

WELCOME REMARKS

FINANCE SECRETARY CARLOS G. DOMINGUEZ III
SULONG PILIPINAS 2018
NOVEMBER 26, 2018 | CLARK, PAMPANGA





SULONG PILIPINAS 2016
happened in the midst of
hectic preparations for the
transition to a new presidency.

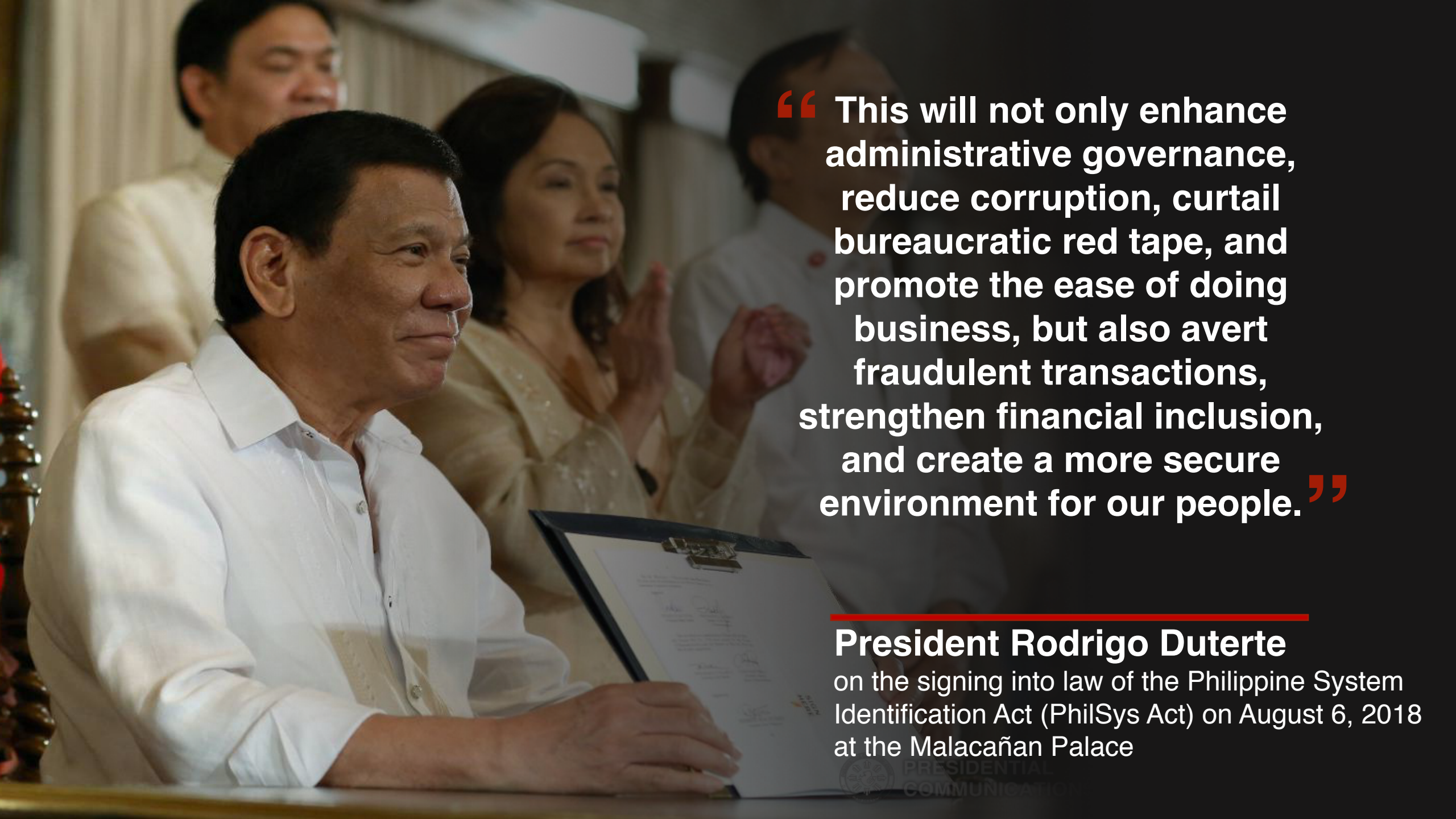
Photo Source: MindaNews

“ By automating our bureaucratic processes and integrating online mechanisms in day-to-day transactions, we do not just bring our people closer to their government. We also forge a vibrant and productive relationship that will redound to the benefit of the people. ”

President Rodrigo Duterte

on the signing into law of the Ease of Doing Business and Efficient Government Service Delivery Act on May 28, 2018 at the Malacañan Palace



A photograph of President Rodrigo Duterte in a white shirt, seated at a desk and signing a document. He is looking down at the document. In the background, two other people are visible, one of whom is clapping. The setting appears to be an official office or ceremony.

“ This will not only enhance administrative governance, reduce corruption, curtail bureaucratic red tape, and promote the ease of doing business, but also avert fraudulent transactions, strengthen financial inclusion, and create a more secure environment for our people. ”

President Rodrigo Duterte

on the signing into law of the Philippine System Identification Act (PhilSys Act) on August 6, 2018 at the Malacañan Palace

“ I applaud Congress for the timely passage of the TRAIN law. You have made funds available to build better roads and bridges, and improve health and education, and strengthen our safety and security. ”

President Rodrigo Duterte

Third State of the Nation Address (SONA) on July 23, 2018 at the session hall of the House of Representatives in Batasang Pambansa Complex, Quezon City





BUILD BUILD BUILD

MORE RAILWAYS,
MASS URBAN
TRANSPORT, AIRPORTS
AND SEAPORTS

MORE BRIDGES
AND ROADS

NEW AND BETTER
CITIES

RAPID ADMINISTRATIVE RESPONSE FOR INFRASTRUCTURE DEVELOPMENT

Infrastructure and Other Capital Outlays Spending (in PHP Billion)

2017 Actual <i>(January to September)</i>	2018 <i>(January to September)</i>		Variance <i>Program vs Actual</i>		Year-on- Year Growth (%)
	Program	Actual	Amount	Percent	
391.2	532.6	570.8	38.2	7.2	45.9

INFRASTRUCTURE SPENDING FOR THE FIRST NINE MONTHS OF 2018 IS SIGNIFICANTLY HIGHER BY 65.3% COMPARED TO THE LAST FULL YEAR OF THE AQUINO ADMINISTRATION

Infrastructure and Other Capital Outlays Spending (in PHP Billion)

2018 <i>(January to September)</i>		Variance <i>Program vs Actual</i>	
Program	Actual	Amount	Percent
532.6	570.8	38.2	7.2

2015 <i>(January to December)</i>		Variance <i>Program vs Actual</i>	
Program	Actual	Amount	Percent
431.6	345.3	-86.3	-20

Chico River Pump Irrigation Project

This will irrigate 8,700 hectares of agricultural land, benefitting 4,350 farmers and serving 21 barangays in Cagayan and Kalinga.



New Clark City

A 9,450-hectare (94km²) master-planned city within the Clark Freeport and Special Economic Zone designed to be the Philippines' largest and first smart, green, and disaster-resilient metropolis.



Clark International Airport New Terminal Building project

Involves the construction of a new 82,600 m² Passenger Terminal Building (PTB), with a design capacity of 8 million passengers per annum (MPPA).



**TAX COLLECTIONS OF BIR AND BOC FOR THE FIRST TEN MONTHS OF 2018 IS
SIGNIFICANTLY HIGHER BY 16.58% COMPARED TO THE LAST FULL
YEAR OF THE AQUINO ADMINISTRATION**

Total Tax Collections of BIR and BOC (in PHP Billion)

2018 <i>(January to October)</i>		Variance <i>Program vs Actual</i>	
Program	Actual	Amount	Percent
2,168.9	2,099.5	-69.4	-3

2015 <i>(January to December)</i>		Variance <i>Program vs Actual</i>	
Program	Actual	Amount	Percent
2,110.5	1,800.8	-309.7	-15

Source: Bureau of the Treasury

THE FINANCING WE AVAILED OF ARE SOFT LOANS AT THE LOWEST POSSIBLE INTEREST RATES AND THE LONGEST POSSIBLE TERM ARRANGEMENTS

Estimated Debt Load of Current and Pipeline Project Loans from China and Japan as Against the Total Debt

	Current	Including Scheduled for 2018	Including Scheduled until 2022
China	0.11%	0.65%	4.5%
Japan	3.17%	8.90%	9.5%


Source: DOF International Finance Group



We borrow with **GREAT PRUDENCE**,
aware that it is the **TAXPAYER** who
ultimately pays for the debt.



Taken as a whole, the
BUILD, BUILD, BUILD PROGRAM
will lay down the modern infrastructure that will enable our
economy to **SUSTAIN ITS GROWTH MOMENTUM** and
LIBERATE EVEN MORE OF OUR PEOPLE FROM
POVERTY in the medium term.

An aerial night view of a city skyline, likely Manila, Philippines, featuring several prominent skyscrapers and illuminated buildings. The image is overlaid with a semi-transparent yellow filter. The text is centered in white, with the words 'BEST PERFORMING ECONOMIES' and 'OUTLOOK IS STRONG' in bold.

The Philippines remains one of the
BEST PERFORMING ECONOMIES
in the region and its
OUTLOOK IS STRONG

Photo Source: Justin James Wright (gettyimages)

RISING INVESTMENTS HIGHLIGHT CONFIDENCE IN PHILIPPINE GROWTH PROSPECTS

*Net Foreign Direct Investment (FDI) Flows
(In USD Billion)*



THE TIGHT SPREADS OF OUR BOND ISSUANCES INDICATE CONFIDENCE IN OUR FISCAL AND DEBT MANAGEMENT

GLOBAL BONDS

- 2 billion US dollars
10-year global bonds
- Issued on January
2018
- 37.8 basis points

PANDA BONDS

- 1.46 billion renminbi
3-year Panda bonds
- Issued on March 2018
- 35 basis points

SAMURAI BONDS

- 154.2 billion yen multi-
tranche Samurai bonds
- Issued on August 2018
- 34.7 basis points

Source: Bureau of the Treasury

The role played here by
DECISIVE LEADERSHIP
cannot be understated...



TAX REFORM PACKAGE 2 MAIN HIGHLIGHTS

Reduction of corporate income tax rates

This will bring our tax regime closer to the regional average, help us attract investments to fuel our economic growth, and benefit small and medium enterprises that employ the biggest number of Filipinos.

Rationalization of fiscal incentives

This will create a level playing field for our enterprises and attract new players to compete.

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