



필리핀 한국 상공회의소 뉴스 KOREAN CHAMBER OF COMMERCE PHILIPPINES NEWSLETTER



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UPCOMING EVENT

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Philippines growth seen steady or slightly higher in Q3

October 06, 2025 | Louella Desiderio | The Philippine Star

MANILA, Philippines — The Philippine economy may have matched or expanded in the third quarter at a slightly faster pace than the previous quarter amid lower inflation, according to the Department of Economy, Planning and Development (DEPDev).

“Overall, I think we should see, if not at the same pace, it’s slightly better,” DEPDev Secretary Arsenio Balisacan told The STAR when asked how the economy likely performed in the third quarter compared to the previous quarter.

The economy grew by 5.5 percent in the second quarter, slightly faster than the 5.4 percent expansion in the first quarter, but slower than the 6.5 percent growth in the second quarter last year.

This brought average growth in the first half to 5.4 percent, lower than the government’s growth target of 5.5 to 6.5 percent for this year.

“On the positive side, you have inflation coming down,” Balisacan said.

While headline inflation quickened to 1.5 percent in August from 0.9 percent in July, it was slower than the 3.3 percent print in the same month last year.



“Overall, I think we should see, if not at the same pace, it’s slightly better,” DEPDev Secretary Arsenio Balisacan told The STAR when asked how the economy likely performed in the third quarter compared to the previous quarter.

STAR / File

Average inflation from January to August was also at 1.7 percent, below the government’s two to four percent target range for the year.

Despite the storms that hit the country, Balisacan said the agricultural damage is not extensive, except for some crops, such as vegetables.

He is also optimistic about seeing improvements in the labor market data in August.

Data from the Philippine Statistics Authority (PSA) showed that the country’s unemployment rate rose to 5.3 percent in July from 3.7 percent in June and 4.7 percent in the same month last year.

This also marked the highest jobless rate since it hit the same level in August 2022.

“I believe the numbers for August should be better,” Balisacan said.

He said the growth in the country’s exports, as exporters frontloaded shipments to the United States to avoid the 19 percent tariff that took effect on Aug. 7, should also be a positive factor.

Philippine export sales rose by 13 percent to \$55.7 billion from January to August, compared to \$49.45 billion in the same period last year.

“I think the fourth quarter is what we need to work on harder,” Balisacan said, noting that recently exposed flood control corruption issues are expected to have an impact on growth.

He said infrastructure spending, in particular, might be affected by the scandal. *[Cont. page 2]*

Philippines growth seen steady or slightly higher in Q3

[Cont. from page 1]

"We have to manage that from our end and ensure that those infrastructure projects and programs that are not tainted with corruption should be able to move," he said.

Given domestic challenges and risks from external developments, Balisacan said he "would be happy if we get 5.6, 5.7 (percent growth) for the whole year."

The PSA is scheduled to report on the country's third quarter economic performance on Nov. 7.

Source: <https://www.philstar.com/business/2025/10/06/2477743/philippines-growth-seen-steady-or-slightly-higher-q3>

PHL, South Korea forge two-year clean air project

October 06, 2025 | Jonathan L. Mayuga | BusinessMirror

BusinessMirror

A broader look at today's business

THE Philippines and the Republic of Korea recently signed a Memorandum of Understanding for Clean Air for the implementation of a two-year (Project) Clean

Air for Sustainable (Association of Southeast Asian Nations) Asean (Casa) cooperation project.

The MOA was signed by Assistant Secretary for Environment and concurrent Director of the Environmental Management Bureau (EMB) Jacqueline A. Caanacan and the Principal Investigator of Casa and Seoul National University (SNU) Graduate School of Public Health Professor Kiyong Lee in Pasay City.

The Casa Project is an initiative funded by the Asean–Republic of Korea Cooperation Fund and launched in January 2023. The project's core mission is to empower Asean Member States with the tools and expertise to build robust air quality management systems by providing both advanced equipment and capacity-building programs.

"By bringing together scientific research and international teamwork, the CASA Project, a partnership between the EMB and Seoul National University, will create better data and monitoring systems, laying the groundwork for smarter, evidence-based policies," Caanacan said in a statement.

Underscoring the importance of collaboration in addressing transboundary air quality concerns, Caanacan said the historic agreement brings the Philippines and South Korea closer to a common goal of cleaner air, healthier communities, and stronger communities that can withstand the current environmental challenges.

"This partnership strengthens our nations' bonds and represents a shared dedication to environmental protection, making a meaningful contribution to regional sustainability efforts across the Asean region," she said.

The event was also marked by the official handover of two state-of-the-art air quality monitoring systems from the Republic of Korea to the Philippines. One unit will be installed in the Air Quality Monitoring Station (AQMS) in Pasay City and the other in Quezon City. Present in the ceremony were key officials of the EMB, the SNU, and project partners.

The equipment can measure PM2.5 and O₃, and expands the AQMS capacity to capture real-time data linked to national and regional air quality monitoring platforms. These data on key pollutants are vital to developing evidence-based environmental policies and targeted interventions. The upgraded AQMS reinforces the Philippines' commitment to protect public health and promote sustainable air quality management.

"The Casa project, supported by the Asean-Republic of Korea Cooperation Fund and jointly implemented by Seoul National University and partner institutions across Asean, aims to identify the sources and health impacts of air pollution, strengthen monitoring systems, and develop effective policy responses," Counselor of the Embassy of the Republic of Korea in the Philippines Hyun Jung Jung said.

"By establishing air quality monitoring infrastructure throughout the Philippines and across Asean, and by harnessing scientific analysis, the Casa project will enhance Asean's capacity to respond to air pollution, thereby improving the quality of life and public health of our peoples," Jung said.

[Cont. page 3]

PHL, South Korea forge two-year clean air project

[Cont. from page 2]

In addition to the equipment turnover, the Casa Project includes technical training and capacity-building activities for EMB air quality specialists. These programs aim to strengthen expertise in monitoring, data interpretation, reporting, and the formulation of responsive air quality interventions.

Caancan expressed optimism that the partnership with South Korea will serve as a model for regional environmental cooperation rooted in mutual support and shared responsibility. In line with this, the DENR-EMB remains committed to strengthening air quality management systems through science, collaboration, and innovation—ensuring cleaner and safer air for all Filipinos, especially in urban areas.

With the Casa Project, the Philippine government and the Asean community take concrete steps toward cleaner air and healthier futures.

Source: <https://businessmirror.com.ph/2025/10/06/phl-south-korea-forge-two-year-clean-air-project/>

Inflation higher in Sept at 1.7%

October 07, 2025 | Niña Myka Pauline Arceo | The Manila Times

MANILA, Philippines — Higher prices of key food items, specifically vegetables, coupled with rising transport costs pushed inflation higher in September, the Philippine Statistics Authority (PSA) reported on Tuesday. **The Manila Times®**

Consumer price growth accelerated to 1.7 percent last month, higher than the 1.5 percent recorded in the previous month but lower than the 1.9 percent in the same month last year.

This is the highest recorded since March of this year at 1.8 percent.

It is, however, lower than the 1.9 percent median forecast of The Manila Times poll of economists and within the central bank's 1.5- to 2.3-percent estimate for the month.

"The uptrend in the overall inflation in September 2025 was primarily brought about by the annual increase of transport index at 1.0 percent in September 2025 from an annual decline of 0.3 percent in August 2025," the PSA said.

"Also contributing to the uptrend in the overall inflation was the higher annual increment in food and non-alcoholic beverages index at 1.0 percent in September 2025 from 0.9 percent in the previous month," it added.

Core inflation, which excludes volatile food and energy items, dropped at 2.6 percent in September, down from month earlier's 2.7 percent but higher than year earlier's 2.4 percent.

To date, both headline and core inflation still fell within the central bank's 2.0 to 4.0 percent target at 1.7 percent and 2.4 percent, respectively.

Source: <https://www.manilatimes.net/2025/10/07/news/inflation-higher-in-sept-at-17/2195828>

Foreign funds step up purchase of Philippine bonds

October 07, 2025 | Marco Luis Beech | The Philippine Star

MANILA, Philippines — Foreign investors continue to ramp up purchases of Philippine government bonds, reaching more than P700 billion so far this year, according to the Bureau of the Treasury.

Ahead of the expected inclusion of the Philippines in J.P. Morgan Chase & Co.'s emerging market government bond index, foreign participation in the country stood at six percent.

National Treasurer Sharon Almanza said that they aim to increase foreign participation beyond seven percent while managing the effects of volatility on rates and the country's currency, noting that 10 percent remains an ideal target. [Cont. page 4]



Sharon Almanza

Foreign funds step up purchase of Philippine bonds

[Cont. from page 3]

"Of course having a higher figure than what we currently have is better. However, we also need to manage volatility, as this month we've observed several sell-offs, particularly from fast money and hedge funds," Almanza told reporters.

When asked if the weaker peso was dampening optimism over the country's potential inclusion in the bond index, Almanza said it is not a major concern, as the recent sell-off trend was not unique to the Philippines.

"It is actually a regional trend, meaning neighboring economies are experiencing the same situation," she said.

"This is not due to corruption issues, but mainly driven by developments in the United States and other external factors rather than domestic ones," Almanza added.

Foreign participation refers to the entry of overseas investors and institutions into a country's financial markets, business ventures and other economic activities.

According to Almanza, the market had not previously experienced high levels of participation, emphasizing the need to manage the impacts of market swings on local rates and the peso.

Inclusion in J.P. Morgan's index series is expected to attract more foreign investors to the peso-denominated bond market, enhancing liquidity and potentially reducing borrowing costs for both the government and the private sector.

Finance Secretary Ralph Recto said the possible inclusion in the index could boost capital inflows, provide the state with more funds and promote local capital markets to a wider pool of investors.

Almanza earlier stated that the government expects an additional inflow of P100 billion following the possible inclusion of peso-denominated government securities in a global bond index, noting initial gains from increased retail treasury bond participation and secondary market trading in August.

Source: <https://www.philstar.com/business/2025/10/07/2477997/foreign-funds-step-purchase-philippine-bonds>

Philippine export outlook dims as trade woes, 'lagging' competitiveness persist

October 06., 2025 | Derco Rosal | Manila Bulletin



At A Glance

- Due to lingering global trade uncertainty, coupled with the Philippines' weaker competitiveness, the Marcos administration's economic team has cautioned that the country's goods exports could come under massive pressure this year.

Due to lingering global trade uncertainty, coupled with the Philippines' weaker competitiveness, the Marcos administration's economic team has cautioned that the country's goods exports could face significant pressure this year.

"Philippine goods exports face significant risks in 2025 from rising global trade uncertainty and lagging competitiveness," the Cabinet-level Development Budget Coordination Committee (DBCC) Midyear Report, published on Sept. 30, read.

In particular, the DBCC said tighter trade rules are prompting cautiousness among companies, slowing investments and expansion, especially in manufacturing.

"The semiconductor industry remains weighed down by inventory corrections, weak product mix, and high operational costs," it said.

To note, the Philippine manufacturing sector slipped back into contraction in September as its purchasing managers' index (PMI) fell to 49.9, the lowest in six months and only the third decline in more than four years. This was blamed on rainy weather, higher tariffs, and an import ban. [Cont. page 5]

Philippine export outlook dims as trade woes, 'lagging' competitiveness persist

[Cont. from page 4]

S&P Global Market Intelligence's Philippines manufacturing PMI for September marked the second straight monthly drop after 50.8 in August and was weaker than the 53.7 recorded in September a year ago.

Goods exports, according to the Bangko Sentral ng Pilipinas (BSP), are seen to expand by one percent in 2025 from its earlier forecast of a one-percent contraction. However, this growth is expected to move at a slower pace, to one percent in 2026 from two percent.

Investments in infrastructure, possible trade shifts, and moves to broaden export and import markets could help absorb external risks, the BSP said, but added that long-standing issues, such as poor logistics, labor skill gaps, and high production costs, still drag down export competitiveness.

Jonathan Ravelas, senior adviser at Reyes Tacandong & Co., urged quick action from the government, beginning with fixing the basics such as power, ports, and permits.

John Paolo Rivera, senior research fellow at the state policy think tank Philippine Institute for Development Studies (PIDS), also emphasized the importance of improving "trade infrastructure and logistics—ports, cold chains, and transport corridors—to reduce costs and enhance export readiness."

"Trade facilitation reforms, such as digitizing customs and expanding free trade agreements (FTAs), would help diversify markets and reduce overdependence on traditional partners," Rivera added.

Oikonomia Advisory and Research Inc. economist Reinielle Matt Erece also said "pursuing trade agreements with favorable terms for Philippine exporters will greatly help in expanding the sector's global reach."

For Erece, the country also needs economic and political reforms to attract foreign investors and technology. These include offering incentives and government support to export industries, particularly those in high-value-added sectors like manufacturing.

"Anti-corruption measures should also be pursued to restore confidence in the country and further invite FDIs [foreign direct investments] and other investments," Erece further said.

Ravelas suggested shifting to high-value exports like electronics and agri-technology, adding that real-time intelligence should be established "so MSMEs [micro, small and medium enterprises] can pivot quickly."

"Overall, the Philippines must align trade, industrial, and innovation strategies to future-proof its export base and remain competitive in a rapidly shifting global economy," Rivera said.

Source: <https://mb.com.ph/2025/10/06/philippine-export-outlook-dims-as-trade-woes-lagging-competitiveness-persist>

Marcos vows 'no money will go to waste'

October 06., 2025 | Chloe Mari A. Hufana and Aubrey Rose A. Inosante | BusinessWorld



President Ferdinand R. Marcos, Jr. attends the Philippine Development Forum 2025 on Oct. 6. Also in photo are Department of Economy, Planning, and Development (DEPDev) Secretary Arsenio M. Balisacan and World Bank Country Manager Zafer Mustafaoglu. — PHILIPPINE STAR/NOEL B PABALATE

PRESIDENT Ferdinand R. Marcos, Jr. vowed to tighten government spending and curb inefficiencies in the use of public funds as he called for faster project implementation and better coordination among agencies on Monday.

Speaking before development partners and senior officials in Mandaluyong City during the Philippine Development Forum 2025, Mr. Marcos said his administration will not tolerate waste or inaction in the execution of government programs.

"We will not tolerate measurement without action, nor will we tolerate the wastage of public funds," he said in mixed English and Filipino. "No money will go to waste. We will not allow the nation's coffers to be squandered."

The President said reforms are underway to accelerate the disbursement of official development assistance (ODA) and ensure foreign-funded projects translate into tangible results.

[Cont. page 6]

Marcos vows 'no money will go to waste'*[Cont. from page 5]*

He also announced the overhaul of Investment Coordination Committee guidelines — the first comprehensive update in a decade, as well as the simplified issuance of Special Authority to shorten approval timelines for ODA-supported programs.

This comes amid a widening probe into allegations of corruption in government infrastructure projects, particularly flood control projects.

Department of Economy, Planning, and Development Secretary Arsenio M. Balisacan told reporters that he hopes the “corruption issues” will be a temporary thing.

“As I said, we expect to come up with measures that will improve the governance of public spending. And if the short-term cost is compensated by a much-improved environment for the medium term and long term, that’s not bad,” he said.

Mr. Balisacan said the flood control mess is unlikely to affect the Philippines’ credit ratings, adding that the ongoing probe will be viewed positively.

“I’m sure that they know there is some corruption there. But, then again, if I were a credit rating agency, if I see a sense that the government is doing something about it, seriously, then I would, in fact, take that as a positive, and I would not be worried about the future,” he said.

Also, Mr. Balisacan said he is open to publicizing the list of barred contractors amid the billion-peso flood control scandal.

“I think that the public being aware of what is a good partner and a bad partner should be part of the accountability mechanism,” he said.

The World Bank and the Asian Development Bank have a joint agreement to cross-debar contractors found to have violated project guidelines or engaged in questionable conduct.

Meanwhile, World Bank Division Director for the Philippines, Malaysia and Brunei Zafer Mustafaoğlu said the government’s action towards corruption will improve investor appetite and should support long-term growth.

“We also work in the countries, including in the Philippines, to actually enhance transparency, enhance institutional structures to actually deal and reduce corruption,” he said.

In his opening speech, Mr. Mustafaoğlu said that there are opportunities to leverage ODA funding to increase transparency and introduce system improvements for better results and accountability.

“Collectively, the development partners stand ready to extend around \$50 billion in support over the next three years, if requested by the government, to accelerate the delivery of better services for Filipino citizens,” he said.

Finance Undersecretary Joven Z. Balbosa said the government can learn from the project cycle and “well-established international process” of development partners.

“From project preparation, project implementation, execution, and then the monitoring and evaluation, the learnings from it gets to new project proposals and design. Within those cycles, there are missions or what you call intermittent reviews, which looks at the project, ensuring quality of the project delivery and whether they’re on time,” he said.

For his part, Budget Assistant Secretary Romeo Matthew T. Balanquit ruled out concerns over underspending amid the probe into anomalous flood control projects.

“The worry of underspending is not really there. We still have accounts payable, meaning those projects that were already finished in the previous year and we have to pay them,” he said.

Meanwhile, Gary D. Ador Dionisio, dean of the De La Salle-College of St. Benilde School of Diplomacy and Governance, said the President must implement institutional reforms that enhance financial transparency, strengthen independent oversight and establish comprehensive anti-corruption mechanisms to achieve his administration’s goals.

[Cont. page 7]

Marcos vows 'no money will go to waste'*[Cont. from page 6]*

These reforms are essential not only to prevent fund misuse but also to ensure that ODA effectively supports infrastructure, social services and inclusive growth, he added.

"There is imperative to strengthen public financial management by fully digitalizing procurement and budgeting processes, enforcing performance-based spending, and ensuring independent audits are transparent and accessible to the public," he said via Facebook Messenger.

He also noted that oversight bodies like the Commission on Audit and the Office of the Ombudsman should be empowered with greater prosecutorial authority and led by individuals of unquestionable integrity.

Ateneo de Manila University political science lecturer Hansley A. Juliano said Mr. Marcos is working to distance himself from ongoing corruption scandals by projecting an image of impartiality and reform.

This effort, however, is complicated by controversies involving his own family, including former Speaker Ferdinand Martin G. Romualdez and Senator Ma. Imelda Josefa Remedios "Imee" R. Marcos, who is aligned with the rival camp.

Mr. Marcos' primary goal, according to Mr. Juliano, appears to be political survival and completing his term to cement a narrative that the Marcoses endured without corruption.

The 17th Philippine President made sweeping anti-corruption statements during his State of the Nation Address last July following a series of rains and flooding in several areas of the country.

He launched a crackdown against anomalous public works projects and established the Independent Commission for Infrastructure to probe such problems.

Source: <https://www.bworldonline.com/top-stories/2025/10/07/703309/marcos-vows-no-money-will-go-to-waste/>

[UPCOMING EVENT]

The invitation features a festive border of pine branches, red and gold ornaments, and white snowflakes. At the top center is the KCCP 30th Anniversary logo, which includes a stylized 'K' and 'C' in blue and red, with '30 YEARS ANNIVERSARY' text. Below the logo, the text 'KOREAN CHAMBER OF COMMERCE PHILIPPINES' is written in a red serif font. The main title 'Christmas Party' is in a large, elegant red script font. Underneath it, 'invitation for' is written in a small, plain font, followed by 'Korean Chamber Members' in a large, elegant black script font. At the bottom, the event details are listed in a black sans-serif font: 'NOVEMBER 24, 2025 AT 5:30PM', 'AYALA BALLROOM, MAKATI SPORTS CLUB', and 'For confirmation, contact Ms. Chi or Ms. Sang at +632-88857342 or at info@kccp.ph'.

KCCP 30 YEARS ANNIVERSARY

KOREAN CHAMBER OF COMMERCE PHILIPPINES

Christmas Party

invitation for

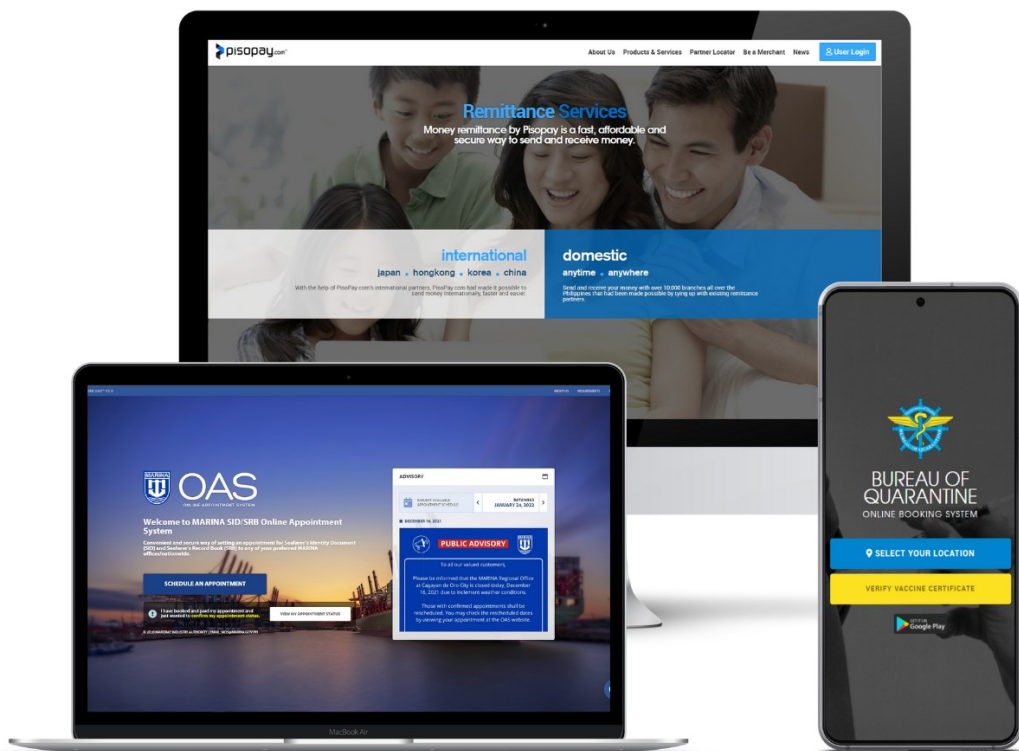
Korean Chamber Members

NOVEMBER 24, 2025 AT 5:30PM
AYALA BALLROOM, MAKATI SPORTS CLUB
For confirmation, contact Ms. Chi or Ms. Sang at +632-88857342 or at info@kccp.ph

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