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Asean expresses 'deep concern' over US tariffs

May 28, 2025 | Agence France-Presse | Philippine Daily Inquirer

KUALA LUMPUR, Malaysia — Southeast Asian leaders expressed "deep concern" over US tariffs Tuesday. The regional bloc held a summit with China and Gulf states hailed as "a response to the call of the times" in a geopolitically uncertain world.

The trade-dependent economies are looking to insulate themselves after US President Donald Trump blew up global trade norms. Trump announced a slew of levies targeting countries around the world, then paused most for 90 days.

The Association of Southeast Asian Nations (Asean) released a statement on Tuesday night. It expressed "deep concern over... the imposition of unilateral tariff measures, which pose complex and multidimensional challenges to Asean economic growth, stability, and integration."

In another statement, the bloc stressed "our strongest resolve to stand



Asean leaders chain their hands while posing for a picture before the start of the plenary session at the Association of Southeast Asian Nations (Asean) Summit in Kuala Lumpur, Malaysia, Monday, May 26, 2025. From left to right, Laos's Prime Minister Sonexay Siphandone, Myanmar Permanent Secretary of the Ministry of Foreign Affairs Aung Mye Thaw, Singapore's Prime Minister Lawrence Wong, Thailand's Prime Minister Paetongtarn Shinawatra, Vietnam's Prime Minister Pham Minh Chinh, Malaysia's Prime Minister Anwar Ibrahim, the Philippines' President Ferdinand Marcos Jr., Brunei's Sultan Hassanal Bolkiah, Cambodian Prime Minister Hun Manet, Indonesia's President Prabowo Subianto and East Timor's Prime Minister Xanana Gusmao. (AP Photo/Vincent Thian)

together" in the face of the levies. It pledged to expand cooperation with other partners.

China and Gulf countries

Malaysia holds the bloc's rotating chairmanship. Earlier in the day, it hosted the inaugural summit between Asean, China and the Gulf Cooperation Council. The GCC is a regional bloc made up of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

Chinese Premier Li Qiang told the meeting that "against the backdrop of a volatile international situation," the summit was "a pioneering work of regional economic cooperation."

"This is not only a continuation of the course of history, but also a response to the call of the times," he said.

Asean has traditionally served as "a middleman of sorts" between developed economies like the United States, and China, said Chong Ja Ian. He is from the National University of Singapore (NUS).

With Washington looking unreliable these days, "Asean member states are looking to diversify. Facilitating exchanges between the Gulf and People's Republic of China is one aspect of this diversification," he said.

'Timely and calculated'

China, which has borne the brunt of Trump's tariffs, is also looking to shore up its other markets.

China and Asean are already each other's largest trading partners. Chinese exports to Thailand, Indonesia and Vietnam surged by double digits in April. This was attributed to a re-routing of US-bound goods. [Cont. page 2]

Asean expresses 'deep concern' over US tariffs*[Cont. from page 1]*

Premier Li's participation is "both timely and calculated", Khoo Ying Hooi from the University of Malaya told AFP.

"China sees an opportunity here to reinforce its image as a reliable economic partner, especially in the face of Western decoupling efforts."

Asean reiterated on Tuesday it would not impose retaliatory duties on the United States — in contrast to China.

Beijing and Washington engaged in an escalating flurry of tit-for-tat levies. This went on until a meeting in Switzerland saw an agreement to slash them for 90 days. Still, Chinese goods still face higher tariffs than most.

At dinner on Tuesday, Li urged Asean and the GCC to "persist in opening up."

Asean 'centrality'

Asean has historically avoided choosing a side between the United States and China.

China is only Southeast Asia's fourth-largest source of foreign direct investment. It trails the United States, Japan and the European Union, noted NUS' Chong.

Malaysian Prime Minister Anwar Ibrahim vowed Asean would continue engaging both Washington and Beijing. He said so at a press conference at the tail-end of the talks.

"The... Asean position is centrality," Anwar said. He added: "it makes a lot of sense to continue to engage and have reasonably good relations" with the US.

Anwar said Monday he had written to request an ASEAN-US summit this year. His foreign minister said Washington had not yet responded.

Closer alignment with Beijing presents problems of its own.

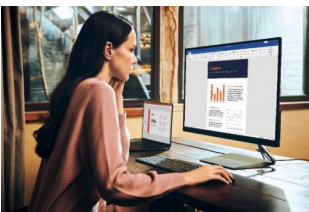
On Monday, Philippine leader Ferdinand Marcos said there was an "urgent need" to adopt a legally binding code of conduct in the South China Sea.

Beijing has territorial disputes with five Asean member states in the area. China and the Philippines having engaged in months of confrontations in the contested waters.

Source: <https://business.inquirer.net/527597/asean-expresses-deep-concern-over-us-tariffs>

DOLE to employers: WFH may help ease traffic woes

May 26, 2025 | Justine Xyrah Garcia | BusinessMirror



AMID mounting concerns over heavier traffic once the P8.7-billion Edsa rehabilitation project starts next month, the Department of Labor and Employment (DOLE) clarified on Tuesday that there will be no mandatory work-from-home (WFH) policy for private sector workers.

In a radio interview, Labor Secretary Bienvenido E. Laguesma said employers will not be required to implement alternative work arrangements, but he urged them to make adjustments that could ease the burden on their employees.

"We will not compel them, but we strongly encourage them," Laguesma said.

"There's a need to improve or strengthen the system [on WFH] so that the outcome is mutually beneficial, both for our workers and the business sector," he added.

Laguesma explained that under Republic Act No. 11165 or the Telecommuting Act, remote work remains a voluntary arrangement subject to the agreement of both employer and employee.

Under the law, private companies may offer telecommuting options, provided these comply with minimum labor standards, including compensable hours, overtime, rest days, and leave entitlements. *[Cont. page 3]*

DOLE to employers: WFH may help ease traffic woes

[Cont. from page 2]

Employers must also issue written terms for such arrangements.

Although RA 11165 does not allow the government to mandate a WFH setup, Laguesma appealed to companies to consider flexible working hours and to relax attendance policies, especially on tardiness, in anticipation of longer commutes.

“Based on my experience, our employers have always shown broad and open-minded perspectives...As long as operations aren’t disrupted, we shouldn’t let workers shoulder all the consequences,” the secretary said.

He added that should Malacañang issue an executive order directing alternative work schemes, DOLE will implement it accordingly.

“We will support and assist...DOLE always operates under the principles of tripartism and social dialogue. We strive to help workers and employers reach acceptable arrangements to avoid disruptions,” Laguesma said.

The government said the multibillion-peso Edsa rehabilitation project aims to improve pedestrian lanes as well as its flood management.

It is scheduled for completion in 2027.

Labor groups seek dialogue

Labor groups, meanwhile, believe DOLE should go beyond appeals and take the lead in organizing formal consultations.

Sentro Secretary-General Josua Mata warned that the impact of the project on workers, many of whom rely on Edsa for daily transport, could be significant.

“What’s needed now is a frank consultation between DOLE and workers, with all options on the table, leading to a comprehensive response,” Mata told BusinessMirror.

He said solutions should not be limited to WFH or flexible hours, but must also include traffic management, improved public transport, and worker assistance programs.

For Federation of Free Workers (FFW) President Sonny Matula, the scale of the project calls for structured tripartite dialogue involving labor, employers, and government.

“Commuters are workers. Disruptions in mobility will directly affect jobs, income, and productivity,” Matula said.

“No matter how good a government or employer program is, if workers aren’t included in the decision-making, they won’t appreciate it and it could lead to misunderstanding,” he added.

Matula said that the FFW will also initiate bilateral talks with other labor and employer groups to recommend ways forward.

“A coordinated, inclusive approach can help craft mutually beneficial solutions—such as flexible work arrangements, transport assistance, or adjusted work hours—that cushion the blow on both ends,” he said.

[Source: https://businessmirror.com.ph/2025/05/27/dole-to-employers-wfh-may-help-ease-traffic-woes/](https://businessmirror.com.ph/2025/05/27/dole-to-employers-wfh-may-help-ease-traffic-woes/)

Philippine economic growth to stay below 6% until 2031 – World Bank

May 28, 2025 | Ben Arnold de Vera | Manila Bulletin

The Philippines' annual economic growth is expected by the World Bank Group (WBG) to remain below six percent this year until 2031.

Its newest country partnership framework (CPF) for the Philippines, covering fiscal years (FYs) 2026 to 2031, showed that the WBG forecasts Philippine gross domestic product (GDP) growth of 5.3 percent for this year, 5.4 percent for next year, and 5.5 percent for 2027—all below the more ambitious six- to eight-percent target of the Marcos Jr. administration for the second half of its term. [Cont. page 4]



South Korea firms, BCDA team up for infrastructure, smart city development

May 27, 2025 | Louella Desiderio | The Philippine Star

"The average GDP growth forecast for 2025 to 2027 is expected at 5.4 percent. Risks are mostly tilted downside and include potential retaliation by main global players that may affect global growth further, probably hitting domestic growth," the WBG said, referring to the lingering world trade uncertainty caused by United States (US) President Donald Trump's tariff spree.

"Increased uncertainty could trigger instability in financial markets and capital flight," it added.

On the flipside, "the Philippines may benefit from improved margins of preference for key export products, and from lower global commodity prices (tied to lower global growth), and absent any external pressures, the prospect of continued monetary policy rate normalization" in the next three years, the WBG said.

This year, its projected 5.3-percent GDP growth rate—poised to be the slowest pace of expansion since the Philippine economy gradually reopened from the most stringent Covid-19 restrictions—was attributed by the WBG to "the direct impacts of the higher tariffs and trade policy uncertainty on demand for exports, the effects of increased global policy uncertainty on investment demand, and the indirect effects on export and investment demand through lower global growth."

But on the upside, "these negative effects are dampened as the Philippines is mostly integrated in services rather than merchandise value chains (that have been most affected by trade policy barriers), and as public investment and private investment in non-tradables is expected to remain robust," the WBG added.

Philippine GDP growth is seen picking up gradually to 5.7 percent in 2028, 5.8 percent both in 2029 and 2030, and 5.9 percent in 2031.

The WBG forecasts headline inflation to be in the range of three to 3.2 percent from 2025 to 2031—within the targeted two- to four-percent annual consumer price increases deemed conducive to economic growth.

As the Marcos Jr. administration embarks on fiscal consolidation to narrow the yawning budget deficit and lower the share of public debt to the economy following massive borrowings at the height of the pandemic, the WBG projected the fiscal deficit narrowing gradually from 5.7 percent of GDP in 2024 to 5.4 percent in 2025, 4.9 percent in 2026, 4.4 percent in 2027, 4.1 percent in 2028, 3.9 percent in 2029, 3.7 percent in 2030, and 3.6 percent in 2031.

The national government's debt-to-GDP ratio was also expected to go down from 60.7 percent last year to 60.2 percent this year, 59.7 percent next year, 59.6 percent in 2027, 59.1 percent in 2028, 58.9 percent in 2029, 58.6 percent in 2030, and 58.1 percent in 2031.

The WBG has committed to "continue [supporting] domestic revenue mobilization, including assistance to the Philippines' comprehensive tax reform program (CTRP), which aims to advance fiscal consolidation through improved revenue generation and spending efficiency."

Source: <https://mb.com.ph/2025/05/28/philippine-economic-growth-to-stay-below-6-until-2031world-bank>

UNDER US TARIFF PRESSURES: Marcos: PH committed to deeper trade engagement with China, Asean-Gulf

May 29, 2025 | Jocelyn Montemayor, Irma Isip | Malaya Business Insight



President Marcos speaks at a press conference in Kuala Lumpur, Malaysia on May 27, 2025. (RTVM)

President Ferdinand Marcos Jr. said the Philippines remains committed to deepening trade engagements not just with the Association of Southeast Asian Nations (Asean) and the Gulf Cooperation Council (GCC), but also with China.

During a media interview in Kuala Lumpur, Malaysia, before returning to the Philippines, Marcos said he and Chinese Premier Li Qiang conveyed their respective concerns about the economic risks posed by the US tariffs.

On the sidelines of an Asean-GCC-China meeting, Marcos said Li told him China does not want to have anything to do with America's trade war.

Marcos said China plays a critical role in the region's economic stability and how fluctuations in its economy directly affect Asean nations doing trade with China, including the Philippines. [Cont. page 5]

UNDER US TARIFF PRESSURES: Marcos: PH committed to deeper trade engagement with China, Asean-Gulf

[Cont. from page 4]

"As we navigate an increasingly complex global landscape, the Philippines remains firmly committed to deepening our engagement with partners across the Gulf, China, and our fellow member states," he said.

"If you put these groups together ... just start with the GCC and Asean ... That is a very important economic bloc," Marcos said.

Economically feasible

John Paolo Rivera, a senior researcher from the Philippine Institute of Development Studies, said such economic bloc may be "economically feasible."

Asean, GCC and China represent a large share of the world's population, capital, and trade, Rivera noted, saying it could help Asean and the Philippines "diversify markets amid rising US protectionism."

Established in 1967, the 10-member Asean bloc aims to promote economic and security cooperation among its members. It counts Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam as members.

GCC is a regional organization composed of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The council aims to deepen and strengthen existing ties, connections, and cooperation among Arab nations.

After the US, China is the world's second largest economy in terms of nominal gross domestic product.

Marcos said Asean member states were in a "consensus on the importance of strengthening regional cooperation and interdependence" to help ensure continued economic stability in the region.

While Asian economies are strong and performing well at present, the unilateral tariff could lead to the "shrinking" of economic activities and the economy in general, Marcos said.

But the impact of higher tariffs on one nation could affect the rest of the nations in the regions due to existing investment and trading ties, the president said.

US President Donald Trump had decided to raise the tariff on all imports under the "Reciprocal Trade and Tariffs" policy, which resulted in duties of 49 percent for Cambodia, 46 percent for Vietnam, and 17 percent for the Philippines. Its implementation was paused for 90 days, which is set to end in July.

China, meanwhile, was slapped with a 125 percent hike in tariff.

Economic pragmatism

Rivera said there is a need for all concerned to understand that today's economic reality "is nuanced."

He explained that it is nuanced in such a way that Asean is veering toward economic pragmatism rather than political alignment.

"Given China's central role in the region's trade and production networks, deeper engagement is economically rational," he said.

"However, this does not necessarily translate to geopolitical allegiance. The Philippines must tread carefully to maintain strategic autonomy while leveraging economic opportunities," Rivera added.

For Marcos, the way forward for Asean is to rely on one another.

He urged Asean member states to be one another's reliable partners with greater interdependence amid America's trade war with its supposed trade partners.

<https://malaya.com.ph/business/business-news/under-us-tariff-pressures-marcos-ph-committed-to-deeper-trade-engagement-with-china-asean-gulf/>

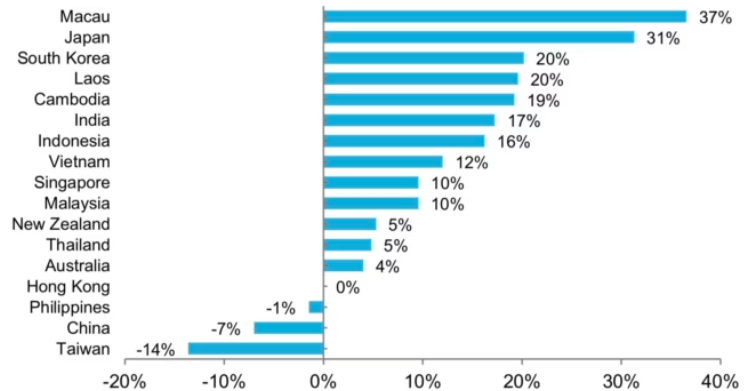
Think tank predicts 8.22M tourists in PHL in 2025

May 29, 2025 | Ma. Stella F. Arnaldo | BusinessMirror

FOREIGN visitor arrivals in the Asia-Pacific region are projected to finally rebound to prepandemic levels this year, with Japan, South Korea, Indonesia, and India leading the recovery.

In its Travel Outlook for Asia Pacific (APAC) for 2025, Tourism Economics, a unit of London-based think tank Oxford Economics said, "Inbound tourism to APAC is poised for continued strong growth, with international travel volumes projected to surpass 2019 levels in 2025. This marks a significant rebound from the pandemic, as the region is expected to see the strongest year-on-year increase in inbound visitor nights of all regions in 2025. Recovery to prepandemic inbound visit numbers this year will be shared by the majority of countries, with particularly strong

Top Destinations in APAC for Inbound Overnight Visits in 2025*
Volume vs 2019 levels, countries in order of 2025 projected visit volumes

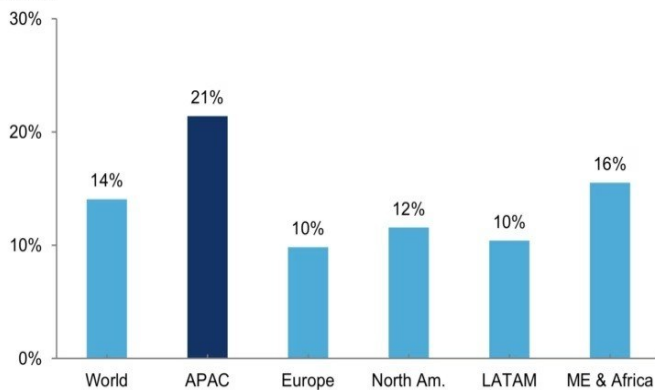


*Excludes travel between China, HK & Macau

Source: Tourism Economics

outlooks for Japan [+31 percent], South Korea [+20 percent], Indonesia [+16 percent], and India [+17 percent]."

Inbound Visitor Nights: Growth for 2025 Projections vs 2024
Per cent



Source: Tourism Economics

Countries which won't be setting new records for inbound visits this year relative to 2019, however, are "Taiwan [-14 percent], China [-7 percent], and the Philippines [-1 percent]." Still, Tourism Economics predicts arrivals in the Philippines to reach some 8.22 million, just one-percent lower than the 8.3 million in 2019. This is an optimistic projection than most tourism analysts, who believe arrivals in the country will remain stagnant at 6 million in 2025, without a massive return in Chinese arrivals.

China aids APAC rebound

Data from the Department of Tourism (DOT) showed international travelers in the Philippines slipped for the second time in the first four months of 2025, versus the same period in 2024. (See, "Tourist arrivals still sluggish at 2.1M in January-April '25," in the BusinessMirror, May 26, 2025.)

Meanwhile, Tourism Economics said the continuing recovery in China's outbound market will provide the boost in arrivals in many APAC destinations. Prior to the pandemic, China accounted for almost 25 percent overnight tourist arrivals in APAC destinations prior to the pandemic. There were 752 million inbound tourists in the region in 2019.

"Constraints on air capacity and tourism-related services [such as passport renewals and other logistics] for Chinese outbound travel have largely eased. However, weaker-than-expected prospects for the Chinese economy—withstanding some improvement in late 2024—have seen an increase in uncertainty and weakened sentiment among Chinese households. This tempers some of the impetus for outbound travel relative to (cheaper and easier) domestic travel," said the think tank.

Tariffs to weaken travel sentiment

While Tourism Economics sees a strong recovery for APAC, there are downside risks. "Expectations for global macroeconomic variables that are typically key tourism drivers suggest a deterioration in recent months (like softening labor markets and wage growth likely to continue to decline). Uncertainty has also increased, alongside the beginnings of a global trade war and ongoing political tensions in various countries." [Cont. page 7]

Think tank predicts 8.22M tourists in PHL in 2025

[Cont. from page 6]

Washington's decision to impose tariffs on imports from China and its other major markets will cause economic uncertainty, and thus, weaken global traveler sentiment. "Under these assumptions, APAC inbound travel would be 8-percent weaker than our baseline projections in both 2025 and 2026 and arrivals would be only 1-percent higher than 2019 levels in 2025. In this scenario, Chinese outbound travel would also recover more slowly (due to slower economic growth in China), impacting the outlook for APAC destinations."

In the long term, inbound travel volumes are seen growing more than 2019 levels across the region, driven by India's and China's expanding middle class. "As more citizens in the world's two most populous nations gain disposable income, demand for international travel—especially to short- and medium-haul destinations within APAC—will rise significantly, consistent with the trend observed for many developed economies in prior decades. Improved air connectivity, and expected easing of visa restrictions, and growing demand for experiential and 'authentic' travel among tourists will further fuel the region's long-term growth."

Source: <https://businessmirror.com.ph/2025/05/29/think-tank-predicts-8-22m-tourists-in-phl-in-2025/>

BIR to 'haunt' tax evaders over ghost receipts

May 29, 2025 | Ma. Stella F. Arnaldo | BusinessMirror

MANILA – Ghost receipts will come back to haunt businesses that use them to evade taxes, Bureau of Internal Revenue (BIR) Commissioner Romeo Lumagui Jr. warned on Wednesday.

Lumagui issued the warning following the filing of criminal charges against cosmetics firm Ever Bilena for its alleged use of fake or "ghost" receipts to reduce its tax liabilities.

In a post on his official Facebook page, Lumagui said the Department of Justice (DOJ) had found probable cause in the case and had already filed charges in court in April.

Four criminal information were filed against Ever Bilena Cosmetics Inc. and its president, Dioceldo Sy, and treasurer, Miami Siytaoco, before the Quezon City Metropolitan Trial Court Branch 33 for tax evasion and failure to supply correct and accurate information in its tax returns.

The cases are in relation to the BIR's intensified Run After Fake Transaction (RAFT) Program involving fake/fictitious receipts.

The charges against Ever Bilena are also part of the BIR's Fearless and Aggressive Enforcement Activities program, which targets tax evasion and fraud.

Based on the investigation of the RAFT Task Force, Ever Bilena used and claimed benefits from the ghost receipts issued by Decarich Supertrade Inc., a ghost company.

The BIR previously filed a criminal complaint against Ever Bilena before the DOJ on Feb. 1, 2024 for tax liabilities amounting to PHP1.6 billion.

"Ito po ay malinaw na tax evasion. Kaya't paalala po natin sa ating mga negosyante... tigilin po natin ito. Wag po tayong gumamit ng ghost receipts, magbayad po tayo ng tamang taxes para makatulong po sa ating bayan (this is a clear case of tax evasion. We are reminding our businessmen... stop this practice. Don't use ghost receipts, pay the correct taxes to help our country)," Lumagui said.

"Hindi mag aatubili ang BIR, katuwang ang DOJ, na magsampa ng kasong kriminal na tax evasion laban sa mga gumagamit ng mga ghost receipts (The BIR, in coordination with the DOJ, would not hesitate to file criminal charges of tax evasion against those who use ghost receipts)."

In the same post, Lumagui thanked the DOJ and Secretary Jesus Crispin Remulla for backing the BIR's campaign against tax evaders.

Under Section 255 of the National Internal Revenue Code (NIRC) of 1997, any person found guilty of tax evasion may be punished by a fine of not less than PHP500,000 but not more than PHP10 million.

Guilty parties also face imprisonment of not less than six years but not more than 10 years. When the offender is a corporation, the penalty is imposed on the responsible officers.

Source: <https://www.pna.gov.ph/articles/1251028>



Nuclear push to gain steam as Garin takes over at DOE

May 29, 2025 | Brix Lelis | The Philippine Star



Department of Energy.

Philstar.com / Irra Lising

MANILA, Philippines — The country's ambitious goal to energize homes with nuclear power is likely to gain further momentum following a major leadership change at the Department of Energy (DOE).

Energy Undersecretary Sharon Garin is set to take the helm at the DOE, as outgoing Energy Secretary Raphael Lotilla moves to lead the Department of Environment and Natural Resources.

Garin's promotion as DOE's officer-in-charge has ignited optimism among nuclear energy advocates, including power giant Manila Electric Co.

Meralco executive vice president and COO Ronnie Aperochon said in a recent interview that he is upbeat about the incoming DOE chief's leadership in advancing nuclear targets.

"Hopefully... because she's really on top of the nuclear agenda. We have not discussed it yet, but we think it will be at the top of her agenda," Aperochon said.

Last year, Garin led the unveiling of the government's nuclear roadmap, which outlines the country's path toward realizing its nuclear dream.

Under the roadmap, the Philippines wants to have commercially operational power plants by 2032, with at least 1,200 megawatts entering the energy mix. This is expected to scale up to 2,400 MW by 2035 and 4,800 by 2050.

Garin has also underscored the need to establish an independent nuclear regulatory authority, which will oversee the safe and secure use of nuclear power.

As such, several lawmakers are pushing for the passage of the PhilATOM bill or the Philippine Nuclear Energy Safety Act.

PhilATOM pertains to the proposed Philippine Atomic Energy Regulatory Authority, which will assume all regulatory tasks currently managed by the Philippine Nuclear Research Institute.

Aperochon, however, does not expect the measure to be passed into law during the 19th Congress, given the limited time.

Congress, currently in recess, is scheduled to reconvene on June 2 and adjourn on June 13.

"Hopefully in the next Congress, it will become a top priority for the Senate so it (PhilATOM bill) can be passed," Aperochon said.

The House of Representatives approved the measure on third and final reading late in 2023, but only gained traction in the Senate last December and early this year.

Source: <https://www.philstar.com/business/2025/05/29/2446518/nuclear-push-gain-steam-garin-takes-over-doe>

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