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**1H 2016**



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# Charting Philippines Economy, 1H 2016

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## **About This Report**

This country-report presentation is designed to chart out the economic outlook of the Philippines on a semi-annual basis. It is ideal for strategic management and corporate planning functions in companies operating or looking to get into one of the hottest economies in ASEAN.

# 2016 RELEASE SCHEDULE

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Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
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Mexico 2H16					Singapore 1H17
Russia 2H16					Philippines 1H17
Turkey 2H16					Vietnam 1H17
Argentina 2H16					China 1H17
South Africa 2H16					South Korea 1H17
Peru 2H16					Hong Kong 1H17
Chile 2H16					Taiwan 1H17



# Philippines

**Official name:** Republic of the Philippines

**Brief history**

- The Philippine Islands became a Spanish colony during the 16th century; they were ceded to the US in 1898 following the Spanish-American War
- On 4 July 1946 the Republic of the Philippines attained its independence
- A 20-year rule by Ferdinand MARCOS ended in 1986, when a "people power" movement in Manila ("EDSA 1") forced him into exile and installed Corazon AQUINO as president
- Fidel RAMOS was elected president in 1992. His administration was marked by increased stability and by progress on economic reforms
- Benigno AQUINO III was elected to a six-year term as president in May 2010



Geography	Population and society	Government
<p>Area: 300,000 sq km (#73 in the world)</p> <p>Land boundaries:</p> <ul style="list-style-type: none"><li>• Coastline 36,289 km</li></ul> <p>Land use:</p> <ul style="list-style-type: none"><li>• arable land: 18%</li><li>• permanent crops: 17.33%</li><li>• other: 64.67%</li></ul> <p>Irrigated land: 18,790 sq km</p> <p>Freshwater withdrawal per capita: 859.9 cu m/yr</p> <p>Natural resources: timber, petroleum, nickel, cobalt, silver, gold, salt, copper</p>	<p><u>Population:</u> 100,998,376 (July 2015 est., #13 in the world)</p> <p><u>Ethnic group (2000):</u> Tagalog 28.1%, Cebuano 13.1%, Ilocano 9%, Bisaya/Binisaya 7.6%, Hiligaynon Ilonggo 7.5%, Bikol 6%, Waray 3.4%, other 25.3%</p> <p><u>Language:</u> Filipino (official; based on Tagalog) and English (official); eight major dialects - Tagalog, Cebuano, Ilocano, Hiligaynon or Ilonggo, Bicol, Waray, Pampango, and Pangasinan</p> <p><u>Religions (2000):</u> Catholic 82.9% (Roman Catholic 80.9%, Aglipayan 2%), Muslim 5%, Evangelical 2.8%, Iglesia ni Kristo 2.3%, other Christian 4.5%, other 1.8%, unspecified 0.6%, none 0.1%</p> <p>Working age population (15-64 yr): 61.7% Population growth rate: 1.61% (2015 est.)</p>	<p><u>Government type:</u> Republic</p> <p><u>Capital:</u> Manila</p> <p><u>Currency:</u> Peso (PHP)</p> <p><u>Chief of state:</u> President Benigno AQUINO</p> <p><u>Head of government:</u> President Benigno AQUINO</p> <p><u>Cabinet:</u> Cabinet appointed by the president with consent of Commission of Appointments</p> <p><u>Election:</u></p> <ul style="list-style-type: none"><li>• president and vice president elected on separate tickets by popular vote for a single six-year term; election held on 10 May 2010 (next election to be held in May 2016)</li></ul>

**General Information**  
This section provides a snap shot and acts as a country fact sheet. Readers will find brief history as well as information on geography, population, society and government.

# CONTENT SUMMARY

## ECONOMIC PROFILE

### Structure

### Competitiveness

### Development

## ECONOMIC OUTLOOK

### Growth

### Stability

- The Philippines is the fifth largest economy in ASEAN with USD 285 billion GDP in 2014
- The Philippines is the second most populous country in ASEAN behind Indonesia
- It also has a favorable demographic structure with relatively young population and increasing portion of working age group
- Unique feature of Philippines economy is a high level of net transfer as many Filipinos went to work overseas and transfer back to the economy
- Philippines economy is traditionally domestic based with private consumption as the most important expenditure
- Philippines economy relies less on external trade than most ASEAN economies
- Philippines is a service based economy with strong presence of manufacturing

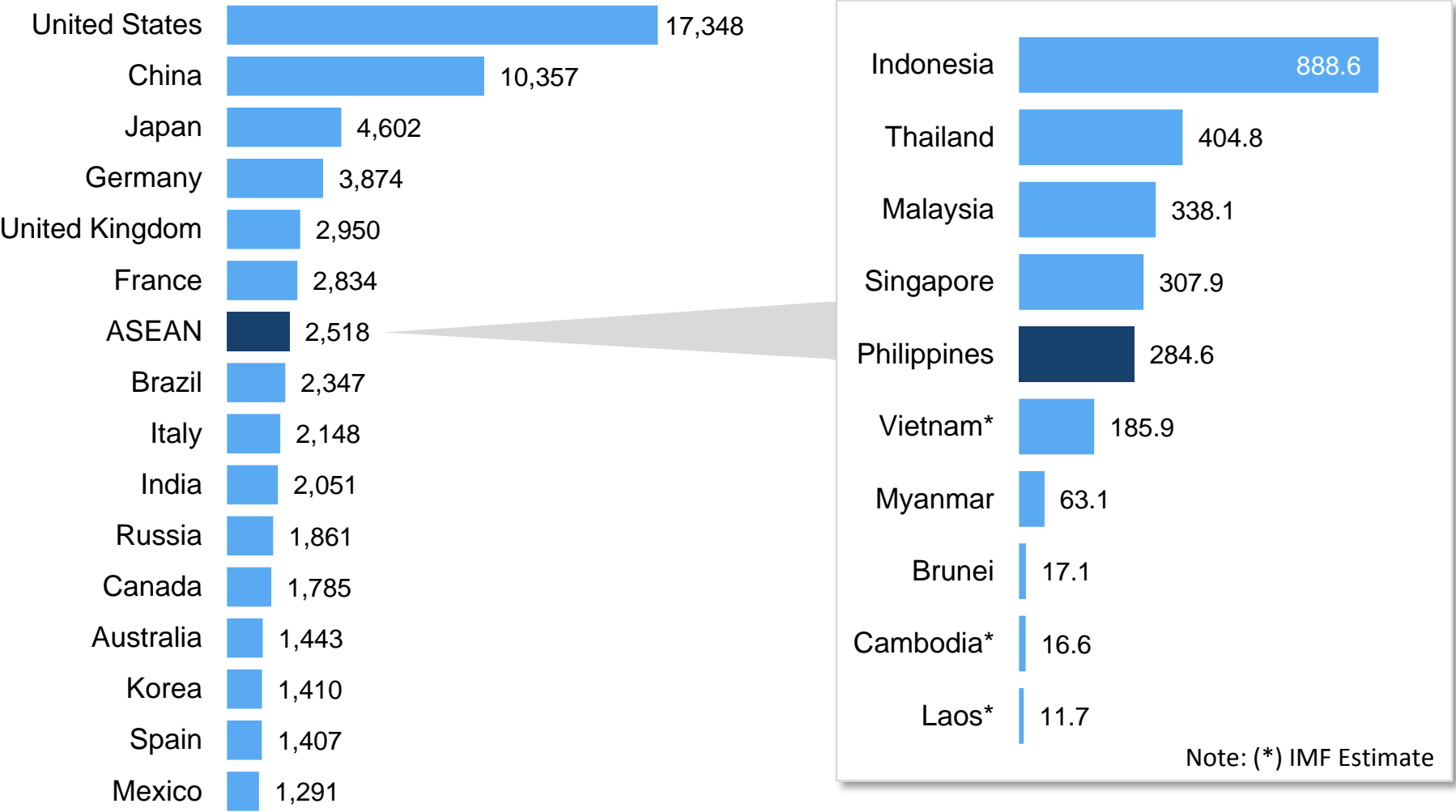
### Economic Structure

Part of the country's economic profile, economic structure section gives readers useful views to understand economic fundamental and determine what matters for the country's economy.

# The Philippines is the fifth largest economy in ASEAN with USD 285 billion GDP in 2014

## 2014 GDP

USD billion, Market Exchange Rate



### Measuring the size of an economy

Size of any economy is usually measured by calculating its Gross Domestic Product (GDP) which is the market value of all officially recognized final goods and services produced within a country in a given period of time. To compare GDP internationally, there is a need to convert value in local currencies to one main currency, normally USD. There are two popular exchange rate to be used. The first one is the official exchange rate for that particular period. The second one is the so called “Purchasing Power Parity” exchange rate, which takes into account the difference in living expenses between countries. The first method is more popular in comparing the size of each economy.

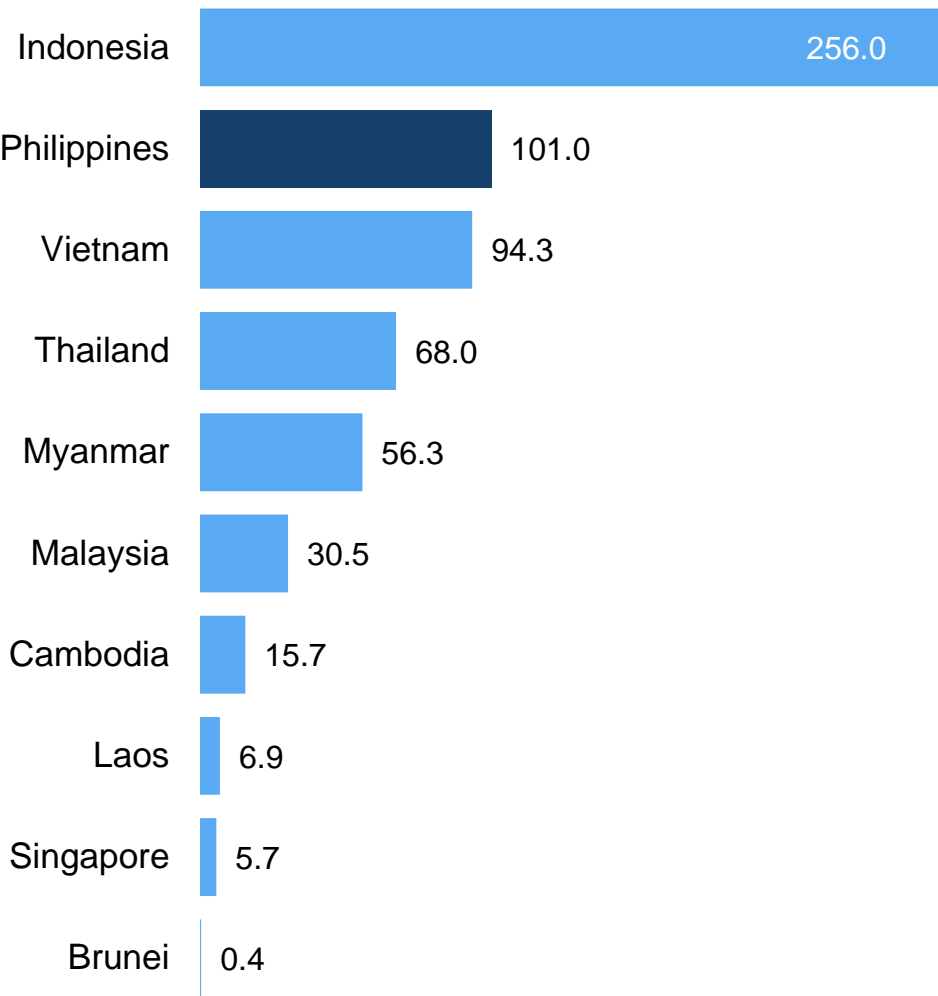
### Size of Philippines economy

Using the market exchange rate method, the Philippines GDP is around USD 285 billion in 2014, the fifth largest economy in ASEAN behind Indonesia, Thailand, Malaysia and Singapore.

# The Philippines population is around 101 million people, the second largest in ASEAN behind Indonesia

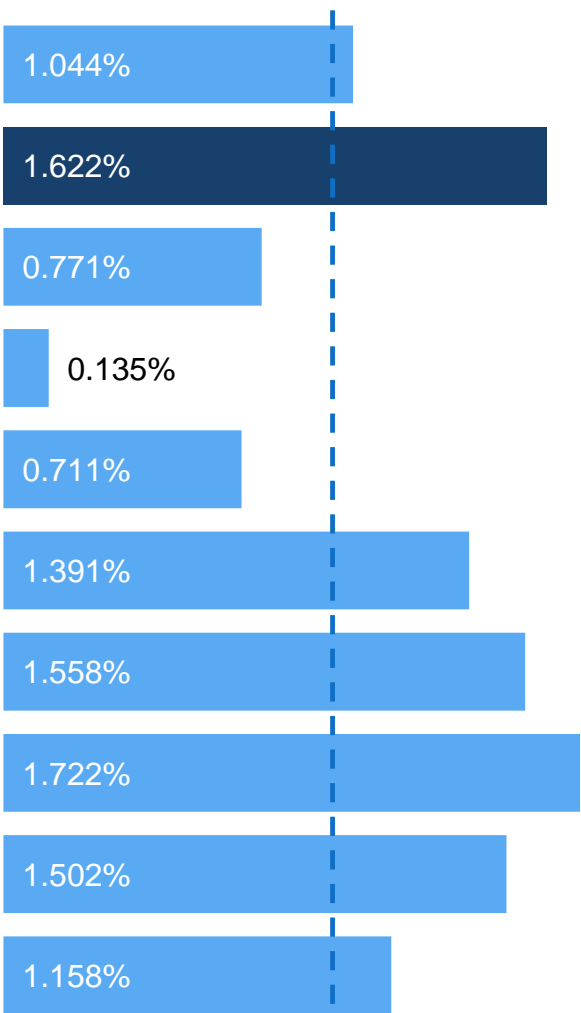
## Population

Million, July 2015 est.



## Population Growth

Avg. Annual Rate of Change, Medium fertility, 2015-2020



SE Asia avg.  
1.019%

## Population

Population compares estimates from the US Bureau of the Census based on statistics from population censuses, vital statistics registration systems, or sample surveys pertaining to the recent past and on assumptions about future trends.

## Population growth projection

Projected by UN's Population Division in World Population Prospects: 2012 Revision. There are many sets of assumptions in the projections and we show here the medium fertility scenario as a base case.

## The Philippines population

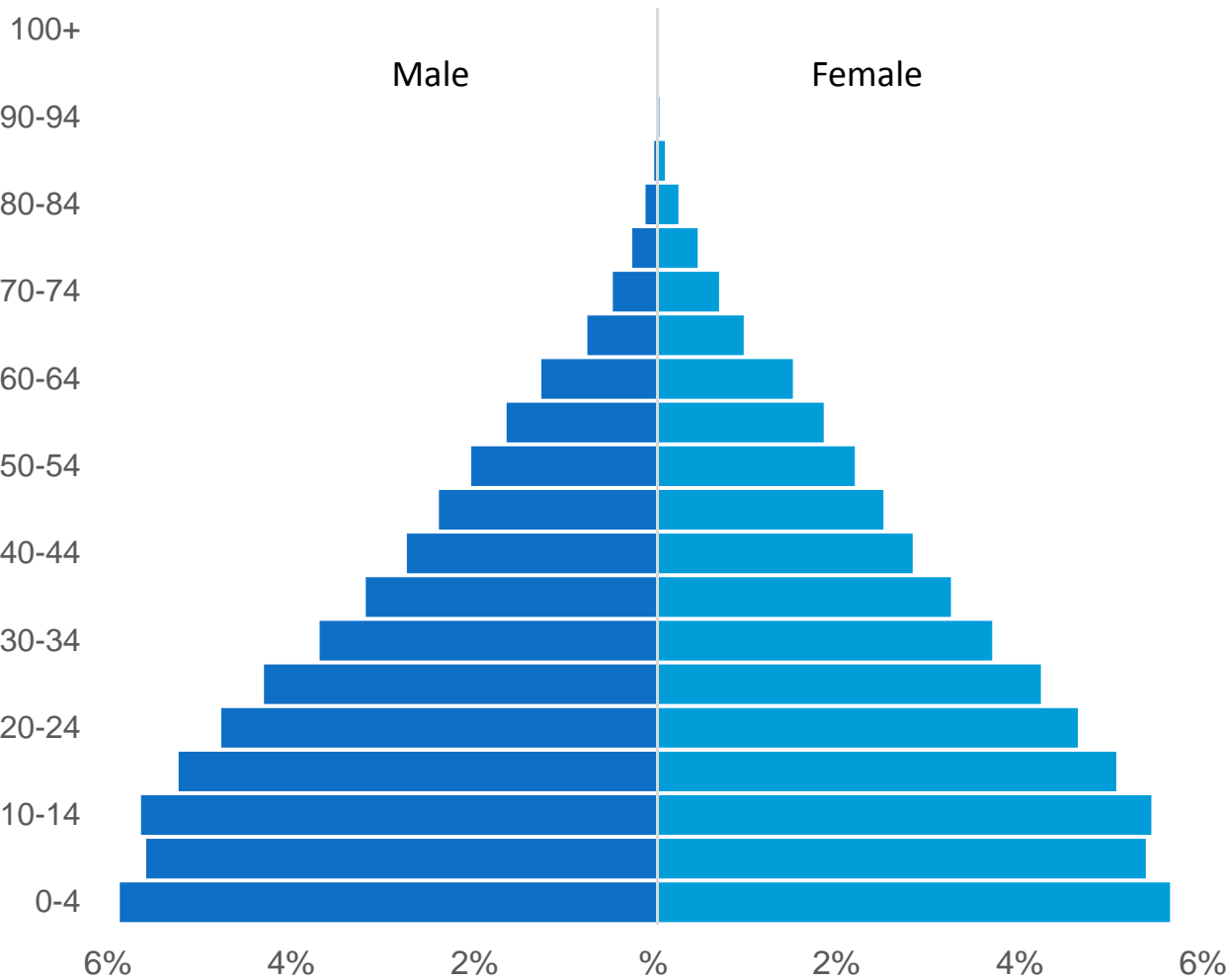
The Philippines population is around 101 million people, the second largest in ASEAN behind Indonesia. The population growth in the Philippines is projected to be quite high, at a rate of 1.622% per year over the next five years.



# Favorable demographic structure for the Philippines with relatively young population and increasing portion of working age group

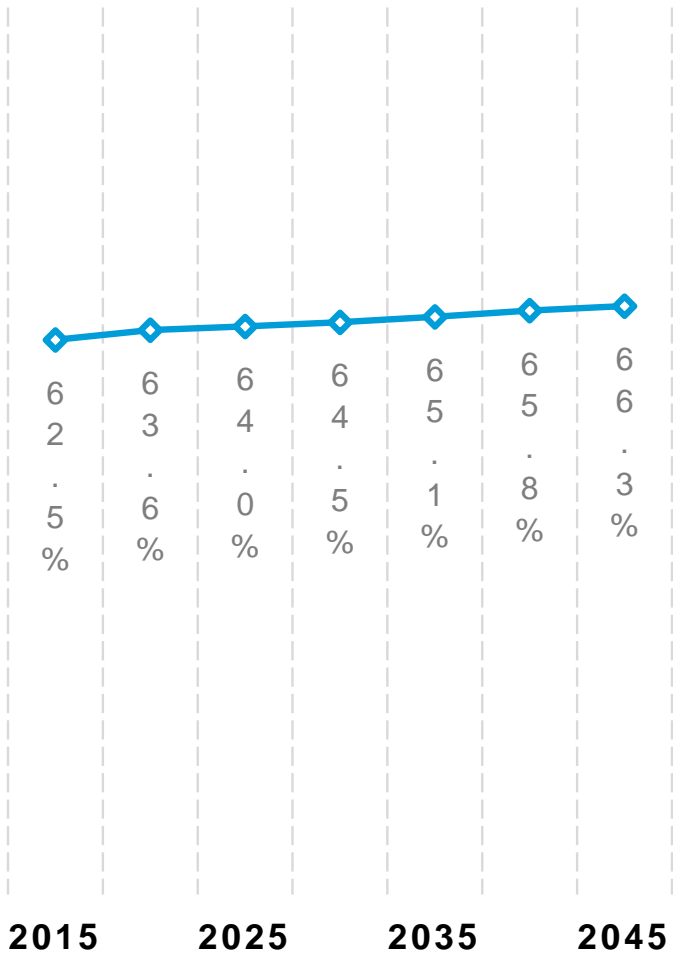
## Demographic Structure

2015, % of total population, Medium Fertility



## Working age

15-64 Years, % of total population, Medium Fertility



### Demographic structure

Total population (both sexes combined) by five-year age group.

### Demographic projection

Projected by UN's Population Division in World Population Prospects: 2012 Revision. There are many sets of assumptions in the projections and we show here the medium fertility scenario as a base case.

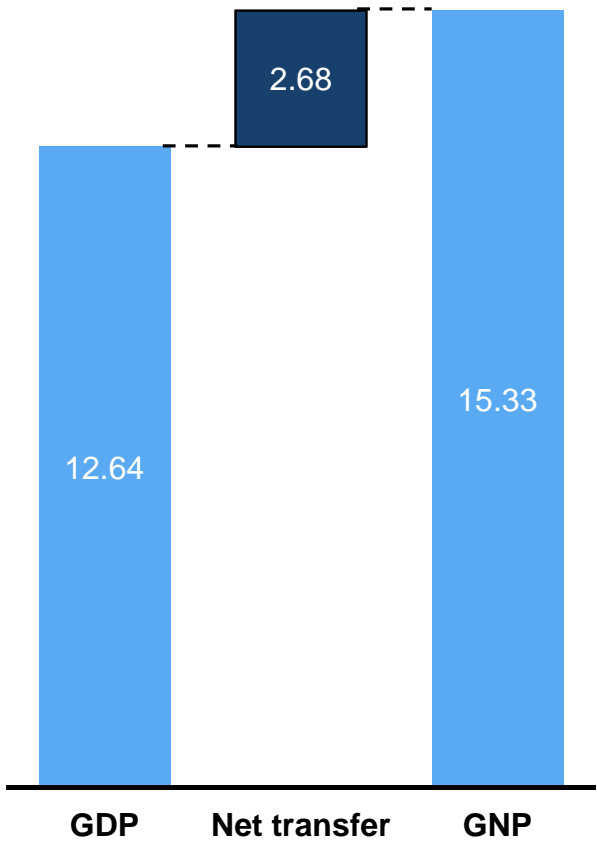
### The Philippines demographic structure

The Philippines has quite a favorable demographic structure with relatively young population. The working age group (15-64) will continue to rise to almost 70% of the total population over the next 30 years.

# Unique feature of Philippines economy is a high level of net transfer as many Filipinos went to work overseas and transfer back to the economy

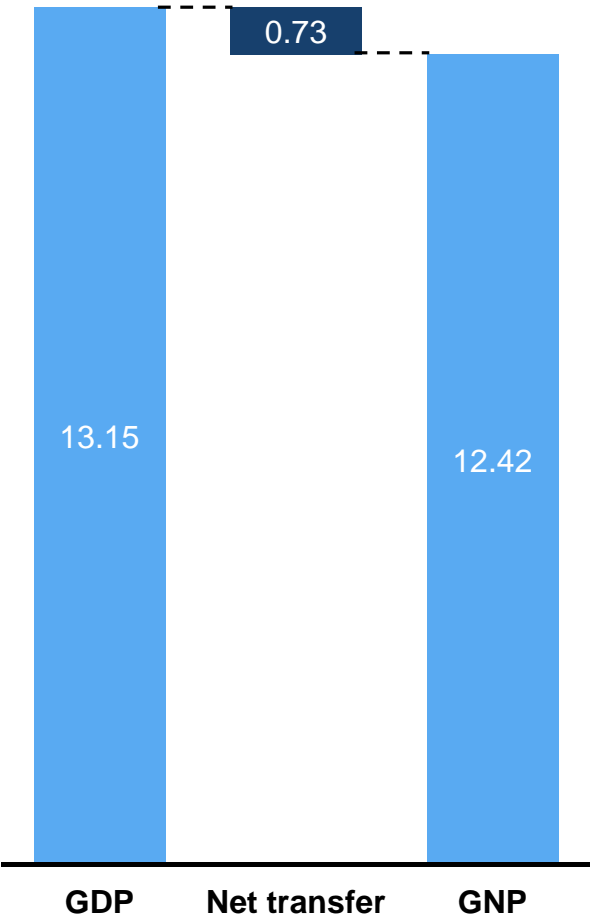
## Philippines GDP vs GNP

Current price, 2014, trillion Peso



## Thailand's GDP vs GNP

Current price, 2014, trillion Baht



### GDP vs GNP

Gross Domestic Product (GDP) is the market value of all officially recognized final goods and services produced within a country in a given period of time. Gross National Product (GNP) is the market value of all the products and services produced in one year by labor and property supplied by the residents of a country. Unlike Gross Domestic Product (GDP), which defines production based on the geographical location of production, GNP allocates production based on ownership.

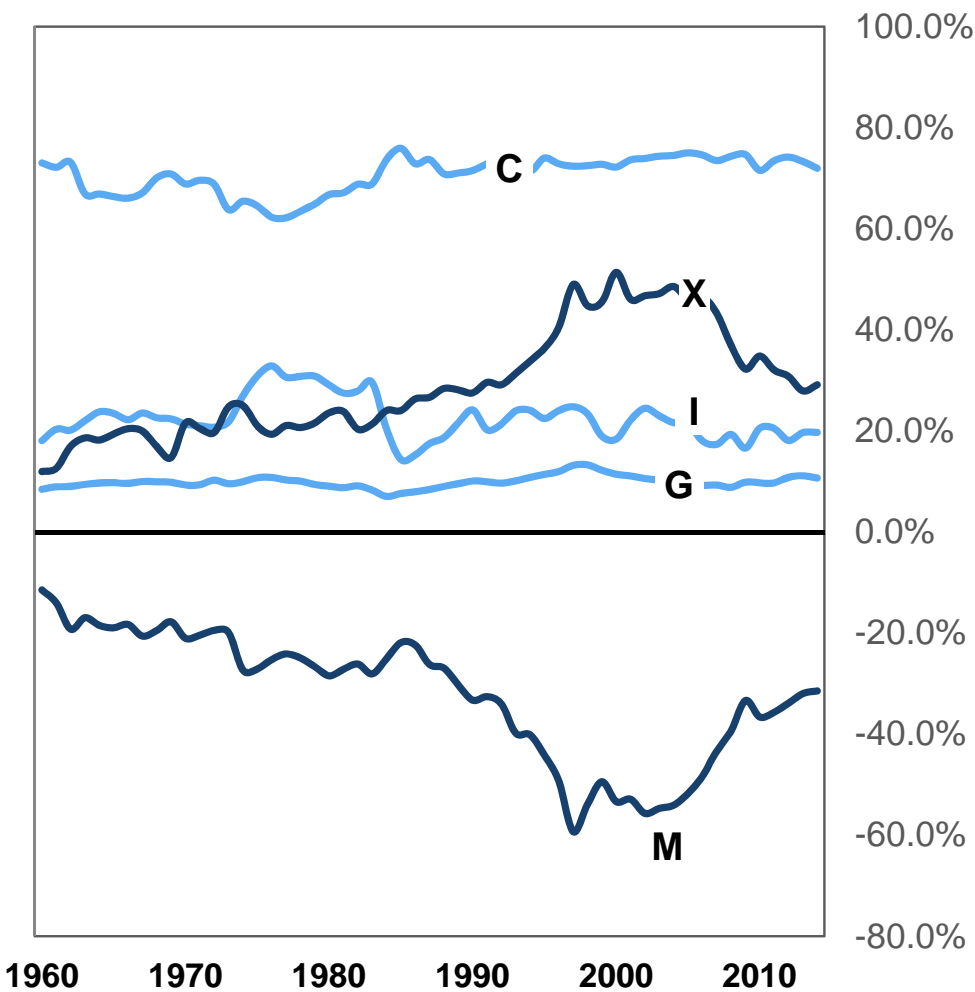
### GDP vs GNP in Philippines

Normally, GNP is very close to GDP as net transfer item is relatively small. But in Philippines case, GNP is almost 20% higher than GDP. This is largely because of the “remittance” effect, where overseas Filipinos transfer part of their income back to the Philippines.

# Philippines economy is traditionally domestic based with private consumption as the most important expenditure

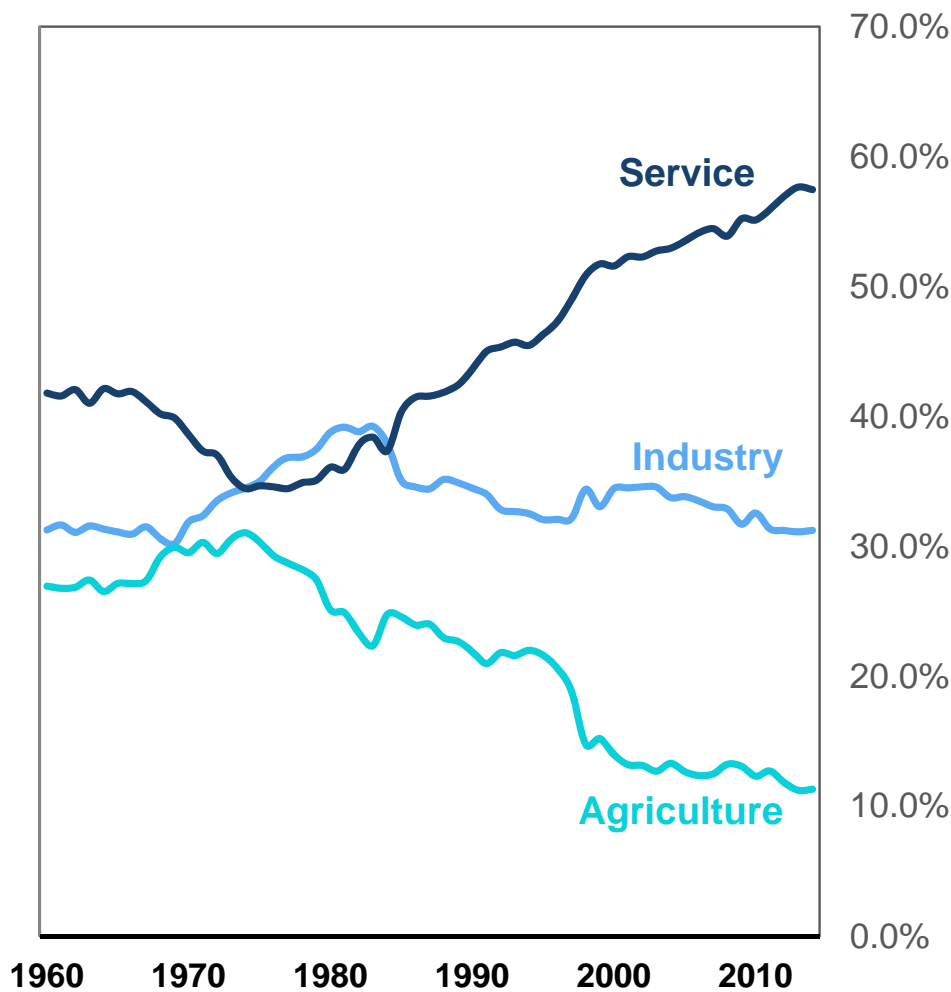
## GDP COMPOSITION – EXPENDITURE\*

1960-2014, % of total



## GDP COMPOSITION – PRODUCTION

1960-2014, % of total



## GDP composition

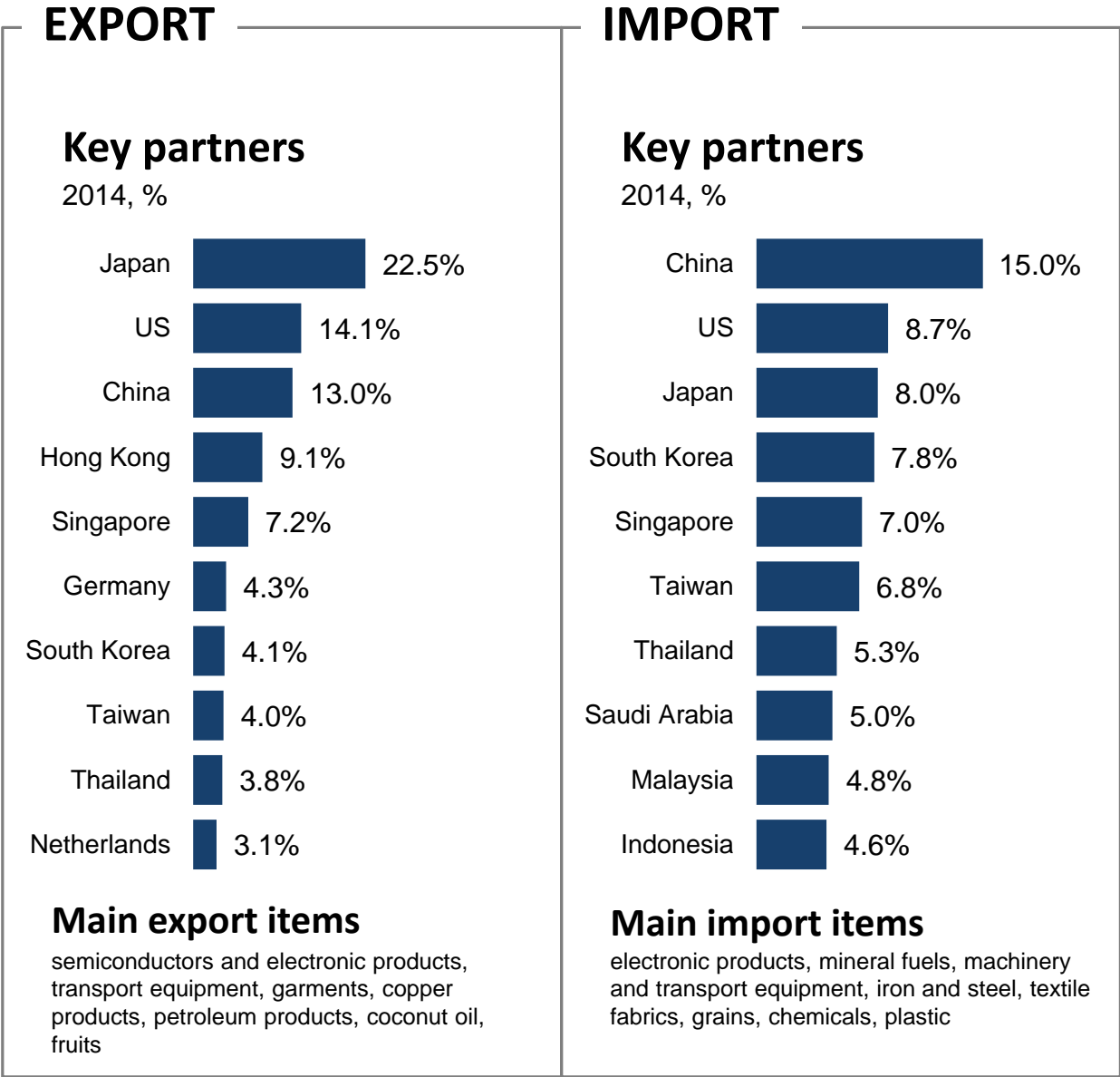
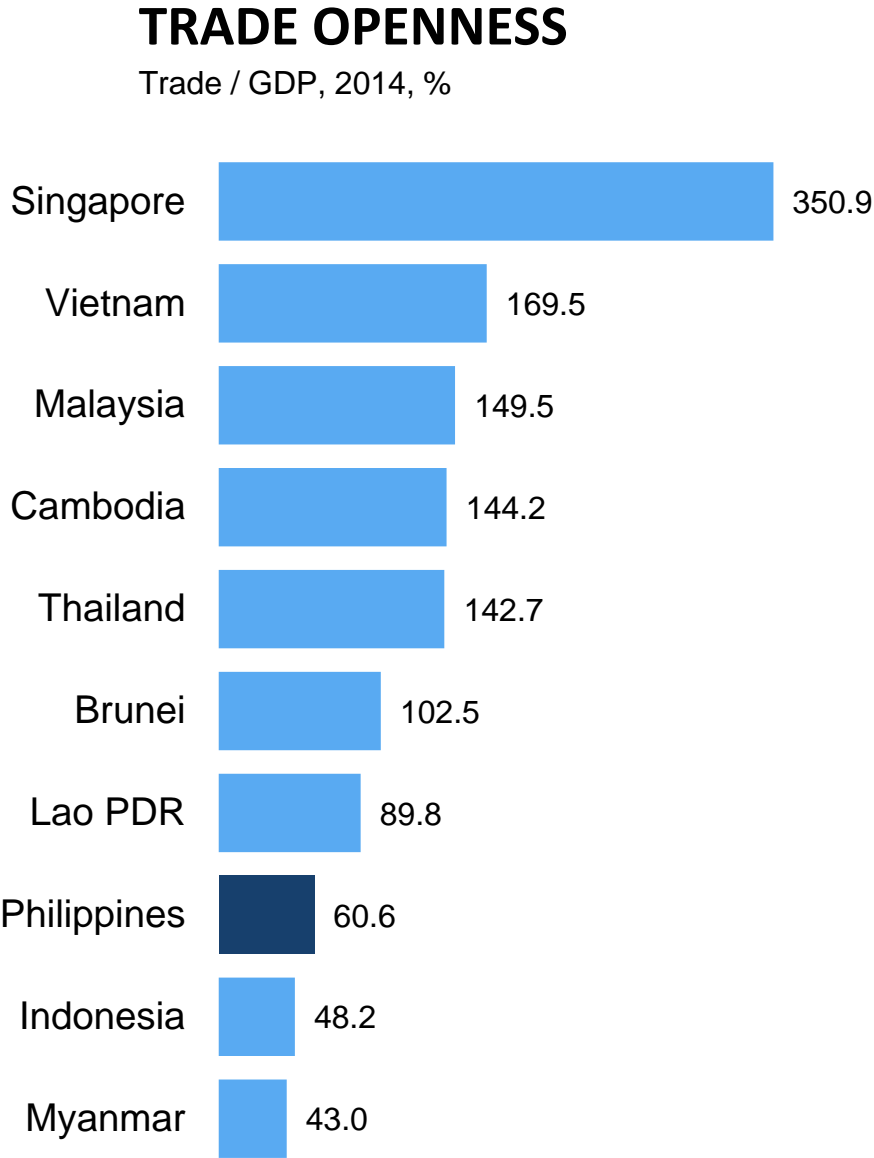
GDP can be determined in three ways, all of which should, in principle, give the same result. They are the product (or output) approach, the income approach, and the expenditure approach. The expenditure approach is summarized in the formula:  $GDP = C$  (private consumption) +  $I$  (Investment) +  $G$  (public consumption) +  $X$  (export of goods and services) –  $M$  (import of goods and services). The production approach measures market value of all final goods and services calculated during the period. It sums up value add of each production process to avoid double counting. The income approach sums total of incomes of individuals living in a country during the period. For analyzing GDP composition, the first two approaches are more popular.

## Philippines GDP composition

Philippines economy is traditionally domestic based, relying more on private consumption. During 1990s, it started to rely more on export (X) as a way to boost the economy. However, after 1997 crisis, there has been a gradual shift back to the traditional structure, with export (X) proportion in the GDP decreasing and Investment's increasing. On the production side, Service has long been the dominant sector.

Note: (\*) C = Private Consumption, I = Investment including: I (capital) = Capital formation and I (inventory) = change in inventory  
G = Public consumption, X = Export of goods and services, M = Import of goods and services

# Philippines economy relies less on external trade than most ASEAN economies



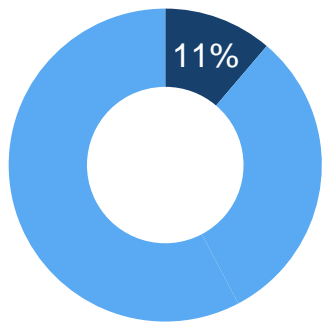
**Trade openness**  
The trade-to-GDP ratio is frequently used to measure the importance of international transactions relative to domestic transactions. This indicator is calculated for each country as the simple average (i.e. the mean) of total trade (i.e. the sum of exports and imports of goods and services) relative to GDP. This ratio is often called the trade openness ratio.

**Trade openness level for Philippines**  
Philippines economy relies less on external demand than most ASEAN economies, with its trade openness degree of only 60.6% in 2014. This is only higher than Indonesia and Myanmar. Philippines key trading partners include Japan, China, US, Hong Kong, Taiwan, etc.

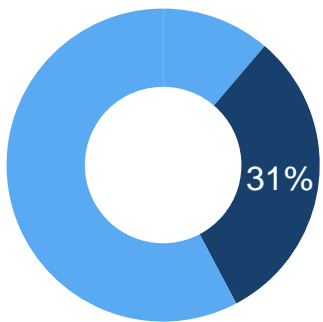
# Philippines is a service based economy with strong presence of manufacturing

## KEY PRODUCTION SECTORS

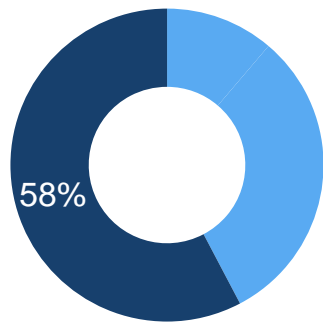
% of 2014 GDP (current price)  
100% = 12,642,736 Million PHP



AGRICULTURE	
Agriculture	9.7%
Fishing	1.6%



INDUSTRY	
Manufacturing	20.6%
Construction	6.6%
Electricity, gas, water supply	3.3%
Mining and quarrying	1.0%



SERVICE	
Trade	17.7%
Real estate	12.3%
Other services	9.3%
Financial service	7.8%
Transport and Communication	6.2%
Public service	4.0%

### GDP composition, production side

The production approach measures market value of all final goods and services calculated during the period. It sums up value add of each production process to avoid double counting. Main production sectors are Agriculture, Industry and Service. Within Industry, there are manufacturing, mining, utilities and construction. Within Service, there are trading, transport, hotel and restaurant, financial, public administration, education, real estate, health and social, other social and private household.

### Key production sectors for Philippines

As Philippines economy relies heavily on domestic demand, service is the most important production sector, accounting for 58% of 2014 GDP. Within Service sector, Trade is the largest, accounting for 17.7% of GDP. Industry accounts for 31% of GDP. Within Industry sector, Manufacturing is the largest with 20.6%. Agriculture only accounts for 11% of 2014 GDP.



# CONTENT SUMMARY

## ECONOMIC PROFILE

Structure

Competitiveness

Development

## ECONOMIC OUTLOOK

Growth

Stability

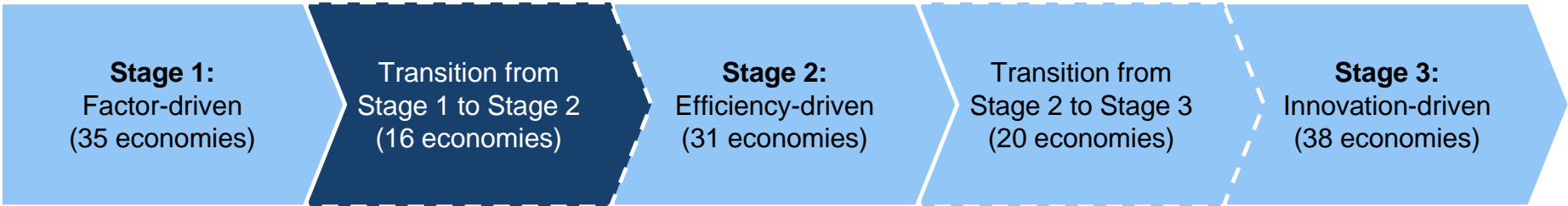
- Philippines is currently in the transition stage from factor-driven to efficiency-driven stage
- Wages in the Philippines is comparable to India, lower than Thailand but higher than Indonesia
- Current Philippines labor productivity is still far behind ASEAN neighbors such as Malaysia, Thailand and Indonesia
- Philippines economy is ranked 47th in the world in the latest global competitiveness rankings, up 5 places but still lowest among ASEAN5
- Philippines is in the middle of the ASEAN pack in term of competitiveness factors with key advantage in Macroeconomic and Market size
- Doing business in the Philippines is hard but things have improved on many fronts
- Inefficient bureaucracy, Poor infrastructure and Corruption are the most problematic factors for doing business in Philippines
- Despite the recent surge, Philippines FDI always lags behind neighbor countries

### Nation Competitiveness

Part of the country's economic profile, this section explores the country's competitiveness in the global level. It also covers the country's attractiveness to foreign direct investment.

# Philippines is currently in the transition stage from factor-driven to efficiency-driven stage

## STAGES OF DEVELOPMENT



Characteristics	<ul style="list-style-type: none"><li>• Mainly factor-driven</li><li>• Compete based on primarily low-skilled labor and natural resources</li><li>• Low productivity reflected in low wages</li></ul>	<ul style="list-style-type: none"><li>• Becomes more competitive</li><li>• Productivity will increase and wages will rise</li><li>• Compete by increasing efficiency in production process</li></ul>	<ul style="list-style-type: none"><li>• Wages will have risen by so much</li><li>• Must compete by producing new and different goods through new technologies or business models</li></ul>		
Key Factors	<ol style="list-style-type: none"><li>1. Public and Private institutions</li><li>2. Infrastructure</li><li>3. Macroeconomic environment</li><li>4. Health and primary education</li></ol>	<ol style="list-style-type: none"><li>5. Higher education and training</li><li>6. Goods market efficiency</li><li>7. Labor market efficiency</li><li>8. Financial market development</li><li>9. Technological readiness</li><li>10. Market size</li></ol>	<ol style="list-style-type: none"><li>11. Business sophistication</li><li>12. Innovation</li></ol>		
Examples	<ul style="list-style-type: none"><li>• Cambodia</li><li>• India</li><li>• Laos</li><li>• Myanmar</li><li>• Pakistan</li></ul>	<ul style="list-style-type: none"><li>• Bhutan</li><li>• <u>Philippines</u></li><li>• Saudi Arabia</li><li>• Vietnam</li></ul>	<ul style="list-style-type: none"><li>• China</li><li>• Indonesia</li><li>• South Africa</li><li>• Thailand</li><li>• Ukraine</li></ul>	<ul style="list-style-type: none"><li>• Brazil</li><li>• Malaysia</li><li>• Mexico</li><li>• Turkey</li></ul>	<ul style="list-style-type: none"><li>• Japan</li><li>• South Korea</li><li>• Singapore</li><li>• Taiwan</li><li>• UK</li><li>• US</li></ul>

### Stages of development

According to an economic theory, there are three stages of development for any economy to compete in the global market. In the first stage, an economy mainly compete based on low-skilled labor and natural resources. This stage is called “Factor-driven”. In the second stage, the economy becomes more competitive, productivity will increase and wages will rise. It can compete by increasing efficiency in production process. This stage is called “Efficiency-driven”. In the last stage, wages will have risen by so much that the economy must compete by producing new and different goods through new technologies or business models. This stage is called “Innovation-driven”. Countries/economies are grouped into these stages of development in the Global Competitiveness report by the World Economic Forum.

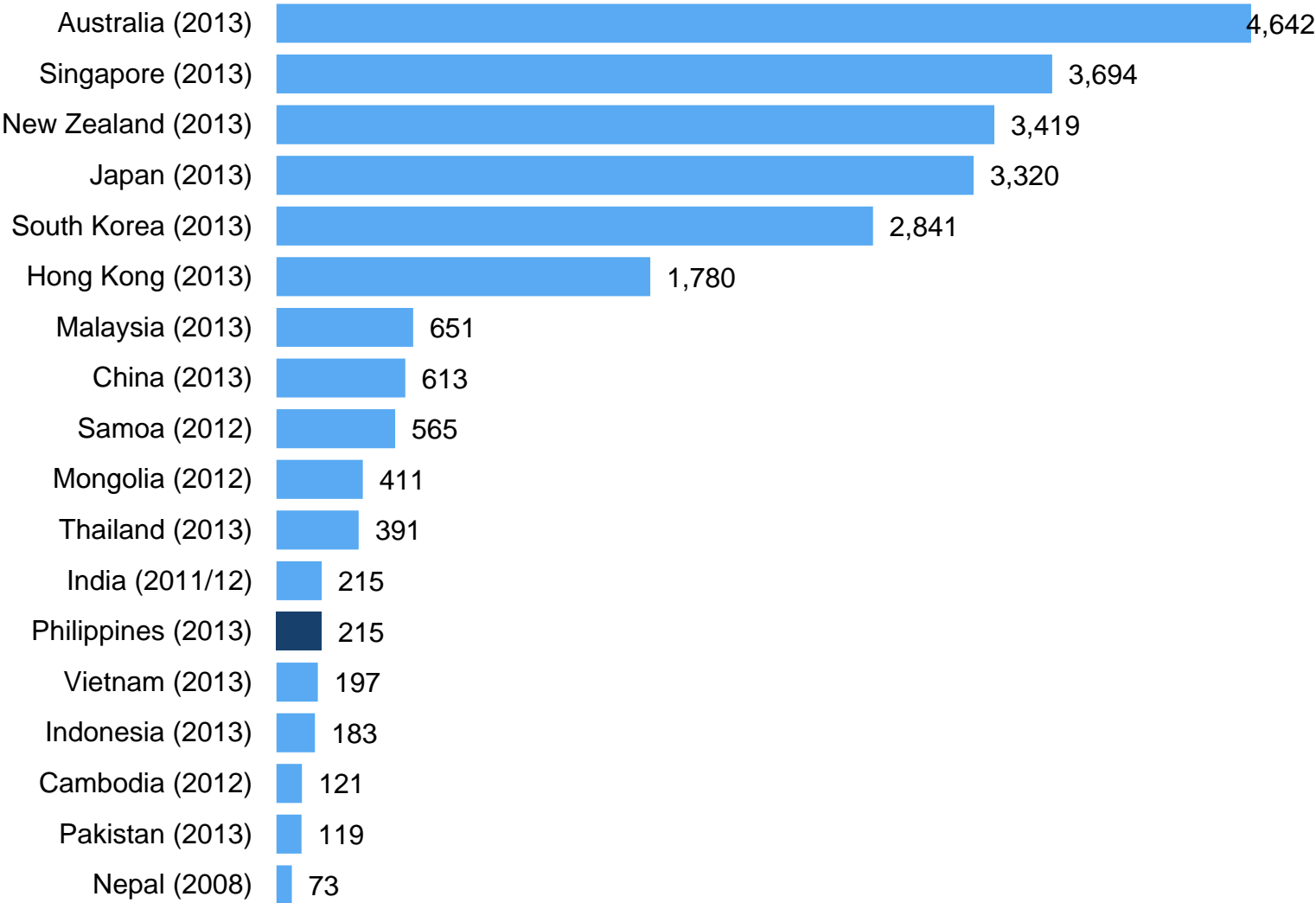
### Stage of development for Philippines economy

Along with Vietnam, Philippines is currently in the transition stage from factor-driven to efficiency-driven stage.

# Wages in the Philippines is comparable to India, lower than Thailand but higher than Indonesia and Vietnam

## Average monthly wages in Asia and the Pacific

2013 or latest available year (US\$)



### International Wage Comparison

Due to differences in definitions and coverage, comparing average wages across countries is not always straightforward. The chart presents information on wage levels for countries with broadly comparable data, compiled by International Labor Organization from comprehensive National Labor Force Surveys.

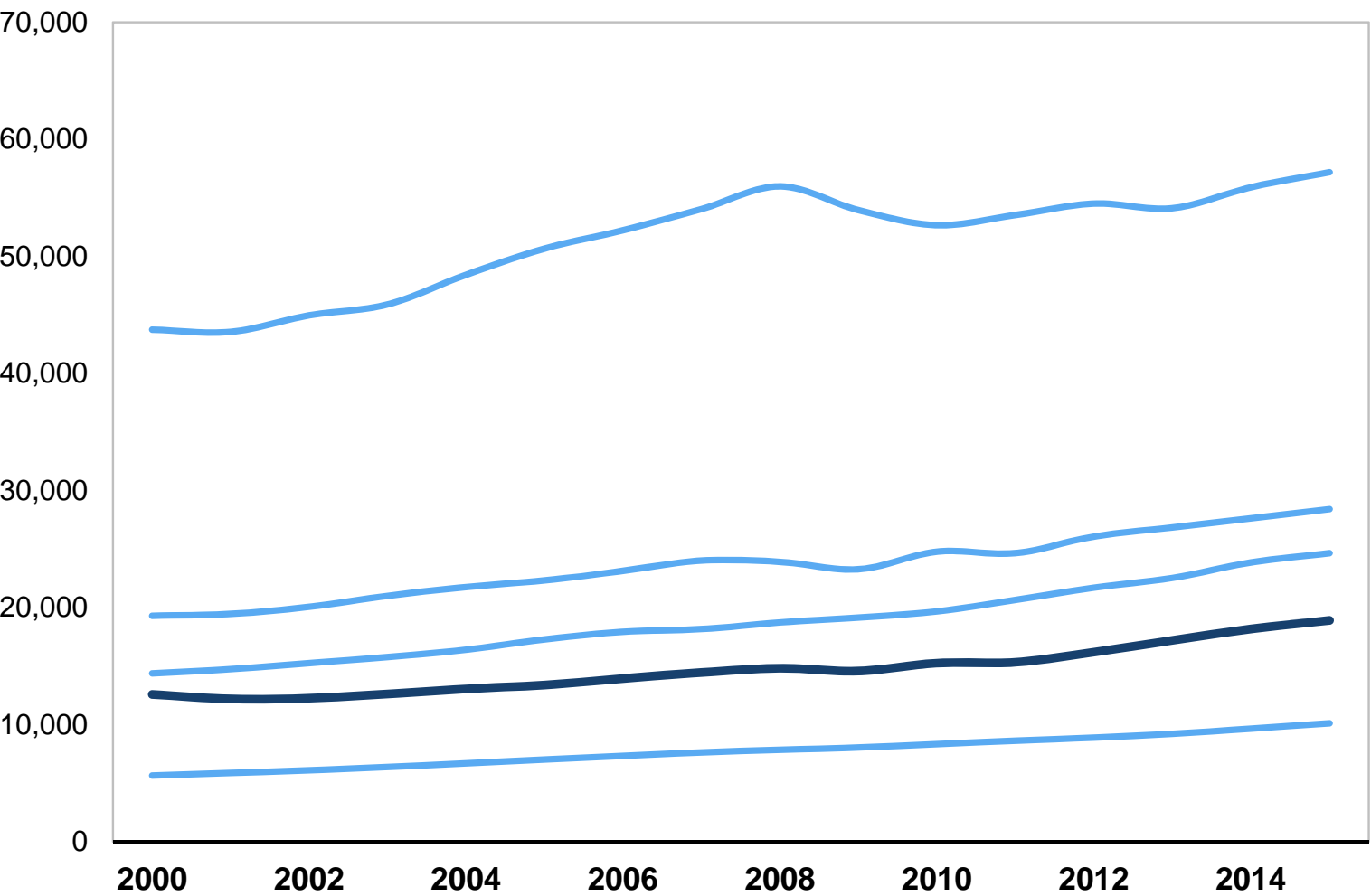
### Wages in the Philippines

Average monthly wages in the Philippines in 2013 was around USD 215, same as in India. It is lower than in Thailand but higher than in Indonesia and Vietnam.

# Current Philippines labor productivity is still far behind ASEAN neighbors such as Malaysia, Thailand and Indonesia

## Labor productivity

Per person employed in 2014 US\$ (converted to 2014 price level with updated 2011 EKS PPPs)



Cumulative  
Annual Growth  
Rate, 2000-2015

Malaysia (1.8%)

Thailand (2.6%)

Indonesia (3.7%)

Philippines (2.8%)

Vietnam (4.0%)

### Labor Productivity

Labor productivity per person employed in 2014 US\$ (converted to 2014 price level with updated 2011 EKS PPPs). Compiled and computed by The Conference Board from macro economic indicators in each country. This indicates labor productivity of the whole economy and is useful for analyzing the macro trend.

### Labor Productivity in the Philippines

Labor Productivity in the Philippines grew 2.8% annually between 2000-2015. At the current level, it is still far behind ASEAN neighbors such as Malaysia, Thailand and Indonesia.

# Philippines economy is ranked 47<sup>th</sup> in the world in the latest global competitiveness rankings, up 5 places but still lowest among ASEAN5



Interactive chart for this page is available online to provide you with more perspectives

## The Global Competitiveness rankings 2015-2016

#5 among 9 ASEAN economies

Country/Economy	GCI 2015-2016		GCI 2014-2015
	Rank (out of 140)	Score	Rank (out of 144)
Singapore	2	5.68	2
Malaysia	18	5.23	20
Thailand	32	4.64	31
Indonesia	37	4.52	34
Philippines	47	4.39	52
Vietnam	56	4.30	68
Lao PDR	83	4.00	93
Cambodia	90	3.94	95
Myanmar	131	3.32	134

Country/Economy	GCI 2015-2016	
	Rank (out of 140)	Score
Singapore	2	5.68
Japan	6	5.47
Hong Kong SAR	7	5.46
Qatar	14	5.30
Taiwan, China	15	5.28
Malaysia	18	5.23
Saudi Arabia	25	5.07
Korea, Rep.	26	4.99
China	28	4.89
Thailand	32	4.64
Kuwait	34	4.59
Indonesia	37	4.52
Bahrain	39	4.52
Kazakhstan	42	4.48
Philippines	47	4.39
India	55	4.31
Vietnam	56	4.30
Oman	62	4.25
Jordan	64	4.23
Sri Lanka	68	4.21
Iran, Islamic Rep.	74	4.09
Lao PDR	83	4.00
Cambodia	90	3.94
Nepal	100	3.85
Mongolia	104	3.81
Bhutan	105	3.80
Bangladesh	107	3.76
Pakistan	126	3.45
Myanmar	131	3.32

#15 among 29 Asian economies

GCI 2015-2016		
Country/Economy	Rank (out of 140)	Score
Andorra	1	5.78
Singapore	2	5.68
United States	3	5.61
Germany	4	5.53
Netherlands	5	5.50
Japan	6	5.47
Hong Kong SAR	7	5.46
Poland	8	5.45
Sweden	9	5.43
United Kingdom	10	5.43
Norway	11	5.41
Denmark	12	5.33
Canada	13	5.31
Chile	14	5.30
Taiwan, China	15	5.28
New Zealand	16	5.25
United Arab Emirates	17	5.24
Malaysia	18	5.23
Belgium	19	5.19
Switzerland	20	5.19
Australia	21	5.15
France	22	5.13
Austria	23	5.12
Israel	24	5.11
Saudi Arabia	25	5.07
Korea, Rep.	26	4.99
Spain	27	4.98
China	28	4.89
United States	29	4.89
Costa Rica	30	4.74
South Republic	31	4.65
Thailand	32	4.64
Spain	33	4.59
United States	34	4.53
Chile	35	4.58
Indonesia	36	4.52
Indonesia	37	4.52
Malaysia	38	4.52
Bahrain	39	4.52
Azerbaijan	40	4.50
Poland	41	4.48
Kazakhstan	42	4.48
Italy	43	4.46
Latvia	44	4.45
Guatemala	45	4.41
Philippines	46	4.39
Philippines	47	4.39
India	48	4.39
South Africa	49	4.39
Peru	50	4.38
Turkey	51	4.37
Costa Rica	52	4.37
Indonesia	53	4.32
Colombia	54	4.32
India	55	4.31
Indonesia	56	4.30
Malaysia	57	4.29
France	58	4.29
Indonesia	59	4.28
Malaysia	60	4.28
China	61	4.28
China	62	4.25
Hungary	63	4.25
Latvia	64	4.23
Cyprus	65	4.23
Georgia	66	4.23
Slovak Republic	67	4.22
El Salvador	68	4.21
Peru	69	4.21
Belarus	70	4.20
Belarus	71	4.19
Thailand	72	4.16
Thailand	73	4.09
Iran, Islamic Rep.	74	4.09
India	75	4.08
Ecuador	76	4.07
Costa	77	4.05
Costa Rica	78	4.05
India	79	4.05
Indonesia	80	4.03
China	81	4.02
Indonesia	82	4.01
Lao PDR	83	4.00
Indonesia	84	4.00
Indonesia	85	3.99
Indonesia	86	3.97
Indonesia	87	3.97
Indonesia	88	3.95
Indonesia	89	3.94
Cameroon	90	3.94
Uganda	91	3.93
Turkey	92	3.93
Albania	93	3.93
India	94	3.89
El Salvador	95	3.87
China	96	3.87
Guatemala	97	3.86
Guatemala	98	3.86
Guatemala	99	3.85
Niger	100	3.85
Indonesia	101	3.84
Indonesia	102	3.83
Indonesia	103	3.83
Indonesia	104	3.81
Indonesia	105	3.80
Argentina	106	3.79
Bangladesh	107	3.76
Indonesia	108	3.75
Indonesia	109	3.74
Indonesia	110	3.73
Indonesia	111	3.71
Uganda	112	3.70
Indonesia	113	3.70
Cameroon	114	3.69
Indonesia	115	3.68
Indonesia	116	3.66
Indonesia	117	3.65
Indonesia	118	3.60
Indonesia	119	3.58
Tanzania	120	3.57
Indonesia	121	3.56
Indonesia	122	3.55
Indonesia	123	3.48
Indonesia	124	3.45
Zimbabwe	125	3.45
Indonesia	126	3.45
India	127	3.44
Indonesia	128	3.40
Indonesia	129	3.37
Indonesia	130	3.32
Indonesia	131	3.30
Indonesia	132	3.30
Indonesia	133	3.29
India	134	3.18
Indonesia	135	3.15
Indonesia	136	3.11
Indonesia	137	3.08
Indonesia	138	3.03
Chad	139	2.98
Indonesia	140	2.94

#47 among all 140 Economies

## Global Competitiveness

World Economic Forum, who publishes annual Global Competitiveness Report, defines competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. Since 2005, the World Economic Forum has based its competitiveness analysis on the Global Competitiveness Index (GCI), a comprehensive tool that measures the microeconomic and macroeconomic foundations of national competitiveness. More information on the report can be found on its website <http://www.weforum.org/issues/global-competitiveness>

## Philippines in the Global Competitiveness Rankings

Philippines economy is ranked 47<sup>th</sup> in the world in the latest global competitiveness rankings, up 5 places but still lowest among ASEAN5.

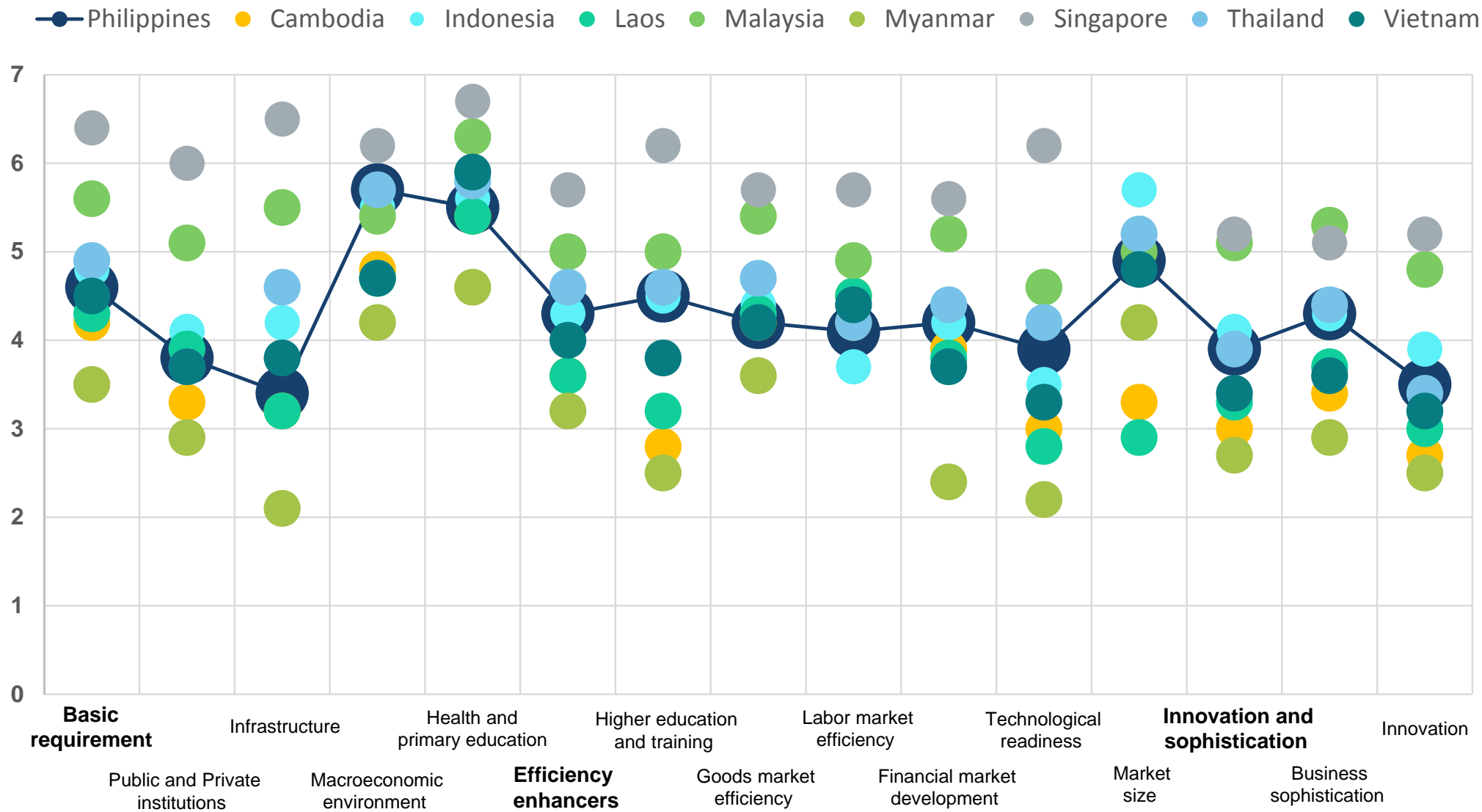


# Philippines is in the middle of the ASEAN pack in term of competitiveness factors with key advantage in Macroeconomic and Market size



Interactive chart for this page is available online to provide you with more perspectives

The Global Competitiveness Index  
2015-2016, ASEAN, score = 0-7



## The Global Competitiveness Index

The Global Competitiveness Index framework divides competitiveness factors into three groups. The first group is Basic requirements, which includes Public and Private institutions, Infrastructure, Macroeconomic environment and Health and primary education. The second group is Efficiency enhancers, including Higher education and training, goods market efficiency, labor market efficiency, financial market development, technology readiness and market size. The last group is Innovation and sophistication, including business sophistication and innovation.

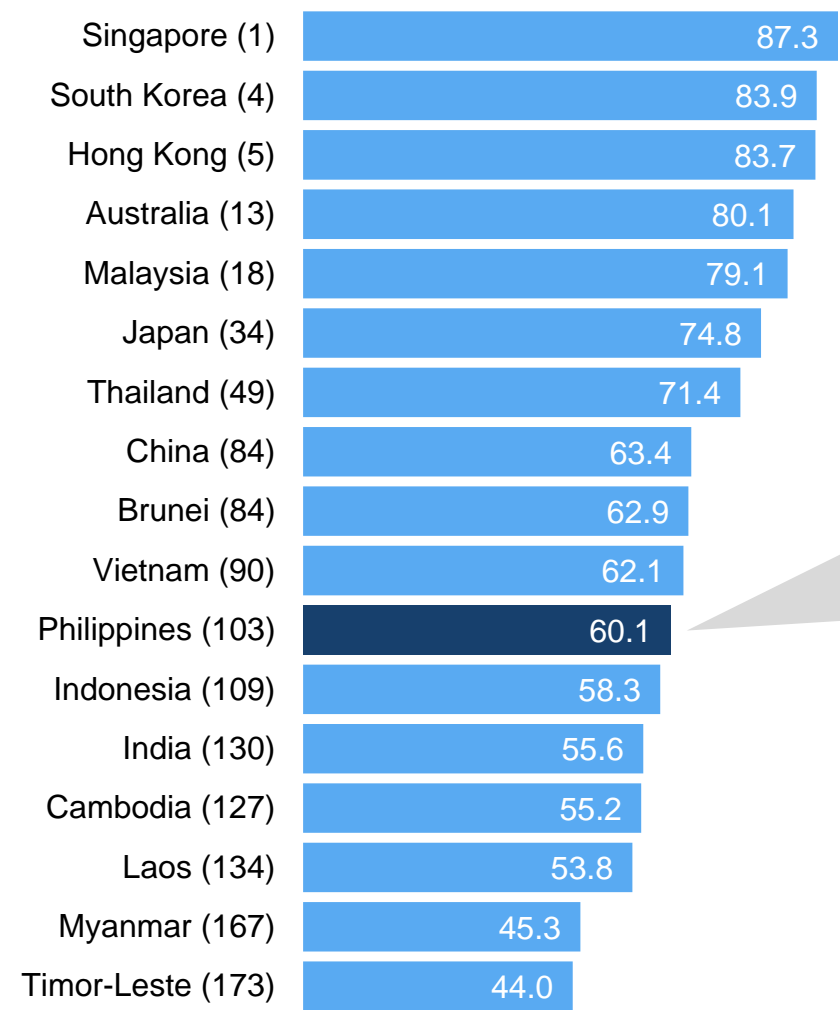
## Global Competitiveness Index: Philippines vs ASEAN

Philippines is in the middle of the ASEAN pack in term of competitiveness factors. It did well in Macroeconomic environment and Market size. Infrastructure is obviously Philippines key weakness.

# Doing business in the Philippines is hard but things have improved on many fronts

## Ease of Doing Business Ranking

Selected economies, ( ) = 2016 rank, DTF\* score



## Philippines DTF\* score

2016 vs 2015

TOPICS	DB 2016	DB 2015	Change
Starting a Business	68.6	67.2	↑
Dealing with Construction Permits	67.7	67.6	↑
Getting Electricity	86.9	86.9	↑
Registering Property	57.5	57.5	↑
Getting Credit	40.0	40.0	→
Protecting Minority Investors	38.3	38.3	→
Paying Taxes	66.2	66.5	↓
Trading Across Borders	69.4	69.4	→
Enforcing Contracts	49.2	49.2	→
Resolving Insolvency	56.8	56.7	↑

## Ease of Doing Business

Doing Business sheds light on how easy or difficult it is for a local entrepreneur to open and run a small to medium-size business when complying with relevant regulations. It measures and tracks changes in regulations affecting 11 areas in the life cycle of a business: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and labor market regulation.

## Doing Business in the Philippines

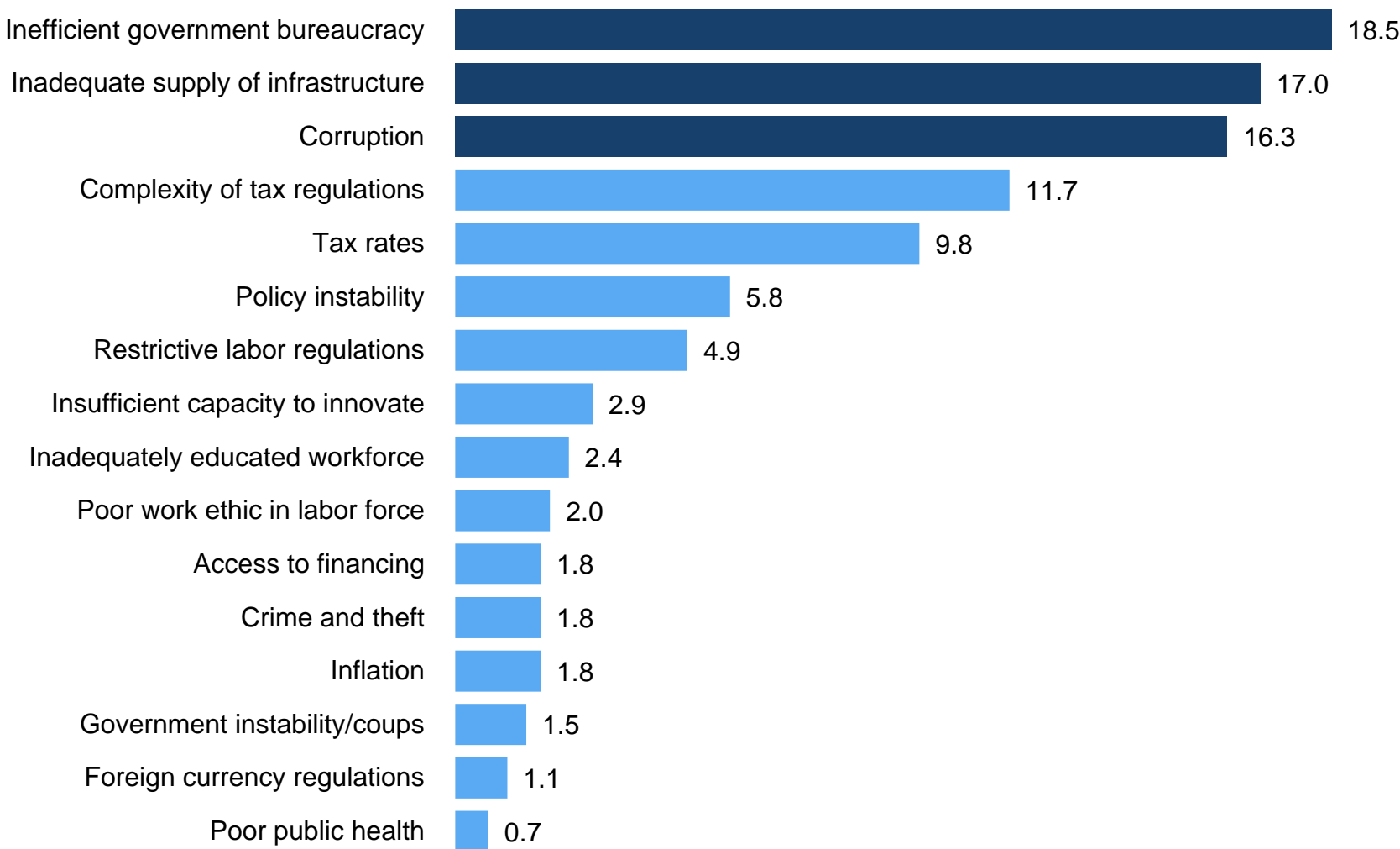
Philippines economy is ranked as low as 103<sup>th</sup> in the world on the World Bank's Ease of Doing Business 2016 ranking. It dropped 6 places from the last round of survey ranking. Certain conditions, such as starting a business, or dealing with construction permits, have improved.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

# Inefficient bureaucracy, Poor infrastructure and Corruption are the most problematic factors for doing business in Philippines

## The most problematic factors for doing business in Philippines

% of responses\*



Note: (\*) From the list of factors above, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings

Source: The Global Competitiveness Report 2015-2016, World Economic Forum

www.ChartingEconomy.com

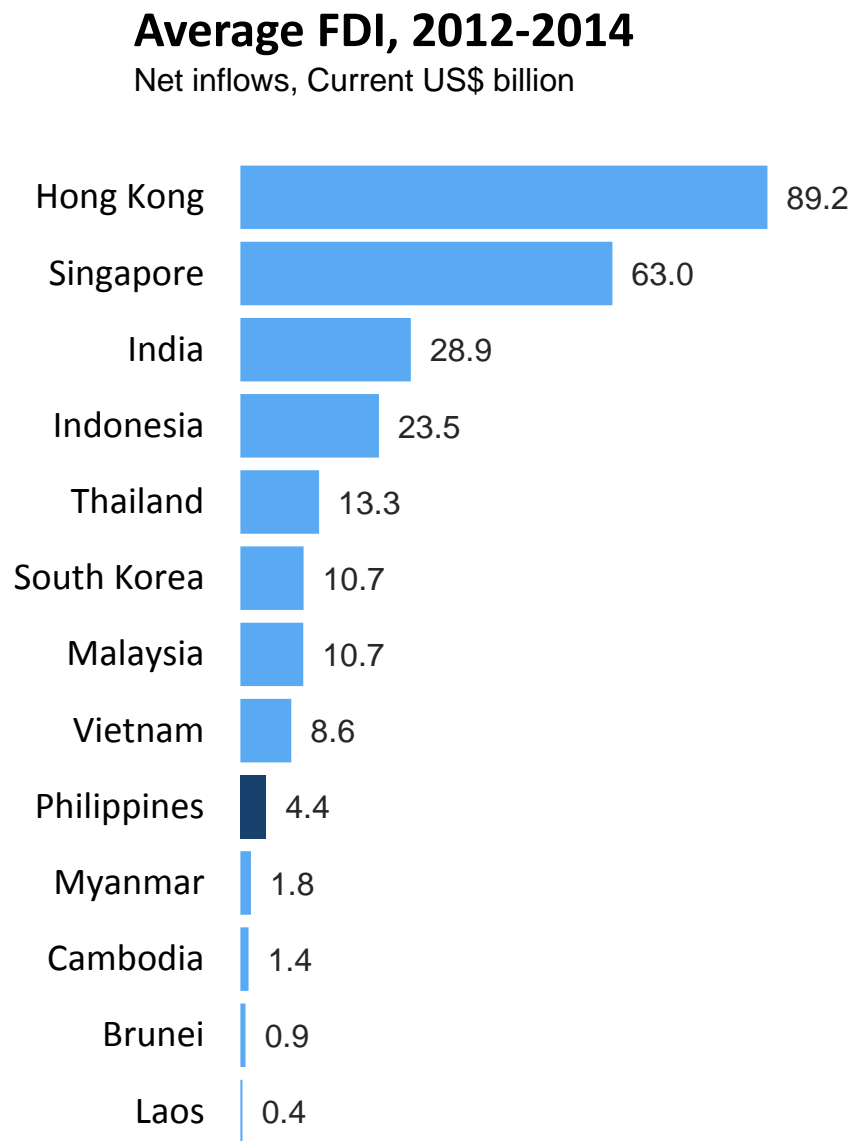
### The most problematic factors for doing business

As part of its Global Competitiveness Report, World Economic Forum also conducts its annual executive opinion survey which in 2015 involves over 14,000 respondents from around the world. Part of the survey is the issue of problematic factors for doing business in a given country. From the given list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

### The most problematic factors for doing business in Philippines

Inefficient bureaucracy, Poor infrastructure and Corruption are the most problematic factors for doing business in Philippines

# Despite the recent surge, Philippines FDI always lags behind neighbor countries such as Thailand and Indonesia



## Foreign direct investment, net inflows (BoP, current US\$)

Foreign direct investment are the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows net inflows (new investment inflows less disinvestment) in the reporting economy from foreign investors. Data are in current U.S. dollars.

## Foreign direct investment, net inflows (% of GDP)

This series shows net inflows (new investment inflows less disinvestment) in the reporting economy from foreign investors, and is divided by GDP.

## Foreign direct investment into the Philippines

Philippines's FDI lags behind neighbor countries in both absolute and percentage of GDP terms. Its average over the past three years was just USD 4.4 billion.

# CONTENT SUMMARY

## ECONOMIC PROFILE

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## ECONOMIC OUTLOOK

Growth

Stability

- Philippines per capita income is lowest among ASEAN5 countries
- Despite its recent high economic growth rate, poverty situation in Philippines has not improved and the latest poverty rate is highest among ASEAN5.
- Unemployment rate in Philippines has stabilized around 7% and is expected to reduce further in 2016
- Income distribution in Philippines is one of the worst in ASEAN
- Philippines Human Development Index has improved less than others over the past three decades and is now ranked 117th in the world, 5th among ASEAN countries
- Quality of life in Philippines has improved but still largely below other developing countries in East Asia Pacific

### Economic Development

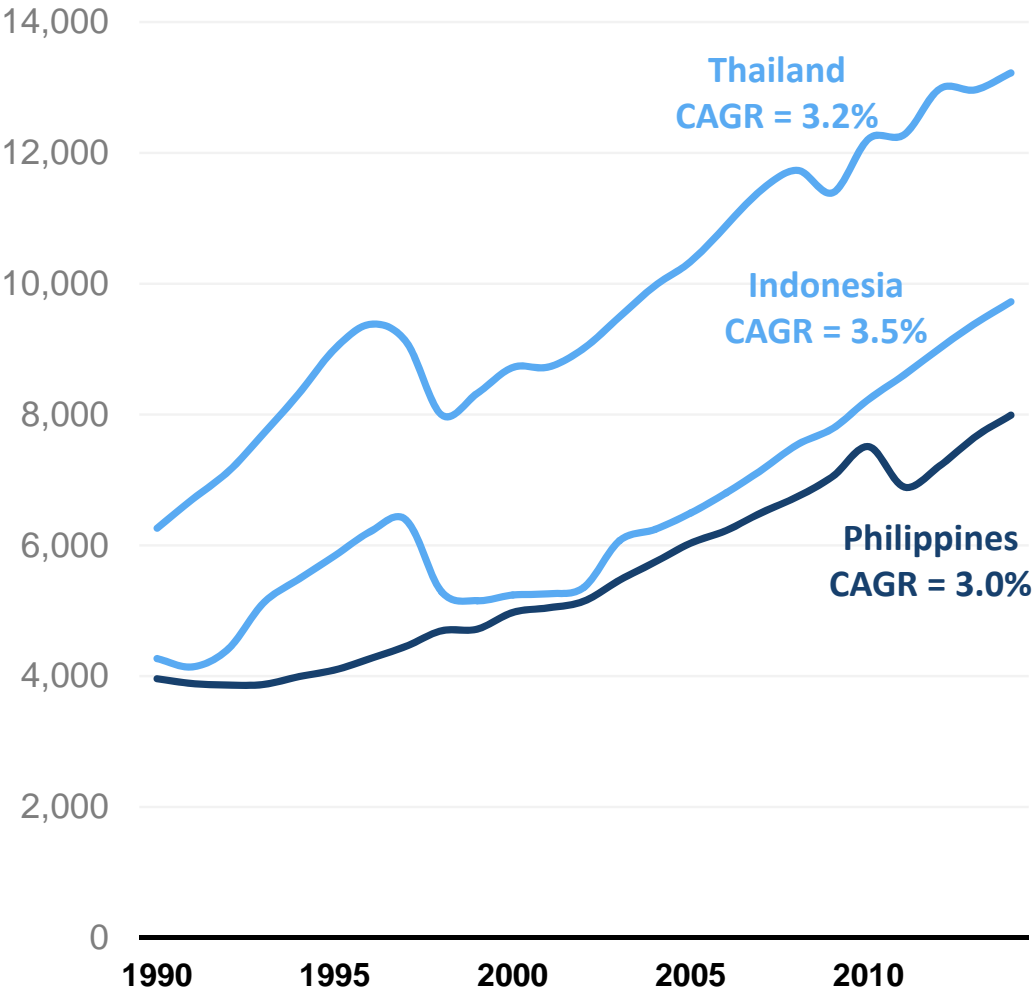
Part of the country's economic profile, this section explores the country's economic development, average income and its distribution, poverty as well as other development indicators.



# Philippines per capita income is lowest among ASEAN 5\* countries

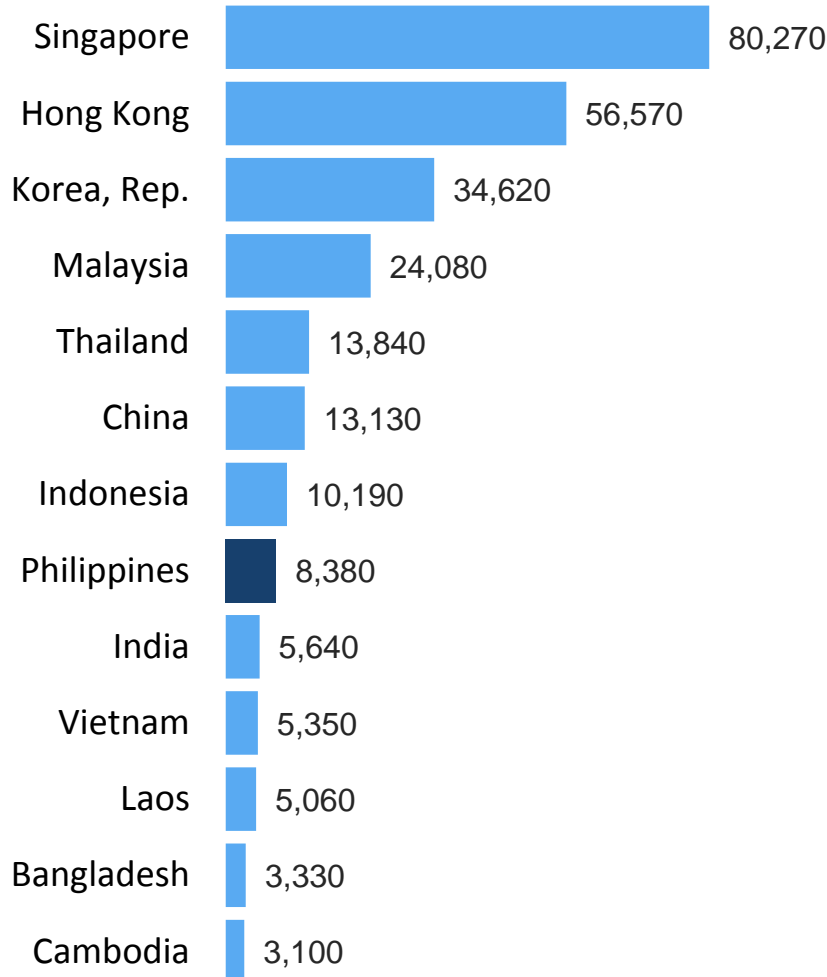
## GNI per capita

1990-2014, Purchasing Power Parity in 2011 international dollars



## GNI per capita comparison

2014, Purchasing Power Parity in current international dollars



## GNI per capita, PPP

GNI per capita based on purchasing power parity (PPP). PPP GNI is gross national income (GNI) converted to international dollars using purchasing power parity rates. An international dollar has the same purchasing power over GNI as a U.S. dollar has in the United States. GNI is the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. The constant 2011 international dollars version is useful to calculate real growth while the current international dollars version is useful to compare per capita income level across countries.

## The Philippines per capita income

The Philippines real per capita income grew on average 3.0% a year since 1990. In 2014, it stood at USD 8,380, lower than Indonesia which grew faster over the same period.

Note: (\*) Indonesia, Thailand, Malaysia, Singapore and the Philippines

Source: The World Bank; Charting Economy analysis

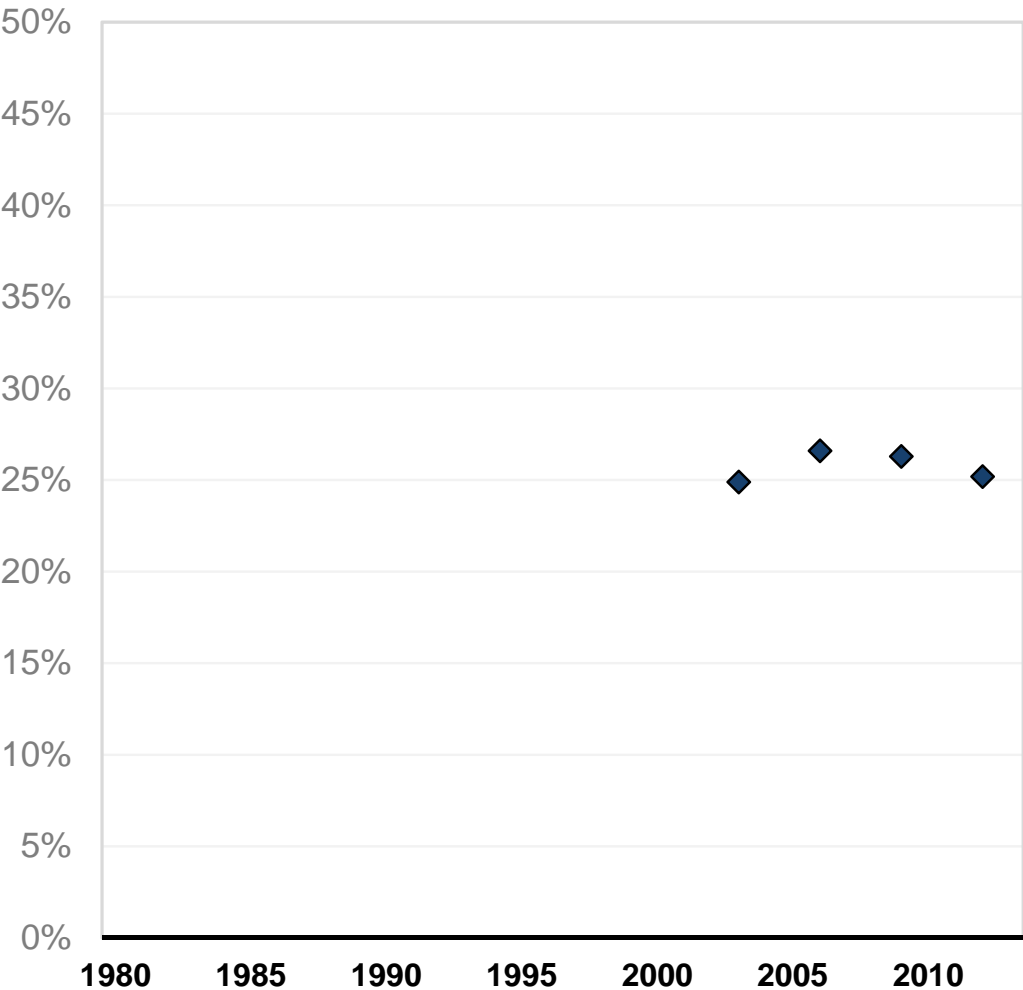
# Poverty situation in Philippines has not improved and the latest poverty rate is highest among ASEAN5



Interactive chart for this page is available online to provide you with more perspectives

## Philippines Poverty Headcount

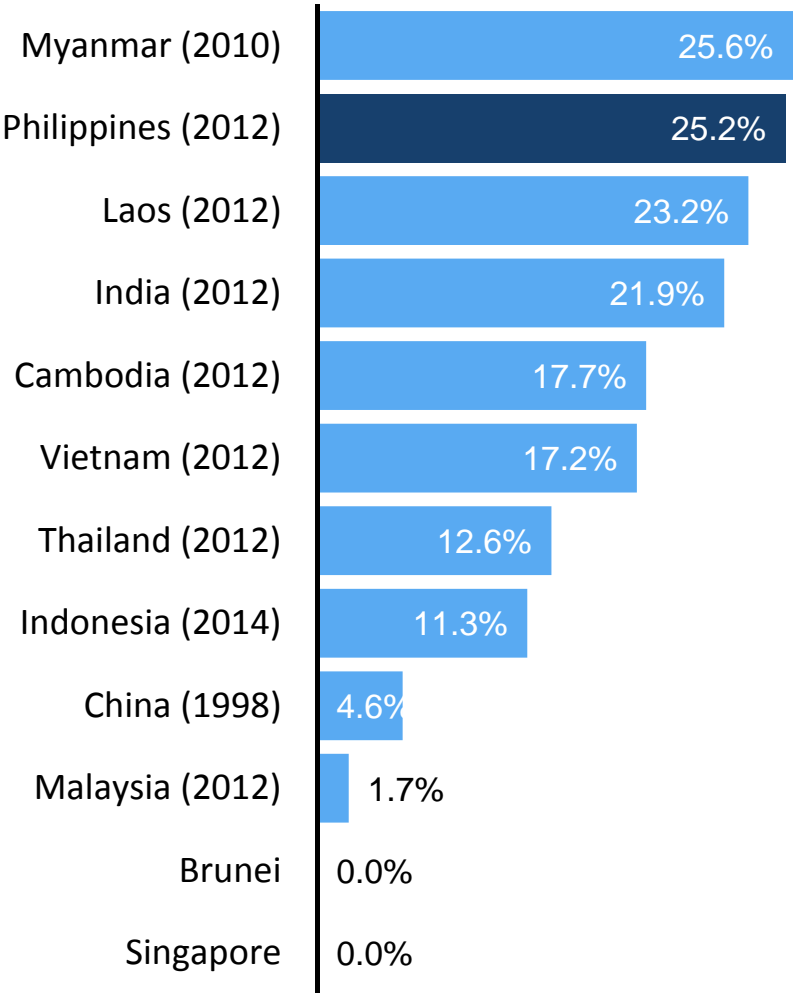
% of population living below the national poverty line



Note: (\*) There can be various definitions of poverty, we use National poverty rate, the percentage of the population living below the national poverty line. National estimates are based on population-weighted subgroup estimates from household surveys.

## ASEAN Poverty Headcount

% of population living below the national poverty line



### Poverty headcount

National poverty rate is the percentage of the population living below the national poverty line. National estimates are based on population-weighted subgroup estimates from household surveys.

### Philippines poverty headcount

Despite its recent high economic growth rate, poverty situation in Philippines has not improved and the latest poverty rate of 25.2% is highest among ASEAN5.

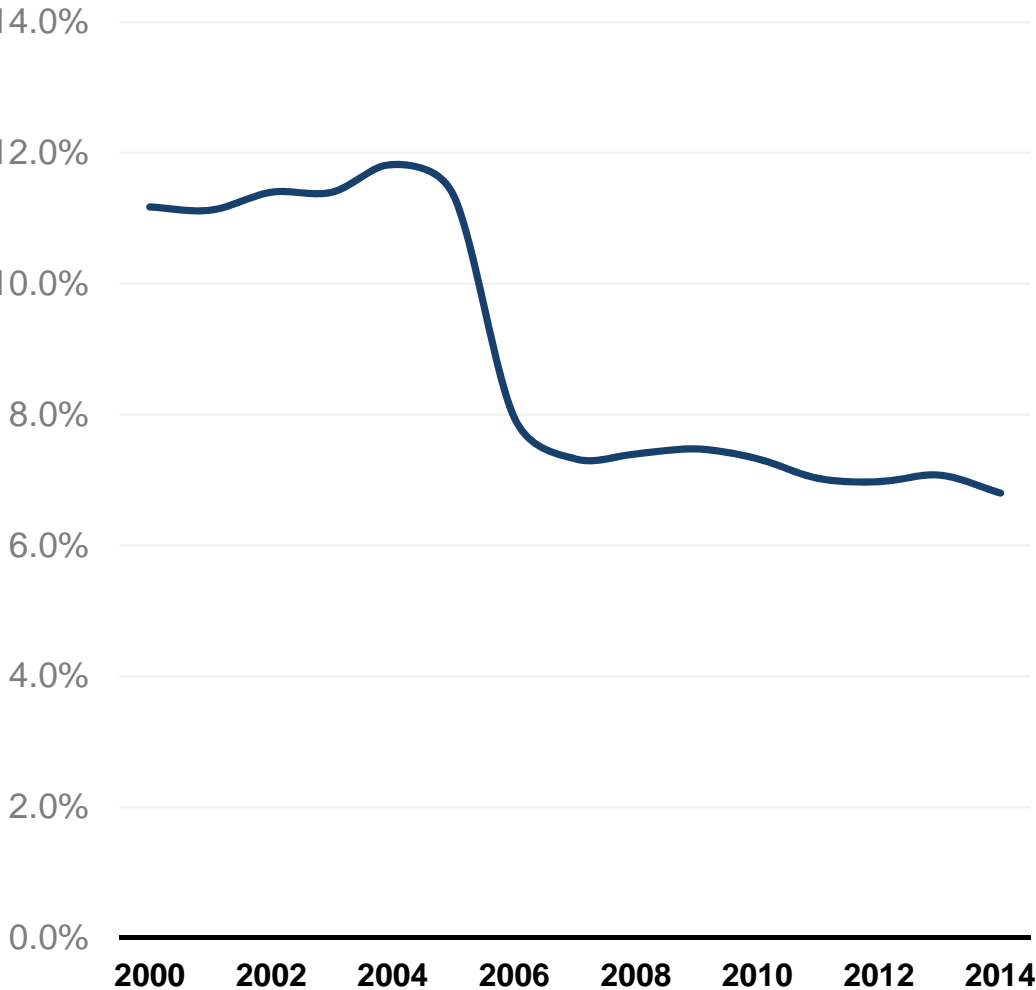
# Unemployment rate in Philippines has stabilized around 7% and is expected to reduce further in 2016



Interactive chart for this page is available online to provide you with more perspectives

## Philippines Unemployment rate

% of total labor force

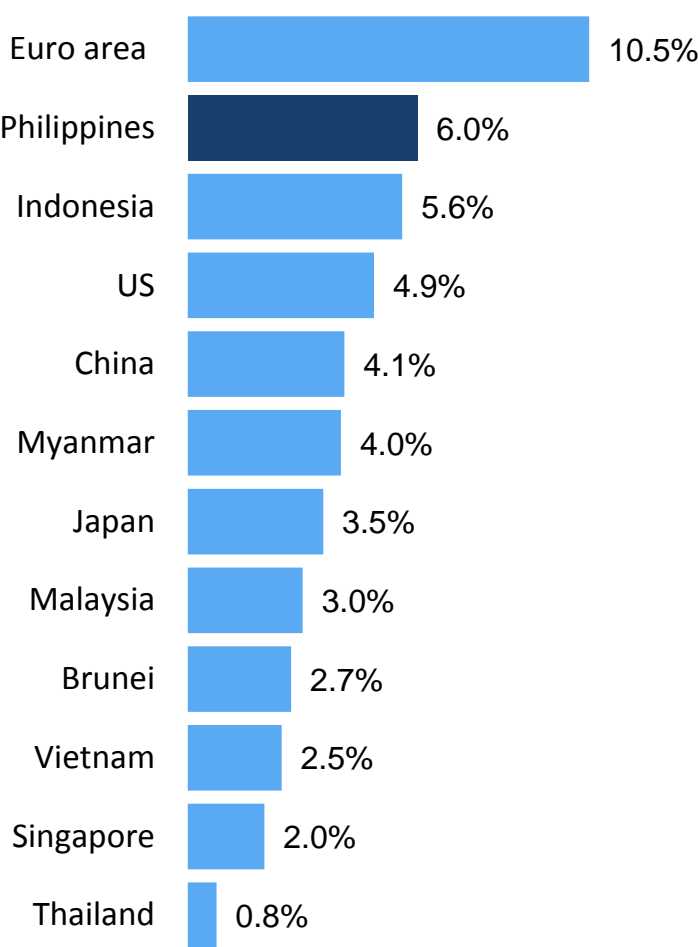


Note: (\*) Forecasted by IMF in World Economic Outlook report, Oct 2015

Source: IMF

## Projected Unemployment rate\*

2016, % of total labor force



## Unemployment rate

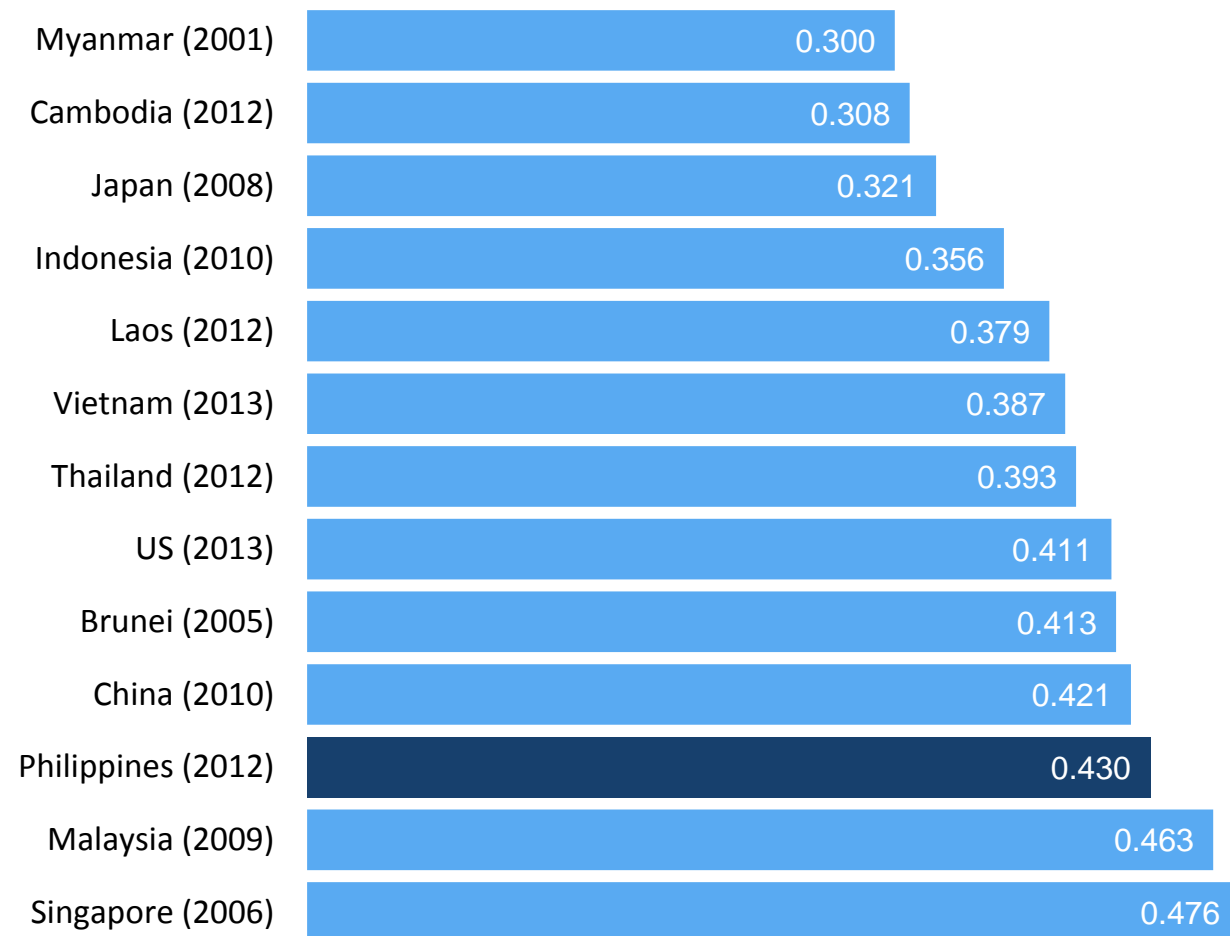
Unemployment rate equals unemployed persons divided by total labor force. Unemployed persons is defined as persons with the age of 15 years and over who during the week in which the survey is conducted, do not work, have no job, business enterprise or farm of their own. Persons in this category include those who are looking for a job, applying for a job or waiting to be called to work during the past 30 days prior to the interview date and those who are not looking for work during the past 30 days prior to the interview date, but are otherwise available for work during the 7 days prior to the interview date. Total labor force comprises current labor force and seasonally inactive labor force.

## Unemployment rate in Philippines

Unemployment rate in Philippines has stabilized around 7% and is expected to reduce further in 2016. However, this level is still the highest in ASEAN but still lower than in EU.

# According to its GINI coefficient, income distribution in Philippines is one of the worst in ASEAN

## GINI Coefficient



- The Gini coefficient is a measure of inequality of a distribution of income
- It is defined as a ratio with values between 0 and 1
- Here, 0 corresponds to perfect income equality (i.e. everyone has the same income)
- 1 corresponds to perfect income inequality (i.e. one person has all the income, while everyone else has zero income)
- Therefore, the lower the ratio the better the income distribution.

### GINI coefficient

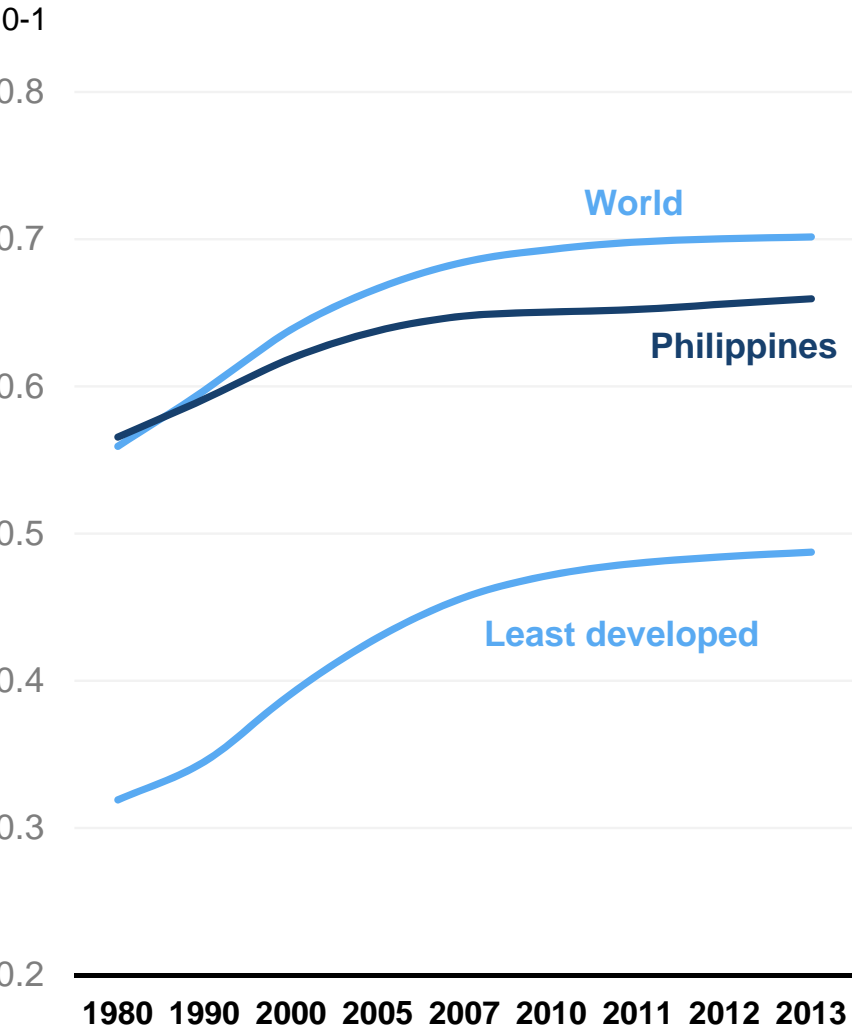
The Gini coefficient measures the inequality among values of a frequency distribution (for example levels of income). A Gini coefficient of zero expresses perfect equality where all values are the same (for example, where everyone has an exactly equal income). A Gini coefficient of one (100 on the percentile scale) expresses maximal inequality among values (for example where only one person has all the income)

### Income distribution in Philippines

Income distribution in Philippines is one of the worst in ASEAN, with GINI coefficient highest than most except Malaysia and Singapore.

# Philippines Human Development Index has improved less than others over the past three decades and is now ranked 117<sup>th</sup> in the world, 5<sup>th</sup> among ASEAN countries

## HUMAN DEVELOPMENT INDEX\*



Note: (\*) Human Development Index (HDI): A composite index measuring average achievement in three basic dimensions of human development—a long and healthy life, knowledge and a decent standard of living. HDI is calculated every year by UNDP

## HDI AND HDI RANK

2013, selected countries

Very high human development	
1 Norway	0.9436
3 Switzerland	0.9174
5 United States	0.9137
6 Germany	0.9114
9 Singapore	0.9013
15 Hong Kong	0.8911
15 South Korea	0.8907
17 Japan	0.8901
30 Brunei	0.8518
34 Saudi Arabia	0.8355
High human development	
50 Uruguay	0.7897
57 Russia	0.7783
62 Malaysia	0.7729
71 Mexico	0.7558
73 Sri Lanka	0.7497
79 Brazil	0.7436
89 Thailand	0.7219
91 China	0.7191
96 Jamaica	0.7153
98 Colombia	0.7107
Medium human development	
108 Indonesia	0.6843
117 Philippines	0.6595
118 South Africa	0.6578
121 Viet Nam	0.6380
128 Timor-Leste	0.6202
135 India	0.5857
136 Bhutan	0.5841
136 Cambodia	0.5840
139 Laos	0.5694
142 Bangladesh	0.5579
Low human development	
145 Nepal	0.5396
146 Pakistan	0.5365
150 Myanmar	0.5235
152 Nigeria	0.5036
156 Zimbabwe	0.4920
157 Papua New Guinea	0.4915
169 Afghanistan	0.4679
175 Liberia	0.4118
184 Chad	0.3724
187 Niger	0.3370

## Human Development Index

Human Development Index (HDI): A composite index measuring average achievement in three basic dimensions of human development—a long and healthy life, knowledge and a decent standard of living. HDI is calculated every year by UNDP.

## Philippines HDI and ranking

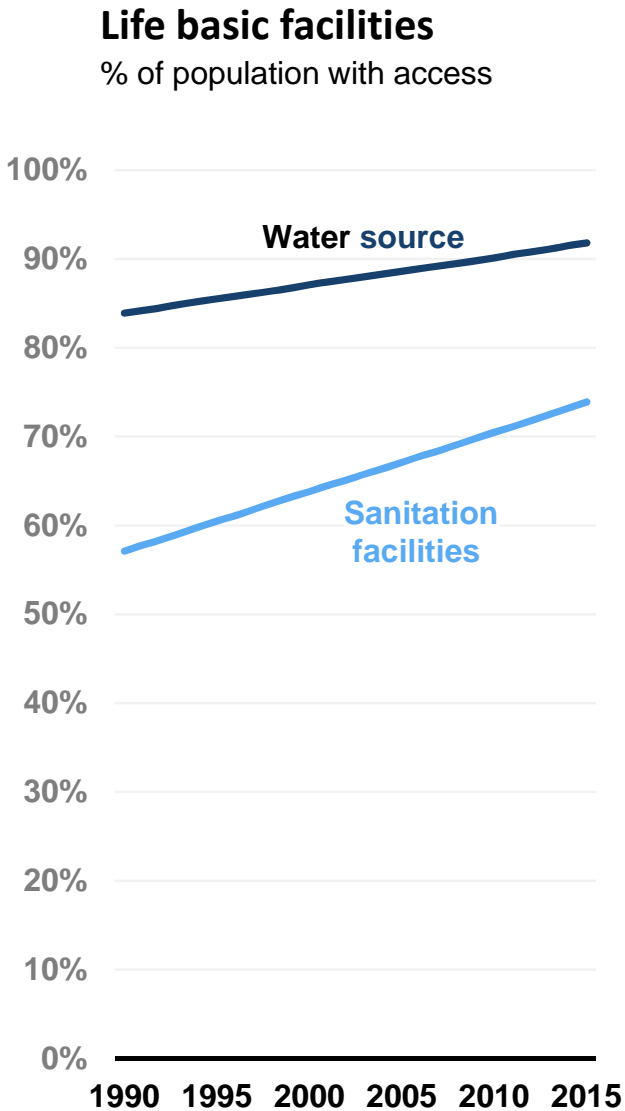
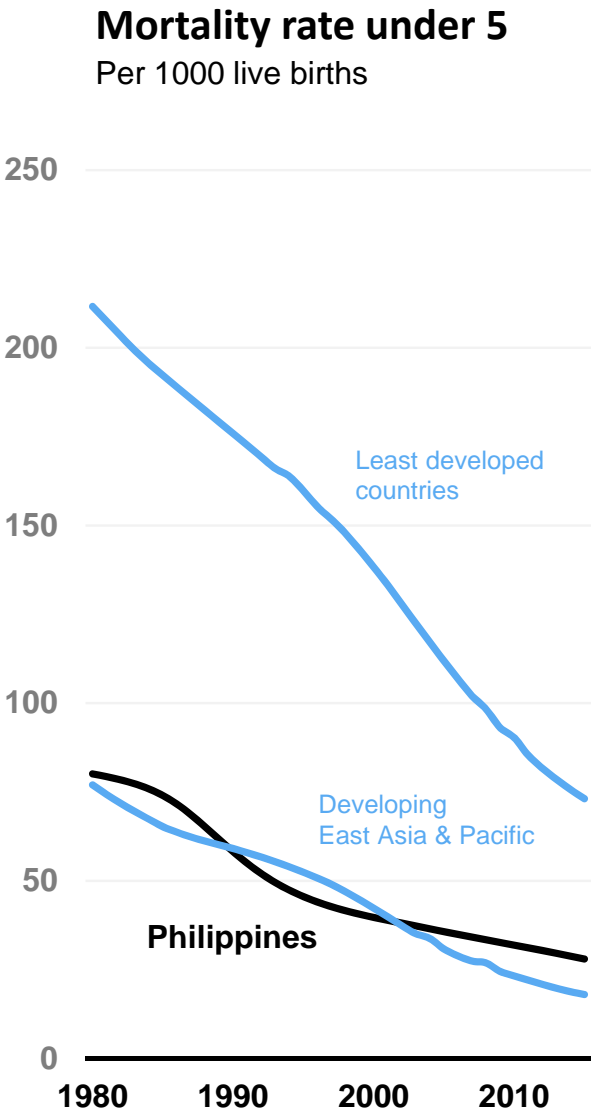
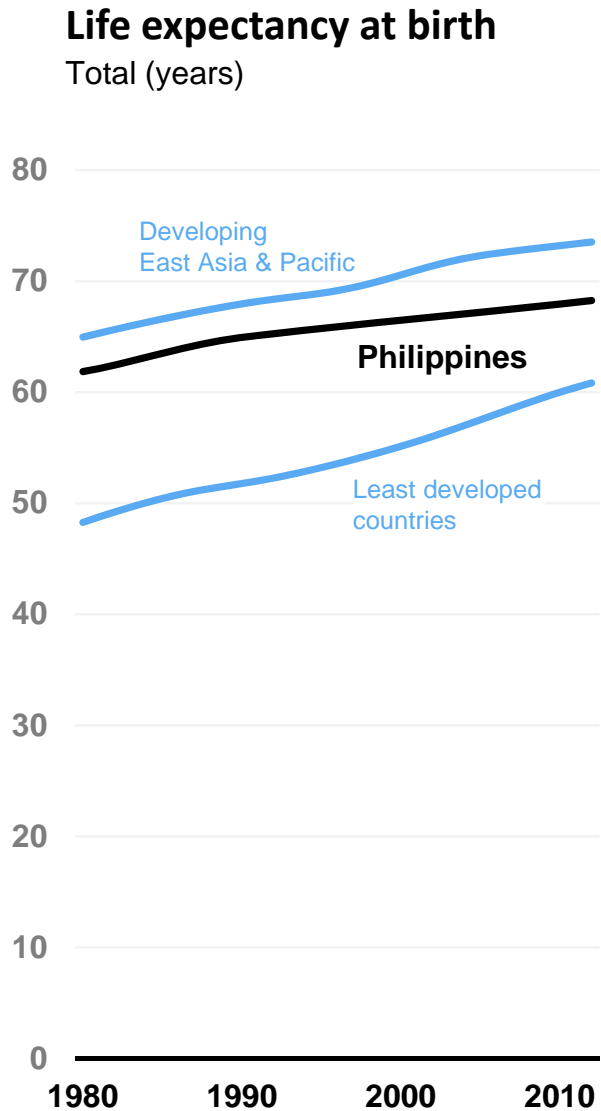
Philippines Human Development Index has improved less than others over the past three decades and is now ranked 117th in the world, 5th among ASEAN countries.



# Quality of life in Philippines has improved but still largely below other developing countries in East Asia Pacific



Interactive chart for this page is available online to provide you with more perspectives



#### Life expectancy at birth

Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

#### Mortality rate under 5 per 1000 live births

Under-five mortality rate is the probability per 1,000 that a newborn baby will die before reaching age five, if subject to current age-specific mortality rates.

#### Water source access

Access to an improved water source refers to the percentage of the population with reasonable access to an adequate amount of water from an improved source.

#### Sanitation facilities access

Access to improved sanitation facilities refers to the percentage of the population with at least adequate access to excreta disposal facilities that can effectively prevent human, animal, and insect contact with excreta.

#### Quality of life in Philippines

Quality of life in Philippines has improved but still largely below other developing countries in East Asia Pacific

# CONTENT SUMMARY

## ECONOMIC PROFILE

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## ECONOMIC OUTLOOK

Growth

Stability

- Over the past 10 years, Philippines economy has grown on average 5.3% per year, lower than China, India, CLMV, but still higher than Thailand and developed economies
- For the whole year of 2014, Philippines GDP grew 6.1% driven mainly by strong Export
- On the production side, decrease in Manufacturing was a real drag to the overall growth
- In 3Q15, Philippines economy expanded 6% year-on-year, thanks to strong contribution from Private Consumption and Export
- Philippines economy is expected to be one of the fastest growing major economies with more than 6% growth annually over the next three years
- Philippines economy is expected to be one of the fastest growing major economies with more than 6% growth annually over the next three years

### Economic Growth

Part of the country's economic outlook, this section explores the country's recent economic growth, its key drivers and well as the growth outlook for the coming years.

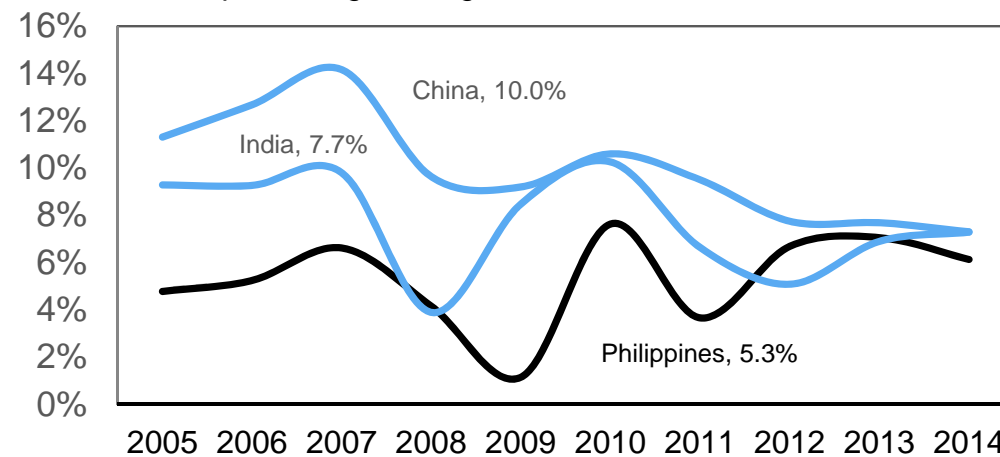
# Over the past 10 years, Philippines economy has grown on average 5.3% per year, lower than China, India, CLMV, but still higher than Thailand and developed economies



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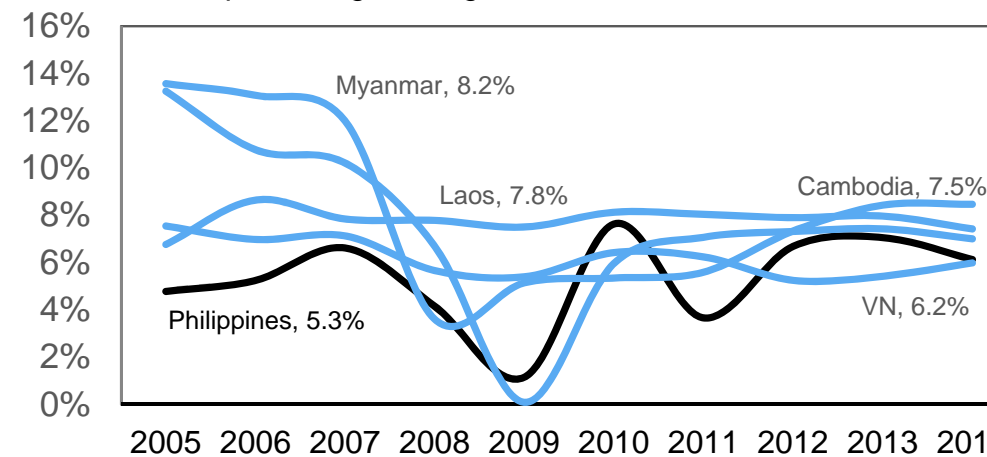
## Real GDP growth vs China and India

Annual percentage change



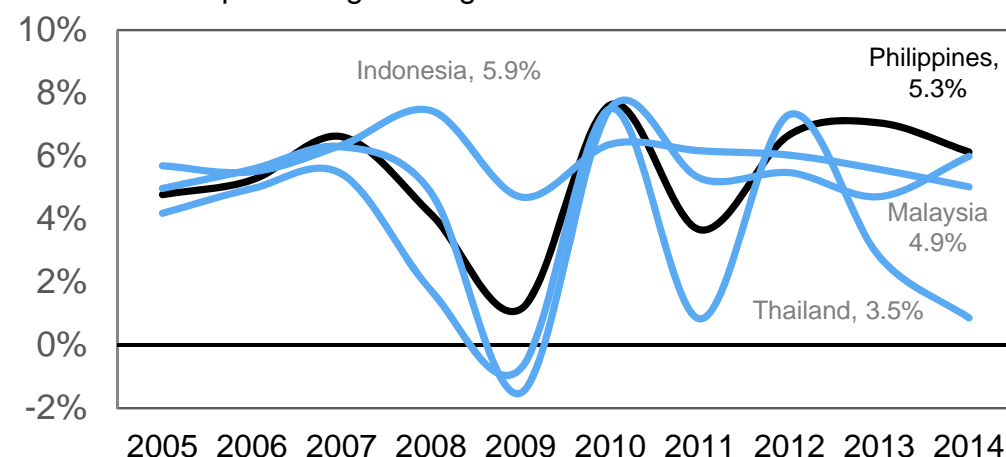
## Real GDP growth vs CLMV

Annual percentage change



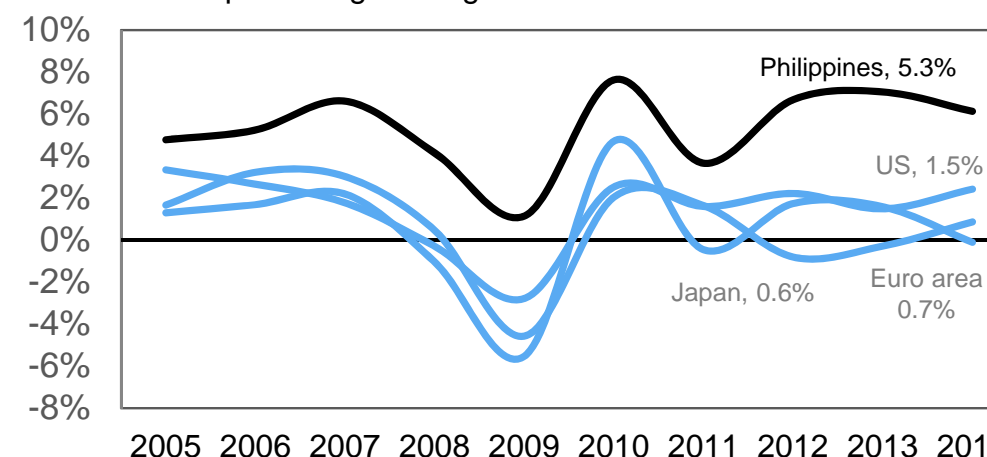
## Real GDP growth vs Comparable ASEAN

Annual percentage change



## Real GDP growth vs Developed economies

Annual percentage change



## Economic growth

Economic growth is the increase in the amount of the goods and services produced by an economy over time. It is conventionally measured as the percent rate of increase in real gross domestic product, or real GDP. Growth is usually calculated in real terms – i.e., inflation-adjusted terms – to eliminate the distorting effect of inflation on the price of goods produced.

## Historical growth for Philippines economy

Over the past 10 years, Philippines economy has grown on average 5.3% per year, lower than China, India, CLMV, but still higher than Thailand and developed economies.

Note: (\*) Labels denote countries and their cumulative annual growth rate, 2005-2014

Source: IMF

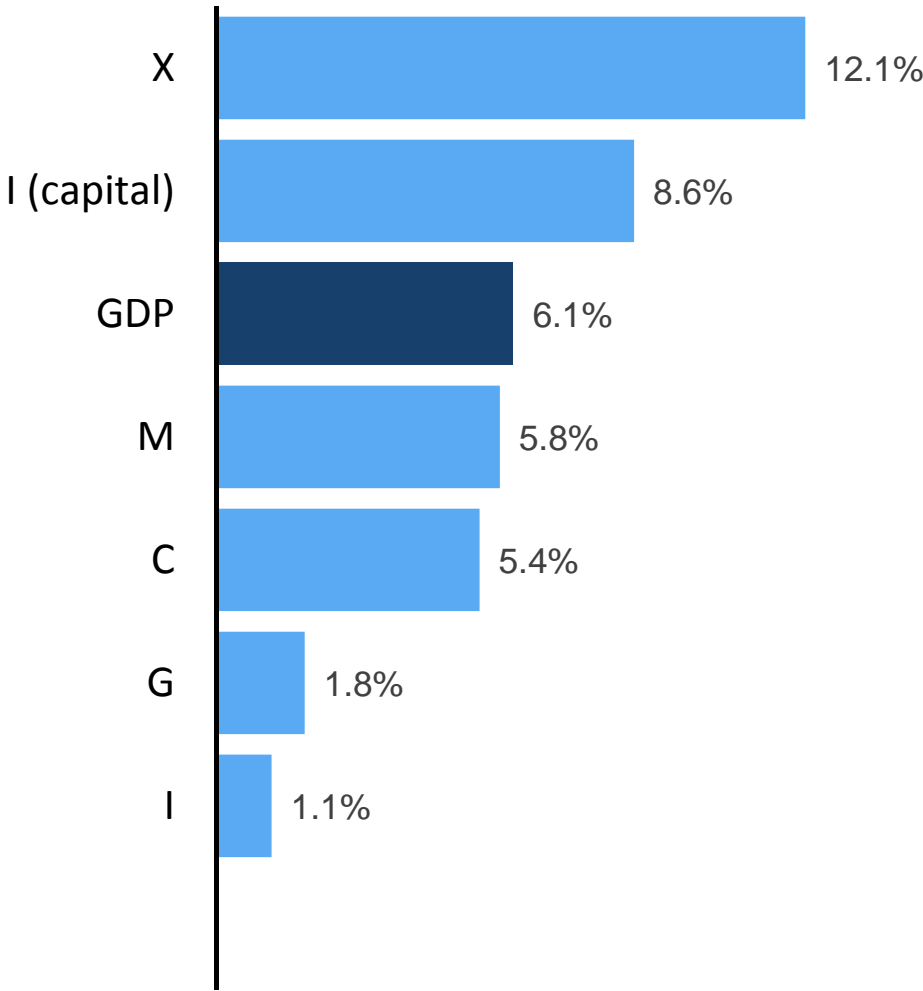
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# In 2014, Philippines GDP grew 6.1% driven mainly by strong Export

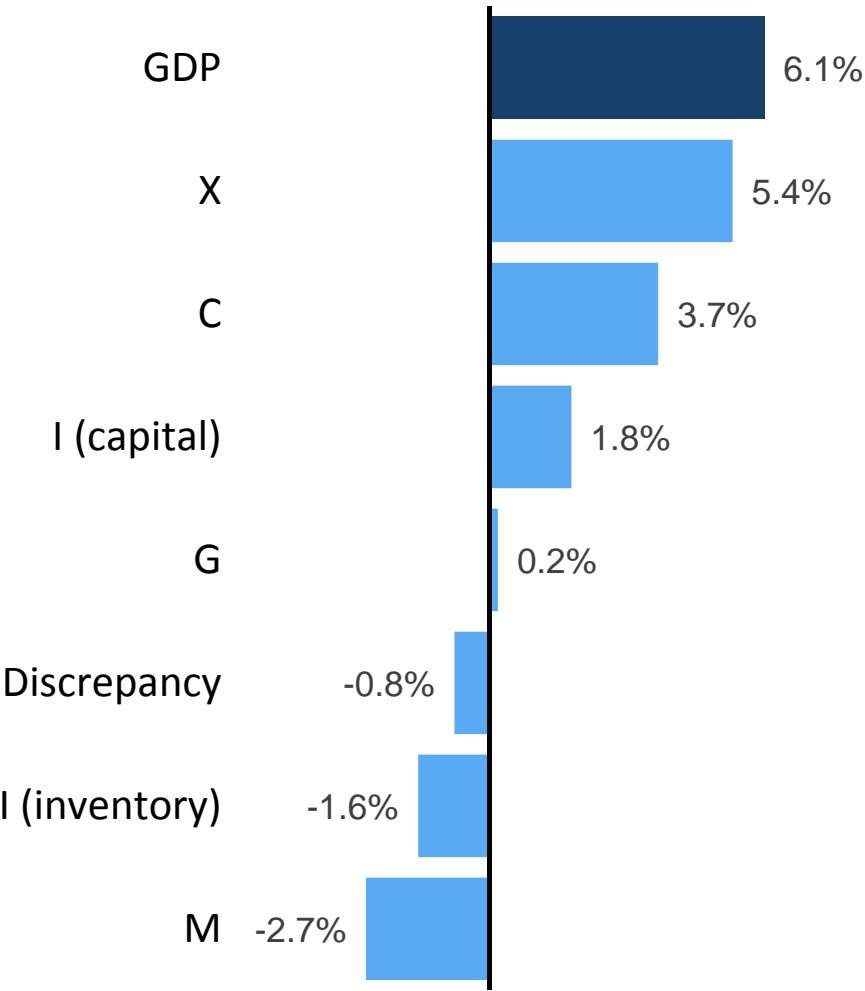
## Real growth by expenditure

2014, % change from last year



## GDP growth contribution

% Contributions to total Real GDP growth



Note: (\*) C = Private Consumption, I = Investment including: I (capital) = Capital formation and I (inventory) = change in inventory  
G = Public consumption, X = Export of goods and services, M = Import of goods and services

## Real growth by expenditure

Real GDP growth and the growth in each of its composition on the expenditure side which are C = Private Consumption, I = Investment including: I (capital) = Capital formation and I (inventory) = change in inventory G = Public consumption, X = Export of goods and services, M = Import of goods and services

## GDP growth contribution

Growth contribution shows portions of the total growth from each composition. They must add up to the total growth. Import is a deduction to GDP and the growth in Import contributes negatively to the overall GDP growth.

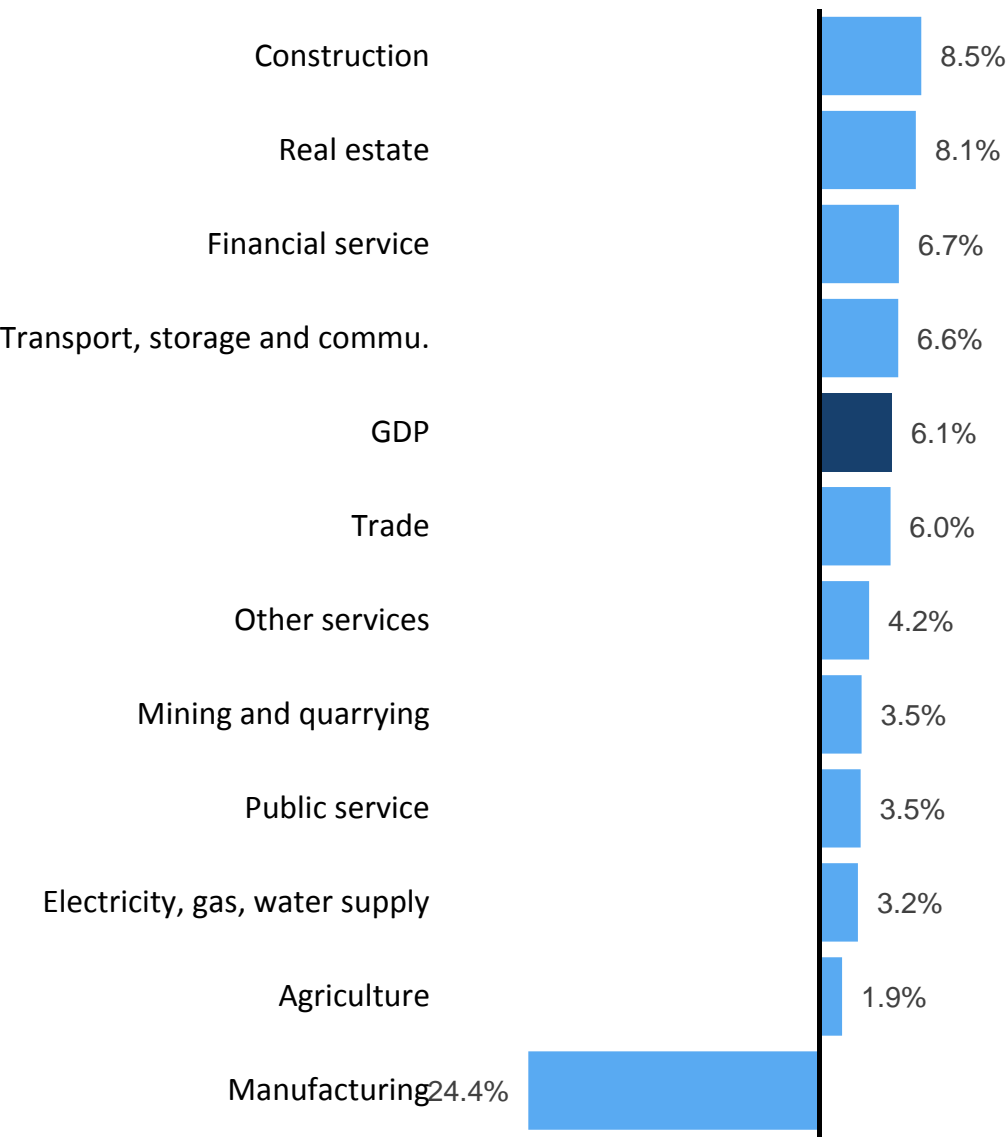
## Growth drivers for Philippines economy in 2014

In 2014, Philippines GDP grew 6.1% driven mainly by Export and Private Consumption. Increase in Export contributed +5.4% to the overall growth, followed by the increase in Private Consumption (+3.7%). The decrease in inventory and the increase in Import contributed negatively to the overall growth.

# On the production side, decrease in Manufacturing was a real drag to the overall growth

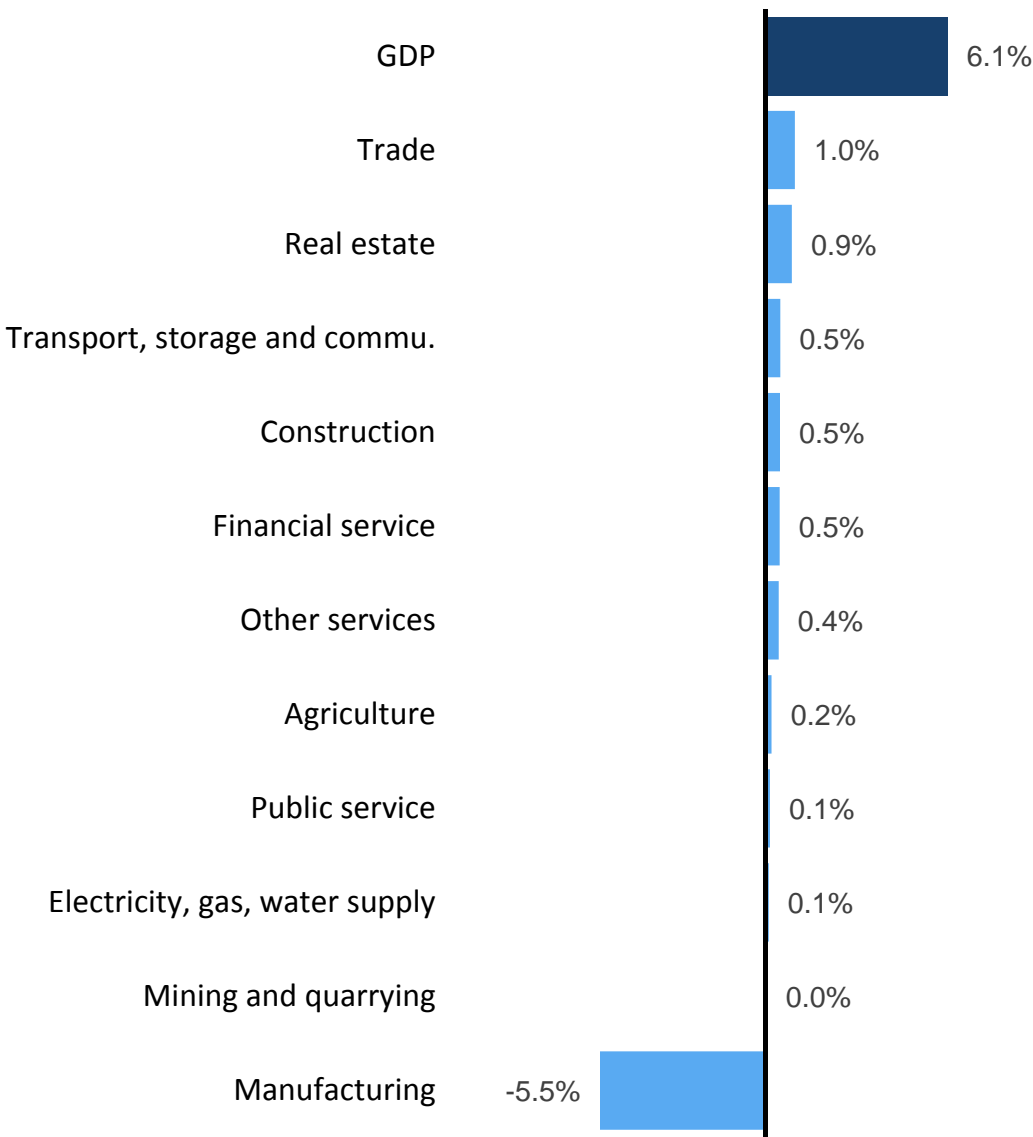
## Real growth by production sectors

2014, % change of value added from last year



## GDP growth contribution

% Contributions to total Real GDP growth



## Real GDP growth by production sectors

It shows the real growth rate of value add from each production sector.

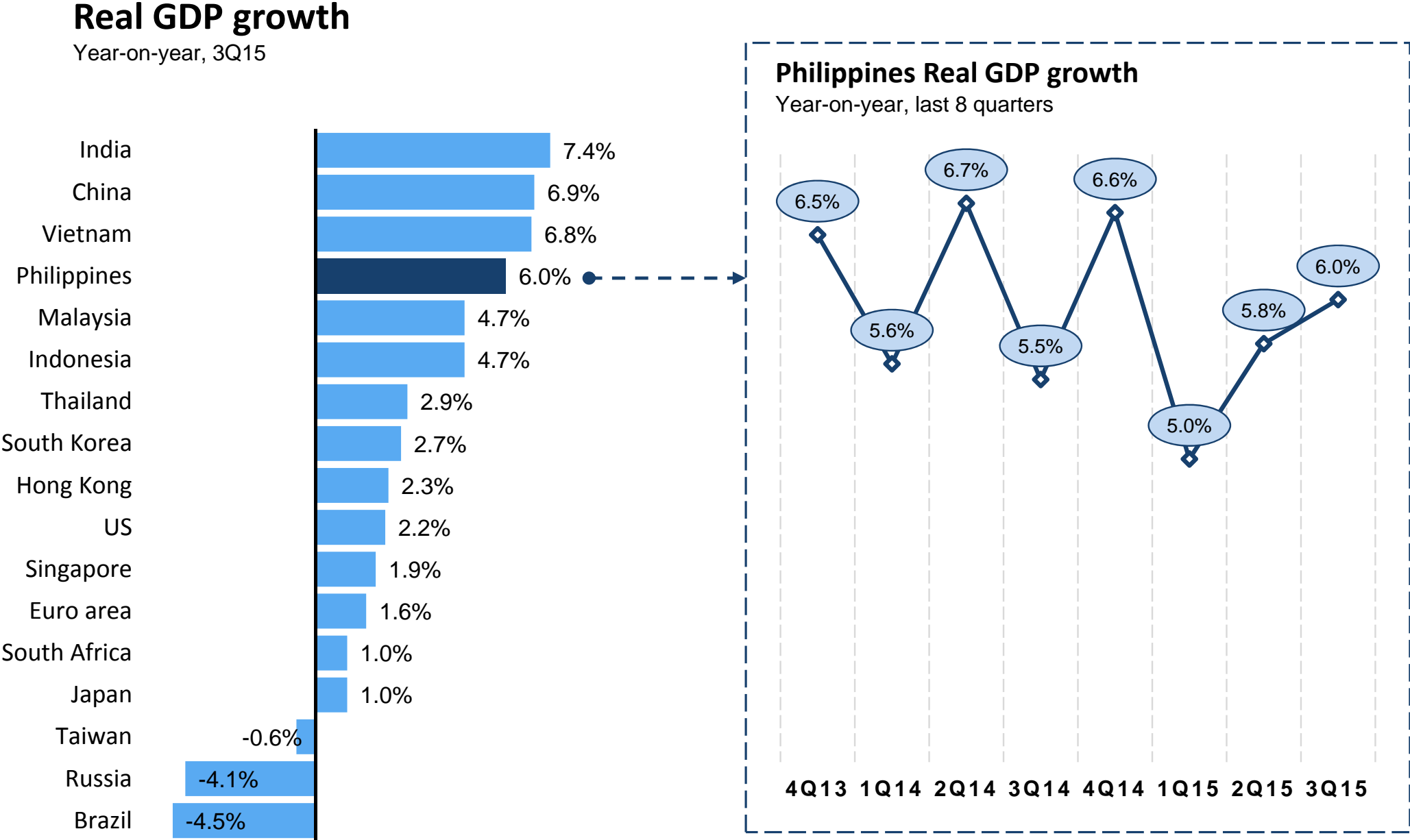
## GDP growth contribution from production sectors

GDP growth contribution from production sectors shows each sector's contribution to the total GDP growth. The contribution from each sector must add up to the total GDP growth

## Most contributing sectors for Philippines economy in 2014

On the production side, big decrease in Manufacturing was a real drag (-5.5%) to the overall growth while increase in Trade contributed the most.

# In 3Q15, Philippines economy expanded 6% year-on-year



## GDP growth in the latest quarter

Real GDP growth in the latest quarter from major economies in the world sorted from highest to lowest.

## GDP growth for Philippines economy in 3Q15

In 3Q15, Philippines economy expanded 6% year-on-year which is higher than the previous two quarters. Comparing internationally, Philippines still has one of the highest growth in the region and the world.



# Strong contributions from Private Consumption and Export were the main reason for impressive growth in 3Q15

Source of Real GDP growth

	3Q14	4Q14	1Q15	2Q15	3Q15
C	3.4%	3.7%	4.1%	4.1%	4.3%
I	0.0%	0.8%	2.5%	3.1%	2.0%
I (capital)	2.3%	1.7%	2.2%	1.8%	2.0%
I (inventory)	-2.3%	-0.9%	0.3%	1.3%	0.0%
G	-0.3%	0.7%	0.2%	0.5%	1.7%
X (Goods)	4.7%	4.2%	1.6%	-0.8%	2.5%
X (Services)	1.6%	0.4%	1.5%	1.9%	1.0%
M (Goods)	-2.4%	-3.1%	-3.9%	-2.9%	-6.4%
M (Services)	-0.2%	-1.1%	-0.5%	-1.7%	-0.9%
Discrepancy	-1.2%	1.1%	-0.5%	1.6%	1.9%
GDP	5.5%	6.6%	5.0%	5.8%	6.0%

Note: (\*) C = Private Consumption, I = Investment including: I (capital) = Capital formation and I (inventory) = change in inventory  
 G = Public consumption, X = Export of goods and services, M = Import of goods and services

## Source of Growth

Growth contribution shows portions of the total growth from each composition. They must add up to the total growth. Import is a deduction to GDP and the growth in Import contributes negatively to the overall GDP growth.

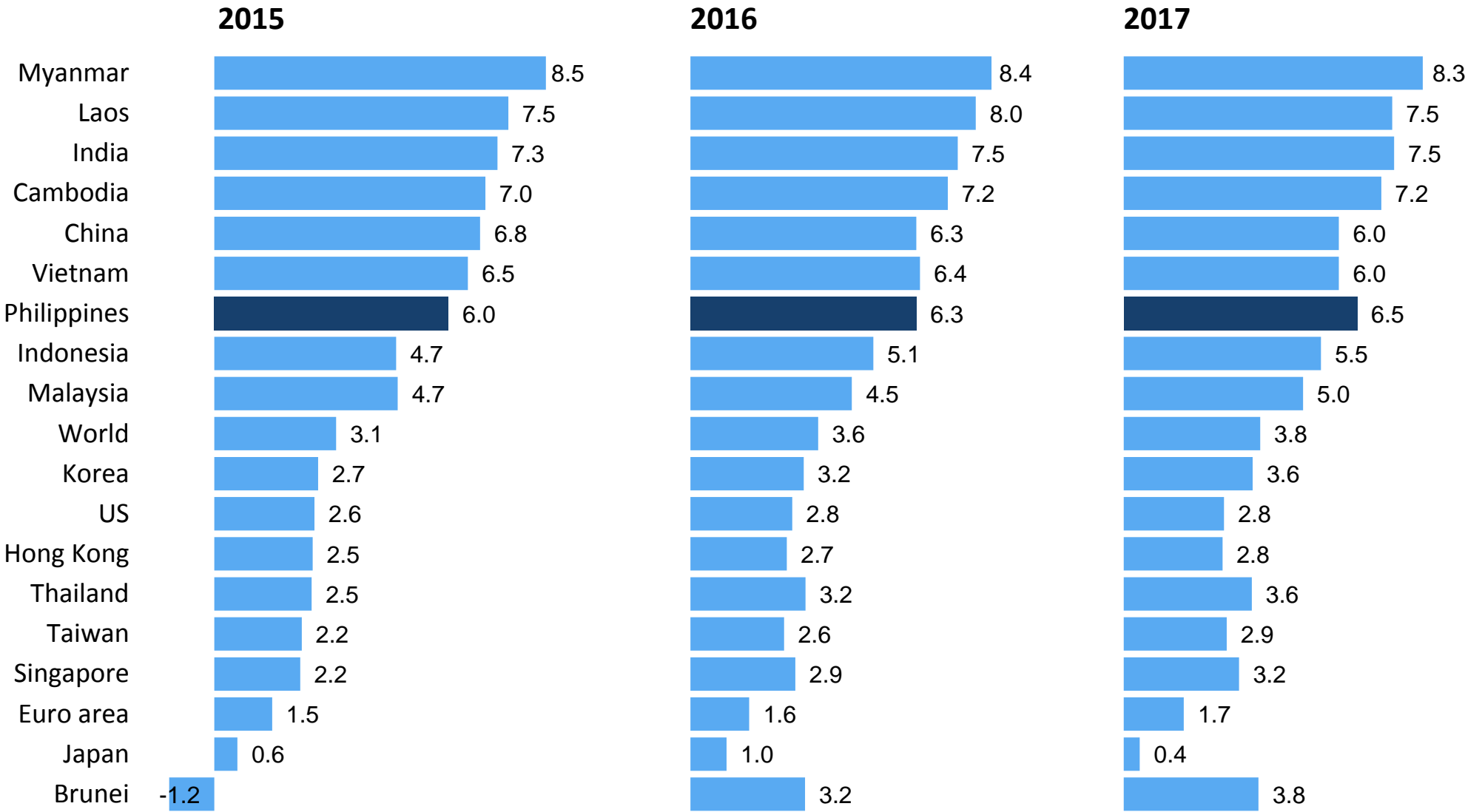
## Growth drivers for Philippines economy

Strong contributions from Private Consumption and Export were the main reason for impressive growth in 3Q15. Growth in Private Consumption contributed 4.3% to the overall growth while growth in Export of goods contributed 2.5%. Growth in Import of goods contributed negatively (-6.4%) to the overall growth.

# Philippines economy is expected to be one of the fastest growing major economies with more than 6% growth annually over the next three years

## GDP growth projections

% of real growth from the year before



## GDP growth projections

GDP growth projection is an exercise done by various parties, international and domestic. We use the projections by International Monetary Fund which releases in its World Economic Outlook report in April and October of every year.

## Growth prospect for Philippines economy

Philippines economy is expected to be one of the fastest growing major economies in the world. According to IMF, it is projected to grow 6.0% in 2015, 6.3% in 2016 and 6.5% in 2017.

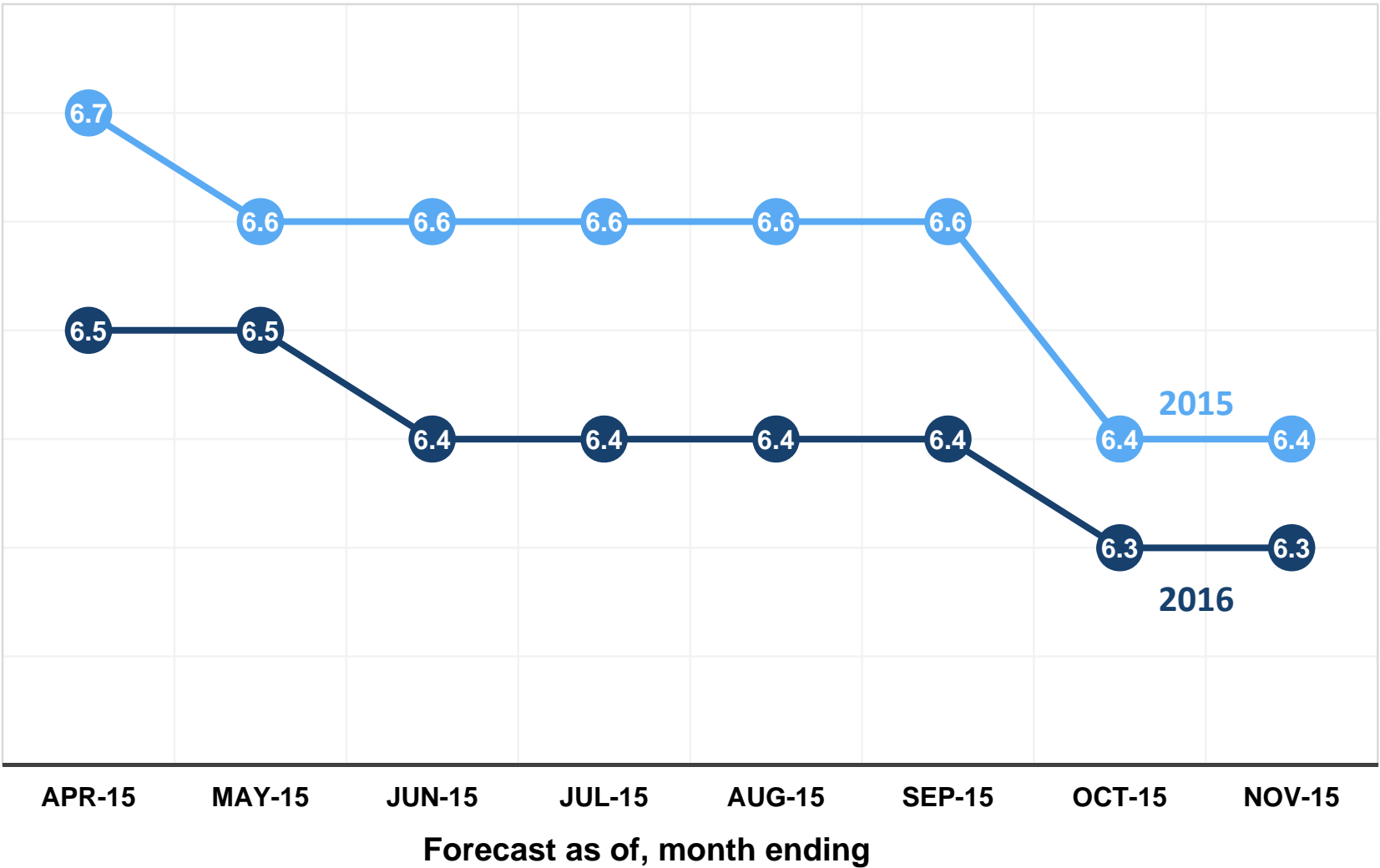
# Growth expectation for Philippines economy has slightly declined in the last 3 months



Interactive chart for this page is available online to provide you with more perspectives

## Change in consensus GDP growth projections

Annual Percentage Change, as of month ending



### Change in consensus GDP growth projections

Tracking the change in consensus GDP growth projections is useful to gauge the mood and expectation from the market. We use figures published weekly in The Economist magazine who surveys from market economists/participants.

### Expectation for Philippines economy

Growth expectation for Philippines economy has slightly declined in the last 3 months.

# CONTENT SUMMARY

## ECONOMIC PROFILE

Structure

Competitiveness

Development

## ECONOMIC OUTLOOK

Growth

Stability

- Mild inflation so far in 2015 thanks mainly to lower fuel price
- BSP's key policy rates maintained at latest Monetary Board meeting
- Real interest rate in the Philippines is negative while the Philippines Stock Index is one of a few ASEAN markets with positive return so far in 2015
- Philippines banking sector is healthy, after turning around from 1997 crisis, with high capital ratio and low NPL
- Fiscal balance is quite healthy with low deficit and public debt level
- Philippines current account surplus expected to improve further in 2015
- Philippines International reserves is considered excessive, higher than external debt and can finance more than 10 months of import
- Philippines Peso has been quite stable against USD so far in 2015

### Economic Stability

Part of the country's economic outlook, this section explores the country's macro economic risks, including inflation, financial sector, budget deficit as well as balance of payment and exchange rate.

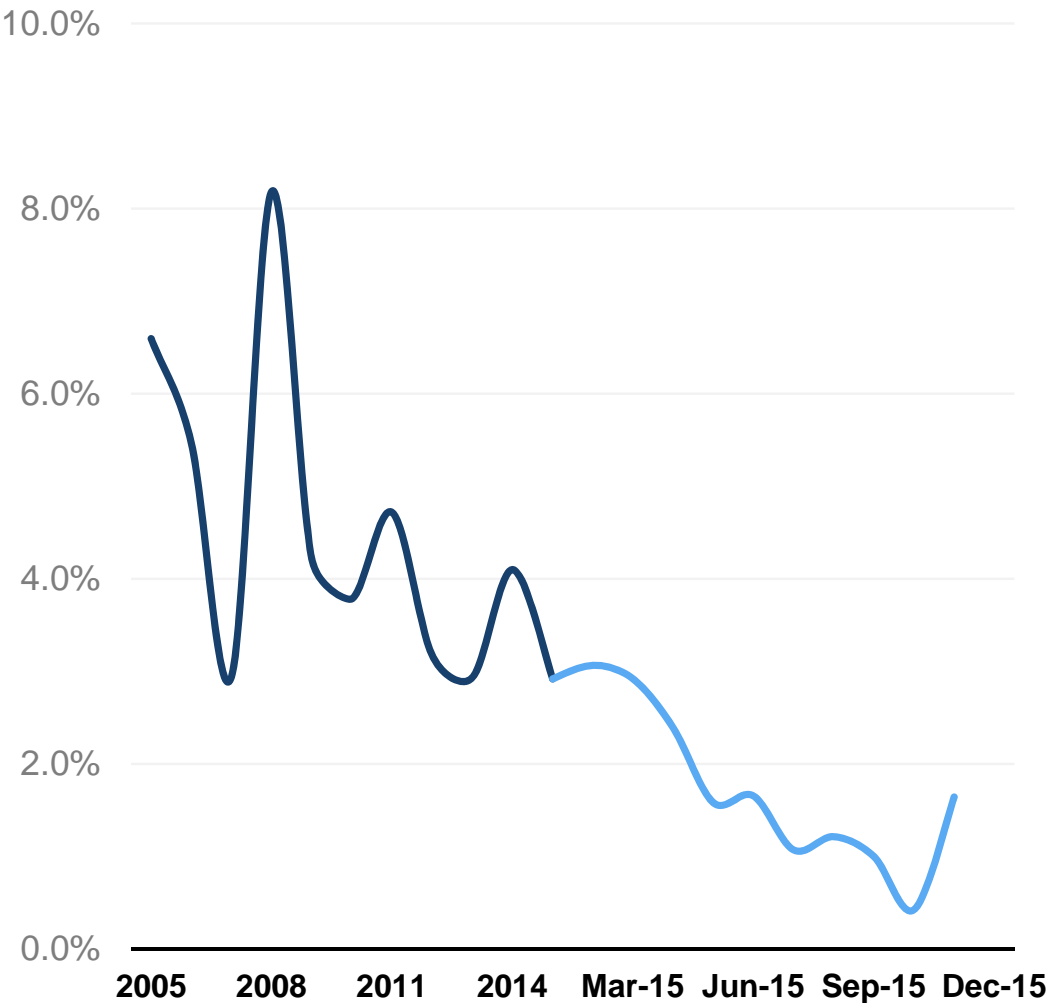
# Mild inflation so far in 2015 thanks mainly to lower fuel price



Interactive chart for this page is available online to provide you with more perspectives

## Philippines Inflation

Percentage change in average consumer price index

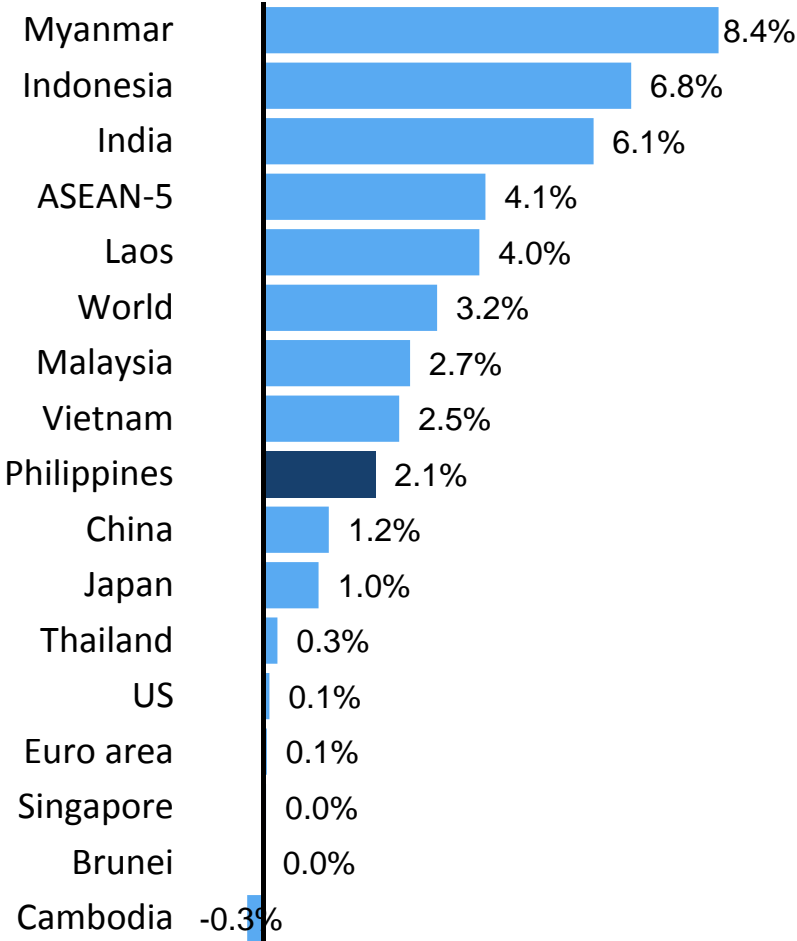


Note: (\*) Forecasted by IMF in World Economic Outlook report, Oct 2015

Source: IMF, National Statistics Office Philippines

## Projected Inflation\*

2016, annual percentage change in CPI



### Inflation

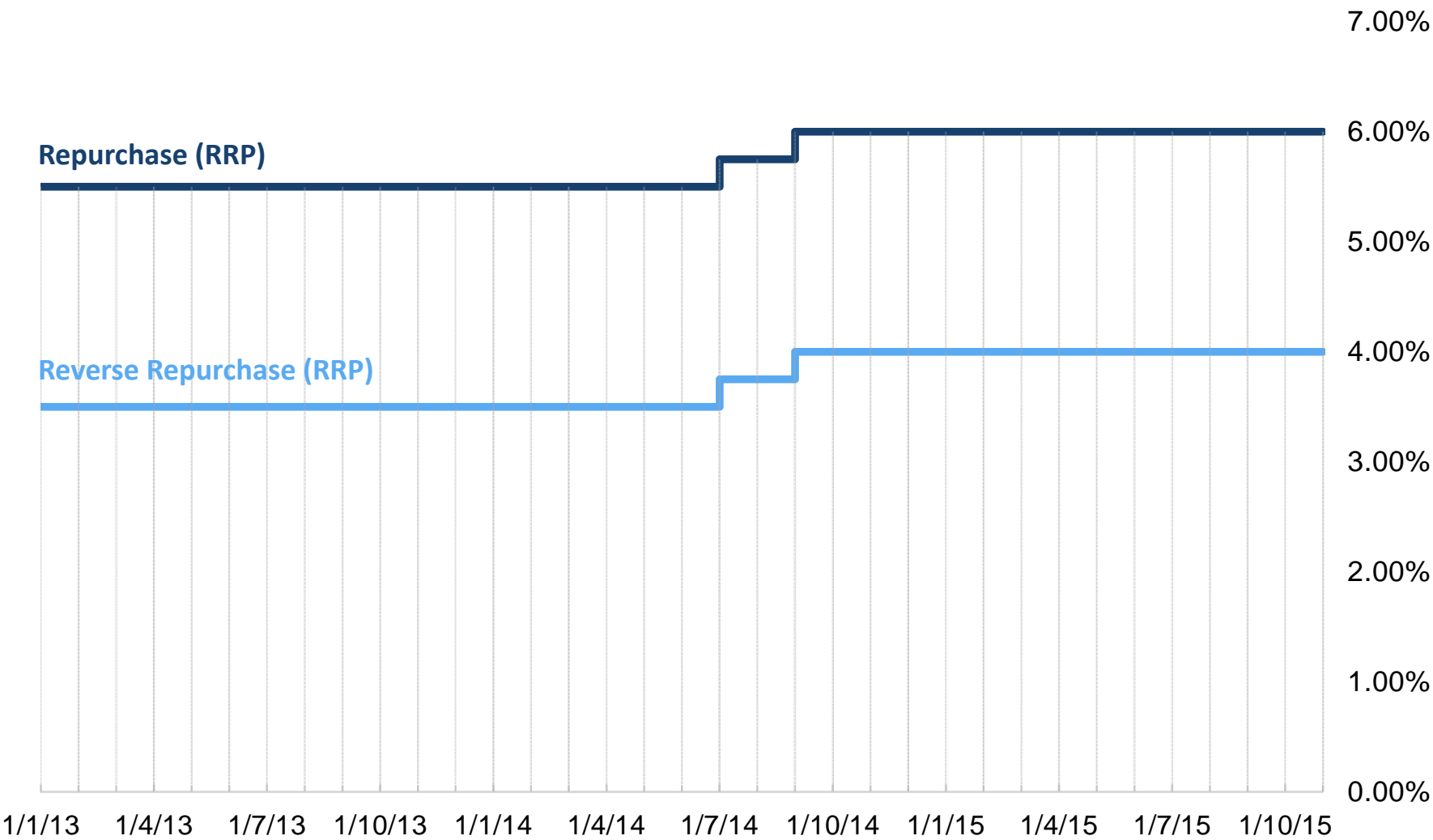
Inflation is normally calculated from the change in the Consumer Price Index (CPI). CPI is the general price level of goods and services purchased by consumers.

### Inflation in the Philippines

Price level in the Philippines has been quite stable with inflation of around 3-8% over the past 10 years. Mild inflation in the first 11 months of 2015 thanks mainly to lower fuel price. Inflation in 2016 is expected to be 2.1%, one of the lowest in ASEAN.

# BSP's key policy rates maintained at latest Monetary Board meeting

Philippines Overnight Policy Rates  
Percent



### Policy Interest rate

The Bangko Sentral ng Pilipinas (BSP), the central bank, is responsible for the country's monetary policy which is currently using inflation targeting framework. Overnight borrowing or reverse repurchase (RRP) and overnight lending or repurchase (RP) are the policy interest rates and the key tool for BSP to achieve its monetary objective of price stability and economic growth.

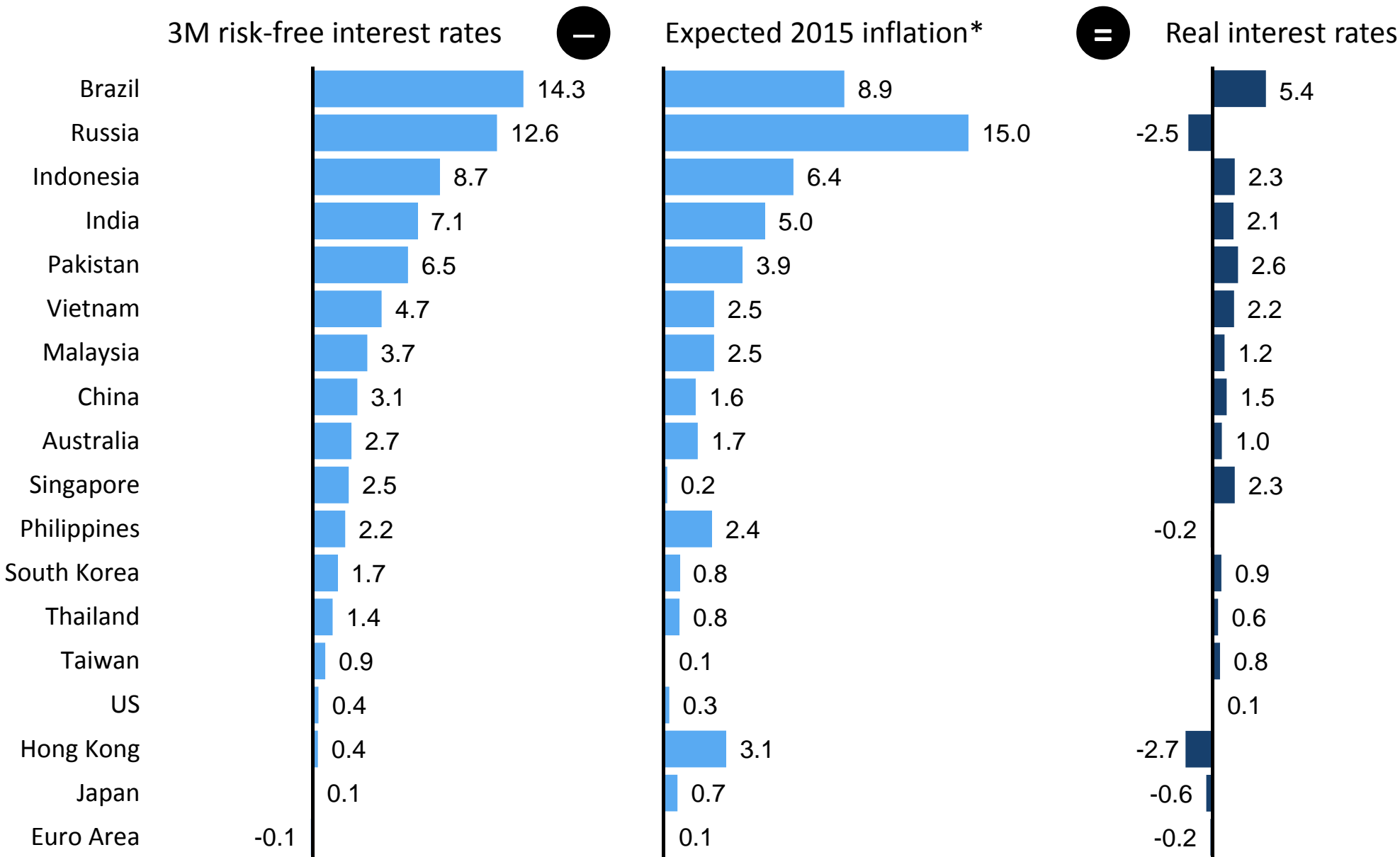
### Latest development

The Monetary Board decided to maintain the BSP's key policy rates at 4.00 percent for the overnight borrowing or reverse repurchase (RRP) facility and 6.00 percent for the overnight lending or repurchase (RP) facility during the last 7 meetings in 2015. Inflation is less of a problem thanks mainly to lower fuel prices and therefore, no pressure for the BSP to hike its policy rates.



# Real interest rate in the Philippines is negative

**Real interest rates**  
Percent, as of Nov 27<sup>st</sup> 2015



Note: (\*) The Economist Poll  
Source: The Economist; Charting Economy analysis

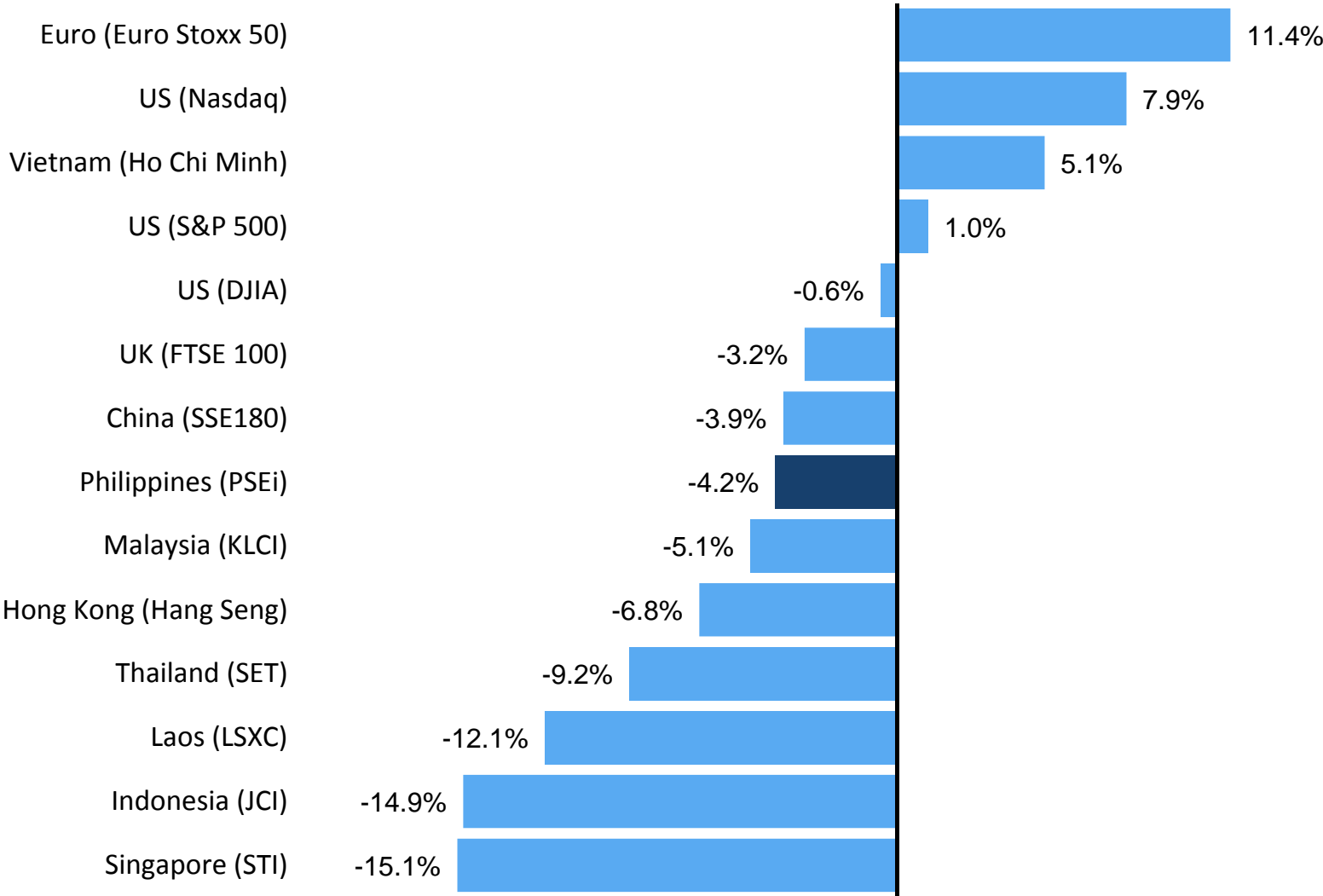
**Real interest rates**  
Chart shows one way to calculate real interest rates across different currencies and economies in the world. Today's Real interest rates = Nominal interest rates (represented here by 3-month risk free interest rates) – expected inflation.

**Real interest rate in the Philippines**  
3-month risk-free interest rates (from PHP denominated government bond) is offering 2.2% a year while expected inflation in the Philippines is 2.4%. This led to estimated real interest of minus 0.2%.

# Like most emerging markets, Philippines Stock Index has declined so far in 2015

## Stock Market Performance

Year-to-date percentage change, as of Nov 30<sup>th</sup> 2015



### Stock market performance

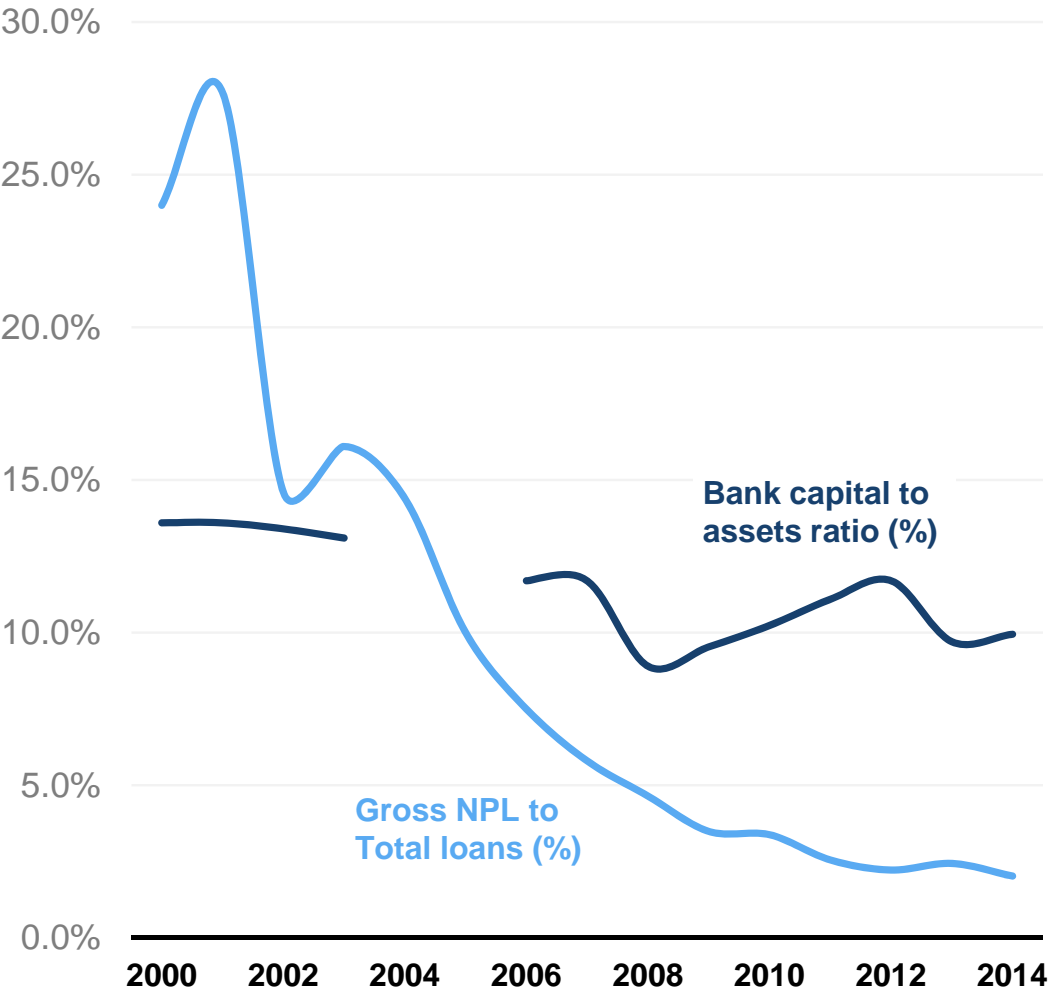
Year-to-date performance of ASEAN stock markets and global benchmark indices.

### Latest development

Like most emerging markets, Philippines Stock Index has declined so far in 2015. The index has dropped 4.2% in the first 11 months.

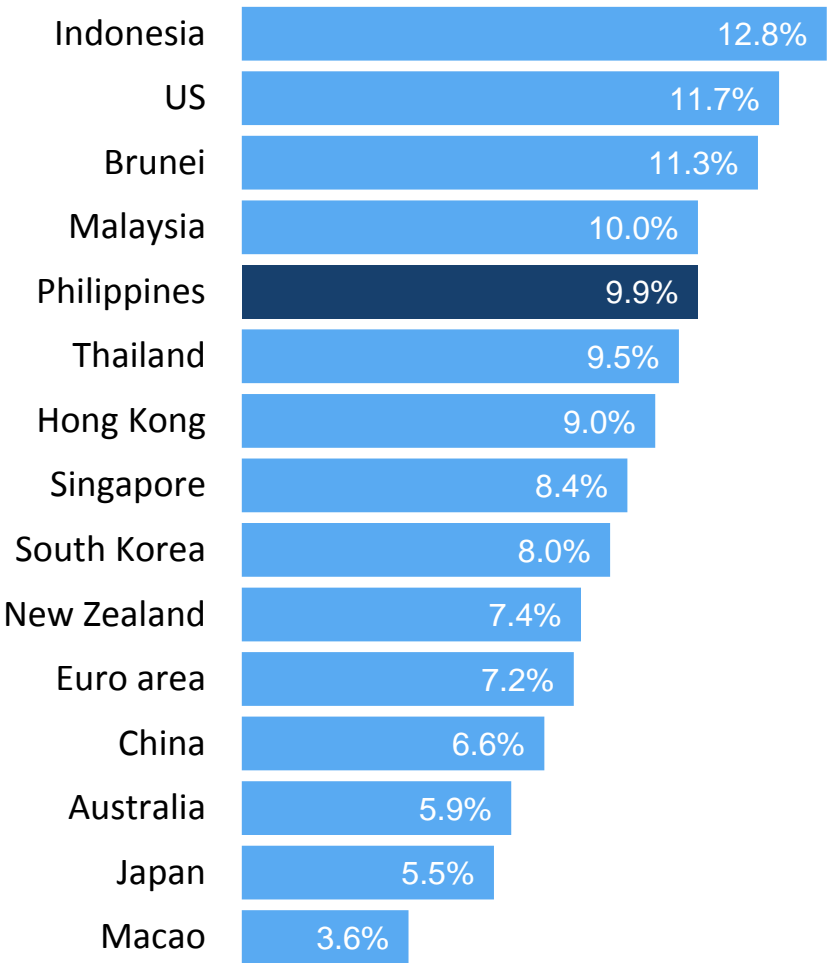
# Philippines banking sector is healthy, after turning around from 1997 crisis, with high capital ratio and low NPL

Philippines Banking sector



Bank Capital ratio

2014, % of assets



## Stability in banking sector

Stability in banking sector is achieved when there is a high capital ratio as well as low bad debt among banks. Capital ratio is bank capital divided by assets. Bad debt is usually measured by gross non-performing loan divided by total loans.

## Philippines banking sector

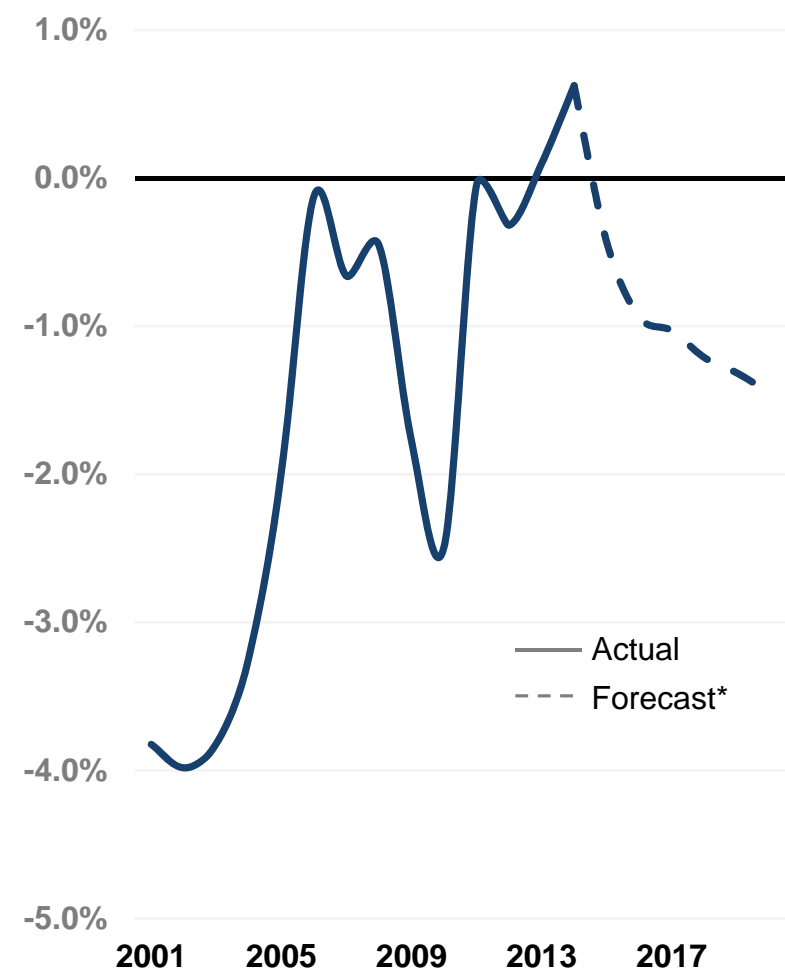
Philippines banking sector is healthy, after turning around from 1997 crisis, with high capital ratio and low NPL.

# Philippines fiscal balance is quite healthy with low deficit and public debt level



Interactive chart for this page is available online to provide you with more perspectives

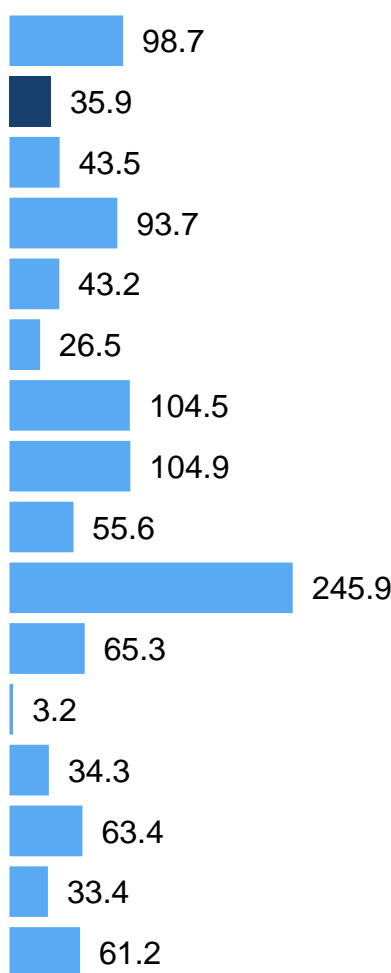
Philippines General government structural balance\*  
% of GDP



Projected General government structural balance\*\*  
2015, % of GDP



Projected General government debt\*\*  
2015, % of GDP



## Fiscal or Government budget balance

Budget balances are the government revenues net of the government expenditures. When compared across countries, it is commonly standardized in the form of percentage of GDP.

## Public debt

Public debt includes direct government debt, debt of State Enterprises and others. When compared across countries, it is commonly standardized in the form of percentage of GDP.

## Philippines fiscal situation

As with most ASEAN economies, Philippines fiscal balance is quite healthy with low deficit, expected to be -0.4% of GDP in 2015. Philippines public debt level is also quite low, around 35.9% of GDP.

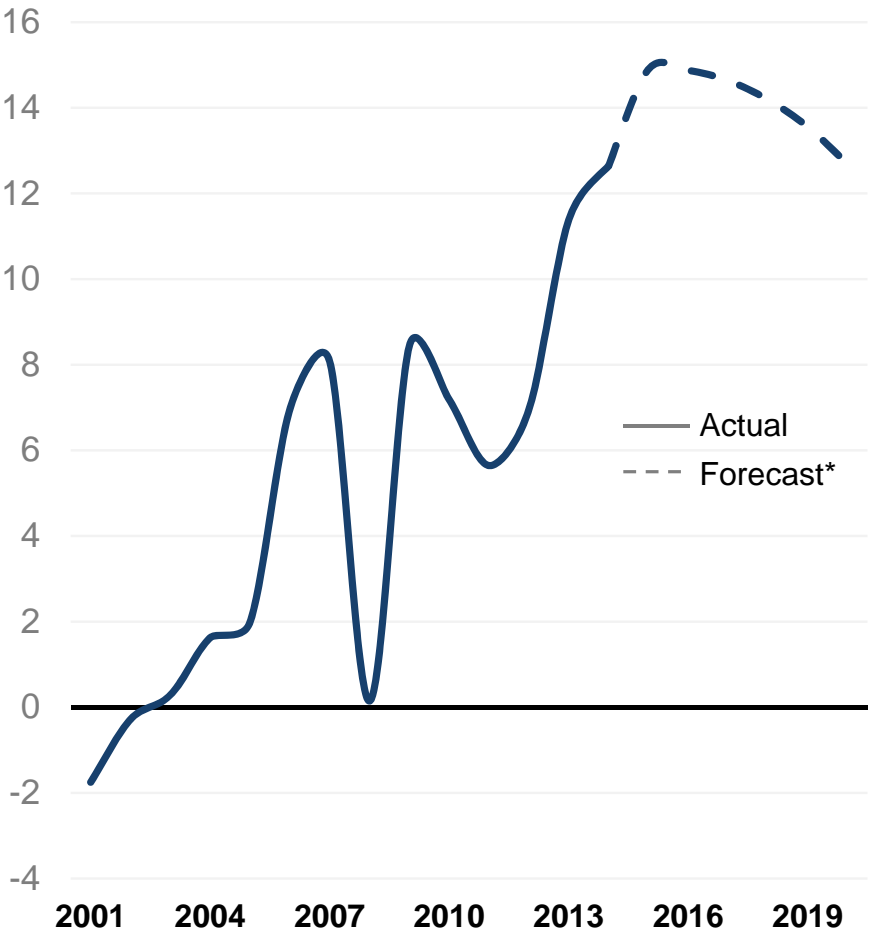
Note: (\*) Excluding cyclical and extraordinary income/expenses  
(\*\*) Forecasted by IMF in World Economic Outlook report, Oct 2015

# Philippines current account surplus expected to improve further in 2015



Interactive chart for this page is available online to provide you with more perspectives

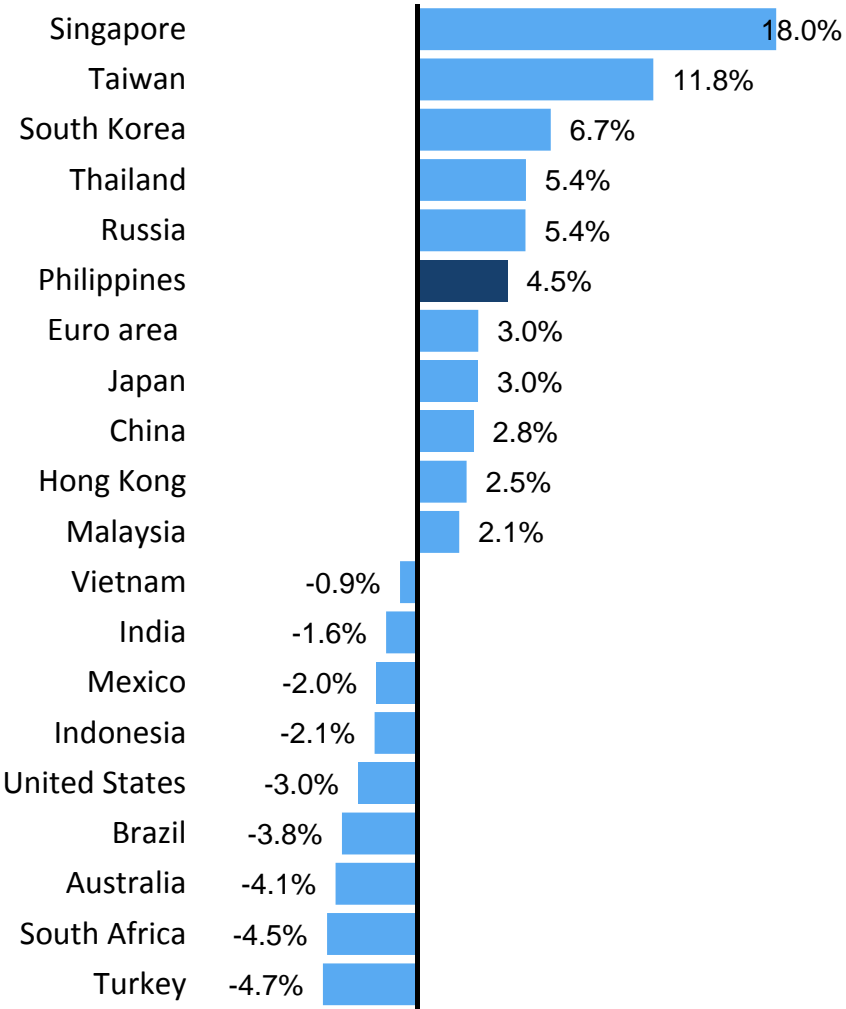
Philippines Current Account balance  
USD billion



Note: (\*) Forecasted by IMF in World Economic Outlook report, Oct 2015  
(\*\*) Current Account = Trade balance + service income  
(\*\*\*) Forecasted by the Economist Poll

Source: IMF; Charting Economy analysis

Projected Current Account balance  
2016\*, % of GDP



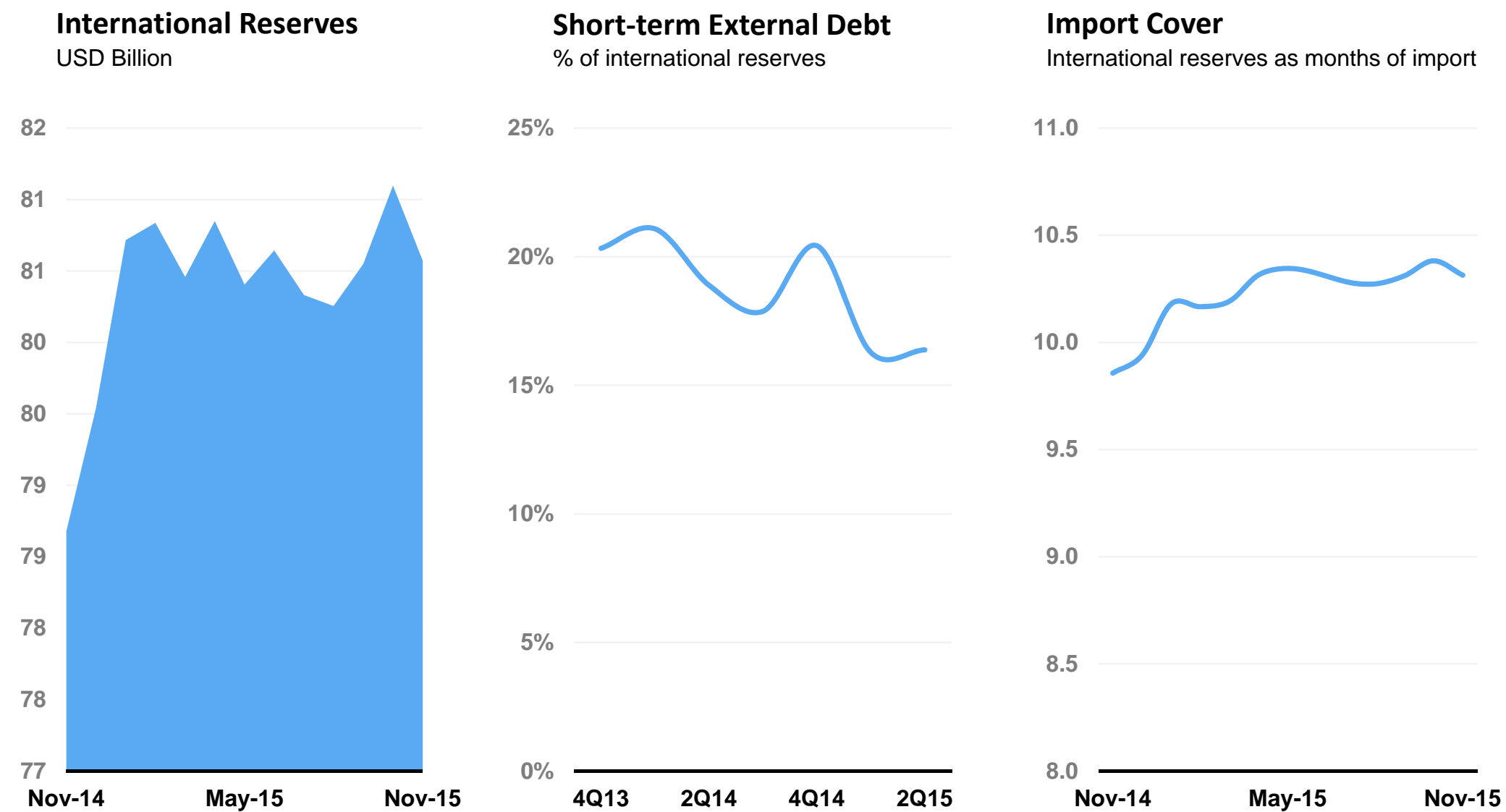
## Current Account balance

Current Account balance equals Trade balance plus Net Services. Trade balance refers to net export (export less import) of goods. Net Services are the net result of foreign trade related to services, defined as the net export (export less import) of services. Income consists of compensation of employees, investment income, and donation and grant. Current Account balance reflects the capability of a country to obtain foreign exchange through commercial means.

## Philippines Current Account

Philippines current account surplus expected to improve further in 2015.

# Philippines International reserves can adequately cover its short-term debt and Import



## International reserves

International reserve assets refer to external assets that are held or controlled by central bank and are readily available for immediate uses, for instance, in financing payment imbalances or in implementing exchange rate policy

## External debt

External debt refers to the remaining outstanding portion of liabilities (excluding equity) which residents have over nonresidents of an economy.

## Philippines International Wealth

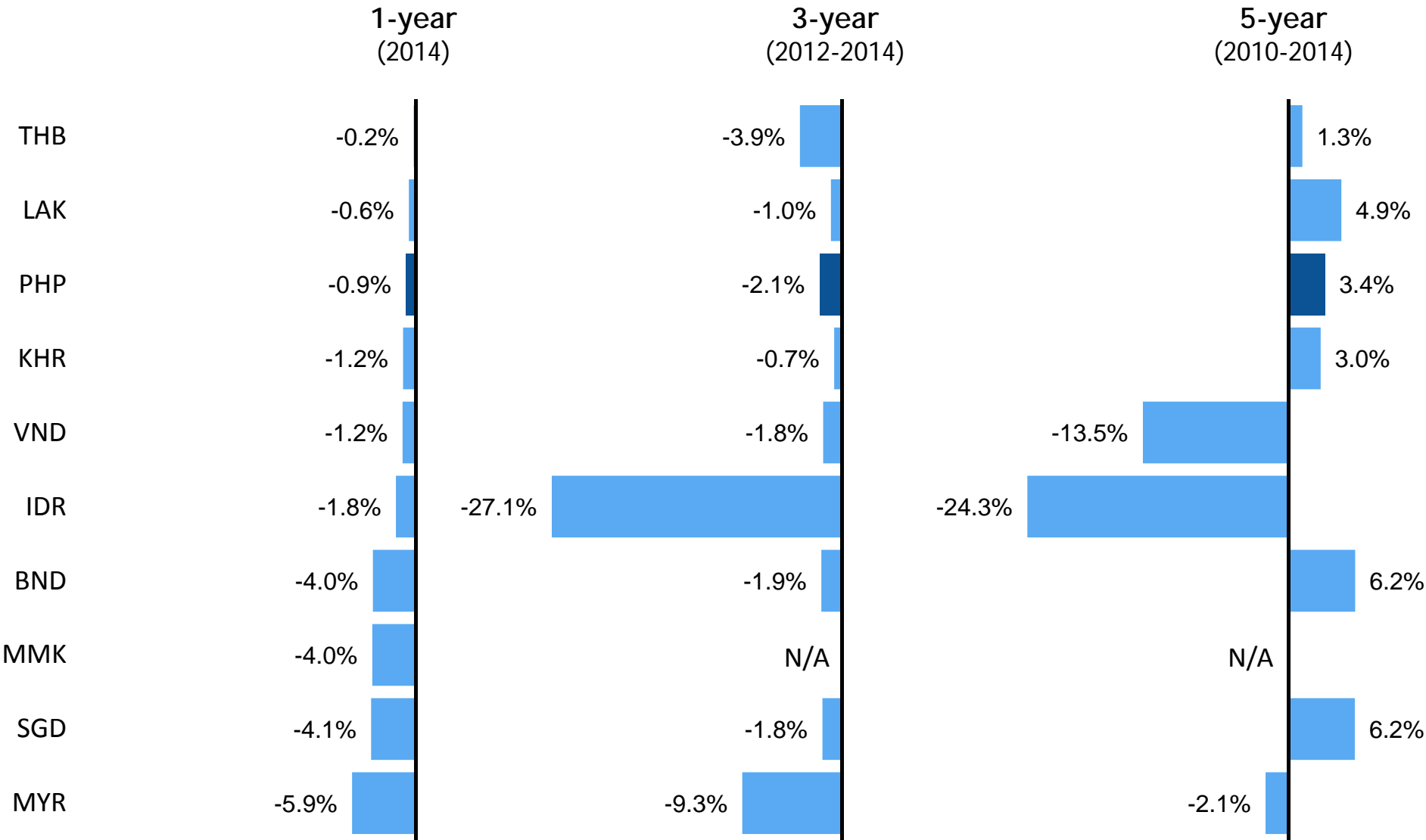
Philippines International reserves can adequately cover its short-term debt and Import. Philippines reserves is more than 6 times its short-term external debt and the import cover is more than 10 months.



# Philippines Peso has depreciated less than 1% against USD in 2014

## ASEAN Exchange rate performance

Change in value against USD, percentage



### Exchange rate

A stable exchange rate is preferred in the world where most countries adopt floating rate policy. Volatile exchange rate can certainly harm international trade and investment.

### Philippines exchange rate

Philippines Peso was one of the best performing currencies in ASEAN, depreciated less than 1% against USD in 2014. Over the 5-year period, it has gained 3.4% over the USD.

# Philippines Peso has hold its value quite well against the strong USD in 2015

## Philippines Peso Exchange Rate

Per USD, mid point



## Philippines Peso Value

Indexed per USD, mid point, 31/12/14 = 100



### Exchange rate

A stable exchange rate is preferred in the world where most countries adopt floating rate policy. Volatile exchange rate can certainly harm international trade and investment.

### YTD change in Philippines Peso value

Philippines Peso has hold its value quite well against the strong USD in 2015. It has depreciated around 5% in the first 11 months, lowest among all major ASEAN currencies.

APPENDIX 1:

## **KEY PROJECTIONS**

**From IMF's World Economic Outlook Report  
October 2015**

KEY PROJECTIONS:

# PHILIPPINES ECONOMY

Indicators	Units	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Estimates Start After
Current account balance	Billion USD	5.65	6.95	11.38	12.65	14.90	14.87	14.64	14.19	13.55	12.69	2014
General government gross debt	% of GDP	41.41	40.61	39.25	36.40	35.88	33.90	32.04	30.32	28.76	27.34	2014
General government structural balance	% of potential GDP	-0.05	-0.32	0.10	0.62	-0.43	-0.94	-1.03	-1.21	-1.32	-1.45	2014
Gross domestic product per capita, current prices	USD	2,379	2,611	2,789	2,862	2,951	3,192	3,476	3,790	4,143	4,530	2014
Gross domestic product, constant prices	% change	3.7	6.7	7.1	6.1	6.0	6.3	6.5	6.5	6.5	6.5	2014
Gross domestic product, current prices	Billion USD	224	250	272	285	299	330	367	408	455	507	2014
Inflation, average consumer prices	% change	4.7	3.2	2.9	4.2	1.9	3.4	3.5	3.5	3.5	3.5	2014
Population	Million Persons	94.2	95.8	97.5	99.4	101.4	103.5	105.5	107.6	109.8	112.0	2014
Unemployment rate	% of total labor force	7.0	7.0	7.1	6.8	6.3	6.0	5.9	5.8	5.7	5.6	2014

Source: IMF World Economic Outlook Oct 2015

www.ChartingEconomy.com

### On Projections

Economic projections change all the time, given new data available. Even best forecasters, IMF included, do not often get them right at the end. Do not take them as certainty, but a guideline to apply to your business, if you need to.

APPENDIX 2:

## **DOING BUSINESS 2016**

**Detailed rankings and scores for the Philippines  
and comparable economies**

# Starting a business in Philippines is relatively difficult with relatively high cost and around a month to complete

## Starting a business rank

Economy	Rank	DTF*	Procedures (number)	Time (days)	Cost (% of income per capita)	Paid-in min. capital (% of income per capita)
New Zealand	1	100.0	1.0	0.5	0.3	0.0
Hong Kong SAR, China	4	98.1	2.0	1.5	1.2	0.0
Singapore	10	96.5	3.0	2.5	0.6	0.0
Australia	11	96.5	3.0	2.5	0.7	0.0
Malaysia	14	95.3	3.0	4.0	6.7	0.0
Korea, Rep.	23	94.4	3.0	4.0	14.5	0.0
Brunei Darussalam	74	87.6	7.0	14.0	1.2	0.0
Japan	81	86.3	8.0	10.2	7.5	0.0
Thailand	96	85.1	6.0	27.5	6.4	0.0
Timor-Leste	104	83.6	4.0	9.0	0.3	156.6
Vietnam	119	81.3	10.0	20.0	4.9	0.0
China	136	77.5	11.0	31.4	0.7	0.0
Lao PDR	153	73.8	6.0	73.0	4.9	0.0
India	155	73.6	12.9	29.0	13.5	0.0
Myanmar	160	70.0	11.0	13.0	97.1	0.0
Philippines	165	68.6	16.0	29.0	16.1	3.3
Indonesia	173	66.0	13.0	47.8	19.9	31.0
Cambodia	180	58.1	7.0	87.0	78.7	24.1
Central African Republic	189	31.4	10.0	22.0	204.0	540.1

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

www.ChartingEconomy.com

## Starting a Business

This topic measures the paid-in minimum capital requirement, number of procedures, time and cost for a small- to medium-sized limited liability company to start up and formally operate. To make the data comparable across 189 economies, Doing Business uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. The most recent round of data collection for the project was completed in June 2015.

## Starting a Business in Philippines

Starting a business in Philippines is relatively difficult with relatively high cost and around a month to complete.



# Getting construction permits in the Philippines is quite expensive and there are too many procedures involved

## Dealing with Construction Permits rank

Economy	Rank	DTF*	Procedures (number)	Time (days)	Cost (% of warehouse value)	Building quality control index (0-15)
Singapore	1	93.0	10.0	26.0	0.3	14.0
Australia	4	86.6	10.0	112.0	0.5	14.0
Hong Kong SAR, China	7	84.8	11.0	72.0	0.7	12.0
Vietnam	12	82.2	10.0	166.0	0.8	14.0
Malaysia	15	81.1	15.0	79.0	1.4	13.0
Brunei Darussalam	21	79.1	14.0	119.0	0.2	12.0
Korea, Rep.	28	77.8	10.0	28.0	4.3	8.0
Thailand	39	75.6	17.0	103.0	0.1	11.0
Lao PDR	42	75.1	11.0	83.0	0.5	6.5
Japan	68	71.7	12.0	197.0	0.6	10.0
Myanmar	74	71.0	14.0	95.0	4.0	9.0
Philippines	99	67.7	24.0	98.0	1.1	11.0
Indonesia	107	66.7	17.0	210.2	3.8	13.0
Timor-Leste	154	57.2	16.0	207.0	0.3	4.0
China	176	48.3	22.0	244.3	7.2	9.0
Cambodia	181	38.1	20.0	652.0	6.2	6.5
India	183	32.5	33.6	191.5	26.0	11.0
Afghanistan	185	22.9	11.0	353.0	76.6	1.5

### Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, this year Doing Business introduces a new measure, the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in June 2015.

### Getting construction permits in Philippines

Getting construction permits in the Philippines is quite expensive and there are too many procedures involved.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

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# Getting electricity in the Philippines is rather an easy task

## Getting Electricity rank

Economy	Rank	DTF*	Procedures (number)	Time (days)	Cost (% of income per capita)	Reliability of supply and transparency of tariff index (0-8)
Korea, Rep.	1	99.9	3.0	18.0	39.8	8.0
Singapore	6	94.3	4.0	31.0	25.9	8.0
Hong Kong SAR, China	9	91.6	4.0	28.0	1.3	7.0
Thailand	11	90.5	4.0	37.0	45.9	7.0
Malaysia	13	90.1	5.0	32.0	30.7	8.0
Japan	14	89.9	3.4	97.7	0.0	8.0
Philippines	19	86.9	4.0	42.0	28.7	6.0
Australia	39	82.3	5.0	75.0	8.4	7.0
Indonesia	46	80.7	5.0	79.0	383.0	7.0
Brunei Darussalam	68	74.9	5.0	56.0	40.1	4.0
India	70	74.6	5.0	90.1	442.3	5.5
China	92	68.7	5.5	143.2	413.3	6.0
Timor-Leste	95	67.9	3.0	63.0	733.4	0.0
Vietnam	108	63.3	6.0	59.0	1322.6	3.0
Cambodia	145	52.4	4.0	179.0	2336.1	2.0
Myanmar	148	50.9	6.0	77.0	1673.4	0.0
Lao PDR	158	45.2	6.0	134.0	1522.6	0.0
Bangladesh	189	15.3	9.0	428.9	3140.5	0.0

### Getting Electricity

This topic tracks the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. In addition to assessing efficiency of connection process, new indicators were added to measure reliability of power supply and transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in June 2015.

### Getting Electricity in Philippines

Getting electricity in the Philippines is rather an easy task. It takes a littler longer than a month with relatively low cost.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

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# Registering property in the Philippines takes a little over a month and cost 4.3% of property value

Registering Property rank

Economy	Rank	DTF*	Procedures (number)	Time (days)	Cost (% of property value)	Quality of the land administration index (0-30)
New Zealand	1	94.5	2.0	1.0	0.1	26.0
Singapore	17	85.7	4.0	4.5	2.9	26.5
Malaysia	38	76.3	8.0	13.0	3.3	27.5
Korea, Rep.	40	76.2	7.0	6.5	5.1	27.5
China	43	75.0	4.0	19.5	3.4	17.0
Australia	47	74.2	5.0	4.5	5.2	20.0
Japan	48	73.9	6.0	13.0	5.8	24.5
Thailand	57	71.3	3.0	3.0	6.3	13.5
Vietnam	58	70.6	5.0	57.5	0.6	14.0
Hong Kong SAR, China	59	69.8	5.0	27.5	7.7	23.0
Lao PDR	66	68.7	4.0	53.0	1.1	9.5
Philippines	112	57.5	9.0	35.0	4.3	12.5
Cambodia	121	54.9	7.0	56.0	4.4	7.5
Indonesia	131	52.4	5.0	27.4	10.8	8.3
India	138	50.3	7.0	47.0	7.5	7.0
Myanmar	145	49.3	6.0	85.0	5.1	4.0
Brunei Darussalam	148	48.6	7.0	298.0	0.6	14.5
Bangladesh	185	27.5	8.0	244.0	7.0	4.5
Timor-Leste	189	0.0	no practice	no practice	no practice	0.0

## Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, this year Doing Business adds a new measure to the set of registering property indicators, an index of the quality of the land administration system in each economy. The quality of land administration index has four dimensions: reliability of infrastructure, transparency of information, geographic coverage and land dispute resolution. The most recent round of data collection for the project was completed in June 2015.

## Registering Property in Philippines

Registering property in the Philippines takes a little over a month and cost 4.3% of property value.

# Getting credit in the Philippines is difficult with weak legal rights and low credit bureau coverage

## Getting Credit rank

Economy	Rank	DTF*	Strength of legal rights index (0-12)	Depth of credit information index (0-8)	Credit registry coverage (% of adults)	Credit bureau coverage (% of adults)
New Zealand	1	100.0	12.0	8.0	0.0	100.0
Australia	5	90.0	11.0	7.0	0.0	100.0
Cambodia	15	80.0	11.0	5.0	0.0	37.0
Hong Kong SAR, China	19	75.0	8.0	7.0	0.0	96.0
Singapore	19	75.0	8.0	7.0	0.0	58.6
Malaysia	28	70.0	7.0	7.0	57.0	77.1
Vietnam	28	70.0	7.0	7.0	41.5	6.9
India	42	65.0	6.0	7.0	0.0	22.0
Korea, Rep.	42	65.0	5.0	8.0	0.0	100.0
Indonesia	70	55.0	5.0	6.0	48.5	0.0
Lao PDR	70	55.0	6.0	5.0	5.1	0.0
Brunei Darussalam	79	50.0	4.0	6.0	61.2	0.0
China	79	50.0	4.0	6.0	89.5	0.0
Japan	79	50.0	4.0	6.0	0.0	100.0
Thailand	97	45.0	3.0	6.0	0.0	60.2
Philippines	109	40.0	3.0	5.0	0.0	14.0
Timor-Leste	162	20.0	0.0	4.0	5.8	0.0
Myanmar	174	10.0	2.0	0.0	0.0	0.0
Yemen, Rep.	185	0.0	0.0	0.0	1.3	0.0

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

www.ChartingEconomy.com

### Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in June 2015.

### Getting Credit in Philippines

Getting credit in the Philippines is difficult with weak legal rights and low credit bureau coverage.

# The Philippines is one of the places where minority investors are treated quite badly

## Protecting Minority Investors rank

Economy	Rank	DTF	Strength of minority investor protection index (0-10)	Extent of conflict of interest regulation index (0-10)	Extent of disclosure index (0-10)	Extent of director liability index (0-10)	Ease of shareholder suits index (0-10)	Extent of shareholder governance index (0-10)	Extent of shareholder rights index (0-10)	Extent of ownership and control index (0-10)	Extent of corporate transparency index (0-10)
Hong Kong SAR, China	1	83.3	8.3	9.0	10.0	8.0	9.0	7.7	9.0	7.0	7.0
New Zealand	1	83.3	8.3	9.3	10.0	9.0	9.0	7.3	8.0	7.0	7.0
Singapore	1	83.3	8.3	9.3	10.0	9.0	9.0	7.3	8.0	7.0	7.0
Malaysia	4	78.3	7.8	8.7	10.0	9.0	7.0	7.0	6.0	8.0	7.0
India	8	73.3	7.3	6.7	7.0	6.0	7.0	8.0	10.0	8.0	6.0
Korea, Rep.	8	73.3	7.3	7.0	7.0	6.0	8.0	7.7	7.0	8.0	8.0
Japan	36	63.3	6.3	7.0	7.0	6.0	8.0	5.7	8.0	4.0	5.0
Thailand	36	63.3	6.3	7.7	10.0	7.0	6.0	5.0	5.0	6.0	4.0
Australia	66	56.7	5.7	6.0	8.0	2.0	8.0	5.3	5.0	3.0	8.0
Timor-Leste	81	55.0	5.5	4.7	5.0	4.0	5.0	6.3	8.0	7.0	4.0
Indonesia	88	53.3	5.3	5.7	10.0	5.0	2.0	5.0	7.0	4.0	4.0
Cambodia	111	48.3	4.8	6.3	5.0	10.0	4.0	3.3	1.0	4.0	5.0
Vietnam	122	45.0	4.5	3.7	7.0	3.0	1.0	5.3	7.0	4.0	5.0
Brunei Darussalam	134	43.3	4.3	5.7	4.0	5.0	8.0	3.0	4.0	1.0	4.0
China	134	43.3	4.3	5.0	10.0	1.0	4.0	3.7	1.0	2.0	8.0
Philippines	155	38.3	3.8	4.0	2.0	3.0	7.0	3.7	1.0	4.0	6.0
Lao PDR	178	31.7	3.2	3.3	6.0	1.0	3.0	3.0	5.0	4.0	0.0
Myanmar	184	26.7	2.7	2.0	3.0	0.0	3.0	3.3	5.0	3.0	2.0
Afghanistan	189	10.0	1.0	1.7	1.0	1.0	3.0	0.3	0.0	0.0	1.0

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

www.ChartingEconomy.com

## Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in June 2015.

## Minority Investors in Philippines

The Philippines is one of the places where minority investors are treated quite badly.

# Corporate taxes in the Philippines is rather high and the process can be quite cumbersome

## Paying Taxes rank

Economy	Rank	DTF	Payments (number per year)	Time (hours per year)	Total tax rate (% of profit)	Profit tax (% of profit)	Labor tax and contributions (% of profit)	Other taxes (% of profit)
Qatar	1	99.4	4.0	41.0	11.3	0.0	11.3	0.0
Hong Kong SAR, China	4	98.7	3.0	74.0	22.8	17.5	5.2	0.1
Singapore	5	96.6	6.0	83.5	18.4	2.0	15.3	1.1
Brunei Darussalam	16	89.6	18.0	89.0	8.7	0.8	7.9	0.0
Korea, Rep.	29	84.5	12.0	188.0	33.2	18.2	13.8	1.2
Malaysia	31	84.3	13.0	118.0	40.0	22.7	16.4	0.9
Australia	42	82.4	11.0	105.0	47.6	26.0	21.1	0.5
Timor-Leste	57	80.0	18.0	276.0	11.2	11.2	0.0	0.0
Thailand	70	77.7	22.0	264.0	27.5	19.5	5.4	2.6
Myanmar	84	74.8	31.0	188.0	31.4	25.3	0.2	5.9
Cambodia	95	73.1	40.0	173.0	21.0	19.5	0.5	1.0
Japan	121	67.2	14.0	330.0	51.3	..	..	..
Philippines	126	66.2	36.0	193.0	42.9	20.3	8.7	13.9
Lao PDR	127	66.1	35.0	362.0	25.3	16.0	5.6	3.7
China	132	64.5	9.0	261.0	67.8	..	..	..
Indonesia	148	60.5	54.0	234.0	29.7	..	..	..
India	157	56.1	33.0	243.0	60.6	..	..	..
Vietnam	168	45.4	30.0	770.0	39.4	14.5	24.8	0.1
Bolivia	189	12.2	42.0	1025.0	83.7	0.0	18.8	64.9

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

www.ChartingEconomy.com

## Paying Taxes

This topic addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as measures the administrative burden in paying taxes. The most recent round of data collection for the project was completed on June 1, 2015 covering for the Paying Taxes indicator calendar year 2014 (January 1, 2014 – December 31, 2014).

## Paying Taxes in Philippines

Corporate taxes in the Philippines is rather high and the process can be quite cumbersome.



# Trading across borders in the Philippines is easier than in Vietnam and even in China

## Trading Across Borders rank

Economy	Rank	DTF	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD)	Time to import: Border compliance (hours)	Cost to import: Border compliance (USD)	Time to import: Documentary compliance (hours)	Cost to import: Documentary compliance (USD)
Austria	1	100.0	0.0	0.0	1.0	0.0	0.0	0.0	1.0	0.0
Korea, Rep.	31	92.5	14.0	185.0	1.0	11.0	6.0	315.0	1.0	27.0
Singapore	41	89.4	12.0	335.0	4.0	37.0	35.0	220.0	1.0	37.0
Hong Kong SAR, China	47	87.8	19.0	282.0	1.0	52.0	19.0	266.0	1.0	130.0
Malaysia	49	86.7	20.0	321.0	10.0	45.0	24.0	321.0	10.0	60.0
Japan	52	85.9	48.0	306.0	3.0	15.0	48.0	337.0	3.0	23.0
Thailand	56	84.1	51.0	223.0	11.0	97.0	50.0	233.0	4.0	43.0
Timor-Leste	92	70.4	96.0	350.0	33.0	100.0	96.0	410.0	44.0	100.0
Philippines	95	69.4	42.0	456.0	72.0	53.0	72.0	580.0	96.0	50.0
China	96	69.1	26.0	522.0	21.0	85.0	92.0	777.0	66.0	171.0
Cambodia	98	67.6	45.0	375.0	132.0	100.0	4.0	240.0	132.0	120.0
Vietnam	99	67.2	57.0	309.0	83.0	139.0	64.0	268.0	106.0	183.0
Indonesia	105	64.8	39.0	254.0	72.0	170.0	99.0	383.0	144.0	160.0
Lao PDR	108	64.1	3.0	73.0	216.0	235.0	5.0	153.0	216.0	115.0
Brunei Darussalam	121	60.7	72.0	340.0	168.0	90.0	48.0	395.0	144.0	50.0
India	133	56.5	109.0	413.0	41.0	102.0	287.0	574.0	63.0	145.0
Myanmar	140	55.1	144.0	432.0	144.0	140.0	120.0	367.0	48.0	115.0
Congo, Dem. Rep.	187	1.3	515.0	1323.0	698.0	2500.0	588.0	2089.0	216.0	875.0

## Trading Across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. Under the new methodology introduced this year, Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in June 2015.

## Trading Across Borders in Philippines

Trading across borders in the Philippines is easier than in Vietnam and even in China.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

Source: Doing Business 2016: Measuring Regulatory Quality and Efficiency

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# Enforcing contracts in the Philippines takes almost 3 years but the cost is relatively low

## Enforcing Contracts rank

Economy	Rank	DTF	Time (days)	Cost (% of claim)	Quality of judicial processes index (0-18)
Singapore	1	84.9	150.0	25.8	16
Korea, Rep.	2	84.8	230.0	10.3	14
Australia	4	79.7	395.0	21.8	16
China	7	77.6	452.8	16.2	14
Hong Kong SAR, China	22	72.6	360.0	21.2	11
Malaysia	44	66.6	425.0	37.3	12
Japan	51	65.3	360.0	23.4	8
Thailand	57	62.7	440.0	19.5	7
Vietnam	74	60.2	400.0	29.0	7
Lao PDR	92	58.1	443.0	31.6	7
Brunei Darussalam	113	54.5	540.0	36.6	7
Philippines	140	49.2	842.0	31.0	8
Indonesia	170	35.4	471.0	115.7	6
Cambodia	174	34.5	483.0	103.4	6
India	178	32.4	1420.0	39.6	8
Myanmar	187	24.5	1160.0	51.5	3
Bangladesh	188	22.2	1442.0	66.8	8
Timor-Leste	189	6.1	1285.0	163.2	3

### Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court. In addition, this year it introduces a new measure, the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the commercial court system. The most recent round of data collection was completed in June 2015.

### Enforcing Contracts in Philippines

Enforcing contracts in the Philippines takes almost 3 years but the cost is relatively low.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

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# Resolving insolvency in the Philippines takes a long time and less than half is recovered

## Resolving Insolvency rank

Economy	Rank	DTF	Recovery rate (cents on the dollar)	Time (years)	Cost (% of estate)	Outcome (0 as piecemeal sale and 1 as going concern)	Strength of insolvency framework index (0-16)	Commencement of proceedings index (0-3)	Management of debtor's assets index (0-6)	Reorganization proceedings index (0-3)	Creditor participation index (0-4)
Finland	1	93.8	90.1	0.9	3.5	1.0	14.5	3.0	6.0	2.5	3.0
Japan	2	93.8	92.9	0.6	3.5	..	14.0	..	..	..	..
Korea, Rep.	4	90.3	83.6	1.5	3.5	1.0	14.5	2.5	6.0	3.0	3.0
Australia	14	81.7	82.1	1.0	8.0	1.0	12.0	2.5	6.0	0.5	3.0
Hong Kong SAR	26	75.1	87.2	0.8	5.0	1.0	9.0	3.0	3.0	1.0	2.0
Singapore	27	74.8	89.7	0.8	3.0	1.0	8.5	3.0	4.0	0.5	1.0
Malaysia	45	62.5	81.3	1.0	10.0	1.0	6.0	2.0	2.0	0.0	2.0
Thailand	49	58.8	42.5	2.7	36.0	1.0	11.5	2.0	4.0	2.5	3.0
Philippines	53	56.8	21.4	2.7	32.0	0.0	14.5	3.0	5.5	3.0	3.0
China	55	55.4	36.2	1.7	22.0	..	11.5	..	..	..	..
Indonesia	77	46.5	31.2	1.9	21.6	..	9.5	..	..	..	..
Cambodia	82	45.1	8.3	6.0	28.0	0.0	13.0	3.0	4.0	3.0	3.0
Brunei Darussalam	98	41.1	47.2	2.5	3.5	0.0	5.0	2.0	2.0	0.0	1.0
Vietnam	123	35.8	20.1	5.0	14.5	0.0	8.0	3.0	3.0	2.0	0.0
India	136	32.6	25.7	4.3	9.0	..	6.0	..	..	..	..
Myanmar	162	20.4	14.7	5.0	18.0	0.0	4.0	2.0	2.0	0.0	0.0
Liberia	168	4.5	8.4	3.0	42.5	0.0	0.0	0.0	0.0	0.0	0.0
Lao PDR	189	0.0	0.0	no practice	no practice	no practice	0.0	2.0	2.0	0.5	0.0
Timor-Leste	189	0.0	0.0	no practice	no practice	no practice	0.0	2.5	6.0	1.0	2.0

### Resolving Insolvency

This topic identifies weaknesses in existing insolvency law and the main procedural and administrative bottlenecks in the insolvency process. The most recent round of data collection for the project was completed in June 2015.

### Resolving Insolvency in Philippines

Resolving insolvency in the Philippines takes a long time and less than half is recovered.

Note: (\*) An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier

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