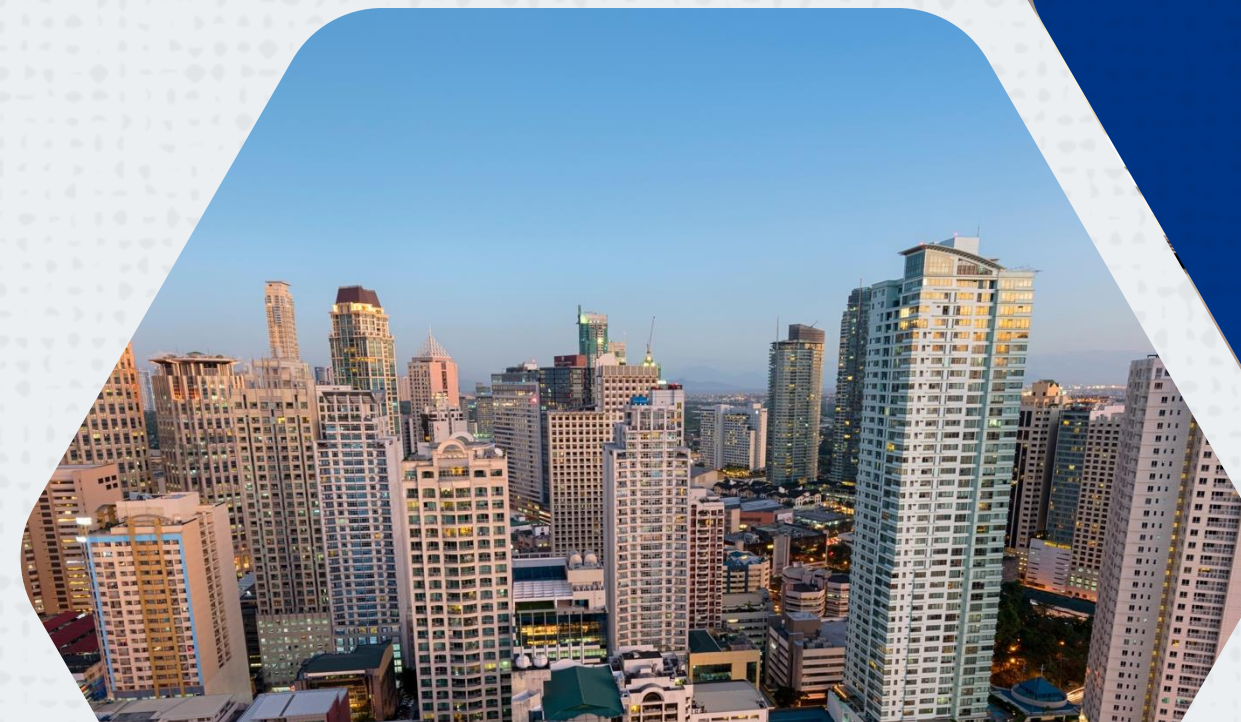




The Philippine Economy: Growth, Reform, Opportunity

Secretary Arsenio M. Balisacan, PhD
Department of Economy, Planning, and Development

Philippine Economic Dialogue | Milan, Italy
May 6, 2025



The Philippines by the Numbers

A Rising Market of Scale and Opportunity

TODAY



USD 392 Billion

PHP 22 Trillion

Size of the Economy (2024, Real GDP, Constant Prices)



114 Million

Population (2025)



27 Years Old

Median Age (2025)



USD 4,320

GNI per capita (2023, Atlas Method)

Rapidly Rising Middle Income Country

BY 2050



USD 2 Trillion

PHP 129 Trillion

Size of the Economy (Real GDP, Constant Prices)



136 Million

Population



37 Years Old

Median Age



USD 18,336

GNI per capita (2050, Atlas Method)

Rapidly Rising Middle Income Country

Your Gateway to ASEAN and Beyond

11

Foreign Trade Agreements to Expand Your Global Reach

30%

Of the World's Population Within Market Access

2 Billion
Population within RCEP

689 Million
Population in ASEAN



ACFTA
ASEAN-People's Republic of China



AANZFTA
ASEAN-Australia and New Zealand



AHKFTA
ASEAN-Hong Kong



AIFTA
ASEAN-India



AJCEPA
ASEAN-Japan



AKFTA
ASEAN-Republic of Korea



ATIGA
ASEAN Free Trade Area



PH-EFTA
Philippines-European Free Trade Association



PJEP
Philippines-Japan



PKFTA
Philippines-Republic of Korea



RCEP
Regional Comprehensive Economic Partnership



USD 178 Billion

PHP 10.1 Trillion

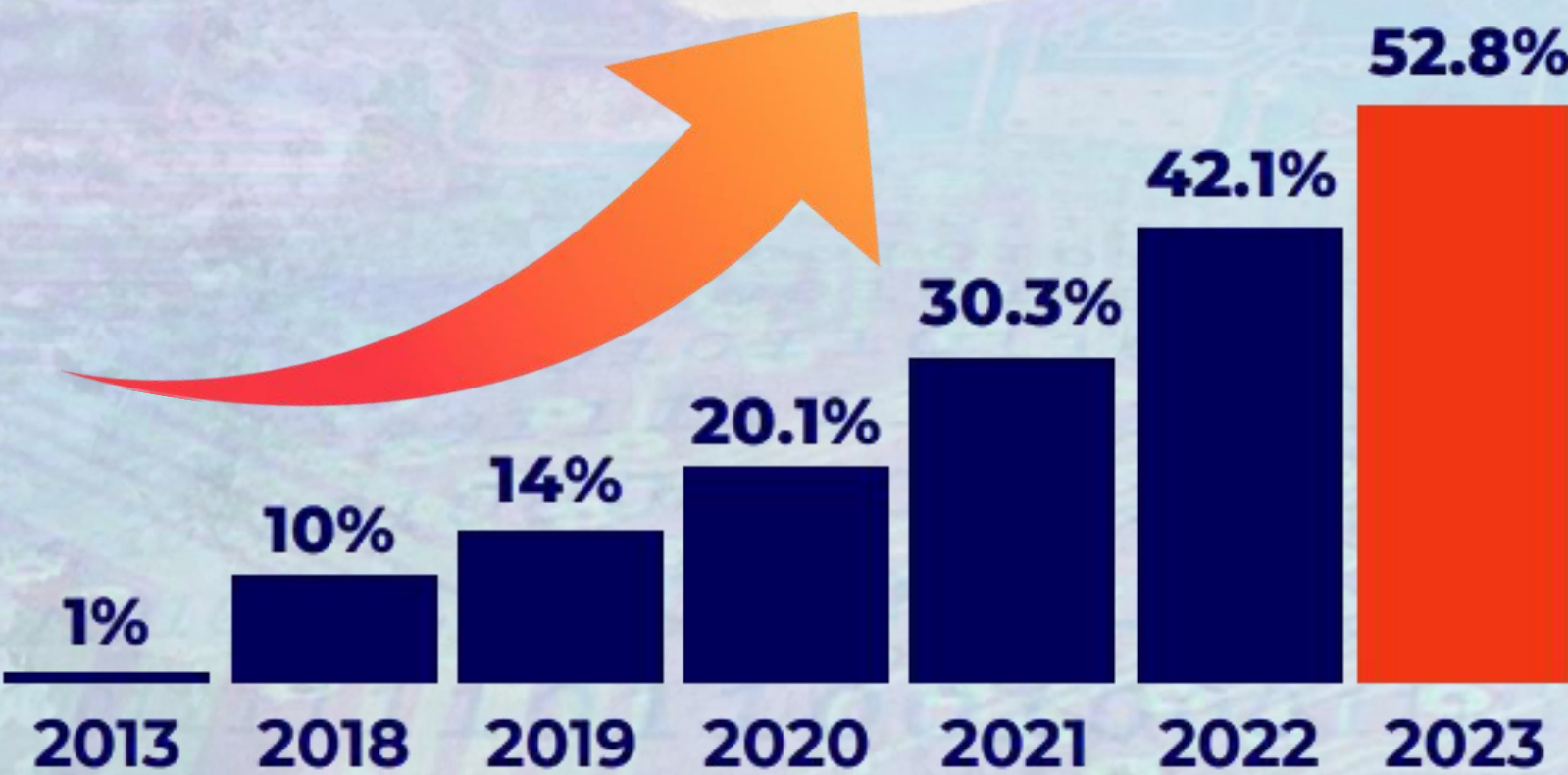
**Worth of game-changing infrastructure
flagship projects**

**Ranked 2nd
Most Attractive Developing
Economy for Renewable
Energy Investment**

2024 Climatescope report by BloombergNEF

Fast-Expanding Digital Economy and Steady Remittance Inflows Fueling Consumption and Investment

Share of digital payment transactions to
total monthly retail payments in 2023



Source: Bangko Sentral ng Pilipinas (2024). 2023 Report on E-Payments Measurement

2 Billion

Out of 5 billion monthly
transactions now converted
into digital form

USD 111 Billion

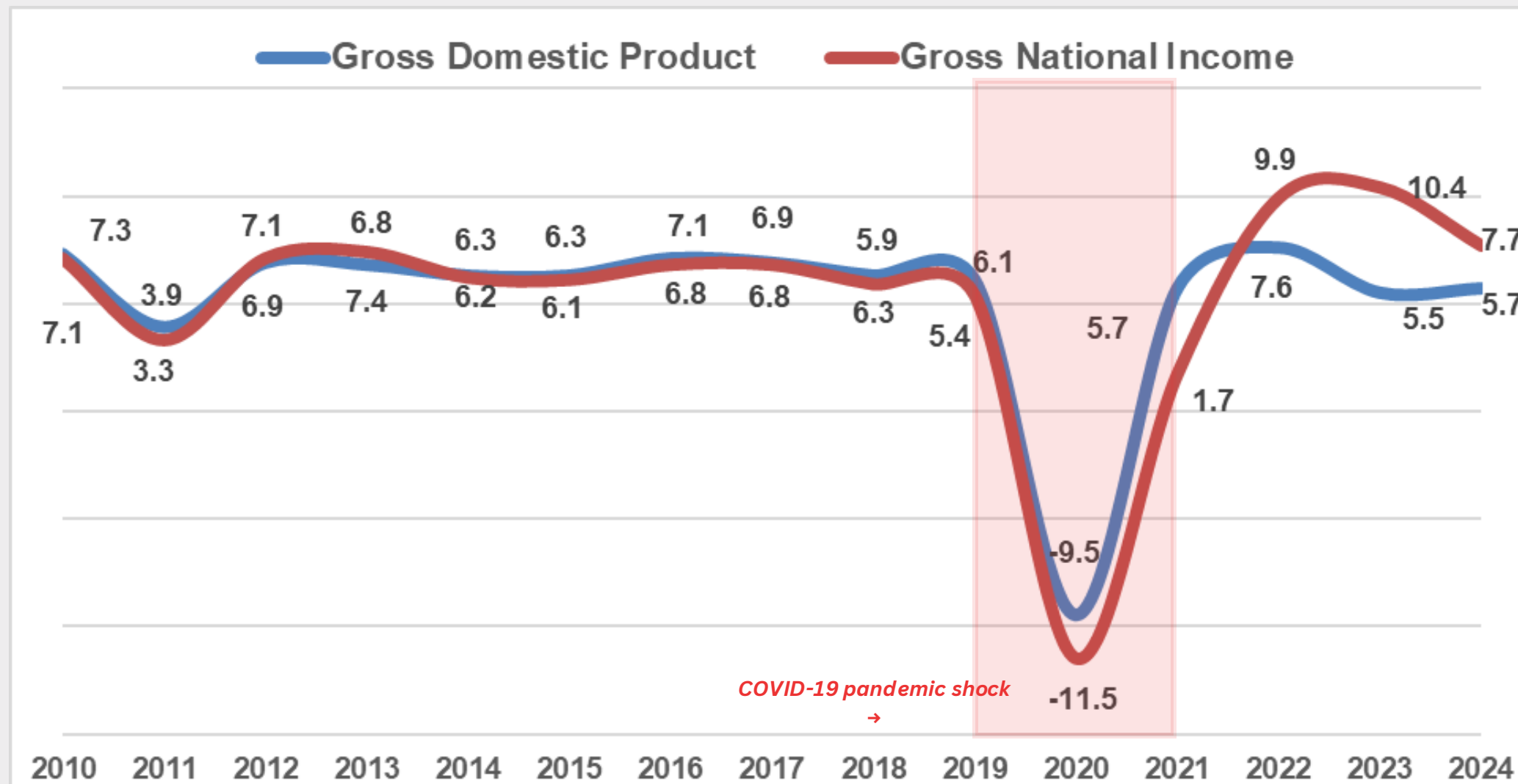
Monthly value of digital transaction

USD 35 Billion

Cash remittances in 2024, up 3%
from USD 34 billion in 2023

The Philippines' Macroeconomic Strength at a Glance

PH Annual Real GDP and Real GNI Growth Rates (in %)



Source: Philippine Statistics Authority (PSA)

Low and Manageable Inflation

3.2%

FY 2024
(within the gov't target of 2.0%-4.0%)

Growing Labor Force

64.5%

Labor Force Participation Rate
(as of February 2025)

Manageable Debt and Prudent Spending

60.7%

Debt-to-GDP Ratio
(as of February 2025)

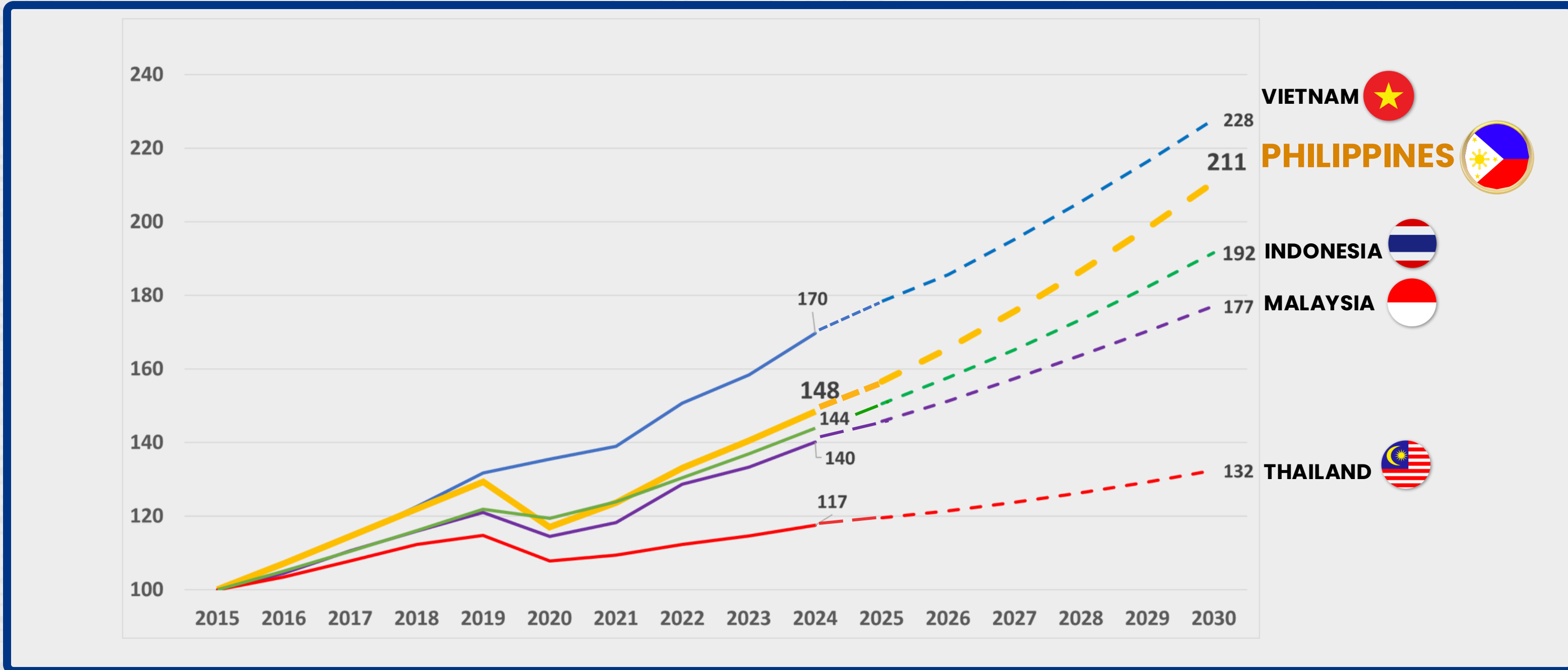
5.7%

Deficit-to-GDP Ratio
(as of February 2025)

Toward the Economic Frontier

With rapid and sustained growth, the Philippines is accelerating its pace toward becoming a regional leader.

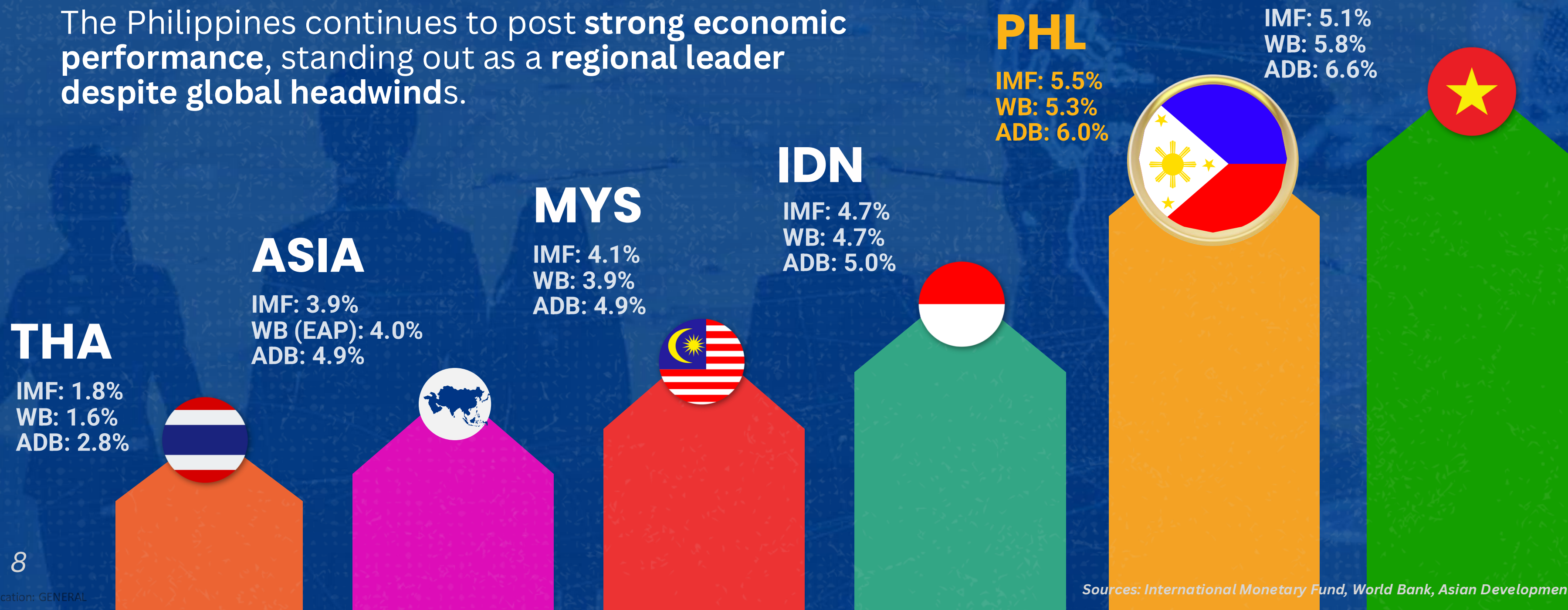
GDP OF SEA COMPARATORS, 2015–2030 (2015=100)



Outpacing the Region Amid Global Uncertainty

2025 GDP Growth Outlook

The Philippines continues to post **strong economic performance**, standing out as a **regional leader** despite global headwinds.



Next-level growth, built on strong foundations

Guided by the Philippine Development Plan, the country is advancing toward **inclusive, diversified, and resilient economic transformation**.

**Rapid and Sustained
Economic Growth**
6.0–8.0%
GDP Growth Rate (2025–2028)

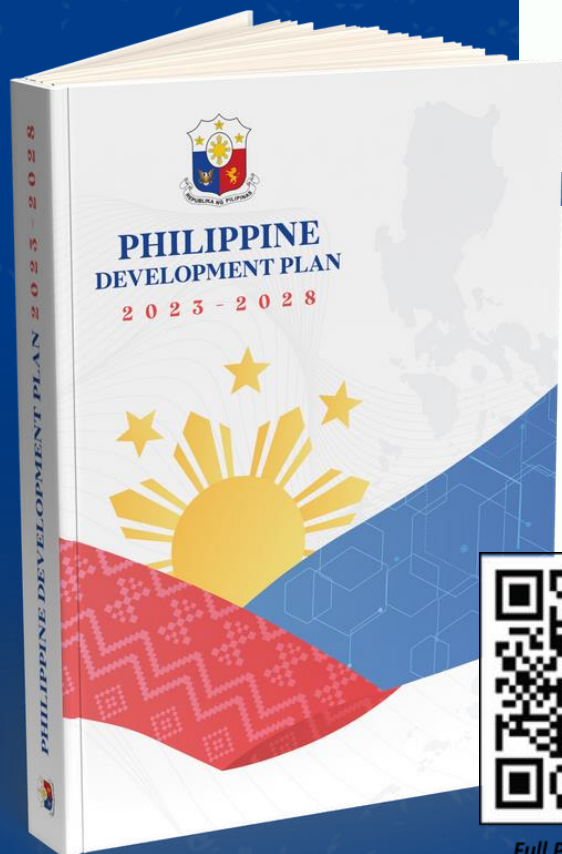
More and Better Jobs
2.0–4.0%
Unemployment Rate
(2025–2028)

**Enforced Fiscal
Discipline**
3.0%
Nat'l Gov't Deficit-to-GDP Ratio 2028

Low and Stable Prices
2.0–4.0%
Headline Inflation (2025–2028)

**Accelerated Poverty
Reduction**
8.8–9.0%
Poverty Incidence by 2028

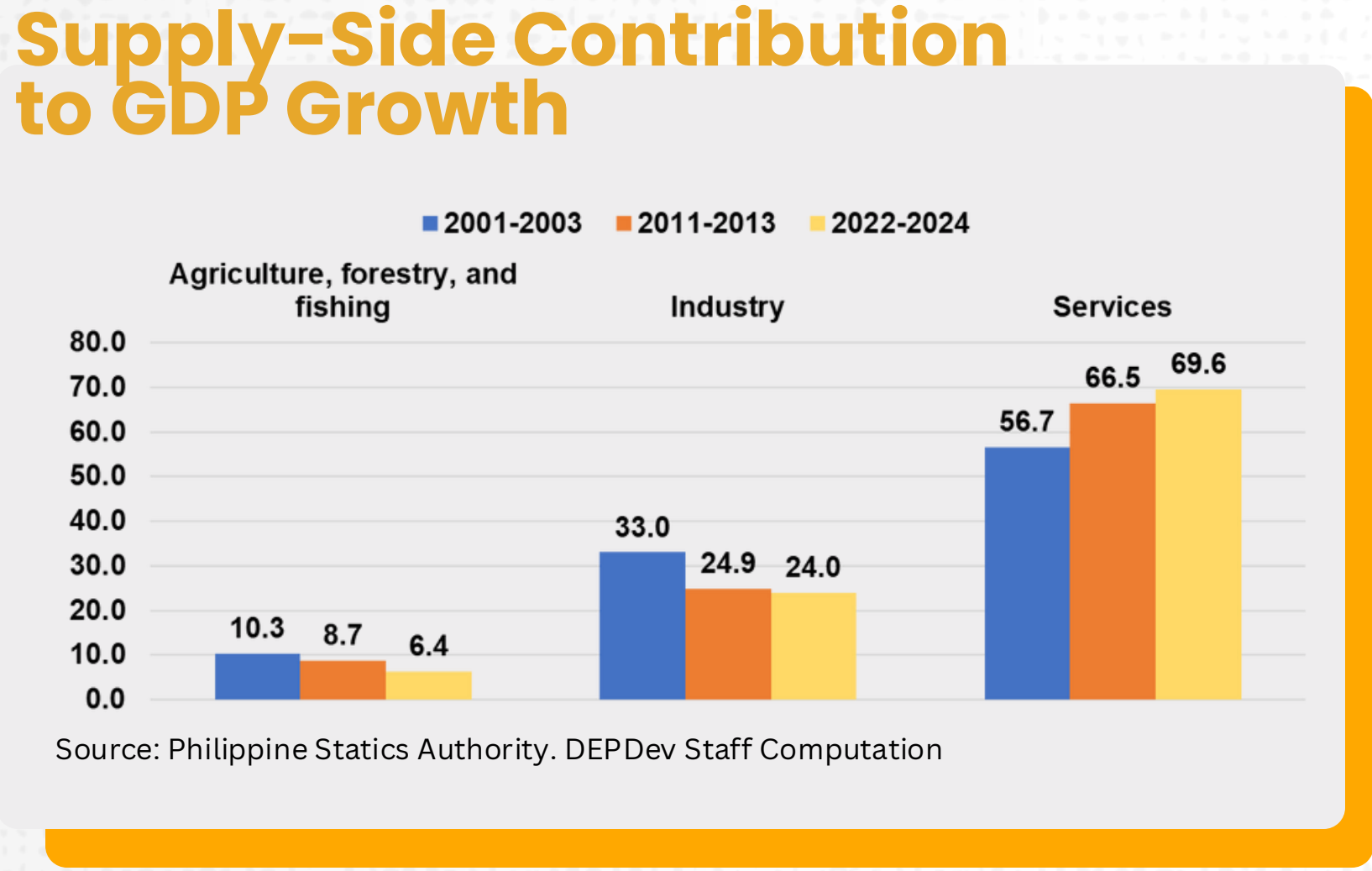
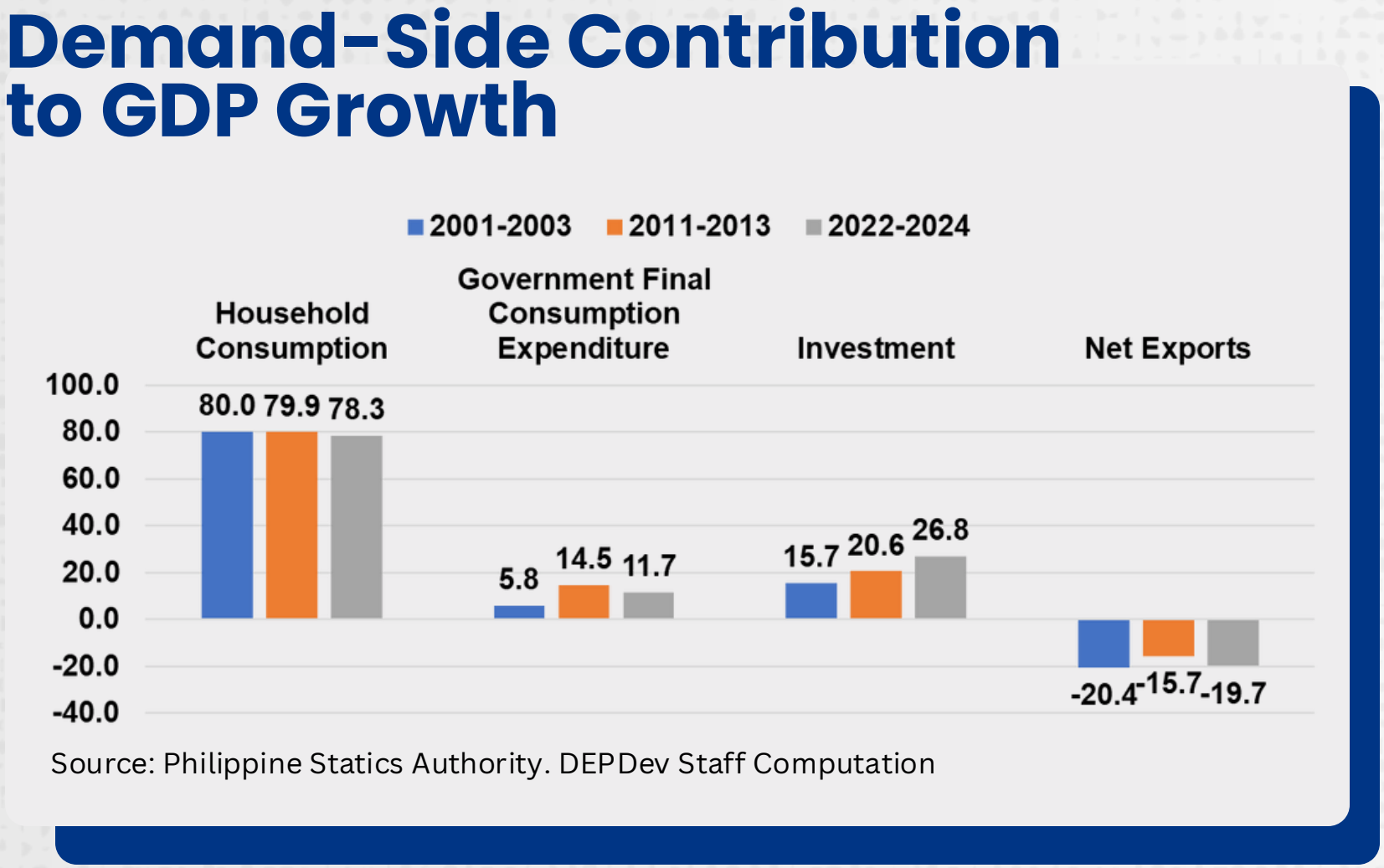
Manageable Debt
48.0–53.0%
Debt Stock-to-GDP Ratio by 2028



Full PDP 2023-2028

A Strong Base for Growth Now Ready to Evolve

Sustaining momentum while diversifying the country’s economic pillars.



Reinforcing the other growth pillars of the PH economy beyond consumption and services is critical to **sustained and inclusive growth.**



Enabling investments that create quality jobs and industrial growth



Seizing growth opportunities in rapidly-expanding Asian and global markets



Driving innovation and modern processes for sustained productivity



Future-proofing the economy through transformative reforms

We are actively shaping an open, future-ready economy, where your investments can drive lasting impact.



Sustained Reforms Fueling Private Sector–Led Growth



Amendments to the Retail Trade Liberalization Act (2021)

Lowers minimum paid-up capital requirement for foreign corporations

Amendments to the Foreign Investments Act (2022)

Boosts foreign investment by reducing bureaucracy and easing market entry.

Amendments to the Public Service Act (2022)

Allows up to 100 percent foreign ownership in public services, such as telecommunications, railways, airports, expressways, and tollways

Amendments to the Renewable Energy Act IRR (2022)

Allows 100 percent foreign ownership in selected renewable energy projects

Regional Comprehensive Economic Partnership (2023)

Lowers trade barriers and improve market access for regional businesses

Sustained Reforms Fueling Private Sector–Led Growth



Public-Private Partnership Code (2023)

Creates an enabling framework for the private sector to fund, build, and manage high-impact projects

Philippines – Korea Free Trade Agreement (PH-ROK FTA) (2024)

Offers tariff advantages from South Korea on priority products.

CREATE MORE Act (2025)

Further tailor fits incentives to investors

Ease of Paying Taxes Act (2024)

Streamlines tax compliance and ensures fair treatment for all business sizes



CLARK



MANILA



BATANGAS



Luzon Economic Corridor

connects Subic, Clark, Manila, and Batangas and aims to boost strategic investments in infrastructure, agribusiness, clean energy, and semiconductors, with strong public-private and development partner support in the country's economic heartland.



WE INVEST WHERE IT MATTERS.

178B USD Total Worth of Infrastructure Flagship Projects (IFPS)
(as of 30 April 2025)

SECTOR	NO. OF PROJECTS	INDICATIVE TOTAL COST (in Billion USD)
Physical Connectivity	139	151.5
Water Resources	32	14.0
Other Infrastructure	9	3.0
Agriculture	9	3.8
Digital Connectivity	6	1.5
Health	5	1.7
Power and Energy	3	1.3
Housing	2	0.3
Education	2	0.6
Total	207	177.7



Public-Private Partnership Code



This landmark legislation unifies the fragmented PPP legal frameworks in the country, strengthens existing PPP institutional mechanisms, and introduces reforms towards efficient delivery of PPP projects in the Philippines.



**NAIA PPP Project
3,009M USD**



**TPLEX Extension
Project
412M USD**



**Laguindingan
International
Airport Project
225M USD**



**Bohol-Panglao
International
Airport Project
80M USD**



**Cavite Bus Rapid
Transit System
33M USD**

Nearly USD 4 Billion- Worth of PPPs Awarded in 2024



**Pampanga
Dialysis Network
Project
13M USD**



**Santiago City
Hemodialysis
Center
6M USD**



**Management
System of
Laguna Water
District
3M USD**

CREATE MORE Act



- ✓ VAT refund enhancements
- ✓ Outright VAT zero-rating on local purchases for all export-oriented enterprises
- ✓ Expands coverage of the 5% Special Corporate Income Tax
- ✓ Grants higher tier classification to cyber-security, artificial intelligence, and data-center facilities
- ✓ Promotes fiscal prudence and discipline
- ✓ Enhanced Deductions Regime

Building a Future-Ready Workforce



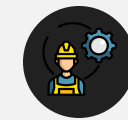
Republic Act No. 11293: Philippine Innovation Act



National Innovation and Strategy Document 2023-2032



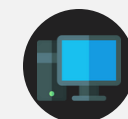
Republic Act No. 11927: Philippine Digital Workforce Competitiveness Act



Republic Act No. 11962: *Trabaho Para sa Bayan* Act



The Philippine Skills Framework for Analytics & AI



Technology for Education, Employment, Entrepreneurs, and Economic Development (Tech4ED) Project



Smarter Philippines through Data Analytics, Research & Development, Training, and Adoption (SPARTA) Project

Shaping a New Economic Future, Together

We are investing boldly in our future, creating solid foundations for the next waves of growth.



Shaping a New Economic Future, Together

We invite you to be our partners in this exciting growth journey.



AGRIBUSINESS



MINING



MANUFACTURING



EDUCATION



TOURISM



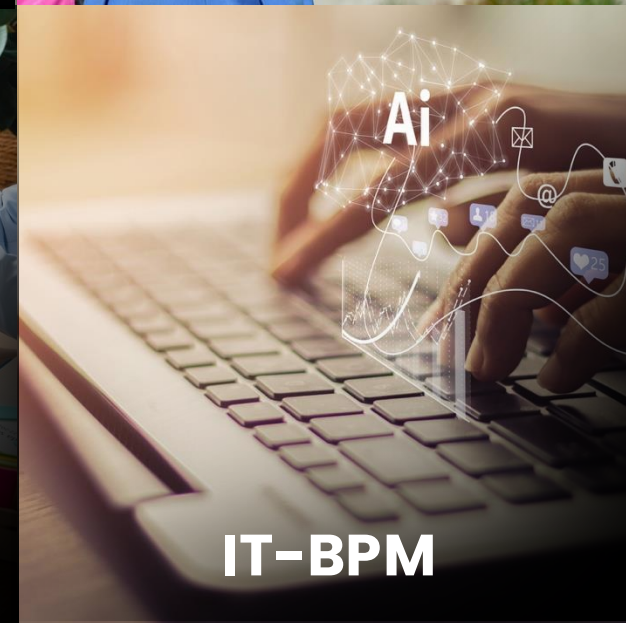
HEALTH



CONSTRUCTION



CREATIVES



IT-BPM



ENVIRONMENT

Dynamic. Resilient. Ready.

The right time. The right place.

Opportunity awaits you in
the PHILIPPINES.



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