필리핀 한국 상공회의소 뉴스
KOREAN CHAMBER OF COMMERCE PHILIPPINES NEWSLETTER

December 2025 Issue | Vol. 85

SPECIAL POINTS OF INTEREST

Garment, textile growth seen at 2-5% in 2026 amid US tariff concession hopes

December 14, 2025 | Justine Irish D. Tabile | BusinessWorld


REUTERS

EXPORTS of garments, textiles, and apparel are expected to grow between 2% and 5% next year as the government negotiates a lower tariff with the US and as the industry explores new markets.

Foreign Buyers Association of the Philippines President Robert M. Young said exports this year were "surprisingly good" because of advance deliveries that were meant to cushion the impact of the US reciprocal tariff.

"Revenue is expected to hit $1 billion from around $800 million in 2024," he said in a statement over the weekend.

He expects growth to continue next year as the government continues to negotiate a lower reciprocal tariff and exemptions.

"They are still asking for some adjustments, and they are trying to talk to Washington about decreasing the 19% (tariff), as President Trump did with three countries. Some were even reduced to zero," he said.

"I hope we can also have that kind of treatment, and if that happens, that will be the best thing for us," he added.

He said the industry has been exploring other markets, including the European Union, the Association of Southeast Asian Nations (ASEAN), Canada, and Australia.

"They are banking on the opening of new markets through free trade agreements (FTAs)," he said.

"We are requesting more FTAs because I think among the ASEAN countries, we have the least number of FTAs," he said.

However, the group is seeking government subsidies to help offset the rise in input costs and make the industry's products more competitive.

"We were asking for some subsidy for power and labor costs as well. We were talking to the Department of Labor and Employment people also to give us some leeway," he said, noting that the industry is hoping for breaks like tax deductions.

"With all these things that could come into play, we hope to lower our FOB (free on board) cost," he added.

He said that with government assistance and more FTAs in place, the industry can return in two to four years to the $5-billion export level of 10 to 15 years ago.

"When we say $3 billion to $5 billion in three or four years' time, we are looking forward to some textile factories being established in the Philippines, (which will reduce) our fabric cost," he added.

Source" https://www.bworldonline.com/economy/2025/12/14/718660/garment-textile-growth-seen-at-2-5-in-2026-amid-us-tariff-concession-hopes/

IMF cites PH measures to support GDP

December 15, 2025 | Joann Villanueva | Philippine News Agency

MANILA – Officials of the International Monetary Fund (IMF) have acknowledged that the Philippine government's macroeconomic policies and reforms support economic growth, but they still cut their growth forecasts for the domestic economy in 2025 and the following year due to the impact of external developments

In a report released Monday, following the end of the Article IV Consultation with the Philippines last Nov. 24, the IMF now sees a gross domestic product (GDP) of 5.1 percent for this year "on increasing tariffs weigh on exports and investments," and 5.6 percent for next year.

These were previously at 5.4 percent and 5.7 percent for 2025 and 2026, respectively.

The report noted the 5.7 percent expansion of the Philippine economy in 2024 due to strong public consumption and investment.

However, growth registered a slowdown to 5.4 percent in the first six months this year due to imports-related factors.

The third quarter growth further decelerated to 4 percent due to weaker gross fixed capital formation, partly due to the issues of anomalous flood control projects, and private consumption.

Amid the growth forecast reduction, the IMF said the potential growth of the domestic economy is estimated at around 6 percent for the medium term.

"The risks to the near-term growth outlook are tilted to the downside," it said, citing external risks such as "prolonged global trade policy uncertainty, geopolitical tensions, and disruptive financial market corrections."

It also noted domestic factors such as macroeconomic losses due to "more frequent and intense climate shocks."

"On the upside, accelerated implementation of structural and governance reforms would support investor confidence and raise fiscal multipliers and potential growth," it said.

The government's medium-term fiscal consolidation plan is expected to "help reinforce fiscal space and external balance and support a growth-friendly strategy," it said.

"They encouraged the implementation of concrete and durable tax and expenditure measures to limit the need for restraint in priority spending," it said, noting also that "efforts to enhance public financial management and raise spending efficiency remain critical, including strengthening overall investment management and procurement to enhance accountability and governance."

"A number of directors suggested embedding fiscal targets in a formal fiscal rule," the report read.

Inflation is forecast to average at 1.7 percent this year and 2.8 percent next year.

In the first six months this year, the rate of price increases averaged at 1.6 percent, way below the 2-4 percent target band of the Bangko Sentral ng Pilipinas (BSP).

In terms of monetary policy, the report said "monetary policy stance should remain accommodative amid elevated downside risks to growth and well anchored inflation expectations, and welcomed the authorities' data-dependent approach."

Last week, the BSP's policy-making Monetary Board (MB) slashed anew by 25 basis points the central bank's key rates, with the target reverse repurchase rate (RRP) rate now at 4.5 percent.

The overnight deposits and lending rates, in turn, are in four percent and five percent, respectively.

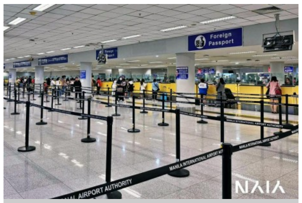
Monetary authorities signaled that they are now near the end, if not the end, of their easing cycle.

"Directors urged the authorities to continue to allow the exchange rate to play its role as a shock absorber, with any interventions used on a temporary basis to address disorderly market conditions. They encouraged continued efforts to deepen capital markets and enhance monetary policy transmission," it added.

Source: https://www.pna.gov.ph/articles/1265193

PHL emerges as top source market for ASPAC travel

December 15, 2025 | Ma. Stella F. Arnaldo | BusinessMirror



6.2 million Filipinos traveled outside the country from January to October 2025. The Philippines has emerged among the key sources of tourists in Asia Pacific.

THE Philippines is becoming a strong contender as a source market for tourists within the Asia-Pacific region, and specifically, Southeast Asia.

In a recent webinar on Travel Insights 2025 and Travel Trends 2026 on Asia Pacific presented by Amadeus and UN Tourism, ForwardKeys Director for Intelligence and Marketing of Olivier Ponti said, the region "attracts a mix of long-haul interest and solid intra-Asia demand," with top source markets coming from India, South Korea, Australia, the United States, Japan, Taiwan, Thailand, the United Kingdom, the Philippines, and China.

Specific to travel to Southeast Asia, the Philippines ranked second as a source market after South Korea, with Thailand in third place, then Malaysia, the US, India, Indonesia, Taiwan, and mainland China. "The Philippines…[is] rising in the rankings [for actual travel in Southeast Asia], showing stronger regional travel flows," he added. The travel period covered is between November 2024 and October 2025.

In terms of top searchers within that period for travel in Southeast Asia, he said, "The Philippines improved a jump from 10th to 9th suggests growing outbound travel momentum."

ForwardKeys is a unit of Amadeus, an information technology company providing software and systems for the travel industry worldwide.

ForwardKeys Director for Intelligence and Marketing of Olivier Ponti

6.2-M Pinoys leave for work, leisure

Data from the Department of Tourism (DOT) supports Ponti's findings—some 6.25 million traveled outside the Philippines from January to October this year, up 11.61 percent from the same period in 2024. This year's outbound travelers also exceeded the 4.77 million inbound tourists for the period.

Origin market	Nov.23-Oct.24 ranking	Nov.24-Oct.25 ranking
China	1	1
Thailand	2	2
Rep. of Korea	3	3
Malaysia	5	4
United States	4	5
Indonesia	8	6
Japan	7	7
India	6	8
Philippines	10	9
Australia	9	10

Origin market	Nov.23-Oct.24 ranking	Nov.24-Oct.25 ranking
Rep. of Korea	1	1
Philippines	3	2
Thailand	2	3
Malaysia	4	4
United States	5	5
India	6	6
Indonesia	11	7
Taiwan (pr. of China)	7	8
China	8	9
Japan	10	10

Of the total outbound travelers for the 10-month period, some 6.16 million were Filipino nationals, while 90,283 were foreign nationals. The data covers travel for work and for leisure.

The top 10 destinations for outbound travel from the Philippines include: Hong Kong at 766,869; Japan 661,296; Singapore 600,723; Taiwan 454,487; Thailand 438,362; United Arab Emirates 414,517; Saudi Arabia 368,017; Vietnam 308,679; United States 298,239; and South Korea 190,435. Other top Southeast Asian destinations of outbound travelers from the Philippines included Malaysia 148,409 and Indonesia 95,305.

Meanwhile, Ponti said "moderate and yet sustained growth" have been recorded in the hospitality and air travel sectors in Asia Pacific. "The Asia-Pacific region tends to have higher occupancy than the rest of the world, with occupancy growing to 70 percent, but lower average daily rates. In other words, holiday in Asia is very popular and cheaper than in many parts of the world," he said.

[Cont. page 4]

PHL emerges as top source market for ASPAC travel

[Cont. from page 3]

Resilient tourism destination

The higher occupancy in Asia Pacific is supported by the 5.8-percent growth in air traffic from November 2024 to October 2025, Ponti added, “which suggests a significant increase in travel demand across a wide diversity of tourist profiles, whether they stay in hotel or in other forms of accommodation. Unsurprisingly, we can also see a spike towards the end of December to the beginning of January, which suggests that at the end of the year celebrations are going to keep travel professionals very busy.”

As such “passenger demand to Asia and the Pacific is entering a steady growth phase supported by airlines’ increasing capacity for late 2025 to early 2026. Traffic rises consistently after the summer months and plans scheduled for October to March remain well above current levels, showing strong airline confidence in long-haul recovery.”

ADR patterns show mixed pricing, with premium destinations pushing higher rates, while others remain more affordable, supporting broad traveler segments. For instance, Japan shows volatility rising from US$260 per night in November 2024, hitting a peak of $350 in April 2025, and easing to $290 per night in October 2025. In contrast, Thailand, which attracted some 29 million tourists from January to October this year, saw its ADR somewhat stable between $150/night and $200/night.

Ponti underscored the overall resilience of Asia Pacific as a destination with “demand coming from a more diverse set of origin markets, led by strong growth from China, Malaysia, Saudi Arabia, Vietnam, and Indonesia. In short, I think there are some good reasons to be cautiously optimistic about tourism growth in the region as we enter into 2026.”

Image credits: WTTC

Source: https://businessmirror.com.ph/2025/12/15/phl-emerges-as-top-source-market-for-aspac-travel/

ASEAN can rise as global power through strategic influence — PIDS

December 15, 2025 | Ricardo M. Austria | Manila Bulletin

The Association of Southeast Asian Nations (ASEAN) could emerge as a global power not through traditional military or economic might, but by leveraging strategic influence, digital leadership, and regional cohesion, state-run policy think tank Philippine Institute for Development Studies (PIDS) said in a new report.

President Ferdinand 'Bongbong' Marcos Jr. and First Lady Liza Araneta-Marcos lead the official launch of the Philippines’ Chairship of the Association of Southeast Asian Nations (ASEAN) 2026 at the Foro de Intramuros in Manila on Nov. 14, 2025. The event unveiled the ASEAN Philippines 2026 logo in the shape of a balangay, featuring the standard ASEAN emblem that reflects the unity and stability of Member States, along with the 2026 commemorative stamp. (Noel Pabalate/PPA Pool)

ASEAN now comprises 11 member states: the Philippines, Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Singapore, Thailand, Vietnam, and its latest member, Timor-Leste. President Ferdinand R. Marcos Jr. announced last October that the Philippines will assume ASEAN’s chairmanship in 2026, succeeding Malaysia.

Manila Bulletin reported earlier that the first official meeting of ASEAN under the Philippines’ chairmanship was held on Dec. 10 to 11 in Boracay Island, Aklan province, where leaders aimed to set the regional bloc’s economic agenda for 2026.

In a Dec. 10 discussion paper titled “ASEAN’s Ascent: A Global Power in the Making,” PIDS supervising research specialist Mark Anthony A. Barral and senior research fellow Francis Mark A. Quimba emphasized that a country’s influence in the international system is not determined by material capabilities alone, but also by its capacity to act strategically.

PIDS stressed that while having global influence is important, a country or region must also demonstrate the intention and strategy to act as a global leader.

For ASEAN, the think tank said this involves asserting its own interests, strategic narratives, and autonomy in shaping regional and global governance norms—a path reflected in ASEAN’s consensus-building, non-interference, and regional centrality.

“Rather than mimicking Western or traditional models, ASEAN may seek recognition through its functional centrality and convening leadership,” it added. *[Cont. page 5]*

ASEAN can rise as global power through strategic influence — PIDS
[Cont. from page 4]

The think tank urged ASEAN to "[consider] the multi-dimensionality of polarity," stressing that the contemporary global order is no longer defined solely by military or economic might, as influence now extends to technological leadership, norm-setting, and control over digital, environmental, and knowledge systems.

"The EU [European Union], for instance, is often seen as a global pole, not because of its military capabilities but due to its regulatory power and norm-setting," PIDS noted.

It added that if ASEAN strengthens its role in shaping global digital governance, trade standards, environmental policy, or South-South cooperation, it could establish itself as a functional pole of influence, particularly in areas where rulemaking requires collective action beyond the involvement of major powers.

"Polarity is relational and political—a pole does not exist in a vacuum but is often identified in relation to others," the PIDS paper said.

"To secure its trajectory, even if not a polar status," the think tank recommended that ASEAN strengthen its internal economic structure and external strategic leverage, including intra-ASEAN economic linkages. It added that fast-tracking the implementation of the Regional Comprehensive Economic Partnership (RCEP) free-trade agreement (FTA) could deepen trade integration, particularly by harmonizing rules of origin and supply chain standards.

"Building on initiatives like the ASEAN Smart Cities Network, expanding digital IDs and e-commerce interoperability, especially between Singapore, Malaysia, and Thailand, can help reduce friction in cross-border transactions," PIDS said.

On security, the paper recommended expanding joint maritime patrols and strengthening disaster response coordination through ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management (AHA Center) to enhance collective capacity and resilience.

The PIDS paper said that while infrastructure disparities persist in the region, accelerating digital transformation through the Master Plan on ASEAN Connectivity 2025 provides a strategic framework to build digital highways and facilitate cross-border data flows.

"Externally, ASEAN should diversify strategic partnerships beyond the US [United States] and China," the paper added. "Internally, ASEAN must close development gaps and enhance institutional cohesion."

PIDS also emphasized that to boost ASEAN's political credibility and global influence, the bloc must align its internal diversity in governance with its external message of regional leadership. It noted that this includes promoting stronger democratic norms and good governance through peer reviews, regional scorecards, and a more empowered ASEAN Intergovernmental Commission on Human Rights (AICHR) capable of monitoring compliance.

"The 'ASEAN Way' of non-interference, while preserving regional unity, must evolve toward more principled pragmatism if ASEAN wishes to be perceived as a political pole," the paper said.

The think tank said people-to-people ties should be strengthened through youth mobility programs, volunteer corps, and expanded scholarships under ASEAN University Network (AUN). It added that ASEAN could also take a more proactive role in promoting and protecting its shared cultural heritage, similar to how the EU advances "European values" abroad, noting that a strong regional identity would enhance ASEAN's global recognition and soft power.

"Strengthening ASEAN-led security cooperation is also essential, such as through joint maritime patrols, early warning systems, and conflict mediation mechanisms in flashpoints like the South China Sea or Myanmar," the PIDS paper said. It further recommended that ASEAN build strategic resilience in energy, food, and digital infrastructure to reduce dependency on any single global actor. The bloc should deepen engagement with non-traditional partners such as India, the African Union, and Latin America, positioning itself not only as a regional anchor but also as a globally relevant player, PIDS added.

The PIDS paper noted that its multidimensional model of polarity shows ASEAN's rise as a global pole cannot depend solely on economic power, but must leverage its distinctive strengths in convening influence, cultural impact, and regional diplomacy. *[Cont. page 6]*

ASEAN can rise as global power through strategic influence — PIDS

[Cont. from page 5]

"Advancing this goal requires deeper internal coherence through stronger legal enforceability, shared norms, and more effective regional mechanisms, while simultaneously investing in cultural and digital platforms that project Southeast Asian narratives to the world," it said.

Finally, the think tank said ASEAN must cultivate strategic autonomy, navigating major-power rivalries through an open, multipolar engagement strategy that reinforces its centrality.

"Ultimately, ASEAN's ascent as a global power will depend not on replicating traditional major-power models, but on developing a uniquely Southeast Asian form of influence grounded in inclusivity, cooperation, and collective resilience," it added.

Source: https://mb.com.ph/2025/12/15/asean-can-rise-as-global-power-through-strategic-influencepids

Water bills to rise in 2026 under MWSS estimates

December 15, 2025 | Emmanuel John B. Abris | Philippine Daily Inquirer

A barangay public safety officer checks leaks on pipes and water meters. Water bills are set to rise in 2026 under MWSS estimates —FILE PHOTO

MANILA, Philippines – Water consumers are set to pay higher monthly bills starting January 2026, following the release of new rate impact estimates by the Metropolitan Waterworks and Sewerage System (MWSS) during a briefing on Monday.

Under the projections, Manila Water customers consuming 10 cubic meters (cu.m.) or less per month, covered by regular rates, will see their bills increase by P29.86 per month, rising to an estimated P283.71 in the first quarter of 2026 from P253.85 in the fourth quarter of 2025.

For lifeline users consuming 10 cu.m. or less, monthly bills are expected to go up by P4.24, from P91.40 to P95.64.

Higher consumption levels will see steeper increases, with 20 cu.m. users facing an additional P66.25 per month, while 30 cu.m. consumption could mean a P135.22 monthly increase, based on MWSS estimates.

Meanwhile, Maynilad customers consuming 10 cu.m. or less are projected to see a P5.06 increase in their monthly water bills, according to MWSS.

The projected adjustments form part of the concessionaires' estimated water bills for calendar year 2026, subject to regulatory processes.

Source: https://business.inquirer.net/564459/water-bills-to-rise-in-2026-under-mwss-estimates

Palace, BSP confident of rosy 2-year outlook

December 16, 2025 | Samuel P. Medenilla | BusinessMirror

DESPITE the record drop in the value of the Philippine peso last week, Malacañang is confident of a rosy economic outlook in the next two years with inflation in check and more investments entering the country.

The Bangko Sentral ng Pilipinas (BSP) made the forecast during its meeting with economic managers last week to discuss how to address the value of the peso dropping to a record low of P59.22 against the United States dollar.

The BSP said it has sufficient resources to keep the value of pesos stable by participating in the currency trade.

"The Bangko Sentral ng Pilipinas allows the exchange rate to be determined by market forces. We continue to maintain robust reserves," Palace Press Officer Claire Castro said in a press briefing on Monday, citing the position of BSP in the said meeting. *[Cont. page 7]*

Palace, BSP confident of rosy 2-year outlook
[Cont. from page 6]

As for the economic managers, she said they committed to capitalize on the stable inflation after BSP projected inflation will be within the 2 to 4 percent inflation target of the government, by removing bottlenecks in regulations and processes for investors.

“Inflation remains low; continues to be within the target for the next two years; this will drive domestic demand,” Castro said.

According to the Philippine Statistics Authority (PSA), inflation slowed down to 1.5 percent in November from 1.7 percent in the previous month.

This prompted BSP to deliver a 25-basis point rate cut last week to help spur economic growth slowed down to 4 percent during the third quarter of the year—below the 5.5 percent to 6.5 percent economic growth target set by the Development Budget Coordination Committee (DBCC).

Castro also reiterated the announcement made by Executive Secretary Ralph G. Recto earlier his month that the Marcos administration will soon announce new initiatives and investment opportunities for the private sector, particularly in the agriculture sector.

The ongoing anti-corruption campaign of the government, Castro said, is also expected to help boost investor confidence in the Philippines.

Source: https://businessmirror.com.ph/2025/12/16/palace-bsp-confident-of-rosy-2-year-outlook/

SEC, PCC boost tie-up for transparency in corporate sector
December 15, 2025 | Joan Villanueva | Philippine News Agency

MANILA – A data sharing agreement (DSA) was inked by officials of the Philippine Competition Commission (PCC) and the Securities and Exchange Commission (SEC) Monday, aimed to ensure transparency, integrity and fair competition in the domestic corporate sector.


ForwardKeys Director for Intelligence and Marketing of Olivier Ponti

PCC Chairperson Michael Aguinaldo and SEC Chairperson Francisco Lim signed the DSA, which “will provide the PCC with streamlined access to corporate information in the custody of the SEC that is relevant to the PCC’s mandate to investigate mergers, acquisitionsand anti-competitive conduct under the Philippine Competition Act,” PCC said in a press release.

“This agreement represents a shared commitment to safeguard competition and protect investors,” Aguinaldo said. “By working closely with SEC, we can ensure that markets remain transparent, competitive, and beneficial to consumers and businesses alike.”

PCC said that under the DSA, “SEC will provide requested corporate data to the PCC within three working days, while the PCC commits to use the information solely for its lawful mandate and to notify SEC of any data processors or personnel authorized to handle the shared information.”

It said the pact “also outlines procedures for data breach management, data retention, and secure disposal of personal data, ensuring accountability and protection of data subjects’ rights.”

“Valid for five years, the agreement affirms the role of institutional partnerships in strengthening market oversight and advancing good governance. It underscores the importance of transparency and cooperation in fostering investor confidence and ensuring fair competition across industries,” it said.

The DSA, PCC said, “builds on the PCC-SEC Memorandum of Agreement signed in 2016 and establishes clear protocols for data sharing, including on-site, online, and off-site access to SEC records” and “sets out safeguards for data privacy and security in line with the Data Privacy Act of 2012, requiring both agencies to implement strict confidentiality measures and designate data protection officers (DPOs) to oversee compliance.”

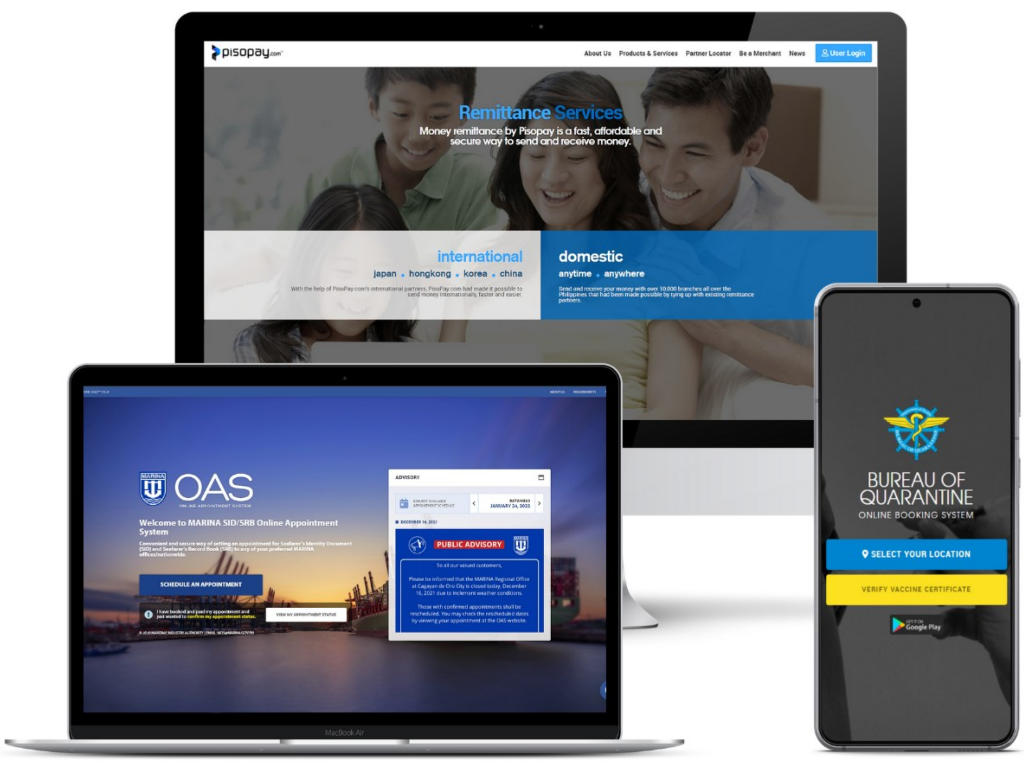
PCC said SEC Director Oliver Chato and PCC Executive Director Kenneth Tanate have been designated to implement and monitor the agreement. *(With a report from Joann Villanueva/PNA)*

Source: https://www.pna.gov.ph/articles/1265271

This KCCP E-Newsletter is supported by:

pisopay.com™

Elevating the definition of Fintech Standards



CONTACT US

- (02) 8242 8153
- info@pisopay.com.ph
- https://www.pisopay.com.ph
- Pisopay Bldg, 47D Polaris, Makati, 1209 Metro Manila

UNI-GROUP OF COMPANIES