필리핀 한국 상공회의소 뉴스
KOREAN CHAMBER OF COMMERCE PHILIPPINES NEWSLETTER

February 2025 Issue | Vol. 16

PEZA project approvals soar 337.5% to P52.9B

February 24, 2025 | Reine Juvierre S. Alberto | BusinessMirror

The Philippine Economic Zone Authority (PEZA) registered a 337.58-percent increase in investment pledges, reaching P52.933 billion in the first two months of the year from P12.097 billion in the same period of 2024.

PEZA approved 39 new and expansion projects for January to February this year, a 39.29 percent increase from 28 in the same period last year.

Jobs that could arise from these newly approved PEZA projects are expected to reach 11,063 direct hires, or a sharp increase of 209.02 percent from the year-earlier level.

The latest figures exceeded the full-year employment generated by 3,580 projects approved last year.

"This remarkable upswing reflects our continuous efforts through various foreign investment missions, with more initiatives from diverse industries planned for the rest of the year," Tereso Panga, PEZA director-general, said in a statement late Monday.

PEZA in a report during its board meeting on February 20, said it approved 26 new and expansion projects worth P22.777 billion in investments that could generate $241.787 million in annual exports, and create 7,793 direct jobs.

PEZA said these projects include nine export manufacturing, eight information technology-business process management; three domestic market projects, two facilities development initiatives and four ecozone developments.

These projects are distributed across Metro Manila, Calabarzon, Central Luzon, Central and Western Visayas, Ilocos Region, and Davao Region.

The report said two major ventures are set to generate P15.989 billion combined investments in its upcoming projects in Tarlac and Batangas.

"These big-ticket projects will further boost investments in the country," Panga said. One of the proponents is a South Korean project worth P10.450 billion, but Panga did not elaborate.

Panga said with the Philippines-South Korea free trade agreement now in effect, PEZA is collaborating with the Bases Conversion and Development Authority for the creation of this multi-faceted ecozone that will accommodate multiple sectors, including manufacturing, agro-industrial, tourism, and information technology, further enhancing economic opportunities and sectoral development.

"This development paves the way for more South Korean companies to establish operations," Panga said.

PEZA and BCDA officials declined to disclose details of the South Korean mixed-use ecozone development.

In January, PEZA also approved a P28-billion investment in a beverage production and distribution facility in Tarlac City. Panga in a text message yesterday afternoon said the proponent declined to be named.

Source: https://malaya.com.ph/business/business-news/peza-project-approvals-soar-337-5-to-p52-9b/

Approved investments hit record P1.9T—BOI

February 25, 2025 | Janine Alexis Miguel | The Manila Times

INVESTMENT approvals hit an all-time high of P1.9 trillion in 2024, the Board of Investments (BOI) said on Monday, surpassing the P1.6-trillion target for the year and the P1.26 trillion recorded in 2023.

Domestic investment dominated last year's approvals, more than doubling to P1.35 trillion from P578 billion. Foreign investments, meanwhile, accounted for P544 billion.

"This unprecedented performance shows growing investor confidence in the Philippines and the success of the administration's investment and economic policies," the BOI quoted Frederick Go, the special assistant to the president for Investment and Economic Affairs, as saying.

"We are optimistic that these approved projects will translate into tangible economic benefits in the coming years, including the creation of more and better job opportunities for Filipinos, and paving the way for sustainable, investment-led growth," Go added.

The BOI said that renewable energy led in terms of investments at P1.30 trillion, followed by manufacturing (P144 billion); real estate (P138 billion); transportation and storage (P131 billion); and electricity, gas, steam, and air conditioning supply (P79 billion).

Switzerland, South Korea, the Netherlands, Japan and Singapore were the top foreign investors.

BOI Undersecretary Perry Rodolfo said the approved investments "focus on sectors that will modernize and structurally transform the Philippine economy — such as renewable energy, telecom infrastructure, innovation-driven light manufacturing, and integrated tech-enabled agriculture."

The BOI also said that the increased investments were an indication of a maturing investment climate in the country.

Source: https://www.manilatimes.net/2025/02/25/business/top-business/approved-investments-hit-record-p19t-boi/2061328

ECCP:PH removal from FATF grey list boosts investor confidence

February 26, 2025 | Kris Crismundo | Philippine News Agency

INQUIRER FILES

MANILA, Philippines – The European Chamber of Commerce of the Philippines (ECCP) hailed the country's removal from the Financial Action Task Force's (FATF) grey list, saying this will bolster investor confidence and promote sustainable economic growth in the Philippines.

In a statement Tuesday, ECCP said a key factor contributing to this success is the enactment of the Anti-Financial Account Scamming Act (AFASA) in July 2024.

The ECCP commended the passage of AFASA, highlighting its role in strengthening the integrity of financial accounts and the overall financial system.

The law empowers financial institutions to better protect client accounts and combat financial account scamming, reinforcing public trust in the financial sector.

"The passage of AFASA demonstrates the government's proactive approach to addressing financial crimes and ensuring a secure financial environment. The ECCP remains committed to working with the government and private sector to further strengthen the Philippines' AML/CTF (anti-money laundering and counter-terrorism financing) regime," the business group said.

The statement added that aside from boosting investor confidence, the improved AML/CTF framework is expected to facilitate smoother financial transactions and international trade, positioning the Philippines as a competitive player in the global market.

"The ECCP believes that the Philippines' exit from the FATF grey list will significantly enhance its attractiveness as a prime destination for local and foreign investments, fostering a more stable and secure business climate," it said.

The FATF grey list includes countries under increased monitoring for deficiencies in their AML/CTF systems. Being delisted indicates that the Philippines has made substantial progress in addressing strategic deficiencies.

This achievement reflects the Marcos administration's commitment to implementing robust financial regulations to safeguard the integrity of the financial system, the group added.

"The plenary agreed to take the Philippines off the grey list in recognition of the completion of their action plan, which was agreed in June of 2021. Amongst other efforts and results, the Philippines is now actively combating the risk of dirty money flowing through casinos in the country," FATF president Elisa de Anda Madrazo said in a briefing last week.

Source: https://business.inquirer.net/508605/eccp-ph-removal-from-fatf-grey-list-boosts-investor-confidence

BIR to run after more users, sellers of 'ghost receipts'

February 24, 2025 | Reine Juvierre S. Alberto | BusinessMirror

BIR Commissioner Romeo D. Lumagui Jr.

The Bureau of Internal Revenue (BIR) plans to collect about P8 billion from cases involving ghost receipts this year as it continues to pursue legal actions against buyers of fake receipts to plug tax leakages.

Speaking to reporters on the sidelines of the Revenue Region No. 7B-East NCR Tax Campaign Kickoff last Friday, Internal Revenue Commissioner Romeo D. Lumagui said the agency is targeting to double its collection from individuals and businesses that sell or use fake receipts to evade payment of taxes.

The BIR's Run After Fake Transactions (RAFT) campaign has yielded P4.3 billion for the agency in 2024. This surged by sevenfold compared to the BIR's collection of more than P600 million in 2023.

Lumagui said the P4.3-billion collection was gathered from only a few taxpayers and the agency expects to generate additional funds.

"We're continuing to file cases and we'll continue to file more cases," he told reporters in an interview.

However, doubling the agency's take from ghost receipts would be "challenging," according to the BIR chief.

Once those facing charges pay their liabilities, cases filed against them will be forfeited, he said.

The agency estimated that P370 billion was lost by the government due to ghost receipts over the past 15 years.

This includes a value-added tax (VAT) loss of P120 billion and P250 billion in foregone revenues from income tax.

When individuals or businesses use ghost receipts, they can use it as a deduction for VAT and for income tax purposes, according to Luis Sixtus Esquivias from the Office of the Commissioner.

An estimated 30,000 corporations and sole proprietors have been identified as known buyers of established sellers of ghost receipts.

Under RAFT, the BIR has filed cases against four ghost corporations with estimated tax liabilities of P25.5 billion; and three Corporate Buyers and their Officers, Accounting Firms and CPAs with total estimated tax liabilities of P17.9 billion.

Moreover, 15 criminal cases against buyers and sellers of ghost receipts were filed and legal proceedings against a total of 69 respondents at the Department of Justice have commenced, covering estimated tax liabilities totaling P1.8 billion.

The BIR aims to collect P3.23 trillion this year, on the back of enhanced enforcement efforts, compliance monitoring and taxation of online sellers and influences.

So far, it has raised P350.6 billion in January 2025, higher by 13.7 percent than what the agency collected in January 2024.

Source: https://businessmirror.com.ph/2025/02/24/bir-to-run-after-more-users-sellers-of-ghost-receipts/

DTI pushes for more efficient logistics, supply chain

February 25, 2025 | Reine Juvierre S. Alberto | BusinessMirror

MANILA – Department of Trade and Industry (DTI) Undersecretary Mary Jean Pacheco reaffirmed the government's goal of making logistics and supply chain in the country more efficient to reduce cost of goods.

During the launch of LogisitcsNews.PH in Makati City Monday night, Pacheco cited a study by Japan Transport and Tourism Research Institute (JTTRI), which noted that strengthening infrastructure should be a priority measure to improve the local supply chain.

Pacheco said among the recommendations of the JTTRI are integrating and enhancing the functions of Manila, Batangas, and Subic ports to improve capacity; continuous development of double track railways and proper maintenance, installation, and upgrading of freight stations; reducing load on local roads through barge transportation; establishment of a stable roll-on roll-off network; development of logistics hubs in key areas near major ports; and expansion of logistics networks outside metropolitan areas. *[Cont. page 4]*

DTI pushes for more efficient logistics, supply chain

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Other measures include the establishment of a reliable cold chain logistics system, utilization of information technology in logistics, and enhancement and strengthening cooperation among logistics stakeholders.

She said such measures will help the government achieve its goal of making goods available, accessible and affordable, as well as getting the right product at the right time and in a reliable manner.

She stressed that improving the logistics and supply chain in the country not only needs investments from the government but also from the private sector.

"We hope that everyone can see, whether its public investments or private investments, that connecting our archipelago is one of our dreams," she said.

LogisticsNews.PH is a business news online platform focusing on trade and logistics updates.

Source: https://www.pna.gov.ph/articles/1244876

PH economy to grow 5.9% in 2025 —UBS

February 25, 2025 | Ruelle Castro | Malaya Business Insight

The domestic-driven Philippine economy may grow 5.9 percent this year, with the peso "slightly" outperforming its regional peers should the global trade war escalate, UBS Investment Bank Global Research said.

"Generally, we see the Philippines as a rather defensive market in the event of potential trade tariff escalation," Grace Lim, economist at UBS Investment Bank Global Research for ASEAN and Asia, said.

"That's because the Philippines is primarily domestic oriented," she said.

"So even in the case of trade tariff escalation, the Philippine peso could be slightly a relative outperformer in the region," Lim added. In pegging economic growth at 5.9 percent, Lim said UBS sees an improving outlook for the Philippines.

"As I mentioned earlier, we forecast GDP (gross domestic product) growth to accelerate from 5.6 percent in 2024 to 5.9 percent in 2025, which is close to trend," she said.

Lim expects the expansion in GDP to still be driven by domestic demand, with both investment and consumption accelerating in 2025.

"On the consumption front, we believe that the tailwinds of solid labor income growth and gradually easing food inflation should be supportive of that sector," Lim said.
UBS sees the labor market still holding up, with the unemployment rate "low and stable" at about 3 percent.

The financial services company expects consumption to recover gradually starting from the second quarter of 2025 onwards.

"In addition, we think that government spending can provide some support to growth, particularly in the first half of 2025," Lim said.

She said the services sector continues to enjoy a "bright spot," especially in the business process outsourcing sector.

Private investment is expected to recover gradually as financial conditions become less restrictive and consumer sentiment gradually picks up, Lim added.

Meanwhile, she said the Bangko Sentral ng Pilipinas (BSP) has room to cut this year, in April and September, given the manageable inflation that is to remain contained within the target range this year and next year.

At its monetary policy meeting on February 13, the Monetary Board decided to keep the BSP's Target Reverse Repurchase Rate at 5.75 percent, saying inflation expectations remain within the target range.

"The latest inflation forecasts are not materially different from the previous forecasts in December," the board said.

The risk-adjusted inflation forecast rose to 3.5 percent for 2025 from 3.4 percent in the previous policy meeting. The risk-adjusted forecast for 2026 is unchanged at 3.7 percent.

The BSP is "slightly more advanced" in the rate cut cycle compared to its southeast Asian peers., Lim said.

Source: https://malaya.com.ph/business/business-news/ph-economy-to-grow-5-9-in-2025-ubs/

UPCOMING EVENT

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