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PHILIPPINE CONSULATE GENERAL
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PHL Poised to Bounce Back Under “New Normal” Economy



(Photo credit: Photos were taken during the webinar and the poster was shared by PTIC)

11 June 2020, Los Angeles – Barely a month after the onset of the CoVid-19 pandemic, Philippine Trade and Investment Centers (PTIC) in the Americas have begun asking themselves how to continue business promotion in the midst of a global pandemic, as Philippine missions in the region grapple with the hard stop CoVid-19 brought to the Philippine economy, which heretofore had been enjoying a 9.4% growth.

This was the underlying theme of the Department of Trade and Industry’s (DTI) most recent webinar for the Americas held on 08 June 2020 with the theme “*Philippine Business Environment: Post-CoViD19*”. The session was organized in collaboration with the PTICs in Washington D.C. New York, Los Angeles, San Francisco, Ottawa and Mexico.

The name of the game was to highlight the improved ease of doing business environment in the Philippines for foreign and domestic investments that is being forged with a new set of incentives. This, combined with new priority, strategic projects drives home the message that the Philippines is well position to rebound under the “new normal”.

In his opening remarks, Philippine Ambassador to the United States of America, His Excellency Jose Manuel G. Romualdez brought to fore the practicality of anticipating the

homestays of the new economy in the United States, such as the work-from-home scheme, contact-less interaction and curbside retail. He lauded the Philippine Government's decision to suspend the termination of the Visiting Forces Agreement with the United States as it strengthens confidence in the Philippines and affirms the long-standing alliance between the two countries.

DTI Secretary Ramon M. Lopez highlighted in his presentation the Philippines' strong macroeconomic fundamentals pre-CoVid-19 and how the country closed 2019 with a 6% growth rate with historic low levels of unemployment, underemployment and inflation. The Philippines also saw the largest approvals of investments by the Board of Investments at US\$22.8 billion, the highest in the Board's 52 years of history.

Amidst the pandemic, the Philippines is passing legislation on reforms beginning with Republic Act 11469 or the *Bayanihan to Heal as One Act*. Other reforms are in the pipeline such as the most anticipated *Corporate Recovery and Tax Incentives for Enterprises* (CREATE), which will slash corporate income tax in the Philippines from 30% to 25%, as well as amendments to the *Foreign Investment Negative List* (FINL), which will allow greater foreign equity in the retail trade and public service industries.

The most recent FINL contained in Executive Order 65 and signed into law by President Rodrigo Roa Duterte in October 2018, already allowed 100% foreign equity participation for internet businesses, teaching in higher education, training centers that are not part of formal education, wellness centers, and insurance adjustment companies, lending companies and investment houses.

Beyond CoVid-19, the Philippines will continue to boast of a competitive salary scheme, greater industrial peace, unrivaled access to key markets, unrestricted exports of critical products, competitive advantages in manufacturing and creative industries and a promising digital economy.

For Secretary Lopez, the single most important competitive advantage of the Philippines is its people. The Philippines has a rich talent pool and a work force that is educated, loyal, English-speaking, results-oriented and fast-learner. With these advantages, "*We believe we can easily bounce back once everything is settled and a vaccine is discovered,*" according to Secretary Lopez.

Opening remarks were also given by Philippine Ambassadors to Canada and Mexico, Her Excellency Petronila Garcia and His Excellency Demetrio Tuason, respectively.

Also present as observers, were Philippine Ambassadors to Argentina, Her Excellency Linglingay F. Lacanlale; to Brazil, Her Excellency Marichu B. Mauro; and to Chile, Her Excellency Ma. Teresita C. Daza.

Representing the Philippine Consulate General in Los Angeles were Economic Officer Consul Rea G. Oreta, Information Officer Mary Grace "Joss" D. Leaño and PTIC-L.A. Trade Commissioner Eric Elnar. END.