

Philippines

Country Report



Philippine
Constructors
Association

51st ACF Meeting
26 August 2021

Outline

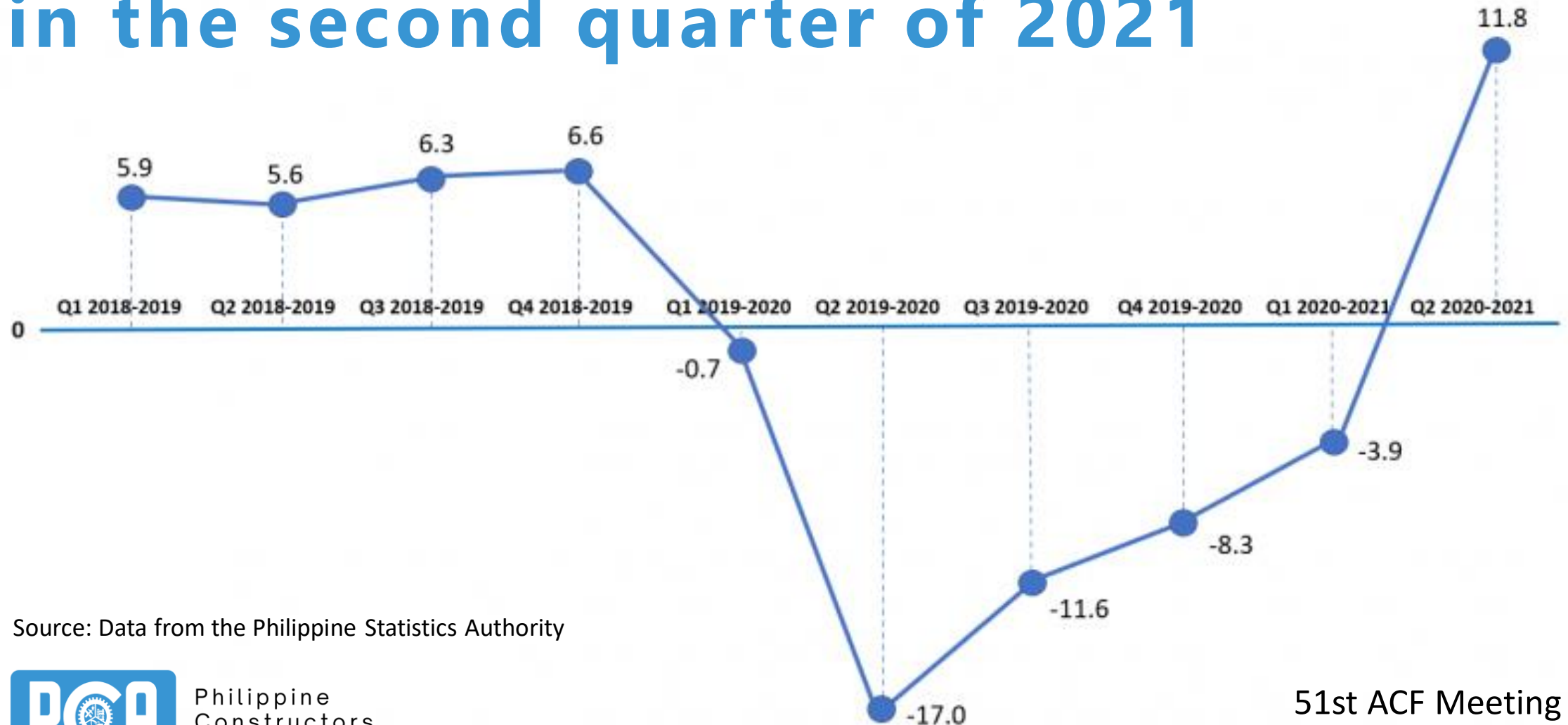
1. Philippine economic performance
2. Construction industry performance and forecast
3. Building and construction material prices indices
4. Employment in the construction industry
5. Featured projects: Completed, On-going, Procurement
6. Industry's role in economic rebound and recovery
7. Summary



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PH economy grew 11.8% in the second quarter of 2021



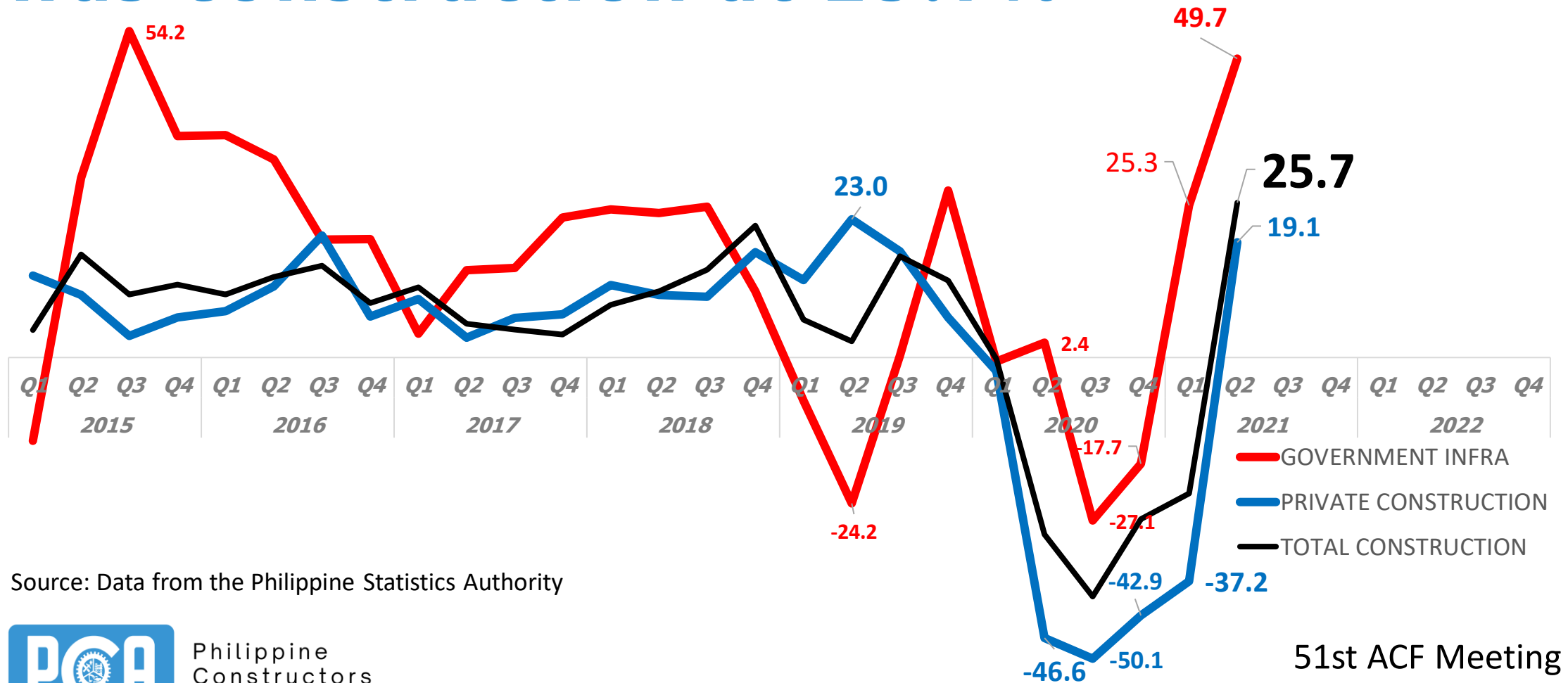
Source: Data from the Philippine Statistics Authority



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Biggest contributor to the growth was construction at 25.7%



Source: Data from the Philippine Statistics Authority

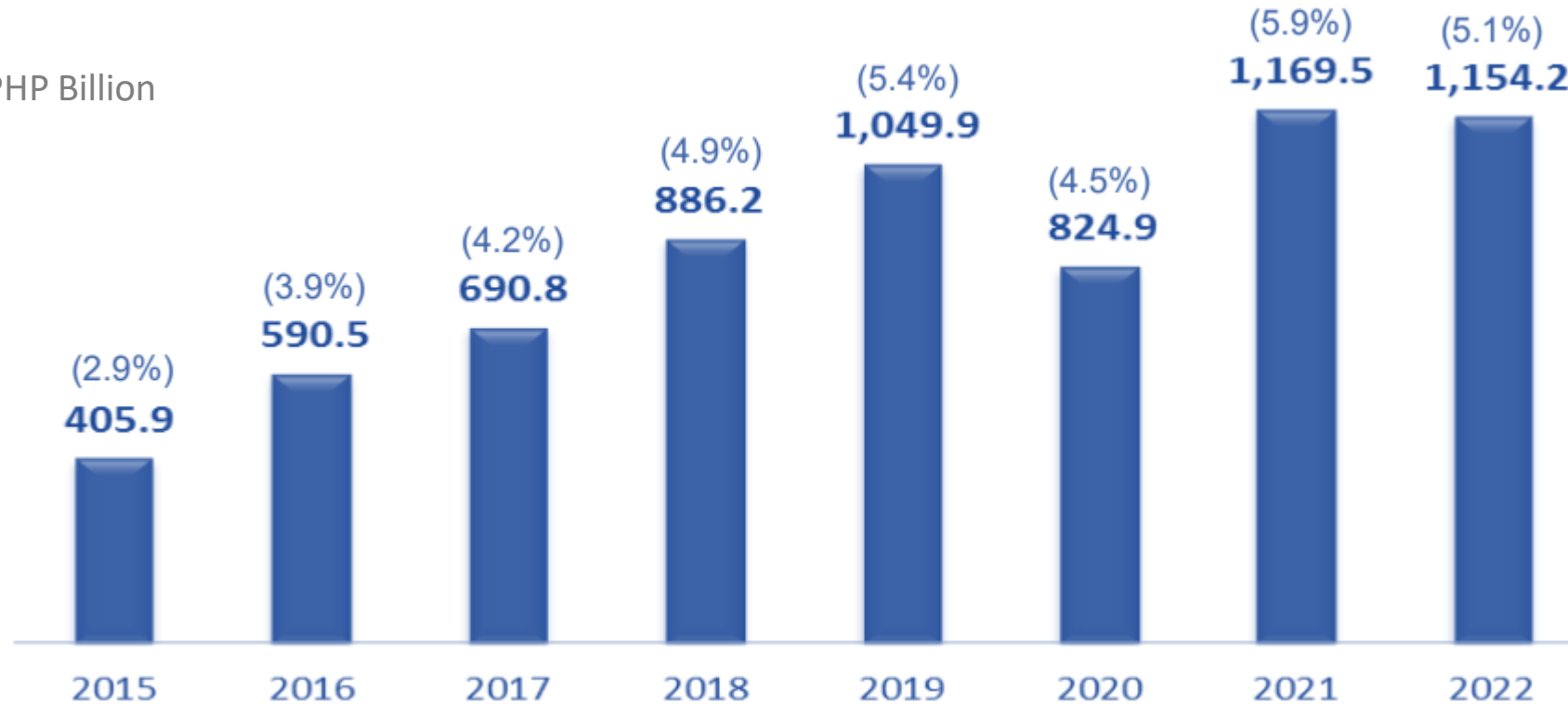


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2021 infrastructure spending at US\$23.0 billion or 5.9% of GDP

Amount in PHP Billion
(% of GDP)



Source: Infrastructure Cluster Performance Highlights, Secretary Mark Villar, 26 April 2021



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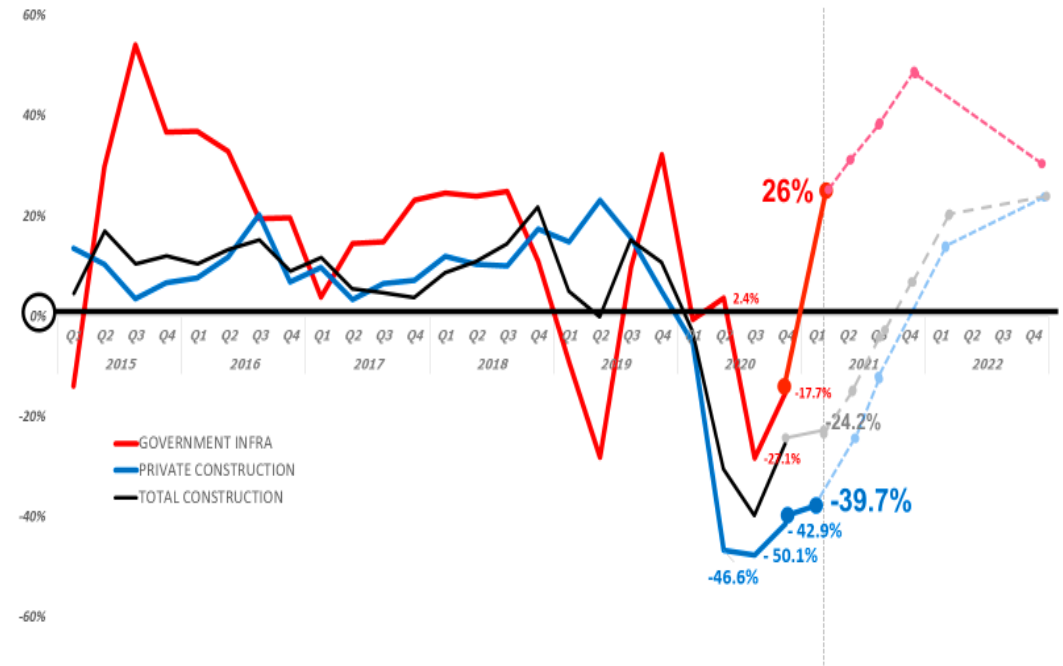
Infrastructure spending key to preserving momentum

Infrastructure spending holds the potential to support an economic recovery via job creation

“If the government could push for infrastructure spending this year, we can expect the share of expenditure to keep rising and support the economy and creating more jobs”

An expected increase in infrastructure spending prior to the election spending ban next year could help boost the economy given the latest lockdown

Source: bworldonline; Construction and Elections, Prof. R Balbieran, 18 Feb 2021



CMWPI in the National Capital Region went up in June 2021

The annual growth rate of increased to 2.2% in June, from 2.0% in May; its annual change in June 2020 was recorded at 1.2%

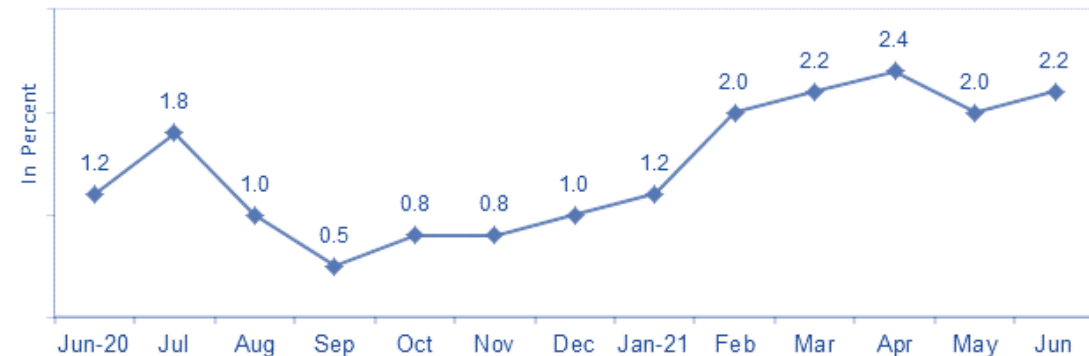
Against May, annual increases were higher in the indices of **lumber - 2.3%**; **reinforcing and structural steel - 2.1%**; **electrical works - 3.9%**

Decline in the index of plumbing fixtures at 1.0% was lower during the month relative to its annual drop of 1.8% in the previous month

Source: Philippine Statistics Authority

June 2020	May 2021	June 2021	Year-to-Date*
1.2	2.0	2.2	2.0

Year-on-Year Growth Rates of the CMWPI in NCR, All Item
In Percent (2012=100)



Growth Rates of the CMRPI in NCR, All Items
June 2020 - June 2021 (2012=100)



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But annual increments of other commodity slowed down in June 2021

- Sand and gravel, **4.1%**
- Concrete products and cement, **1.5%**
- Plywood, **1.2%**
- G.I. sheet, **0.7%**
- Painting works, **1.4%**
- Fuels and lubricants, **21.2%**

But the rest of the commodity groups retained their previous month's annual growth rates

Source: Philippine Statistics Authority

Commodity Group	2021					
	Jan	Feb	Mar	Apr	May	Jun
All Items	1.2	2.0	2.2	2.4	2.0	2.2
Sand and Gravel	3.6	3.5	4.0	4.0	4.4	4.1
Concrete Products and Cement	0.8	1.2	1.2	1.6	1.9	1.5
Hardware	1.4	1.5	1.9	1.7	2.0	2.0
Plywood	0.4	0.4	1.2	1.2	1.3	1.2
Lumber	3.6	2.8	2.8	1.3	1.7	2.3
G.I. Sheet	0.4	0.4	0.5	0.5	0.8	0.7
Reinforcing and Structural Steel	1.7	3.3	3.3	3.3	1.4	2.1
Tileworks	2.6	2.2	2.2	2.2	2.4	2.4
Glass and Glass Products	0.0	14.4	14.4	14.4	14.4	14.4
Doors, Jambs, and Steel Casement	0.2	0.5	1.2	1.4	1.8	1.8
Electrical Works	0.0b/	0.4	1.5	2.5	3.8	3.9
Plumbing Fixtures and Accessories/Waterworks	-3.3	-1.3	-2.2	-2.2	-1.8	-1.0
Painting Works	0.4	0.3	0.9	0.9	1.6	1.4
PVC Pipes	1.3	0.6	0.6	2.6	1.0	1.0
Fuels and Lubricants	-7.5	-0.3	6.8	22.3	25.3	21.2
Asphalt	0.0	0.0	0.0	0.0	0.0	0.0
Machinery and Equipment Rental	0.0	0.0	0.0	0.0	0.0	0.0

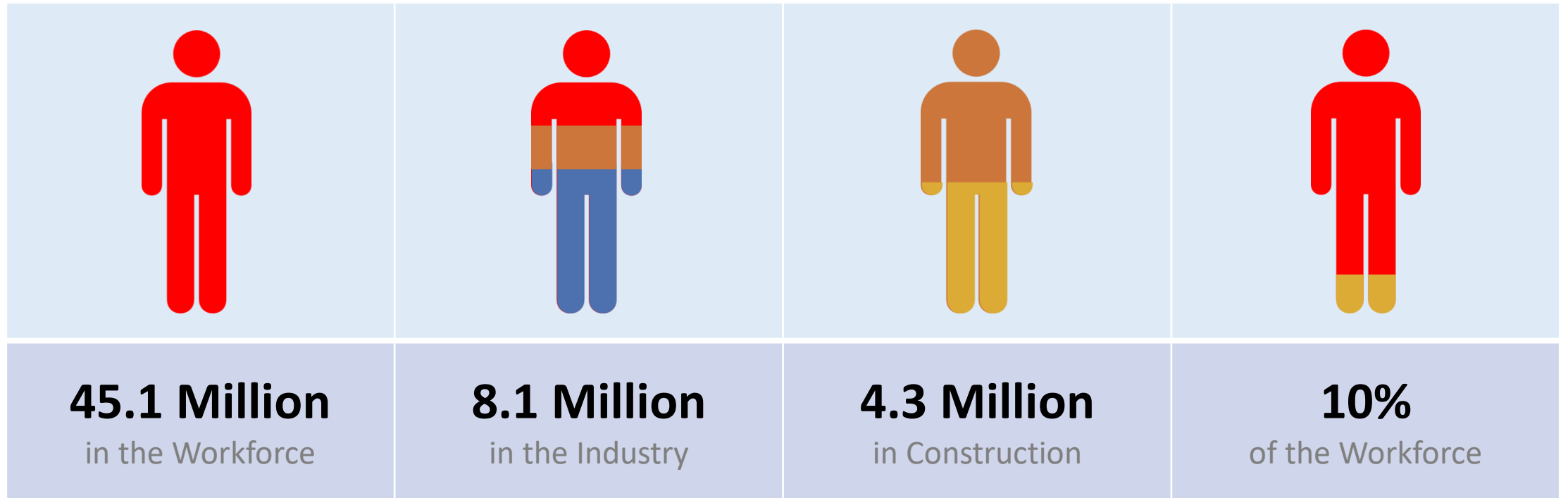
Year-on-Year Percent Change of Construction Materials Wholesale Price Index in the National Capital Region by Commodity Group, January - June 2021



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Construction accounts for 10% of the Total Filipino workforce



Source: Using data from the Philippine Statistics Authority



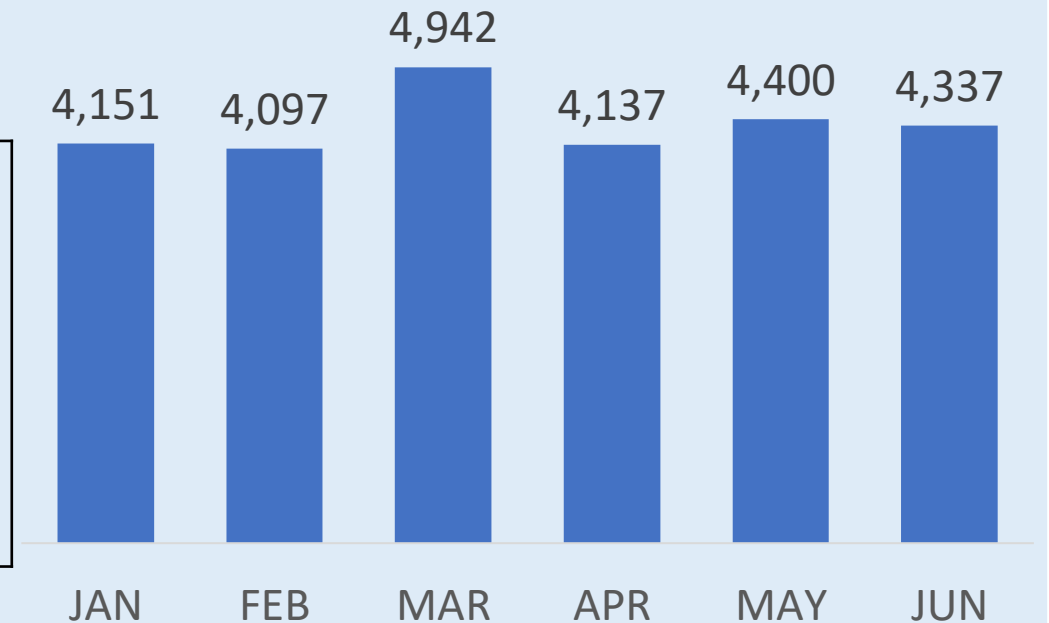
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Employment in the Philippine Construction Industry

In Thousands

STATUS	JAN	FEB	MAR	APR	MAY	JUN
Total	4,151	4,097	4,942	4,137	4,400	4,337
Full-Time	3,078	3,092	3,791	2,743	3,501	3,386
Part-Time	1,059	911	856	1,121	840	986
WJ, NAW	14	93	109	154	61	58



Source: Using data from the Philippine Statistics Authority



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Revving up the economy, and fixing our weak infra and logistics network



New Clark International Airport



Metro Manila Skyway Stage 3



Tarlac-Pangasinan-La Union Expressway



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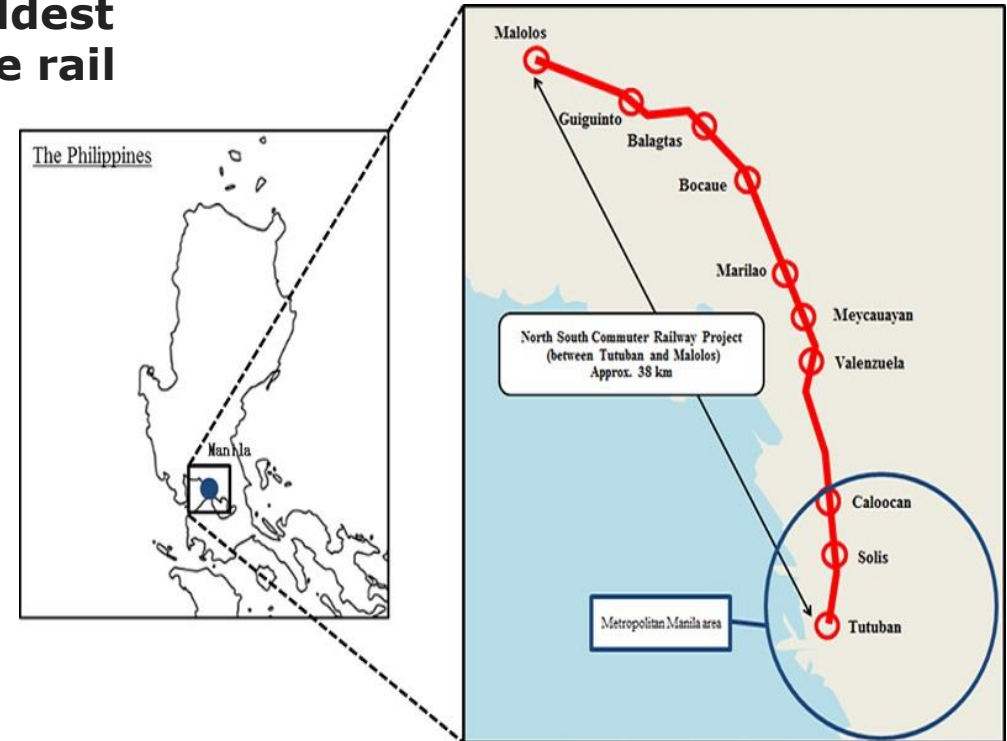
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NSRP to catalyze economic growth by providing interconnectivity

The North-South Railway Project revitalizes the oldest rail system in South-east Asia, to serve as the sole rail backbone connecting the NCR to currently underserved areas in Southern Luzon

Comprising of two components -- a 56 km-long commuter rail or North-South Commuter Railway (NSCR) and a 653 km (478 km main line and 175 km extension) long-haul passenger rail line from Tutuban, Manila, to Legazpi, Bicol

Designed to be “physically interoperable” the NSCR will be connected to the Metro Manila Subway Project via a station in Taguig City

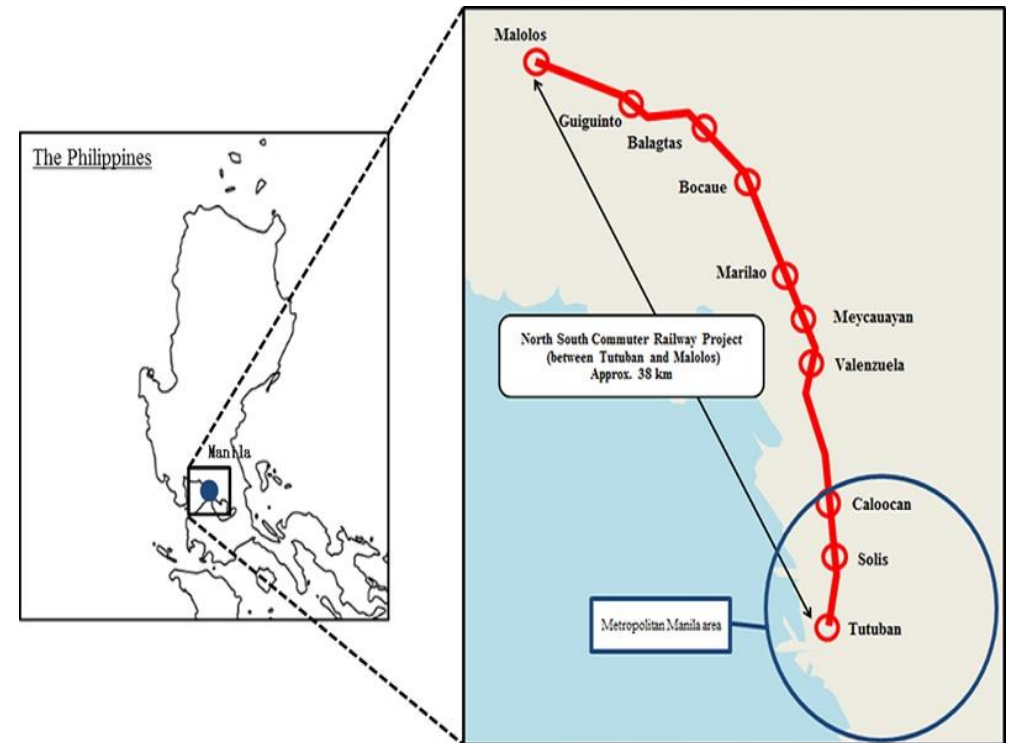


South Commuter Railway (SCR) to boost jobs accessibility

The South Commuter Railway (SCR) will pass through five cities in Laguna, and five cities in Metro Manila. Each city will have at least one or two SCR stations

The completion of the SCR, together with the North–South Commuter Railway Project and the existing rail network will give access to more jobs

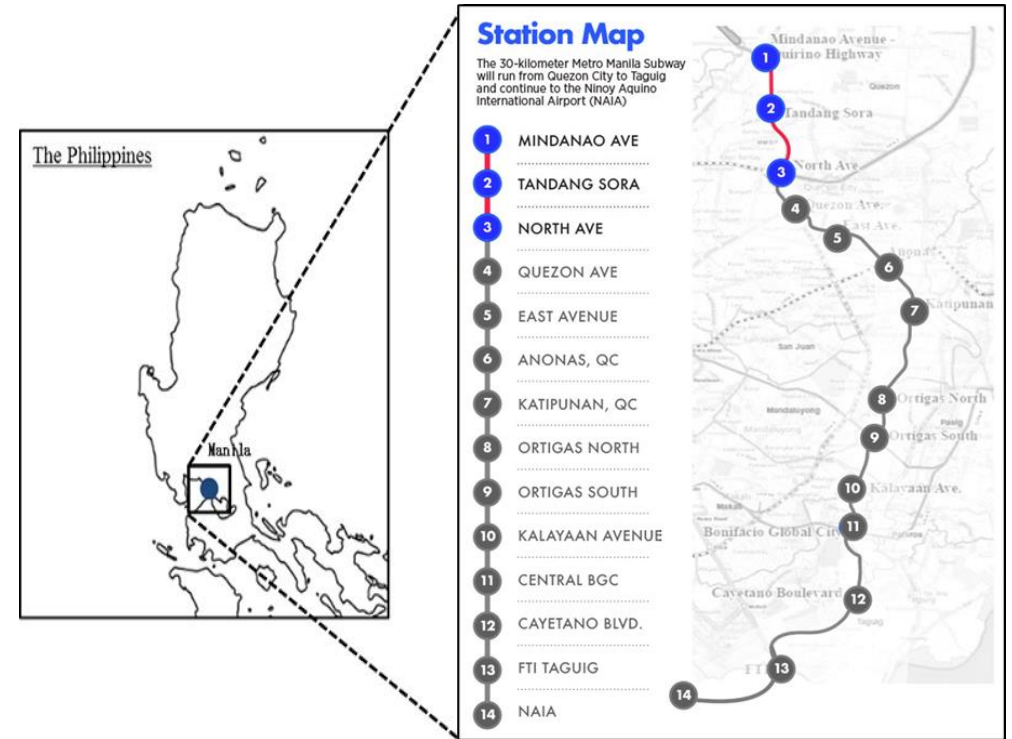
With rail-based transit, commuters from 48 out of 64 municipalities can travel to a wider area within a one-hour window, accessing more job opportunities”



Game Changer Railways: The Metro Manila Subway and the NSCR

The PHP 357-billion Metro Manila Subway, mainly funded by the Japan International Cooperation Agency (JICA), is a 36-kilometer project from Valenzuela City to Ninoy Aquino International Airport Terminal 3

Designed to connect with other urban rail transit services. i.e., LRT Line 1, MRT Line 3, and MRT Line 7; Other connections include the existing LRT Line 2 and PNR Metro Commuter Line, as well as the planned Makati Intra-city Subway, the MRT Lines 4 and 8





Philippines' next smart, green and resilient city

NEW CLARK CITY



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EDSA Walkway to make Metro Manila a better place to live, work, and visit



A Bridge for Tomorrow: a bridge that sits gently in its environment

A landmark project, the Cebu-Cordova Link Expressway (CCLEX) is an 8.5 km bridge linking Cebu City and Mactan island via the municipality Cordova

Once completed it will be the longest bridge-way structure in the country. It aims to improve access to Mactan-Cebu International Airport and ease congestion along existing bridge crossings, providing a faster connection from Mactan Island to Cebu City and mainland Cebu for both business travelers and tourists



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42 km bridge over Manila Bay to reduce the travel time from Bataan to Cavite from 5 hours to 40 minutes



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Construction is one of the most important sectors in building a **sustainable and strong economy**



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We are building our
BRIDGE TO THE FUTURE



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