

JOINT STATEMENT OF SUPPORT ON INITIATIVES TO OPEN UP PHILIPPINE ECONOMY

17 February 2020

We, the undersigned, express our strong support for the initiatives of the Duterte administration to open the Philippine economy as a means for economic recovery and sustainability.

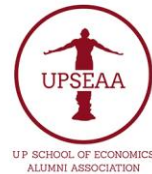
As the Philippine economy struggles to recover from the effects of the COVID-19 pandemic, alongside the rest of the world, it is important to balance public health with the deleterious effects of poverty and hunger on our countrymen, and to maximize opportunities to attract foreign investments to create jobs and build the infrastructure for a strong digital economy.

For these reasons, we support the call of the National Economic and Development Authority (NEDA) and our economic managers to shift the entire country to the less stringent modified general community quarantine, and to implement localized containment measures when needed.¹ In this manner, we believe the delicate balance between poverty and health will be best served. Ideally, these health measures should be standardized across local government units (LGUs) to reduce uncertainty for all.

We also join NEDA and our economic managers in urging the Senate to prioritize the swift passage of the amendments to the Public Service Act, the Retail Trade Liberalization Act and the Foreign Investment Act, which are necessary preconditions to promulgate a more progressive Foreign Investment Negative List (FINL). NEDA has explicitly stated that it has exhausted all possible actions at the executive level, and it is now imperative for our lawmakers to step in to enable the country to maximize economic opportunities for the economy to recover from the effects of the pandemic.² These pieces of legislation are the structural reforms that will complement the tax reforms recently enacted by the legislature and make the country more competitive in attracting FDI in a post pandemic era.

¹ *CNN Philippines*, "NEDA proposes lowest form of community quarantine for PH starting March", February 16, 2021, <https://www.cnnphilippines.com/news/2021/2/16/NEDA-proposal-MGCQ-entire-PH-March.html> (accessed February 17, 2021)

² Gillian M. Cortez, "NEDA warns no FINL easing without economic reform bills" *BusinessWorld*, January 26, 2021, <https://www.bworldonline.com/neda-warns-no-finl-easing-without-economic-reform-bills/> (accessed February 17, 2021)



While we support the initiatives to liberalize the economy by amending the restrictive economic provisions of the 1987 Constitution, we are one with the position of the Department of Finance that our legislature “act on something doable and immediately achievable.”³

Delaying any further could result in lost opportunities and see us again lagging behind our neighbors in our quest for economic recovery and sustainability. To this end, we recommend that the Executive Branch convene the Legislative-Executive Development Advisory Council (LEDAC) to expedite the enactment of these much needed, and long overdue reforms.

For the sake of our economy and the well-being of our people, we urge our government officials to act with the urgency that our situation demands, implement localized containment instead of community quarantines, and enact these crucial investment reforms.

Approved:

Federation of Filipino Chinese Chambers of Commerce and Industry, Inc.
Foundation for Economic Freedom, Inc.
Management Association of the Philippines
Subdivision and Housing Developers Association, Inc.
UP School of Economics Alumni Association

Release date: February 17, 2021

For more information, visit <https://fef.org.ph> or contact:
FEF Secretariat: (632) 3453-2375, fef@fef.org.ph or fefphilippines@gmail.com

³ Divina Nova Joy Dela Cruz, “Finance chief to House: Focus on doable bills”, *The Manila Times*, January 27, 2021, <https://www.manilatimes.net/2021/01/27/news/national/finance-chief-to-house-focus-on-doable-bills/833291/> (accessed February 17, 2021)