

**PRESIDENT FERDINAND ROMUALDEZ MARCOS JR.'s
SPEECH AT THE PHILIPPINES-U.S. BUSINESS FORUM ORGANIZED
BY THE U.S.-ABC AND THE U.S. CHAMBER OF COMMERCE**

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Thank you very much, Ambassador Babe Romualdez. He is a true diplomat because the fact of the matter is I'm sure he can't wait to see the back of us [laughter] to settle back down to his normal days together with his wife, another good friend of ours, Dudz. But, thank you for the introduction.

The President and CEO of the US-ASEAN Business Council, Ambassador Ted Osius; Senior Vice President for Asia at the Chamber of Commerce, Mr. Charles Freeman; we have here with us the Speaker of the House of Representatives of the Philippines, Speaker Martin Romualdez.

Also accompanying us are several Cabinet ministers who have joined me specifically, actually, because the main purpose of my visit this time was to formalize the Trilateral Agreement that we did yesterday with the US-Japan and the Philippines. But nonetheless, they have accompanied me for this particular—for this specific reason to be with you here today. I'm sure that you will get to meet them later on.

Our very important and full partners in the transformation of our economy; those of you from the private sector; distinguished guests, ladies and gentlemen. Good afternoon.

Allow me to express my gratitude for the notable participation of the—all of those who have been part of organizing this business forum as this has been very important for the Philippines. And we have taken, basically, we have taken the Philippines on a roadshow in the past two years and has been very productive for us. And so, we are very happy and we thank all those who

have been part of the—who have played a part in organizing this business forum here today.

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Of course, we must also once again speak to our private sector partners. I'm accompanied by some of the most prominent business leaders from the Philippines. And I'm going to, again, I think we will be—during our discussions we will be getting to meet them all.

So, once again, we are here today to discuss what are the possibilities and what are the options on the continuing transformation of our economy in the Philippines. And we are continuing that transformation with the help of all, not only the government but the entire nation and that is why we have come to you once again to be part of this very important business forum.

We just recently hosted Commerce Secretary Gina Raimondo who led the first of its kind Presidential Trade and Investment Mission to the Philippines last March 11 and 12. Secretary Raimondo brought twenty-two prominent U.S. companies engaged in air logistics, tourism, IT-BPM, financial services, ICT, infrastructure, and clean and renewable energy. The areas that we have chosen to be—to prioritize and to focus on.

During the press conference after our meeting with Secretary Raimondo, she announced that these companies would invest at least a billion US dollars' worth of projects that will create educational and career opportunities for Filipinos. Secretary Raimondo emphasized President Biden's endorsement of our foreign and our economic policies. They no longer - in the very interconnected world that we are in now - they no longer can be separated: foreign policy and economic policy. So, that is why I mentioned them together as one complements the other.

This affirmation underscores the deepening ties between the United States and the Philippines, as we are both committed to advancing our mutual goal of economic progress.

I have expressed my very sincere gratitude to President Joe Biden, during our bilateral meeting yesterday, for dispatching the business mission to the Philippines, which was the fulfillment of his commitment for my Official Visit 11 months ago in May of last year.

On the economy, I would like to share with you that for 2023, the Philippines achieved a 5.6 percent annual growth in GDP which outpaced other high-growth economies such as China, Vietnam and Malaysia. Despite the recovery time needed to accelerate businesses coming out from the Covid-19

pandemic, we were able to either exceed or match the economic projections of multilateral organizations, such as the IMF, the ASEAN Plus Three Macroeconomic Research Office and the World Bank.

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So, we saw a significant increase in foreign direct investment net inflows. It surged by 28 percent, reaching 1 billion US dollars in November 2023 from the previous 820 million US dollars recorded for the same month in 2022.

In addition, the DTI - Board of Investments—DTI is the Department of Trade and Industry. The DTI Board of Investments which is under—is an attached agency to the DTI, has approved 1.26 trillion pesos in investment projects for 2023 which was an increase of 73 percent compared to the previous year, which recorded 729.09 billion pesos.

For last year, I am happy to report that the United States remains as one of our largest sources of foreign direct investment.

Over the years, the Philippines has acknowledged the significant contribution of the United States to our economic agenda. We have observed the consistent high ranking of the United States, as evident last year, being our third top trading partner.

Moreover, the United States emerged as the primary destination for our goods and services in that same year.

In 2023, our biggest exports to the U.S. were semiconductors and integrated circuits amounting to 3.1 billion US dollars or 23.3% of our total exports to the U.S. The Philippines is a major part of the U.S. semiconductor and IC design supply chain, and we are seeing expansions by U.S. companies in the Philippines in this sector.

So, with the assistance from the U.S. government through the International Technology Security and Innovation Fund, managed by the U.S. State Department, we can achieve our goal of producing 128,000 semiconductor engineers and technicians by 2028 as demanded by the industry.

With this collaboration, the Philippines will be able to support the U.S. semiconductor industry not only in assembly, testing and packaging, but also in other segments of the supply chain such as in microchip design and in research and development.

Breakthrough policy reforms have been introduced to open businesses to more foreign participation and I cite key legislations such as the Public

Services Act, the Retail Trade Liberalization Act, the Foreign Investments Act, and the IRR - Internal Rules and Regulations of the Renewable Energy Act. These key legislations and policy reforms have opened the sectors of manufacturing, transportation, telecommunication, shipping, renewable energy. Renewable energy such as wind, solar, tidal, nuclear and the retail sector to foreign investors.

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In our commitment to facilitate investments, I issued Executive Order Number 18, which established the Green Lanes for Strategic Investments. The objective of the Green Lanes is to streamline processes and permitting to create an environment where businesses can set up and expand with ease.

The government offices handling the Green Lanes initiatives are under the Philippine Department of Trade and Industry, being led by Secretary Fred Pascual, who is with us here today. There he is. The gentleman with the, well, his hair wasn't white when he first came into government. [laughter] But I think we gave him a little too much work since he joined us.

As of today, the DTI - BOI, Board of Investments, has greenlit 59 projects worth 1.9 trillion pesos. Notably, 1.4 trillion pesos worth of green lane projects were approved in the first quarter of this year alone. So, out of these projects, 51 fall under the renewable sector, with investments amounting to 1.5 trillion pesos.

The remaining projects span the digital manufacturing, infrastructure and food security sectors.

My visit to Washington this time is primarily for the Trilateral Meeting with Japanese Prime Minister Kishida Fumio and U.S. President Joe Biden. I am quite happy to share that the trilateral meeting has opened promising opportunities across several areas such as greater maritime domain awareness and coast guard cooperation, sustainable critical infrastructure, semiconductor supply chain, digital transformation, and energy security through harnessing renewables. Together with my counterparts, I strongly support the vision of a peaceful, stable and prosperous Indo-Pacific region.

The three countries are dedicated to pursuing breakthrough initiatives in the region. This was formalized through our Joint Vision Statement encompassing the focus areas for our trilateral cooperation. I am happy to briefly share with you the things to look forward to, in relation to this partnership which we formalized yesterday.

On the economic front, the three nations have joined forces to inaugurate what we now call the Luzon Economic Corridor under the Partnership for Global Infrastructure and Investment. This corridor aims to enhance connectivity between Subic Bay, Clark, Manila, and Batangas, facilitated by our trilateral collaboration in advocating for impactful infrastructure investments.

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Through this groundbreaking effort, we aspire to attract investments including rail systems, modernized ports, clean energy initiatives, semiconductor supply chain advancements, agribusiness enhancements and updates to civilian ports at Subic Bay.

Recognizing the significant impact of new digital technologies, I am fully supportive of bolstering our cybersecurity and digitalization capabilities. I am excited to share that we will work together for Open Radio Access Network field trials, aimed at establishing a secure and reliable information and communications technology ecosystem in the Philippines.

Another initiative that I am particularly enthusiastic about is the semiconductor workforce program, offering deserving talents the opportunity for world-class training at leading universities. Our three countries are committed to harnessing the talents of our citizens to adapt to the evolving technological needs that the global economy presents us.

On climate change, given the Philippines prominence in—Oh sorry. On the semiconductor industry, given the Philippines' prominence in the semiconductor industry, we view this sector as a key driver for economic growth. With the trilateral cooperation with U.S. and Japan, I am confident that our country will maintain its capabilities in the semiconductor industry and will have opportunities to enhance the skills of our talent pool.

Responding to the urgent need to reduce greenhouse gas emissions by 2035, the Philippines is exploring partnerships with both countries to incorporate nuclear energy into that mix. This transition is expected to support industries and promote sustainable economies in our countries.

Our future with the U.S. will be sustained not only through security and defense alliances, which is ironclad, but also through closer economic integration. For this reason, we appeal to the U.S. Congress to fast track the reauthorization of the U.S. GSP program, which has benefitted beneficiary countries such as the Philippines.

On the other hand, the Philippines is also a major market for U.S. products, and in 2021, based on data from the U.S. Department of Agriculture, the Philippines is the 8th largest market for U.S. agricultural exports and the top market in Southeast Asia.

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In 2021, the Philippines also imported around 3.5 billion dollars' worth of agricultural goods from the United States. Given such, it is no surprise that U.S. agriculture and food exporters are advocating lowered tariffs and expanded market access for their products in the Philippines.

There is a demand from both the U.S. and the Philippines private sector for engagement in a bilateral Free Trade Agreement between our two countries. The benefits for concluding an FTA together with a Critical Minerals Agreement between both our countries will be transformative and will create new jobs, strengthen supply chains, establish new businesses and upskill our workforce.

The renewed alliance between the Philippines and the United States also underpins close people-to-people ties. The mutual understanding and admiration of both our peoples for each other, anchored on our own unique yet familiar cultures, binds us ever deeper.

To further bridge our countries and connect our industries, the Philippines will continue to open its skies. Following the successful launch of United Airlines' direct flight from San Francisco to Manila, Philippine Airlines will soon fly from Seattle directly to Manila. We expect more direct connections as we continue linking our countries closer across the seas.

On the 6th Indo-Pacific Business Forum which is upcoming in Manila, I would like to express the Philippines' eagerness to welcome the delegates from the United States participating in the 6th Indo-Pacific Business Forum which is scheduled in Manila for May of this year.

As the next co-host for this prestigious business forum, following Japan's hosting last year, it is a strong testament to the partnership between the Philippines, the United States and Japan.

This event will bring together approximately 500 business leaders, project developers, government officials and financing sources to discuss topics such as infrastructure, supply chain resilience, critical minerals, clean energy, the digital economy, emerging technologies and inclusive trade.

The IPBF is a great opportunity for our country to showcase what we have to offer as your potential partner in business ventures. We hope to present to you that the Philippines is open and is ready for business.

In every business meeting that Secretary Pascual and I have attended with U.S. companies, the partnership with the United States has over and over again proven invaluable.

As our foremost export market and a crucial trading and investment ally, our ties with the U.S. yield substantial mutual advantages for both our nations. Ambassador Romualdez has also said that Philippines and U.S. relations are currently at its peak and I agree. But I believe that we can do even better.

We would like to sustain the momentum of this close relationship and translate it into more business, more jobs and a better future for mutually beneficial effects for both our countries.

Thank you all very much. Thank you for your continuing interest in the Philippines and good afternoon to you all. [applause]

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BAGONG PILIPINAS