

Philippines' 2025 startup funding lags Southeast Asian peers

THE PHILIPPINES drew \$120 million (P7 billion) in equity funding in 2025, trailing most of its Southeast Asian peers as investors stayed cautious on the local startup market, according to a report by Kickstart Ventures, Inc. and Singapore-based DealStreetAsia Pte. Ltd.

By deal value, the country lagged Singapore, which raised \$4.2 billion, as well as Vietnam (\$360 million), Indonesia (\$340 million) and Malaysia (\$260 million). The Philippines ranked ahead of Thailand, which attracted \$80 million, and Cambodia with \$20 million.

Funding momentum weakened through the year. Deal value fell to \$33 million in the second half of 2025 from \$86 million in the first six months, reflecting smaller transactions and limited appetite for risk.

The number of deals from July to December dropped 64% to nine from 25 a year earlier.

"Capital is returning selectively, increasingly to later-stage, higher-conviction opportunities, as the market continues to shift from growth at all costs toward business fundamentals — governance,

unit economics and credible paths to profitability," Kickstart Ventures General Partner Joan Yao said in a statement on Tuesday.

Fintech startups accounted for the biggest share of disclosed funding in the Philippines last year, raising \$72 million across nine transactions.

Other sectors that attracted investment included human resource technology and food and beverage, which raised \$18 million each, followed by healthcare at \$8 million.

Smaller amounts went to health tech (\$2 million), e-commerce (\$1 million), agricultural tech (\$1 million) and green tech, which raised about \$200,000.

Kickstart said there were no late-stage funding rounds in the Philippines in 2025, underscoring investor reluctance to commit to large-ticket deals amid heightened scrutiny of valuations and execution risks.

Across Southeast Asia, startup funding remained under pressure from geopolitical tensions, tighter financial conditions, longer fundraising cycles and stronger focus on governance, it added. — **Beatriz Marie D. Cruz**



NGA 911 eyes cities for growth

By Vonn Andrei E. Villamil

WHEN Ishka Villacisneros first began advocating for a modern 911 system in the Philippines in 2019, the idea was often dismissed as fiction rather than public policy.

"If you asked someone to call 911, they'd say, 'Isn't that just in movies?'" she said in an interview with *BusinessWorld*. "I was going back and forth here for probably three years. Almost anyone I talked to had no idea what 911 was."

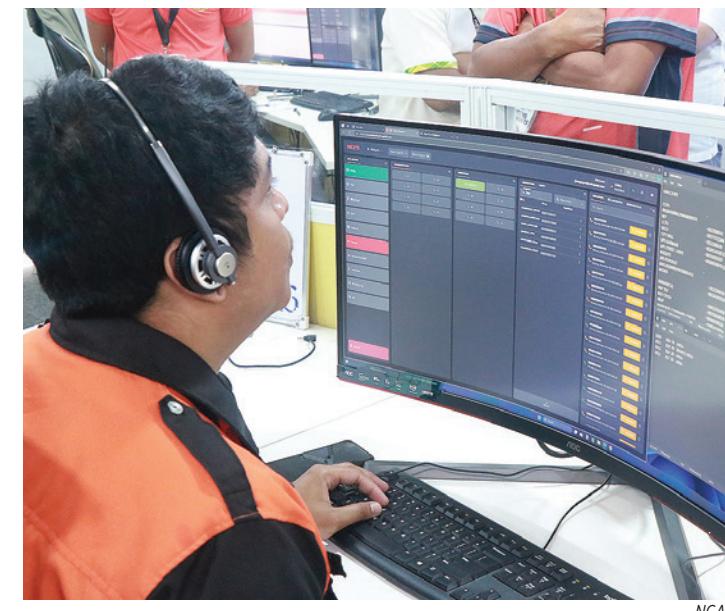
At the time, emergency response in the Philippines was deeply fragmented. Ms. Villacisneros, a Filipino-American who is chief financial officer at US-based Next Generation Advanced 911 LLC and president at Next Generation Advanced (NGA) 911 Philippines, said emergency services were spread across thousands of local hotlines run independently by villages, police stations, fire departments and local government units.

"Before, we had several emergency lines across the whole Philippines," she said. "Imagine every barangay, 40,000 barangays. You need to figure it all out."

That fragmentation often translated into slow or failed responses. Calls were misrouted, unanswered or passed between agencies without clear accountability.

In September 2025, the Department of Interior and Local Government launched the P1.4-billion Unified 911 System, consolidating emergency response nationwide under a single number. NGA 911 was appointed to provide the emergency technology that powers the system.

Ms. Villacisneros said the impact was immediate. Average emergency response time has fallen to under five minutes, a sharp improvement from earlier response times that could stretch into hours or result in no response at all.



THE UNIFIED 911 SYSTEM command center in Cebu City.

"Before NGA 911, the response time was like two hours or never," she said. "But on average, it was never."

NGA 911 generates revenue by licensing and selling its next-generation emergency response systems to governments and public safety agencies. It also makes money through partnerships with telecommunication companies that resell or integrate its systems.

Ms. Villacisneros said NGA 911's next phase would focus on expanding regional hubs and satellite command centers to strengthen coverage and improve disaster response nationwide.

Unlike legacy emergency systems that rely largely on landline calls, NGA 911 was designed to handle a broader range of communication channels. At the center of the network is NEXIS Connect, the call-handling platform that receives, routes and manages emergency requests across command centers.

Emergency call centers can now receive text messages, photos, videos and messages sent through mobile apps, alongside traditional voice calls. GPS-based location data are transmitted automatically, allowing

dispatchers to locate callers even if they can't clearly describe where they are.

The platform also lets command centers integrate data from closed-circuit television (CCTV) cameras and other local government systems, giving dispatchers real-time situational awareness during emergencies.

"This is how emergency response works in developed countries," Ms. Villacisneros said. "We brought that same capability to the Philippines."

She said the integrated digital backbone has improved coordination across agencies, enabling faster decision-making and clearer lines of responsibility during crises.

BRIDGING THE GAP

While call-taking and dispatch have improved, Ms. Villacisneros said one challenge remained: maintaining visibility and coordination once responders are deployed.

"There's a point where the call taker no longer knows what's happening on the ground," she said.

To address this, NGA 911 Philippines recently launched the Unified Platform for Communications and Dispatch (UPCAD),

an upgraded system that will be integrated into national 911 services.

UPCAD is designed to strengthen real-time communication between call takers, dispatchers and first responders operating in high-risk environments.

"UPCAD allows us to bridge that gap," Ms. Villacisneros said.

The system is being rolled out with support from PLDT Inc. and ePLDT Inc., which provide network infrastructure and cloud hosting for the Unified 911 System. It is also backed by French software firm Streamwide S.A., which develops mission-critical communication platforms, and RugGear, a maker of rugged communication devices for emergency and industrial use.

Streamwide's Team on the Run app enables secure, fast coordination beyond traditional handheld radios, letting responders share voice, data and situational updates in real time.

Ms. Villacisneros said the Philippine experience shows that a developing country could operate an emergency response system on par with those in advanced economies.

Since the system's launch, she said NGA 911 has received inquiries from public safety agencies across the region seeking to understand how the platform was implemented.

"They are looking at what the Philippines has built and how it was implemented," she said.

Vietnam's police, Indonesia's national security sector and the Royal Thai Police have all expressed interest in benchmarking the Philippine system. Beyond Southeast Asia, agencies in Qatar, the Maldives, Mexico, Brazil and Canada have also reached out to study the technology and operating model.

"The goal from the beginning was to make the Philippines a model for public safety," Ms. Villacisneros said. "Now, other countries are following."

Loan,
from SI/1

"Slower bank loans growth and M3 (domestic liquidity) growth are largely consistent with the economic slowdown in the latter part of 2025 largely due to government underspending especially on infrastructure that reduced sales, earnings, profits, employment and other business activities," he said via Viber.

Union Bank of the Philippines (UnionBank) Chief Economist Ruben Carlo O. Asuncion also attributed banks' subdued loan growth to the country's recent economic slowdown.

"Business loans softened as manufacturing, construction, and trade-related sectors remained weighed down by weak demand, while consumer loan growth also eased as both households and banks turned more cautious," he said in a Viber message.

Weak sentiment amid the graft scandal also prompted investors to adopt a cautious approach "thereby reducing the demand for loans amid the decline in investments that are financed by loans," Mr. Ricafort added.

Multiple public officials and private contractors had faced corruption allegations linked to government flood control projects, which sparked public outrage and later weighed on consumer and business confidence.

Loan demand could improve this year with the help of the government's spending catch-up plan and the central bank's further easing, Mr. Ricafort noted.

"Lower interest rates by the BSP and by the Fed, as well as possible further reduction in large banks' RRR (reserve requirement ratio) that also increase further banks' loanable or investible funds would further reduce borrowing costs and that would increase demand and growth in bank loans," he said.

The benchmark interest rate currently stands at an over three-year low of 4.5%. Since August 2024, the Monetary Board has so far lowered borrowing costs by a cumulative 200 basis points (bps).

BSP Governor Eli M. Remolona, Jr. earlier said that they could ease for a sixth straight meeting on Feb. 19 if the fourth-quarter growth slowdown proves to be demand-driven.

He also left the door open for a potential RRR cut, though noted that they are still looking for the right timing to do so.

"BSP's rate cuts continue to support credit conditions, but the impact is being tempered by soft domestic demand and tighter risk management by banks," UnionBank's Mr. Asuncion said. "Monetary easing is helping prevent a sharper deceleration,

though it cannot fully offset the broader economic slowdown."

He also noted that bank lending may get some lift from the loan demand in the energy sector, particularly for renewable energy projects.

LIQUIDITY GROWTH SLOWS

Meanwhile, separate BSP data showed that liquidity growth fell to its weakest in four months at 7% as of December. This was also slower than the 7.6% increase in the previous month.

M3 — a measure of the amount of money in the economy that includes currencies in circulation, bank deposits, and other financial assets easily convertible to cash — stood at P20.108 trillion by yearend.

"After adjusting for seasonal fluctuations, M3 remained broadly stable from November," the central bank said in a statement.

Domestic claims, which include claims from private and government entities, climbed by 10.1% year on year to P22.588 trillion, slowing from the 10.6% growth as of November.

This came as subdued bank lending to non-financial private corporations, and households dragged growth of claims on the private sector down to 10.1% from 11.1% a month ago. Private sector claims reached P14.512 trillion during the period.

Meanwhile, the BSP said higher borrowings lifted net claims on the central government by 10.8% to P6.135 trillion. However, this was slower than the 11% growth seen at end-November.

Central bank data also showed that net foreign assets (NFA) in peso terms climbed by 6.1% as of December from 4.4% a month prior.

Broken down, the BSP's NFAs edged up by 5.3%, picking up from 1.9% in the previous month.

On the other hand, banks' NFAs went up by 13% annually driven by larger holdings of foreign currency-denominated debt securities. However, this marked a sharp slowdown from the 26.9% pace as of November.

NFAs reflect the difference between depository corporations' claims and liabilities to nonresidents.

"The BSP monitors bank loans because they are a key transmission channel of monetary policy," the central bank said. "Looking ahead, the BSP will ensure that domestic liquidity and bank lending conditions remain consistent with its price and financial stability mandates." — **Katherine K. Chan**

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