



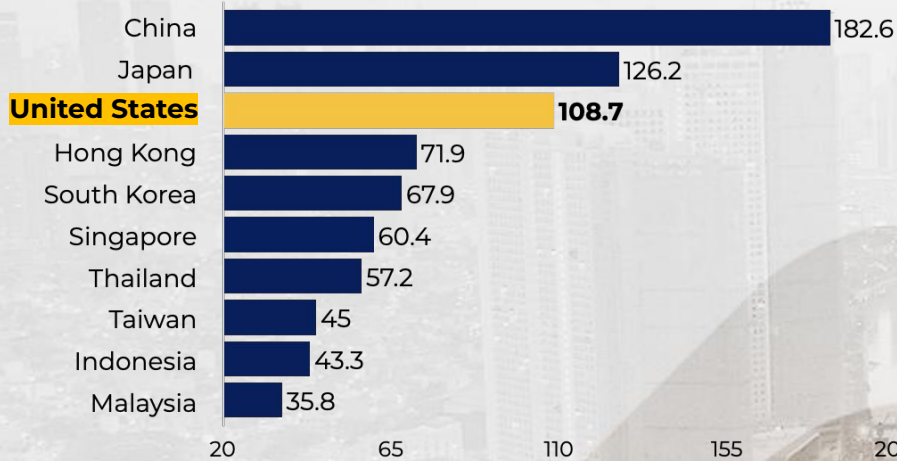
KEYNOTE MESSAGE

BENJAMIN E. DIOKNO
SECRETARY OF FINANCE

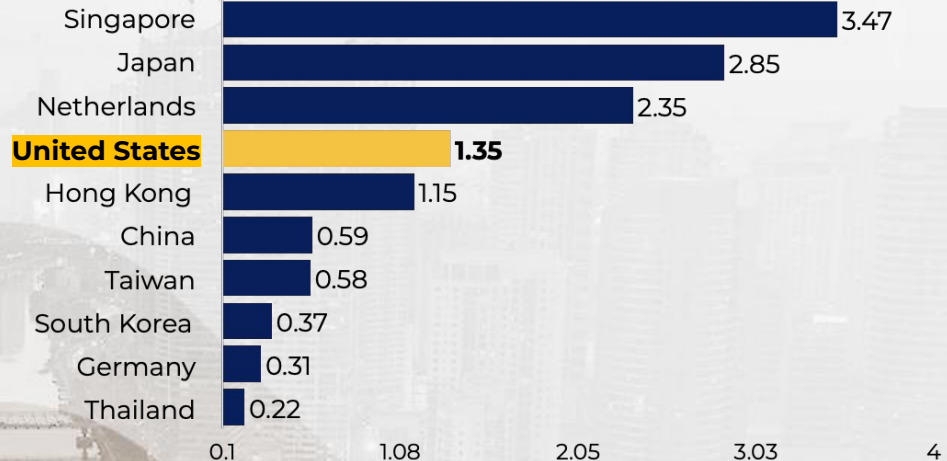
ECONOMIC POLICY FORUM
JANUARY 31, 2023

The US is a top trading partner and major source of foreign direct investments for the Philippines

The Philippines' Top Trading Partners
(Total Trade from 2016-2021, in USD billions)

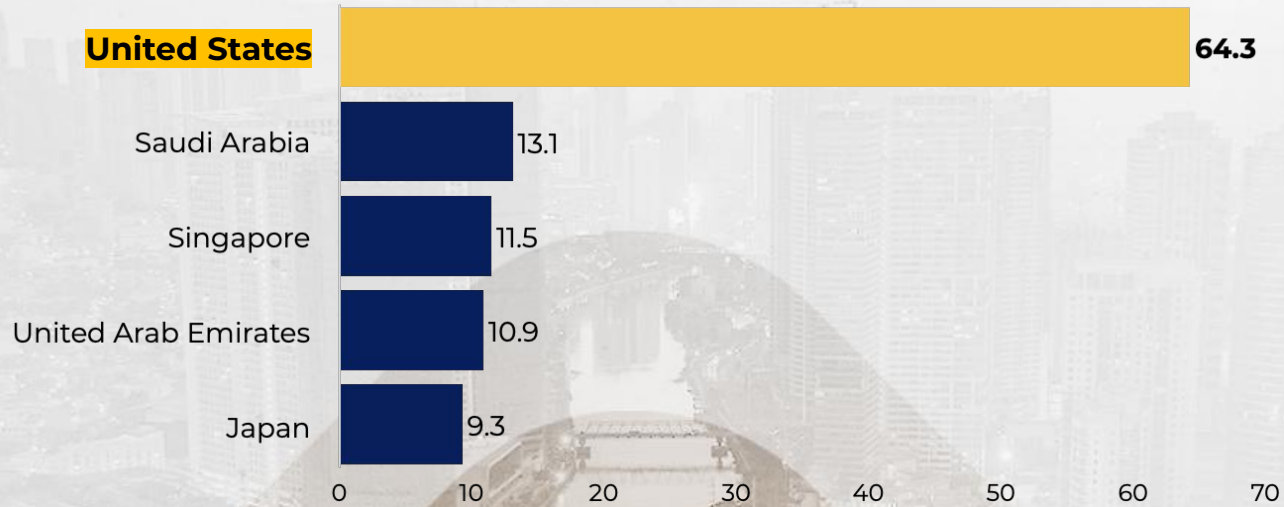



The Philippines' Top Sources of FDIs
(Total FDIs from 2016-2021, in USD billions)



The US is the Philippines' biggest source of overseas Filipino remittances

The Philippines' Top Sources of OF Remittances
(Total Cash Remittances from 2016-2021, in USD billions)



An aerial photograph of a city at dusk or dawn, with a blue and purple color palette. The city lights are visible, and the sky is a mix of deep blue and purple. The text is overlaid in the center in a bold, white, sans-serif font.

**Stronger international
cooperation is the quickest
path to recovery and
shared prosperity.**

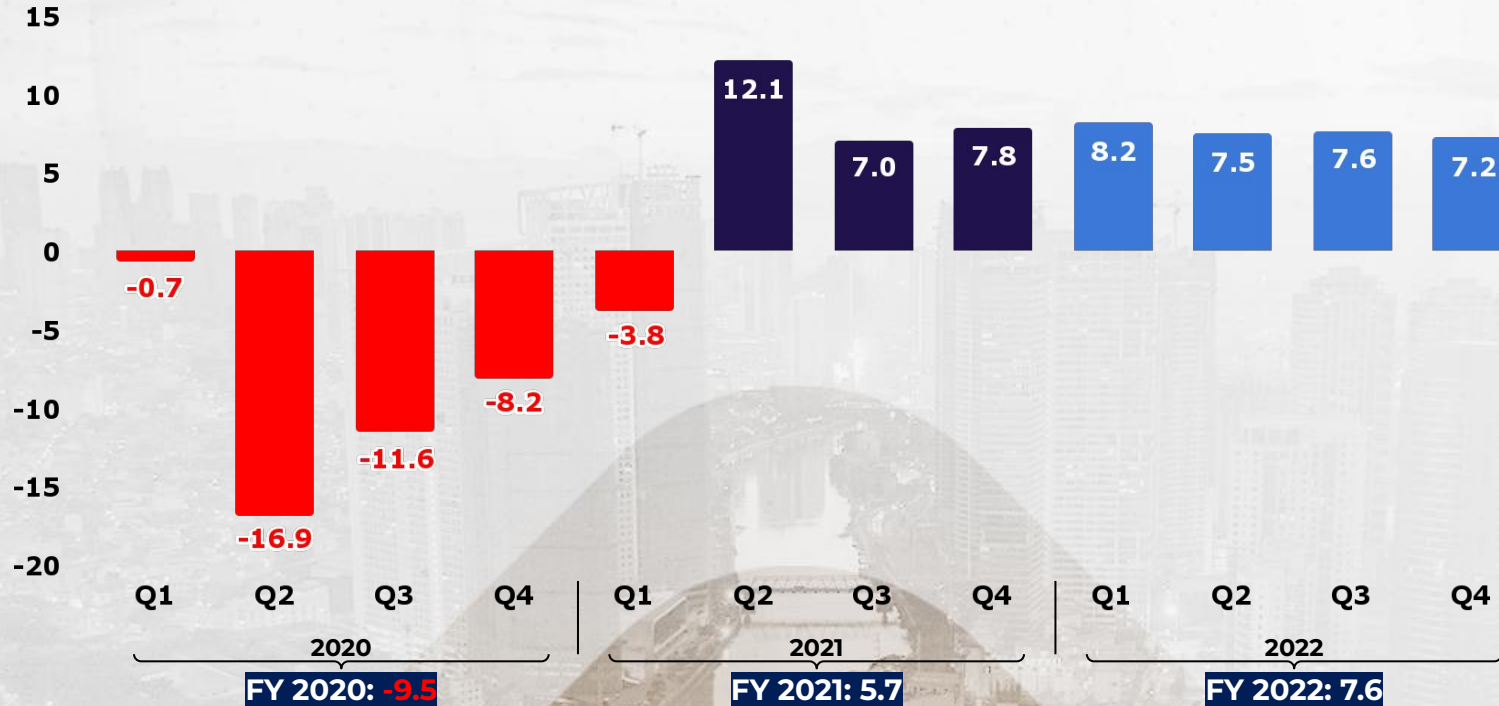


Indo-Pacific Economic Framework for Prosperity



The Philippines is eager to share its promising future with the world

Philippines' Real GDP growth rate (year-on-year)





**This dramatic recovery was
the result of deliberate,
well-crafted structural reforms
and the resolve to recalibrate
policies during times of crises.**

Marcos administration's 8-point socioeconomic agenda in the near and medium term

ROBUST ECONOMY, INCLUSIVE, AND RESILIENT SOCIETY

PROTECT THE PURCHASING POWER OF FAMILIES



Ensure Food Security



Reduce Transport and Logistic Cost



Reduce Energy Cost

REDUCE VULNERABILITY AND MITIGATE SCARRING FROM THE COVID-19 PANDEMIC



Tackle Health



Strengthen Social Protection



Address Learning Losses

ENSURE SOUND MACROECONOMIC FUNDAMENTALS



Improve Bureaucratic Efficiency



Ensure Sound Fiscal Management

CREATE MORE JOBS, QUALITY JOBS, GREEN JOBS



Promote Investments



Expand Digital Infrastructure



Improve Infrastructure



Encourage R&D and Innovation



Ensure Energy Security



Pursue a Green and Blue Economy



Increase Employability



Establish Livable and Sustainable Communities

NEAR-TERM AGENDA

MEDIUM-TERM AGENDA

PHILIPPINE DEVELOPMENT PLAN 2023-2028

A Plan for Economic and Social Transformation

The PDP aims to **reinvigorate job creation and accelerate poverty reduction** by steering the economy back to its high-growth trajectory and effect economic and social transformation for a **prosperous, inclusive, and resilient society**.

Medium-Term Fiscal Framework



Reduce the fiscal deficit.

Bring down the deficit-to-GDP ratio to 3.0 percent by 2028.



Promote fiscal sustainability.

Debt-to-GDP ratio will be reduced from the current 63.7 percent to less than 60 percent by 2025



Enable robust economic growth.

With its high multiplier effects, we will sustain high infrastructure spending at 5 to 6 percent of GDP annually.

Structural reforms to open the economy, improve ease of doing business, and allow modern, transformative industries to take root and grow

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



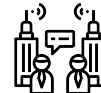
**Amendments to the
Foreign Investments Act**



**Amendments to the
Retail Trade
Liberalization Act**

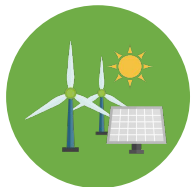


**Amendments to the
Public Service Act**



Renewable Energy Sector Liberalization

The renewable energy sector is now open to full foreign ownership



Increase share of renewable energy in power mix

We target to achieve 35 percent and 50 percent share of renewable energy in the power generation mix by 2030 and 2040, respectively.



ASEAN Plan of Action on Energy Cooperation

In the second phase of the APAEC, the Department of Energy will focus on cross-cutting issues such as decarbonization, energy transition, and digitalization of the energy sector.

Key targets

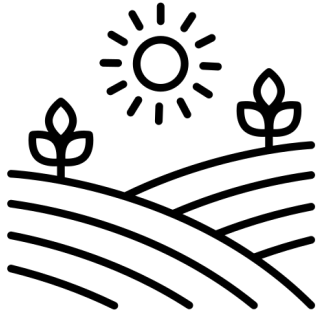
- Developing a common gas market
- Reducing energy intensity by 32 percent in 2025
- Increasing renewable energy share to 23 percent in total primary energy supply and to 35 percent in installed power generation capacity to 35 percent by 2025

An aerial photograph of a city skyline at dusk, with a semi-transparent white text box overlaid in the center. The text is in white and yellow. The background shows a dense urban landscape with various buildings and a clear sky transitioning from blue to orange.

We have created a more competitive and enabling environment for **public-private partnerships**.

The revised IRR of the **Build-Operate-Transfer Law** will allow us to leverage PPPs and direct more public resources to critical areas of development and governance.

Key areas of cooperation



Agriculture



Extractives



Manufacturing

The background of the image shows a city skyline at dusk or dawn, with buildings and lights reflected in a body of water. The sky is a mix of purple, blue, and orange. A large, white, bold text overlay is centered on the image, reading:

The Philippines boasts of a young population and a world-class workforce ready for the new economy.

Collaboration is key in a time of 'polycrisis'

Slowing world economy

Analysts predict a global recession in 2023. The IMF expects one third of the world economy to be in recession.



Stubbornly high inflation

Global prices of fuel, food, and other commodities are rising due to supply chain constraints



Geopolitical tensions

Tensions such as the prolonged war in Ukraine pose socioeconomic consequences on a global scale



Post-pandemic scarring

The pandemic's lingering effects on education, labor market, and pandemic-stricken industries



An aerial photograph of a city at dusk, showing a dense urban landscape with numerous buildings and streets. The sky is a mix of deep blue and purple, with some clouds. The city lights are beginning to glow, creating a warm, golden light on the buildings and streets. The overall scene is a vibrant and modern urban environment.

**The Philippines stands ready to
broaden dialogue and deepen
cooperation with the U.S.**



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