corporate sector to sustain employment or use for investments*

## Provides hefty corporate income tax rate cuts

*Gives immediate 10 percentage points tax cut for MSMEs (from 30 to 20%) and 5-percentage points reduction for all other corporations (from 30 to 25%)*

## Provided more flexibility in the grant of fiscal and non-fiscal incentives

*Rationalizes fiscal incentives, creating an enhanced incentive package that is performance-based, time-bound, targeted and transparent.*

## Projects granted with tax incentives by the Fiscal Incentives Review Board (as of April 2022)

Project	Location	Description of Activity	Tax Incentive Granted	Estimated project cost (in PHP bn)
Mass housing	Leganes, Iloilo	New developer of economic and low-cost housing	4 years income tax holiday (ITH) and tax exemption on importations	1.4 (US\$28mn)
Cement Manufacturer 1	Porac, Pampanga	Cement producer expanding operations	2 years ITH, 5 years of enhanced deduction, and duty exemption on importations	3.1 (US\$61mn)
Cement Manufacturer 2	Calatagan, Batangas	New cement producer	6 years ITH, 5 years of enhanced deduction, and duty exemption on importations	24.9 (US\$491mn)
Rail operations of subway project	Makati City, Metro Manila	Construction, operation, management, and maintenance of rail project	4 years ITH, 5 years enhanced deductions, and duty exemption on importations	80.1 (US\$1.6bn)
Cement Manufacturer 3	Sta. Cruz, Davao del Sur	New cement producer	2 years ITH, 5 years of enhanced deduction, and duty exemption on importations	10.0 (US\$200mn)

# Major Tax Reforms to Improve Tax Governance, Attract Desirable Investments

## Remaining Tax Reforms in the Pipeline

### Package 3: Real Property Valuation Reform

- Involves reforms in property valuation to make the system more equitable, efficient and transparent by adopting international standards and rationalizing valuation process, establishing single valuation base for taxation, recentralizing approval of schedule of market values (SMVs) back to the Secretary of Finance, establishing a comprehensive database, among others.
- Designed to be revenue neutral for the National Government but revenue positive for local government units.
- Approved on third and final reading in the Lower House. Transmitted to the Senate.

### Package 4: Passive Income and Financial Intermediary Taxation Reform (PIFITA)

- Aims to make passive income and financial intermediary taxes simpler, fairer, more efficient, regionally more competitive with salient features as follows:
  - (i) 15% final withholding tax on interest income regardless of currency, maturity, issuer, and other differentiating factors;
  - (ii) 15% uniform tax on passive income such dividends and capital gains
  - (iii) 5% gross receipt tax (GRT) rate on banks, quasi banks, and certain non-bank financial intermediaries (FIs)
  - (iv) 2% of the premium for pre-need, pension, life, and HMO insurance
  - (v) Removal of initial public offering (IPO) tax
  - (vi) Rationalization of Documentary Stamp Tax (DST)
- Designed to be revenue neutral but is initially projected to bring in additional PHP1.7bn in revenue in 2020 and PHP0.2bn in 2021 based on a 70 percent tax efficiency rate\*. Revenue collections will start to taper off in the latter years as the unified and lower tax rates are expected to be fully in place.
- Approved on 3rd and final reading in the Lower House. Ongoing committee deliberations in the Senate.

# Ensuring Tomorrow's Vision By Building It Today

VII

# Infrastructure Modernization Takes Off

## Build, Build, Build (BBB) Program to improve mobility of goods and people and create jobs

- Launched in April 2017, the Build Build Build (BBB) Program is the Duterte Administration's centerpiece program anchored on the government's commitment to a responsive regional development. The program aims to spread economic activities from urban centers toward the countryside.

**5,586**

Infrastructure programs/activities/projects (PAPs) under Chapter 19<sup>1/</sup> of the 2017-2022 Public Investment Program (PIP)

**112 (PHP 5.0 trillion)**

Updated Infrastructure Flagship Projects<sup>2/</sup> (IFP)

**PHP 6.7 trillion**

Total project cost of the 5,586 Infrastructure PAPs

### Status of IFP Implementation<sup>3/</sup>

**5** completed amounting to PHP30.9bn

**7** for completion by June 2022 amounting to PHP34.7bn

**12** for completion by December 2022 amounting to PHP207.7bn

**88** for completion by 2023 and beyond amounting to PHP4,767.1bn

Source: NEDA, BBB Presentation by BCDA as of August 2020

<sup>1/</sup> Under Chapter 19; updated as of 20 December 2019

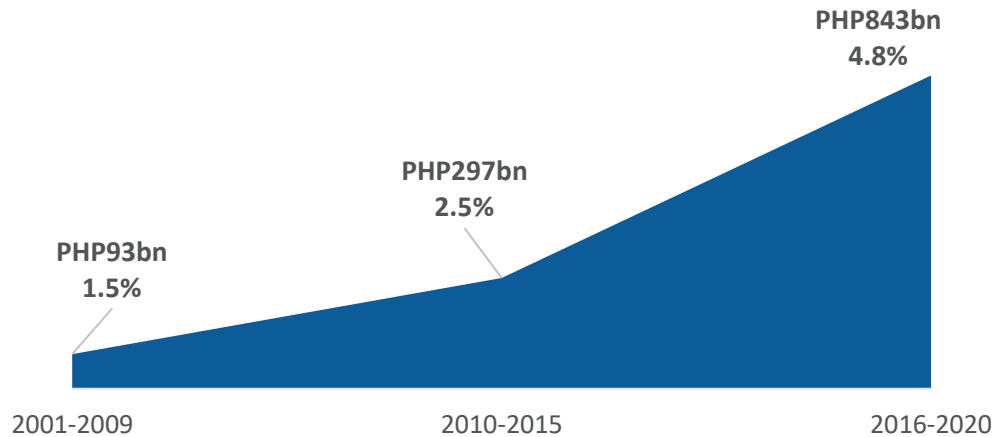
<sup>2/</sup> In May 2021, the list of IFPs was recalibrated to prioritize projects such as digital technology, health infrastructure, and flood control projects, among others. The revised list does not include completed projects that were part of previous lists of IFPs approved in 2017, 2019, and 2020. Total amount is updated based on NEDA inputs as of April 2022.

<sup>3/</sup> As of April 2022 (NEDA)

# Infrastructure Modernization Takes Off

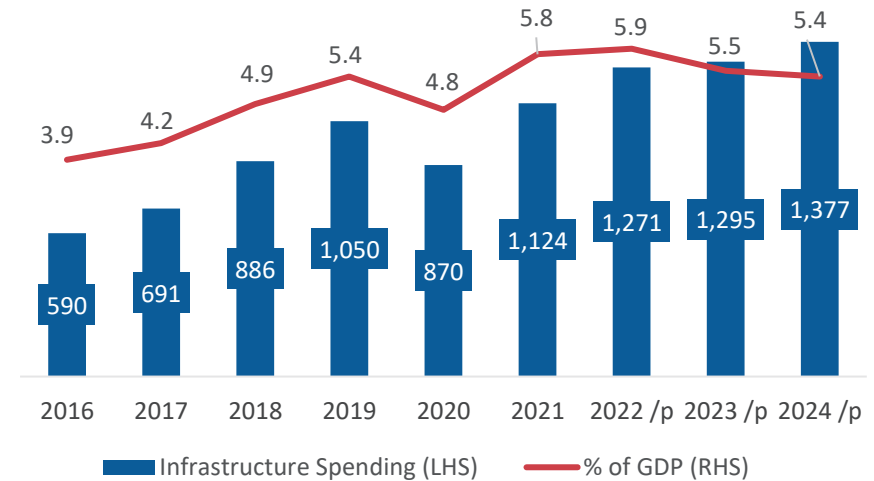
## Average infrastructure spending doubles under the Duterte administration

Infrastructure spending<sup>1</sup> (average in PHP bn, % of GDP)



Source: DBM

Infrastructure spending<sup>2</sup> actual and program<sup>3</sup> (PHP bn, % of GDP)



**The Government's massive infrastructure program is key to economic recovery. The infrastructure development program will help ensure the country's sustainable, robust and inclusive growth.**

- Increased infrastructure investment and efficiency in budget utilization
  - In 2021, actual infrastructure disbursements<sup>4/</sup> increased to PHP1,123.6bn (5.8% of GDP) or 29.2% higher than the PHP869.9bn disbursements in 2020.
  - The government remains firmly committed to accelerating the implementation of the BBB Program while balancing the need to support critical programs and projects to address the COVID-19 pandemic.

1/ Infrastructure figures for 2001-2018 are obligation-based; 2019 onwards are cash-based.

2/ Disbursement basis, the government transitioned to cash-based budgeting starting FY 2019

3/ Infrastructure spending program based on 180th Development Budget Coordination Committee (DBCC) Meeting on 14 December 2021

4/ Include estimated NG infrastructure disbursements, and infrastructure components of subsidy and equity to GOCCs and transfers to LGUs.

Source: NEDA, DBM

# Building Today to Power Tomorrow's Economy

Tangible results show the Administration's commitment to upgrade the country's infrastructure network

*No. of completed projects under the Duterte Administration*



**246**

Airport Projects\*



**6,656**

Bridges



**484**

Commercial, Social,  
and Tourism Ports



**34,291**

Kilometers of Roads



**9 Million**  
Jobs generated

**Long-term multiplier effects expected from infrastructure spending**

**The infrastructure program of the government boosts employment.**

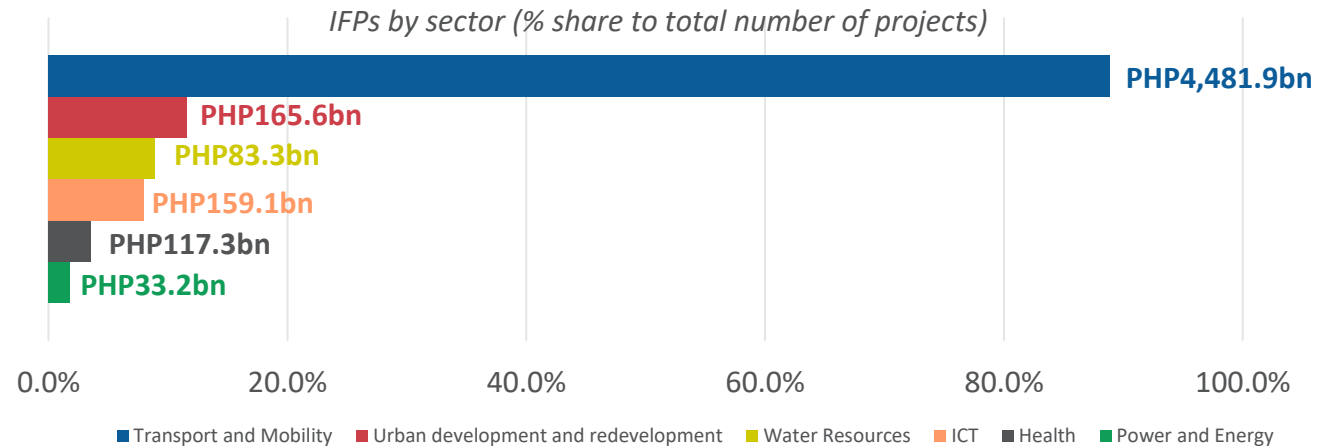
- BBB generated 9mn jobs from the road, bridge, flood-control and other infrastructure-related projects nationwide from 2016-2021

# Building Today to Power Tomorrow's Economy

IFPs to help bring down production costs, improve rural incomes and encourage countryside investments

## 112 Projects worth PHP5.0tn

- In May 2021, the list of infrastructure flagship projects was recalibrated to include additional projects on digital technology, transport and mobility projects, disaster resilience and health infrastructure projects
- 76 projects or more than half of the projects included in the IFP are under Transport and Mobility to improve connectivity between business districts and rural areas leading to better supply chain connectivity, development of industries, efficient movement of goods and services and a more efficient labor mobility. These will lead to higher overall productivity of the economy.



## Select infrastructure flagship projects by category

Transport and Mobility	Urban Development and Renewal	Water	Power and Energy	Information and Communication Technology	Health
<ol style="list-style-type: none"> <li>1. New Manila International Airport</li> <li>2. North South Commuter Railway Extension [PNR North 2, PNR South Commuter]</li> <li>3. Metro Manila Subway Project Phase 1</li> </ol>	<ol style="list-style-type: none"> <li>1. Ambal Simuay River and Rio Grande de Mindanao River Flood Control Projects</li> <li>2. Pasig-Marikina River Channel Improvement Phase IV</li> <li>3. New Clark City Phase 1</li> </ol>	<ol style="list-style-type: none"> <li>1. National Irrigation Sector Rehabilitation and Improvement Project (NISRIIP)</li> <li>2. Malitubog-Maridagao Irrigation Project</li> <li>3. Chico River Pump Irrigation Project</li> </ol>	<ol style="list-style-type: none"> <li>1. Agus-Pulangi Rehabilitation Project</li> <li>2. Agus 3 Hydroelectric Power Project (225 MW)</li> </ol>	<ol style="list-style-type: none"> <li>1. Digital Transformation Centers (Upgraded "Tech4ED" Project)</li> <li>2. Philippine Identification System</li> <li>3. Safe Philippines Project Phase 1</li> </ol>	<ol style="list-style-type: none"> <li>1. Health System Enhancement to Address and Limit (HEAL) COVID-19 Project</li> <li>2. Philippines COVID-19 Emergency Response Project</li> <li>3. University of the Philippines – Philippine General Hospital</li> <li>4. Cancer Center PPP Project</li> <li>5. Virology Science and Technology Institute of the Philippines</li> </ol>

Source: NEDA as of 4 April 2022

# Building Today to Power Tomorrow's Economy

## BBB Program to close the infrastructure gap

### Completed infrastructure projects

#### Angat Water Transmission Improvement Project <sup>1</sup>

4.00 meters tunnel (Tunnel no. 4) by 6.30 kilometers to improve the reliability and security of the raw water from Ipo to La Mesa

**PHP 3.3bn (US\$ 65.2mn)**

**Location: Luzon**

#### New Clark City Phase 1

National Government Administrative Center (NGAC) includes an athletics stadium that can seat 20,000 individuals, and an aquatics center with a seating capacity of 2,000

**PHP 18bn (US\$ 356.4mn)**

**Location: Luzon**



#### Clark International Airport Expansion Project Phase 1

New passenger terminal building to accommodate 8 million passengers per annum to support the operations of the Clark International Airport

**PHP 15.0bn (US\$ 296.5mn)**

**Location: Luzon**

#### Luzon Bypass Infrastructure Project (Broadband Project) <sup>1</sup>

Two cable landing stations connected by a 250-km long cable network corridor that will greatly improve the speed, affordability and accessibility of broadband Internet throughout the country.

**PHP 1.0bn (US\$ 19.8mn)**

**Location: Nationwide**

1- Projects that were part of previous IFP lists but no longer included in current list of IFPs.

Source: MWSS, PPP, DOTr, DPWH, BBB presentation as of Aug 2020, PNA

Note: Amount in USD is calculated using mid point of 48-53 pesos per US dollar which is based on the assumptions and targets adopted by the Development Budget Coordination Committee (DBCC) on 14 December 2021.



# Building Today to Power Tomorrow's Economy

BBB Program to improve mobility and connectivity in the country

*Completed infrastructure projects*



## **Cagayan de Oro Port**

two-story building with a total floor area of 5,597 square meters, the new CDO Port passenger terminal building boasts of a 1,176-passenger seating capacity on its ground floor, and a 1,221-passenger seating capacity on its second floor.

**PHP 301mn (US\$ 5.96mn)**

**Location: Mindanao**



## **Bohol-Panglao International Airport**

first eco-airport in the Philippines which replaced the Tagbilaran Airport. It has a 2000m runway and is expected to accommodate up to 3.4 million passengers.

**PHP 8.9bn (US\$ 176.5mn)**

**Location: Visayas**



## **The Mactan-Cebu International Airport**

new world-class passenger terminal building in MCIA, with a capacity of about 8 million passengers per year

**PHP 17.5bn (US\$346.9mn)**

**Location: Visayas**



## **MRT 3 Rehabilitation Project**

Four lane bridge which is expected to accommodate as much as 50,000 cars daily, improving traffic situation in the area and decongesting EDSA.

**PHP 22.0bn (US\$435mn)**

**Location: NCR**

# Building Today to Power Tomorrow's Economy

Making the movement of goods and people more efficient in the capital region

*Select ongoing/pipeline projects*

## Metro Manila Subway Project Phase 1

**PHP 488.5 billion  
(US\$ 9.7bn)**

- The **35 km subway** project broke ground in February 2019. Subway will run from Valenzuela City to FTI in Taguig then to NAIA.
- There are 17 proposed stations with 2 stations combined with NSCR line.
- In December 2020, DOTr signed a contract with Sumitomo Corporation for the delivery of 240 train cars for the subway project.
- A portion of the Metro Manila Subway Project, Mindanao Avenue station to North Avenue station, is expected to be operational by **2022**

Location: National Capital Region

- First underground railway project of the country
- Expected to accommodate around 365,000 passengers annually on its first year of full operations and expand to around 669,000 passengers by 2030 and 973,000 passengers by 2035.
- Expected to significantly cut the travel time from North of Manila (Valenzuela) to NAIA Airport from 1.5 hours to about 45 minutes.
- Expected to generate at least 9,000 direct jobs and between 40,000 – 50,000 indirect jobs

# Building Today to Power Tomorrow's Economy

Linking local economies to mainstream growth

*North South Commuter Railway Project*

# 147

Kilometer Rail System from Clark to Calamba  
**PHP 873.6bn (US\$ 17.3bn)**

- The North South Commuter Railway Project for Greater Metro Manila Area to the Southern part of Luzon.
- With 35 stations, 464 train cars / 588-car train sets, including 7 Airport Express Trains, and 3 Depots (Clark Depot, Valenzuela Depot, Calamba Depot)
- Travel from Clark to Calamba will be reduced from more than 4 hours down to less than 2 hours and travel time from Clark International Airport to Makati will be less than 2 hours via Airport Express Service.
- Capacity: More than 800,000 passengers in its first year of full operations with a capacity to serve more than 1 million passengers
- Expected to be fully operational by 2024





# Building Today to Power Tomorrow's Economy

## Linking local economies to mainstream growth

Select priority ongoing/pipeline projects



### Subic Clark Railway

**PHP 50.0 billion  
(US\$ 1.0bn)**

- 71.1-km single-track railway between the Port of Subic Bay and Clark International Airport.
- The project will increase the utilization of the Subic port and complement the Clark airport since it is linking Subic Port with Clark International Airport and other major economic hubs in Central Luzon, especially New Clark City, and forming an integrated logistics hub for the development of Central Luzon as a new growth center to decongest Metro Manila.

Location: Central Luzon



### Mindanao Rail Project Phase 1

**PHP 81.7 billion  
(US\$ 1.6bn)**

- 100-km railway line designed to connect Tagum in Davao del Norte, Davao City, and Digos in Davao Del Sur
- Mindanao is the second largest island group with an area of 106 thousand square kilometer and has the potential to be a major transshipment point due to its strategic location
- Rail project will also significantly improve Mindanao's intra island linkages and accessibility.
- It will reduce travel time from Tagum City, Davao del Norte to Digos City, Davao del Sur from 3.5 hours to 1.3 hours.
- It will accommodate approximately 130,000 passengers by 2022.

Location: Mindanao



### New Cebu International Container Port (NCICP)

**PHP 9.2 billion  
(US\$ 0.2bn)**

- The new international container port terminal will be built in a 25-hectare reclaimed island in Brgy. Tayud, Consolacion, Cebu, and it will handle all foreign containerized cargo complementing the Cebu Base Port.
- Project aims to alleviate congestion in the existing Cebu Base Port and increase operational capacity with the increase in cargo handling and container stacking capability.

Location: Visayas

# Outlook

## Sound Fundamentals Propel Swift Economic Recovery

	Actual		Projections	
	2021	2022 (Latest YTD)	2022	2023
Real GDP Growth (%)	5.6	n.a.	7.0 – 9.0	6.0 – 7.0
Inflation Rate (%)*	3.9	3.7 (Jan-Apr)	2.0 – 4.0	2.0 – 4.0
Growth of goods export (%)**	12.4	n.a.	7.0	6.0
Growth of goods import (%)**	31.7	n.a.	15.0	6.0
OF Cash Remittances, Growth Rate (%)**	5.1	1.9 (Jan-Feb)	4.0	4.0
Net Foreign Direct Investments (US\$ bn)**	10.5	0.8 (Jan)	11.0	11.8
Current Account Balance (% of GDP)**	-1.8	n.a.	-3.8	-3.7

Source: Real GDP growth projection was approved by the Development Budget Coordination Committee (DBCC) on 14 December 2021.

\*Inflation rate targets were approved in the DBCC meeting on 19 July 2021.

\*\*Projections approved by Monetary Board on 9 December 2021.

# Drivers of Economic Recovery

Managing risk and implementing economic recovery policies to solidify growth and recovery



**Passage of priority legislative measures:**

- **GUIDE\***
- **Amendments to Public Service Act, Retail Trade Liberalization Act, and Foreign Investments Act**



**Safe re-opening of the economy, while strictly adhering to health protocols**



**Acceleration of vaccination program**



**Full implementation of the recovery packages (e.g., 2021 and 2022 budgets, Build Build Build Program, CREATE, and FIST )**

# **Institutional Foundations Propel Structural Reforms**



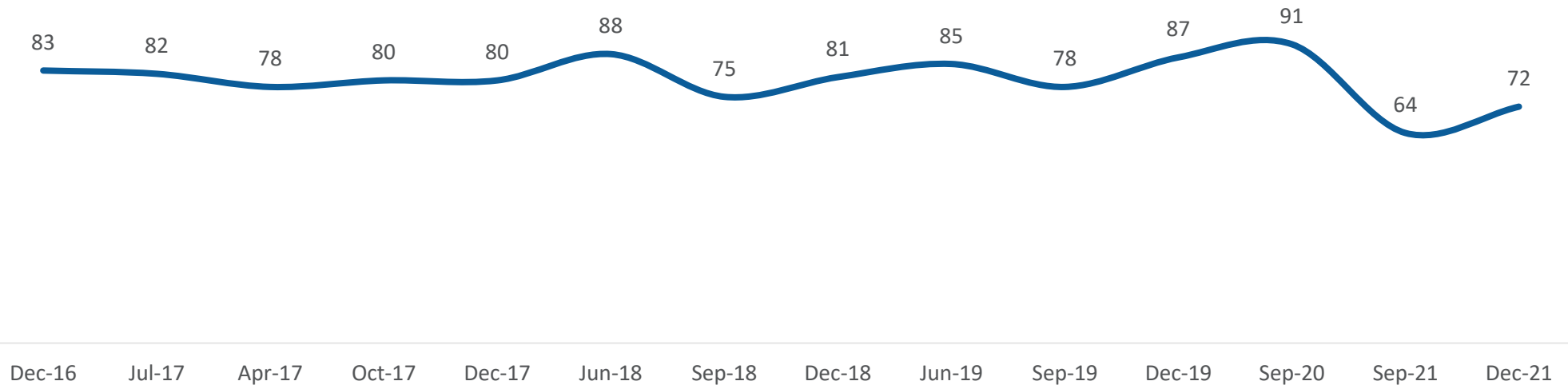


# Strong Political Will Wins Broad Support, Gains Critical Reforms

- The President's latest performance rating improved in December 2021, defying the historical trend among outgoing Philippine presidents.
- This shows a strong political base evident across all social status or class. The president's genuine concern for the poor manifests in the latest survey where the approval rating of the President among Class E was at 76%, while 72% for Class D and 71% among Class ABC.
- His effective leadership in dealing with the crisis gained new support, with those who were undecided decreasing to 17% in December 2021 from 23% in September 2021. Consequently, those who disapproved also decreased by 2 percentage points in the same period.

Pulse Asia Research Inc.'s Performance Ratings of President Rodrigo Duterte (2016-2021)

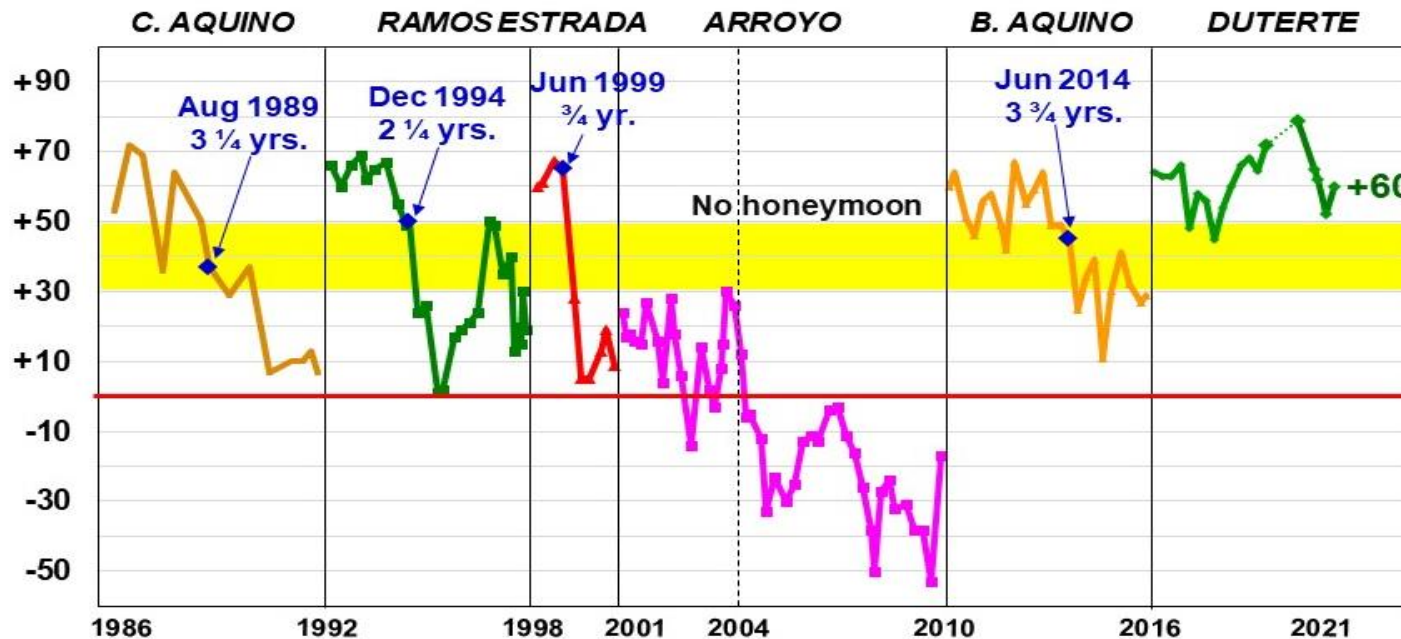
(in %)



# Tangible Accomplishments Support High Satisfaction Rating

## Social Weather Survey Net Satisfaction Ratings of Philippine Presidents

(May 1986 to December 2021)



- In the latest Social Weather Stations (SWS) survey conducted in December 2021, net satisfaction of the President increased to +60 or “very good” under the polling station’s classification.
- Among Philippine presidents that served since 1986, President Duterte recorded the highest net satisfaction rating approaching the end of his term and remained at honeymoon levels throughout his term of office.

SWS explained that there are multiple reasons\* for the high satisfaction rating of the President, and the most important factor that explains his satisfaction rating appears to be the perception of his character.

- His strong base support stuck with him so far regardless of economic and other developments.
- People surveyed were also satisfied with the National Administration’s overall management and policies related to helping the poor and the campaign against illegal drugs.
- People also relate and are attracted to some aspects of the President’s character, particularly his decisiveness and diligence.

### Factors of High Satisfaction Rating:

Strong base support

Overall Management

Perceived Decisiveness and Diligence

# Sustaining Transformational Reforms Towards Inclusive Growth

The Government is committed to utilizing resources and deploying its immense political capital to make real, lasting reforms that would redound to a comfortable life for every Filipino

## 2021 Common Legislative Agenda (CLA) for the 18th Congress

### Priority measures

- Government Financial Institutions Unified Initiatives to Distressed Enterprises for Economic Recovery (GUIDE) Act
- Package 3 of Comprehensive Tax Reform Package (CTRP) or the Valuation Reform Act
- Package 4 of CTRP or the Passive Income and Financial Intermediary Taxation Act (PIFITA)
- Rural Agricultural and Fisheries Development Financing System Act (Agri-Agra)
- Creating a Medical Reserve Corps Act
- Creating a Disease Prevention and Control Authority Act
- Strengthening Local Government Participation in National Development by Increasing the Share of Local Government Units in the National Internal Revenue Taxes

### CLA bills

- Creating a Department of Disaster Resilience Act
- Creating a Boracay Island Development Authority Act
- Creating a Unified System of Separation, Retirement and Pension of the Military and Uniformed Personnel Act
- National Land Use and Management Act
- Internet Transactions Act
- Magna Carta for Barangay Health Workers Act
- National Housing Development Act
- Expanded Solo Parents Welfare Act
- Amending/Repealing RA No. 10192, or the Continuing Professional Development Act of 2016
- Reviving the Death Penalty by Lethal Injection for Crimes specified under the Comprehensive Dangerous Drugs Act of 2002

### 6<sup>th</sup> and Final SONA Priority Bills

- e-Governance Bill
- Creation of the Virology Institute of the Philippines
- Mandatory Evacuation Center Act
- Act Providing Free Legal Assistance to Any Officer or Enlisted Personnel of the Armed Forces of the Philippines and the Philippine National Police on Any Charge Before the Prosecutor's Office, Court or Any Competent Body Arising From an Incident or Incidents Related to the Performance Of Official Duty

### Select priority measures already passed into law

- RA No. 11518 - General Appropriations Act (GAA) for Fiscal Year (FY) 2021
- RA No. 11523 - Financial Institutions Strategic Transfer (FIST) Act
- RA No. 11521 - Amendments to the Anti-Money Laundering Act
- RA No. 11524 - Coconut Farmers' and Industry Trust Fund Act
- RA No. 11534 - Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act
- RA No. 11589 - Modernizing the Bureau of Immigration Act
- RA No. 11590 - Establishing the Tax Regime of Philippine Offshore Gaming Operators (POGO)
- RA No. 11595 - Amendments to the Retail Trade Liberalization Act
- RA No. 11641 - Creating a Department of Overseas Filipinos Act
- RA No. 11647 - Amendments to Foreign Investment Act
- RA No. 11659 - Amendments to the Public Service Act

# Environmental, Social and Governance



# AmBisyon Natin 2040: Building a Sustainable, Inclusive Future for Filipinos

- The Philippine government aims to lay down solid foundation for more inclusive and transformative growth, a high-trust and resilient society, and a globally competitive knowledge economy

**Strategic Framework of the Philippine Development Plan 2021 forms a solid bedrock that promotes increased ESG standards**

## Enhancing social fabric; regaining people's trust in public institutions and cultivate trust in fellow Filipinos

- Greater trust in public institutions; people-centered, clean and efficient government
- Swift and fair administration of justice
- Greater awareness and respect for cultural diversity

## Inequality-reducing transformation

- Greater economic opportunities and access to these opportunities, particularly for disadvantaged subsectors and people groups
- Reduction of vulnerability of Individuals as well as communities, which involves building resilience to lower exposure to hazards, mitigating the impact of the risks, and accelerating recovery if and when the risk materializes.
- Acceleration of human capital development

## Increasing growth potential; maintaining macroeconomic stability, putting in place a strategic trade and fiscal policy, and enhancing access to financial services

- Increased adoption of technology for production and greater innovation especially in research and development
- Improvement of population management and awareness thus maximizing demographic dividend
- Providing balanced and strategic development of infrastructure, while ensuring ecological integrity and a clean and healthy environment

## ESG considerations are front and center of the targets under the Philippine Development Plan 2021 of the Duterte Administration



- Philippine economy to be an upper middle-income economy by 2022;
- Per capita income growth rate will increase from 4.1% in 2015 to 5.0-6.0% in 2021-2022



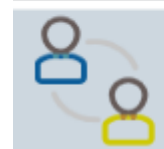
- A high level of human development



- Inclusive growth manifested by lower overall poverty rate from 23.5% in 2015 to 15.5-17.5% in 2021



- More resilient individuals and communities



- Unemployment rate had been reduced from 5.4% in 2016 to 5.1% in 2019; primarily due to impact of the pandemic, unemployment target is revised to 7.0-9.0% in 2021-2022



- Greater trust in government and society



- Greater drive for innovation among Filipinos

# Climate Change Strategy

- The Philippine government is cognizant that inadequate and inefficient infrastructure and weak logistic networks will increase the impact of climate change on communities and the economy and risk undermining the country's potential growth. Therefore, the government has prioritized initiatives to help make communities safer and more resilient to the impacts of climate change and natural disasters.
- The Philippines submitted on 15 April 2021 its Nationally Determined Contribution (NDC) to the UN Framework Convention on Climate Change, committing to reduce the projected carbon emission by 75% by 2023

## Signatory to the Paris Agreement in 2017

- Implementation of RA No. 9729 or the Climate Change Act of 2009
- Adoption of National Framework Strategy on Climate Change
- Concurrence of Senate of the instrument signifying the Philippines' accession to the Paris Agreement
- Embodied policies on building resiliency in the Philippine Development Plan (PDP) 2017-2022
- Green Jobs Act (RA No. 10771)
- Department of Human Settlements and Urban Development Act (RA No. 11201)



### 2017-2022 Updated Philippine Development Plan (PDP) Strategies to deal with natural hazards and human-induced shocks

- Provide rapid assistance and insurance for farmers and fisherfolks
- Promote proactive disaster preparedness among individuals
- Promote disaster-resilient infrastructure
- Ensure the safety of disaster victims
- Establish a menu of social protection programs to be implemented during disasters and emergencies
- Continue building the capacities of disaster risk reduction and management (DRMM) stakeholders and improve coordination services

## Strong institutional capacity elevates climate and disaster resiliency

- Creation of institutions to provide broader multi-stakeholder participation and integrate climate change mitigation and adaptation in legislation, policies, strategies, projects and programs
  - Cabinet Cluster on Climate Change Adaptation and Mitigation
  - CCC tasked to coordinate, monitor and evaluate climate change programs and action plans
  - National Disaster Risk Reduction and Management Council
  - Program Management Office for earthquake resiliency
- Priority Legislative Agenda towards safe, adaptive and resilient communities proposes the creation of:
  - Department of Disaster Resilience Management
  - Department of Water Resources
  - Water Regulatory Commission

## Limiting impact of natural disasters on fiscal accounts

- Access to climate financing to help mitigate the impact of climate change on government's balance sheet I
  - ROP accessed a total funding support of US\$570.9mn from the Global Environment Facility – covering 110 projects since 1991.
  - ROP secured approval of its first climate fund proposal of US\$10mn from Green Climate Fund under the UN Framework Convention on Climate Change (UNFCCC) in November 2019.
  - 2020 loan financing to help strengthen the Philippine government's capacity to address disaster risks, respond to and recover from natural disasters :
    - US\$500mn for Third Risk Management Development Policy Loan (World Bank)
    - US\$600mn for Promoting Competitiveness and Enhancing Resilience to Natural Disasters Development Policy Loan (World Bank)
    - US\$500 for Disaster Resilience Improvement Program (Asian Development Bank)
  - ROP signed a EUR250mn loan agreement with France's development agency (Agence Française de Développement) to support the decentralization of disaster risk reduction and climate change management to the local government units.
- 2021 budget for disaster resilience
  - PHP232.8bn climate change adaptation and mitigation expenditure of which select programs as follows:
    - PHP20bn for National Disaster Risk Reduction and Management Fund1 (NDRRMF)
    - PHP6.37bn for Quick Response Fund
    - PHP1.785bn for Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) operations (e.g., weather and climate, flood forecasting and warning program, research and development)

<sup>1</sup>NDRRMF is the budget appropriation for (a) disaster risk reduction or mitigation, prevention; (b) preparedness; (c) relief; and (d) recovery and reconstruction

\*Representative Concentration Pathway –a greenhouse gas concentration trajectory adopted by the International Panel on Climate Change (IPCC)

Source: NEDA, CCC, Department of Budget and Management (DBM), Presidential Communications Operations Office (PCOO), Moody's

# Commitment to Global Effort Towards Climate, Disaster-Resilient, Low-Carbon Economy

## Government commits to strengthen global effort to fight climate crisis



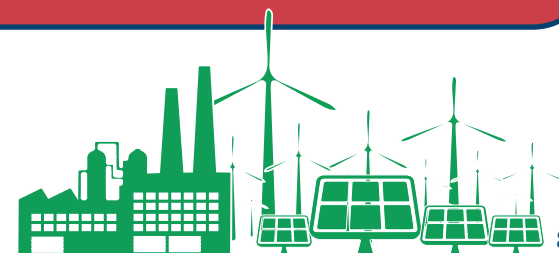
President Duterte has approved the country's first Philippine **Nationally Determined Contribution (NDC)**, which sets a **75-percent greenhouse gas (GHG) emission reduction and avoidance by 2030**, as part of the **Philippines' commitment to the Paris Agreement on Climate Change**.



On 15 April 2021, the Philippines submitted its first official NDC to the United Nations Framework Convention on Climate Change (UNFCCC) as its contributions to achieve the goals of the Paris Agreement, particularly in limiting global warming to well below 2 degrees Celsius above pre-industrial levels or further to 1.5 degrees Celsius.



- The NDC represents the country's goal of modernizing and pursuing low carbon and resilient development for the agriculture, waste, industry, transport and energy sectors over the 2020-2030 period.
- The NDC will be the country's tool to upgrade the economy by adopting modern and low carbon technologies and approaches that would help mitigate the climate crisis for resilient economy and sustainable growth.
- The country's climate change mitigation actions include enhanced access to climate finance, technology development and transfer, and capacity building, especially on the implementation of the policies and measures on and the uptake of circular economy and sustainable consumption and production practices.



# Commitment to Global Effort Towards Climate, Disaster-Resilient, Low-Carbon Economy

Government leads in undertaking national climate change mitigation and adaptation projects

The Philippines has shifted global discussions on climate change from focusing on general scientific findings to undertaking practical actions that may be immediately undertaken on the ground.



Put together a group of experts to prepare and execute localized action plans



Launched the Sustainable Finance Roadmap and Sustainable Finance Guiding Principles to encourage public and private investment in green projects



Currently pushing for a law banning single-use plastic



Embarking on a project with ADB to accelerate the PH's transition to clean energy



Adopted a sustainable finance framework for the issuance of PH's sovereign green bonds

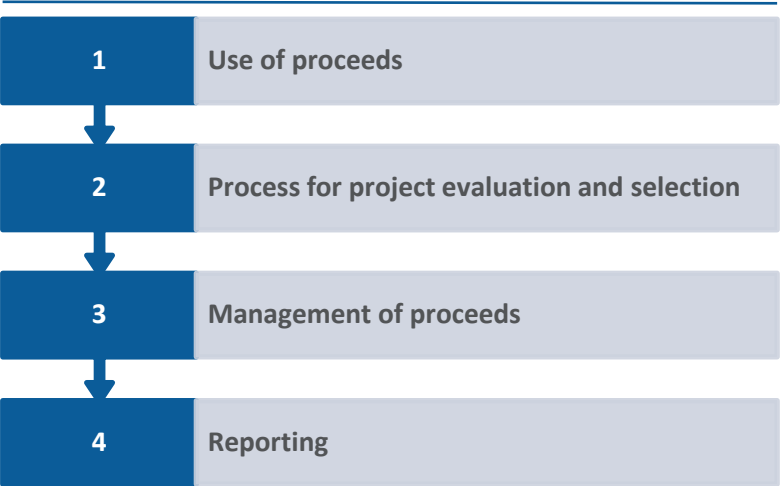


# Overview of the Sustainable Finance Framework, the Second Party Opinion

## Overview of the Sustainable Finance Framework

- The ROP has established a Sustainable Finance Framework (“Framework”) to support its sustainability commitments, and to set out how it intends to raise Green, Social or Sustainability Bonds, Loans and other debt instruments (“Sustainable Financing Instruments”).
- The Sustainable Financing Instruments will fund Eligible Social Projects and Eligible Green Projects conforming to the sustainable finance principles: ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines; ASEAN Sustainability Bond Standards; LMA Green Loan Principles, Green Bond Principles

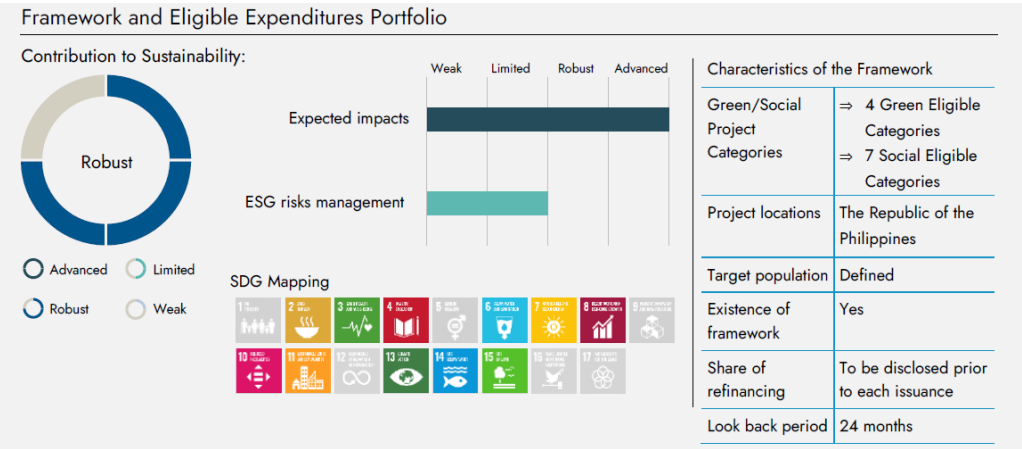
### Elements of the Framework



- The net proceeds from Sustainability Financing Instrument issuance will be used exclusively to finance and/or refinance, in whole or in part, new or existing Eligible Expenditures
- The evaluation and selection of the Eligible Expenditures is performed on an annual basis, or as needed, by an Interagency **Technical Working Group on Sustainable Finance (TWG-SF)**.
- The BTr shall maintain an allocation register to record the allocation of proceeds.  
▪ Unallocated proceeds will be managed in line with BTr’s cash management policies.
- The ROP intends to provide an Allocation and Impact Report within one year of issuance, and annually thereafter until full allocation.

### Second Party Opinion (“SPO”)

- The ROP has engaged Vigeo Eiris (“V.E”), to review and to issue a Second Party Opinion (SPO) on the Republic of Philippines’ Sustainable Finance Framework. V.E considers that the Republic of the Philippines’s Sustainable Finance Framework and Eligible Expenditures Portfolio are aligned with the four core components of Green Bond Principles 2021 (“GBP”), Social Bond Principles 2021 (“SBP”), Green Loan Principles 2021 (“GLP”) and Social Loan Principles 2021 (“SLP”).



# Use of Proceeds

- The net proceeds from Sustainability Financing Instrument issuance will be used exclusively to finance and/or refinance, in whole or in part, new or existing Eligible Expenditures.

24 months

Lookback Period

24 months

Time period for Full Allocation

## Eligible Social Project Categories

### Access to Essential Services

#### Healthcare:

- Financing to construct, equip and operate government health facilities, and projects which strengthen innovations and access to up-to-date technology in the biomedical field

#### Education:

- Development and operation of schools, training centers and related facilities

### Affordable Basic Infrastructure

- Programs delivering infrastructure to rural areas to minimize disparities between regions or benefitting disadvantaged populations

### Food Security

- Guaranteeing effective access to varied, quality food

### Socioeconomic Advancement and Empowerment

- Programs to support and provide social assistance for persons from disadvantaged socioeconomic backgrounds

### Employment Generation, and programs designed to prevent and/or alleviate Unemployment stemming from socioeconomic crises, including through the potential effect of MSME financing and microfinance

- Programs supporting Micro Small and Medium-sized Enterprise (MSMEs) that support employment generation and productivity improvement
- Programs that provide employment and entrepreneurship opportunities to displaced, disadvantaged and unemployed workers

### Affordable Housing

- Development and/or provision of affordable socialized and low-cost housing

### Covid-19 Expenditure

- Manufacturing, logistics and distribution of medical products and supplies, and also financing/disbursements to support populations affected by Covid-19

## Eligible Green Project Categories

### Clean Transportation

- Investments and expenditure in low energy consuming or low emission transportation, including public transportation and freight trains, as well as non-motorized and active transport solutions and ancillary facilities

### Climate Change Adaptation

- Projects that improve Disaster Risk Reduction and Management (DRRM), resilience of biological and ecological systems against impacts of climate change

### Environmentally sustainable management of living natural resources and land use

- Environmentally sustainable agriculture; environmentally sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural terrestrial and marine landscapes.
- Protection of coastal, marine and watershed environments

### Renewable Energy

- Projects to support the manufacturing, development, installation, operation, transmission and distribution of renewable energy

# Process for Project Evaluation, Selection

- The evaluation and selection of the Eligible Expenditures is performed on an annual basis, or as needed, by an **Interagency Technical Working Group on Sustainable Finance (TWG-SF)** under the ROP's **Development Budget Coordination Committee**.

**Members of the TWG-SF**

**Development Budget Coordination Committee**

Department of Finance (DOF)

Bureau of the Treasury (BTr)

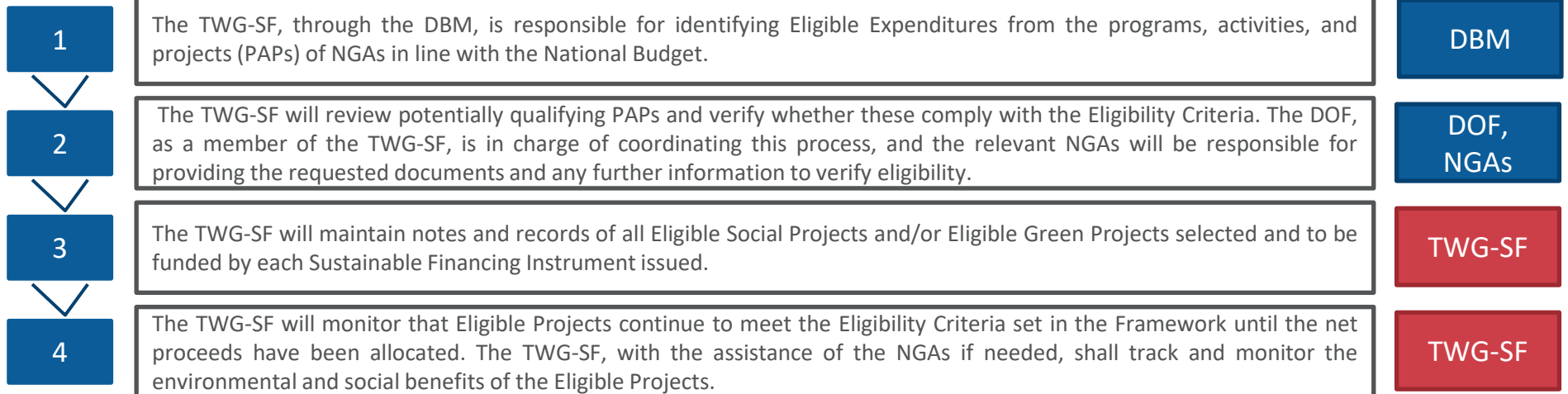
National Economic and Development Authority (NEDA)

Department of Budget and Management (DBM)

**Included as members/ consultants/ advisors**

*Sectoral experts from industries and academia*

*Other national government agencies (NGAs) whose budgets include Eligible Expenditures*

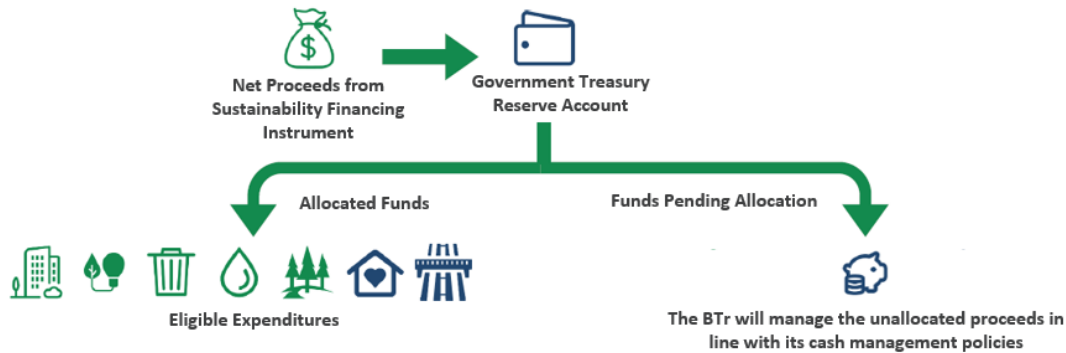


**Exclusionary Criteria for Use of Proceeds**

- Exploration, production or transportation of fossil fuel, fossil-fuel power-generation related projects;
- Manufacture and production of finished alcoholic beverages;
- Lethal defence goods, military contracting, weaponry;
- Non-RSPO-certified palm oil, extractive mining;
- Manufacture and production of finished tobacco products and conflict minerals, gambling;
- Activities/projects associated with child labor/forced labor;
- Production or trade in wood or forestry products other than from sustainably-managed forests;
- Involuntary resettlement and impact on livelihood
- Projects which would affect ethnic minorities/indigenous people and the lands they own or claim;
- Projects located near any protected areas

# Management of Proceeds, Reporting

## Management of Proceeds



- The BTr, as a member of the TWG-SF, is responsible for the management of proceeds, tracking the Eligible Projects and allocations matched to the amount equivalent to the net proceeds of the outstanding bonds issued under this Framework.

BTr

- ✓ The BTr shall maintain an **allocation register** to record the allocation of each Sustainable Financing Instrument proceeds.
- ✓ In the event where some expenditures are withdrawn from the portfolio, the ROP will **reallocate the specific proceeds to other eligible expenditures**, as soon as reasonably practicable.
- ✓ In the event proceeds raised are not immediately and fully allocated to Eligible Expenditures, the BTr will **manage the unallocated proceeds in line with its cash management policies**.

## Reporting

- The ROP intends to provide an Allocation and Impact Report **within one year of issuance, and annually thereafter until full allocation**, and as necessary in the event of any material changes.
- Within one year of issuance and annually thereafter until full allocation, DOF intends to obtain an independent assurance review in order to confirm that the proceeds have been allocated in accordance with this Framework.

### Allocation Reporting

- The Allocation Report may include:
  - Amount of net proceeds raised
  - Total amount of net proceeds allocated per Eligible Expenditure
  - Balance of unallocated net proceeds
  - Details of the split between financing and refinancing

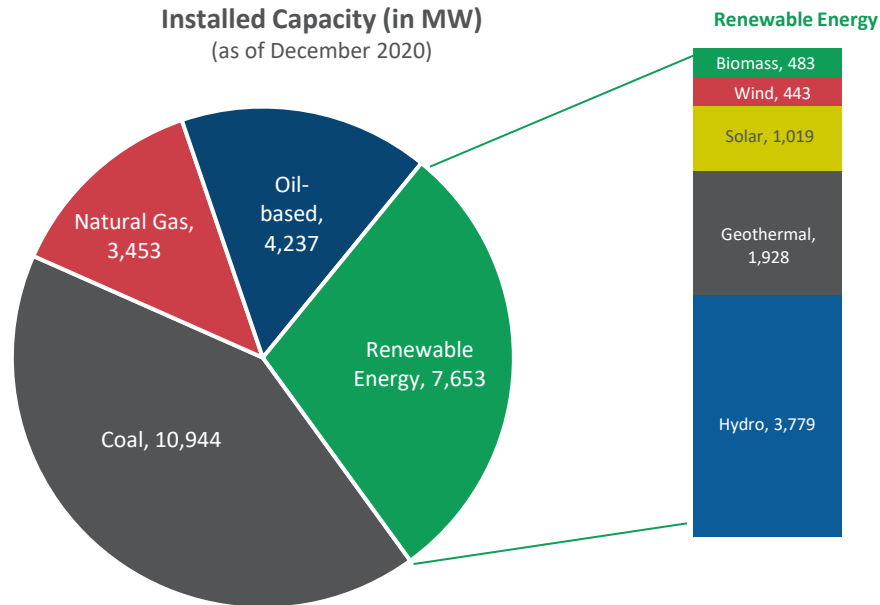
### Impact Reporting

- Where feasible, may contain on best effort basis, such as but not limited to the following example:

Eligible Sustainable Project Categories		Eligible Green Project Categories	
Access to Essential Services	Number of students enrolled/educated	Clean Transportation	Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent
Affordable Basic Infrastructure	Number of water infrastructure projects built	Climate Change Adaptation	Number of flood defences
Food Security	Number of farmers benefitted	Renewable Energy	Capacity of renewable energy plant(s) constructed or rehabilitated in MW
Affordable Housing	Number of housing units constructed		
Covid-19 Expenditure	Number of vaccines administered		

# Proactive Approach to Disaster Risk Reduction, Climate Change Adaptation

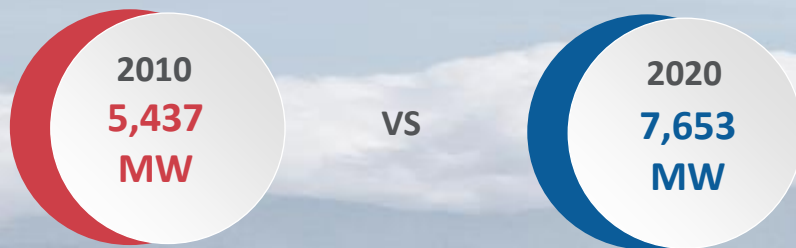
Initiatives reflect government commitment to enhance renewable energy capacity



## National Renewable Energy Program (NREP)

- In accordance with the **Renewable Energy Act of 2008 (R.A. No. 9513)**, the Department of Energy (DOE) led the formulation of the NREP
- The NREP provides a foundation for the development of the country's renewable energy resources through promoting investments in the renewable energy sector, and advancing related technologies.
- In 2018, the country's renewable energy capacity was 7.23 GW and based on the outlook the country is expected to have around 50.48 GW renewable installed capacity by 2040
- DOE has declared a moratorium on endorsement for greenfield coal power plants in order to promote sustainable energy sources

**41%** increase in Total Installed RE Capacity since 2010



# Proactive Approach to Disaster Risk Reduction, Climate Change Adaptation

Select projects to ensure the country's water supply, enhance response to disasters

## Water Security

The government ensures continuous supply of water through conservation and regulation of water resources and construction of infrastructure projects which are vital to ensure adequate water supply in the future.

### Luzon

- Angat Water Transmission Improvement Project (Completed) – PHP3.3bn
- Wawa Bulk Water Supply Project – PHP20bn
- Balog-Balog Multipurpose Project Phase II, Tarlac – PHP13.4bn
- New Centennial Water Source - Kaliwa Dam Project – PHP 12.2bn
- Aqueduct No. 7 Project – PHP 7.4bn
- Chico River Pump Irrigation Project – PHP4.4bn
- Lower Agno River Irrigation System Improvement Project, Pangasinan – PHP3.5bn

### Visayas

- Jalaur River Multipurpose Project - Stage II, Iloilo – PHP11.2bn

### Mindanao

- Malitubog-Maridagao Irrigation Project – PHP 5.4bn

### Nationwide

- Water District Development Sector Projects (ADB-WDDSP) – PHP 2.7bn
- National Irrigation Sector Rehabilitation and Improvement Project (NISRIIP) – PHP3.1bn

## National Water Programs

Program	January 2013 to June 2016		July 2016 – June 2021	
	Completed Sub-Projects	Household Beneficiaries	Completed Sub-Projects	Household Beneficiaries
<b>Sagana at Ligas na Tubig para sa Lahat (SALINTUBIG) Program.</b> Provides potable water supply systems to waterless municipalities, barangays, health centers, and resettlement sites	410	137,258	2,160	1,120,000
<b>Assistance to Municipalities – Water Supply.</b> Provides financial subsidy to municipalities for the implementation of priority programs and projects, including water supply projects	1,442	636,610	3,814	1,980,000

13,224

Flood Mitigating Structures completed under the Duterte administration

## Flood Management

### Luzon

- Metro Manila Flood Management Project, Phase I – PHP23.5bn
- Cavite Industrial Area Flood Management Program – PHP9.9bn
- Pasig-Marikina River Channel Improvement Phase IV – PHP33.1bn
- Integrated Disaster Risk Reduction and Climate Change Adaptation Measures in the Low-Lying Areas of Pampanga Bay – PHP6.2bn

### Mindanao

- Ambal Simuay River and Rio Grande de Mindanao River Flood Control Projects – PHP39.2bn
- Flood Risk Improvement and Management Project - Cagayan De Oro River – PHP8.5bn

### Nationwide

- Flood Risk Management Project (FRIMP) in Cagayan, Tagoloan, and Imus Rivers – PHP8.8bn



# Proactive Approach to Disaster Risk Reduction, Climate Change Adaptation

## Other government initiatives on climate change

### Air Quality

- ROP committed to the 21<sup>st</sup> United Nations Convention on Climate Change to limit global temperature rise to 2 degrees celsius through national climate adaptation and mitigation programs
- **Green, Green, Green Program** of the Department of Budget and Management to assist 145 cities develop open public spaces, making life livable
- Promotion of renewable sources and technologies in both the power and non-power sectors and the regulation of the exploration, development and utilization of renewable energy sources
  - In 2019, 2.6mn tons oil equivalent were saved through energy efficiency and conservation program which avoided the release of 5.6mn tons of carbon dioxide equivalent



### Environment and Natural Resources

- **Green Force**, a collaboration with the Department of Finance, the Bangko Sentral ng Pilipinas and other key government agencies to embark on the development of a principle-based taxonomy to champion the promotion of sustainability agenda in the financial system
- **Strengthening Multi-Hazard, Impact-Based Forecasting and Early Warning Systems** to be ahead of the curve in pre-empting risk events. Deemed to make warning messages understandable, especially people residing in high-risk areas
- Launching of HazardHunterPH by the Department of Science and Technology, a GeoRiskPH Platform web application used to generate assessment reports on user's location with information on seismic (earthquake), volcanic and hydro-meteorological hazards. Provided hazard assessment reports to land developers and property owners
- **Climate Information for Agriculture** – Philippine Astronomic, Geophysical and Astronomical Services Administration (PAGASA) releases a Ten-Day Regional Agri-Weather Information that helps farmers make well-informed decision in light of potential disruptive weather conditions
- **Department of Agriculture's Adaptation and Mitigation Initiative in Agriculture or AMIA** - development of new planning tools towards climate-ready crop management systems and science-based interventions to assist stakeholders (farmers and fisher folks, private sector)
- **National Color-Coded Agricultural Guide Map** – to identify the crops that are most suitable in agricultural parcels, and overlays soil properties, elevation, rainfall pattern, temperature and the projected climate-induced multi-hazards
- **Sustained the National Greening Program** which aims to reduce poverty, attain food security, and conserve and protect the country's biodiversity and forests
- **Sustainable tourism** with continued rehabilitation of Boracay Island towards a productive, inclusive and climate-resilient economy
- Pursued **Manila Bay Rehabilitation Program** for a massive clean-up of rivers and esteros in the city, relocation of informal settlers residing in danger zone



# Investing in Human Capital Development, Improving Social Inclusion

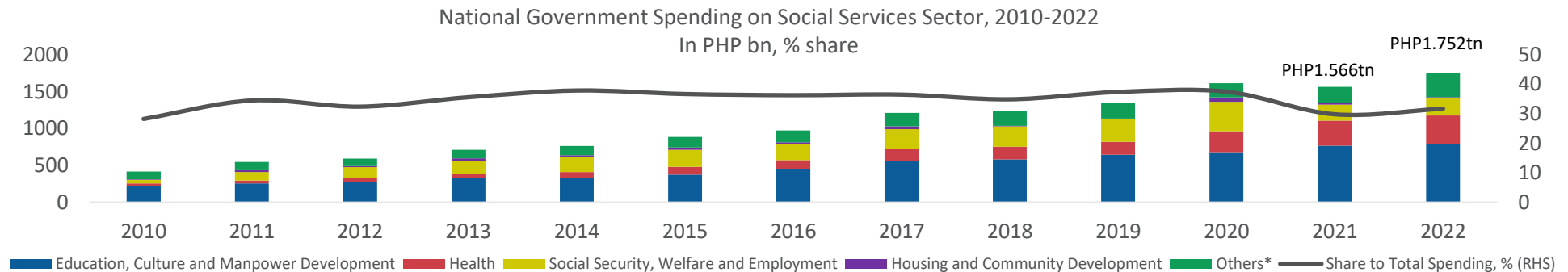
## PDP Strategies to accelerate human capital development

- **Nutrition and health for all improved**  
Care at all life stages guaranteed; access through functional service delivery ensured; health financing sustained

- **Income-earning ability increased**  
Employability improved; productivity improved; labor mobility and income security enhanced

- **Lifelong learning opportunities for all ensured**  
Quality, accessible, relevant, and liberating basic education for all achieved; quality of higher and technical education and research for equity and global competitiveness improved

**The national government is committed to uplifting the lives and livelihoods of its citizens and expanding the economy's productive capacity**



## Milestone legislations to reduce poverty, promote social inclusion, and build stable conditions for sustained inclusive economic growth

Below are select critical and historic policy interventions

- RA No. 10931 Universal Access to Quality Tertiary Education Act (2017)
- RA No. 10969 Free Irrigation Service Act (2018)
- RA No. 11037 National Feeding Program (2018)
- RA No. 11210 105-Day Expanded Maternity Leave Law (2019)
- RA No. 11223 Universal Health Care Act (2019)
- RA No. 11228 An Act providing mandatory Philhealth coverage for all persons with disability (2019)
- RA No. 11291 Magna Carta for the Poor (2019)
- RA No. 11463 Malasakit Centers Act (2019) or One Stop Shops in All DOH Hospitals
- RA No. 11371 Affordable Electricity Act (2019)
- RA No. 11230 Tulong Trabaho Act (2019) or the Act Instituting a Philippine Labor Force Competencies Competitiveness Program and Free Access to Technical-Vocational Education and Training
- RA No. 11058 Occupational Safety and Health Standards Act (2018)
- RA No. 11510 Alternative Learning System Act (2020)
- RA No. 11055 Philippine Identification System Act or PhilSys

Sources: NEDA, DBM, BESF various years, PCOO, PNA

\*includes Land Distribution under the Comprehensive Agrarian Reform Program, Other Social Services, and Subsidy to LGUs

## Targeted spending on social services

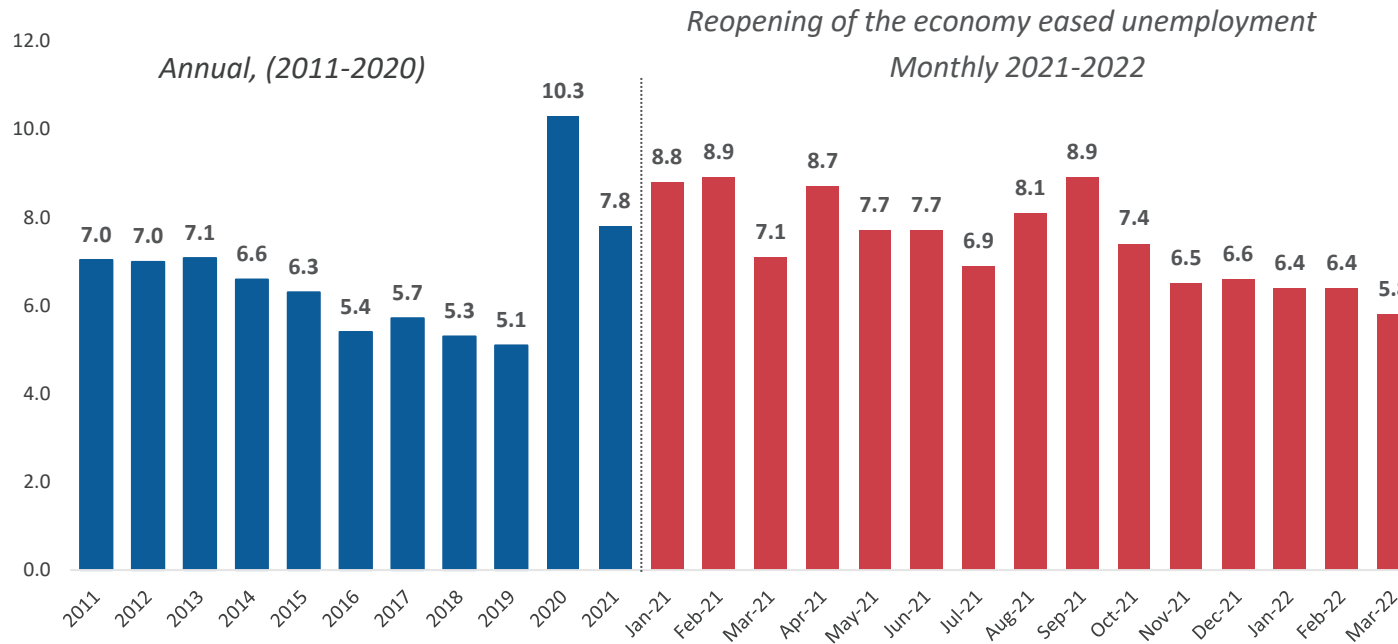
Major social safety programs include among others:

- Conditional Cash Transfer program which is institutionalized during this Administration provides cash assistance for health and education outcomes benefiting over 4.3mn registered households. As of July 2021, a total PHP38.4bn has been paid to 4Ps households. Over 24k families have graduated from the program from Jan 2020 to 8 Jun 2021 which means that these households were already self-sufficient (i.e., the family-beneficiary already have enough income at the time of graduation; is able to cope with daily needs; and has achieved the first two levels of Social Worker Development Indicators, Survival and Subsistence levels)
- Unconditional Cash Transfer Program released a total of PHP43.4bn to 9.2mn qualified beneficiaries in 2018-2019
- Expanded Social Pension Program benefiting over 2.8mn indigent senior citizens;
- Socialized and low-cost housing under the Building Adequate, Liveable, Affordable, Inclusive Filipino Communities Program which has already benefited over 650,000 families



# Investing in Human Capital Development, Improving Social Inclusion

## Targeted social reforms bearing fruit



- Jobs market rebounds. The latest unemployment rate of 5.8% in March 2022 inches closer to the pre-pandemic rate. Around 1.5mn jobs were added in March 2022 in just a month bringing the total number of employed persons to 47mn.
- In Q1 2021, the government launched the National Employment Recovery Strategy (NERS) to stimulate job creation targeting 1mn jobs by end-2021. This target was achieved with the participation of the private sector. Sectors ripe of employment opportunities were in the construction and IT-BPM as well as the rapidly recovering tourism and restaurant sectors.

### Comprehensive Agrarian Reform Program

The Administration has distributed a total of 281,180 hectares of land to 204,327 poor and landless farmers nationwide from June 2016 to December 2021

### Malasakit Centers

As of March 2022, there are 150 Malasakit Centers or one-stop help centers in all government-run hospitals nationwide to provide efficient medical and financial assistance

### Pantawid Pamilyang Pilipino Program

- A total of PHP89.7bn cash grants was released and paid to about 4.4mn households in 2021
- Household beneficiaries nationwide maintained very high compliance rates to program conditions such as education, health and family development sessions

### Free Education

- Granted scholarships to 1.53 million students
- Provided PHP8bn free tuition to SUCs for Academic Year (AY) 2017 - 2018, which benefitted 900K Filipino students
- Free higher education beneficiaries increased by 36.3% (435K) while the Tertiary Education Subsidy beneficiaries increased by 62.7% (1.6 million) in AY 2020-2021

# Investing in Human Capital Development, Improving Social Inclusion

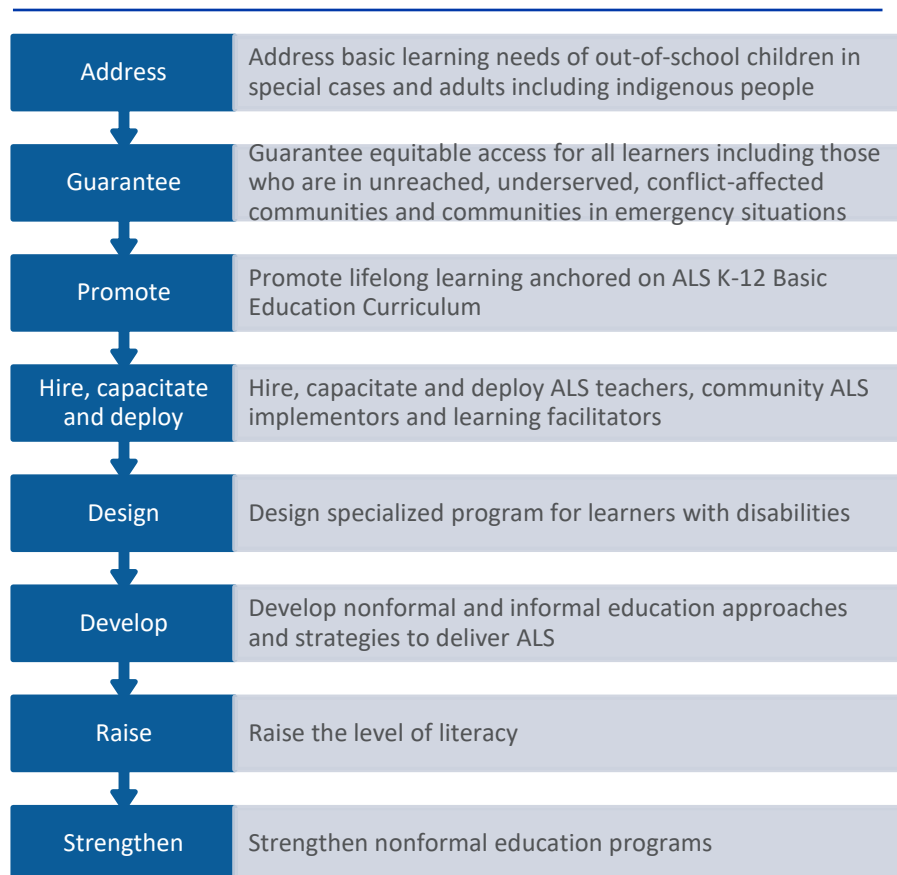
“ A second chance education program that is not second-class. ”

Ensuring no learner is left behind

*Equitable access to education and personal future sustainability*

- President Duterte signed RA No. 11510 otherwise known as Alternative Learning System Act (ALSA) on 23 December 2020.
- ALSA institutionalized the program of the current administration called Alternative Learning System (ALS) Program, which provides support to ensure that more out-of-school youth and adults (OSYA) will be able to have access to quality basic education
- The Department of Education partnered with the Committee on Education chaired by Senator Sherwin Gatchalian in the upper house and Representative Roman Romulo in the lower house to make ALSA possible

## Objectives of ALS



## Salient Features of the Law

- All ALS programs are free of charge
- Creation of Bureau of Alternative Education (BAE) as focal office under DepEd for ALS.
- BAE's powers and functions include policy formulation; curriculum development; learning program delivery; development of learning materials; establish minimum quality standards; promote and ensure certification and accreditation of learners; partner with other government agencies, LGUs, and the private sector ensuring access to educational opportunities for learners; coordinate with various agencies and industries for skills development
- Tax exemption for any donation, contribution or grant, in cash or services for ALS
- Transportation and teaching aid allowance for ALS teachers and community ALS implementors

**ALS programs' nonformal education implementation ranges from, but not limited to the following:**

- Basic literacy program
- Accreditation and equivalency program
- Indigenous peoples education program
- Academic-focused bridging programs
- Functional education and literacy programs



### Learning modalities:

- Modular instruction
- Online, digital, mobile learning
- Face-to-face learning sessions and tutorials
- Radio and television-based instruction
- Blended learning or a combination of various modalities
- Workshops, simulations and internship
- Provision of inclusive and safe learning environment



# Sustainable and Green Finance in the Philippines, BSP's Initiatives

## BSP's Approach and Initiatives

- **Enabling Regulations:** Sustainable Finance Framework or Circular No. 1085 issued in April 2020 on sustainability principles on corporate governance; risk governance; credit risk management; operational risk management. The BSP has given local banks a 3-year transition period to reorient their strategies and operations towards sustainable finance initiatives including incentivizing loans for borrowers who adhere to environmental principles
- **Creation of a Green Force,** a BSP collaboration with the Department of Finance and other key agencies to facilitate mobilization of funds toward green and sustainable projects. It will embark on the development of principles-based taxonomy and oversee the implementation of the Sustainable Finance Roadmap.
- The BSP has implemented initiatives in championing sustainability in the financial system such as: 1) Conducting capacity building and awareness of supervised financial institutions and BSP supervisors; 2) Issuing of enabling ESG-related regulations; 3) Launching of the Sustainable Central Banking Program internally; and 4) collaborating with other government agencies for a whole-of-nation approach to sustainable finance.
- BSP is now a member of the Network for Greening the Financial System (NGFS) to enhance the role of financial sector in managing climate and environment-related risks and mobilize capital to support the transition towards a sustainable economy

## PH Compliant with the ASEAN Green Bonds Standards for Eligibility of Green Projects

- Securities and Exchange Commission approved the “Guidelines on the Issuance of Green Bonds Under the ASEAN Green Bonds Standards” to improve awareness and appetite for green financing and enable local issuers to tap into the global green bond market. Eligible projects are: renewable energy, pollution prevention and control, environmentally sustainable management of natural resources and land use, clean transportation, climate change adaptation and green buildings
- BSP invested US\$550mn in the Green Bond Fund of the Bank for International Settlements to promote environmental sustainability and green finance, as well as, diversify the gross international reserves. The BSP further invested in the Asian Green Bond Fund or BISIP G3 of the BIS, which aims to help fund investments in green projects across the Asia-Pacific region.

## Select Private Sector Initiatives to Help Mobilize Investments in Green Projects

Rizal Commercial Banking Corp (RCBC) - Feb 2019	Bank of the Philippine Islands - Aug 2019	Arthaland Corp. – Feb 2020	AC Energy - July 2020	Manila Water - July 2020	AC Energy - Nov 2020	Energy Development Corp. – Jun 2021	Solar Philippines Tarlac Corp. – Nov 2021	BDO Unibank Corp. – Jan 2022	RCBC – Feb 2022
▪ PHP15bn	▪ CHF100mn	▪ PHP3bn	▪ US\$60mn	▪ US\$500mn	▪ US\$300mn	▪ PHP5bn 3 and 5 years Fixed Rate ASEAN Green Bonds for the expansion of Mindanao 3 Binary Project and geothermal projects	▪ PHP4.2bn issuance of green bonds to refinance a PHP2.2bn loan used for the construction and expansion of its 100 megawatt solar plant	▪ PHP52.7bn Fixed-Rate ASEAN sustainability bonds to finance/ refinance eligible assets	▪ PHP14.8bn Green, Fixed Rate ASEAN Sustainability bonds to support it's asset growth and refinance maturing liabilities
▪ First bank to issue a Green PHP Bond	▪ First to issue CHF green bonds from the Philippines at 2Y interest-free for green projects	▪ ASEAN Green Bonds for eligible green projects	for renewable investments in transition to low carbon portfolio	single largest green, social bond issued by a private water utility in Asia to finance green and social projects	fixed-for-life green perpetual bond for green projects on solar, wind, and geothermal energy				

- Development Bank of the Philippines has activated its Green Financing Program to assist strategic sectors, industries and local government in adapting environment-friendly processes and technologies through financing and technical assistance

# Enabling Regulatory Environment, Development of Digital Infrastructure to Support Financial Inclusion

Ensuring inclusive access to finance, at secured, cost-efficient way through a market-enabling financial, digital infrastructure

National Strategy for Financial Inclusion (NSFI) Framework 2022-2028  
a six-year blueprint to achieve the vision of driving financial inclusion toward broad-based growth and financial resilience

Key outcomes:

- Reduce disparities in financial inclusion
- Improved financial health and resilience
- More financially capable and empowered consumers
- Increase access to finance for MSMEs

## Build Digital Infrastructure

- National Payment System Act** provides the comprehensive legal and regulatory framework for an efficient retail payment system
- Creation of the Operationalization of the Payments and Currency Management Sector** in the BSP to ensure a well-functioning payments and cash ecosystem to facilitate economic activity and financial inclusion
- Philippine Identification System (PhilSys)**, a national digital ID to promote financial inclusion by addressing oft-cited account opening barriers by the unbanked and making onboarding more cost efficient
- Agricultural Value Chain Financing (AVCF)** framework to improve agri-entrepreneurs' access to finance by shifting the focus of lending from individual farmers and fisher folks to the whole value chain
- Credit Surety Fund** to give MSMEs access to non-collateral bank financing
- Credit Risk Database** in partnership with Japan International Cooperation (JICA) which uses financial and non-financial data to build statistical models to predict creditworthiness of MSMEs
- Credit Information System** to promote risk-based lending and address information asymmetry thereby reducing cost of credit assessment
- Financial Consumer Protection Act** to protect financial consumers against cybercrime and enables financial regulators to better address consumer complaints and enforce sanctions against erring entities

## Shift from Cash-Based to Account-Based Digital Transactions

- Social cash transfers
- QR Ph P2P, P2M

144  
banks with  
microfinance  
operations

2.0mn  
clients

As of Q3 2021

PHP25.9bn  
microfinance  
loans

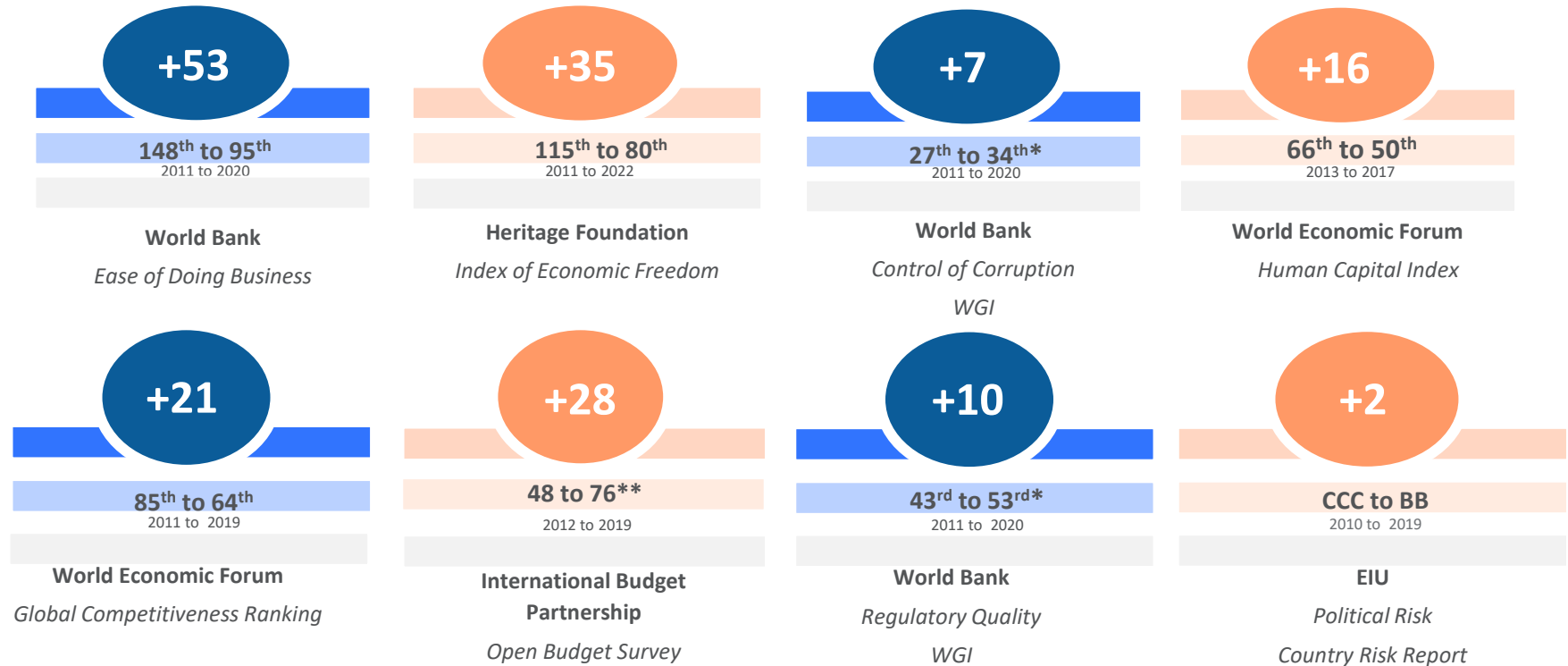
## Foster Trust and Financial Literacy

- Digital Literacy Programs
- Consumer Protection Framework
- Financial education to potentially reach approximately 1.9mn fisherfolk, 28,000 firefighters, and 220,000 policemen

Microfinance initiative	Total Amount (PHP mn)	
	Q3 2020	Q3 2021
Microenterprise loans	21,100.7	22,217.7
Microfinance Plus	1,044.8	797.5
Micro-Agri Loans	1,047.2	1,096.8
Housing Microfinance Loans	1,435.1	1,475.5

# Strengthened Institutions to Support Transformational Reform Momentum

Results of entrenched reforms are positively recognized by various independent third-party assessors



Stamping out corruption and improving government services are paramount to ease of doing business



Citizens can request for information and assistance on government frontline service procedures, and report commendations, appreciation, complaints, and feedback.



Established to oversee the implementation of the national policy against red tape

The President's drive against corruption in government is relentless. Several officials have been ordered to tender resignation due to issues of corruption.



Created thru EO No. 43, the Presidential Anti-Corruption Commission (PACC) is mandated to fight and eradicate graft and corruption in the different departments, bureaus, offices, and other government instrumentalities to ensure public officials and employees are worthy of public trust.

# The Investor Relations Office



## Promoting the Philippine economy at home and abroad

The IRO undertakes a range of initiatives to build awareness among domestic and international investment audiences around the Government's economic reform program, promote specific investment opportunities in the Philippines and facilitate information exchange and dialogue between key economic policy decision-makers in the Government and domestic/international investors. These initiatives include:

- Regular Economic Briefings to update the business community, media and industry organizations on the country's economic performance
- Investor Roadshows to bring the Government's resilient economic performance record, commitment to sound economic management and responsible reform to members of the international financial community
- Media Briefings to raise awareness on the Government's progress in economic reforms and plans for ongoing reforms
- Government Policy Roadshows to increase the business community's understanding of government policy measures to generate support for the policy implementation process
- Investor Teleconferences to provide timely updates on key economic performance indicators
- E-mail service to keep investors and other investors abreast of data releases on a regular basis
- An English Language website, [www.iro.ph](http://www.iro.ph), to provide a wide range of easily accessible information about the Philippines' economic performance and the government's economic policies

### Contact Information

For further information about the Investor Relations Office, or about the Philippine economy, please contact:

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