

**PRESIDENT FERDINAND ROMUALDEZ MARCOS JR.'s
KEYNOTE ADDRESS AT THE WORLD ECONOMIC FORUM COUNTRY
ROUNDTABLE ON THE PHILIPPINES**

Kalayaan Hall, Malacañan Palace

March 19, 2024

[00:00:00]

Thank you very much to our Department of Finance Secretary, Secretary Ralph Recto.

Please take your seats.

With us here as well is the Speaker of the House of Representatives, Speaker Martin Romualdez; and there are numerous members of the Cabinet as well who are here this afternoon for this rather important occasion; and of course, Mr. Børge Brende, the President of the World Economic Forum, who played host to us when we were in Davos; distinguished guests, ladies and gentlemen. Good afternoon.

At the very beginning, allow me to extend a warm welcome to all of you our distinguished guests, dear friends and partners in the private sector from around the world.

To all those who have come from far and wide to join us in today's Country Roundtable, thank you for expressing your interest in the wellspring of investment opportunities that have sprung up here in the Philippines.

Of course, I would be remiss if I do not acknowledge and extend our profound gratitude to our partners at the World Economic Forum for their enduring support and vital role in the Philippines' growth story and ascent to the global stage.

As you may recall, it was about a decade ago that we hosted the 23rd World Economic Forum on East Asia here in Manila. Discussions back then centered on the glowing promise and potential of the Philippines as the strongest-performing Southeast Asian economy in 2014. Ten years later, we bear witness to the full fruition of that vision.

Today, against the great odds, the Philippine economy shines as the brightest spot in the fastest-growing region in the world.

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In 2023, the Philippines capped the year off with the highest GDP growth in all of ASEAN, including China meeting and exceeding the expectations of major multilateral organizations such as the IMF, ASEAN Plus Three, Macroeconomic Research Office and the World Bank.

The country's growth performance was largely driven by the resiliency of domestic demand --- an impressive feat against the backdrop of elevated prices and overlapping crises in the global market. It comes as no surprise that investments, particularly in durable equipment and public construction emerged as a key driver of our full-year growth.

From the moment I took office, it was abundantly clear to me that securing investment-led growth required the right policy thrusts and priorities. In response, we quickly formulated a vigorous plan for boosting infrastructure development that featured cross-cutting strategies for enhanced efficiency to reduce operational costs and to avoid costly delays.

To fast-track the rollout of infrastructure projects, we have prioritized a pre-selected list of 185 Infrastructure Flagship Projects worth over nine trillion pesos, or the equivalent USD 163 billion dollars.

These projects, which offer high rates of return and enjoy streamlined processes, target strategically important sectors for sustainable development, such as physical and digital connectivity, agriculture, energy, health and climate-resilient infrastructure.

As of today, more than half of these projects are either already ongoing or approved for implementation, while around a quarter are seen to be financed through the public-private partnership mechanism.

Since the early days of this administration, the economic team and I have consistently underscored the pivotal role of PPPs as a potent instrument for harnessing the combined strengths of the public and private sectors for inclusive and efficient nation-building.

To demonstrate our firm commitment to providing an enabling environment for PPP investments, we revised the Build, Operate and Transfer Law Implementing Rules and Regulations with the help of key stakeholders from the private sector within the first 100 days of the administration.

This was soon followed by a slew of other regulatory reforms in the country's PPP framework, including the landmark PPP Code which provides a stable and predictable policy environment for PPP projects.

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At the same time, we are actively focusing our policies on galvanizing foreign investments to generate a broadly beneficial investment boom. Our economic liberalization measures signal the dawn of a new era of investments here in the Philippines.

Now, international firms are welcome to invest in a wider range of high-impact sectors, form joint ventures with Filipinos or even fully own domestic enterprises and select renewable energy projects.

We aim to cover every front at every point of your investment journey. Investors can now count on expedited processes and improved ease of doing business with the newly established Green Lanes for Strategic Investments. This directly addresses binding constraints to investments that have long impeded the flow of capital into the country.

A sustainable future will not be shaped by siloed thinking and short-term policy-making. With the advent of the Fourth Industrial Revolution, we have reformed our corporate income tax structure and fiscal incentives system to attract investments in strategically important industries.

The Corporate Recovery and Tax Incentives for Enterprises or the CREATE Act positions the Philippines as a strategic hub for high-quality investments by providing longer income tax holidays and additional income-tax deductions for highly desirable operations. This includes projects covering research and development and those adopting advanced digital production technologies.

We have also established the Philippines' first-ever sovereign investment fund to channel capital toward productivity-enhancing sectors. The Maharlika Investment Fund is designed to serve as a magnet for equity financing from abroad and a vehicle for driving long-term growth without compromising efforts towards fiscal consolidation.

Furthermore, we are actively fortifying trade and economic ties across the region to promote inclusive cooperation in a time of geoeconomic fragmentation. The Indo-Pacific Economic Framework for Prosperity will establish a high-standard commitment that will deepen economic engagement across the region.

So, together with ASEAN-Australia-New Zealand Free Trade Agreement and the Regional Comprehensive Economic Partnership, we will champion our regional economic integration as a viable pathway for shared prosperity. But all this is a

mere glimpse into the world of opportunities lying in wait here in one of the fastest-growing economies in the world.

Clearly, the Philippines is in a prime position to enter into a sustained period of robust economic expansion over the next couple of years.

I extend an invitation to our guests and partners here today to join us in this exciting new phase. The members of the economic team are here today ready to discuss those opportunities that I speak of in greater depth.

Once again, thank you for coming to this Country Roundtable on the Philippines and I sincerely hope that today's event will serve as fertile ground on which new and stronger partnerships will take root and flourish.

I wish you all a productive and pleasant day ahead.

Thank you and good afternoon. [applause]

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