

DBM’s Toledo sees 2026 growth at ‘midpoint’ of 5-6% target

GROWTH in 2026 is expected to come in at “the midpoint” of the government’s 5-6% official target band, the Department of Budget and Management (DBM) said.

The government is projecting the gross domestic product (GDP) growth to “settle around the midpoint of the target range,” Acting Budget Secretary Rolando U. Toledo said in a statement on Jan. 23, when asked if it the upper end of band is achievable.

Mr. Toledo, who chairs the Development Budget Coordination Committee, said while growth expectations for 2026 have been moderated, “the economic managers view this period as an opportunity to recalibrate policy priorities.”

In particular, he referred to strengthening the formulation and updating of integrated sec-

toral master plans, particularly in infrastructure.

“This is intended to improve the quality, sequencing, and fiscal discipline of public spending,” Mr. Toledo said.

Economy Secretary Arsenio M. Balisacan said economic growth may have slowed to between 4.8% and 5% in 2025, prompting the scaling back of growth targets. The economy had slowed in the wake of the infrastructure corruption scandal, which triggered a review of many public-works projects.

The Philippine Statistics Authority will release fourth-quarter and 2025 GDP data on Jan. 29.

Mr. Toledo said the government is continuing to bolster oversight and monitoring mechanisms, including expanded use

of real-time project tracking and automated geo-tagging of infrastructure projects.

“The FY 2026 budget reflects the need to balance development priorities with fiscal constraints, resulting in difficult trade-offs during budget preparation,” he said.

The ASEAN+3 Macroeconomic Research Office (AMRO) projected that higher tariffs may threaten the Philippines’ private investment outlook.

“Private investment senti-

ment and exports are clouded by US tariff uncertainty, and public investment may continue to be dampened by flood control controversies,” AMRO Chief Economist Dong He said in an e-mailed statement to *BusinessWorld* last week.

Meanwhile, domestic demand is expected to slow in the first half of the year, but should recover by the second.

Despite this, Mr. He sees no pose persistent risks to the economic outlook of 5.3% growth in 2026.

— **Aubrey Rose A. Inosante**



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ACTING BUDGET SECRETARY
ROLANDO U. TOLEDO

PHL gains from ASEAN integration seen uneven due to gaps in competitiveness

PHILIPPINE gains from deeper integration with the Association of Southeast Asian Nations (ASEAN) are expected to be even due to issues related to competitiveness and digital readiness, a government think tank said.

In a report, the Philippine Institute for Development Studies (PIDS) added that the Philippines risks falling behind in reaping the benefits from its regional commitments.

“The progress toward ASEAN Economic Community (AEC) integration reveals a mixed landscape for the Philippines,” PIDS said in a report issued on Jan. 22.

This year, the Philippines is preparing to take the chairmanship of ASEAN.

“Notable gains have been made in trade openness, macroeconomic stability, and human development. However, significant challenges persist in sectoral productivity, climate resilience, and governance,” it added.

PIDS estimated that roughly 46% of the targets outlined in the Philippine Development Plan (PDP) 2023-2028 are unlikely to be achieved, based on indicators from the AEC (ASEAN Economic Community) Blueprint 2025.

This shortfall may be notable on sectors such as agriculture, infrastructure, peace and security, and social protection, “described as critical to regional and global competitiveness.”

“While the PDP is broadly aligned with AEC pillars, gaps remain in translating alignment into results,” it said.

It also noted that the country reduced import tariffs from ASEAN Free Trade Agreement partners to 1.05% in 2022, yet extra-ASEAN trade relative to GDP remains low.

Last year, the ASEAN-China Free Trade Area was signed to bring the region’s economic ties with China more in line with other global arrangement.

“The study notes that ASEAN’s deep trade and investment ties with China — while economically beneficial — also expose the region to spillover risks from geopolitical tensions,” it said.

Instead, it pushed for diversification and regional frameworks such as the Regional Comprehensive Economic Partnership to sustain investor confidence.

“There is no clear ownership or champion for ‘A Global ASEAN’ — a missed opportunity to frame global competitiveness, diplomacy, and sustainability under one coherent agenda,” the authors said.

Meanwhile, the think tank cautioned that a “business-as-usual” stance could erode the Philippines’ capacity to fulfill ASEAN commitments.

In response, PIDS recommended deepening intra-ASEAN economic integration by lowering trade costs, boosting micro, small and medium enterprise participation in regional value chains, reassessing non-tariff measures, and establishing targeted investment corridors.

It also called for faster digital adoption through stronger regulation, wider rural connectivity, digital skills training, and improved government system interoperability.

The discussion paper, “ASEAN Economic Community through the Years: Benchmarking, Emerging Trends, and Future Pathways,” was written by Francis Mark A. Quimba, Mark Anthony A. Baral, and Alliah Mae C. Salazar.

— **Aubrey Rose A. Inosante**

Cement industry to complete decarbonization plan soon

THE Cement Manufacturers Association of the Philippines, Inc. (CeMAP) said it is looking to present a decarbonization roadmap for the industry to the Association of Southeast Asian Nations (ASEAN), which the Philippines chairs this year.

CeMAP President and Vice Chairman John Reinier H. Dizon said the group is working with the United Nations Industrial Development Organization in preparing a roadmap that will help reduce the industry’s carbon emissions.

“It is almost done ... We will finish it next month, before the end of February,” he told reporters last week.

“We will try to present it at the ASEAN ... We will be the second in the region,” he added, noting that

the first such plan was completed by Thailand.

Under the roadmap, the Philippine cement industry will set a target every five years between 2030 and 2050, with net-zero as the ultimate goal.



“Cement and concrete in general contribute to around 6-7% of greenhouse gas, but we need cement to build houses and roads, so we are just doing our part on how we can reduce our carbon footprint,” he said.

The group aims to achieve the plan’s targets via the increased usage of alternative fuels, among others.

“Typically we use coal, which is fossil-based. And of course, it emits carbon dioxide,” he said.

He added that the process of cooking the limestone used for cement, also produces carbon dioxide.

“We have two main actions: we want to introduce more alternative fuels, and in the production of cement, we want to use less clinker,” he said.

In particular, he said that the industry is looking at waste-to-energy as an alternative, noting its role in reducing waste.

He said that the roadmap is also aligned with recently signed laws: the New Government Procurement Reform Act and the Tatak Pinoy Act. — **Justine Irish D. Tabile**

Megaworld Corp. eyes expansion of convention centers in tourism hubs

LISTED property developer Megaworld Corp. is considering building additional convention centers in strategic tourism hubs across the country over the next decade, following its recent entry into the meetings, incentives, conferences, and exhibitions (MICE) sector.

Last week, the developer unveiled the Mactan Expo, a P1.5-billion standalone convention center, marking its initial foray into the MICE sector.

The facility is located within the 30-hectare The Mactan Newtown township in Lapu-Lapu City, Cebu.

The Mactan Expo will serve as the inaugural venue of the ASEAN Travel Exchange (TRAVEX) from Jan. 28 to 30, one of the key events under the Philippines’ chairmanship of the ASEAN Summit.

“We’re even looking at expanding our MICE business in the next five to 10 years. We are studying opportunities for convention centers in major tourism areas around the

country, particularly in locations where we already have townships,” Harold Brian C. Geronimo, first vice-president at Megaworld, told reporters during the media preview of the Mactan Expo.

“Palawan could be one of the destinations that we are looking into, but these are still internal discussions,” he said, noting that the province is a top tourist destination.

“But let’s see how this convention center business will perform and whether opportunities will open up in destinations such as Palawan and Ilocos,” he added.

Megaworld currently has 37 townships nationwide, with its largest being the 1,200-hectare Twin Lakes estate near Tagaytay City.

Mr. Geronimo said building new convention centers annually may not be feasible, citing factors such as demand, available space, and the size requirements of specific areas.

However, he noted that each township is being evaluated for its potential to host a convention center.

Meanwhile, Louella Caridad, Megaworld’s head of events and conventions and recently appointed lead for the Mactan Expo, said the outlook for developing additional convention centers is positive, and that new projects must be built in areas where they are needed.

There is no allocated capital expenditure (capex) yet for the initiative, as plans are still being finalized, Mr. Geronimo said. However, he noted that Megaworld is likely to maintain its P50-billion capex budget for 2026 to support future projects and developments.

The real estate budget forms part of the P63-billion capex of parent company Alliance Global Group, Inc., led by tycoon Andrew L. Tan, according to the company’s 2025 capex report. — **Edg Adrian A. Eva**

Aboitiz InfraCapital sees passenger growth across three airports

ABOITIZ INFRACAPITAL, INC., which operates the country’s three international airports, reported a total passenger volume of 16.17 million in 2025, supported by higher travel demand across Visayas and Mindanao.

Mactan-Cebu International Airport (MCIA) handled 11.6 million passengers, up 3% from 2024, serving 20 airlines, the company said in a statement over the weekend.

Laguindingan International Airport (LIA) recorded 2.35 million passengers with three airlines, while Bohol-Panglao International Airport (BPIA) logged 2.22 million passengers, served by eight airlines, it added.

“2025 has been a landmark year for our airports as we continued to expand connectivity for both domestic and international travelers. Passengers arriving at MCIA, LIA, and BPIA now have easier access to key destinations across Cebu, Bohol, and Northern Mindanao, making travel within the Philippines more seamless than ever,” Aboitiz

InfraCapital Vice-President and Head of Airports Rafael M. Aboitiz said in a media release on Sunday.

The company said the growth reflects rising tourism and business travel in the regions.

MCIA also introduced an air-to-air transfer service last year to reduce connection times between domestic and international flights.

Upgrades at BPIA and LIA were implemented in 2025 to improve operational reliability. Under a P4.53-billion plan, BPIA’s capacity is set to rise from two million to 2.5 million passengers within two years, with a longer-term goal of 3.9 million by 2030.

The 30-year concession for BPIA covers maintenance, upgrades, and expansion, starting from the airport’s turnover in June 2025.

At LIA, Aboitiz InfraCapital said it will work with Ireland-based daa International to implement upgrades and manage operations.

— **Ashley Erika O. Jose**



United Against Cybercrime:
PNP-ACG and JuanHand’s partnership
for a secure digital lending space

The Philippine National Police Anti-Cybercrime Group (PNP-ACG), an agency responsible for combating cybercrime in the Philippines, has partnered with JuanHand, the country’s leading fintech cash lending firm.

The partnership between PNP-ACG and JuanHand aims to protect Filipinos from scammers through public awareness on responsible and safe borrowing and educate them on how to avoid traps set up by predatory lenders. Initiatives such as information sharing, training programs, and public workshops on the evolving nature of cyber threats form part of the agreement. The goal is to equip Filipinos with the knowledge and tools to identify and report suspicious activities effectively.

“Our partnership with PNP-ACG reinforces JuanHand’s commitment to protect Filipinos in the digital lending space,” said Francisco Roberto D.C. Mauricio, the President and CEO of JuanHand. “Through education and collaboration, we aim to help consumers avoid scams and borrow safely from legitimate platforms. Responsible borrowing is a force for good that ultimately leads to financial empowerment. JuanHand and PNP-ACG will work closely together to provide Pinoy’s a safe and secure lending environment that positively impacts their lives.”

This collaborative effort underscores the importance of cybersecurity in the fintech sector and the necessity for prompt, coordinated action against cybercrime. A scam-free lending space leads to a worry-free financial future.

NexGen eyes RE contracts from terminated gov’t deals

LISTED NexGen Energy Corp. is looking to pursue renewable energy (RE) service contracts from the government’s nearly 18-gigawatt (GW) pool of terminated deals.

“The move of the Department of Energy (DoE) to free up this capacity is very exciting for us as well. That means there’s a lot more capacity that’s available for developers, serious developers to bid to those capacities for GEA (green energy auction). I’m actually looking forward to that,” NexGen Vice-President for Operations Angela B. Sanchez told reporters last week.

She said the government’s decision to allow affidavits of possessory rights, rather than firm tenurial rights, for GEA-winning projects created uncertainty over whether awarded projects would actually move forward.

“That itself, you actually raise the question whether these projects are really happening if it’s still an affidavit. Us, who are very serious in the develop-

ment, we’re very serious in delivering the projects, we started questioning why all of a sudden this is acceptable when in fact we have to comply with the tenurial rights before,” she said.

The DoE reported that terminated and relinquished contracts over the last two years totaled 163, equivalent to nearly 18 GW of potential capacity.

These contracts cover various renewable energy technologies, including solar, hydropower, wind, geothermal, and biomass.

NexGen is a wholly owned subsidiary of Dexter Tiu’s Pure Energy Holdings Corp., which has a development pipeline totaling over 3.5 GW of wind and solar projects.

For 2026, Ms. Sanchez said the company is preparing for the energization of two solar projects in Luzon and Mindanao with a combined capacity of 24 megawatts.

“Most of the projects of our group are on far-flung areas, hydropower in

far-flung areas. We are not just a business. Effectively, we are contributing to rural electrification when we are interconnected or embedded to the grid of the distribution utility,” she said.

In the wind sector, NexGen currently holds 15 service contracts and is preparing to install three meteorological masts to assess wind conditions and confirm the sites’ viability for power generation.

Ms. Sanchez said the company has yet to set a specific target for capacity, focusing instead on delivering its committed projects.

“What we are very focused on is to really move the projects forward rather than forecasting them and may not be able to hit it. So, our focus is to really just keep moving and delivering what’s required from us. *Mas nakatuon kami doon sa* (we are more focused on) operating those projects,” she said. — **Sheldeen Joy Talavera**