



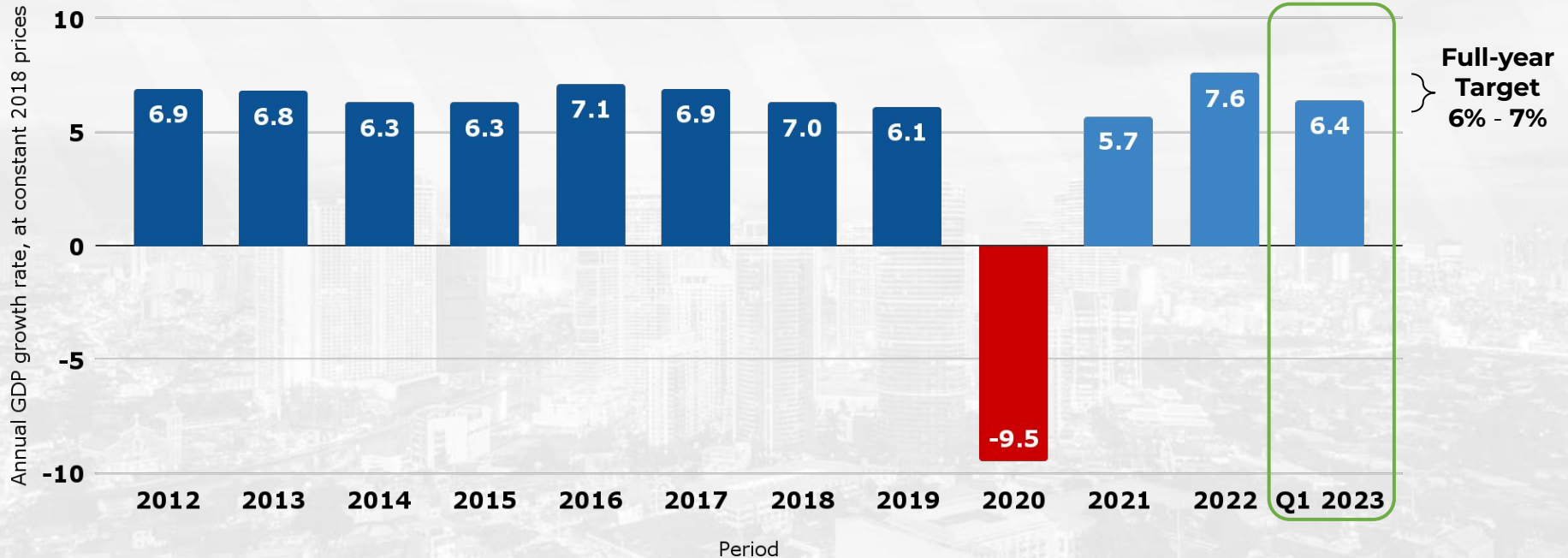
**KEYNOTE ADDRESS**  
**Franchise Asia Philippines**  
**2023 Conference:**  
*"Franchising Fast Forward"*

**Philippine Economy's Outlook and Prospects  
for the Philippine Franchising Sector**

**JUNE 7, 2023**  
11:30 AM - 12:00 NN

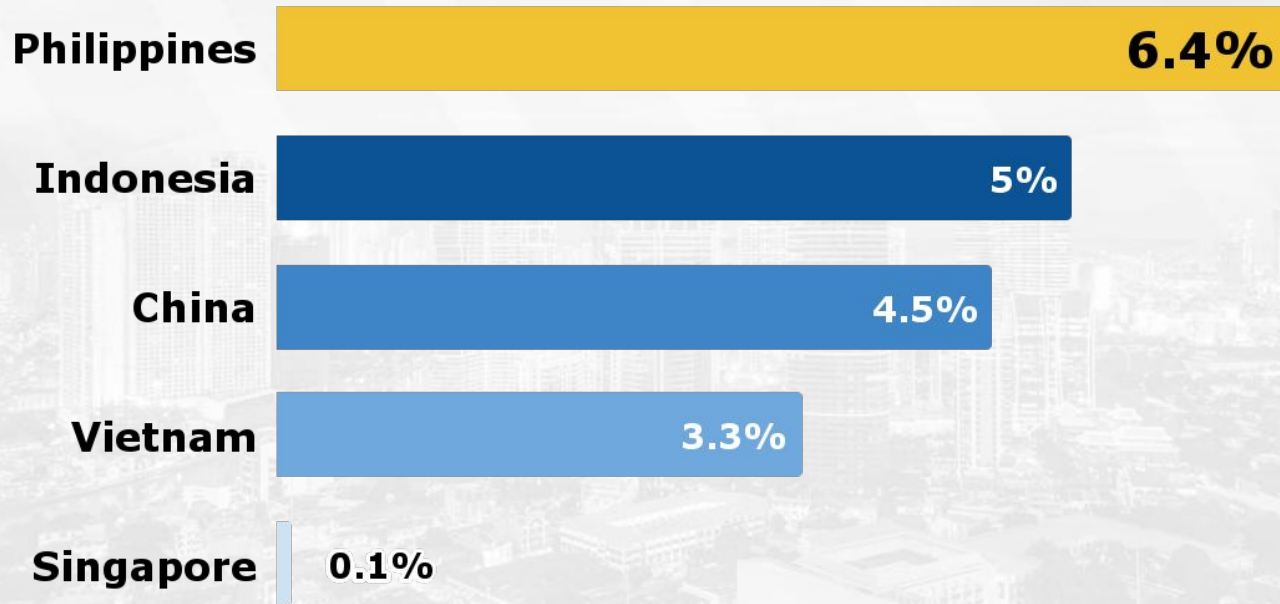
# The Philippines is on track to achieve its full-year growth target for 2023

Real GDP growth rate (year-on-year)

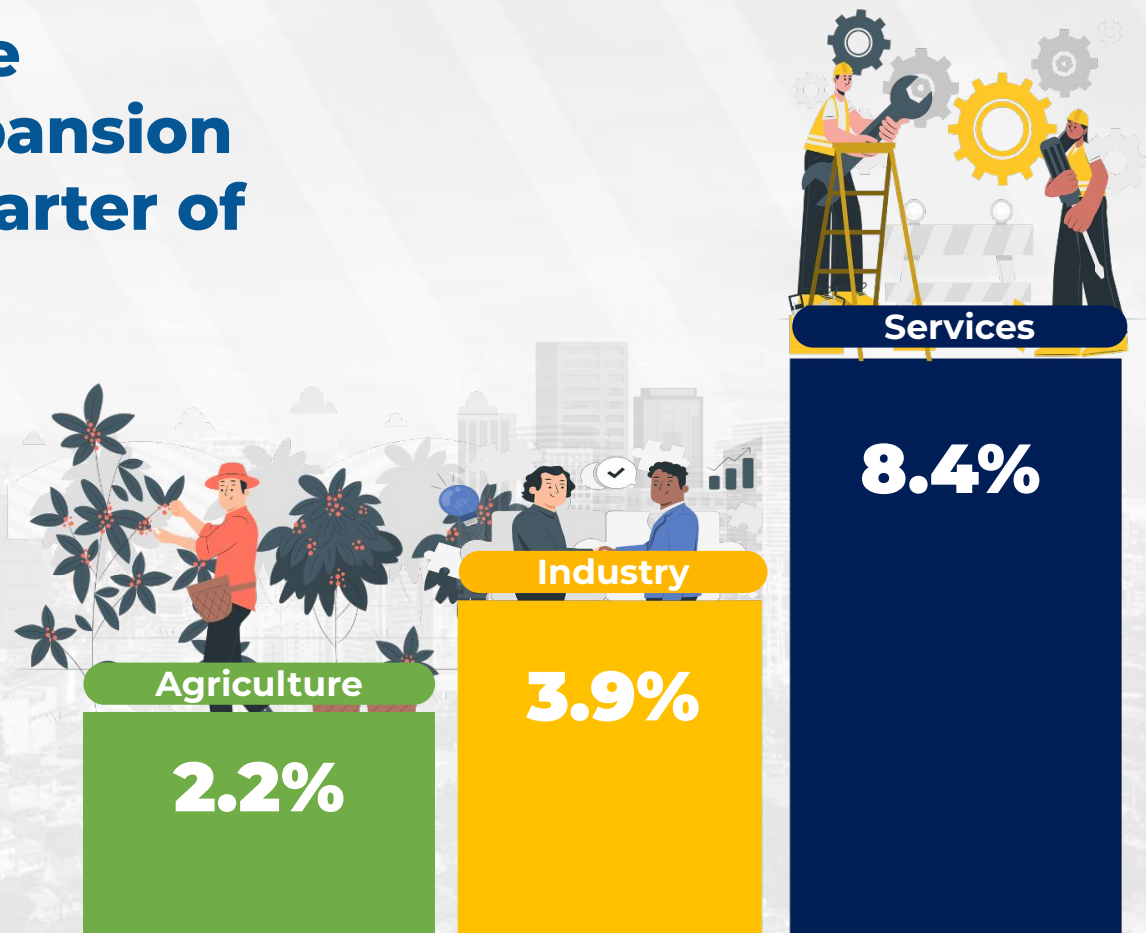


# We lead major emerging economies in Q1 2023 GDP growth performance

## Major Emerging Economies Q1 2023 GDP\*



# The Philippine economic expansion in the first quarter of the year was broad-based



Data Source: PSA  
Based on preliminary data

# Our creditworthiness shows international confidence



FitchRatings

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## Fitch Ratings

Affirmation  
of BBB rating,  
Revised Outlook  
from Negative to  
Stable (May 2023)



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## Japan Credit Rating Agency

Affirmation  
of A- rating,  
Stable Outlook  
(March 2023)



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## S&P Global Ratings

Affirmation  
of BBB+,  
Stable Outlook  
(November  
2022)



MOODY'S

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## Moody's

Affirmation  
of Baa2 rating,  
Stable Outlook  
(September  
2022)



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## R&I

Affirmation  
of BBB+ rating,  
Stable Outlook  
(April 2022)

## FDI net inflows hit 15-month high

**US\$926  
million**



**February 2022**

**13%**

**US\$1  
billion**



**February 2023**

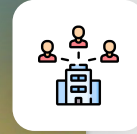
# The labor market continues to be a bright spot

March 2023 Employment Situation (year-on-year)

**4.7%** ↓  
Unemployment rate



**66.0%** ↑  
Labor force participation rate



**95.3%** ↑  
Employment rate



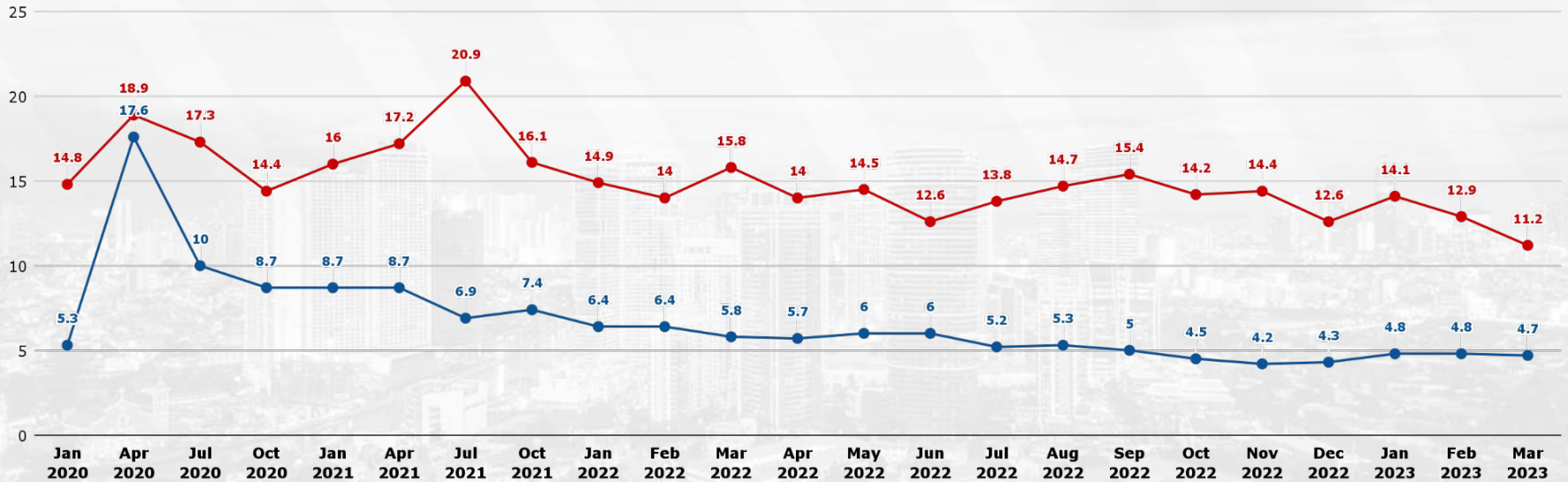
**11.2%** ↓  
Underemployment rate



# Both unemployment and underemployment exhibit a downward trend

## Labor Force Survey Results (2020-2023)

● Unemployment Rate (%) ● Underemployment Rate (%)





An aerial view of a city skyline at night, featuring numerous illuminated skyscrapers and buildings. The lights create a vibrant, glowing effect against the dark sky. The text is overlaid on a dark blue semi-transparent background in the upper portion of the image.

Partner with us in safeguarding these gains  
by **nurturing our talented workforce.**

Provide a **fair, safe, and people-centered workplace** where skills and talents are developed.

Harness digital technology to **build up resilience and enhance efficiencies.**

# HIGH-IMPACT INVESTMENT AREAS



**Infrastructure**



















**Human Capital  
Development**



**Digitalization**

# The Philippines boasts of a young and dynamic population among aging economies

## Median age in years

|   |                    |             |   |            |      |
|---|--------------------|-------------|---|------------|------|
|  | <b>Philippines</b> | <b>24.5</b> |  | Cambodia   | 26.5 |
|  | World              | 30          |  | Indonesia  | 29.4 |
|  | US                 | 37.7        |  | Lao PDR    | 23.8 |
|  | Europe             | 44.1        |  | Malaysia   | 29.9 |
|  | China              | 37.9        |  | Myanmar    | 29   |
|  | Japan              | 48.4        |  | Brunei     | 31.8 |
|  | India              | 27.6        |  | Thailand   | 39.3 |
|  | Singapore          | 41.8        |  | East Timor | 20.3 |
|   |                    |             |  | Vietnam    | 32   |

Sources: United Nations, World Population Prospects 2022 and Eurostat (for Europe)  
Notes: 1950 to 2021 show historical estimates. From 2022 the UN projections (medium variant) are shown.

# A mutually beneficial partnership with the private sector will be critical in sustaining our growth momentum

Revised IRR of  
Build-Operate-  
Transfer Law



Revised ICC  
Guidelines



Public-Private  
Partnership Act



Revised NEDA  
Joint Venture  
Guidelines



# Economic liberalization and a competitive tax incentive system will unlock vast opportunities

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



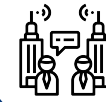
**Amendments to the  
Foreign Investments Act**



**Amendments to the  
Retail Trade  
Liberalization Act**



**Amendments to the  
Public Service Act**

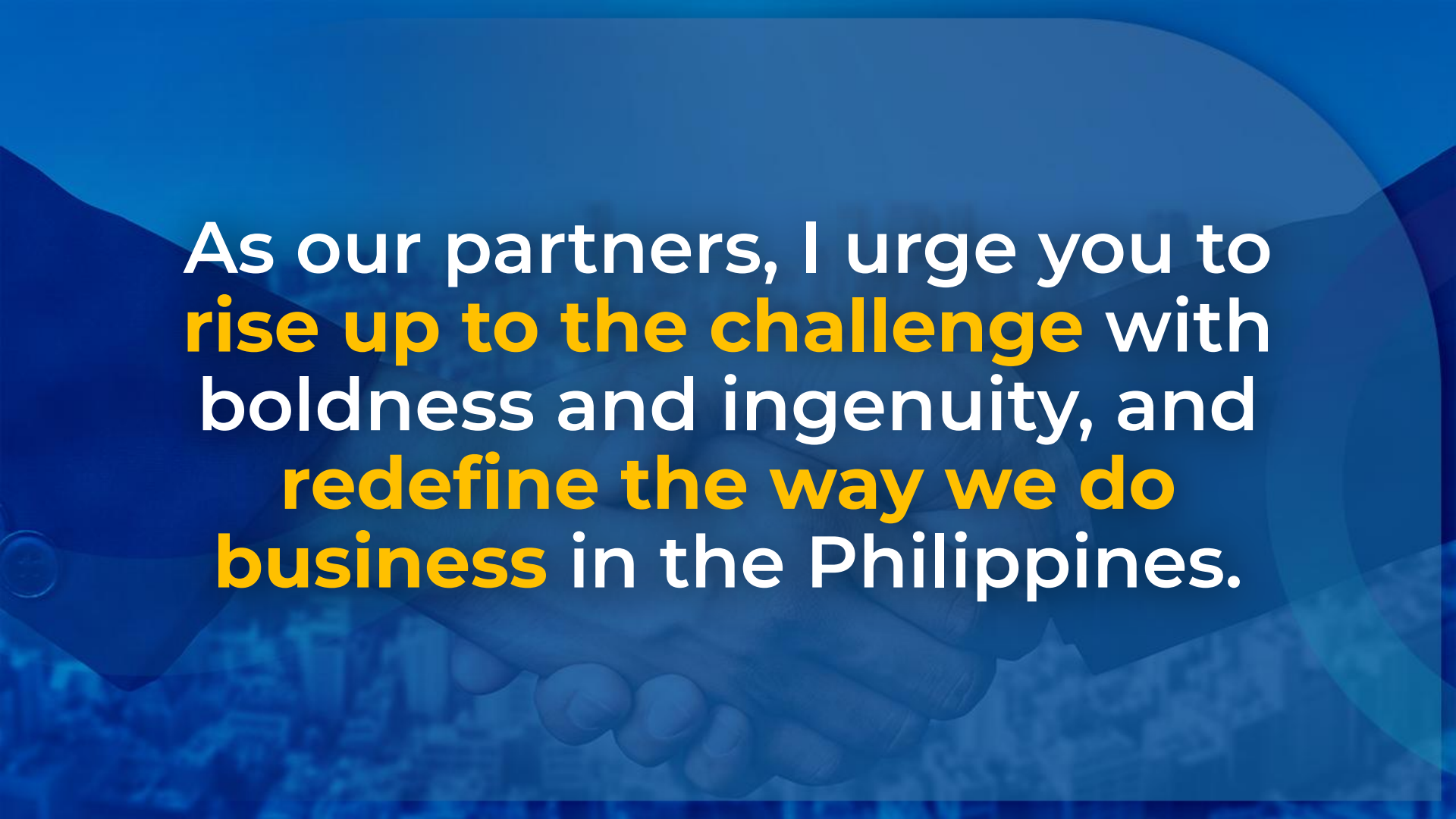


**Revised Renewable Energy Act IRR**



# Trabaho Para sa Bayan Act

Senate Bill No. 2035 aims to promote **job-led economic growth** and **enhanced industry collaboration**, and to provide overall services for **worker development** and **support and incentives to businesses**.



As our partners, I urge you to  
**rise up to the challenge** with  
boldness and ingenuity, and  
**redefine the way we do  
business** in the Philippines.



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