

Taiwan official backs AI-driven modernization of Philippine harbors

By Kenneth Christiane L. Basilio *Reporter*

THE Philippines needs to tap artificial intelligence (AI) in port management to modernize its harbors while also easing traffic to help streamline shipping activity, an official of the company running Taiwan's Kaohsiung port said.

Monique Chang, director of the Port of Kaohsiung, which is managed by Taiwan International Ports Corp., said last week that it is not too late for the Philippines to catch up by upgrading its ports to world-class standards.

Ms. Chang made the remarks in the context of broader efforts by Manila and Taipei to boost economic connectivity.

Kaohsiung in southern Taiwan has adopted advanced automation and AI technologies, which have helped ease harbor congestion.

"If the government and port companies cooperate to address these gaps, they could be closed quickly," Ms. Chang said on the sidelines of a port development forum in Kaohsiung, Taiwan's main port city.

Taiwan and the Philippines aim to deepen economic ties, with Taipei seeking to participate in developing Philippine ports to bolster trade connectivity as Taiwan seeks to make its supply chains more resilient.

Taiwan officials have told *BusinessWorld* that Taipei is pursuing industry expansion and deeper economic ties with Manila in the face of their shared security concerns.

Kaohsiung port offers many technology learning opportunities for the Philippines, Josephine M. Napiere, acting manager of the Philippine Ports Authority (PPA) operations department, told *BusinessWorld* on Thursday.

"What we have... is not fully automated yet," she added.

Ms. Chang said Taiwan made major investments in port infrastructure decades ago.

"There's lots of government subsidies in port construction work," she said "That's what supports port construction, to make it advanced."

Congestion is a problem for Philippine ports, she added.

"If the traffic can't adjust, that would impact logistics performance, and that would have a big effect on global trade," Ms. Chang said.

In terms of land traffic, Metro Manila is one of the most congested cities, ranking ninth-worst globally in the 2024 TomTom Traffic Index.

"Our area is really limited," Ms. Napiere said. "If our roads were properly planned, then goods could move around quickly."

She said a national plan should be developed to streamline road infrastructure leading to and from ports to ensure seamless connectivity.

Meanwhile, Ms. Chang said that harnessing AI could also lead to significant port improvements in the Philippines.

"Port management and logistics operations involve a lot of moving parts," she said, citing the importance of a seamless process from ship entry into harbors to warehouse management.

ADB preparing over \$4 billion in lending to Philippines in 2026

THE Asian Development Bank (ADB) is committed to providing more than \$4 billion in loan financing to the Philippines in 2026, targeting transportation, health, and education programs.

"We have a pipeline of around \$4 billion for lending to the Philippines. That's ODA, Official Development Assistance lending," ADB Country Director for the Philippines Andrew Jeffries told reporters on the sidelines of an event on Dec. 11.

Earlier, ADB President Masato Kanda said the bank's co-financing is expected to exceed \$5 billion this year, and is now preparing around \$15 billion in assistance to the Philippines over the next three years.

The ADB was the second-biggest development partner of the Philippines in 2024 with 59 loans and grants worth \$11.05 billion.

"We have a pipeline of projects for next year that we need to agree on with the Department of Finance and Department of Economy, Planning, and Development," Mr. Jeffries said.

"We have a robust set of projects in transport, health, education, and public financial management. A number of them for next year and going on into the future," he said.

These projects are new, and some are carryovers, including mega projects such as the Bataan-Cavite Interlink Bridge (BCIB) project and the North-South Commuter Rail line.

"They're so large, and they take many years to construct; the loans are in phases. I think we



ASIAN DEVELOPMENT BANK

have some future phases of some of our large projects as part of that number for next year," he said.

The planned 32.15-kilometer BCIB, a \$3.91-billion project spanning the mouth of Manila Bay, will link Bataan and Cavite. It is expected to strengthen regional economic integration and spur development.

The ADB, co-financing the project, approved a \$2.11-billion loan for the bridge in 2023. The government is responsible for the remaining \$664.23 million.

The Department of Public Works and Highways has said the BCIB project will be operational by 2030.

For 2025, Mr. Jeffries said the two projects, the Marine Ecosystems for Blue Economy Development Program Subprogram 1 and the \$400-million financing for the Business Environment Strengthening with Technology Program (BEST) Subprogram 1, were the last loans to be approved.

Both projects were approved on Dec. 9, he said.

The approved \$500-million policy-based loan support for the Philippine blue economy, announced on Dec. 11, aims to improve the resilience of coastal communities.

Meanwhile, the \$400-million BEST program will boost the government's efforts to improve the ease of doing business in the Philippines.

Mr. Jeffries warned that a weaker peso poses an inflation risk next year, while the Bangko Sentral ng Pilipinas (BSP) rate cuts should give private firms some relief at a time of sluggish investment.

"One risk is if the peso continues to go down against the dollar or foreign currencies more generally, making imports more expensive. So that could have an effect on the overall inflation of imported goods," he said.

The peso slid to a record low of P59.22 to the dollar on Dec. 11,

beating the previous all-time weak close of P59.17 set on Nov. 12.

The ADB's December Asian Development Outlook, released last week, projected Philippine headline inflation to average 1.8% this year, slightly above the BSP's 1.7% forecast.

Inflation averaged 1.6% in the first 11 months of 2025, according to the Philippine Statistics Authority.

"(Inflation) is quite low, and that gives them room to lower interest rates, which means lowered borrowing costs for private companies, which can promote investment. Investment has gone down," Mr. Jeffries said.

The BSP has lowered key borrowing costs by a total of 200 basis points (bps) since it began easing in August last year, including a 25-bps cut at its Dec. 11 meeting as the outlook for domestic growth continued to soften.

BSP Governor Eli M. Remolona, Jr. said the central bank may trim rates by another 25 bps next year to conclude its easing cycle.

He also ruled out any off-cycle or jumbo move, warning such a move could send the wrong signal to markets and risk further eroding confidence by appearing "desperate."

The lower borrowing costs could help offset the drag that corruption imposes on public and private investment, Mr. Jeffries said.

A corruption scandal involving substandard or nonexistent flood control projects has triggered protests, slowed economic activity, and dampened investor confidence in the country. — **Aubrey Rose A. Inosante**

Generational Money Mindsets: Spending, Saving, and Investing

How Filipinos across generations are redefining what “money” means to them

From Gen Z's side hustles to Boomers' legacy plans, money means different things to every generation. For some, it's freedom, while for others, it's security, comfort, or survival. And over the last decade, with the pandemic period having a major impact, the Filipino relationship with money has transformed in different ways.

Since 2015, Acumen has tracked how Filipino generations think, spend, save, and invest. What we're now seeing in 2025 through Project Alphabet is not just a change in financial behavior, it's a complete shift in meaning. Filipinos today think about money with far more intentionality, discipline, and long-term focus than ever before.

1. From Survival to Intentionality: The Pandemic Effect

If finances in 2015 was a source of aspiration and stress for Filipinos, finances in 2025 has come to be defined by something new: Intentionality toward financial stability. Before the pandemic, many Filipinos, especially the younger generations, viewed money through a day-to-day lens. Budgets were flexible, purchases were spontaneous, and "future planning" felt like something only older generations worried about.

But the pandemic created a collective awakening. It reminded every Filipino, regardless of age, that life can change overnight. Uncertainty became real. Stability can disappear overnight, emergencies can happen anytime, and financial preparedness is not optional. Financial security now represents independence and peace of mind.

2. Money Has Shifted in Meaning Across Generations

For Gen Z and Millennials, money represents freedom with responsibility and independence. Gen Zs seek independence, spending on experiences and things that they deem meaningful for them and worth their hard-earned money. Millennials desire the ability to spend without guilt, balancing indulgence with discipline while keeping family obligations in mind. Both generations want as much money as possible not for status, but for the ability to live comfortably without anxiety, guilt, or reliance on others.

For Gen X and Boomers, money continues to symbolize provision and duty. They take pride in giving their families a comfortable life, settling obligations first, and finding fulfillment in providing. For them, financial security is not just a personal goal, it is a legacy to sustain their loved ones.

This cross-generational shift is the backdrop of everything else. It reshapes how each generation spends, saves, spends, invests, and aspires.



3. Savings at the Forefront

Saving has now become a great equalizer across generations—a behavior once associated only with older generations. Today, every generation treats savings as a non-negotiable, with Gen Zs building emergency funds earlier, older generations reinforcing their buffers, and families openly discussing financial planning in ways that used to be somewhat taboo.

Saving is no longer just a mathematical exercise, it is emotional. Though motivations differ, the mindset is shared: Savings give security, and in today's world, that security is what gives Filipinos confidence, calm, and control over their future.

Across all age groups, saving has become more intentional and disciplined.

- **Gen Zs save to gain independence**, using digital banks, e-wallet pockets, and micro-investing apps to build small but consistent buffers.
- **Gen Ys save to achieve financial freedom without guilt**, the ability to enjoy life without compromising responsibilities.
- **Gen Xers save to secure a comfortable life for their family**, prioritizing education funds, insurance, and future-proofing the household.
- **Boomers save to continue supporting** not just themselves but also their children and even their grandchildren. They are focusing on health, legacy, and stability.

4. Spending Mindset: Practical, Intentional, Family-First

Across all generations, a clear shift is visible: practicality is the new priority, and Filipinos

now spend only on what truly matters. Each generation has quietly redefined value—favoring intentionality, quality, and family-first consumption. In this new era, every peso must serve a purpose, reflect responsibility, and support the people who matter most.

Gen Zs, raised in a world of constant trends and temptations, are learning to minimize impulsive purchases made on a whim. They'll still spend for the things that spark joy, but only if the purchase feels sulit and genuinely "mapapa-happy talaga ako." For them, value is emotional and practical at the same time: enjoy life, but never irresponsibly.

Gen Ys echo this mindset but from a more mature, life-stage perspective—rewarding themselves occasionally, but only after family needs are secured. They've embraced delayed gratification, choosing to spend for themselves only when the essentials and obligations of the household are covered.

Meanwhile, Gen X and Boomers remain anchored in a family-first spending mindset—prioritizing needs over wants, choosing durability over trendiness, and finding joy in providing for children and especially grandchildren. When extra funds allow, they reward themselves as a well-earned payoff after years of hard work, but practicality continues to guide their everyday decisions.

5. Investing Mindset: Growing Wealth While Safeguarding What Matters

Across generations, Filipinos now see investing as a pathway to freedom, protection, and long-term possibility—a shift driven by both experience and aspiration.

- **Gen Z and Gen Ys** prefer passive, low-effort investment routes such as real estate, condos for rent, or gold, largely because their focus is still on building careers or businesses. But once they understand something deeply, they become surprisingly aggressive (e.g. automating crypto or forex trading, or venturing into new business categories after researching financial returns.) As one Gen Y said, "Wala namang nagturo sa akin mag-invest—nag-search lang ako online. Trial and error talaga."

- **Gen X and Boomers**, meanwhile, gravitate toward stable, appreciating assets they can pass on to their families (e.g. house and lot, farms, MP2, gold jewelry, or rental properties) always guided by the belief that wealth built slowly and safely protects the next generation. For them, investing is never impulsive; it is deliberate, sustainable, and rooted in stewardship.

Within this broader investment mindset, insurance has emerged as one of the most valued and universal forms of protection. What used to be seen as a product you "only benefit from when you're gone" is now understood as a smart financial shield—something that secures health, safeguards income, and ensures family stability no matter what happens.

- A Gen Z captures it simply: "Insurance is peace of mind."
- Gen Ys now appreciate its living benefits—"Ngayon, may value na habang buhay ka."
- Gen X and Boomers consider insurance as something that is intertwined with responsibility and legacy: "Meron akong life insurance. Para sa pamilya ko 'pag wala na ako,'" "Importante talaga insurance... may maiwan ka sa pamilya."

Across all generations, insurance has become both an investment and a safety net—offering stability, emotional assurance, and the confidence that families will be protected in the present and in the future.

What this multi-generational story shows us is simple but powerful: Filipinos are no longer managing money just for survival, they're managing it with intention. At the end of the day, money has become more than currency, it's a reflection of the Filipino's hopes, fears, values, and dreams.

And as these generational money mindsets continue to evolve, business leaders who stay fluent, empathetic, and forward-looking will be the ones who build brands and organizations that truly connect, serve, and endure. — **Kristine Joyce Erni Santos**, Program Director and Strategist for Commercial Strategy, Acumen (www.acumen.com.ph)