



KEYNOTE ADDRESS

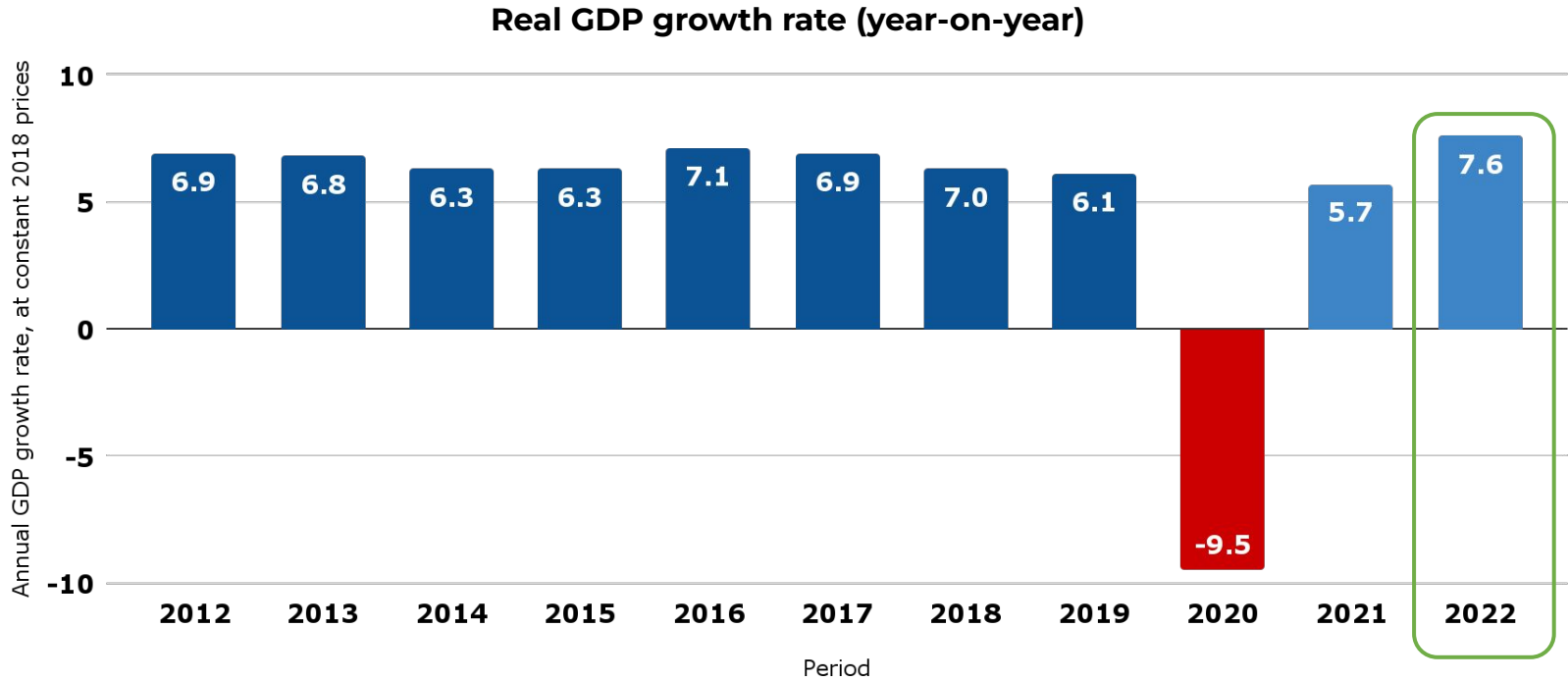
# PHILIPPINE ECONOMIC BRIEFING LAOAG

**BENJAMIN E. DIOKNO**

SECRETARY OF FINANCE

August 14, 2023

# Continued rapid growth amid a slowing world economy







**2023**  
**Real GDP growth rate**  
*(in percent)*

**First quarter** 6.4

**Second quarter** 4.3

**First half** 5.3

**Development Budget**  
**Coordination Committee**  
**Growth Assumptions**  
*(in percent)*





*As of June 9, 2023*

**2023** 6.0 - 7.0

**2024-2028** 6.5 - 8.0

# PHILIPPINE ECONOMIC OUTLOOK

(in percent)

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>	<b>5.5<sup>b/</sup></b>
 <b>Asian Development Bank</b>	6.0 <sup>a/</sup>	6.0 <sup>b/</sup>	6.2 <sup>a/</sup>	6.2 <sup>b/</sup>
 <b>ASEAN+3 Macroeconomic Research Office</b>	6.2 <sup>a/</sup>	6.2 <sup>b/</sup>	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%** ↑

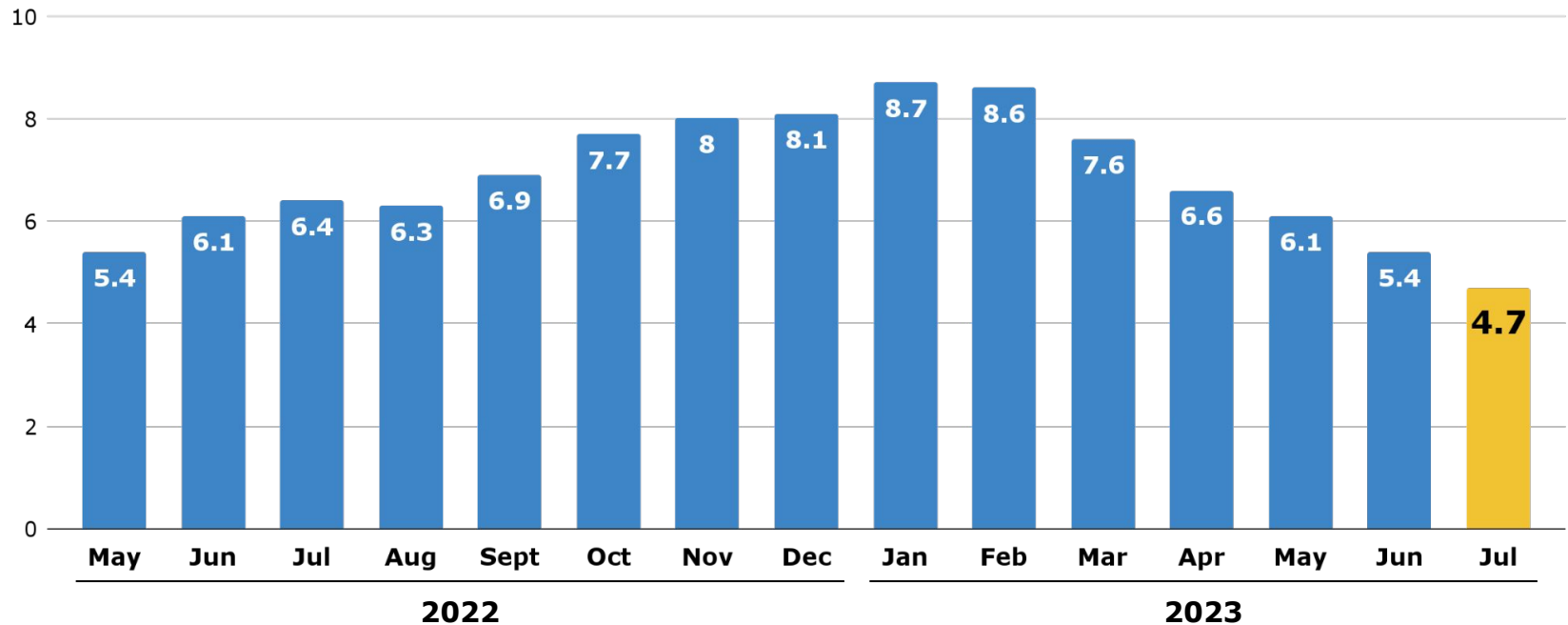
Employment rate

↓ **12.0%**

Underemployment rate



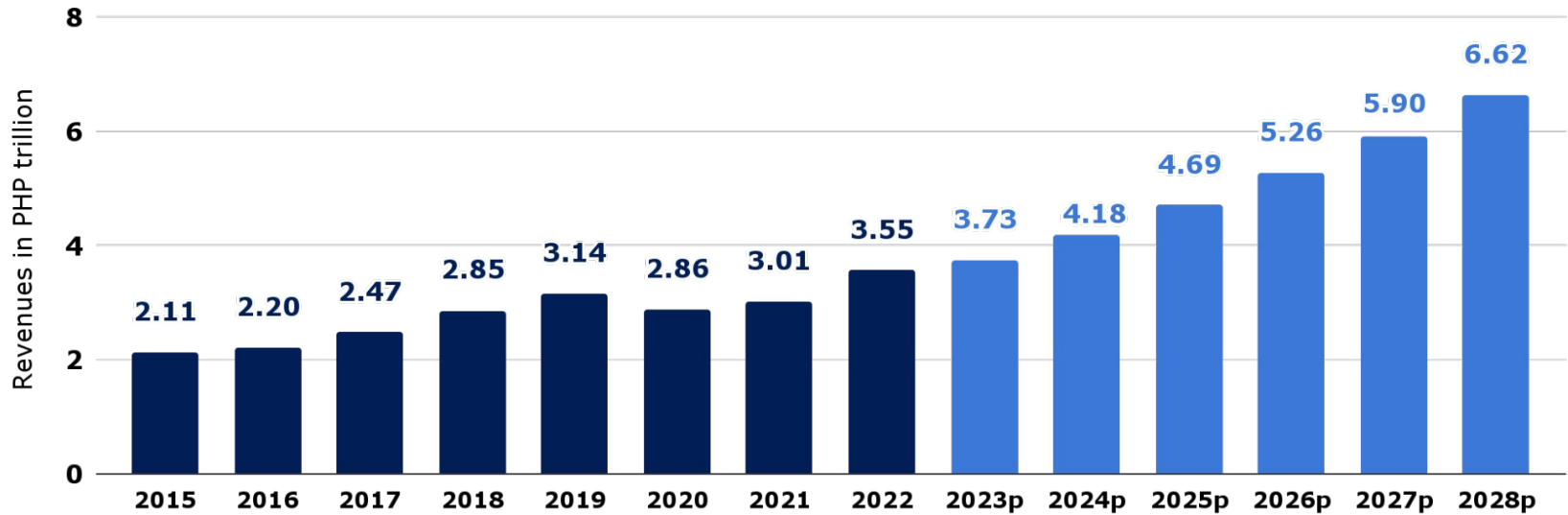
# Headline inflation moderates to 4.7% in July, slowing down for 6<sup>th</sup> consecutive month





# MEDIUM-TERM REVENUE PROGRAM

Total Revenue Collection (in PHP trillion)



# REVENUE COLLECTIONS REMAIN ROBUST

↑ **7.7%**

PHP 132.6 billion YoY



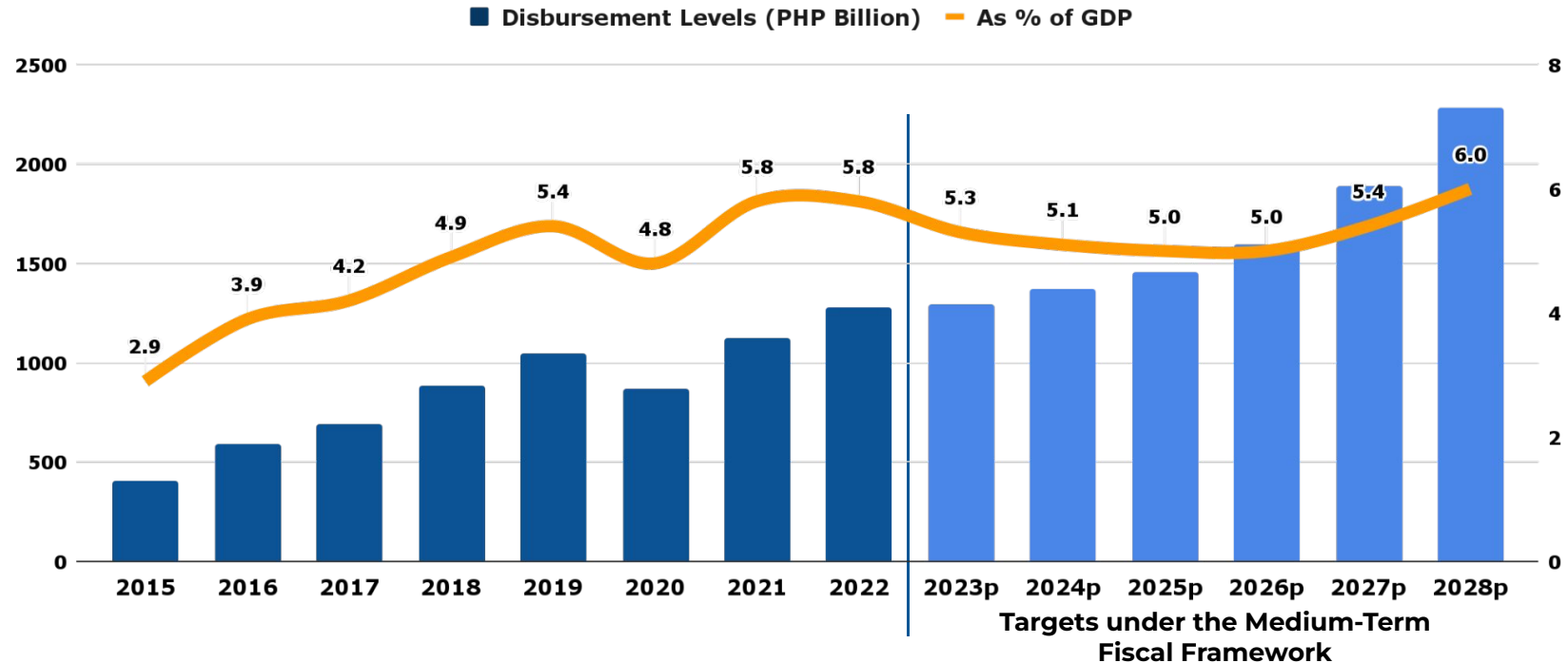
**PHP 1.9 trillion**

January-June 2023



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

## Infrastructure disbursements as percentage of GDP



# 194 Infrastructure Flagship Projects worth PHP 8.3T, 132 located in Luzon





# Big-ticket projects in Luzon



**Laoag International Airport Development Project**



**Tarlac-Pangasinan-La Union Expressway Extension Project**



**Ilocos Norte-Ilocos Sur-Abra Irrigation Project**



**Naga Airport Development Project**



**Laguna Lakeshore Road Network Project**



**EDSA Greenways**





# Renewable Energy Capital of Southeast Asia

## WINDMILLS



Burgos



Bangui



Pagudpud

## SOLAR FARM



Currimao

## HYDROPOWER PLANT



Agua Grande



# We will raise the share of renewable energy in the power mix



**50%**  
by 2040

**35%**  
by 2030

**126 RE contracts, with potential capacity of 31,131.74 MW awarded by DOE**

*(July 2022 to June 2023)*



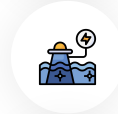
**72 solar**



**2 biomass**



**30 wind**



**1 ocean**



**20 hydro**



**1 geothermal**



# Energy security powered by renewable energy

The revised IRR of the Renewable Energy Act liberalizes the renewable energy sector to promote the exploration, development, and utilization of solar, wind, hydro, and tidal or ocean energy in the country







2022		Foreign Visitor Arrivals	
International	Domestic	Full-year 2023 target	4.8 million
2.7 million	102 million	As of August 11, 2023	3.4 million





# National Tourism Development Plan for 2023 to 2028



Improvement of tourism infrastructure and accessibility



Cohesive and comprehensive digitalization and connectivity



Enhancement of overall tourist experience



Equalization of tourism product development and promotion



Diversification of the tourism portfolio through multidimensional tourism



Maximization of domestic and international tourism



Strengthening tourism governance through close collaborations with national and local stakeholders





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

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



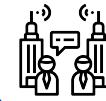
**Amendments to the Foreign Investments Act**



**Amendments to the Retail Trade Liberalization Act**



**Amendments to the Public Service Act**



**Revised Renewable Energy Act IRR**





**The administration of President  
Ferdinand Marcos, Jr. has a  
clear-eyed focus on its goal of  
securing a bright economic  
future for all Filipinos**







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