

DEPARTMENT OF FINANCE



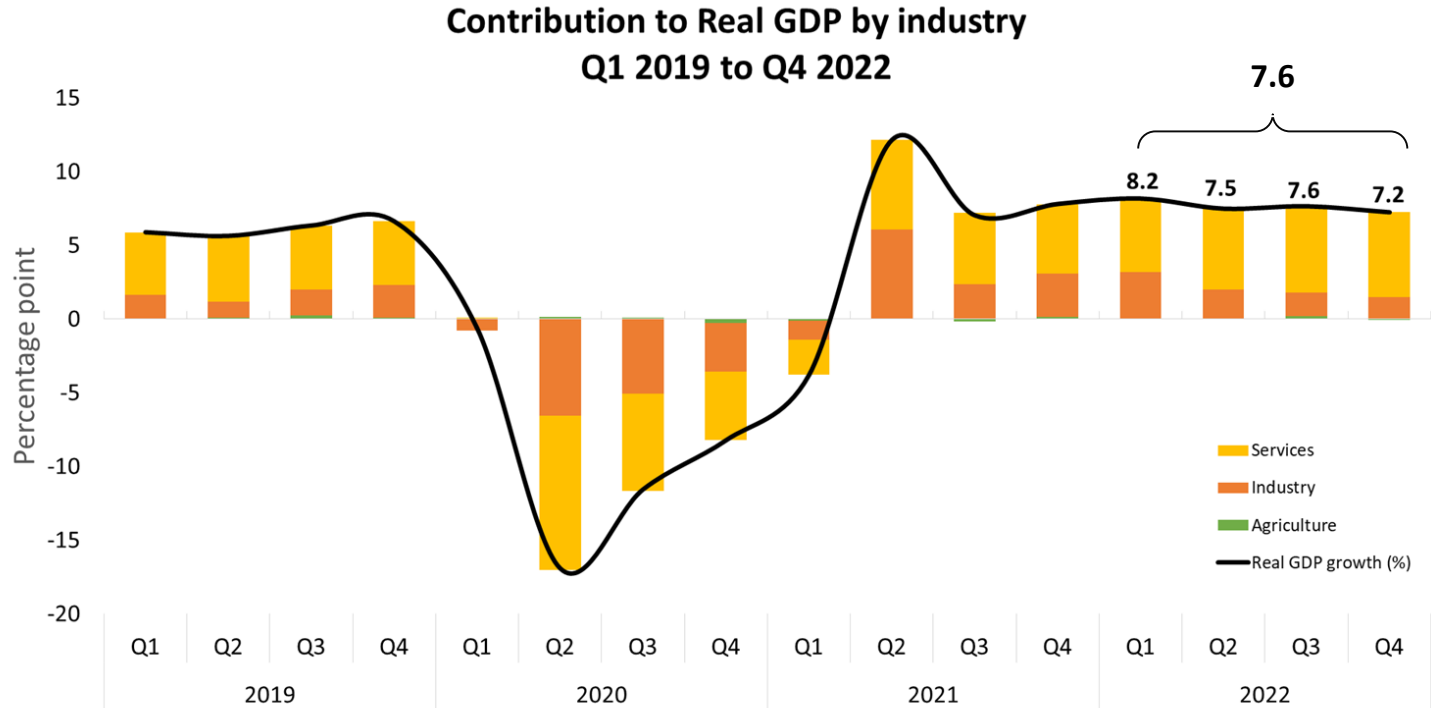
# Economic Resilience Amidst Global Economic Headwinds

**MARITES B. OLIVA**

Assistant Chief Economic Counselor  
Office of the Chief Economist

Philippine Institute of Development Studies  
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# Philippine GDP grew by 7.2 percent in Q4 bringing full-year GDP to its highest in 46 years.



## **Addressing high inflation is number one priority.**

The Philippine Government is employing the following measures to ease inflation pressures over the **near term**:

1. Monetary policy adjustment;
2. Fiscal discipline;
3. Improve local production and provide support for quick recovery from recent typhoons;
4. Temporary relaxation of trade restrictions to needed imports;
5. Provision of targeted support to the most vulnerable; and
6. Continued linkages of farmers and fishers to consumers

# Ensuring food security by modernizing agriculture to address high inflation.

## Strategy Framework to Modernize Agriculture and Agribusiness



**TRANSFORM PRODUCTION SECTORS TO GENERATE MORE QUALITY JOBS AND COMPETITIVE PRODUCTS**



**MODERNIZE AGRICULTURE AND AGRIBUSINESS**



**EFFICIENCY OF AGRICULTURE, FORESTRY, AND FISHERIES (AFF) PRODUCTION ENHANCED**

- ✓ Diversify farm and non-farm income
- ✓ Consolidate/cluster farms
- ✓ Create and facilitate adoption of improved technology
- ✓ Improve access of primary producers to production requirements (e.g., land, water, renewable energy, and credit)



**ACCESS TO MARKETS AND AFF-BASED ENTERPRISES EXPANDED**

- ✓ Create opportunities for the participation of primary producers in value adding of AFF products
- ✓ Develop the blue economy
- ✓ Improve physical and digital infrastructure
- ✓ Improve the regulatory system for greater private sector investments
- ✓ Protect local AFF against unfair competition and supply/price manipulation



**RESILIENCE OF AFF VALUE CHAINS IMPROVED**

- ✓ Create and adopt climate- and disaster-resilient technologies
- ✓ Strengthen local food systems
- ✓ Develop and mainstream early warning systems/anticipatory mechanisms
- ✓ Integrate climate and disaster risks in AFF planning and programming
- ✓ Develop innovative insurance schemes
- ✓ Boost local capability on the production of AFF inputs

**AGRICULTURAL INSTITUTIONS STRENGTHENED**

- ✓ Improve coordination and convergence of government agencies in planning, programming, and budgeting
- ✓ Enhance support to agricultural education and job-skills matching

# The Marcos administration will continue the massive investments on infrastructure - at about 5 to 6 percent of GDP annually.



Enhance connectivity and resilience of infrastructure projects



Provide universal access to safe, affordable, and sustainable water supply and sanitation services



Make the energy sector competitive and sustainable



Improve social infrastructures (in health, education, and waste management, among others)

# Structural reforms are the keys to investment-led growth

**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**



# We will continue to work with the Congress in pushing for key reforms crucial to accelerating economic development.

## TAX REFORM

**Broaden tax base and simplify the tax structure**



**REAL PROPERTY VALUATION REFORM**



**PACKAGE 4 OF CTRP**



**VAT ON DIGITAL GOODS AND SERVICES**

**Internalize externalities**



**TAX ON PRE-MIXED ALCOHOL AND VAPE**



**TAX ON SWEETENED BEVERAGES**



**JUNK FOOD TAX**



**EXCISE TAX ON SINGLE-USE PLASTIC BAGS**



**RATIONALIZATION OF THE MINING FISCAL REGIME**



**CARBON TAXATION**

## OTHER PRIORITY MEASURES



**MILITARY AND UNIFORMED PERSONNEL (MUP) PENSION REFORM BILL**



**AMENDMENTS TO LANDBANK OF THE PHILIPPINES CHARTER**



**LIVESTOCK DEVELOPMENT AND COMPETITIVENESS BILL**



**CAPITAL MARKET DEVELOPMENT BILL**



**AMENDMENTS TO PCIC CHARTER**

# The government is committed to implementing a Medium-Term Fiscal Framework.



**Bring down  
debt-to-GDP  
ratio to less than  
60 percent by  
2025**



**Reduce  
deficit-to-GDP  
ratio to  
3.0 percent  
by 2028**

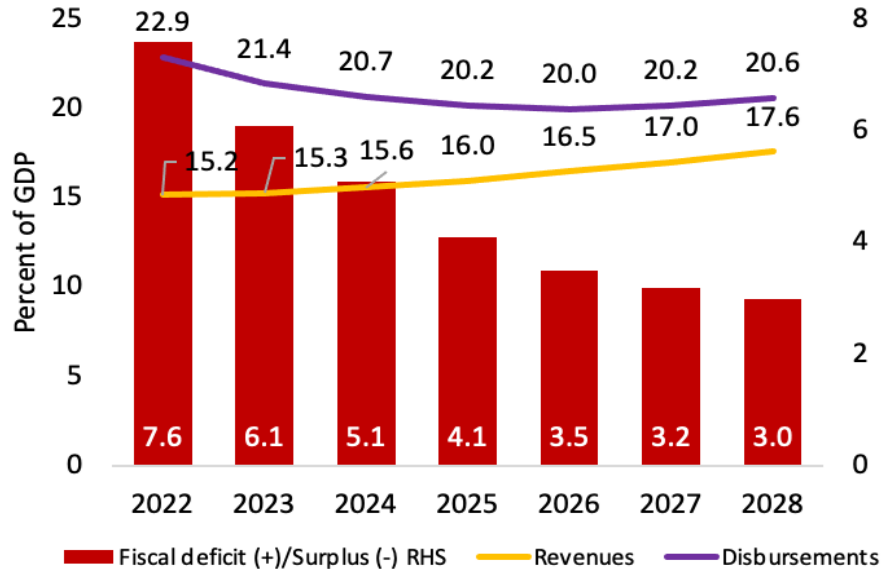


**Maintain high  
investment in  
infrastructure at  
5 to 6 percent of  
GDP annually**

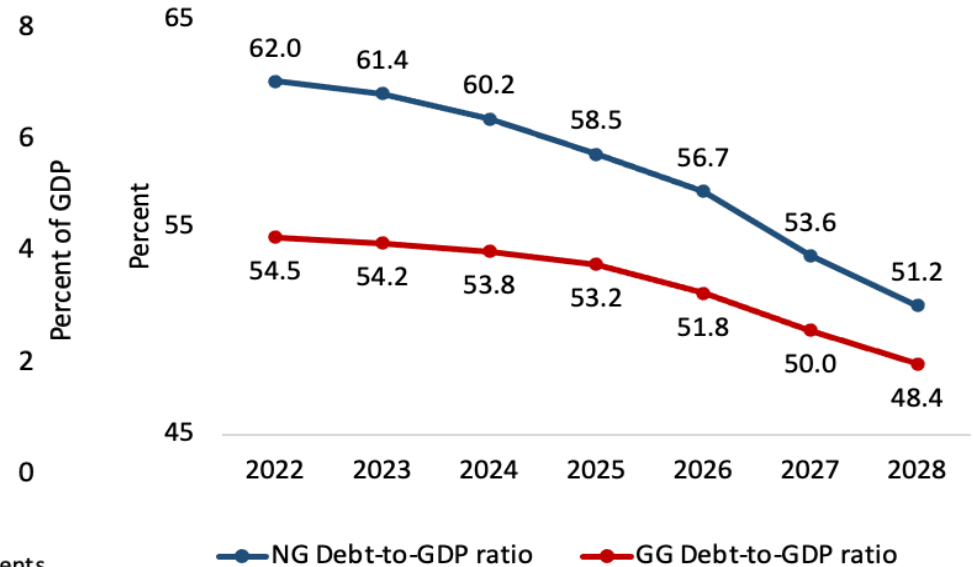


# The Medium-Term Fiscal Framework will promote sustainable long term growth and solid fiscal management.

**Fiscal position (as % of GDP)  
2022 to 2028**



**Debt-to-GDP ratio  
2022-2028**



# All hands on deck



**The Executive Branch will closely coordinate with Congress to formulate and enact appropriate and timely policies.**



**The government will expand the private sector's role in driving the transformation of our economy.**



**The government will widen the space for civil society to turn the collective aspirations of the Filipino people into reality.**

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