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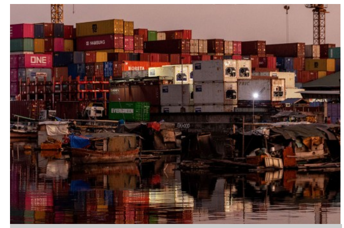
US tariff may trim PHL GDP growth

July 28 , 2025 | Luisa Maria Jacinta C. Jocson | BusinessWorld

THE United States' 19% tariff on Philippine goods could cut the Philippines' gross domestic product (GDP) growth by 0.4 percentage point (ppt), Nomura Global Markets Research said.



A container terminal is seen from Navotas, Metro Manila in this photo taken April 11, 2025. — REUTERS/ ELOISA LOPEZ

In a report, Nomura said the US tariff of 19% on Philippine goods is "fairly high" and poses downside risks to growth.

"We estimate the direct effects could reduce our baseline GDP growth forecasts by a still-substantial 0.4 ppt in the Philippines."

Nomura said this projection is "relatively substantial" compared to its baseline growth forecasts of 5.3% and 5.6% for this year and 2026, respectively.

"This is partly because we assigned 10% as the level where the reciprocal tariff rate could settle, on the assumption that the Philippines is a strong ally of the US and is not a third country for transshipments," Nomura said.

"As it turns out, despite the visit to Washington by President Marcos and both sides reiterating the need for a strong partnership, the tariff was still set at 19%, which is even higher than the 'Liberation Day' level of 17%."

Last week, Philippine President Ferdinand R. Marcos, Jr. met with US President Donald J. Trump at the White House in Washington, DC.

Mr. Trump announced a 19% tariff would be imposed on Philippine goods, which will take effect starting Aug. 1.

"The trade 'deals' therefore represent upside surprises in terms of tariff rates, especially for the Philippines," Nomura said.

"As a result, if implemented and these tariff rates are sustained, these will likely further weigh on growth in both countries relative to our current baseline forecasts."

The government expects GDP to grow by 5.5-6.5% this year, lower than its previous target of 6-8%.

"While these ballpark estimates make sense to us, uncertainty remains high and these are 'only' taking into account the direct effects on these ASEAN countries' exports to the US," Nomura said.

These estimates do not account for sectoral tariffs, such as in semiconductors and pharmaceuticals, which are currently exempted, it added.

"But as our US team highlights, the risk is these could be set higher, though some countries could be exempted, adding to the uncertainty. As mentioned above, the details of the trade deals with Indonesia and the Philippines are still limited."

"Meanwhile, other major trading partners, particularly the European Union, are still in negotiations and an escalation of trade tensions could pose additional risks for the region," it added. *[Cont. page 2]*

US tariff may trim PHL GDP growth

[Cont. from page 1]

The Department of Trade and Industry has said it is still negotiating the final details of the trade agreement with the US to ensure the protection of local industries.

ONE BIG BEAUTIFUL BILL

Meanwhile, Mr. Trump's recent One Big Beautiful Bill Act could also impact the Philippines' own economy, Metropolitan Bank & Trust Co. (Metrobank) Research said in a separate report.

"While the US faces the direct effects of Mr. Trump's mega bill, the Philippines will feel the aftershocks. After 2027, the federal funds rate is forecasted to tick up after rate cuts in the short-term."

Metrobank noted this will have spillover effects on the Bangko Sentral ng Pilipinas' (BSP) monetary policy and overseas Filipino workers' (OFW) remittances.

"This can, in turn, push up the BSP's reverse repurchase rate, hindering domestic consumption. To add, if US GDP growth is dampened by crowding out of private investment, demand for exports and OFW remittances may also take a hit."

Under the bill, Mr. Trump's 2017 tax cuts are made permanent and also introduces new tax breaks.

"As the US seeks funding to address the increased expenditure, interest rates are expected to edge higher, perhaps as early as next year. Elevated US rates would in turn attract foreign capital to the US away from emerging market economies like the Philippines," Metrobank said, adding the BSP could hike rates to "ensure the Philippines remains a competitive choice for investors."

The Philippine central bank lowered interest rates by a total of 125 basis points (bps) since it began its easing cycle in August last year. It delivered a second straight rate cut in June, reducing borrowing costs by 25 bps to bring the key rate to 5.25%.

Metrobank said higher rates would discourage consumption and business investment, which could potentially slow Philippine growth.

Slowing US growth could also hit the Philippines' exports sector, as the US is the top destination for Philippine export goods, it said.

"With potentially hampered US economic growth, goods from the Philippines could face a reduction in demand. Fewer exports combined with steeper tariffs can make the trade deficit more drastic and weigh on overall GDP," it said.

Metrobank said softer US growth may also dampen foreign direct investment in emerging markets like the Philippines.

Meanwhile, OFW remittances may also be dampened as the US starts imposing a 1% excise tax on cash remittance transfers from the US to other countries in 2026.

"The US is a hotspot for OFWs, with approximately 2 million OFWs in the US. OFWs influence the Philippine economy through remittances, which could be negatively impacted by a slowdown in US growth," Metrobank said.

Around two-fifths of the Philippines' remittance flows come from the United States. The US was the top source of remittances in the five-month period, accounting for 40.2% of the total, latest central bank data showed.

"If OFWs get pay cuts or even lose their jobs, this would cap remittances headed for home. Remittance payments spur household spending, which contributes 78.2% of the Philippines' GDP."

The BSP earlier estimated that the remittance tax could trim the country's remittance growth by 0.5 ppt. The central bank expects cash remittances to grow by 2.8% this year and by 3% in 2026.

"A decline in remittances pulls down household expenditure, rocking the boat for growth," Metrobank added.

https://www.bworldonline.com/top-stories/2025/07/28/687831/us-tariff-may-trim-phl-gdp-growth/

PH-EU free trade deal nearing completion, set for 2026 finalization

July 28 , 2025 | Dexter Barro II | Manila Bulletin


(Unsplash)

The Philippines expects negotiations for a free trade agreement (FTA) with the European Union (EU) to conclude next year, as the government seeks to open new markets for its goods and services.

Department of Trade and Industry (DTI) Secretary Cristina Roque stated that the FTA with the 27-member bloc should be finalized by 2026, given the strong progress of negotiations thus far.

“So, that's another avenue for us to sell our products to Europe,” she told reporters last week.

DTI Undersecretary Allan Gepty said last week that the latest round of negotiations between Manila and EU has reached “meaningful progress” in finding mutually agreeable provisions.

Gepty said both sides have now engaged in discussions across 19 key trade areas, with new engagements for digital trade, government procurement, energy and raw materials, and trade and sustainable development.

The next round of talks is scheduled for October in Manila.

Based on government data, exports to the EU reached $8.07 billion or 11 percent of the country’s total export sales last year.

The FTA with the EU is expected to be the most comprehensive trade agreement the Philippines has pursued in its history.

Roque said the FTA, aimed at removing barriers to trade with the EU, would shield the country’s exporters from potential headwinds stemming from the United States’ (US) tariff policy.

Last week, the US revised the tariffs it threatened to impose against the Philippines to 19 percent from 20 percent.

In return, the government offered to eliminate tariffs on American imports such as automobiles, soy, wheat, and pharmaceutical products.

The Philippines is also looking to deepen its network of free trade deals through the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Roque said the country has submitted its application to join the 12-member bloc.

The CPTPP is among the largest free trade areas by gross domestic product (GDP), accounting for 14.4 percent of global GDP or approximately $15 trillion in 2023.

The CPTPP is composed of Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the United Kingdom.

Further, Roque said the Philippines has finalized the details of its comprehensive economic partnership agreement (CEPA) with the United Arab Emirates (UAE).

She said the benefits of the CEPA will be realized once both parties sign the agreement, the date for which remains unconfirmed.

Trade Undersecretary and Board of Investments (BOI) Managing Head Ceferino Rodolfo said last May that the CEPA is expected to attract substantial investments into the country, primarily from the UAE’s sovereign wealth funds.

He added that the agreement will also provide greater market access for Filipino exporters to the six-member Gulf Cooperation Council (GCC), while enabling them to tap into nearby markets in Africa.

Source: https://mb.com.ph/2025/07/28/ph-eu-free-trade-deal-nearing-completion-set-for-2026-finalization

PHL manufacturers bare 12 policy priorities, trade reforms

July 28 , 2025 | Andrea E. San Juan | BusinessMirror

THE Federation of Philippine Industries (FPI), the umbrella organization of manufacturers and producers in the country, is prodding lawmakers to prioritize the implementation of reforms that would strengthen domestic manufacturing and reinforce fair trade practices in the 20th Congress.


A WAREHOUSE complex in Meycauayan, Bulacan—one of the country's key manufacturing hubs north of Metro Manila.

In a statement at the weekend, FPI listed six industry policy priorities and six trade and enforcement reforms.

Among the industry measures of the industry group is to implement the Tatak Pinoy Act "effectively," with proper funding and the establishment of a multi-sectoral Tatak Pinoy Council to guide and monitor industrial development.

Another reform that should be fast-tracked is the "rollout" of CREATE MORE to ensure "timely and fair access to incentives for both domestic and export oriented manufacturers."

FPI also underscored the need to enforce "full compliance" with Philippine National Standards (PNS) across all ports of entry and markets, ensuring that imported and local goods meet local safety and quality requirements.

The industry group also prodded lawmakers in the upcoming Congress to advance a green industrial policy that accelerates the development and adoption of "low-carbon" technologies across manufacturing, energy, transport, and infrastructure.

"Promote clean production systems and circular economy models, while ensuring access to transition financing and regulatory incentives that enable innovation, competitiveness, and environmental resilience," the group noted.

Also included in FPI's industry reform recommendations to the government is to implement a "Local Preference Procurement Law."

This measure, the industry group said, mandates "prioritizing government procurement of locally manufactured, mandating PNS-compliant products, especially in infrastructure, construction materials, and essential public goods."

As for trade and enforcement reforms, FPI emphasized the need to enact a Comprehensive Anti-Smuggling Law, including the creation of a Public-Private Task Force reporting to the President, port digitization, and enhanced customs profiling tools.

The umbrella organization of manufacturers and producers in the country also pointed out the need to strengthen trade remedy mechanisms to allow for faster and more effective implementation of safeguard, anti-dumping, and countervailing duties, including the use of "provisional measures" during investigations.

Further, FPI highlighted the need to adopt a "balanced and strategic" tariff policy, including periodic reviews and pre-liberalization impact assessments for sensitive sectors.

Another trade and enforcement reform it deems important is the need to "institutionalize" a trade and industry defense system to provide real-time monitoring and response to import surges and "unfair" foreign competition.

In resolving "unjustified delays, harassment, and regulatory inconsistencies encountered by investors," FPI urged the government to establish an "Independent Investment Ombudsman," which should be done in coordination with relevant agencies such as the Department of Trade and Industry (DTI), Fiscal Incentives Review Board (FIRB), the Board of Investments (BOI), Department of Finance (DOF), and local government units (LGUs).

FPI also urged the government to implement e-Governance reforms, including full digital integration of trade facilitation, permitting, and regulatory processes across agencies "to eliminate red tape, improve transparency, and deter corruption."

FPI represents key sectors across the economy. It "advocates" for fair competition, sound industrial policy, and a "resilient" manufacturing base to support national development.

Image credits: MICHAEL EDWARDS | DREAMSTIME.COM

Source: https://businessmirror.com.ph/2025/07/28/phl-manufacturers-bare-12-policy-priorities-trade-reforms/

Marcos urges int'l businesses to 'invest in the Filipino, PH agriculture'

July 28 , 2025 | Llanesca T. Panti | GMA Integrated News

President Ferdinand Marcos, Jr. on Monday vowed to stir growth in the manufacturing and agriculture industries, calling on international businesses to invest in these sectors

"Palalaguin natin ang mga industriya-mga pabrika ng sasakyan, hulmahan, at electronics, biotechnology, pharmaceuticals, critical minerals, telang Pinoy, Halal, construction, at mga planta ng kuryente. Ngunit nananawagan pa rin ako sa ating mga negosyante: Mamuhunan . kayo sa ating agrikultura," Marcos, Jr. said during his fourth State of the Nation Address (SONA).

(We will grow our manufacturing industry of vehicles, electronics, biotechnology, pharmaceuticals, crucial minerals textile, Halal food, construction and power plants. And to the business community: I call on you to invest in our agriculture industry.)

"And my singular resounding message to the international business community is this: The Philippines is ready. Invest in the Filipino," added Marcos.

"Our cavalcade of dependable and hardworking Filipinos, innately skilled, adaptable, and possessed with a heart for service, are here, ready to work and to succeed with you," the President emphasized

Back in November 2024, Marcos signed the CREATE More law which increased the investment capital approval threshold for the country's Investment Promotion Agencies from P1 billion to P15 billion pesos.

Likewise, the law seeks to exempt certain goods and services such as janitorial, security, financial consultancy, marketing, and human resources from value-added tax to make the country more investment-friendly. **—VAL, GMA Integrated News**

Source:: https://www.gmanetwork.com/news/money/economy/954000/marcos-urges-int-l-businesses-to-invest-in-the-filipino-ph-agriculture/story/

Marcos faces rising discontent as he delivers 4th SONA

July 28 , 2025 | Kenneth Christiane L. Basilio | BusinessWorld

THREE YEARS into his presidency, President Ferdinand R. Marcos, Jr. faces mounting public frustration as Filipinos say many of the promises he made during his 2022 campaign remain unfulfilled.

(PEDESTRIANS walk past a poster of President Ferdinand R. Marcos, Jr. ahead of his State of the Nation Address scheduled on July 28. — PHILIPPINE STAR/ MIGUEL DE GUZMAN

As he prepares to deliver his fourth State of the Nation Address (SONA) on July 28, the disconnect between his pledges and the public's daily experience casts a shadow over his administration's achievements.

Emmanuel V. Punzalan, a 44-year-old taxi driver, is one of many citizens who feel left behind.

"A lot of his promises remain unfulfilled, and he didn't really do much either," Mr. Punzalan said in Filipino, as he navigated ankle-deep floodwaters in Metro Manila.

Mr. Marcos campaigned on a platform of economic revival, promising to reduce rice prices, boost agriculture, and usher in a new industrial era. But many Filipinos like Mr. Punzalan say those ambitions have yet to trickle down to their daily lives.

Palace Press Officer Clarissa A. Castro did not respond to requests for comment.

As Mr. Marcos enters the second half of his term, political analysts say he has a critical window to enact long-term reforms that could define his legacy before the 2028 presidential election.

"The Marcos administration wants to be recognized for having fixed the economy after the storm that is the coronavirus pandemic," Arjan P. Aguirre, a political science professor at the Ateneo de Manila University, said by telephone.

The Philippine economy shrank by a record 9.5% in 2020 amid a coronavirus pandemic. Since then, the government has ramped up borrowing, raising debt from 39.6% of gross domestic product (GDP) in 2019 to 62% in the first quarter. *[Cont. page 6]*

Marcos faces rising discontent as he delivers 4th SONA

[Cont. from page 5]

Meanwhile, inflation surged in the early years of Mr. Marcos' term, peaking at 6% in 2023. Though prices have since eased — down to 1.4% in June from 3.7% a year earlier — economic growth has slowed. GDP expanded by 5.4% in the first quarter — slower than expected — from 5.9% a year earlier.

"The Marcos administration should now pivot to attracting more foreign investors," Reinielle Matt M. Erece, economist at Oikonomia Advisory and Research, Inc., said in a Viber message. "Expect them to focus on infrastructure development, attracting investments, and better trade agreements not just with the US but other countries as well."

The Development Budget Coordination Committee has lowered its growth forecast to 5.5-6.5% for 2025, citing external risks such as higher tariffs imposed by the US.

After a meeting between Mr. Marcos and US President Donald J. Trump last week, the White House announced a 19% tariff on goods from the Philippines, increasing pressure on the administration to diversify export markets.

Economist Leonardo A. Lanzona of Ateneo de Manila University cited the importance of targeting industries with export potential, urging the government to craft an industrial policy that would identify priority sectors and offer incentives to attract capital.

Philippine Chamber of Commerce and Industry Chairman George T. Barcelon said the high cost of logistics continue to deter investors. "A lot of investors are concerned that our logistics cost is one of the highest in the region," he said by telephone.

He urged reforms to improve port operations and reduce maritime costs. "We have to [cut] the logistic costs of shipping vessels, international sea liners and also the operations in the port area."

BETTER BUSINESS ENVIRONMENT

Robert M. Young, president of the Foreign Buyers Association of the Philippines, called for strengthening the Anti-Red Tape Authority (ARTA). "It seems that ARTA is lacking in teeth, it's almost just a reporting agency," he said by telephone.

He also pushed a national export commission to coordinate a strategic export blueprint. "The commission will create a comprehensive export plan so they can fully discharge promotion, subsidies and measures to uplift our export industry." Philippine exports climbed 0.8% to $34.2 billion in the five months to May, led by electronics. However, Mr. Young said local exporters don't get enough state support including subsidies. *[Cont. page 7]*

Marcos faces rising discontent as he delivers 4th SONA

[Cont. from page 6]

He asked lawmakers to further liberalize the Philippine economy by removing constitutional restrictions that hamper foreign investors.

Amid ballooning public debt, which stood at P16.92 trillion as of May, fiscal sustainability is another concern.

“We should prioritize improving tax collection efficiency and expanding the base before introducing new taxes,” John Paolo R. Rivera, a senior research fellow at the Philippine Institute for Development Studies, said in a Viber message.

The Bureau of the Treasury recently reported a P241.6-billion budget deficit in June, as spending outpaced revenue.

“We need better collection and revenue-generating schemes,” Mr. Rivera said. “The broader goal should be a fair and growth-friendly tax regime, one that does not overburden consumers or small businesses.”

He also called for pension reform, citing the ballooning cost of military pensions. “Without reform, the pension system remains fiscally unsustainable. Over time, this crowds out spending for health, education, and infrastructure.”

Mr. Rivera recommended phased contribution schemes and adjusting retirement ages to ensure the system’s longevity.
On agriculture, the Marcos administration should modernize the sector by easing access to the latest seeds and technologies, while pouring in investments directly to farmers, all of which could lead to making food cheaper, Mr. Rivera said. He also urged the government to support value-added agricultural exports to boost incomes.

POLITICAL HEADWINDS

But looming political tensions could obstruct key reforms. The May midterm elections saw Duterte-backed candidates win four of 12 Senate seats, while the Marcos slate won six — a historically weak result for an incumbent.

The President is also locked in a growing feud with Vice-President Sara Duterte-Carpio, who has declared her interest in running in 2028. Mr. Aguirre warned of “obstructionist” behavior from Duterte allies in both chambers.

“We can expect Duterte allies in the Senate, and even potential Duterte allies in the House of Representatives… to become obstructionists,” he said. “They’ll be the ones tearing down the bills being pushed by the Marcos administration.”

Ederson DT. Tapia, a political science professor at the University of Makati, said the SONA is likely to carry a message of political unity. “The first half of the Marcos administration has laid down a credible scaffolding for development, but its effects are yet to be felt by ordinary Filipinos.”

“Marcos has poured the foundation: macroeconomic stability, infrastructure and digital expansion, broader health coverage and a firmer foreign policy,” Mr. Tapia said. “But he has to convert those into felt gains in incomes, food security and political cohesion.”

As Mr. Marcos addresses the nation, citizens like Mr. Punzalan are hoping for more than rhetoric.

“He should carry out everything he vowed because that’s what the people are counting on,” he said.

Despite the frustrations, many Filipinos remain hopeful that the second half of Mr. Marcos’ term will bring the change they were promised. *— with Chloe Mari A. Hufana and Adrian H. Halili*

Source: https://www.bworldonline.com/top-stories/2025/07/28/687829/marcos-faces-rising-discontent-as-he-delivers-4th-sona/

Asean currencies seen gaining

July 29, 2025 | Niña Myka Pauline Arceo | The Manila Times

The Manila Times® ASEAN currencies will gain strength in the coming months as global headwinds weaken and monetary policies ease, according to Maybank FX Research & Strategy.

In a report released Monday, the Singapore-based foreign exchange market analyst said that the Indonesian rupiah, Malaysian ringgit, Thai baht, and Philippine peso will increase in value amid a declining US dollar, lower interest rates, and progress on trade diplomacy. *[Cont. page 8]*

Asean currencies seen gaining

[Cont. from page 7]

"Investors definitely have a non-exhaustive list of issues that they have to deal with," Maybank said. "However, amid these uncertain times, we have reason to believe that Asean FX (foreign exchange) may actually have upside risks."

The report pointed out that weaker dollar conditions have historically boosted capital inflows into local-currency government bonds across the region. An example is a high-yielding market like Indonesia, where declining returns from currency depreciation in recent years may reverse if the rupiah stabilizes or strengthens.

In the Philippines, a narrowing trade deficit — helped by a weak dollar and a rebound in electronics exports — has supported the peso. However, export growth may drop in the second half of the year, making dollar softness even more vital for peso stability, Maybank said.

Yet most Asean currencies still lagged behind the G10 in terms of performance since late March, the report continued, saying that while the Thai baht and Malaysian ringgit have fared relatively better, the Indonesian rupiah and Philippine peso remain underperformers.

The "underappreciation" of these currencies was due to investors preferring higher-rated countries with more liquid currencies, the report explained.

"Nonetheless, we remain confident for the Asean FX ... as more trade deals are struck, investors would get more clarity regarding the global situation, and, in time, appetite towards the EM (emerging markets) assets, such as those in Asean, can improve," the report emphasized.

Indonesia is forecast to benefit the most from improving investor flows, followed by Malaysia, Thailand and the Philippines.

Peso rebound

The peso is seen rebounding to P55:$1 in the third quarter, and further appreciating to P54:$1 for the rest of the year until 2026.

Indonesia recently secured a trade agreement with the United States, reducing tariffs from 32 to 19 percent. While fiscal concerns have dampened sentiment toward the rupiah, Maybank said the trade pact adds a layer of certainty that could encourage investment.

The Philippines is pushing to lower its 19-percent tariff deal with the US, Maybank noted, adding that while not as export-oriented as its peers, the peso could still gain value from improved macroeconomic sentiment.

Cutting interest rates

Maybank also pointed out that several central banks in the region still have room to cut interest rates due to low inflation and weakening growth.

"Given a dollar softness environment, rate cuts have likely been more crucial in giving support to bonds and currencies as yield differentials have mattered less," Maybank said.

Indonesia's central bank has the most space for easing, with analysts estimating it could cut up to 175 basis points before reaching a neutral stance.

The Bangko Sentral ng Pilipinas (BSP) and the Bank of Thailand are also seen to have 75 basis points of easing capacity. While Malaysia's central bank is not expected to ease further, the existing yield differential and overall bond environment remain supportive.

The BSP policymaking Monetary Board is set to meet again on Aug. 5 for the July inflation data, which could also determine its policy stance.

BSP Governor Eli Remolona Jr. previously said there's room for two more rate cuts this year amid an improving inflation outlook and slowing economic growth.

The Monetary Board slashed its key policy rates by a quarter-point in its last June meeting, bringing the rates to 5.25 percent.

Source: https://www.manilatimes.net/2025/07/29/business/top-business/asean-currencies-seen-gaining/2157485

No mention of exporters in Sona disappoints groups

July 29 , 2025 | Andrea E. San Juan | BusinessMirror

Philippine President Ferdinand Marcos Jr., is seen on the electronic board as he delivers his State of the Nation Address at the House of Representatives in Quezon City, Philippines, on Monday, July 28, 2025. (AP Photo/Aaron Favila)

EXPORT groups are disappointed that President Ferdinand R. Marcos Jr. seemingly turned a blind eye to exporters as he did not mention measures intended to protect them from the recently imposed 19-percent tariff by Washington in his State of the Nation Address (SONA).

"For you to ignore something, that means you are not interested, you have no plans, you have no future. But the fact that he mentioned garments and other industries, that's a consolation," Robert Young, Foreign Buyers Association of the Philippines (Fobap) President told the *BusinessMirror* in a phone interview on Monday night.

"He should have at least talked on this subject. Because, you know, this is the lifeblood of the exporters. And as you know, without this, without any, any consoling words or statement from him to the exporters, we will lose somehow some, how do I say it, the fighting spirit won't be there anymore," the industry leader also noted.

Young said foreign buyers, particularly the American buyers, might see this as a signal that the reciprocal tariff is being ignored by the President.

The industry leader also noted that omitting mention of the reciprocal tariff in his Sona may have a big impact on the ongoing negotiations of the Philippines with the US, given that there are still a few days left before August 1—the date of the implementation of Washington's reciprocal tariffs.

"Yes, it will have an impact. The international buyers are also watching. They're listening here. So they might think 'Oh, he's not interested in this subject matter," Young said.

He emphasized, partly in Filipino: "The signal to us [is] like he's in denial because they know that it was a failure. From 17 percent to 20 percent down to 19 percent. 1 percentage point, it's laughable." ***(See: https://businessmirror.com.ph/2025/07/26/on-tariff-countdown-ball-not-in-our-court/).***

On the other hand, Young said the industry group is elated that the word "garments" was mentioned in the president's Sona.

"We are really glad and we are elated that it was at least mentioned," he added, while lamenting that not a single sentence was said "about how to improve it or some steps that readily he can just say. Perhaps we will be giving some subsidy and we will sit down with him," added Young.

For his part, Philexport President Sergio R. Ortiz-Luis Jr. told this newspaper in a phone interview: "I didn't get anything on exports, I was hoping he would mention something on exports; that's where I'm somewhat disappointed."

Ortiz-Luis said he thought the president would mention it in his Sona because exporters would be affected by the 19-percent tariff that the US would impose on Philippine goods entering America.

"I don't know, maybe he didn't feel it was important but to me, exports should have been tackled" because that's what's being talked about on the tariff issues. "I hope we can be competitive," the chief of the umbrella organization of Philippine exporters also told this paper.

In his State of the Nation Address (Sona) delivered on Monday afternoon, Marcos vowed to help grow the local industries. However, he did not mention anything regarding the issue on reciprocal tariff imposed by Washington which may affect some of the country's local industries.

"*Palalaguin natin ang mga industriya—mga pabrika ng sasakyan*, *hulmahan*, at electronics, biotechnology, pharmaceuticals, critical minerals, *telang* Pinoy, Halal construction, *at mga planta ng kuryente*," Marcos said in his speech.

"*Ngunit nanawagan pa rin ako sa mga ating mga negosyante: mamuhunan kayo sa ating agrikultura*," he added.

[Cont. page 10]

No mention of exporters in Sona disappoints groups

[Cont. from page 9]

FPI: Well delivered

Through another industry group's lens, the Federation of Philippine Industries (FPI) said the SONA was "well delivered."

Elizabeth Lee, Chairman of FPI, said in a Viber message: "While the President may have wished to address a broader range of pressing concerns, the decision to spotlight core issues—such as food security, flooding, electricity supply, public health, and education—was both strategic and reassuring."

Lee said these fundamental areas "speak directly to the everyday fears and hopes of the Filipino people, and addressing them strengthens his goal for a more resilient citizenry and workforce that is key to businesses."

In a statement on Monday, the industry group "applaud the support extended to 2.5 million families in starting micro-businesse, and urge deeper integration of these small enterprises into the coutnry's manufacturing and supply chains."

"The expansion of Kadiwa markets and the firm stance against economic sabotage by profiteers and smugglers are vital to ensuring stable prices and protecting producers and consumers alike," FPI also noted.

FPI said it also "strongly endorses" the President's comitment to "reject any budget item not aligned with government priorities."

"Fiscal discipline and policy alignment are crucial for delivering meaningful, long-term impact," the industry group also noted.

AmCham 'encouraged'

In a Viber message American Chamber of Commerce of the Philippines (AmCham) Executive Director Ebb Hinchliffe said: "We are encouraged that President Marcos signaled a continued commitment to supporting businesses and attracting investments, especially through infrastructure development and digitalization."

Hinchliffe said AmCham is also "pleased" to hear mention of the e-governance bill and the need to improve internet connectivity, saying "both are vital."

"While some of our priority reforms, such as further liberalization in key sectors, were not specifically mentioned, we will continue to advocate for their passage," AmCham noted.

"We also applaud the President's emphasis on infrastructure, particularly flood control, and his commitment to fighting corruption, which are essential for improving ease of doing business," Hinchliffe added.

Source: https://businessmirror.com.ph/2025/07/29/no-mention-of-exporters-in-sona-disappoints-groups/

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