

Introduction

The Philippines is a country in Southeast Asia in the western Pacific Ocean. It is an archipelago made up of 7,106 islands located in relation to many of Southeast Asia's main water bodies: the South China Sea, Philippine Sea, Sulu Sea, Celebes Sea, and Luzon Strait. Proximate countries include Taiwan, Vietnam, and Indonesia.



The geography is mountainous with narrow coastal lowlands. The government system is a republic; the chief of state and head of government is the president. The Philippines has a mixed economic system that includes a variety of private freedom, combined with centralized economic planning and government regulation. The Philippines is a member of the Asia-Pacific Economic Cooperation (APEC) and the Association of Southeast Asian Nations (ASEAN).



Location: South-Eastern Asia

Capital City: Manila (+8 GMT)

Chief of State: President Ferdinand "BongBong" Marcos, Jr.

Head of Govt.: President Ferdinand "BongBong" Marcos, Jr.

Currency: Pesos (PHP)

Major Languages: <p>Unspecified Filipino (official; based on Tagalog) and English (official); eight major dialects - Tagalog, Cebuano, Ilocano, Hiligaynon or Ilonggo, Bicol, Waray, Pampango, and Pangasinan</p>

Primary Religions: <p>Roman Catholic 79.5%, Muslim 6%, Iglesia ni Cristo 2.6%, Evangelical 2.4%, National Council of Churches in the Philippines 1.1%, other 7.4%, none <0.1% (2015 est.)</p>

Calling Code: 63

Voltage: 220

Key Websites

Main Government Page: officialgazette.gov.ph

Commerce Ministry: dti.gov.ph

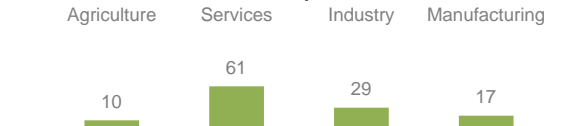
Export Promotion Agency: dti.gov.ph

Investment Promotion Agency: boi.gov.ph

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$1,170.98 billion (2022)
GDP growth (annual %):	7.57% (2022)
GDP per capita, PPP (current international \$):	\$10,133.20 (2022)
External debt stocks, total (DOD, current US\$):	\$106,427,962,609.90 (2021)
Manufacturing, value added (% of GDP):	17.24% (2022)
Current account balance (BoP, current US\$):	-\$17.83 billion (2022)
Inflation, consumer prices (annual %):	5.82% (2022)
Labor force, total:	46,990,319 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	2.24% (2022)
Imports of goods and services (current US\$):	\$178.01 billion (2022)
Exports of goods and services (current US\$):	\$114.76 billion (2022)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	116 / 178
EY Globalization Index	34 / 60
Global Competitiveness Index	63 / 141
Global Enabling Trade Index	82 / 136
Global Services Location Index	9 / 60
Index of Economic Freedom	89 / 176
International Logistics Performance Index (LPI)	60 / 160
Inward FDI Potential Index	77 / 139
KOF Index of Globalization	88 / 185
Networked Readiness Index (NRI)	77 / 139
Open Budget Index	18 / 114

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: B - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

Strengths

- Large population that is young (50% is under 25), qualified and with good fluency in English
- Diverse geographic and sectoral origins of expatriate workers' remittances (10% of GDP)
- Thriving Business Process Outsourcing (BPO) sector
- Poverty reduction (Pantawid Pamilyang Pilipino Program)

Weaknesses

- Inadequate infrastructure levels, low fiscal revenues (14% of GDP)
- Governance shortcomings and high corruption perception
- High levels of income inequality, underemployment leading to expatriation
- Terrorism in the South of the country
- Strict bank secrecy and casinos that facilitate money laundering
- Exposed to natural disasters (typhoons)

U.S. Embassy

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