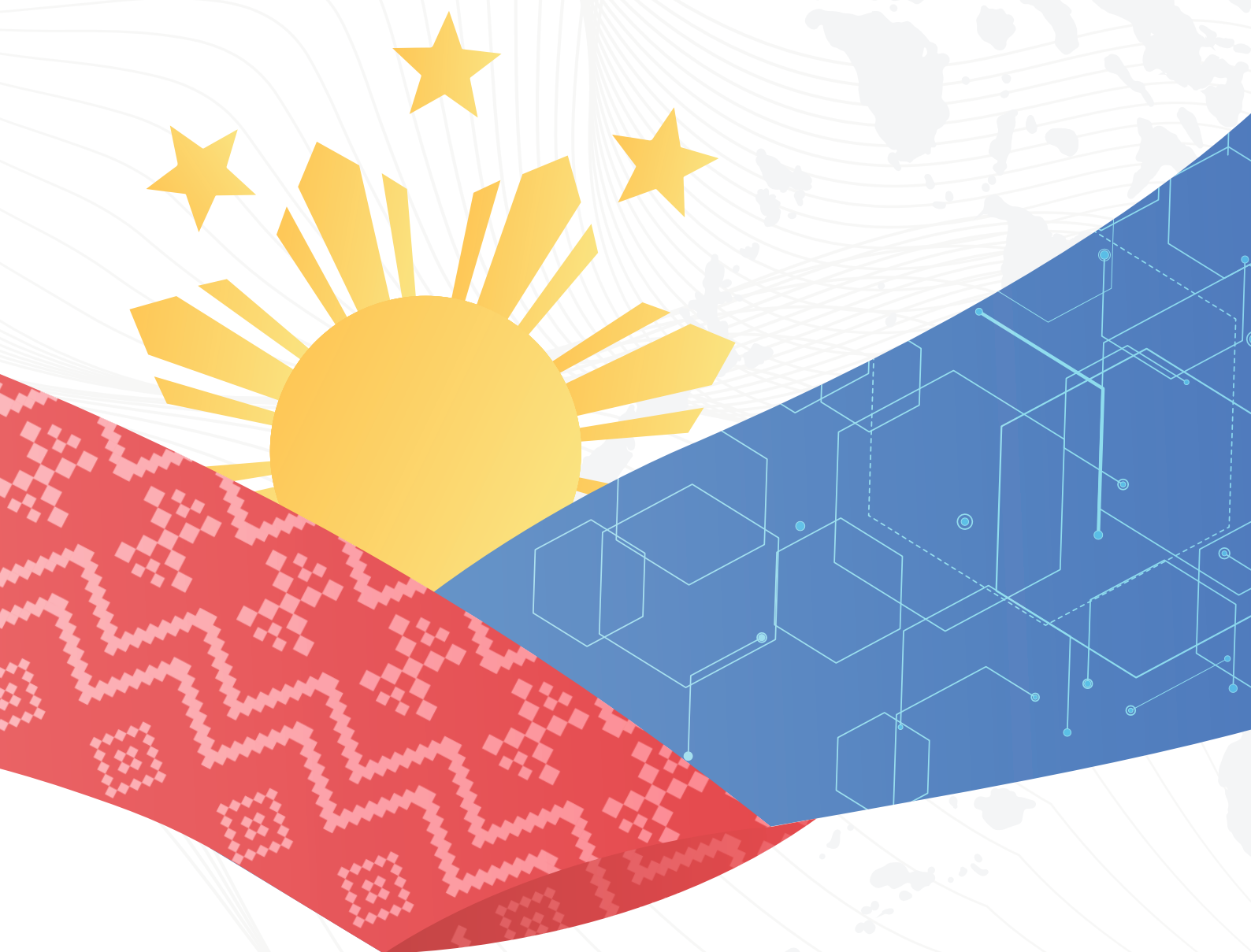


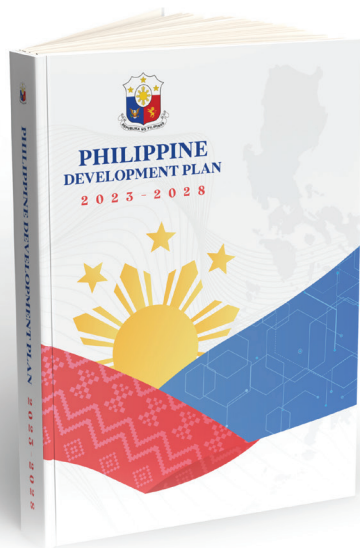


PHILIPPINE DEVELOPMENT PLAN

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BRIEFER





The Philippine Development Plan 2023-2028

The **Philippine Development Plan 2023-2028** (hereinafter, PDP or the Plan) serves as the country's overall blueprint in development planning for the next six years. It reflects the government's **policies, strategies, programs, and legislative priorities in support of and consistent with President Ferdinand R. Marcos, Jr.'s Socioeconomic Agenda**. The Plan is geared toward the attainment of the country's long-term vision, the *AmBisyon Natin 2040*, where all Filipinos are envisioned to enjoy strongly rooted, comfortable, and secure lives.

Through a **whole-of-government and whole-of-society approach**, the PDP was formulated in collaboration with national government agencies, local government units, the private sector, stakeholders groups, civil society, and development partners.



What is the overall goal of the PDP 2023-2028?

The PDP aims to **reinvigorate job creation and accelerate poverty reduction** by steering the Philippine economy back to its high-growth trajectory and effect economic and social transformation for a **prosperous, inclusive, and resilient society**.

What are the goals and targets of the Plan?

In the next six years, the development agenda of the Philippines will be guided by the following **headline socioeconomic targets**:



Maintain annual economic growth rate between 6.0 to 7.0 percent in 2023 and between 6.5 to 8.0 percent from 2024 to 2028. Sustained high levels of growth is a necessary condition to meet the *AmBisyon Natin 2040*.



Create more, better, and more resilient jobs. By 2028, the unemployment rate shall be within 4.0 to 5.0 percent, and the percentage of wage and salary workers in private establishments to total employed shall be within 53 to 55 percent.



Keep food and overall prices low and stable. Expanding the opportunities available to Filipinos must be complemented by efforts to protect people's purchasing power. Food and overall inflation will be kept to within 2.5 to 4.5 percent in 2023 and within 2.0 to 4.0 percent from 2024 to 2028.



Enforce fiscal discipline. To ensure the sustainability of growth, the national government deficit to GDP ratio will be gradually reduced from 6.5 percent during the first half of 2022 to 3.0 percent in 2028. Outstanding government debt GDP ratio will also be reduced from 63.7 as of September 2022 to 48 to 53 percent by end of 2028.



Transform the production sectors through innovation. The Philippines aims to continue its progress among the innovation achievers of the region by ranking higher and within the top 33 percent of the Global Competitiveness Index by 2028.



All of our efforts are intended to significantly improve the welfare of Filipinos. Our strategies are expected to **reduce poverty incidence from 18 percent in 2021 to between 8 to 9 percent by 2028.**

What are the key strategies and approaches of the Plan?

The Plan fully considers the lessons learned from the pandemic and the country's recent economic history. First, maintaining robust macroeconomic fundamentals is key to a more rapid recovery and to preventing deep socioeconomic scars. Second, the vitality of our economy is only as good as the country's health and educational system. Lastly, a whole-of-government and whole-of-society approach is fundamental to policy effectiveness. **The Plan builds on tried-and-tested strategies and hard-won reforms while remaining mindful of emerging global and regional trends.**

Key transformation strategies for the **economic or production sector** include:



Modernize agriculture and agri-business to raise overall productivity, move Philippine products up the value chain, promote diversification, and ensure food security.



Revitalize industry. The government will pursue business-matching and encourage innovation, technology adoption, and servicification or embedding services into manufacturing to add greater value to local products. The government will also enable opportunities for collaboration through the co-location of data-based enterprises and academic institutions.

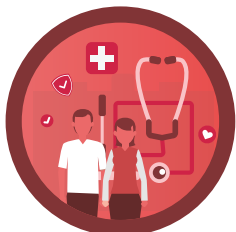


Reinvigorate services. The Philippines' services sector will shift from its low level of productivity to become a modern, productive, and resilient global leader providing higher value-adding and differentiated services. The government will boost the tourism sector as a driver of inclusive growth through strong partnerships with enterprises and local government units. The potential of the creative industries, information technology, and business process management sectors will be harnessed to enable them to participate in global value chains and to build the distinctly Filipino brand of tourism and culture.

For the **social and human development sector**, strategies include the following:



Promote and improve lifelong learning and education by providing access to high-quality learning opportunities that develop adequate competencies and character qualities.



Boost health through interventions leading to healthy schools, communities, workplaces, and lifestyles.



Establish livable communities by upgrading and planning human settlements such that an integrated use of space will bring people closer to work, recreation, and transit options.



Ensure food security and proper nutrition through production and effective supply management.



Strengthen the social protection system by integrating safeguards into development interventions and by streamlining contingency financing mechanisms, strengthening the delivery of digital payments of cash transfers, and expanding insurance coverage.



Increase income-earning ability of the workforce through skills upgrading and updating, employment facilitation services, including the reintegration of migrant workers back to the domestic economy.

To enable transformation, **Philippine institutions will be collaborative, responsive, reliable, and efficient in providing trustworthy, safe, and secure services.** Good governance will be a priority.

As the country faces environmental threats and climate change risks, the government will also ensure that our **natural resources are optimally used without compromising healthful ecology for present and future generations.**

Six cross-cutting strategies will serve as catalysts for economic, social, institutional, and environmental transformation:



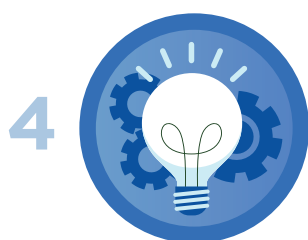
Digitalization. Digital transformation of government will result in more efficient and faster service delivery, more transparency, and fewer opportunities for corruption at various levels. It can also help the government build robust data systems that will create better programs, such as targeted social protection and more efficient employment-opportunity linking systems.



Public-Private Partnerships. Reconfiguring public - private partnerships (PPP) can help address cross-cutting issues of a weak competition environment and the digital divide, as well as boost the country's campaign to attract foreign investments. Foreign direct investments will be harnessed as drivers of export growth, sources of vital technology, and critical enablers of the country's long-term climate action.



Servicification. The government will pursue policies building ecosystems around manufacturing clusters identified as potential sources of high growth. Priority servicification can also be targeted towards the industries of information and communications technology, creatives, tourism, and logistics to move up the global value chain.



Dynamic innovation ecosystem. A dynamic innovation ecosystem will mean new products, more efficient processes, and even bigger market share. Technology and innovation-based strategies for the agriculture, industry, and services sectors lay out a whole-of-government approach to establishing and strengthening the innovation ecosystem.

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Enhanced connectivity. Digital and physical connectivity through infrastructure is important to link markets, connect urban centers to rural areas, and facilitate the movement of people where opportunities for employment or health care and education are better. This is especially important given the connectivity challenges due to the country's archipelagic feature. Connectivity will be ramped up within the country and to the rest of the world to revitalize tourism, facilitate trade, and attract more investments.

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Greater collaboration between local and national government. The PDP seeks to bring local governments in as equal partners in the development agenda of the country. The Plan aims to optimize the sharing of responsibility between local and national government to raise each LGU's capacity for delivering public services and raising local revenues.

What can the business sector and international community expect?

The Philippine government will strengthen and facilitate PPPs, trade and investments, research and development, and technology transfer, while encouraging robust competition. PPPs are expected to upgrade the country's **energy, logistics, transportation, telecommunications, and water infrastructure**.

The government shall build on game-changing reforms to the investment environment such as the **amendments to the Foreign Investment Act, Retail Trade Liberalization Act, and Public Service Act**, as well as the passage of the **Corporate Recovery and Tax Incentives for Enterprises Law**.

Policies enabling open and competitive markets will complement these reforms. The goal is to **make it easier for companies to compete and innovate while upholding consumer protection**. Businesses will be assured of **lower transactions costs, a healthy regulatory environment, and protection from anti-competitive practices**.

Through the strategies identified in the Plan, **the Philippines will be open for business** as it seeks **to regain its position among the most dynamic economies in Asia and the world**.

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National Economic and Development Authority

No. 12 St. Josemaria Escriva Drive
Ortigas Center, Pasig City, Philippines, 1605

Trunkline: +632 8631 0945 to 56

Email: devinfo@neda.gov.ph

Website: neda.gov.ph

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