



KEYNOTE ADDRESS

# PHILIPPINE

## ECONOMIC BRIEFING

### DAVAO

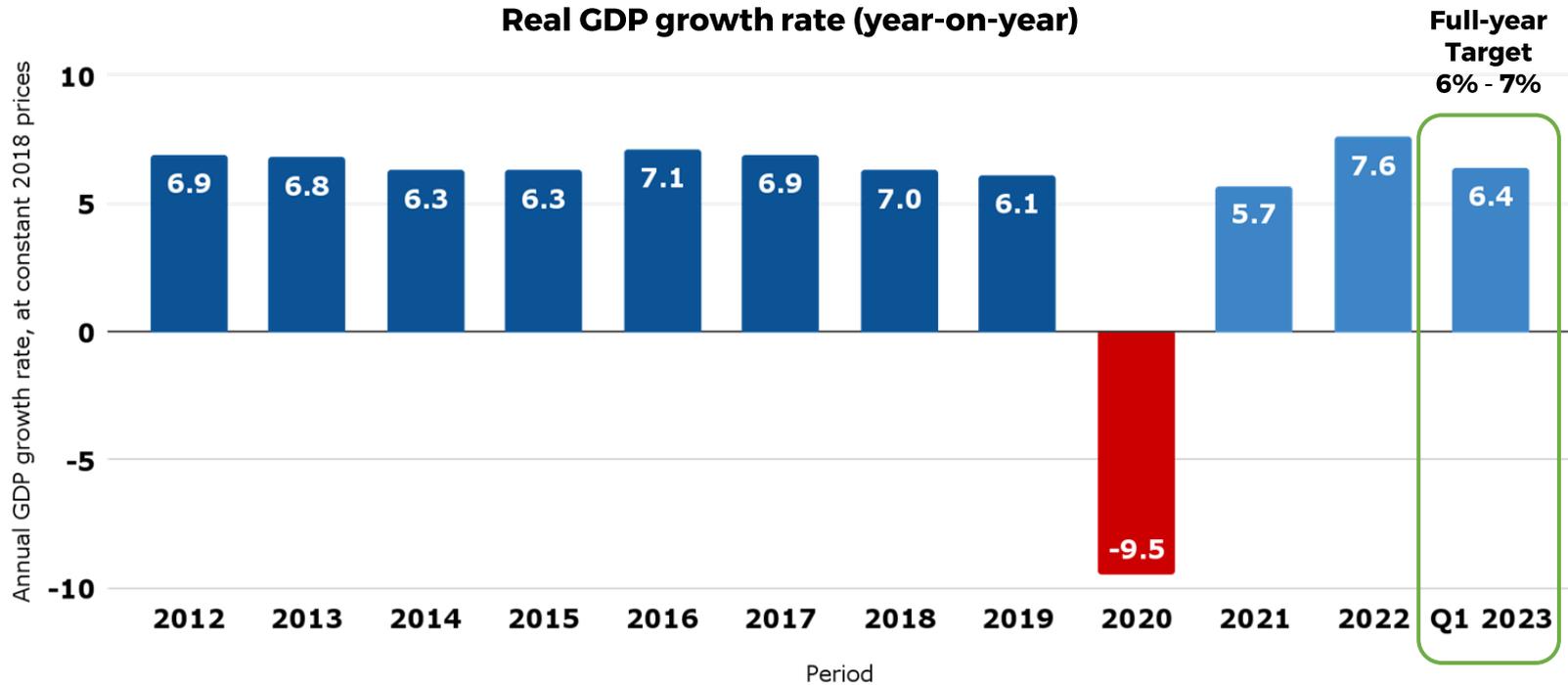
**BENJAMIN E. DIOKNO**

SECRETARY OF FINANCE

August 9, 2023

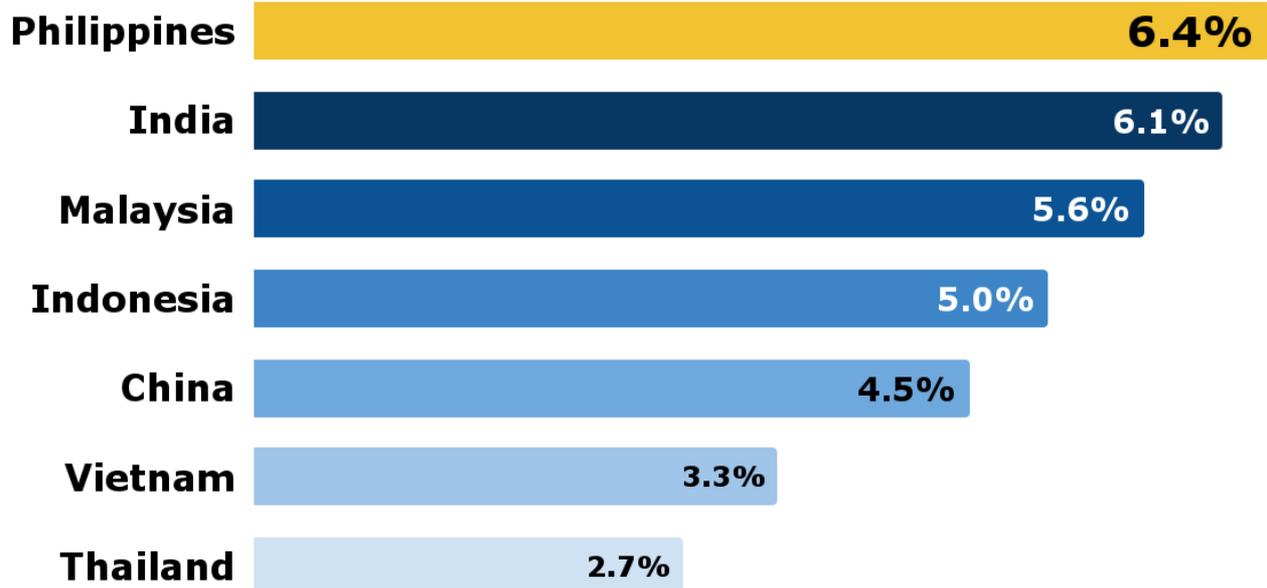


# PH growth quickens amid slowing world economy



# Philippine economic growth in Q1 2023 outpaced emerging Asian economies

## Major Emerging Economies in Asia Q1 2023 GDP\*



# PHILIPPINE ECONOMIC OUTLOOK

(growth in percent of GDP)

| Particulars  | 2023              |                         | 2024              |                   |
|--|-------------------|-------------------------|-------------------|-------------------|
|  | Previous          | Latest                  | Previous          | Latest            |
|  <b>International Monetary Fund</b>           | 6.0 <sup>a/</sup> | <b>6.2<sup>b/</sup></b> | 5.8 <sup>a/</sup> | 5.5 <sup>b/</sup> |
|  <b>Asian Development Bank</b>                | 6.0 <sup>a/</sup> | <b>6.0<sup>b/</sup></b> | 6.2 <sup>a/</sup> | 6.2 <sup>b/</sup> |
|  <b>ASEAN+3 Macroeconomic Research Office</b> | 6.2 <sup>a/</sup> | <b>6.2<sup>b/</sup></b> | 6.5 <sup>a/</sup> | 6.5 <sup>b/</sup> |
|  <b>World Bank</b>                            | 5.6 <sup>a/</sup> | <b>6.0<sup>c/</sup></b> | 5.9 <sup>d/</sup> | 5.9 <sup>c/</sup> |

Sources: IMF World Economic Outlook (WEO) Update April 2023; IMF WEO Update July 2023; Asian Development Outlook (ADO) April 2022; ADO July 2023; AMRO ASEAN+3 Regional Economic Outlook (REO) April 2023; AMRO ASEAN+3 REO July 2023; World Bank Global Economic Prospects (GEP) January 2023; World Bank East Asia and Pacific (EAP) Economic Update April 2023; World Bank Philippines Economic Update June 2023; World Bank Global Economic Prospects June 2023

Notes: a/ as of April 2023; b/ as of July 2023; c/ as of June 2023; d/ as of January 2023

Revised forecasts are in bold text.

# IMPROVING LABOR MARKET CONDITIONS

June 2023 Employment Situation (year-on-year)

**4.5%** ↓

Unemployment rate

↑ **66.1%**

Labor force participation rate

**95.5%** ↑

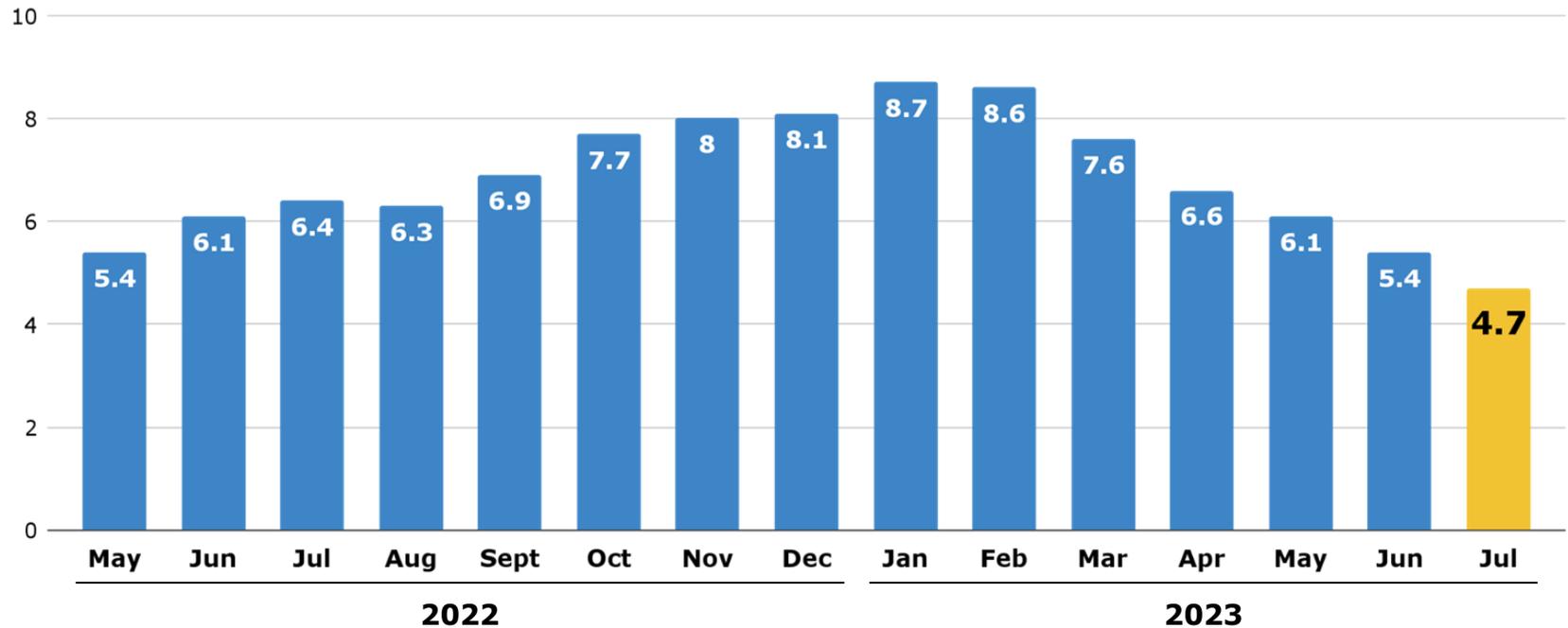
Employment rate

↓ **12.0%**

Underemployment rate

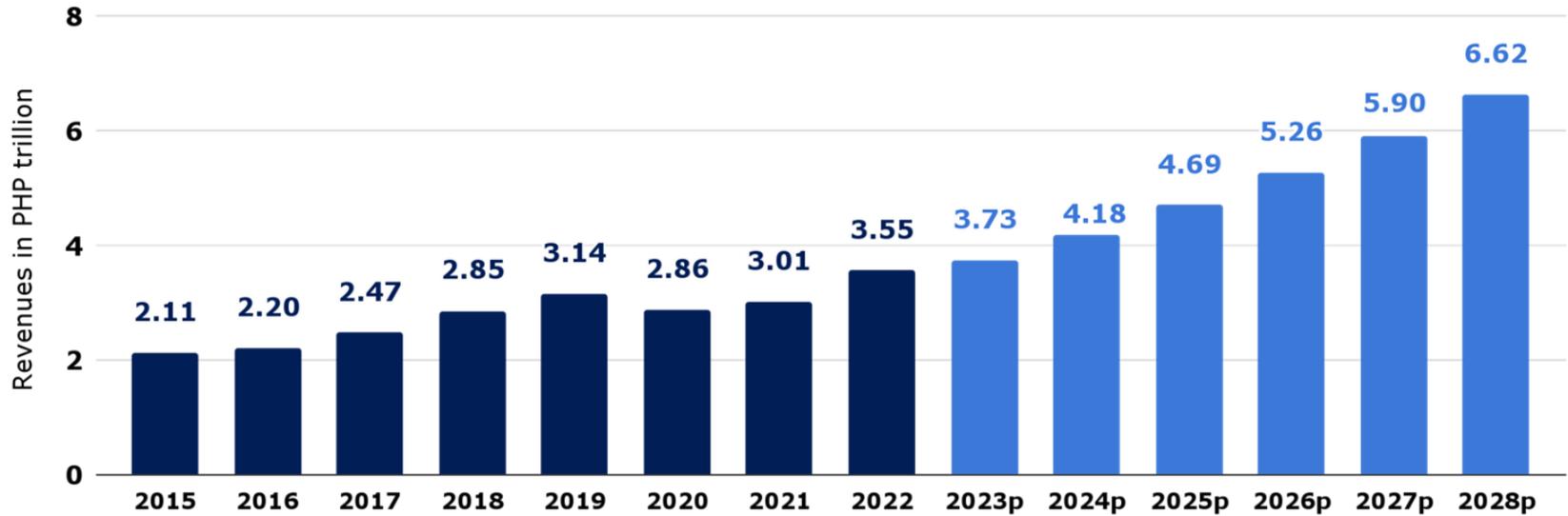


# Headline inflation moderates to 4.7% in July, slowing down for 6<sup>th</sup> consecutive month



# MEDIUM-TERM REVENUE PROGRAM

## Total Revenue Collection (in PHP Trillion)



# REVENUE COLLECTIONS REMAIN ROBUST

**↑7.7%**

**PHP 132.6 billion YoY**

A large, light-colored sack of money is the central focus, surrounded by several stacks of gold coins. The background features a city skyline with numerous skyscrapers under a blue sky with a pattern of yellow dots.

**PHP 1.9 trillion**

**January-June 2023**

## BUDGET DEFICIT NARROWS

# PHP 551.7B

H1 2023

↓ **18.17%**  
vs H1 2022

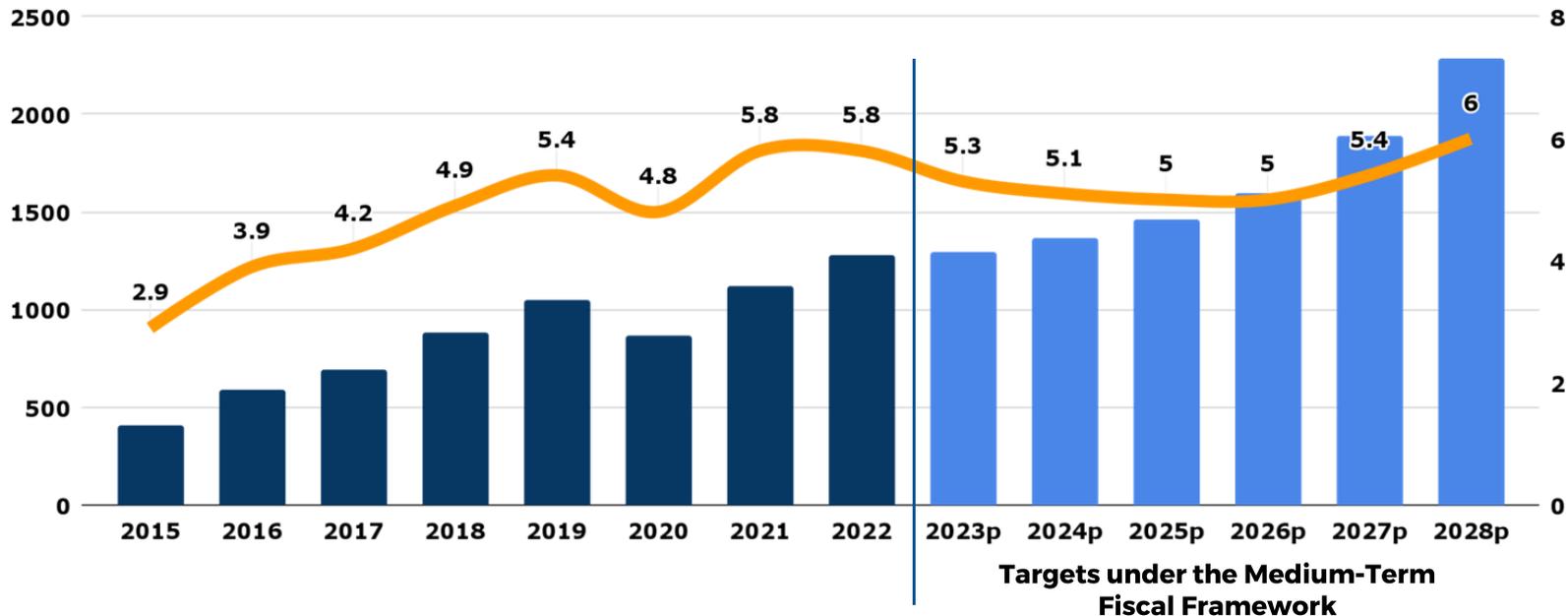
↓ **28.49%**  
vs mid-year  
deficit program



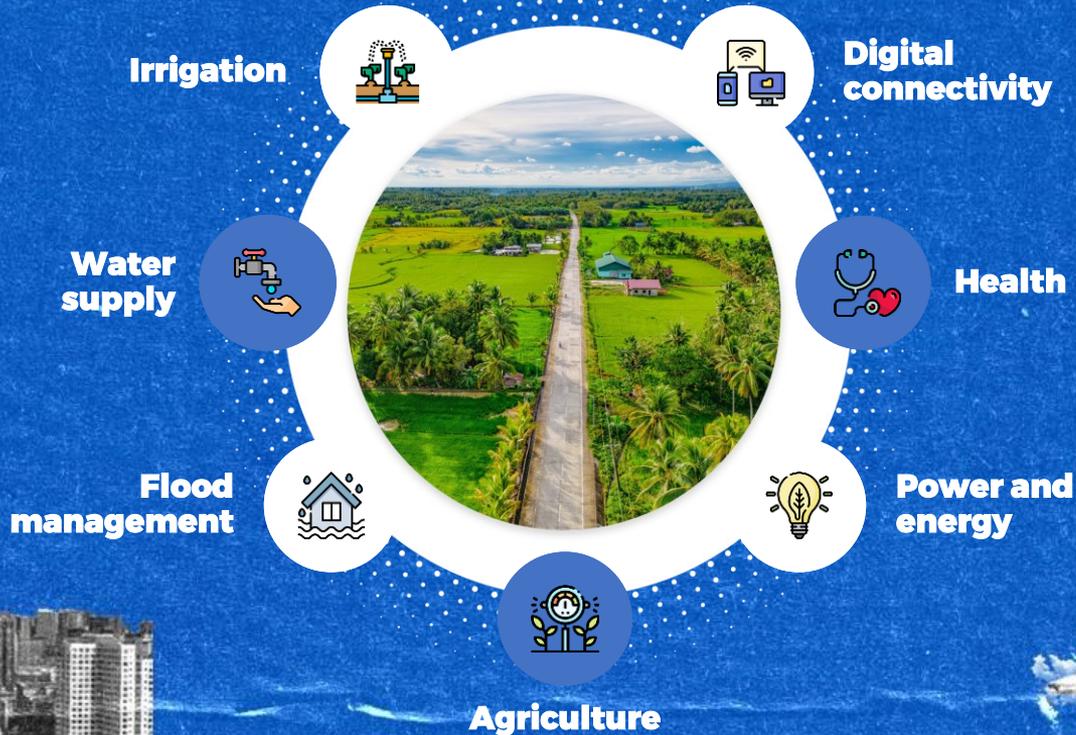
# We are determined to lift infrastructure spending up to 5% to 6% of GDP

## Infrastructure disbursements as percentage of GDP

■ Disbursement Levels (PHP Billion) — As % of GDP



# 194 Infrastructure Flagship Projects worth PHP 8.3T, 76 located in Mindanao



# Big-ticket projects in Mindanao



Mindanao Railway Project



Samal Island-Davao City Connector Bridge



Davao City Expressway



Panguil Bay Bridge



Davao Public Transport Modernization Project



Bukidnon Airport



New Siargao Sayak Airport



New Zamboanga Airport





**2022**

**International**

**2.7 million**

**Domestic**

**102 million**

**Foreign Visitor Arrivals**

**Full-year 2023 target**

**4.8 million**

**As of July 21, 2023**

**3 million**



# Structural reforms to attract highly-desirable investments and employment opportunities

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



**Amendments to the Foreign Investments Act**



**Amendments to the Retail Trade Liberalization Act**



**Amendments to the Public Service Act**



**Revised Renewable Energy Act IRR**





## The Energy Transition and Responsible Mining

“ The need to decarbonise the energy sector is driving a global energy transition in the form of a major structural shift toward cleaner and more efficient forms of energy.

---

**United Nations**



# We are working with international development partners on PAPs in key sectors in Mindanao

**Economic reforms**



**Food security**



**Infrastructure**



**Environment and social development**



**Climate adaptation and mitigation**



**Disaster resiliency and management**



**Post-conflict rehabilitation**



**Peace and development**



**Charting a sustainable  
path to prosperity requires  
a whole-of-nation  
collaboration**





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