

As of 14 July 2025

Updates on Key Structural Reforms in the Philippines

- Administration's transformation agenda continues to gain momentum and support attainment of development goals.
- Crucial reforms were passed before the 19th Congress adjourned, despite domestic and global challenges.
- Over half of priority bills under Legislative-Executive Development Advisory Council's Common Legislative Agenda have been enacted into law.



Industry and Investments

CREATE MORE Act: Enhances ease of doing business, clarifies VAT rules, provides more attractive tax incentives, strengthens governance and accountability, and establishes transition rules for pre-CREATE registered business enterprises

Public-Private Partnership Code of the Philippines (PPP Code): Streamlines and strengthens PPP legal framework, enhancing clarity and predictability which aims to boost private sector participation

Anti-Agricultural Economic Sabotage Act: Imposes severe sanctions against smugglers, profiteers, hoarders, and cartels of agricultural and fishery products

Maharlika Investment Fund: Sovereign wealth fund to invest in critical infrastructure projects, among others

Philippine Salt Industry Development Act: Provides salt farmers with appropriate technology and research, and adequate financial, production, marketing and other support services

Liberalized Renewable Energy Sector* : 100% foreign ownership in exploration, development, and utilization of hydro, ocean/tidal, solar, and wind energy

Environment and Social

National Employment Recovery Strategy: Improves employability and competitiveness of Filipino workers through upskilling and reskilling

Philippine Ecosystem and Natural Capital Accounting System (PENCAS): Establishes framework in generation of natural capital statistics and accounts toward their progressive integration in macroeconomic indicators

Source: LEDAC Secretariat and Department of Energy

**Amended Implementing Rules and Regulations (IRR) of Renewable Energy (RE) Act via DOE Circular 2022-11-0034*

ENACTED REFORMS

Fiscal

Ease of Paying Taxes Act: Modernizes tax administration, encourages proper and easy compliance, boosts revenue collection

Real Property Valuation and Assessment Reform Act: Broadens tax base used for property and property-related taxes of national and local government and improves tax collections without increasing existing tax rates or imposing new taxes

VAT on Digital Services: Ensures equal playing field between local and foreign digital service providers while expanding VAT base

Governance and Security

New Government Procurement Act: Modernizes procurement by replacing lowest bid rule with most economically and advantageous responsive bid, promoting quality, transparency, and sustainability through digital systems and ESG principles.

Internet Transactions Act: Lays down code of conduct and qualifications for businesses wishing to engage in e-commerce

Philippine Maritime Zones Act: Declares maritime zones based on standards set by United Nations Convention on the Law of the Sea (UNCLOS), clarifies geographical extent of Philippine maritime domain and legal powers

Self-Reliant Defense Posture Revitalization Act: Promotes preferential use of Filipino labor, domestic materials and locally produced goods, and measures that help make them competitive

Archipelagic Sea Lanes Act: Establishes archipelagic sea lanes within Philippine archipelagic waters

ENACTED REFORMS



Figure 1: President Marcos Jr. rang the bell to open trading at the Philippine Stock Exchange (PSE), marking Capital Markets Efficiency Promotion Act (CMEPA)'s first day of implementation. Source: Philippine Information Agency

Financial

Capital Markets Efficiency Promotions Act: Harmonizes taxation on passive income by eliminating certain exemptions and aligning tax rates across financial instruments; modernizes the tax system on passive income, making it more competitive, regionally aligned, and investor friendly

Anti-Financial Account Scamming Act: Penalizes scammers and provides legislative support to financial institutions to combat proliferation of scammers

REFORMS IN PIPELINE

Industry and Investments

Amendments to the Foreign Investors' Long-Term Lease Act:¹

Extends lease of private lands (excluding agricultural lands) to foreigners to 99 years from 75 years

Amendments to the Right-of-Way Act (ARROW):¹ Fast-tracks acquisition of right-of-way through streamlined appropriation, updated valuation standards, inclusion of easements and temporary use, and promotion of digitalization, leading to accelerated implementation of infrastructure projects

Philippine National Nuclear Energy Safety Act: Establishes Philippine Atomic Energy Regulatory Authority (PhilATOM) to ensure safe, secure, and peaceful nuclear energy use

Waste-to-Energy (WtE) Bill:² Provides regulatory framework for facilities utilizing WtE, safeguards against potential environmental and health concerns

Amendments to the Electric Power Industry Reform Act (EPIRA)²: Restructure Energy Regulatory Commission for greater efficiency, strengthen cross-ownership limitations between power generators and distributors, and enhance regulatory powers to lower electricity costs and improve supply diversity

1/For enrolment and awaiting President's Signature

2/to be refiled

REFORMS IN PIPELINE

Fiscal

Enhanced Fiscal Regime for Large-Scale Metallic Mining Act:¹ Rationalizes taxation of mining sector, ensuring fairness, simplicity, and good governance

Excise Tax on Single-Use Plastics:² Promotes sustainable consumption and production, and reduces plastic waste generation

Governance and Security

Government Optimization Act:¹ Empowers the President to streamline executive agencies by minimizing redundancies and enhancing public service delivery based on results of strategic review

E-Governance Act¹: Digital transformation of government services through integrated and interoperable government ICT network, improving efficiency, transparency, and accessibility

Konektadong Pinoy Act:¹ Removes franchise barriers to entry to ensure universal, affordable, and high-quality internet access across the country, especially in underserved areas

1/For enrolment and awaiting President's Signature

Source: LEDAC Secretariat

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