

The President's Report to the People 2022-2026

Bagong Pilipinas:

Sustaining Growth, Securing the Filipino Family



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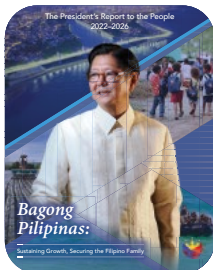
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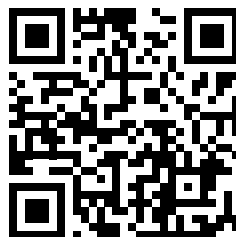
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Preface

Last year, the country faced challenges that tested our resolve. In the face of these trials, Filipinos responded once again with resilience, compassion, and *bayanihan*.

Our decisiveness and swift action kept us moving forward to overcome those difficult moments. These experiences, in many ways, displayed the same perseverance that has carried this Administration from its first day to this very moment.

This President's Report to the People (PRP) provides an account of a year spent navigating complex challenges at home while responding to events happening abroad.

The year 2025 began with the economy on a steady path toward its targets. However, when anomalies in the flood control projects emerged, we exposed them immediately. We did this because rebuilding an economy means little if the institutions meant to serve it remain compromised. The ensuing revelations and attendant reforms set back our economy in the latter half of 2025.

That same resolve to promote transparency in governance carried into 2026, when conflict in the Middle East sent oil prices climbing and disrupted markets far beyond the region. It placed the Philippines at a real risk of stagflation. Through it all, the government worked hard to keep economic activity alive: people working, goods flowing, and businesses open.

That same external shock rippled into the country's food systems. In 2025, agriculture posted its fastest growth since 2018, only to soften in early 2026 as fuel and fertilizer costs rose and logistics were strained by the tensions in the Middle East. This underscored the need for sustained investments in our farmers, fisherfolk, and agricultural infrastructure to strengthen food and water security.

It is true that economic difficulties are never felt evenly. It is often the vulnerable and marginalized who bear the weight more than others. In response, the government worked to cushion the impact of these hardships by delivering timely assistance to those most affected.

Beyond immediate interventions, institutional reforms continued to move forward through more efficient public service delivery, stronger digital systems, and closer coordination with local governments.

As always, we put our people first. We continue to expand social protection initiatives to deliver essential goods and services to vulnerable groups. In health, we moved closer to a system where Filipinos are less burdened by medical bills.



At the same time, the Administration continued building stronger communities nationwide. New classrooms were built, more schools were connected to the internet, and textbooks reached students in greater numbers. We also promoted our teachers' professional development as they continue to nurture the minds of our youth.

More housing units were produced and financed for families through direct provision and expanded financing alike.

Even as fuel prices climbed, investment in transport and digital infrastructure continued, particularly in geographically isolated and disadvantaged communities.

Energy security followed the same path of urgency. We have our indigenous energy resources advancing, forest cover improving, and climate action making strides at the local level.

We continue to patrol our streets and secure our borders to ensure that peace and public order remain strong.

That same commitment extends from safeguarding our maritime domains to protecting Filipinos wherever they may be.

For our Overseas Filipino Workers caught in the Middle East conflict, when the call came, we brought them home. This is a promise kept that wherever Filipinos may be, their government is present.

As this Administration enters its final stretch, this PRP remains a continuing promise, carrying forward the work that remains and the responsibilities that come with it.

In all these efforts, our work remains centered on sustaining growth and keeping Filipino families safe and secure.

And so, the work continues, carried the same way it has always been carried: faithfully and until the very end.

FERDINAND R. MARCOS JR.



Table of Contents

Preface	ii
List of Acronyms	vi
List of Tables	xvi
List of Boxes	xvii
List of Figures	xvii



Enhancing Pathways for Economic Transformation **2**

Capitalizing on a Stable Economic and Fiscal Foundation	4
Enhancing Investment and Trade Promotion	17
Pursuing Industry Development	22
Way Forward	28



Securing Our Food and Water **30**

Strengthening the Agri-Fishery Sector through Responsive Government Support	32
Making Food Affordable to All Filipinos	47
Securing the Nation's Water Supply through Comprehensive Resource Management	49
Way Forward	56



Expanding Social Protection to Stimulate Economic Growth **58**

Intensifying Social Protection to Prevent Poverty and Hunger	60
Making Quality Healthcare Within Reach of Every Filipino	66
Strengthening Educational Foundations toward Sustainable Employability	76
Fostering Quality Employment and Livelihood Opportunities	89
Expanding Access to Inclusive and Affordable Housing	93
Elevating Philippine Sports	99
Way Forward	102



Addressing Corruption and Barriers to Efficient Public Service 104

Upholding Integrity and Restoring Public Trust in the Government	106
Advancing Ease of Doing Business and Efficient Public Service Delivery	115
Empowering Local Governments to Deliver Better Results	122
Way Forward	128



Connecting Communities for Sustainable Growth 130

Building Inclusive, Reliable, and Affordable Transport Connectivity	132
Advancing Inclusive Digital Connectivity	150
Way Forward	156



Pursuing Energy Security and Protecting the Environment 158

Achieving Energy Security	160
Safeguarding the Integrity of the Environment	171
Building Resilient and Adaptive Communities	181
Way Forward	188



Securing the Filipino Family and the Nation 190

Ensuring Peace and Order in Filipino Communities	192
Safeguarding our National Security	204
Promoting the Interests of Filipinos Overseas	211
Advancing the National Interest in the Global Stage	218
Way Forward	224

Conclusion

xxi

List of Acronyms

4PH	Pambansang Pabahay Para sa Pilipino
4Ps	Pantawid Pamilyang Pilipino Program
ACR	All Case Rate
ADB-WDDSP	Asian Development Bank-Water District Development Sector Project
AFP	Armed Forces of the Philippines
AGAP-Artificial Intelligence	Accelerating Governance and Adaptive Pedagogy through Artificial Intelligence
AGRIDAM	Agent for Risk and Damage Management
AI	Artificial Intelligence
AICS	Assistance to Individuals in Crisis Situations
AIDS	Acquired Immunodeficiency Syndrome
AIR-TIP	Anti-Illegal Recruitment-Trafficking in Persons
AJEX DAGITPA	Armed Forces of the Philippines Joint Exercise “Dagat, Langit, at Lupa”
AKSYON	Agarang Kalinga at Saklolo para sa mga Overseas Filipino Workers na Nangangailangan
AMLC	Anti-Money Laundering Council
AMS	Association of Southeast Asian Nations Member States
APG	Association of Southeast Asian Nations Power Grid
APSA	Association of Southeast Asian Nations Framework Agreement on Petroleum Security
ARAL	Academic Recovery and Accessible Learning
ARB	Agrarian Reform Beneficiary
ARROW	Accelerated and Reformed Right-of-Way
ARTA	Anti-Red Tape Authority
ASEAN	Association of Southeast Asian Nations
ASEAN NOC-ODGO	Association of Southeast Asian Nations National Organizing Council-Office of the Director-General for Operations
ASF	African Swine Fever
AT Program	Active Transport Bike Share System and Safe Pathways Program
ATM	Automated Teller Machine
ATP	Accessible Transport Policy
ATSS	Adaptive Traffic Signal System
AWTIP	Angat Water Transmission Improvement Project
AY	Academic Year
BAA	Bangsamoro Autonomy Act
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
BDP	Barangay Development Program
BFAR	Bureau of Fisheries and Aquatic Resources
BFP	Bureau of Fire Protection
BIMP-EAGA	Brunei Darussalam-Indonesia-Malaysia-Philippines East Association of Southeast Asian Nations Growth Area
BINHI	Breaking Insufficiency through Nutritious Harvest for the Impoverished
BIR	Bureau of Internal Revenue
BJMP	Bureau of Jail Management and Penology
BLA	Bilateral Labor Agreement
BOC	Bureau of Customs
BOSY	Beginning of School Year
BPESH	Bagong Pilipinas eGovPH Serbisyo Hub

BPMS	Bantay Presyo Monitoring System
BPMSP	Bagong Pilipinas Merit Scholarship Program
BPSF	Bagong Pilipinas Serbisyo Fair
B-READY	Business Ready
BRP	Barko ng Republika ng Pilipinas
BSP	Bangko Sentral ng Pilipinas
BSRC	Balay Silangan Reformation Center
BTA	Bangsamoro Transition Authority
BTr	Bureau of the Treasury
BUCAS	Bagong Urgent Care and Ambulatory Service
BuCor	Bureau of Corrections
BuDa	Bukidnon-Davao
CAAP	Civil Aviation Authority of the Philippines
CAO	Customs Administrative Order
CAVITEX	Manila-Cavite Toll Expressway
CBDRP	Community-Based Drug Rehabilitation Program
CBDRRM	Community-Based Disaster Risk Reduction and Management
CBE	Community-Based Enterprise
CBMS	Community-Based Monitoring System
CBRT	Cebu Bus Rapid Transit
CCC	Citizens' Complaint Center
CCE	Crime Clearance Efficiency
CDC	Child Development Center
CDW	Child Development Worker
CEPA	Comprehensive Economic Partnership Agreement
CFITF	Coconut Farmers and Industry Trust Fund
CHED	Commission on Higher Education
CMEPA	Capital Markets Efficiency Promotion Act
CMPD	Construction Materials Price Data
COA	Commission on Audit
COC	Code of Conduct
COCROM	Certificate of Condonation with Release of Mortgage
COMPASS	Centralized Open Monitoring Platform for Appropriations and Spending Statistics
COS	Contract of Service
CPFI	Century Pacific Food Inc.
CPI	Corruption Perceptions Index
CPP-NPA-NDP	Communist Party of the Philippines-New People's Army-National Democratic Front
CRA	Cash Relief Assistance
CRD	Credit Risk Database (<i>as it appears in Chapter 1</i>)
CRD	Civil Registry Documents (<i>as it appears in Chapter 4</i>)
CREATE	Corporate Recovery and Tax Incentives for Enterprises
CSAEM	Child Sexual Abuse or Exploitation Materials
CSBT	Cebu South Bus Terminal
CSC	Civil Service Commission
CSE	Crime Solution Efficiency
CTG	Communist Terrorist Group
CY	Calendar Year

List of Acronyms

D2C	Direct-to-Cell
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DEPDev	Department of Economy, Planning, and Development
DepEd	Department of Education
DFA	Department of Foreign Affairs
DHSUD	Department of Human Settlements and Urban Development
DICT	Department of Information and Communications Technology
DILG	Department of the Interior and Local Government
DIME	Digital Information for Monitoring and Evaluation
DMW	Department of Migrant Workers
DND	Department of National Defense
DO	Department Order
DOE	Department of Energy
DOF	Department of Finance
DOH	Department of Health
DOJ	Department of Justice
DOJAC	Department of Justice Action Center
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOT	Department of Tourism
DOTr	Department of Transportation
DPWH	Department of Public Works and Highways
DRRM	Disaster Risk Reduction and Management
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
DTTB	Doctors-to-the-Barrios
DWR	Department of Water Resources
eBOSS	Electronic Business One-Stop Shop
eCAV	Electronic Certification, Authentication, and Verification
ECCD	Early Childhood Care and Development
ECD	Early Childhood Development
E-CLIP	Enhanced Comprehensive Local Integration Program
eCMS	Electronic Complaint Management System
ECP	Expanded Career Progression
eCRVS	Electronic Civil Registration and Vital Statistics
EDCOM II	Second Congressional Commission on Education
EDSA	Epifanio de los Santos Avenue
e-HIRE	Electronic Hiring and Information Registry Engine
EIP	Energy Infrastructure Project
ELPOR	Enhanced Livelihood Program for Overseas Filipino Workers Reintegration
ENGP	Enhanced National Greening Program
ENROLL	Expanded Tertiary Education Equivalency and Accreditation Program National Registration and Onboarding for Lifelong Learning
EO	Executive Order

EOSY	End of School Year
ER 1-94	Energy Regulations No. 1-94
ERC	Energy Regulatory Commission
ERF	Enterprise Rehabilitation Financing (<i>as it appears in Chapter 1</i>)
ERF	Emergency Repatriation Fund (<i>as it appears in Chapter 7</i>)
ESC	Education Service Contracting
ESS	Energy Storage System
ETEEAP	Expanded Tertiary Education Equivalency and Accreditation Program
EV	Electric Vehicle
F1KD	First 1,000 Days
FALGU	Financial Assistance to Local Government Units
FCA	Farmers Cooperatives and Associations
FCP	Flood Control Project
FDA	Food and Drug Administration
FDI	Foreign Direct Investment
FDV	Fertilizer Discount Voucher
FFP	Family Food Packs
FHE	Free Higher Education
FIBA	Fédération Internationale de Basketball
FICELCO	First Catanduanes Electric Cooperative, Inc.
FIVB	Fédération Internationale de Volleyball
FME	Farm Machinery and Equipment
FMR	farm-to-market road
FPC	Fish Port Complex
FPIAP	Free Public Internet Access Program
FR	former rebel
FRLD	Fund for Responding to Loss and Damage
FTA	Free Trade Agreement
FY	fiscal year
GAA	General Appropriations Act
GALING	Grants and Assistance to Leverage Innovations for National Growth
GAMOT	Guaranteed and Accessible Medications for Outpatient Treatment
GB	gigabyte
GCG	Governance Commission for Government-Owned or -Controlled Corporations
GCTA	Good Conduct Time Allowance
GDP	Gross Domestic Product
GEA	Green Energy Auction
GEMP	Government Energy Management Program
GFI	Government Financial Institution
GIDA	Geographically Isolated and Disadvantaged Areas
GIR	Gross International Reserves
GMW	Groundwater Monitoring Wells
GNI	Gross National Income
GOCC	Government-Owned or -Controlled Corporation
GovNet	Government Network Project
GPH	Government of the Philippines
GRIP	GeoRiskPH Integrated Platform

List of Acronyms

GSIS	Government Service Insurance System
ha	hectares
HEA	Health Emergency Allowance
HEI	Higher Education Institution
HIV	Human Immunodeficiency Virus
hp/ha	horsepower per hectare
HPAI	Highly Pathogenic Avian Influenza
HU	Housing Unit
HVT	High-Value Target
IACAT	Inter-Agency Council Against Trafficking
IC	Insurance Commission
ICI	Independent Commission for Infrastructure
ICT	Information and Communications Technology
ICU	Intensive Care Unit
IDEC	Isla Dagayab Energy Corporation
IFP	Infrastructure Flagship Project
IGCMRS	Improving Growth Corridors in Mindanao Road Sector
IMD	International Institute for Management Development
IPA	Investment Promotion Agencies
IRR	Implementing Rules and Regulations
ISF	Informal Settler Family
ITC	Independent Tower Company
JDVP	Joint Delivery Voucher Program
JMC	Joint Memorandum Circular
JO	Job Order
KALAH-I-CIDSS	Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services
kg	kilograms
KKK	Kabuhayan, Kaalaman, Kalinga
km	kilometers
Konsulta	Konsultasyong Sulit at Tama
KP	Konektadong Pinoy
KSA	Kingdom of Saudi Arabia
kV	kilovolt
kWh	kilowatt-hour
LAD	Land Acquisition and Distribution
LAO	Labor Attorney's Office
LAWA	Local Adaptation to Water Access
LCS	Learning Continuity Space
LCV	Landing Craft Vessel
LDRC	Luzon Disaster Resource Center
LEA	Law Enforcement Agencies
LGC	Local Government Code
LGRP	Local Government Reform Project
LGSF	Local Government Support Fund
LGU	Local Government Unit
LGUSS	Local Government Unified Support System
LOA	Letter of Authority

LPG	Liquefied Petroleum Gas
LRSP	Lifeline Rate Subsidy Program
LRT-1	Light Rail Transit Line 1
LSA	Learning Site for Agriculture
LSEN	Luzon Spine Expressway Network
LTG	Local Terrorist Groups
LTO	Land Transportation Office
LUC	Local Universities and Colleges
LWD	Local Water District
LWUA	Local Water Utilities Administration
m	meters
MAIFIP	Medical Assistance to Indigent and Financially Incapacitated Patients
MAKABATA	Mahalin at Kalingain ang mga Bata
MARINA-OAS	Maritime Industry Authority Online Appointment System
Mbps	megabits per second
MC	Memorandum Circular
MCA	Maritime Cooperative Activities
MES	Mobile Energy Systems
MH	Maharlika Highway
MILF	Moro Islamic Liberation Front
MLD	million liters per day
MMDA	Metropolitan Manila Development Authority
MNLF	Moro National Liberation Front
MOA	Memorandum of Agreement
MOSS	Mobile One-Stop Shop for Small-Scale Mining
MOU	Memorandum of Understanding
MPN/100 mL	most probable number per 100 milliliters
MRF	materials recovery facilities
MRT-7	Metro Rail Transit Line 7
MSE	Micro and Small Enterprises
MSME	Micro, Small, and Medium Enterprises
MSRS	Medical Scholarship and Return Service
MSU	Modified Shelter Unit
MT	metric tons
MULA	Multispectral Unit for Land Assessment
MUP	Military and Uniformed Personnel
MW	megawatts
MWSS	Metropolitan Waterworks and Sewerage System
N1	National Road 1
NAC	National Amnesty Commission
NAIA	Ninoy Aquino International Airport
NAICRI	National Artificial Intelligence Center for Research and Innovation
NAIS-PH	National Artificial Intelligence Strategy for the Philippines
NAP	National Adaptation Plan
NBI	National Bureau of Investigation
NbS	Nature-based Solutions
NC	National Certificate
NCC	National Command Center

List of Acronyms

NCR	National Capital Region
NDRRMC	National Disaster Risk Reduction and Management Council
NDRRMF	National Disaster Risk Reduction and Management Fund
NEA	National Electrification Administration
NEO	Newly Elected Officials
NFA	National Food Authority
NFB	National Fiber Backbone
NG	National Government
NGA	National Government Agency
NGCP	National Grid Corporation of the Philippines
NGDC	National Government Data Center
NGO	nongovernment organization
NHA	National Housing Authority
NHMFC	National Home Mortgage Finance Corporation
NIA	National Irrigation Administration
NIC	National Innovation Council
NICE	National Invention Contest and Exhibits
NID	National ID
NMP	Net-Metering Program
NPL	non-performing loan
NPS	National Prosecution Service
NRN	National Reintegration Network
NRW	non-revenue water
NSCID	National Senior Citizens ID
NSCR	North-South Commuter Railway
NTA	National Tax Allotment
NTF-ELCAC	National Task Force to End Local Communist Armed Conflict
O.N.E.	Oras Natin sa Efficiency
OCD	Office of Civil Defense
OEGB	Outpatient Emergency Care Benefit
OECVS	Online Employment Contract Verification System
OFW	Overseas Filipino Workers
OMB	Office of the Ombudsman
OPAPRU	Office of the Presidential Adviser on Peace, Reconciliation and Unity
ORUS	Online Registration and Update System
OSAEC	Online Sexual Abuse or Exploitation of Children
OSH	Occupational Safety and Health
OWWA	Overseas Workers Welfare Administration
PAF	Philippine Air Force
PAFFF	Presidential Assistance for Farmers, Fisherfolk, and Families
PAG	Private Armed Groups
PAGASA	Philippine Atmospheric, Geophysical and Astronomical Services Administration
PAGCOR	Philippine Amusement and Gaming Corporation
PAMANA	PAYapa at MAsaganang PamayaNAn
PAO	Public Attorney's Office
PAOCC	Presidential Anti-Organized Crime Commission
PAP	Programs, Activities, and Projects
PCAB	Philippine Contractors Accreditation Board

PCC	Philippine Competition Commission
PCG	Philippine Coast Guard
PCO	Presidential Communications Office
PCSO	Philippine Charity Sweepstakes Office
PDEA	Philippine Drug Enforcement Agency
PDIC	Philippine Deposit Insurance Corporation
PDL	Persons Deprived of Liberty
PESO	Public Employment Service Office
PEZA	Philippine Economic Zone Authority
PhilHealth	Philippine Health Insurance Corporation
PHITEST	Philippine Technology Evaluation and Standards for Testing
PhP	Philippine Peso
PIA	Philippine Information Agency
PMA	Philippine Military Academy
PMC	Philippine Marine Corps
PMS	Presidential Management Staff
PN	Philippine Navy
PNA	Philippine News Agency
PNOC	Philippine National Oil Company
PNOC-EC	Philippine National Oil Company-Exploration Corporation
PNP	Philippine National Police
POGO	Philippine Offshore Gaming Operator
PPA	Philippine Ports Authority
PPC	Pag-abot Processing Center
PPP	Public-Private Partnership
PPR	Police-to-Population Ratio
PRC	Professional Regulation Commission
PrEP	Pre-Exposure Prophylaxis
PRFS	Pasig River Ferry Service
PROSIELCO	Province of Siquijor Electric Cooperative, Inc.
PSA	Philippine Statistics Authority (<i>as it appears in Chapter 1</i>)
PSA	Power Supply Agreement (<i>as it appears in Chapter 6</i>)
PSC	Philippine Sports Commission (<i>as it appears in Chapter 3</i>)
PSC	Petroleum Service Contracts (<i>as it appears in Chapter 6</i>)
PSE	Philippine Stock Exchange
PSF	People's Survival Fund
PSIP	Public-Private Partnership for School Infrastructure Project
PTB	Passenger Terminal Building
PTMP	Public Transport Modernization Program
PTV	Patient Transport Vehicle
PUV	Public Utility Vehicle
PWD	Persons with Disability
PWUD	Persons Who Used Drugs
Q1	first quarter
R&D	Research and Development
RA	Republic Act
RCC	Regional Command Center
RCEF	Rice Competitiveness Enhancement Fund

List of Acronyms

RE	Renewable Energy
RFFA	Rice Farmers Financial Assistance
RFID	Radio Frequency Identification
RMC	Revenue Memorandum Circular
ROCBDC	Regional Oversight Committee on Barangay Drug Clearing
ROK	Republic of Korea
RoRo	Roll-on/Roll-off
ROWA	Right-of-Way Acquisition
RP	Real Property
RPM-P/RPA/ABB	Rebolusyonaryong Partido ng Manggagawa-Pilipinas/Revolutionary Proletarian Army/Alex Boncayao Brigade
RPS	Rice Processing Systems
R-PSB	Revitalized-Pulis sa Barangay
RSBSA	Registry System for the Basic Sectors in Agriculture
RTEF	Ready-to-Eat Food
RWCS	Rainwater Collector Systems
S&T	Science and Technology
SAAD	Special Area for Agricultural Development
SAFPB	Support and Assistance Fund to Participatory Budgeting
SBCorp	Small Business Corporation
SBMA	Subic Bay Metropolitan Authority
SC	Supreme Court
SCC	Satellite Command Center
SCP	Service Contracting Program
SCS	South China Sea
SETUP	Small Enterprise Technology Upgrading Program
SFP	Supplementary Feeding Program
SGLG	Seal of Good Local Governance
SHS	Senior High School
SID	Seafarer's Identity Document
SIM	Subscriber Identity Module
SIPP	Strategic Investment Priority Plan
SLF	sanitary landfills
SLP	Sustainable Livelihood Program
SME	Small and Medium Enterprise
SONA	State of the Nation Address
SPA	Statement of Premium Account
SPC	Single Period of Confinement
SPISC	Social Pension Program for Indigent Senior Citizens
SPLIT	Support to Parcelization of Lands for Individual Titling
SPRINT	Short-Term Program for Researchers on Innovation and Technopreneurship
SRB	Seafarer's Record Book
SSF	Shared Service Facilities
SSIP	Small Scale Irrigation Project
SSS	Social Security System
STEM	Science, Technology, Engineering, and Mathematics
STP	Sewage Treatment Plant
SUC	State Universities and Colleges

SY	School Year
TASTM	Time Allowance for Study, Teaching, and Mentoring
TDGVA	Tourism Direct Gross Value Added
TDP	Tulong Dunong Program
TECHNiCOM	Technology Innovation for Commercialization
Telecom	Telecommunications
TES	Tertiary Education Subsidy
TESDA	Technical Education and Skills Development Authority
TIN	Tax Identification Number
TIP	Trafficking in Persons
TPCW	Trading Post Commodity Watch
TSS	Teachers' Salary Subsidy
TUPAD	Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers
TVET	Technical-Vocational Education and Training
TVL	Technical-Vocational-Livelihood
UAE	United Arab Emirates
UHC	Universal Health Care
UMIC	Upper-Middle-Income Country
UNESCO	United Nations Educational, Scientific and Cultural Organization
UP NOAH	University of the Philippines Nationwide Operational Assessment of Hazards
USA	United States of America
USAR	Urban Search and Rescue
USD	United States Dollar
VAT	Value-Added Tax
VIP	Virology and Vaccine Institute of the Philippines
WD	Water District
WESM	Wholesale Electricity Spot Market
WGK	Walang Gutom Kitchen
WGP	Walang Gutom Program
WHO	World Health Organization
WPS	West Philippine Sea
WRC	Water Regulatory Commission
WTP	Water Treatment Plant
YAKAP	Yaman ng Kalusugan Program
YFI	Youth Financial Inclusion
y-o-y	year-on-year
ZBB	Zero Balance Billing

List of Tables

1.1	Philippine Credit Ratings (Investment-Grade Ratings), as of April 2026
2.1	Status of LAD and SPLIT Distributions
2.2	Credit Support Programs, July 2022–May 2026
2.3	Insurance Coverage Accomplishments, July 2022–May 2026
3.1	YAKAP Accomplishments, 2022 vs 2026
3.2	Beneficiaries of the DepEd’s Government Assistance and Subsidy Programs, SY 2022–2026
3.3	Teacher-to-Learner Ratio, SY 2022–2023 vs SY 2024–2025
3.4	TVET Certification Rate, 2022–2025
3.5	Original vs Expanded 4PH Program, July 2022–June 2026
4.1	Inter-Agency Mechanisms for Financial Recovery and Enforcement Related to Anomalous FCPs
4.2	New Components of Project DIME, as of May 31, 2026
4.3	Streamlining Initiatives for the Permitting Process of Various Projects, as of May 31, 2026
4.4	LGSF Accomplishments in Cities and Municipalities, July 2022–May 2026
4.5	System and Information Support to LGUs, July 2022–May 2026
4.6	Programs to Enhance Local Officials’ Capacity, July 2022–May 2026
5.1	Railway Ridership, 2022 vs 2025
5.2	Ridership of the Re-launched Love Bus, July 2025–May 2026
5.3	Internet Connectivity Indicators
6.1	Fuel Inventory Levels, as of June 19, 2026
6.2	Increased Population of Critically Endangered Species
6.3	Capacity-Building Activities on DRRM, 2022–2025
7.1	Peace and Order Indicators
7.2	Arrested Personalities from Anti-Crime Campaigns, July 01, 2022–May 31, 2026
7.3	High-Impact Operations Conducted, July 01, 2022–May 31, 2026
7.4	Barangay Drug Clearing Program
7.5	Data on Cybercrime Cases, July 01, 2022–May 31, 2026
7.6	Status of Fire Prevention and Suppression Capability
7.7	DOJ-National Prosecution Service (NPS) Accomplishments
7.8	Amnesty Applications per Group, March 04, 2024–March 31, 2026
7.9	Status of the Political Track of the Peace Tables
7.10	PAMANA Program Accomplishments, January 2024–June 2026
7.11	AKSYON Fund OFW Beneficiaries, July 2023–March 2026
7.12	KKK Program Beneficiaries, July 2022–May 2026
7.13	Facilities for OFWs, November 2022–May 2026
7.14	OFW Serbisyo Caravan Beneficiaries, June 2025–May 2026
7.15	OFW Hospital Beneficiaries, July 2022–May 2026

List of Boxes

- 1.1 Credit Risk Database (CRD) Project
- 1.2 Youth Financial Inclusion (YFI) Initiative
- 1.3 Fire Insurance Program
- 1.4 Enterprise Rehabilitation Financing (ERF) Program Beneficiary
- 1.5 Milestones in People-Centered Tourism Offerings

- 2.1 Closed Fishing Season
- 2.2 Supporting Food Logistics in Response to Surging Fuel Prices
- 2.3 Wawa Bulk Water Supply Project
- 2.4 Homonhon Island Mini Dam
- 2.5 Construction of NEW WATER Modular Treatment Plants in Metro Manila
- 2.6 Integrating Renewable Energy into the Water Supply System

- 3.1 4Ps Household Attains Self-sufficiency
- 3.2 KALAHI-CIDSS School Facility and Bridge SPs
- 3.3 Virology and Vaccine Institute of the Philippines (VIP)

- 5.1 Construction of a Telecommunications (Telecom) Tower in San Vicente, Palawan

- 6.1 Addressed the Power Crisis in Siquijor and Catanduanes
- 6.2 Newly Hatched Philippine Eagle Bayani
- 6.3 Government Preparations for El Niño

List of Figures

- 1.1 GDP Growth Rates of ASEAN, Middle-Income, and Emerging and Developing Economies, 2025
- 1.2 Headline Inflation Rate, July 2022–June 2026
- 1.3 Key Labor Statistics, 2005–2025 (in %)
- 1.4 NG Revenues, 2025 (in PhP billion)
- 1.5 FY 2026 Budget Priority Sectors
- 1.6 NG Debt Performance, 2016–May 2026
- 1.7 GIR, January 2016–June 2026 (in USD billion)
- 1.8 Performance Highlights of the Philippine Banking Sector, April 2025 vs April 2026
- 1.9 Movement of Select Currencies Against the USD, June 2025 vs June 2026 (in %)
- 1.10 Status of Projects Certified Under the Green Lanes for Strategic Investments, February 2023–June 15, 2026
- 1.11 IPA-Approved Investments and Projected Employment, 2022–2025
- 1.12 Location of Stock Retail Investors, 2025
- 1.13 Tourism Sector Accomplishments, 2022–2025

- 2.1 Volume and Value of Livestock Production, Q1 2025 vs Q1 2026
- 2.2 Volume and Value of Poultry Production, Q1 2025 vs Q1 2026
- 2.3 Established and Certified LSAs, July 2016–June 2022 vs July 2022–June 2026
- 2.4 Families with Access to an Improved Source of Drinking Water, 2022 vs 2024
- 2.5 Percentage of Families by Service Level of Sanitation Facility, 2022 vs 2024

List of Figures

- 3.1 MAIFIP Accomplishments, 2022–May 2026
- 3.2 New and Enhanced PhilHealth Benefits, since July 2025
- 3.3 BUCAS Centers, March 06, 2024–May 31, 2026
- 3.4 Net Enrollment Rates in Basic Education, SY 2019–2026
- 3.5 Internet Connectivity Rate of Public Schools Nationwide, August 2022 vs June 2026
- 3.6 Improvements in Reading Proficiency Levels, SY 2025–2026 (in million)
- 3.7 Fill-up Rates of Created Teaching and Non-teaching Positions, FY 2022–2025
- 3.8 Increase in HUs Produced and/or Financed Due to Reforms in the 4PH Program
- 3.9 Distribution of Acquired HUs Across Income Groups through the Pag-IBIG Fund End-User Financing Program, December 2024–June 2026
- 3.10 Housing Loans Released by the Pag-IBIG Fund

- 4.1 Status of FCP-Related Cases, as of June 22, 2026
- 4.2 Administrative Sanctions Imposed on Erring PNP Personnel, July 01, 2022–May 31, 2026
- 4.3 BPESH Accommodated Clients

- 5.1 Status of Select Projects under the LSEN Program, as of May 2026
- 5.2 AT Program Accomplishments, Q2 2022 vs Q2 2026
- 5.3 PTMP Accomplishments, July 2022 vs May 2026

- 6.1 Streamlined NMP
- 6.2 Number of Registered NMP Customers
- 6.3 EV Industry Development
- 6.4 Increased RE in Power Generation Mix and Power Grid
- 6.5 Total MRFs and Barangays Served, 2022–2025
- 6.6 Warehouses and Prepositioned Relief Stockpile
- 6.7 Prepositioned RTEF Packs in Seaports Nationwide

- 7.1 Emergency Calls Referred to Responding Agencies, July 01, 2022–May 31, 2026
- 7.2 Anti-Illegal Drug Operations, July 01, 2022–May 31, 2026
- 7.3 Drug Smuggling Intercepted, July 01, 2022–May 31, 2026
- 7.4 Anti-illegal Drug Cases Resolved, July 01, 2022–May 31, 2026
- 7.5 Anti-POGO Campaign Accomplishments, May 2023–May 2026
- 7.6 Operations Against OSAEC and CSAEM



Bagong Pilipinas:

Sustaining Growth,
Securing the Filipino Family



CHAPTER

1

Enhancing Pathways for Economic Transformation

Shipyard personnel undertake indoor fabrication at HD Hyundai Heavy Industries Philippines Inc.'s Agila Southern Yard in the Subic Freeport Zone on September 02, 2025.

Photo Credit: PCO



The President delivers a speech at the Asia-Pacific Economic Cooperation Chief Executive Officers' Summit on October 31, 2025 in Gyeongju, Republic of Korea.

Photo Credit: PCO

At the start of 2025, we were on track to achieving our economic goals. In the latter half of the year, concerns over flood control projects dampened public and investor confidence. Nevertheless, we were committed to reigniting the economy in 2026 by addressing this unease through transparency, accountability, and citizen engagement in governance.

However, the Middle East conflict happened at the start of 2026. This resulted in rising oil prices, which significantly affected the Philippine economy.

Some economists even expressed concern on hitting stagflation. We cannot let this happen. We made sure that economic activities still flourish, where people can still go to work, goods and services keep flowing, and businesses continue to operate despite rising transportation costs.

We remain optimistic that the Philippines' solid footing, coupled with strong macroeconomic fundamentals, improved governance and structural reforms, and sound fiscal policies, will drive the country toward a robust economic comeback.

"...when we build skills, we build confidence. When we create jobs, we restore the dignity of our people. And when we strengthen our economic foundations, we build a stronger nation for tomorrow."

President Ferdinand R. Marcos Jr.
Launch of Trabaho at Negosyo
March 06, 2026

Capitalizing on a Stable Economic and Fiscal Foundation



The President (center) meets with economic managers led by then DOF Secretary Ralph Recto (fifth from left), then Special Assistant to the President for Investment and Economic Affairs Frederick Go (third from left), and BSP Governor Eli Remolona, Jr. (sixth from left) on September 25, 2025 at the Malacañan Palace to discuss the economic growth outlook, emerging risks, and latest policy actions.

Photo Credit: PCO

Our goal remains to build a more prosperous and inclusive future for all Filipinos. It shall be underpinned by our sound macroeconomic policies, prudent fiscal management, and stable labor market conditions.¹

Harnessed Strong Macroeconomic Fundamentals²

The Philippine economy grew at a modest pace in the latter half of 2025 as domestic demand weakened amid the flood control issue and weather-related disruptions.

Nonetheless, the Philippine economy's underlying resilience and stability are reflected in its ability to deliver encouraging outcomes despite rising local and external disruptions.

On July 01, 2026, the World Bank reclassified the Philippines from a lower-middle-income to an upper-middle-income country (UMIC) after posting a record gross national income (GNI) per capita of USD4,850, exceeding the USD4,636 UMIC threshold. This was supported by steady economic expansion, with Gross Domestic Product (GDP) growing by an average of 5.8% from 2021 to 2025. Strong performance across all industries likewise raised GNI per capita by 8.5% in 2025.

This breakthrough puts us among four other Association of Southeast Asian Nations (ASEAN) members in this category. Our graduation to UMIC status reflects our solid economic fundamentals, signals stronger creditworthiness, and opens doors to higher-quality investments.

¹ DEPDev, July 08, 2026.

² DEPDev, July 08, 2026 and DOF, July 08, 2026.

As we reach this milestone, we shall press on to ensure that the benefits of our economic upturn reach all Filipinos. Our development agenda continues to rest on sustained economic growth, empowering us to reduce poverty, address vulnerabilities, and guarantee that no Filipino is left behind.

Sustained economic growth. From a GDP growth of 7.6% in 2022, our economic momentum moderated to 4.4% in 2025. This was below our 5.5% to 6.5% target for 2025.

The country's GDP growth performance remained at par with our ASEAN peers, slightly above the region's average of 3.9%. Our GDP growth was also similar to the average among emerging market and developing economies and above the 3.8% average among middle-income countries (see *Figure 1.1*).

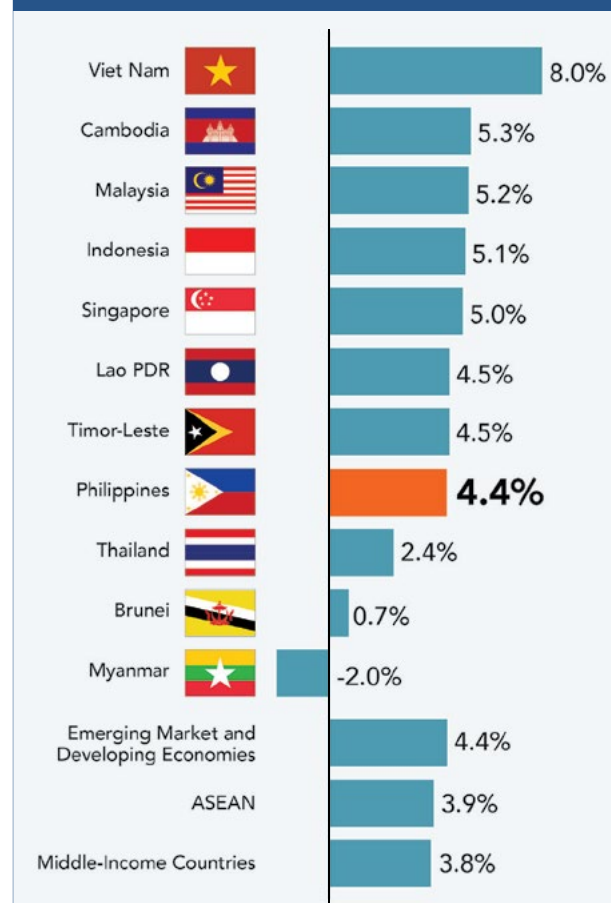
We absorbed a significant hit in the first quarter (Q1) of 2026, with GDP slowing down to 2.8%. This was due to the impact of the Middle East conflict and lingering effects of recent corruption issues on public infrastructure spending.

We are working hard and remain optimistic that our timely and targeted policy and program responses could help mitigate the impact of these shocks and sustain our economic resilience.

Managed inflation. Prior to the onset of the Middle East tensions, slower and stable inflation supported domestic consumption, especially for our low-income households.

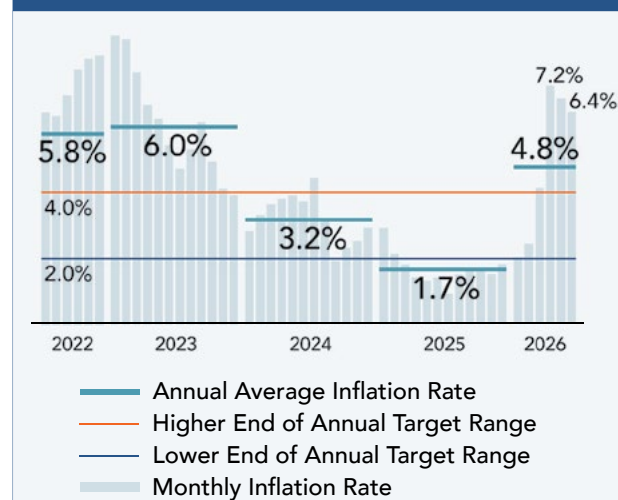
The full-year average inflation rate eased significantly from 3.2% in 2024 to 1.7% in 2025, the slowest recorded since 2016 (see *Figure 1.2*).

Figure 1.1 GDP Growth Rates of ASEAN, Middle-Income, and Emerging and Developing Economies, 2025



Source: DEPDDev

Figure 1.2 Headline Inflation Rate, July 2022–June 2026



Note: Target based on the Philippine Development Plan 2023–2028.

Source: DEPDDev

The disruption of trade flows through the Strait of Hormuz in early 2026 led to elevated global oil prices, which rippled across several sectors of our economy, including transportation and agriculture. Prices of goods and services rose faster than anticipated in April 2026, with inflation reaching 7.2%.

Nonetheless, we managed to temper inflation to 6.4% in June 2026 as coordinated and immediate government response to the Middle East conflict began to bear fruit.

Despite the impact on prices of the Middle East tensions, we remain committed to achieving an inflation rate within the program band of 2.0% to 4.0% until 2028.

We are forging ahead to ensure that the prices of commodities are within the means of every Filipino family. Our interventions to keep price pressures under control were focused on ensuring stable and sufficient fuel and food supply.

We have been investing in productivity-enhancing measures to stabilize agriculture production and secure and optimize the food supply chain (see *Chapter 2*).

We also took actions to ease higher transport and input costs through targeted subsidies for the public and the most affected sectors (see *Chapters 2, 3, and 5*). At the same time, we are proactively addressing possible spikes in electricity costs (see *Chapter 6*).

Maintained modest employment gains.

Joblessness and limited formal employment opportunities have been perennial problems in the country. However, we have made progress in addressing this. At 95.3% employment level, 49.01 million Filipinos had a source of living in 2025. This represented an increase of 2.12 million employed individuals compared to 2022 (see *Figure 1.3*).

Although overall employment levels declined from the all-time high of 95.7% in 2024, employment quality improved year-on-year (y-o-y). For instance, the proportion of wage and salaried workers in private establishments rose from 49.6% in 2022 to 51.0% in 2025.

Likewise, underemployment dropped from 10.9% in December 2024 to the

Figure 1.3 Key Labor Statistics, 2005–2025 (in %)



Note: Annual figures based on the average of the quarterly rounds of the Labor Force Survey (i.e., January, April, July, and October). Annual 2005 data is average of April, July, and October 2005 data.

Sources: PSA and DEPDDev

historic low level of 8.0% in December 2025. This meant approximately 1.5 million fewer Filipino workers desiring to have an additional job, additional hours of work in their present job, or a new job with longer working hours.

However, labor market conditions moderated amid global economic developments, with unemployment climbing from 4.1% in April 2025 to 4.7% in April 2026. This highlighted the need for strategic interventions.

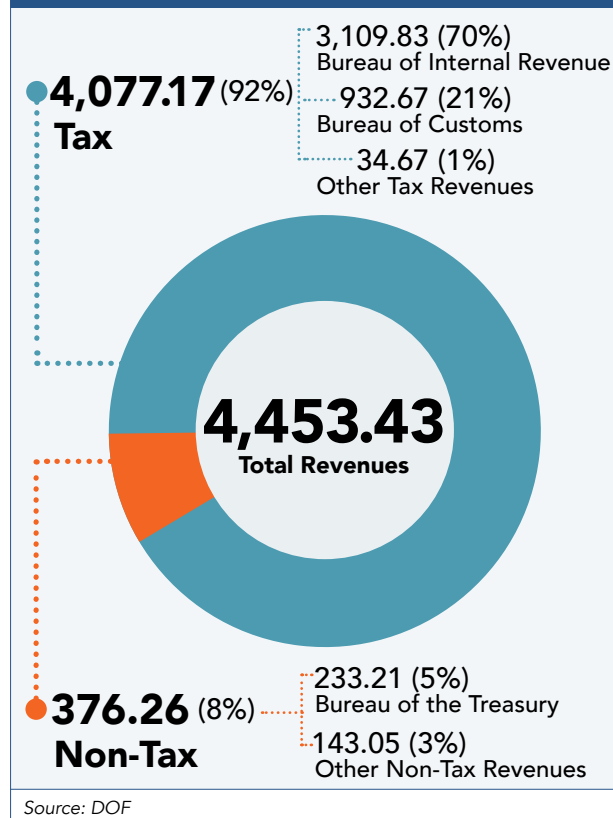
As uncertainties concerning the Middle East conflict continue to pose risks to our labor market, the government pursued measures to ensure business and service continuity. These include targeted assistance for transport and agriculture workers, and skills training and livelihood programs for returning Filipino workers (see Chapters 2, 3, 5, and 7).

In the long term, we remain committed to further supporting an inclusive, efficient, and dynamic labor market environment. Implementation of the Enterprise-Based Education and Training Framework Act and other initiatives identified in the Trabaho Para sa Bayan Plan 2025–2034³ will help support our drive to become more responsive to the needs of local industries.

Pursued Prudent Fiscal Management⁴

The National Government (NG) continues to face a growing budget deficit as current revenues remain insufficient to fully finance priority programs and projects.

Figure 1.4 **NG Revenues, 2025**
(in PhP billion)



Improved revenue collections. This Administration is focused on eliminating unnecessary spending and improving revenue collection efficiency to boost fiscal health. The implementation of reforms helped the government increase its revenue collections from PhP4.42 trillion in 2024 to PhP4.45 trillion in 2025 (see Figure 1.4).

Notably, the Bureau of Internal Revenue (BIR) recorded a strong revenue performance in 2025, collecting PhP3.11 trillion for the year. Of this amount, PhP2.49 trillion (80.1%) was generated through electronic payment channels, reflecting sustained progress in digitalization and increased taxpayer adoption of electronic services.

³ Signed into law as RA No. 11962, this is a 10-year plan reflecting the country's commitment to promote decent work, broaden business opportunities, and lay the foundation for inclusive and equitable growth. It outlines comprehensive strategies to tackle key labor market challenges including skills mismatch, youth unemployment, job security, digital and technological disruptions, labor migration, and OFW reintegration.

⁴ DOF, July 08, 2026.

We demanded stronger performance and fiscal discipline from government-owned or -controlled corporations (GOCCs) and government financial institutions (GFIs). This resulted in dividend collections of PhP493.51 billion⁵ from July 2022 to June 2026. It exceeded the six-year dividend collections from July 2016 to June 2022 of PhP382.33 billion.

To generate more income, we are maximizing non-tax revenue sources by privatizing non-performing assets. From July 2022 to May 2026, we collected PhP8.44 billion from privatization efforts.

Implemented sound budget planning and administration.⁶ Cognizant of the challenges in our budget process, we made sure that we are guided by fiscal discipline, allocative efficiency, and operational efficiency. These ensure that the national budget becomes a tool for inclusive development and growth that benefits the Filipino people.

On January 05, 2026, I signed into law Republic Act (RA) No. 12314 or the General Appropriations Act (GAA) of 2026. The national budget in 2026 amounted to PhP6.79 trillion, more than 7% higher than the PhP6.33 trillion budget in 2025. It prioritizes key sectors that lay the foundation for inclusive development (see *Figure 1.5*).

As early as May 31, 2026, we had released 88% or PhP5.96 trillion of the fiscal year (FY) 2026 budget to the concerned agencies from current, continuing, automatic, and unprogrammed appropriations. This ensures the timely implementation of priority infrastructure and social programs, especially those that underwent early procurement at the end of 2025.

Figure 1.5 FY 2026 Budget Priority Sectors



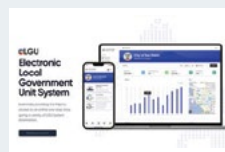
Education
PhP1.34 trillion



Public Works
PhP530.90 billion



Health
PhP448.13 billion



Interior and Local Government
PhP310.47 billion



Defense
PhP310.00 billion



Agriculture
PhP297.10 billion



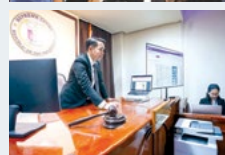
Social Welfare
PhP270.19 billion



Transportation
PhP140.96 billion



Labor and Employment
PhP73.56 billion



Judiciary
PhP70.61 billion

Photo Credits: PMS; PCO; City of San Pablo, Laguna official website; DND; DSWD; and Supreme Court
Source: DBM

⁵ This includes collections from Manila North Tollways Corporation and Semirara Mining and Power Corporation.

⁶ DBM, June 26, 2026 and DICT, July 06, 2026.

In the 2025 Open Budget Survey, the Philippines ranked 1st in Asia in budget transparency, 1st in public participation, and 4th in budget oversight. This affirms the country's leading performance in open budgeting and good governance.

To further promote transparency from budget planning to implementation, the Department of Information and Communications Technology (DICT) initiated the adoption of blockchain technology in the national budget, starting with the FY 2026 GAA (see Chapter 4).

Meanwhile, the national budget remains agile to respond to the country's requirements. To fund the government's response to the Middle East tension, I instructed all government agencies to reduce spending by 20% on non-essential expenses, such as travel, training programs, supplies and materials, and utility costs. These savings will be used to fund aid to the transport and agriculture sectors, and other social protection programs.

Implemented prudent debt management. Fiscal pressures in 2025 necessitated higher borrowing requirements.

Nonetheless, the NG remained firmly on track to achieve its fiscal consolidation objectives. The deficit-to-GDP ratio narrowed from 7.3% in 2022 to 5.6% in 2025, reflecting our efforts to strengthen revenue generation and expenditure discipline.

The NG's outstanding debt stood at PhP18.55 trillion as of end-May 2026 (see Figure 1.6). Of the total debt, domestic borrowing accounted for 67.4%, while external obligations constituted the remaining 32.6%.

Favoring more domestic sources in borrowing safeguards the stability and sustainability of our debt obligations while maintaining investor confidence in the country's economic stability. In the medium term, the NG will maintain its borrowing mix of 75:25 in favor of local sources to take advantage of domestic liquidity and mitigate foreign exchange risks.

In 2025, the NG raised PhP2.30 trillion through the issuance of government securities in the domestic and international markets. This was slightly higher than the PhP2.18 trillion level recorded in 2024.

Figure 1.6 NG Debt Performance, 2016–May 2026



Strong investor demand remained evident across both markets, supported by sustained confidence in the country's macroeconomic performance and sound credit profile.

The NG maintained its strategy of favoring longer-term debt maturities. As of end-2025, the average maturity of government debt stood at 7.4 years. This was within the 7- to 10-year target range and reflected a balanced cost-risk approach amid higher term premiums on longer-dated securities.

During the same period, more than 90% of the debt portfolio was in fixed interest rate terms, which minimizes the volatility of debt servicing and exposure to rate resetting. The sustained improvement in the fiscal balance supports the government's prudent debt management strategy, with the goal of reducing the debt-to-GDP ratio.

Sustained favorable credit ratings.

The Philippines' credit ratings help lower the government's borrowing costs in international markets, providing more affordable financing for priority programs and investments.

As of April 2026, most credit rating agencies continued to grant investment-grade ratings to the country (see *Table 1.1*). They cited strong macroeconomic fundamentals and a sound fiscal position as bases for said ratings.

Managed external payment position.⁷

Since 2022, we ensured more than adequate gross international reserves (GIR) for the country.

Table 1.1 Philippine Credit Ratings
(Investment-Grade Ratings),
as of April 2026

Rating Agency	Sovereign Credit Rating	
	Long-Term	Outlook
 Rating and Investment Information, Inc.	A-	Stable
	High creditworthiness supported by a few excellent factors	
 Japan Credit Rating Agency, Ltd.	A-	Stable
	Expectations of low default risk	
 MOODY'S	Baa2	Stable
	Moderate credit risk	
 Standard and Poor's	BBB+	Stable
	Adequate capacity to meet financial commitments	
 FitchRatings	BBB	Negative*
	Default risk is currently low	

*A negative outlook underscores the need to address emerging risks affecting the country's credit profile.

Sources: DOF, R&I, JCR, Moody's, S&P Global, and Fitch Ratings

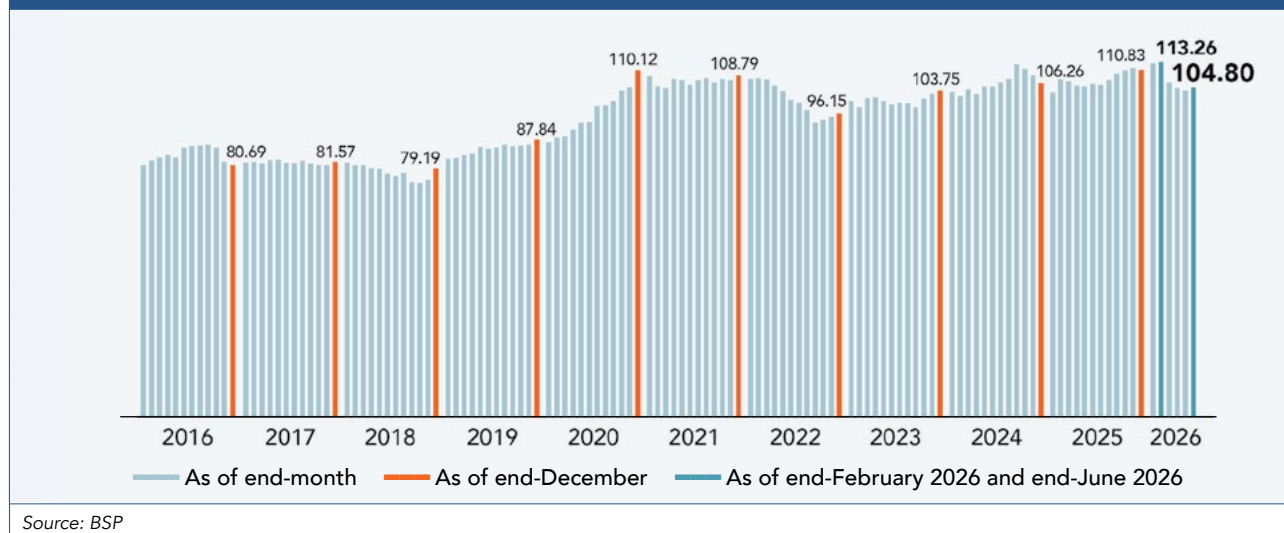
The GIR level reached a record high of USD113.26 billion in February 2026. However, this moderated to USD104.80 billion as of end-June 2026 (see *Figure 1.7*) amid the impact of the prolonged Middle East conflict.⁸

Despite the reduction, this level remains a robust external liquidity buffer, equivalent to 6.8 months' worth of imports of goods and payments of services and primary income. It can likewise cover about 3.7 times the country's short-term external debt based on residual maturity.⁹

⁷ BSP, July 10, 2026.

⁸ These provide sufficient foreign currency to meet the country's import needs, service its external debt obligations, and serve as a buffer against external economic shocks.

⁹ Short-term debt based on residual maturity refers to the sum of outstanding external debt with original maturity of one year or less, and principal payments on medium- and long-term loans of the public and private sectors falling due within the next 12 months.

Figure 1.7 **GIR**, January 2016–June 2026 (in USD billion)

Sustained a Stable Financial System¹⁰

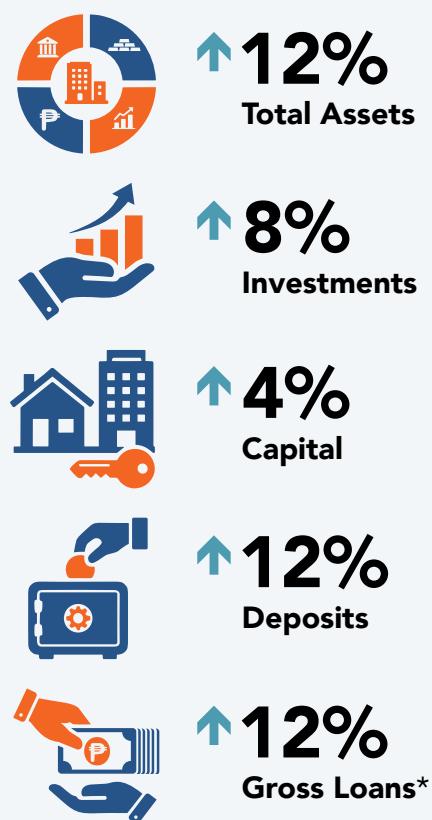
The Philippine financial system remains resilient but faces risks arising from economic contraction, geopolitical tensions, and policy shifts.

We pursued efforts to ensure that the financial system can adapt in a dynamic global environment and continue to support economic activity.

The Philippine banking sector has maintained ample capital and liquidity buffers, enabling our economy to weather shocks, support credit activity, and mobilize investments.

Boosted the accessibility and resilience of the banking sector. The Philippine banking sector sustained its robust performance supported by steady domestic demand and stable funding conditions (see Figure 1.8).

The sector's steady growth comes with rising consumer demand for modern banking services.

Figure 1.8 **Performance Highlights of the Philippine Banking Sector, April 2025 vs April 2026**

*Loans for production activities comprised 76% of total portfolio, allowing businesses to access financing for operations or expansion.

Source: BSP

¹⁰ BSP, July 10, 2026.

The World Bank's Global Findex showed that only 50.2% of Filipino adults had financial accounts in 2024. However, the share of Filipinos' ownership of mobile money accounts (28.8%) surpassed the average among East Asia and the Pacific (6.9%)¹¹ and lower-middle-income economies (24.4%).

We are expanding banking accessibility to all Filipinos through enhanced digital financial services. By the end of 2025, both digital bank deposits and number of depositors rose by nearly 44% and 80%, respectively, from their 2024 customer base.

From the initial six digital banking licenses, the Bangko Sentral ng Pilipinas (BSP) temporarily reopened applications for up to four new licenses in 2025 to further support our digitalization and financial inclusion goals.

As digital banks mainly target Filipinos long underserved by traditional banks—including individuals and small businesses with limited credit histories—their non-performing loan (NPL)¹² ratio of 5.7% in April 2026 was relatively higher than the Philippine banking system's NPL ratio of 3.4% in the same month.

To manage these risks, digital banks are adopting innovative approaches, including the use of alternative data and credit scoring tools to support their lending decisions.

The BSP also recognizes the long-term contributions of digital banks and money service businesses to our financial system, with millions of Filipinos relying on digital financial and remittance services.



Digital Payment Transformation Highlights

instaPay

99%

account penetration* as of March 2025

More than doubled y-o-y growth in transaction volume in May 2026

57%

y-o-y growth in transaction value in May 2026

PESONet

Growing participation from rural banks and electronic money issuers

Transaction volume surpassed check payments in May 2026

26%

y-o-y growth in transaction value in May 2026

*Percentage of total number of transaction accounts (savings accounts and registered e-money accounts) of BSP-supervised financial institutions participating in InstaPay

Source: BSP

To support these developments, the BSP continues to strengthen its capabilities to adapt to evolving risks. Efforts on the same include the issuance of BSP Circular No. 1222¹³ on October 23, 2025, which provided clearer and more consistent reporting requirements across money service businesses.

The BSP also collaborated with the World Bank in July 2025 to develop its Cybersecurity Incident Response Plan. It aims to enhance the resilience and response capability of banks against escalating cyber threats relevant to

¹¹ Excluded high income countries, such as Japan and Republic of Korea.

¹² This refers to borrowings that are more than 90 days late on a payment.

¹³ Titled, "Amendments to Regulations on Reporting Governance Framework for Money Service Businesses - Remittance Transfer Companies and Money Changers/Foreign Exchange Dealers."

fast payment systems. It covers the BSP's Peso Real-Time Gross Settlement Payment System and other mission-critical infrastructure.

To promote financial stability during the State of National Energy Emergency, the BSP issued Memorandum No. M-2026-014¹⁴ on April 14, 2026. This issuance provided a package of relief measures granting affected borrowers with grace periods of up to six months for loan repayments and up to one year for agricultural loans, subject to BSP-supervised financial institutions' assessment.

The BSP also allowed its supervised financial institutions to temporarily exclude such loans from being classified as past due or non-performing for up to one year. This targeted relief would support our consumers and businesses in sustaining economic activity during the national energy emergency.

Promoted financial inclusion and literacy.

Financial inclusion has a critical role in making growth inclusive and reducing poverty. The BSP has been determined to find more ways to deepen financial inclusion despite persistent challenges, including connectivity gaps and consumer reluctance to open accounts and use digital financial services.

Beyond account ownership, the BSP has been working on improving financial health, especially for the vulnerable sectors. As a result, financial literacy¹⁵ among Filipino adults improved between 2021 and 2025, with literacy rate rising from 69.0% to 74.0%.

Box 1.1 Credit Risk Database (CRD) Project



The BSP's CRD Project seeks to promote risk-based lending and contribute to bridging the funding gap for small and medium enterprises (SMEs). The CRD's online platform, which went live in July 2025, had assisted financial institutions in more efficiently assessing SMEs' creditworthiness.

The 1st Valley Bank in Cagayan de Oro City recognized the CRD's value in improving their ability to make informed decisions on loan applications. Alda Cardente, who is engaged in a hardware business, is among 1st Valley Bank's SME clients (see picture).

Photo Credit and Source: BSP



Pinansyal na Talino at Kaalaman Campaign for OFWs, 2022–2025



6.40 million

departing OFWs and their families were provided with financial skills to manage their income and use remittances for productive purposes

Source: BSP

¹⁴ Titled, "Regulatory Relief Measures in Relation to the Declaration of a State of National Energy Emergency."

¹⁵ The BSP's 2025 Consumer Finance and Inclusion Survey measured the respondents' ability to correctly answer at least three out of six basic financial literacy questions.

Box 1.2 Youth Financial Inclusion (YFI) Initiative



The BSP introduced the YFI Initiative in January 2025 to drive financial inclusion and promote financial health among Filipino youth. Through the YFI Initiative, Filipino youth nationwide have been empowered through account onboarding, education, policy support, and advocacy.

On August 14, 2025, more than 500 young Filipino students of the Southern Leyte State University opened transaction accounts (see picture).

The YFI Initiative helped in growing youth participation in the financial system. The BSP reported that account ownership among ages 15 to 19 had increased from 27.0% in 2021 to 34.0% in 2025.

Photo Credit and Source: BSP

Sustained efforts in line with the National Strategy for Financial Inclusion 2022–2028 are needed to enhance usage of financial products and services and ultimately improve Filipinos' financial capability.

Enhanced consumer protection. Anchored on RA No. 11765¹⁶ and RA No. 12010,¹⁷ the BSP issued regulations focused on stronger protection for financial consumers. The Central Bank also led public communication campaigns, promoting safe digital practices and raising consumer awareness of their rights under these laws.

In 2025, the BSP worked closely with law enforcement agencies to strengthen information sharing arrangements, ensuring better protection for consumers against financial scams.

Improved insurance system.¹⁸ Challenges to expanding insurance coverage in the Philippines remain, including low awareness and trust in the insurance industry. To ensure that protection reaches even more families and communities, we implemented reforms to strengthen the insurance industry. These helped strengthen financial risk protection and reduce the costs borne directly by Filipino households when accessing essential services.

In July 2025, the Insurance Commission (IC) partnered with the United Nations Development Programme Insurance and Risk Finance Facility and a microinsurance provider in the Philippines, with the aim of expanding access to microinsurance coverage for rural and low-income communities.

Supported by such efforts, the Philippine insurance industry achieved milestones in 2025, signaling that more Filipino families and businesses are taking steps to protect themselves against life's uncertainties. The insurance penetration¹⁹ rate increased from 1.9% in Q1 2025 to 2.0% in Q1 2026. Reaching the 2.0% rate had long been the target of the IC.

Looking ahead, we aim to maintain this level of insurance penetration throughout 2026, and eventually attain the ASEAN average of 3.0%.²⁰

¹⁶ Titled, "Financial Products and Services Consumer Protection Act."

¹⁷ Titled, "Anti-Financial Account Scamming Act."

¹⁸ DOF, July 08, 2026; PhilHealth, July 07, 2026; SSS, June 25, 2026; and GSIS, June 27, 2026.

¹⁹ This refers to the ratio of insurance premiums to GDP.

²⁰ Organisation for Economic Co-operation and Development (2025), Global Insurance Market Trends 2025.

As part of the Financial Inclusion Steering Committee, the IC has partnered with other agencies to improve the Filipinos' financial education through digital platforms. This is being pursued alongside strengthened regulatory supervision to further broaden access to insurance coverage.



Insurance Industry Performance Highlights, 2025

Record highs achieved



Insurance density* of **PhP4,414.58**

Total premium reached **PhP502.64 billion**

Pre-need industry performed well



Total premium income **rose by 6%** from PhP22.64 billion in 2024 to **PhP23.94 billion** in 2025

Plans sold **increased by 28%** from 699,621 in 2024 to 895,679 in 2025

*Refers to the average spending of each individual on insurance

Source: DOF



Notable Insurance System Accomplishments



PhilHealth

- Sustained 100% coverage rate under the National Health Insurance Program, equivalent to 113.86 million Filipinos in 2025
- Increased number of accredited health care institutions from 12,765 in 2024 to 17,037 in 2025



SSS

- Reserve fund breached the PhP1-trillion mark (PhP1.07 trillion) for the first time in history in 2025, indicating enhanced capacity to meet future benefit obligations



Philippine Deposit Insurance Corporation (PDIC)

- Total insured deposits jumped 41% from PhP3.70 trillion in 2024 to PhP5.20 trillion by year-end 2025, following the increase in the PDIC-insured amount (from PhP500,000 to PhP1.00 million per depositor per bank) in March 2025

Sources: PhilHealth, DOF, SSS, and PDIC



Box 1.3 Fire Insurance Program

The GSIS turned over PhP81.34 million fire loss insurance claim to the City Government of Manila in January 2026 to settle damages from the 2023 fire that hit the New Pritil Public Market in Tondo, Manila. The incident destroyed around 584 market stalls and disrupted the livelihoods of hundreds of vendors.

The City Government of Manila will use the settlement to support recovery efforts and help improve public facilities and services, particularly programs that will benefit *Batang Maynila*. The local government also renewed their fire insurance for all their hospitals, public schools, and buildings to ensure financial coverage in case of emergencies.

Photo Credit and Sources: DOF and GSIS

Ensured Price Stability²¹

Supply chain disruption arising from the Middle East conflict accelerated the increase in costs of goods and services. Acknowledging this, the Monetary Board pursued policies to maintain price stability. This guides Filipino households and businesses in planning their spending, savings, and investments.

Implemented proactive monetary policy.

The Monetary Board raised the policy rate from 4.50% on April 23, 2026 to 4.75% on June 18, 2026. The decision aimed to help anchor inflation expectations and mitigate the risk of its second-round effects.

Stabilized exchange rate movements.

In 2025, the Philippine peso depreciated against the United States dollar (USD) due to a strong USD and domestic factors.

The escalating tensions in the Middle East and rising oil prices in the early part of 2026 further pushed the peso's depreciation, falling to an all-time low of PhP61.75 per USD on May 18 and 19, 2026. Other Asian currencies also experienced weak performance against the USD in June 2026 (see Figure 1.9).

The Central Bank continues to closely monitor exchange rate movements and their potential impact on inflation. It also undertakes regulatory measures to help curb speculative activity in the foreign exchange market.

We expect that steady foreign exchange inflows from remittances, and the business process outsourcing and tourism sectors, will help cushion external shocks and maintain the market's resilience.



Monetary Policy Considerations in June 2026

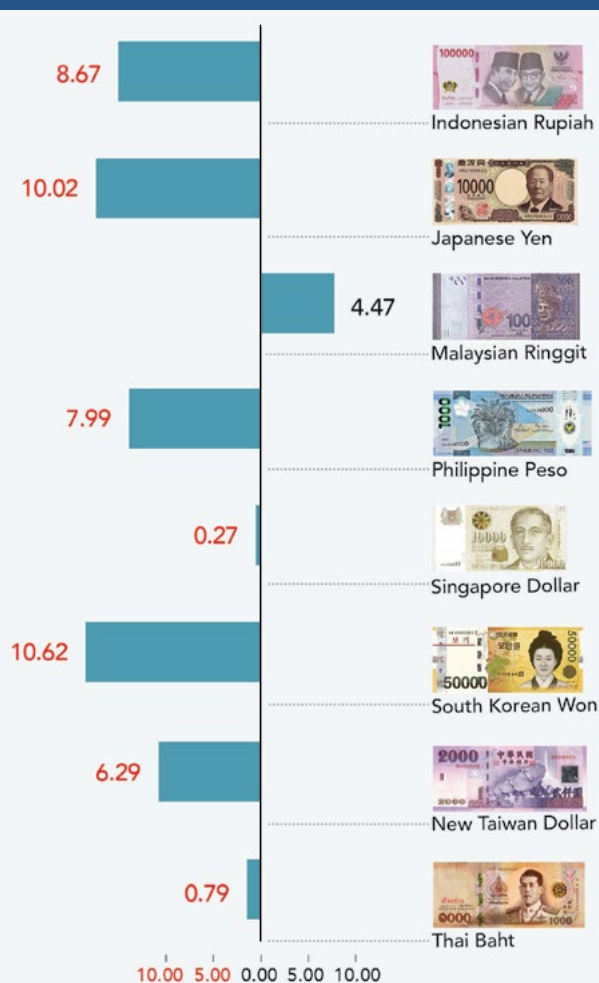
Second-round effects of inflation are broadening faster than anticipated

Inflation expectations continue to rise but remain anchored

Domestic economic activity is projected to remain subdued in the near term

Source: BSP

Figure 1.9 **Movement of Select Currencies Against the USD,**
June 2025 vs June 2026 (in %)



Source: BSP

Photo Credit: Websites of various central banks

²¹ BSP, July 10, 2026.

Enhancing Investment and Trade Promotion



The President, together with DTI Secretary Maria Cristina Aldeguer-Roque (third from left), Century Pacific Food Inc. (CPFI) President Teodoro Alexander Po (fourth from left), and CPFI Executive Chairman Christopher Po (left), led the inspection at the Calamba distribution center of CPFI on March 20, 2026.

Photo Credit: PCO

We recognize the role of investments in sustaining long-term economic growth. By maintaining policy reforms and an investment-friendly climate, we can generate additional job opportunities and provide a more inclusive quality of life for all Filipinos.

Attracted Job-Generating Investments²²

Our position as a premier investment destination weakened due to concerns over the ease of doing business in the country.

Pursued structural reforms. To make the Philippines an attractive location for investments, we enacted structural reforms aimed at strengthening economic growth, creating high-quality jobs, and fostering long-term development. These reforms

include the recently enacted Capital Markets Efficiency Promotion Act (CMEPA) and Enhanced Fiscal Regime for Large-Scale Metallic Mining Act.

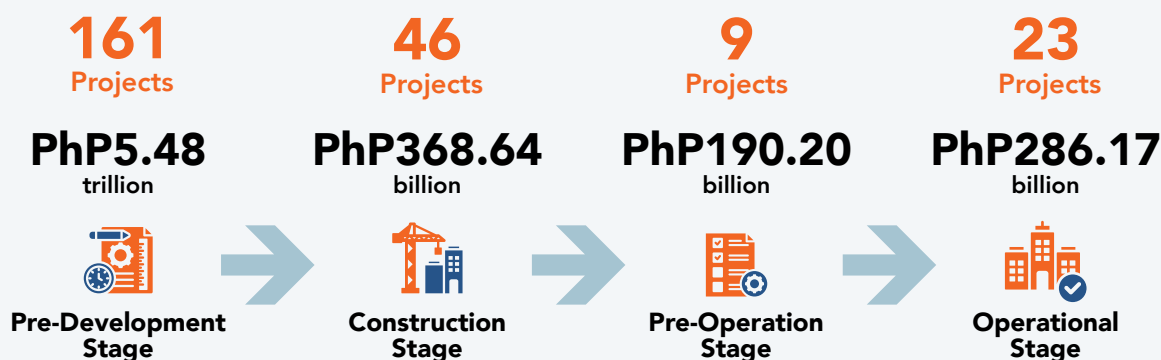
Following the implementation of CMEPA, the market recorded stronger activity in 2025. The Philippine Stock Exchange, Inc.'s (PSE) total value turnover climbed by 19.1% while the Philippine Dealing & Exchange Corp. recorded a 60.8% increase in trading value.

These developments are consistent with CMEPA's objectives. By making investing more affordable and efficient, the CMEPA encourages broader investor participation and deepens the country's capital markets, thereby supporting long-term economic growth and job creation.

²² DTI, June 30, 2026; DOF, July 08, 2026; and DEPDev, July 08, 2026.

Figure 1.10 **Status of Projects Certified Under the Green Lanes for Strategic Investments**, February 2023–June 15, 2026

239 Projects (PhP6.32 trillion)



Note: Figures may not add up due to rounding.

Source: DTI

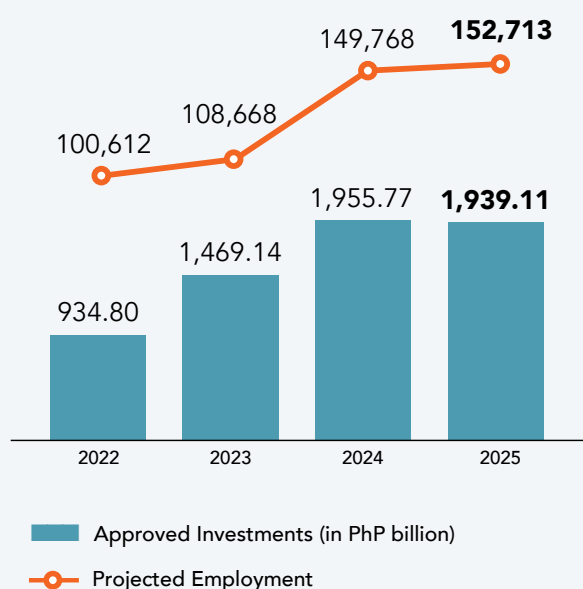
Meanwhile, the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act provides investors with a stable, simple, and predictable framework. This ensures that our mineral wealth translates into inclusive, long-term gains for ordinary Filipinos.

Adhering to my call for a more facilitative environment, our green lanes for strategic investments certified 239 projects worth PhP6.32 trillion from February 2023 to June 15, 2026 (see Figure 1.10). These investments are expected to generate 420,037 jobs.

Sustained investment gains. Our structural reforms have reshaped the country's investment landscape and strengthened investor confidence.

Total investments from foreign and Filipino nationals approved by Investment Promotion Agencies (IPAs) also increased from PhP934.80 billion in 2022 to PhP1.94 trillion in 2025. Likewise, projected employment from these investments increased from 100,612 in 2022 to 152,713 in 2025 (see Figure 1.11).

Figure 1.11 **IPA-Approved Investments and Projected Employment, 2022–2025**



Source: DEPDDev

However, foreign direct investment (FDI) inflows declined from USD9.49 billion in 2022 to USD7.79 billion in 2025 due to issues on flood control corruption. In 2026, rising oil prices and geopolitical risks weighed on investors' sentiment.

The Corporate Recovery and Tax Incentives for Enterprises (CREATE) and CREATE to Maximize Opportunities for Reinvigorating the Economy Acts are significantly reshaping the Philippines' tax and incentive framework.

These laws make the country more attractive to foreign investors by lowering corporate income tax rates, expanding enhanced deductions, and streamlining compliance. These also seek to reduce operational costs, align Philippine taxation with global standards, and encourage investments in export-oriented and strategic industries.

Moreover, we remain focused on further easing doing business in the country, reducing its cost, and promoting greater predictability in the business environment to attract more investments.

Our efforts include the updating of the Strategic Investment Priority Plan (SIPP) through the issuance of Memorandum Order No. 47²³ on May 21, 2026. It ensures

that the same confers priority status to industries that address modern basic needs, as well as export activity and sustainability-driven industries.

Pursued capital market reforms.

Our stock market was affected by the prolonged Middle East tensions that continued to weigh on market risk appetite.

On February 26, 2026, the PSE index reached 6,625.46, the highest close since the 6,641.35 on December 12, 2024. However, the index has since declined in 2026, closing at 5,768.76 on May 29, 2026, its lowest as of June 30, 2026.

Despite this, notable gains were achieved in the Philippines' capital market. The PSE recorded a 75.0% increase in total capital raised from PhP82.37 billion in 2024 to PhP144.13 billion in 2025. The number of stock market accounts also increased from 2.86 million in 2024 to 3.64 million in 2025, driven largely by a surge in online accounts.



2026 SIPP Key Changes in Prioritized Activities

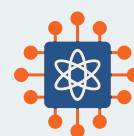
Broader coverage to reflect modern economic priorities and future-ready investments



Tier I highlights modern agriculture, state-of-the-art construction, mobile healthcare, ecological zones, and climate-related initiatives



Tier II advances strategic industries, such as defense services, desalination, electric vehicle infrastructure, sustainable aviation fuel, and processing of critical minerals

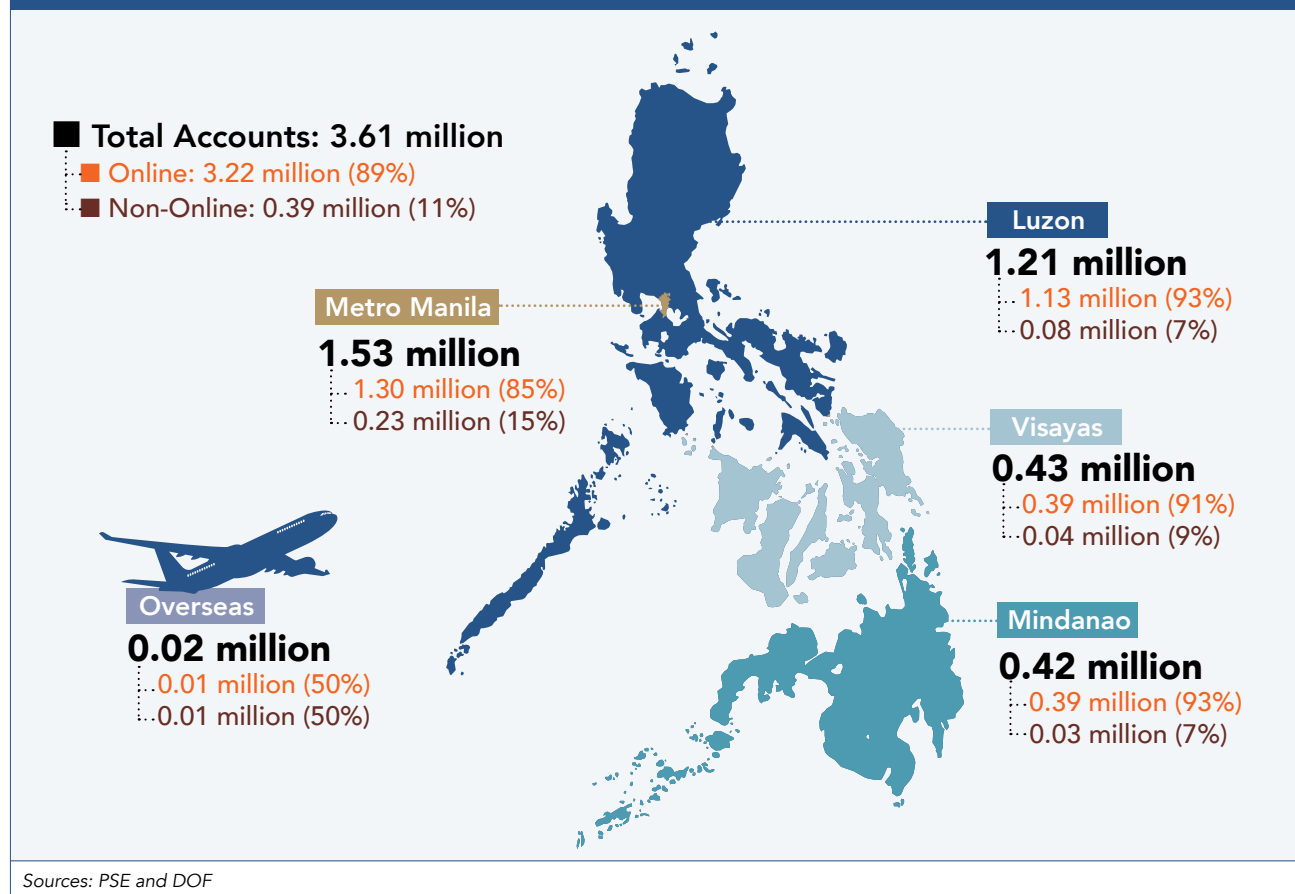


Tier III focuses on frontier technologies, including artificial intelligence, quantum computing, cybersecurity, hydrogen and nuclear energy, and advanced research and development

Source: DTI

23 Titled, "Approving the 2026 Strategic Investment Priority Plan."

Figure 1.12 Location of Stock Retail Investors, 2025



Of the total accounts, stock retail investors²⁴ represented 99.2%, while the remaining 0.8% were institutional investors.²⁵ This indicates an improvement in stock market access, driven by digital trading (see Figure 1.12).

We have also made strides in the bond market. Foreign participation in the secondary bond market increased from 2% in 2023 to nearly 5% in 2025.

This development allowed the Philippine peso-denominated government bonds to be included in the J.P. Morgan Government Bond Index Emerging Markets series set for January 29, 2027. The same is expected to expand the

investor base, improve market liquidity, and help lower borrowing costs.

We are working to translate these numbers into significant market power through various efforts that enhance investing literacy and encourage broader participation.

The PSE continues to improve capital market accessibility through partnerships with e-wallets. It also promotes financial inclusion through digital platforms, such as the PSE Electronic Allocation System, which allows users to invest in listed shares for as low as PhP1,000, and PSE Equities Information Platform, which provides Philippine stock market information.

²⁴ Organizations whose primary purpose is to invest their own assets or those entrusted to them by others (e.g., employee pension funds, insurance companies, mutual funds, university endowments, and banks).

²⁵ Ordinary individuals engaging in stock investments.

Boosted Trade²⁶

The Philippines continues to face the challenge of sustaining a strong and balanced trade performance amid persistent import dominance and global trade uncertainties.

We are broadening export markets and diversifying the country's export base to further strengthen overall trade performance. Total trade increased from USD200.87 billion in 2024 to USD218.68 billion in 2025. While imports still accounted for the majority (61.4%) of total trade for 2025, the trade deficit narrowed from USD54.33 billion in 2024 to USD49.72 billion in 2025. The same was supported by the strong expansion of our exports, which surged to its all-time high level of USD84.48 billion in 2025.

To further these achievements, we have focused on forging strategic partnerships and leveraging existing free trade agreements (FTAs). These include the Regional Comprehensive Economic Partnership, Philippines-Japan Economic Partnership Agreement, Philippines-European Free Trade Association FTA, Philippines-Republic of Korea FTA, and ASEAN trade agreements.

We are working on the finalization of negotiations with other economies to further diversify markets, de-risk supply chains, and strengthen export opportunities. We also applied to accede to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which is expected to broaden market access across the Asia-Pacific.



Status of Negotiations for Trade Agreements, as of June 2026




Philippines-United Arab Emirates
Comprehensive Economic Partnership
Agreement (CEPA)

For ratification and implementation
before the end of 2026




Philippines-Chile CEPA

For conclusion and signing in 2026




Philippines-European Union FTA

Negotiations for conclusion in 2026




Philippines-Canada FTA

Negotiations for conclusion in 2026




Philippines-India Preferential Trade
Agreement

Commencement of negotiations
in the second half of 2026

Source: DTI

In December 2025, we launched the FTA Integrated Platform. This is a digital system that simplifies exporters' access to information, including tariffs, rules, and requirements under the country's trade agreements. The platform provides tools to help Philippine exporters secure necessary export documents by allowing online applications, thereby reducing time, cost, and paperwork. As of May 2026, 257 export-oriented companies and customs brokers were registered under the platform.

²⁶ DTI, June 30, 2026 and July 07, 2026; and DEPDev, July 08, 2026.

Pursuing Industry Development



The President leads the Re-opening of the Likhang Filipino Exhibition Halls on January 15, 2026 at the PhilTrade Center in Pasay City. Since its reopening up to May 2026, the Halls recorded retail sales amounting to PhP16.20 million.

Photo Credit: PMS

We continue to advance industry development by utilizing emerging technologies. Through strategic initiatives and workforce upskilling, we are building a future-ready economy anchored on digital transformation and inclusive growth.

Adopted Artificial Intelligence (AI)²⁷

Despite the growing interest in AI, the country's capability remains limited due to gaps in digital infrastructure, low awareness of AI technologies, and shortage in AI-skilled talent.

We supported the advancement of AI in the country by launching strategic national initiatives that strengthen AI adoption across sectors. With the rapid diffusion, adoption, and disruptive implications of AI systems in the country's key sectors, capacity-

building has become an urgent priority for the Philippine government.

Some of the efforts to address the same include the adoption of the National AI Strategy for the Philippines framework (NAIS-PH), a Department of Science and Technology (DOST)-led initiative approved in May 2025.

The strategy seeks to strengthen AI infrastructure, cultivate a future-ready workforce, and promote ethical and trustworthy AI governance. This also advances research, innovation, and inclusive growth through the effective use of AI.

We also established the National AI Center for Research and Innovation (NAICRI) on February 26, 2026. It serves as the country's central institutional anchor for

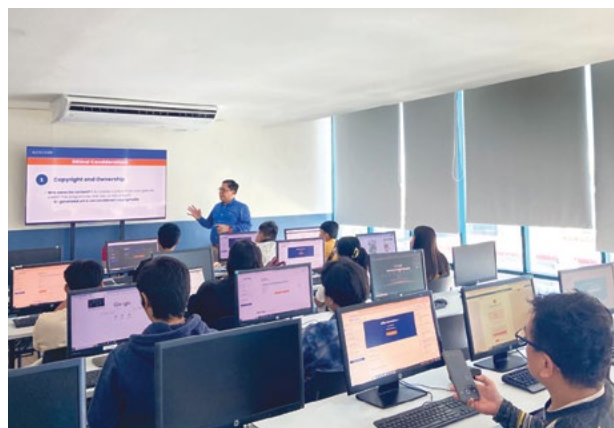
²⁷ DTI, June 30, 2026; DOST, June 24, 2026; CHED, June 25, 2026; and TESDA, July 06, 2026.

AI research, advanced computing, talent development, and innovation. This promotes evidence-based policymaking and wider access to AI resources and expertise to ensure AI benefits reach communities, institutions, and industries nationwide.

We also aim to consolidate and coordinate all AI skilling and upskilling initiatives across government and the private sector, working toward a shared vision through the National AI Upskilling Roadmap led by the Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA), and Analytics and AI Association of the Philippines.

On January 16, 2026, the Philippine Economic Zone Authority (PEZA) launched the country's first government-led AI Academy in Mandaue City, Cebu in partnership with TESDA and other institutions.

The PEZA ADVANCED AI Academy provides practical, industry-driven training in AI, data science, fintech, blockchain, and other emerging technologies. As of June 18, 2026, the Academy has trained 11,000 learners.



Participants engage in AI training session at the PEZA ADVANCED AI Academy in Mandaue City, Cebu.

Photo Credit: DTI

Strengthened Micro, Small, and Medium Enterprises (MSMEs)²⁸

MSMEs are vital drivers of our economy. They contribute about 40% to the country's GDP, and play a significant role in employment and business activity.

However, they often face productivity, financing, and digital adoption challenges. As such, we implemented various programs aimed at strengthening MSME competitiveness, improving access to finance, enhancing market opportunities, and developing entrepreneurial capabilities.



Box 1.4 Enterprise Rehabilitation Financing (ERF) Program Beneficiary

Leaving their corporate careers in Batangas City, Marissa Aguilar and her husband pursued their dream of building a bakery in Lal-lo, Cagayan. Inspired by the names of their children-Marrel, Marko, and Matthew, the couple founded "Markothew's Bakery" on April 30, 2005.

Through the ERF Program of the DTI and Small Business Corporation (SBCorp), the bakery secured a Php300,000 loan in 2025 to renovate and expand its production area and strengthen its working capital.

Photo Credit and Source: DTI

28 DTI, June 30, 2026 and DOF, July 08, 2026.

To help poor and low-income individuals establish microenterprises and small businesses, microfinance nongovernment organizations (NGO), accredited by the Microfinance NGO Regulatory Council, granted loans amounting to PhP91.10 billion in 2025. This was 14.3% higher than the PhP79.70 billion loans granted in 2024.

To help MSMEs sustain their businesses in the face of rising fuel prices, increasing input costs, and global economic uncertainties, the DTI, through the SBCorp, launched the PhP4.00-billion MSME Business Fund on April 06, 2026. It offers loans up to PhP5.00 million (with no collateral required for existing borrowers), with up to one-year grace period to provide enterprises with greater financial flexibility during challenging economic conditions.

As of May 31, 2026, the SBCorp has provisionally approved PhP2.52 billion in loans, benefiting around 6,000 MSMEs nationwide. The program shall help enterprises sustain operations, expand production, adopt new technologies, and create jobs.

We also launched the SBCorp's E-Transport Program on April 21, 2026. This is a PhP2.00-billion financing facility designed to provide accessible funding for transport operators, drivers, transport cooperatives, and transport-related MSMEs to acquire electric vehicles (EVs) and related transport assets.

From April to May 2026, the program received 291 loan applications, 20 of which, worth PhP30.00 million, had been approved. This demonstrates the growing demand for electric transport solutions and the program's role in supporting the transition toward sustainable mobility.



Programs Supporting MSMEs, July 2022–May 2026

Negosyo Center

- **Promotes ease of doing business** and facilitates access to services for MSMEs
- **122** Negosyo Centers established nationwide
- **2.14 million MSMEs** assisted



KAPATID MENTOR ME Program

- Supports micro and small enterprises (MSEs) through **mentorship** by entrepreneurs, business practitioners, and academicians
- **4,592 graduated mentees** (2023 to May 2026)



Pondo sa Pagbabago at Pag-asenso

- **Provides an alternative source of financing** for microentrepreneurs
- **299,924 MSMEs** provided with loans amounting to PhP20.18 billion



Shared Service Facilities (SSF) Project

- **Grants eligible cooperators** with machinery, equipment, and tools
- **421 SSFs** established
- **291,683 beneficiaries** assisted



Trade Expositions and Missions

- **Organizes Philippine participation** in International Trade Fairs
- **8,836 MSMEs** assisted, with more than PhP240.00 billion in recorded sales



Trade Fairs

- **Promote market access** for MSMEs
- **4,780 MSMEs** assisted, with PhP1.37 billion in recorded sales

Source: DTI

Advanced Tourism Development and Competitiveness²⁹

Despite persistent challenges in accessibility, infrastructure, and destination competitiveness, the Philippine tourism sector has demonstrated steady progress and resilience in recent years. In 2025, the sector sustained its recovery momentum, supported by strong domestic travel demand. It also continued to contribute to value creation and employment generation, underscoring its vital role in the country's economic recovery and development (see *Figure 1.13*).

International arrivals increased from 3.00 million from January to June 2025 to 3.16 million during the same period in 2026. Visa facilitation measures, including the extension of visa-free entry arrangements to certain nationalities, contributed to this increase. Visitors from India grew by 42.9%, China by 64.2%, and Southeast Asia by 9.7% in the first half of 2026. The Philippines is also well-positioned to sustain this momentum through its 2026 ASEAN Chairship, which is expected to boost regional travel and destination visibility.

As transportation is essential to tourism, rising fuel prices driven by the Middle East conflict posed risks to travel demand. In response, the government pursued measures to help reduce air travel costs (see *Chapter 5*).

Through the signing of RA No. 12079,³⁰ we have taken a significant step in enhancing the country's competitiveness as a travel and shopping destination. By 2027, the Philippines will have an accredited Value-Added Tax (VAT) Refund System Operator.

Figure 1.13 **Tourism Sector Accomplishments, 2022–2025**



The Puerto Princesa Subterranean River in Palawan is a United Nations Educational, Scientific and Cultural Organization World Heritage Site and one of the New 7 Wonders of Nature.

*2022 to 2024 figures were based on country of residence, while 2025 figure was based on country of citizenship

Sources: DOT and DEPDev
Photo Credit: DOT

29 DOT, July 09, 2026; DOF, June 12, 2026; DEPDev, July 08, 2026; DFA, July 08, 2026; DICT, July 07, 2026; DOJ, July 08, 2026; and DPWH, July 08, 2026.

30 Titled, "An Act Creating a VAT Refund Mechanism for Non-Resident Tourists, Adding a New Section 112-A to the National Internal Revenue Code of 1997, as amended, for the purpose."



Enhancements to Improve Tourists' Overall Experience



40,410

Philippine Electronic Visas issued from August 2023 to June 2026



67

tourist locations provided with free internet connection under the Free Wi-Fi for All Program from June 2022 to June 2026



78

e-Gates stationed in select airports from July 2022 to July 08, 2026



2,002.70

lane-kilometers (km) of tourism roads constructed and improved from July 2022 to May 2026



30,318

transactions from 77 countries managed through the tourist assistance call center-151-TOUR from October 2023 to May 2026



Chamantad-Tiñan Viewpoint in Sabtang, Batanes offers panoramic views of rolling hills, rugged cliffs, and the surrounding sea, making it one of the province's most scenic destinations.

Sources: DFA, DICT, DOJ, DPWH, and DOT

Photo Credits: eVisa PH official website, PMS, DPWH, and DOT

Beyond these policy measures, we also pursued initiatives to improve the overall tourism experience and support the continued revitalization of the country's tourism industry.



Tourism Training Program, July 2022–May 2026



428,393

individuals trained under the **Filipino Brand of Service Excellence Program**, instilling Filipino values into customer care

Source: DOT



Ako'y talagang galak na galak na nabigyan ng pagkakataon bilang senior citizen na magdala ng mga kwento na may kinalaman sa kasaysayan ng Pilipinas. Napakalaking tulong po when it comes to livelihood..."

(I am truly delighted to be given the opportunity, as a senior citizen, to continue sharing stories related to Philippine history. This is a great help in terms of livelihood...)

Edgardo Satira
Tour Guide
Tourism Legacy and Livelihood Program
Beneficiary
Manila

Box 1.5 Milestones in People-Centered Tourism Offerings



Food and Gastronomy Tourism

108 food establishments included in the Michelin culinary list, recognizing the excellence of Filipino cuisine



2 stars: Excellent cooking, worth a detour
1 establishment



1 star: High-quality cooking, worth a stop
8 establishments



Bib Gourmand
Good quality, good value cooking
25 establishments

Selected Restaurants
Good cooking
74 establishments



Cruise Tourism

136 cruise calls across 31 destinations, bringing 24,855 passengers in 2025



Halal and Muslim-Friendly Tourism

Recognized 70 Halal and Muslim-friendly facilities and enterprises, which offer halal-certified dining, prayer rooms, and other culturally sensitive amenities for Muslim travelers, as of June 19, 2026

Photo Credit and Source: DOT

Tourism workers play a crucial role in protecting and showcasing the nation's natural and cultural assets. Given this, we provided various training programs to further develop Filipino hospitality.

Notwithstanding the lingering effects of oil price hikes on tourism activities, the sector delivered a resilient performance in early 2026.

To sustain this momentum and narrow the gap with our Southeast Asian peers, we continue to support efforts to strengthen transport connectivity, enhance

destination infrastructure, and improve overall accessibility in partnership with the relevant government agencies and the private sector. These efforts will support the continued growth of international visitor arrivals.

External factors, including fluctuations in global aviation fuel prices and weather-related disruptions, may affect travel demand from time to time. Nevertheless, the sector's continued growth in early 2026 demonstrates its underlying strength, resilience, and adaptability.

Way Forward

To realize and sustain the achievement of our development goals, we must improve public spending efficiency and maintain fiscal discipline without compromising our economic growth.

The Administration remains optimistic of the Philippines' medium-term economic prospects despite weaker global economic activity. We shall be steadfast in upholding sound economic governance, and committed to delivering economic and financial inclusion in the midst of heightened global tensions and uncertainty.

We are resolute in restoring public trust and confidence in government institutions. We are advancing legislation intended to enhance public confidence and strengthen transparency and accountability in government. These include the proposed Citizen Access and Disclosure of Expenditures for National Accountability Act, Right to Information Act, amendments to the Anti-Money Laundering and Bank Secrecy Laws, and Philippine Budgeting Code.

We will continue to improve regulatory clarity by strengthening the implementation of key investment-inducing reforms. Essential initiatives to lower energy costs, improve internet connectivity, and accelerate infrastructure development are part of this agenda.

Addressing the persistent risks to price stability will remain a government priority.

We are working closely with Congress to facilitate the passage of priority economic and fiscal bills. We will expedite measures that would grant relief to our taxpayers through a fairer and more equitable

tax system, while supporting national development objectives.

We will continue to promote forward-looking fiscal management by strengthening revenue collection, modernizing tax administration, and ensuring that every peso is spent efficiently and transparently. Prudent debt management, supported by a sustainable borrowing strategy and a stronger debt profile, will preserve fiscal stability. Robust GIR will continue to provide a vital buffer against external shocks and currency volatility.

Equally critical is our advancement toward a digitally integrated economy, which we will accelerate through the enactment of the proposed eBayad Act, formerly known as the Digital Payments Act.

We are actively pursuing efforts to raise insurance participation and coverage, as we aim to achieve even greater financial protection for all Filipinos. We stand by our commitment to provide wider accessibility, greater transparency, and faster service for social insurance members and pensioners nationwide.

In line with the Philippines' 2026 ASEAN Chairship, we are working with the BSP to push for stronger regional safety nets and deeper capital market integration across Southeast Asia.

We will pursue reforms to broaden the investor base, increase market liquidity, and make the regulatory framework more responsive and supportive of tech startups, initial public offerings, underwriters, and innovation-driven firms. Through these efforts, the country aims to mobilize capital more efficiently,

attract long-term investments, and create more opportunities for Filipinos to participate in the nation's growth.

We shall continue to maximize the potential of the tourism sector. The government and the private sector will work hand in hand to provide a better and seamless travel experience. The progress of our tourism sector is anchored on our people. Our workers have shown resilience, our partners have remained unwavering, and our communities continue to welcome the world with the warmth, grace, and generosity that embody the Filipino spirit, an enduring light amid challenges and uncertainty.

We will sustain trade growth by expanding market access through new and existing FTAs, while diversifying exports into higher-value and technology-driven goods and services. At the same time, we will continue enticing more investments, pursue AI innovation, and prioritize workforce upskilling to strengthen industry competitiveness and productivity.

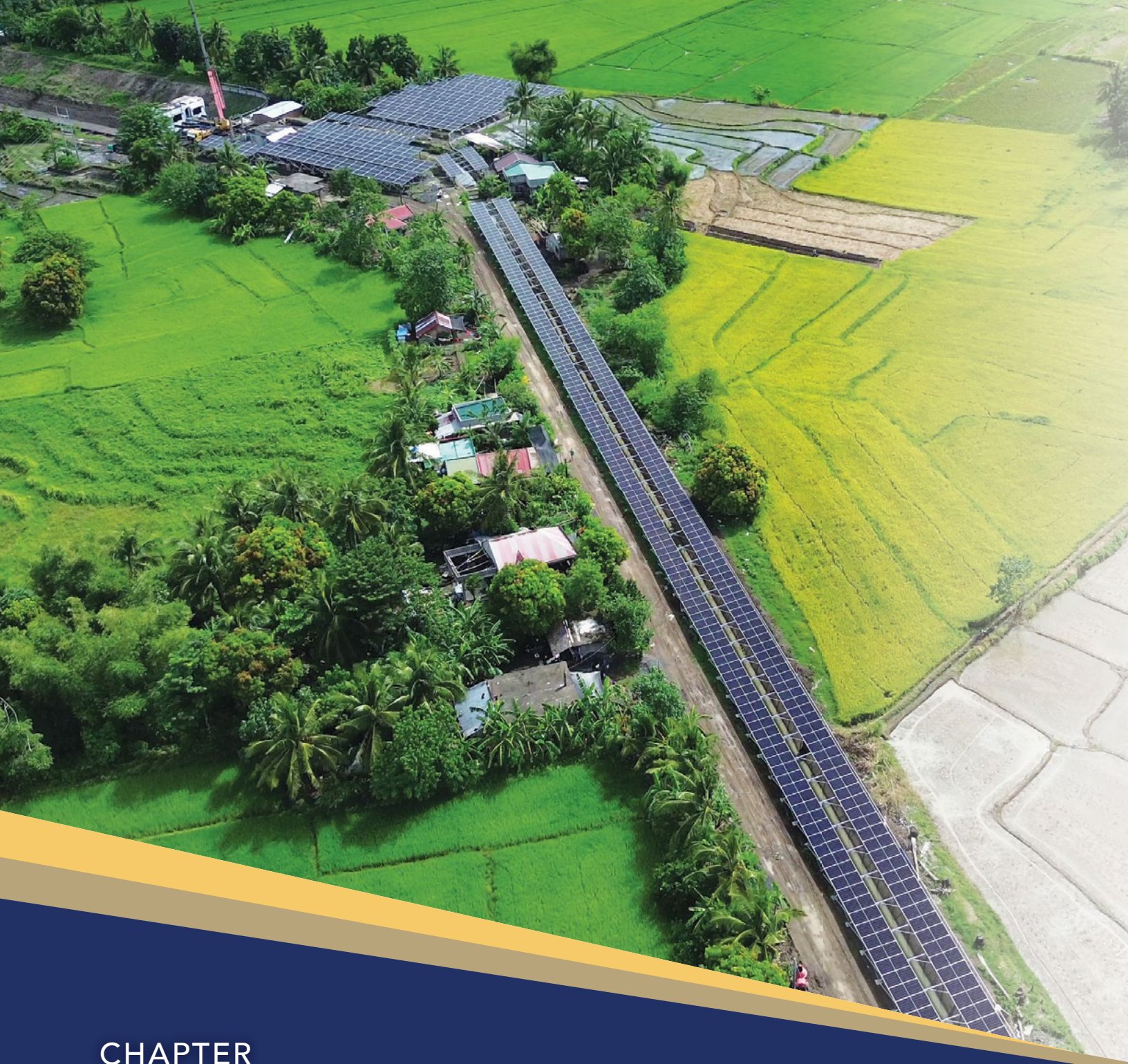
We shall ensure that economic development is truly inclusive by continuing to support MSMEs and priority industries with expanded access to global markets, technology, and finance.

We remain focused on advancing structural reforms, diversifying partnerships, and generating more and higher-quality jobs and opportunities for all Filipinos. We are confident that collaboration with the private sector will help foster the conditions for attaining robust and sustainable growth over the long term, delivering to the Filipino people the *Bagong Pilipinas* we all envision.



The President delivers his speech during the Philippines-Korea Business Forum held in Pasay City on March 04, 2026.

Photo Credit: PCO



CHAPTER

2

Securing Our Food and Water

The New Mataoroc, San Jose, Sagrada Familia and Baliuag Viejo Multi-Purpose Cooperative Solar Power-Driven Irrigation Project irrigates more than 1,250 hectares of agricultural land in Camarines Sur.

Photo Credit: NIA



The President shares a warm exchange with farmers during his visit to the Benguet Agri-Pinoy Trading Center on April 17, 2026. The Office of the President purchased assorted vegetables in Benguet and distributed them to select communities and institutions in Metro Manila.

Photo Credit: PMS

In 2025, the agriculture sector grew by 3.1%, its fastest expansion since 2018. However, growth declined to 0.2% in the first quarter of 2026 due to weaker crops and fisheries production. External pressures, including the Middle East conflict, disrupted global supply chains and raised fuel and fertilizer costs, risking yields and stable food prices. These challenges highlight the sector's vulnerability to external shocks and climate change, threatening food security.

We are intensifying efforts to modernize the agriculture sector so that farmers and

fisherfolk can produce and earn more while consumers can have better access to affordable food. Key interventions include providing farmers and fisherfolk with inputs, equipment, infrastructure, and training, and facilitating private sector partnerships.

At the core of food security is water security. As demand continues to rise, pressure on our limited water resources increases. This highlights the urgency of securing water supply through an integrated water resource management so that water remains sufficient for current and future generations.

"Sama-sama natin(g) itaguyod ang mas masagana at mas likas-kayang sakahan sa buong bansa upang masabi natin(g) lahat ng ating mga kababayan ay may food supply. Lahat...ay kayang pakainin ang kanilang mga pamilya at ang lahat ng ating magsasaka ay may maganda(ng) hanapbuhay."

(Let us work together to promote a more productive agricultural sector across the country, so we can say that all of our fellow citizens have a reliable food supply. Everyone...can feed their families and all our farmers can earn a decent livelihood.)

President Ferdinand R. Marcos Jr.
National Irrigation Administration–National Confederation of Irrigators Association General Assembly
February 24, 2026

Strengthening the Agri-Fishery Sector through Responsive Government Support



Farmers operate a rice combine harvester in Guimba, Nueva Ecija on March 13, 2026.

Photo Credit: PMS

Rising input costs, production losses, and limited access to essential support services continue to affect the productivity and incomes of our farmers and fisherfolk. To address these, we implemented responsive and targeted interventions across the agriculture and fisheries sector.

Sustained Provision of Production Support Amid Rising Costs³¹

The government prioritized programs that lowered production costs and expanded access to essential farm inputs and modern technology to improve production. We also strengthened delivery systems to ensure that government support reaches the intended beneficiaries on time.

Bolstered crop production. We expanded production assistance programs to increase agricultural output and reduce production costs.

Fertilizer support. Rising global fuel prices and supply disruptions have increased fertilizer costs, putting additional financial pressure on farmers. In 2025, fertilizer³² cost PhP1,661.15 per sack,³³ which rose further to PhP1,969.03 per sack in Q1 2026. To help farmers cope with rising prices, we sustained the distribution of fertilizers and Fertilizer Discount Vouchers (FDVs).



Fertilizers and FDVs Distributed, July 2022–May 2026



45.74 million kilograms
of inorganic fertilizers



973,745 packs and **124,294 liters**
of fertilizers and other soil ameliorants



7,942 Farmers Cooperatives and Associations and
389,166 farmers benefited



2.38 million FDVs worth
PhP8.71 billion, covering
2.56 million hectares, were claimed

Source: DA

³¹ DA, July 08, 2026 and DEPDev, July 08, 2026.

³² Urea is the most commonly used fertilizer for rice production and is often utilized as the primary reference for these prices.

³³ Each sack weighs 50 kilograms.

We promoted the use of organic fertilizers to reduce dependence on imported inorganic fertilizers and support sustainable farming practices. From July 2022 to May 2026, 6.24 million kilograms (kg) of organic fertilizers were distributed to 2,246 Farmers Cooperatives and Associations (FCAs) and 2,708 individuals. To strengthen local production of Organic Soil Amendments³⁴ and improve soil health, 8,055 composting facilities³⁵ were turned over to 8,055 FCAs, local government units (LGUs), and other beneficiaries from November 2022 to June 2026. As a result, the beneficiaries produced an estimated 75,400.02 metric tons (MT) of compost or organic fertilizer.

Seeds and planting materials.³⁶ From July 2022 to June 2026, we distributed various seeds and planting materials to 3.61 million farmers nationwide. The improved access to quality farm inputs helped boost *palay* and corn production in 2025. *Palay* output rose by 3.1% from



Talagang dekalidad ang binhing bigay ng DA-Philippine Rice Research Institute at Rice Competitiveness Enhancement Fund (RCEF). Dahil sa barayti na 508, umani ako ng 8.8 (metric) tons sa aking 0.7 hectares, na dati ay umaabot lang ng 4.5 (metric) tons...

(The seeds provided by [the] DA Philippine Rice Research Institute and RCEF are truly of high quality. Because of the 508 [rice] variety, I harvested 8.8 [metric] tons from my 0.7 hectares, which usually yield 4.5 [metric] tons...)

Elizabeth Tucay
Farmer
RCEF Beneficiary
Aritao, Nueva Vizcaya



Seeds and Planting Materials Distributed, July 2022–June 2026



90.31 million kg
rice seeds



9.50 million kg
corn seeds



75.73 million pieces
planting materials*



448,253.95 kg
vegetable seeds



3.61 million farmers
and **21,732 FCAs** benefited

*Cassava, cacao, sweet potato, forage cuttings, among others

Source: DA

19.09 million MT in 2024 to 19.68 million MT in 2025, while corn production grew by 2.2% from 8.14 million MT to 8.32 million MT in the same period. Meanwhile, rice imports declined from 4.73 million MT in 2024 to 3.50 million MT in 2025, indicating stronger domestic production.

Despite the decline by 6.3% and 5.5% in Q1 2026 of *palay* and corn production, respectively, we remain committed to boosting harvests amid global uncertainties and extreme weather conditions.

34 Include organic fertilizers, compost or soil conditioners, organic plant supplements, and microbial inoculants.

35 Production facilities that convert biodegradable waste (e.g., market waste, crop residues, animal manure, and other organic materials) into compost or organic fertilizers.

36 DA, July 08, 2026.

Irrigation systems. Irrigation systems help farms get the water they need to continue producing food. As such, we continued to build, rehabilitate, and modernize irrigation networks, making sure farmers have a steady and reliable water supply to support agricultural growth.

As of December 31, 2024, we have developed 2.17 million hectares (ha) of irrigable land, equivalent to 69.3% of the country's total potential irrigable area of 3.13 million ha. From July 2022 to February 2026, we developed 71,970 ha of new irrigated areas and restored 54,012 ha of service areas.³⁷



Irrigation Projects



National Irrigation Administration Solar Power-Driven Irrigation Projects, July 2022–April 2026

2,284 solar pumps installed
26,113 ha new service areas
developed
25,159 farmers benefited



Department of Agriculture Small Scale Irrigation Projects (SSIPs), July 2022–March 2026

5,209 SSIPs installed, constructed,
or rehabilitated
19,628 ha new service areas
developed
3,651.23 ha service areas restored
4,328 farmer groups benefited

Sources: NIA and DA

Improved irrigation systems allowed farmers to plant more, increasing the cropping intensity³⁸ from 174.8% in 2022 to 183.8% (i.e., a plot of land can be planted almost twice a year) in 2025. These also enabled farmers to continue producing food despite changing weather conditions, such as El Niño.



The President leads the inspection of the Antong Dam in Sultan Kudarat on June 25, 2026.

Photo Credit: PMS

Accelerated coconut replanting and hybridization efforts.³⁹ Faced with aging coconut palms and low productivity, we revitalized the coconut industry through the Massive Coconut Planting and Coconut Hybridization Programs.

Our interventions included production of hybrid seednuts, establishment of seed farms and communal nurseries, strategic planting and replanting of coconut, and provision of nutrient support and capability-building for farmers. These efforts improved farm productivity, promoted the long-term sustainability of the coconut industry, and reinforced the country's position as one of the world's leading coconut producers.

³⁷ NIA, June 23, 2026.

³⁸ The number of times a single plot of land is cropped and harvested in one year.

³⁹ DA, June 25, 2026.



Coconut Hybridization and Planting Program Accomplishments, July 2022–May 2026



71,700 coconut palms hybridized



5.26 million hybrid seednuts produced



2.06 million hybrid palms fertilized



397 ha of seed farms established



398 communal nurseries maintained



18.10 million seedlings* planted toward the 100 million target

*Include hybrid and open-pollinated varieties

Source: DA

Strengthened the resilience of the livestock and poultry industries. Disease outbreaks and rising production costs continue to affect the livestock and poultry industries. Hence, we implemented measures to restore, protect, and strengthen them.

On September 25, 2025, I signed into law RA No. 12308.⁴⁰ This measure aims to advance the domestic animal industry through robust regulatory and development institution, adequate resources for production support, and effective collaboration with industry stakeholders.

African Swine Fever (ASF) management.

To protect the swine industry, we intensified our efforts to control and manage ASF. As of June 06, 2025, active cases were recorded in 64 *barangays* in 21 towns across five provinces in five regions.

As of June 05, 2026, active cases had dropped to just eight *barangays* in seven towns across seven provinces in five regions. This progress was the result of stronger monitoring, tighter control of the movement of pigs, continued distribution of piglets, and repopulation of pig stocks.

Another key strategy in controlling the spread of ASF was the controlled use of the ASF Live Vaccine. As of June 19, 2026, 499,008 out of the 500,000 doses procured or 99.8% have been administered across 54 farms in Batangas, Rizal, Laguna, Bulacan, Tarlac, Quezon, and Pampanga. These included 29 commercial farms, 13 semi-commercial farms, 11 smallholder farms, and one government-owned operation.



Efforts to Mitigate ASF, July 2022–December 2025



137,732 piglets distributed



800 gilts distributed



437 bio-secured and climate-controlled facilities constructed



52,164 hog raisers,
2,659 FCAs, and
58 LGUs benefited

ASF Indemnification, 2022–2025



78,069
hogs
indemnified



PhP414.98
million
indemnity paid



10,675
beneficiaries
served

Source: DA

40 Titled, "Animal Industry Development and Competitiveness Act."

Highly Pathogenic Avian Influenza (HPAI) mitigation efforts. We also implemented measures to protect the poultry industry from HPAI. These efforts included immediate containment and culling protocols, stronger farm biosecurity measures, continuous monitoring and surveillance, and enhanced coordination with LGUs and industry stakeholders.

Of the 118 cities and municipalities that have reported HPAI cases since the H5N1 subtype outbreak began in 2022,⁴¹ 52 have been declared recovered, while only two⁴² had ongoing cases as of June 12, 2026. The rest are under observation or undergoing the required disease-free waiting period before being declared recovered.

Notably, the livestock and poultry sectors recorded growth in Q1 2026. Livestock production and value increased during the period, with swine production showing continued recovery. Poultry production also expanded, contributing significantly to the overall value of agriculture and fisheries production (see *Figures 2.1 and 2.2*).

Figure 2.1 Volume and Value of Livestock Production, Q1 2025 vs Q1 2026

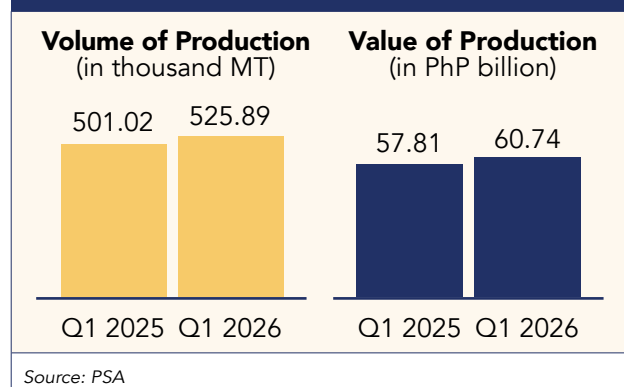
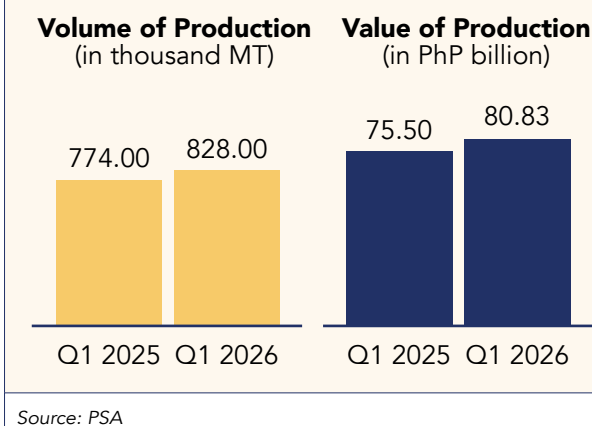


Figure 2.2 Volume and Value of Poultry Production, Q1 2025 vs Q1 2026



Promoted sustainable aquaculture and fisheries. Our fisherfolk face declining fish catch and rising production costs. To help ensure a steady supply of fish and seafood, we continued to support the fisheries and aquaculture sector.

From July 2022 to June 2026, the Bureau of Fisheries and Aquatic Resources (BFAR) provided production support to 238,729 individual fisherfolk and 7,809 fisher groups nationwide.

These interventions increased fishery production among BFAR beneficiaries. Total output went up by 6.8%, increasing from 401,000 MT in 2024 to 428,110 MT in 2025.

We also provided bigger fishing boats to help fisherfolk operate in deeper waters, increase their catch, and improve their productivity. From July 2022 to April 2026, we provided 94 units of 62-footer boats to 94 fisherfolk associations.

⁴¹ The country's first HPAI outbreak was recorded on August 11, 2017 and identified as the H5N6 subtype, while the H5N1 subtype was first reported on February 18, 2022.

⁴² Pangasinan and Maguindanao del Sur.



Production Support Distributed to the Aquaculture and Fisheries Sectors, July 2022–June 2026



1.15 billion fingerlings



25.24 million broodstock



55,742 fishing gears,
including *lambaklad** and
*payao***



5,144 units of fiberglass-
reinforced plastic boats

*A fixed fishing net that guides schools of fish into a collection area for easy harvesting

**A bamboo raft used in fishing to attract fish

Source: DA

Box 2.1 Closed Fishing Season



Galunggong landings at the Navotas Fish Port Complex nearly doubled from 8,161.92 MT in March 2025 to 16,165.52 MT in the same month in 2026. This reflects improved fishing conditions and the recovery of fish stocks following the closed fishing season from November 15, 2025 to February 15, 2026. Annual closed fishing seasons in the Zamboanga Peninsula for sardines, Northern Palawan for *galunggong*, and Visayan Sea for sardines, herrings, and mackerels continue to be implemented protect marine resources and ensure long-term sustainability.

Photo Credit and Source: DA

Accelerated Investment in Agri-Fishery Modernization

High production costs, post-harvest losses, and inadequate infrastructure continue to limit the productivity of the agriculture and fisheries sector. Hence, we intensified investments in farm and fisheries modernization to make the sector more productive and resilient against climate and market shocks.

Provided modern farm machinery and equipment (FME). To help more farmers improve productivity, we sustained support for agricultural mechanization from land preparation to harvesting, post-harvest, and processing, through the provision of FME and fuel assistance.

From July 2022 to March 2026, under various DA Banner Programs,⁴³ 39,107 units of machineries and equipment were distributed⁴⁴ to 9,040 FCAs. Meanwhile, under the RCEF Mechanization Component, 15,126 units of FME were distributed to 8,222 FCAs as of June 07, 2026.

The level of farm mechanization in rice areas increased from 2.78 horsepower per hectare (hp/ha) in 2024 to 2.81 hp/ha as of October 2025.



Fuel Assistance, July 2022–March 2026

336,675 farmers and
116,587 fisherfolk provided
with **fuel assistance**



Source: DA

43 National Rice, Corn, High Value Crops Development, and Organic Agriculture Programs.

44 Tractors, mechanical planters, combine harvesters, hand tractors, among others.

Modernized production, post-harvest, and processing facilities. We expanded our investments in farm and post-harvest facilities to help farmers reduce production losses and improve the quality of their produce. From July 2022 to March 2026, 4,679 farm production facilities⁴⁵ and 368 post-harvest and processing facilities⁴⁶ were built, benefiting 4,737 farmer groups nationwide.

Rice Processing Systems (RPS). To help rice farmers modernize drying and milling operations, we rolled out 145 RPS nationwide from July 2022 to June 2026. Of these, 133 were operational, while the rest were undergoing functional testing and installation as of June 07, 2026.

Meanwhile, beneficiaries of 122 RPS underwent Enterprise Training Workshops to fully operate these facilities and implement their business plans. Once operating at optimal capacity, each enterprise has the potential to generate annual net incomes of up to PhP3 million.



A farmer from the Hamtic Multi-Purpose Cooperative operates the RPS in Hamtic, Antique on January 19, 2026.

Photo Credit: PCO



An NFA personnel inspects and organizes the bags of *palay* at the NFA Quezon Province warehouse on March 03, 2025. The *palay* was bought by the NFA Quezon Province to strengthen rice buffer stocks and support farmers.

Photo Credit: DA

Warehouses. We accelerated investments in storage and logistics to further strengthen post-harvest systems. Under the Masagana Agri-Food Infrastructure Modernization Program, 36 modernized National Food Authority (NFA) warehouses are being established nationwide and are expected to be completed by 2027. These facilities aim to expand storage capacity, protect grain quality, and ensure the timely availability of rice stocks during calamities and emergencies.

We are also undertaking the repair, rehabilitation, and upgrading of 128 existing NFA warehouses across the country. As of July 08, 2026, 89 projects have been completed, 33 were under implementation, and six are still for upgrading.

⁴⁵ Including greenhouses, nurseries, and rain shelters.

⁴⁶ Including cold storages and refrigeration, drying facilities, livestock processing facilities, packing houses, storage facilities, and waste management and renewable energy facilities.

Cold storage facilities. We also expanded our cold chain infrastructure to reduce spoilage and help preserve perishable goods. Without adequate storage, farmers are often forced to sell their produce immediately, limiting their ability to wait for better market prices.

As of April 30, 2026, the Mega Cold Storage Facility in San Jose, Pili, Camarines Sur, and Modular Cold Storage Facility in Dinalupihan, Bataan have been inaugurated and turned over to the Provincial Government of Camarines Sur and the Municipal Government of Dinalupihan, respectively.

Further, the Onion Cold Storage Facility in Ramon, Isabela was turned over to the Municipal Government of Ramon. This facility is expected to benefit 1,500 farmers from Isabela and Nueva Vizcaya.

Advanced Genuine Agrarian Reform and Land Tenure Security⁴⁷

For so many years, gaps in agrarian reform constrained many farmers from utilizing their lands to the fullest.

Hence, the Department of Agrarian Reform (DAR) accelerated the distribution of titles, condoned farmers' debts, and provided them other support so that our Agrarian Reform Beneficiaries (ARBs) can fully gain from the benefits of land ownership.

Distributed land titles. It is the duty of the government to uphold farmers' rights to own and cultivate their lands. However, when I assumed office in July 2022, land distribution remained limited, with only 17,640 titles issued to 17,549 ARBs.



The President holds Ugnayan with Farmers after the inauguration of the Mega Cold Storage Facility in San Jose, Pili, Camarines Sur, on March 23, 2026.

Photo Credit: PMS



Dati...wala kaming mapag-i-stock-an. Ngayon na may cold storage...mayroon kaming pag-iimbakan ng aming mga inani..."

(Before... we had no place to store our harvest.... Now that we have a cold storage [facility]... we have a proper place to keep the crops we harvested...)

Jackielyn Ginez
Onion farmer
Onion Cold Storage Facility Beneficiary
Ramon, Isabela

47 DAR, July 01, 2026.

Table 2.1 **Status of LAD and SPLIT Distributions**

Program	Accomplishments (July 2022–July 2026)			Remaining for Distribution (2028)		
	Titles	Area (in ha)	ARBs	Titles	Area (in ha)	ARBs
LAD	85,216	89,284	85,212	60,528	67,563	45,906
SPLIT	322,280	464,373	289,564	816,112	901,117	849,012

Source: DAR

As such, we expedited the distribution of land titles through the simultaneous implementation of the Support to Parcelization of Lands for Individual Titling (SPLIT) Project and Land Acquisition and Distribution (LAD) Program (see Table 2.1).

Condoned ARBs' debts. Since the signing in 2023 of RA No. 11953,⁴⁸ which condones the land debt obligations of ARBs to the national government, we have been issuing Certificates of Condonation with Release of Mortgage (COCROM). ARBs with COCROM were also enrolled in the DA's Registry System for the Basic Sectors in Agriculture (RSBSA), ensuring their priority access to other government support services for farmers.



COCROM Accomplishments, July 2022–July 2026*



703,047 COCROM** distributed out of **620,255**



Amounting to a total of **PHP54.70 billion** out of **PHP57.76 billion**



901,246 ha of land covered out of **1.18 million ha**

*To be completed by July 2026, pursuant to Section 2 of RA No. 11953.
**The number of COCROM distributed exceeded the 620,255 target due to the uncovering of more beneficiaries than originally counted during the detailed field validation. However, statutory targets for land area and condonation balances remain unchanged. Most of the remaining certificates for processing are located in the BARMM. The DAR is in coordination with the BARMM government to facilitate the processing. Those processed as of July 01, 2026 were largely from 15 regions.

Source: DAR



RSBSA Registration, as of May 15, 2026

10.77 million farmers, fisherfolk, farmworkers, and agri-youth registered in the RSBSA



Source: DA



Nagpapasalamat ako sa matagal nang panahon sa aming sinasaka na lupa, na nabigyan kami ng titulo. Sa ngayon masaya na po kami dahil (ang lupang) matagal na naming sinasaka, malaya na kaming magsasaka."

(I am grateful that the land we have cultivated for so many years has been granted to us with a title. Now, we are happy because [the land] we have worked on for so long is finally ours to freely farm.)

Necias Pabalan
ARB
SPLIT Project Beneficiary
Coron, Palawan

48 Titled, "New Agrarian Emancipation Act."

Resolved agrarian reform cases. Fair and timely resolution of agrarian reform cases remains a key priority. From July 2022 to May 2026, the DAR Adjudication Board resolved 84,094 cases out of 87,590, achieving a 96.0% resolution rate.

Expanded Access to Credit, Insurance, and Financing for Smallholder Farmers and Fisherfolk⁴⁹

Farmers face income instability due to volatile markets and shifting global conditions. Thus, we ramped up support for credit programs and direct cash aid. Through these, we reduced the vulnerabilities of our farmers during economic and climate shocks.

Provided credit and agri-insurance.

We provided credit programs to give farmers and fisherfolk easier access to the capital they need. Credit support was given for land preparation, planting, harvesting, processing, marketing, and delivery to consumers. Farmer welfare was also prioritized (see Table 2.2).

From July 2022 to May 2026, total insurance coverage reached PhP547.38 billion (see Table 2.3) for 16 million beneficiaries, with PhP19.04 billion in indemnity payments.

Table 2.3 Insurance Coverage Accomplishments, July 2022–May 2026

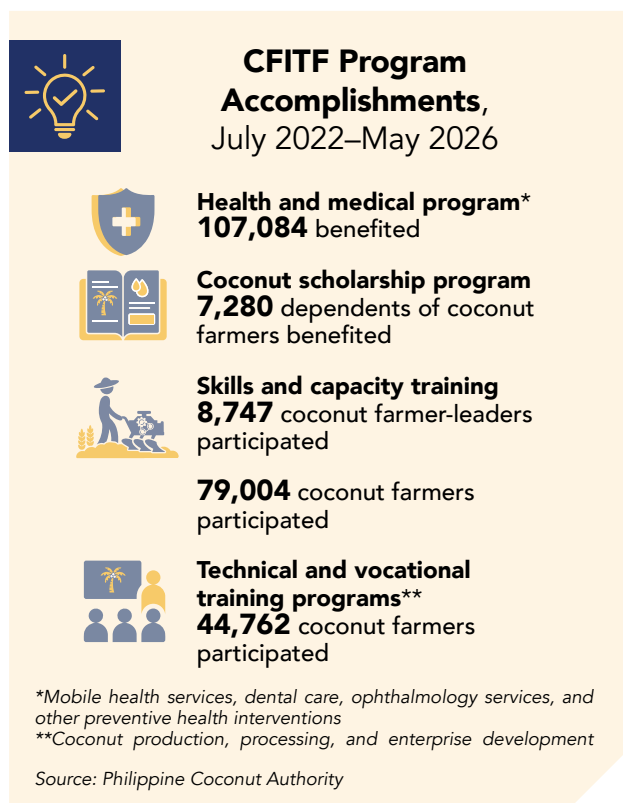
Insured	Amount Insured (in PhP billion)
 Palay	133.58
 Corn	44.61
 Sugarcane	2.15
 High-value crops	123.72
 Livestock	67.12
 Fisheries	3.09
 Non-crop agricultural assets*	14.61
 Credit and Life Term	158.50
TOTAL	547.38
*Farm tractors, machinery, and facilities	
Note: Figures may not add up due to rounding.	
Source: DA	

Table 2.2 Credit Support Programs, July 2022–May 2026

Fund	Beneficiaries	Amount Lent (in PhP billion)
 Agricultural Credit Policy Council*	147,852 farmers and fisherfolk, 554 MSEs and 178 ARB Organizations	15.50
 Agricultural Competitiveness Enhancement Fund	522 FCAs, 1,263 SMEs, and 50,247 farmers and fisherfolk	10.30
 Socialized Credit Program under the Sugar Industry Development Plan	2,548 sugarcane farmers	1.04
 Coconut Farmers and Industry Trust Fund	138 coconut farmer organizations, 36,501 coconut farmer beneficiaries	1.00
TOTAL		27.83
*Cumulative total of various credit programs, such as: Survival and Recovery Program, Agri-Puhunan at Pantawid Program, Agrarian Production Credit Program or Accessible Loans for Empowered, Resilient, and Transformed Program, and Agrisenso.		
Note: Figures may not add up due to rounding.		
Source: DA		

49 DA, June 25 and July 06, 2026.

Through the Coconut Farmers and Industry Trust Fund (CFITF), we ensured social protection for coconut farmers, farm workers and their families by providing health insurance, scholarships, and capacity-building.



Granted cash assistance for farmers affected by calamities. Immediate financial assistance through the Presidential Assistance for Farmers, Fisherfolk, and Families (PAFFF) has reached our farmers and fisherfolk to help them cope with the impacts of conflicts and disasters.

Initially, the PAFFF provided PhP10,000 per beneficiary in 2024 to help in the recovery of farmers and fisherfolk who were severely affected by El Niño and other calamities. In April 2026, we started distributing PAFFF to mitigate the impact of high fuel

prices caused by the Middle East conflict. We allocated PhP10 billion to provide PhP2,325 each to 4.18 million farmers and fisherfolk nationwide in 2026.⁵⁰ As of June 30, 2026, PhP4.56 billion out of the PhP10 billion had been disbursed to 1.96 million beneficiaries.

Under the RCEF-Rice Farmers Financial Assistance (RFFA), PhP34.16 billion assistance reached 5.95 million rice farmers from July 2022 to May 2026.⁵¹

Meanwhile, the KADIWA financial grant assistance program provided PhP1.28 billion, benefiting 542 LGUs, FCAs, and community-based organizations.

Strengthened Capacity-Building Support for Farmers and Fisherfolk⁵²

Without access to modern skills, farmers and fisherfolk are unable to keep up with the demands of a fast-changing agricultural sector. In response, we equipped our farmers and fisherfolk with targeted training programs and increased the number of accredited farm schools. Access to agri-learning was expanded through both on-site and digital platforms.



A trainor demonstrates the use of a rice transplanter to a student delegate to the Mechanization Boot Camp in Muñoz, Nueva Ecija on April 14, 2026.

Photo Credit: DA

⁵⁰ The remaining PAFFF funds will be distributed to high-value crops farmers in the Cordillera Administrative Region.

⁵¹ Under the RCEF-RFFA, rice farmers were provided with PhP5,000 in unconditional cash sourced from FY 2021 to FY 2022 and PhP7,000 sourced from FY 2023 to FY 2024.

⁵² DA, July 01, 2026.

Conducted training and upskilling.

Farmers, fisherfolk, and farm workers were trained in climate resilient farming, sustainable agriculture, and practical financial management, among others. From July 2022 to June 2026, the Agricultural Training Institute conducted 8,328 training sessions, with 220,672 participants.

Certified and enhanced farm schools.

Learning platforms across the country were expanded to give farmers and fisherfolk better access to hands-on training. From July 2022 to June 12, 2026, 1,387 certified Learning Sites for Agriculture (LSAs) were established nationwide (see Figure 2.3).

Figure 2.3 **Established and Certified LSAs**, July 2016–June 2022 vs July 2022–June 2026

July 2016–June 2022



July 2022–June 2026



85.8% of the previous six-year total has already been achieved in **less than four years**.

Source: DA

Supported the professionalization of agriculturists.

Infrastructure and policies should be complemented with strong human capital that enables their effective implementation. To provide better career opportunities for agriculture workers, I signed into law RA No. 12215⁵³ on May 29, 2025. This allows registered agriculturists to be eligible for competitive minimum salary grades and take on key

positions in the government. It also holds agriculturists accountable for the technical advice they give to farmers through a code of ethics.

Promoted farm and fisheries consolidation and aggregation.

We continued to strengthen farm and fisheries consolidation through clustering strategies that organized farmers and fisherfolk into duly registered FCAs under the Farm and Fisheries Clustering and Consolidation Program. These efforts enhanced collective production, helped grow their business, and linked farmers and fisherfolk to market chains. It also improved access to government support and shared resources, enabling farmers and fisherfolk to work more efficiently and achieve economies of scale.

From February 2023 to June 2026, over 1,781 clusters were validated, composed of 758,446 farmer and fisherfolk members, and covering 934,842.45 ha of farming and fishing areas.



Members of the Dapdap Mandaragat Association harvest 710 kg of milkfish in Tangalan, Aklan on March 24, 2026.

Photo Credit: DA

53 Titled, "Philippine Agriculturists Act."

Supported community-based enterprises (CBEs). To help marginalized farmers and fisherfolk in underprivileged communities compete better in local and international markets, we provided support to 1,729 FCAs nationwide through the Special Area for Agricultural Development (SAAD) program.⁵⁴

From July 2022 to May 2026, the SAAD program conducted 2,398 social preparation activities, 2,259 specialized training sessions, and 1,267 market-related training activities; and implemented 2,196 livelihood projects. Through these interventions, CBEs are being strengthened for possible participation in broader enterprise and market opportunities.

Boosted Farmers Income and Competitiveness

Farmers and fisherfolk face unstable prices and a lack of secure markets, which affect their livelihood. Thus, we implemented measures to improve market access and provide more stable income opportunities.

Safeguarded farmers from market manipulation. We pursued policy measures to protect farmers from declining farmgate prices and market fluctuations. These measures included setting a mandatory floor price for *palay*, temporarily suspending rice imports during harvest periods, and maintaining tariff measures to support local producers.

We also imposed a temporary retail price ceiling on imported rice to help stabilize prices while ensuring affordable rice for consumers.



Sa mahabang panahon... nabebenta lang po namin (ang palay) sa murang halaga sa mga traders. Ngunit nang magsimulang bumili ang NFA sa mga magsasaka...mayroon na kaming tiyak na mamimili... sa patas na presyo. Hindi na po kami natatakot na malugi..."

(For a long time...we could only sell [our palay] at low prices to traders. But when the NFA started buying directly from farmers...we finally had a guaranteed buyer at a fair price. We are no longer afraid of incurring losses...)

Jover Casimiro
Farmer
NFA Palay Procurement Program Beneficiary
Culianan, Zamboanga City

Intensified palay procurement and buffer stocking. Fluctuating buying prices and rising production costs continue to limit farmers' income. To address these challenges, the NFA continuously strengthens its *palay* procurement program to support farmers and build rice buffer stocks through the implementation of the Price Range Scheme that allows NFA to adjust its government buying price based on prevailing market conditions. As of June 29, 2026, the NFA has been procuring *palay* at competitive price

⁵⁴ The SAAD aims to contribute to poverty reduction and enhance production through the provision of livelihood assistance to marginalized farmers and fisherfolk. It covers 619 municipalities in 56 provinces identified as 5th and 6th income class areas and among the top three most marginalized based on poverty incidence (excluding BARMM).

levels nationwide, observed at a high of Php30.00 per kg in selected key *palay*-procuring areas in Visayas and Mindanao Region.⁵⁵ NFA rice stocks increased by 21.3% from 323,500 MT in January to May 2025 to 392,520 MT in the same period in 2026. Higher NFA *palay* procurement provides farmers with a stable market and better prices for their harvest while boosting rice buffer stocks and supporting the P20 Rice Program.

Intensified market-matching activities.

To provide farmers with direct linkages to markets, we facilitated 4,010 supplier-buyer transactions from July 2022 to May 2026. These matching activities resulted in total sales of Php591.83 million. From July 2022 to May 2026, the DA also conducted 143 local trade fairs, benefiting 2,102 FCAs and sent 650 FCAs to 40 international trade fairs. The participants generated sales of Php142.59 million from local trade fairs and Php56.59 billion from international trade fairs.

Strengthened Agri-fishery Infrastructure and Market Connectivity

Limited connectivity between farms and markets, compounded by unstable fuel prices, drives up transport costs and travel time. This affects farmers' earnings and pushes food prices higher for consumers. To address this, we prioritized the construction and rehabilitation of transport and logistics infrastructure for agriculture.

Expanded farm-to-market roads (FMRs) and farm-to-mill roads. From July 2022 to May 2026, we completed 3,259.71 km of FMRs and 1,695.21 meters of bridges nationwide,⁵⁶ benefiting 1.40 million individuals.

This brings the country's total FMRs to 72,557.82 km, equivalent to 55.2% of the target 131,410.66 km under the FMR Network Program. An additional 98.32 km of farm-to-mill roads and 106 meters of bridges were also constructed in the same period, benefiting 22,374 individuals.

Developed and rehabilitated fish ports and other food distribution facilities.

We improved our regional fish ports by rehabilitating or constructing new facilities (e.g., cold storage, market halls, and commercial buildings).



In landing (docking area) didto ha hansipak crowded na tuud... In bahgu landing ini malagguh in karayawan...Pag ubus ma unload in mga istah ha landing, in mga bangka dahun na mari...Supaya dih na ma crowded didto ha hansipak."

(The landing [docking area] on the other side was very crowded...This new landing is a big improvement...After the fish catch are unloaded in the unloading area, the boats are brought here...so that it won't be crowded on the other side anymore.)

Junaid Asamuddin
Member, Zamboanga Fish Port Complex (FPC) Fish Trader Fisherman Cooperative
Zamboanga FPC Beneficiary
Zamboanga City

⁵⁵ Including Bohol, Northern Samar, Zamboanga City, Bukidnon, Misamis Oriental, Lanao del Norte and Davao del Sur.

⁵⁶ Of this total, 2,828.97 km of FMRs and 1,695.21 meters of bridges serving 1.25 million beneficiaries were undertaken by the DA, while 430.74 km of FMRs benefiting 149,341 individuals were by the DAR.

Out of the nine regional fish ports nationwide, we completed the rehabilitation of the Iloilo FPC in March 2025, while four are being upgraded to increase their operating capacity as of May 2026. These are the Zamboanga FPC, Navotas FPC, General Santos FPC, and Camaligan Fish Port. We also turned over four⁵⁷ new municipal fish ports to LGUs between July 2022 and April 2026,

increasing the country's total number of municipal fish ports from 136 to 140.

Constructed trading centers. Trading centers consolidate the selling and distribution of agricultural goods, addressing logistics gaps by connecting producers to buyers. From July 2022 to June 2026, three trading centers were established in Pangasinan, Ilocos Sur, and Ilocos Norte.⁵⁸

Box 2.2 Supporting Food Logistics in Response to Surging Fuel Prices



We recognize that the recent surge in fuel prices had discouraged the transport and delivery of agricultural products, putting the country's food supply at risk.

This disruption, which was especially severe in hard-to-reach areas, also undermined farmers' incomes, as they were forced to abandon their harvests due to the rising cost of inputs, low farmgate prices, and limited access to markets.

In response, the following interventions were implemented to ease the burden of expensive logistics and transport costs, facilitate faster and uninterrupted delivery of food, and stabilize commodity prices.

Rolled out the Food Mobilization Program. Under this program, we deployed 59 DA-owned

hauling trucks across all regions to help FCAs transport agri-fishery products to the market. Through this effort, we supported the delivery of 4,896.65 MT of assorted agri-commodities, benefiting 213 FCAs as of May 30, 2026.

Provided free toll fees to accredited agricultural trucks. DA-accredited trucks were fully exempted from toll fees from April 20, 2026 to May 20, 2026. As of May 30, 2026, 3,556 vehicles were accredited by the DA and PhP12.94 million were refunded to truck operators.

Suspended pass-through and delivery fees. The Department of the Interior and Local Government (DILG) monitored LGUs' compliance with Executive Order (EO) No. 41, series of 2023,* which prohibits LGUs from imposing fees on vehicles transporting goods or merchandise. As of April 30, 2026, all 1,724 LGUs have complied with this EO.

Adjusted port fees and charges. We temporarily reduced the Roll-on/Roll-off Terminal Fee, which ranged from PhP65.00 to PhP516.00 depending on the type of vehicle, to only PhP1.00 for vehicles carrying raw and unprocessed agricultural products, significantly lowering the cost of inter-island shipment.**

*Titled, "Prohibiting the Collection of Pass-Through Fees on National Roads and Urging Local Government Units to Suspend the Collection of Any Form of Fees Upon All Types of Vehicles Transporting Goods Under Section 153 or 155 of Republic Act No. 7160 or the "Local Government Code of 1991"

**Pursuant to Philippine Ports Authority (PPA) Administrative Order No. 003-2026, which took effect on April 10, 2026, lasting for a period of six months, subject to review for possible extension

Photo Credit: PMS
Sources: DA, DILG, and PPA

57 (i) Basay, Negros Oriental; (ii) Malalag, Davao del Sur; (iii) Tagum City, Davao del Norte; and (iv) Bislig City, Surigao del Sur.

58 These are the Rosales Trading Post, Santa Maria Provincial Trading Post, and Ilocos Norte Agricultural Trading Center, respectively.

Making Food Affordable to All Filipinos



The President, together with DA Secretary Francisco Tiu Laurel Jr., greets vegetable vendors during his visit to La Trinidad Vegetable Trading Post in Benguet on April 17, 2026.

Photo Credit: PMS

When markets are disrupted, food prices go up, and families struggle to afford this basic need. In response, we expanded the KADIWA Program and intensified our monitoring of food supply and prices. Through these actions, we ensured that Filipinos have access to fresh and reasonably priced food while enabling farmers to earn more.

Upscaled the KADIWA⁵⁹

Considering the increasing demand of consumers for sources of more affordable and quality food commodities, we upscaled the KADIWA from a temporary relief program into a permanent part of the national food system. We continued to integrate KADIWA centers into municipal markets by providing rent-free spaces where farmers can sell directly to consumers. The KADIWA expanded beyond selling rice to include meat,

poultry, seafood, high value crops, and processed food.



KADIWA Program Accomplishments, July 2022–June 2026



361
stores
set up



152
centers
maintained



66
KADIWA on Wheels
dispatched



21,732
KADIWA events
conducted



PhP4.22
billion
sales
generated



10.66
million
households
served



2,832
FCAs
assisted

Source: DA

⁵⁹ DA, June 25, 2026.

Expanded P20 Rice Program⁶⁰

Rising rice prices continue to affect the purchasing power of many Filipinos, especially vulnerable sectors. Thus, we expanded the P20 Rice Program (Benteng Bigas Meron Na!) to reach more Filipinos. Its coverage has been broadened to include minimum wage earners, members of the public transport sector, farmers, and other vulnerable groups across 82 provinces.



Beneficiaries of P20 Rice Program show their 10 kg-bag of rice that they purchased in Maco, Davao de Oro on March 10, 2026.

Photo Credit: DA

Intensified Monitoring of Food Supply and Prices

Market disruptions can lead to supply gaps and rising food prices. Therefore, we strengthened the nationwide monitoring of food supply and prices through the Bantay Presyo Monitoring System (BPMS) and Trading Post Commodity Watch (TPCW).

Expanded BPMS. Price monitoring coverage was expanded from 249 markets in June 2022 to 488 markets nationwide as of May 2026. This now includes major markets across all regions from Metro Manila to the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) allowing the government to track prices more quickly and accurately across the country.



P20 Rice Accomplishments, May 01, 2025–July 01, 2026



115,338.66 MT of rice sold



PhP2.31 billion in total sales generated*



778 active sites**



11.53 million beneficiaries served

*Total sales reflect actual receivables

**Include 289 sites with regular schedules and per-request sites

Source: DA

Enhanced TPCW. Supply monitoring was strengthened through the TPCW system. The coverage increased from 27 trading posts and wholesale markets in June 2022 to 39 key trading centers nationwide as of May 2026. This allows better tracking of how much food is coming in and going out.

As a result, we now have near real-time market information that helps the government detect supply problems early. These also help the government respond faster to price changes and keep food affordable and prices more stable for Filipino consumers.



DA Secretary Tiu Laurel leads the price and supply monitoring activities at the Paco Public Market in Manila on May 19, 2026.

Photo Credit: DA

⁶⁰ DA, July 06, 2026.

Securing the Nation's Water Supply through Comprehensive Resource Management



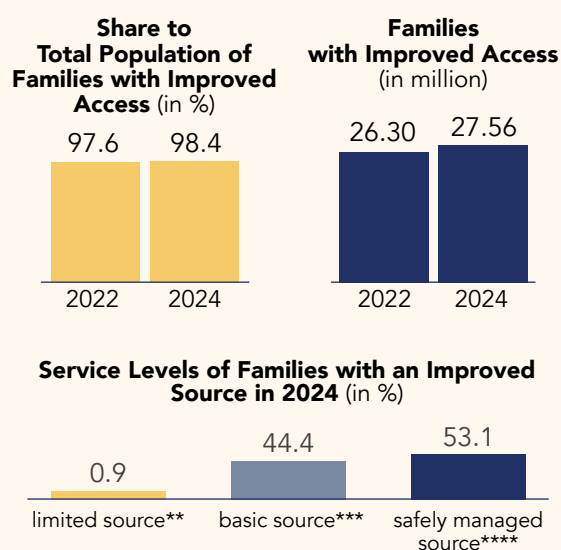
The Ipo Dam in Norzagaray, Bulacan, which has a maximum storage capacity of 6.45 million cubic meters, diverts water from the Angat and Ipo Rivers into tunnels that lead to La Mesa reservoir and Balara filtration areas.

Photo Credit: MWSS

Water security is the foundation of food security. However, the country's water sector remains vulnerable to climate shocks due to unsustainable use, inadequate water infrastructure, and lack of a central agency managing this critical resource. To address these, I created the Water Resources Management Office under the Department of Environment and Natural Resources (DENR) on April 27, 2023.⁶¹ It serves as an interim, centralized body for water resources management, while we work on the creation of the Department of Water Resources (DWR) and Water Regulatory Commission (WRC).

Although the passage of the DWR and WRC remains pending in Congress, we continued to implement reforms and priority projects in the water sector. As a result, access to drinking water has slightly improved nationwide, enhancing our preparedness for a possible El Niño in 2026 (see Figure 2.4).

Figure 2.4 Families with Access to an Improved Source* of Drinking Water, 2022 vs 2024



*Sources that are naturally designed and built to deliver safe water (e.g., piped water, dug wells, tubewells, rainwater)

**Water collection takes more than 30 minutes

***Water collection takes 30 minutes or less

****Water source is located within premises, available when needed, and free from contamination

Source: DEPDew

61 Through EO No. 22, s. 2023 titled, "Creating the Water Resources Management Office in the Department of Environment and Natural Resources."

Ensured Access to Safe and Affordable Water Supply

Despite improvements, 1.6% or 448,208 families still access their water from unimproved sources⁶² in 2024.⁶³ To leave no family behind, we have undertaken a comprehensive upgrade of the country's water supply system by diversifying water sources, constructing distribution and treatment facilities, and supporting local water districts (LWDs).

Diversified water sources.⁶⁴ Metro Manila and parts of Cavite, Rizal, and Bulacan Provinces remain heavily dependent on the Angat Dam for water supply. Meanwhile, underserved communities continue to travel long distances for potable water. These conditions expose families to supply volatility, particularly during periods of scarcity (e.g., El Niño). Guided by our goal of building an inclusive and resilient water sector, we implemented the following:

Water source expansion. In partnership with the private sector, we increased the volume extracted from the Laguna Lake by 50.0% from 400 million liters per day (MLD) in 2022 to 600 MLD in Q1 2026. We also inaugurated the Tayabasan Weir in Antipolo City in Rizal under the Wawa Bulk Water Supply Project in December 2022. It contributed 80 MLD to the 5,050.76 MLD water supply capacity of Metropolitan Waterworks and Sewerage System (MWSS) concessionaires.⁶⁵

Box 2.3 Wawa Bulk Water Supply Project

Largest water supply dam constructed in over 50 years after the Angat Dam

Delivers a reliable water supply to Metro Manila residents through a multi-component system

Main Components:

Tayabasan Weir

Capacity: 80 MLD

Status: Commenced operations on October 25, 2022

Impact: Supplies 104,000 water service connections to serve the 855,000 population of Antipolo City

Upper Wawa Dam

Capacity: 710 MLD

Status: Commenced operations on December 31, 2025

Impact: Serves as a critical water reservoir within the Marikina River Basin supporting downstream water supply*

Upper Wawa Pumping Station

Capacity: 518 MLD

Status: Commenced operations on December 31, 2025

Impact: Enables raw water delivery to Water Treatment Plants for Metro Manila distribution

*Two water treatment plants, which are in progress, will cater to the East Service Area

Photo Credit and Source: MWSS

Safe water supply in underserved areas. Under the DENR's Water Filtration Program, 10,549 residents from six water-stressed and remote communities benefited from freshwater filtration⁶⁶ and desalination systems⁶⁷ installed in 2025.⁶⁸

62 Include drinking water from unprotected water sources (e.g., unprotected dug well or spring) or from surface water (e.g., river, dam, lake, stream, or canal).

63 DEPDev, July 08, 2026.

64 DENR, June 25 and July 02, 2026; and MWSS, June 24, 2026.

65 As of Q1 2026, total water supply capacity came from the Angat Dam (4,370.76 MLD or 86.5%), Laguna Lake (600 MLD or 11.9%), and Tayabasan Weir (80 MLD or 1.6%).

66 Converts freshwater sources into potable water.

67 Converts saltwater sources into potable water.

68 Freshwater filtration systems were provided to (i) Brgy. Balogo, Banton, Romblon; (ii) Brgy. Poropandan, Matnog, Sorsogon; and (iii) Brgy. Bangkal, San Jose, Occidental Mindoro, while desalination systems were provided to (i) Brgy. Eastern Cabul-an, Buenavista, Bohol; (ii) Brgy. Manalipa, Zamboanga City; and (iii) Brgy. Tumulutab, Zamboanga City.

The DENR also provided a water supply system through its Spring Development Project to 12 upland sites between 2024 and 2025. These projects served 9,738 residents across Abra, Davao de Oro, Kalinga, Benguet, Camarines Norte, Albay, and Sarangani.

Six LWDs⁶⁹ were likewise given high-grade water refilling equipment in 2025. These helped reduce the price of potable water by about 50.0% for 25,000 residents.

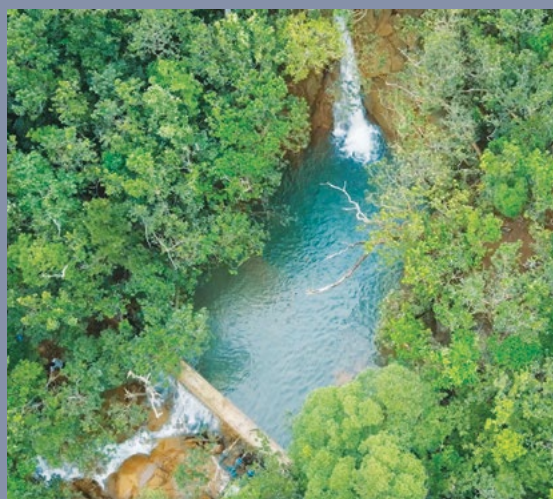


Hassle po...kung saan po kami kumukuha ng tubig na iniinom. Kasi pumupunta pa po kami sa mainland...Pero kung...mahangin...walang biyahe... Malaking tulong po samin 'to (desalination system)...hindi na kami nagpapadala sa mainland."

(Getting drinking water was a hassle because we had to go to the mainland... When it's windy...there are no trips... This [desalination system] is a big help to us...we no longer have to go to the mainland.)

Julaisa Ajahad
Resident
Water Filtration Program Beneficiary
Tumulutab Island, Zamboanga City

Box 2.4 Homonhon Island Mini Dam



Homonhon Island lies on the eastern edge of the Philippines, directly facing the Pacific Ocean. Despite its historical significance as the site where Ferdinand Magellan first landed in 1521, residents have long struggled with limited and expensive water supply. To address this, we built in December 2025 a mini dam, which significantly improved the access of 964 residents to potable water.

Photo Credit and Sources: DENR and National Historical Commission of the Philippines

Constructed infrastructure for water distribution and treatment.⁷⁰ Delivering reliable water to households under changing weather conditions requires not only sufficient water supply sources, but also extensive conveyance systems and Water Treatment Plants (WTPs).

Thus, I inaugurated the Angat Water Transmission Improvement Project (AWTIP) Tunnel No. 05 on November 28, 2025. With its 1,642-MLD capacity, the tunnel increased the daily capacity of the Umiray-Angat-Ipo-La Mesa raw water conveyance system from 6,292 MLD to 7,934 MLD, enhancing raw water delivery to WTPs.

69 (i) Kumalarang WD in Lanao del Norte; (ii) Tukuran WD in Zamboanga del Sur; (iii) Kapatagan WD in Zamboanga del Sur; (iv) Metro Carigara WD in Leyte; (v) Abulug WD in Cagayan; and (vi) Bayawan WD in Negros Oriental.

70 MWSS, June 24, 2026.



The President leads the inauguration of the AWTIP Tunnel No. 05 in Norzagaray, Bulacan on November 28, 2025.

Photo Credit: PMS

Water distribution in areas covered by MWSS concessionaires is supported by 16 operational WTPs as of June 2026. Their combined treatment capacity of more than 5,000 MLD guarantees that water supply is safe for consumption. Three of these 16 WTPs started operations between 2022 and 2024. These are the Poblacion WTP (150 MLD), Laguna Lake Modular WTP (20 MLD), and Parañaque NEW WATER Modular Treatment Plant (10 MLD).



The Poblacion WTP treats 150 MLD of water from the Laguna Lake and supplies water to around one million customers in Parañaque, Las Piñas, Muntinlupa, and Cavite. It was inaugurated by the President on December 15, 2023.

Photo Credit and Source: MWSS

Supported LWDs.⁷¹ The service coverage of LWDs, although steadily expanding, remains limited.⁷²

To further improve their service delivery, the following were undertaken:

Loans and assistance to LWDs.

As of May 2026, LWDs nationwide availed a total of Php2.62 billion in loans from the Local Water Utilities Administration (LWUA) since 2022. These loans funded a range of projects, such as the development of new water sources, expansion of water services, repair and improvement of existing systems, and construction of water treatment facilities to deliver clean water to communities.

Meanwhile, in 2025, the DENR granted Php100 million financial assistance to 11 LWDs in unserved *barangays* in the provinces of Quezon, Batangas, Leyte, Surigao del Sur, Bukidnon, Cotabato, South Cotabato, and Basilan. Through various infrastructure works, approximately 16,244 households now have service connections.

Water supply projects. From July 2022 to May 2026, the LWUA completed 114 water supply projects amounting to Php1.81 billion, benefiting 60,115 households across the country. These initiatives were supplemented by the Asian Development Bank-Water District Development Sector Projects (ADB-WDDSP), with 11 water supply subprojects worth Php1.98 billion. Of the 11, five projects were completed between 2022 and 2025, bringing water services to 59,034 households connected to the following LWDs: Manolo Fortich, Polomolok, Sta. Maria, Bayawan, and Tanjay.⁷³ The six remaining projects, which have an estimated 193,298 household-beneficiaries, are ongoing.

71 LWUA, June 29 and July 02, 2026; and DENR, June 25 and July 02, 2026.

72 As of April 2026, the 532 operational LWDs nationwide collectively achieved 40.3% service coverage, underscoring the urgency of investments in LWDs.

73 Located in Bukidnon, South Cotabato, Bulacan, and Negros Oriental.



Government Actions on Issues Involving Water Service Providers, March 2025–May 2026



- ✓ **Ensured compliance** of water service providers with their service obligations
- ✓ **Monitored** reported deficiencies
- ✓ **Implemented** appropriate regulatory actions
- ✓ **Provided guidance** on the legal and procedural steps for terminating joint venture agreements

Source: LWUA

Promoted Sustainable and Responsible Water Use

Long-term water security demands more than just infrastructure development. It entails mitigating the threats of climate change, pollution, and overextraction. Toward this end, we worked to strengthen water use regulation, wastewater treatment, and water recycling and conservation.

Monitored water use and provision.⁷⁴

The National Water Resources Board and DENR continue to regulate water use by issuing permits that allocate the amount of water for each user. Priority is given to domestic and municipal needs, especially during periods of water stress such as droughts. This is complemented by

the regular monitoring of water sources and service providers, including closely checking dams and reservoirs and constructing groundwater monitoring wells (GMWs).⁷⁵



Efforts to Monitor Water Use and Delivery Nationwide



Issued 21 policies/resolutions from 2023 to 2025 to improve water source monitoring and regulation*



Monitored 4,500 water sources in 2025



Constructed 26 GMWs from 2023 to 2025, bringing the total to 80



Monitored 70 water service providers in 2025

**Policy/resolution themes: (i) inter-agency collaboration; (ii) monitoring and technical standards; (iii) utility water regulation; (iv) resource sustainability and environmental conservation; and (v) institutional governance and administrative restructuring*

Source: DENR

Strengthened wastewater management and sanitation services.⁷⁶ Protecting our water sources from pollution is key to making sure families and communities always have enough safe water, even during droughts, floods, or other extreme weather conditions.

Thus, we improved the way wastewater is handled by completing six wastewater treatment facilities in Metro Manila and Rizal. These facilities have a combined capacity of 202.05 MLD and were completed from 2022 to 2025.⁷⁷

⁷⁴ DENR, June 25 and July 02, 2026.

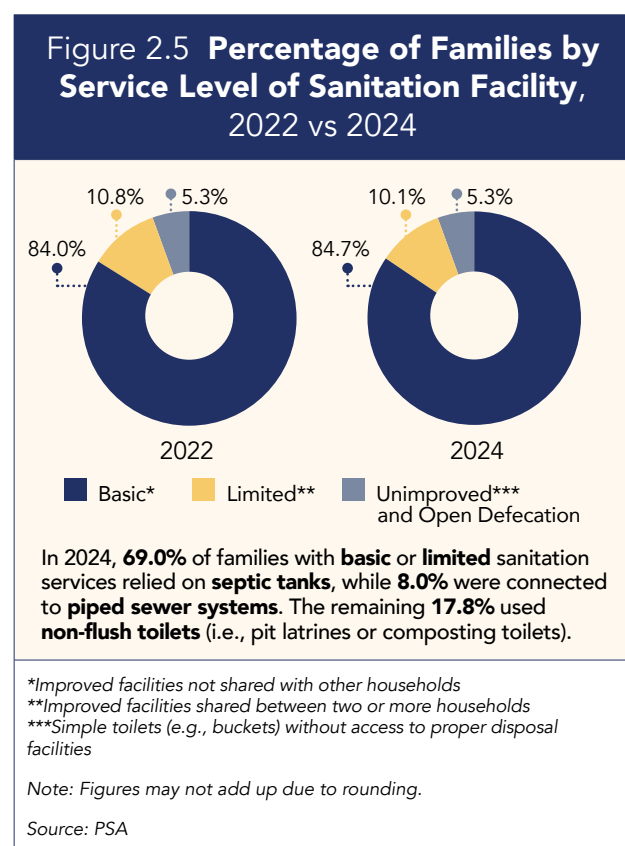
⁷⁵ Established to monitor groundwater level and quality for evaluating changes in the resource over time.

⁷⁶ MWSS, June 24, 2026; and LWUA, June 29, 2026.

⁷⁷ (i) Valenzuela Sewage Treatment Plant (STP) (60 MLD); (ii) Tunasan STP (20 MLD); (iii) Cupang STP (46 MLD); (iv) Aglipay STP (60 MLD); (v) Hinulugang Taktak STP (16 MLD); and (vi) Pinugay Septage Treatment Plant (0.05 MLD).

This brings the total number of wastewater facilities managed by MWSS concessionaires to 55, allowing them to safely treat more than 1,200 MLD of wastewater. For households that use septic tanks, MWSS concessionaires provided desludging⁷⁸ services to 6.88 million consumers from 2022 to Q1 2026. Meanwhile, the LWUA is implementing the Norzagaray Water District Sanitation Project in Bulacan.⁷⁹ With a 41.8% completion rate as of April 30, 2026, this aims to establish a sustainable system for managing the septage of 34,316 households.

Through our efforts, more families had access to basic sanitation services (see Figure 2.5).



The 60-MLD Aglipay Sewage Treatment Plant in Mandaluyong City treats the domestic wastewater of over 650,000 Manila Water customers. It was inaugurated by the President on January 16, 2026.

Photo Credit: PMS
 Source: MWSS

Recycled and conserved water.⁸⁰

As the country braces for the impacts of an anticipated El Niño, the measures we have implemented to conserve scarce water resources are expected to reduce its adverse effects, particularly the threat of water shortages.

Water recycling facilities. We promoted rainwater collection as an alternative water source for small LWDs. Between July 2024 to March 2025, the LWUA implemented seven Rainwater Catchment Projects in communities in Laguna, Bataan, Bacolod City, Batangas, Ilocos Norte, and Iligan City, benefiting more than 1,500 residents.

The DPWH has also been implementing its own Rainwater Collector Systems (RWCS) Program.⁸¹ From July 2022 to February 2026, the DPWH constructed 11,199 RWCS, benefiting *barangays*, schools, and government facilities nationwide. This was equivalent to 39.4% of the 28,398 RWCS completed nationwide since 2016.

⁷⁸ Process of emptying and cleaning septic tanks.

⁷⁹ The project costs PhP17.06 million funded under the ADB-WDDSP.

⁸⁰ LWUA, June 29, 2026; DPWH, June 25, 2026; and MWSS, June 24, 2026.

⁸¹ In compliance with RA No. 6716 titled, "An Act of Providing for the Construction of Water Wells, Rainwater Collectors, Development of Springs and Rehabilitation of Existing Water Wells in All *Barangays* in the Philippines."

Box 2.5 Construction of NEW WATER Modular Treatment Plants in Metro Manila



In 2022, Maynilad launched the Parañaque NEW WATER Modular Treatment Plant. The first of its kind in the Philippines, this facility converts 10 MLD of wastewater into potable water for 5,599 consumers as of June 2026.

As of May 2026, the construction of two NEW WATER Modular Treatment Plants in Pasay and Valenzuela is ongoing. Once completed, they will have a combined capacity to treat 25 MLD of wastewater, directly benefiting 11,381 consumers.

Photo Credit and Source: MWSS

Decrease in non-revenue water (NRW).⁸²

To reduce NRW, the LWUA issued a Memorandum Circular in July 2023, setting a 20% limit on acceptable level of NRW and directing all LWDs to submit clear plans to reduce NRW. As of December 2025, 199 out of 532 LWDs recorded NRW levels within the acceptable limit of 20%.

The MWSS, in partnership with its concessionaires, have continued to address NRW by finding leaks and replacing old pipes. As a result, the total share of NRW to total water produced in MWSS service areas declined from 32% in 2022 to 23.9% as of May 2026.



Preparations to Ensure Availability of Water Supply during El Niño, April 2023–May 2026

Securing water supply



Utilization of deep wells and other alternative sources



Deployment of water tankers



Implementation of network pressure management



Management of NRW levels

Managing water consumption



Promotion of responsible use of water

Sources: DENR, MWSS, and LWUA

Box 2.6 Integrating Renewable Energy into the Water Supply System



The MWSS has integrated renewable energy into the North C Annex (shown above) and Delos Santos Pumping Stations, and three treatment facilities—La Mesa Treatment Plant 1, FTI Sewage and Septage Treatment Plant, and Makati South Sewage Treatment Plant—within its service areas, all of which are fully operational.

Solar power panels have also been installed in the Taytay and Roxas Water Districts in Palawan in December 2024 and January 2025, respectively.

*Photo Credit: MWSS
Sources: MWSS and LWUA*

⁸² NRW refers to water that is produced and introduced into the distribution network but does not reach customers because of losses such as pipe leaks.

Way Forward

At this critical moment, we remain committed to ensuring that every Filipino family has enough food on the table and clean water to use. Climate change is affecting our agriculture and water resources. Prices, particularly of fuel, fertilizers, and key food staples around the world, are still volatile. Yet, with science-driven solutions and decisive governance, we can and we will build a resilient, food- and water-secure Philippines.

Farmers and fisherfolk will remain our top priority, especially amid the rising fuel costs. We will strengthen the fuel assistance program while diversifying fertilizer sources by accelerating the transition to sustainable agriculture. By 2027, we aim to engage 27 groups in organic fertilizer production to boost local supply, thereby, reducing dependence on imported and costly fertilizers, while promoting long-term soil health and food resilience.

As energy costs continue to rise, solar-powered irrigation offers a promising path forward, helping farmers cut expenses and boost productivity. Thus, we will continue advancing innovative renewable energy solutions such as floating solar, canal-top solar, and hydropower projects that complement irrigation operations while ensuring that irrigation remains prioritized and protected for agriculture.

To strengthen our food systems, we will continue investing in critical infrastructure that reduces losses and stabilizes food supply. The construction of post-harvest facilities such as modern warehouses, cold storage, and mega food hubs will be expedited.

We will expand and modernize our fish ports and FMRs to ensure that agri-fishery products reach consumers efficiently. Bridges will be constructed under the Agraryong Tulay Para sa Bagong Bayanihan ng mga Magsasaka to link agrarian reform communities to more income opportunities.

To ensure that basic food items remain within reach of every Filipino household, we will further expand the KADIWA and P20 Rice programs.

We will expedite the completion of land title distribution and the issuance of COCROM so that every qualified ARB can fully enjoy the rights, opportunities, and security that come with land ownership. By strengthening land tenure security and removing barriers to agricultural productivity, we empower our farmers to invest in their lands, improve their incomes, and contribute to a more food-secure and prosperous nation.



Alongside food production, we are improving access to affordable water through investments in water infrastructure. These projects are expected to benefit about 434,407 individuals across 99 LGUs served by 117 water districts by 2028.

To strengthen water security, we shall reduce pressure on groundwater resources and expand the supply of clean and reliable water. We are also rolling out bulk water systems to improve water services and widen coverage so that more communities have access to safe and sufficient water for daily use.

We remain committed to expanding the efficient and sustainable multi-purpose use of water resources beyond agriculture. As such, we will work closely with the private sector to develop renewable energy facilities within existing water infrastructure and improve energy security without requiring additional land use.

We will continue to strengthen partnerships with local governments and the private sector to realize all our goals.

To support these reforms, we will pursue key legislative measures, including:

- Amendments to the Rice Tariffication Law/Rice Industry and Consumer Empowerment Act;
- Amendments to the Coconut Farmers and Industry Trust Fund;
- Amendments to the Fisheries Code;
- Congressional Commission on Agriculture, Fisheries and Food Security Act;
- Department of Water Resources Act; and
- National Land Use Act.

Food and water security are not just about survival, but also the foundation of inclusive development and national dignity. By investing in resilient systems today, we are building a healthier and truly *Masaganang Bagong Pilipinas*.

The Hibulangan Small Reservoir Irrigation Project in Villaba, Leyte irrigates 2,750 ha of farmlands benefiting 1,821 farmers. The project was inaugurated by the President on April 30, 2026.

Photo Credit and Source: NIA



CHAPTER

3

Expanding Social Protection to Stimulate Economic Growth

A DSWD social worker tutors a child beneficiary at the Pag-abot Processing Center in Cebu on February 26, 2026.

Photo Credit: PCO
Source: DSWD



The President leads the distribution of government assistance under the Bawat Bayan Makikinabang Program in General Santos City on May 01, 2026.

Photo Credit: PCO

At the heart of my Administration's development agenda is the belief that when we invest in our people, we strengthen our nation. Expanding social protection is both a moral duty and a strategic imperative to build a resilient, inclusive, and future-ready economy. By ensuring access to social protection services, we enable every Filipino to live with dignity and take part in nation-building.

It helps families withstand shocks and stay productive. More than that, it unlocks human potential, reduces inequality, and drives broad-based growth. A healthier, more educated, and more skilled population fuels innovation and sustains progress. By putting people first, we build an economy that does not merely grow, but grows stronger, fairer, and more inclusive.

"Together, we are shaping a Bagong Pilipinas that is stronger...more inclusive...more sustainable. A future where every Filipino has countless opportunities to live with courage, with confidence, and freedom."

President Ferdinand R. Marcos Jr.
Launch and Turnover of the World Bank Group Philippines Country Partnership Framework for 2025–2031
July 29, 2025

Intensifying Social Protection to Prevent Poverty and Hunger



The President interacts with tricycle drivers during the distribution of cash relief assistance under the Assistance to Individuals in Crisis Situations Program in Barangay 627, Santa Mesa, Manila on March 17, 2026.

Photo Credit: PMS

In 2022, our country was recovering from the disruptions of the COVID-19 pandemic. While conditions have improved, many Filipino families—especially the poor and vulnerable—continue to face high living costs, poverty, and food insecurity, further strained by global shocks and recurring disasters.

Given this, we strengthened social welfare programs by increasing funding, expanding key programs, and improving service delivery.

We raised the Department of Social Welfare and Development (DSWD) budget from PhP196.52 billion in 2023 to PhP270.19 billion in 2026 to sustain assistance for those in need. At the same time, we implemented reforms to deliver more targeted aid faster. These efforts

mark a shift toward a more integrated, responsive, and people-centered social protection system that uplifts lives and strengthens human development.

Strengthened Poverty Reduction and Hunger Mitigation Efforts⁸³

Poverty and hunger among vulnerable Filipinos remain serious challenges. To address these, we intensified poverty reduction programs and improved the targeting and delivery of assistance. As a result, support has become more focused in helping meet the basic needs of the poor.

Enhanced poverty reduction programs.

We continued to implement and scale up targeted interventions that provide sustained support to low-income and vulnerable households.

83 DSWD, July 10, 2026.

Pantawid Pamilyang Pilipino Program (4Ps). As the government's core poverty reduction and human capital investment initiative, the 4Ps sustained support to low-income households by providing conditional cash transfers for a maximum period of seven years. From July 2022 to May 2026, we disbursed PhP341.25 billion in cash transfers to 5.25 million households.



4Ps Key Outcomes



55,176 children of former beneficiaries passed licensure exams (July 2022–May 2026), of whom **233** earned top ranks



7.24 million children completed primary and secondary education in School Years 2022–2026



1.67 million households graduated to self-sufficiency* from July 2022 to May 2026, with **176,000** additional households projected to reach self-sufficiency by 2028

**A family with the capacity to provide for its basic needs, with stable income from permanent employment or a small business, the ability to send its children to school, and the resilience to prevent the household from sliding back into poverty.*

Source: DSWD

The government partnered with GCash to educate, inform, and encourage 4Ps beneficiaries to utilize digital applications for managing their finances. We migrated the deposit accounts of 1,354 (73.7%)⁸⁴ of 1,837 consenting 4Ps beneficiaries to e-wallets from November 2024 to May 2026.

In 2025, the 4Ps First 1,000 Days (F1KD) Program was fully implemented nationwide, covering eligible pregnant women and children aged 0–24 months.

Box 3.1 4Ps Household Attains Self-sufficiency



A household from Silay City, Negros Occidental successfully became self-sufficient through the support of the 4Ps.

Lizel Osorio, a mother of seven and a 4Ps parent leader, used the program's assistance to help provide for her children's education and health needs. Despite financial struggles, the family persevered, and three of her children have finished their studies and became professionals, while four others are still in school.

The Osorio family's story shows how 4Ps helps families improve their lives through education, health support, and opportunities for long-term self-reliance.

Photo Credit and Source: DSWD

From January 2025 to May 2026, the program provided grants to 226,688 beneficiaries, enabling access to critical health and nutrition services during the most crucial phase of child development.

To better address rising costs and persistent malnutrition risks, the monthly F1KD cash grant was more than doubled—from PhP350 to PhP750—effective for the payout period of May to June 2026. The initial release began on July 09, 2026.

⁸⁴ The remaining beneficiaries were still completing the requirements. Once GCash had validated their accounts, they will start receiving their grants through their e-wallets. In the meantime, they will continue receiving their grants through cash cards.

Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS).

We provided poor and marginalized communities with direct access to resources to fund their own small-scale, demand-driven development projects. These projects included roads, water systems, school buildings, health facilities, and livelihood-support infrastructure, enabling communities to become active drivers of their own development.

From July 2022 to April 2026, around 1.40 million households across 3,683 participating *barangays* benefited from 3,754 sub-projects (SPs).⁸⁵ By the end of 2027, we aim to help another 48,000 households through 192 completed SPs.

The program also provided short-term cash-for-work opportunities to 67,641 families with persons with disability (PWD), and 64,601 families with college graduates or students from March 2024 to May 2026.

Sustainable Livelihood Program (SLP).

The program provides appropriate interventions and support to improve participants' socio-economic conditions. It enables them to access and develop the assets needed to establish, sustain, and grow viable livelihoods (see *subchapter on labor and employment for the SLP accomplishment*).

Expanded hunger alleviation efforts.

Hunger remains a persistent challenge facing many Filipino families. To strengthen food security and nutrition, the government expanded its interventions to improve access to nutritious food for

Box 3.2 KALAHI-CIDSS School Facility and Bridge SPs



In 2025, a video became viral showing students in Barangay Pisompong, Midsalip, Zamboanga del Sur, wading through a river while going home from school.

To ensure the safety and reduce the travel time of the people in the area, a PhP1.34 million steel footbridge (top) and a PhP4.3 million two-classroom elementary school building (bottom) are being constructed and for completion in July 2026 under the KALAHI-CIDSS.

These projects shall benefit 1,688 residents or 366 households, including the learners.

Photo Credit and Source: DSWD

vulnerable households affected by high prices and income insecurity.

Walang Gutom Program (WGP). The program provides PhP3,000 monthly food credits to food-poor household beneficiaries for the purchase of select nutritious food from accredited partner merchants. We target to expand the coverage of

⁸⁵ Community-driven development initiatives that address local needs and priorities.

the WGP from 300,000 households in 2024 to 750,000 households in 2026. As of May 2026, 501,242 beneficiaries have successfully redeemed their food credits. Since July 2024, the program has utilized PhP11.07 billion for about 3.7 million completed transactions.



A beneficiary uses the WGP digital kiosk during a redemption activity in Tondo, Manila on July 07, 2025. The kiosk enables beneficiaries to conveniently select and pre-order food items from partner retailers. The full rollout of the digital kiosks is targeted for CY 2027.

Photo Credit: DSWD

Walang Gutom Kitchen (WGK). The WGK addresses involuntary hunger among the homeless while reducing food waste through a community-based food bank. It is the first government-run soup kitchen that operates daily, serving free, nutritious breakfast and lunch to 250 to 300 walk-in clients each day.

After opening the first WGK in Pasay City in December 2024, the DSWD rolled out additional WGKs in Cebu City and Zamboanga City in June 2026. From January 2024 to June 2026, the three WGKs served 302,561 hot meals to 219,304 clients, including 70 public utility vehicle (PUV) drivers affected by the high oil prices due to the Middle East conflict. The WGK will be expanded nationwide from 2026 to 2028.



Simula ito, wala na akong problema sa pagkain dahil sa Walang Gutom Kitchen... Masayang-masaya ako. Wala akong ginagastos sa umaga saka sa tanghali. Sa gabi na lang problema ko...Kaya tinatawagan ko lahat ng mga may pamilya, pwede kayo dito, hindi kayo magugutom."

(Since this started, I no longer have any problems with food because of the Walang Gutom Kitchen...I am very, very happy. I don't spend anything on breakfast or lunch. My only worry now is dinner...That's why I'm calling on everyone who has a family, you can come here, you won't go hungry.)

Rosalia Anciano Limpauco
Senior Citizen
WGK Beneficiary
Barangay 180, Maricaban, Pasay City

Expanded Social Protection to Vulnerable Sectors⁸⁶

We expanded social protection to cover the most at-risk Filipino households to ensure their income stability and promote their inclusive and resilient recovery from catastrophic events and uncertainties.

⁸⁶ DSWD, July 10, 2026.

Broadened Assistance to Individuals in Crisis Situations (AICS).

The AICS provides financial and material assistance, psychosocial support, and referral services to poor, vulnerable, and disadvantaged individuals and families affected by calamities and disasters, rising fuel costs caused by the Middle East conflict, and other crisis situations. It aims to support their recovery and prevent socio-economic deterioration. From July 2022 to May 2026, the AICS provided PhP183.60 billion to around 29.07 million clients.

To mitigate the impact of rising fuel costs, the DSWD implemented the AICS-Cash Relief Assistance (CRA), providing a one-time PhP5,000 cash grant to affected transport workers.⁸⁷ From March 17, 2026 to June 30, 2026, the DSWD released PhP9.13 billion worth of assistance to about 1.82 million beneficiaries.

Assisted children and families in street situations. The Pag-abot Program aims to protect vulnerable and disadvantaged children, individuals, and families living in the streets. This program involves reach-out operations, provision of temporary shelter, and a package of psychosocial, livelihood, and referral services. Since July 2025, the program became more structured, with stronger inter-agency coordination and wider regional reach.

From March 2023 to May 2026, the program reached out to 20,152 children, individuals, and families nationwide.



Ang natanggap kong PhP5,000 [mula sa AICS-CRA] ay gagamitin kong pangfull-tank ng gasolina at maintenance ng aking motor. Ang matitira ay ise-save ko para sa pang-araw-araw naming gastusin."

(I will use the PhP5,000 I received [from the AICS-CRA] for a full tank of gasoline and for the maintenance of my motorcycle. Whatever remains, I will save for our daily expenses.)

Alexander Nicolas Dalangin
Tricycle Driver
AICS-CRA Beneficiary
Barangay San Rafael, Rodriguez, Rizal

As of May 2026, 19,433 beneficiaries have been reintegrated to their families and communities.

Central to its implementation is the Pag-abot Processing Center (PPC), which serves as the primary hub for intake, assessment, temporary shelter, and case management. To expand the program's reach in key areas, three PPCs are now operational in the National Capital Region (NCR) (Pasay City), Region III (Pampanga), and Region VII (Cebu).

⁸⁷ Transport network vehicle service, motorcycle taxis, taxis, public utility jeepneys, tricycles, service delivery riders, and other localized transport units.



A DSWD employee provides food assistance to members of Indigenous Peoples at the PPC located at the Capitol Compound in the City of San Fernando, Pampanga in December 2025.

Photo Credit: DSWD

Enhanced support for the elderly.

The government continues to strengthen support for senior citizens, particularly those who are indigent and vulnerable. We provide them with direct financial and other assistance to help ensure their well-being.

Social Pension for Indigent Senior Citizens (SPISC).

To augment the daily subsistence and medical needs of indigent senior citizens, the SPISC provides a monthly stipend of PhP1,000. From 2022 to 2025, the program supported an estimated 3.80 million to 4.30 million indigent senior citizens annually,⁸⁸ with PhP143.80 billion disbursed nationwide. From January to May 2026, 3.37 million beneficiaries received assistance out of the 4.25 million targeted seniors for 2026, to be supported by a PhP51.90 billion budget allocation.

Expanded Centenarian Program.

Centenarians receive PhP100,000 cash gifts under RA No. 10868⁸⁹ for their

contributions to society. This was expanded in 2025 under RA No. 11982⁹⁰ to include PhP10,000 cash incentives for seniors reaching the milestone ages of 80, 85, 90, and 95. In 2025, PhP2.84 billion in cash grants benefited 268,333 milestone agers.

As of May 2026, an additional 75,922 milestone agers and centenarians received PhP801.79 million in cash gifts.⁹¹



Nakakuha kami ng financial [assistance] halin DSWD nga ginabakal sa mga bulong namon nga para sa maintenance kag para man pagid sa dugang nga pagkaon namon. Gapasalamat gid kami sa DSWD nga naka hatag sila bulig. Madamo gid salamat sa inyo sa pagsuporta sa mga senior."

(We received financial [assistance] from the DSWD, which helped us purchase our maintenance medicines and additional food. We are truly grateful to the DSWD for this support. Thank you very much for caring for and supporting senior citizens.)

Josephine Galarpe
Senior Citizen
SPISC Beneficiary
Barangay Montpiller, Buenavista, Guimaras

⁸⁸ Figures vary each year due to replacement and validation.

⁸⁹ Titled, "Centenarians Act of 2016."

⁹⁰ Titled, "Expanded Centenarians Act of 2024."

⁹¹ National Commission of Senior Citizens, June 25, 2026.

Making Quality Healthcare Within Reach of Every Filipino



The President, together with Bataan Second District Representative Albert Garcia, interacts with a patient during his visit to the Bataan General Hospital and Medical Center on September 02, 2025.

Photo Credit: PMS

From the start of this Administration, we have intensified the implementation of Universal Health Care (UHC) reforms. However, persistent challenges continued to affect health outcomes. These include high out-of-pocket spending, uneven local health capacity, varying quality of health care services, inadequate number of healthcare workers, and lack of healthcare facilities.

In response, we accelerated reforms aimed at strengthening financial protection, improving service quality, and expanding access to essential health services.

Enhanced Access to Quality and Affordable Healthcare⁹²

We gained headway in reducing the spending of Filipinos for health care. According to the Philippine Statistics Authority (PSA), the share of household out-of-pocket spending to current health expenditure⁹³ has decreased from 43.6% in 2022 to 41.2% in 2025.⁹⁴

Reduced out-of-pocket healthcare expenses. To further reduce the healthcare spending of Filipinos, we decreased cost barriers at the point of care and strengthened financial safety nets beyond hospital confinement.

⁹² DOH, July 07 and 08, 2026; and PhilHealth, July 07 and 09, 2026.

⁹³ Current health expenditure is the final consumption of health goods and services during each year.

⁹⁴ DEPDDev, July 13, 2026.

Zero Balance Billing (ZBB). Since July 28, 2025, the government has been implementing the ZBB in all 79 Department of Health (DOH) hospitals, and subsequently expanded its implementation to four GOCC specialty hospitals.⁹⁵ Under the ZBB, patients admitted to basic and ward accommodations, including Emergency Department patients,⁹⁶ and regardless of socio-economic status, receive complete medical care without paying a single centavo upon discharge.



Ako po ay naoperahan sa buto [sa Philippine Orthopedic Center]. Nagpapasalamat po ako sa ZBB, dahil po rito ay wala na po kaming binayaran sa ospital. Laking tulong ito para sa pagpapagamot ng mga Pilipino.”

(I had bone surgery [at the Philippine Orthopedic Center]. I am very grateful for the ZBB, because of it we didn't have to pay anything to the hospital. This is a huge help for the medical treatment of Filipinos.)

Xhanthel Alia Turalba
Student
ZBB Beneficiary
Calapan City, Oriental Mindoro

We are also actively working toward extending ZBB coverage to select Level 1 to Level 3 LGU hospitals.⁹⁷



ZBB Accomplishments, July 28, 2025–May 31, 2026



2.76 million
beneficiaries



PhP67 billion
total hospitalization
cost covered



PhP54,160
per capita cost
(inpatient beneficiary)

Source: DOH

Medical Assistance to Indigent and Financially Incapacitated Patients (MAIFIP) Program.

The program provides financial support for a wide range of health services, including inpatient and outpatient care, emergency, ambulatory, ophthalmology, and dental services; medicines; and professional fees. Anchored on the UHC Act, the MAIFIP Program strengthens equitable access to quality health care while protecting vulnerable Filipinos from financial hardship (see Figure 3.1).

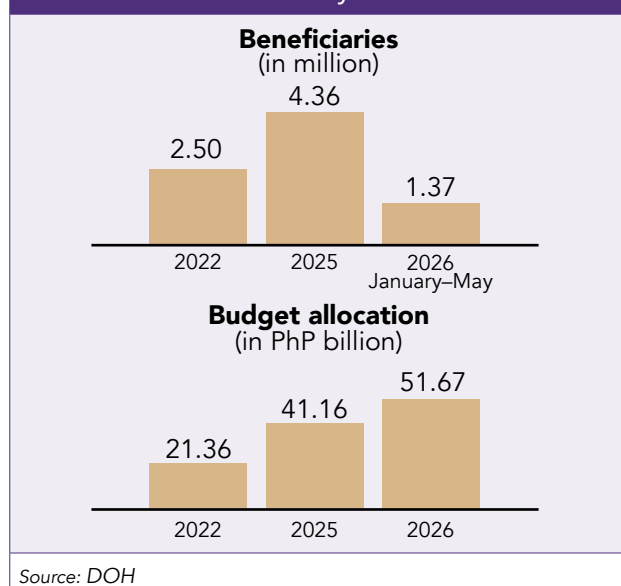
We expanded access to the program by broadening its provider network beyond government hospitals and select private hospitals. The program can now be availed through primary care facilities, clinical laboratories, dialysis clinics, accredited dental clinics, ambulatory surgical centers, and eye centers.

⁹⁵ Philippine Heart Center, Lung Center of the Philippines, National Kidney and Transplant Institute, and Philippine Children's Medical Center.

⁹⁶ Subject to hospital's capacity.

⁹⁷ Level 1 hospitals are facilities designed to provide basic medical and emergency care, and generally do not have complex intensive care units. Level 2 hospitals serve as secondary referral facilities, receiving cases referred from Level 1 hospitals and providing more advanced inpatient and emergency care. Level 3 hospitals serve as regional or national referral centers, handling highly complex cases and supporting lower level hospitals through referrals, training, and research.

Figure 3.1 **MAIFIP Accomplishments, 2022–May 2026**



Through this expansion, the program would be able to serve at least 25 million patients by 2028.

To further bring immediate medical financial relief, the DOH integrated the MAIFIP Program into the eGovPH Superapp. The integration allows patients or their families to apply for eMAIFIP digitally, enabling the online submission of documentary requirements and reducing the need for in-person transactions and long hospital queues. As of July 07, 2026, 55⁹⁸ hospitals have been onboarded on the eMAIFIP system.

PhilHealth reforms. To improve its service, PhilHealth launched policy reforms under its RISE 30 agenda in July 2025 to rebuild trust, strengthen institutional capacity, and accelerate the implementation of

the UHC Act. RISE 30 is PhilHealth's transformation roadmap that aims to deliver measurable improvements every 30 days while supporting the long-term goals of UHC. It focuses on expanded benefits and improved claims, data, payment systems, and governance.

Benefit Packages. Since 2025, PhilHealth has rolled out new and enhanced benefit packages, including outpatient cancer screening tests, Outpatient Emergency Care Benefit (OECB), Expanded Maternity Care package, and Leptospirosis benefit package (see Figure 3.2).

Effective September 20, 2025, we also expanded the coverage of the lifting of the Single Period of Confinement (SPC)⁹⁹ rule for all case rate claims, which previously only covered readmissions starting October 01, 2024.¹⁰⁰ The lifting of the SPC rule now covers SPC-denied claims with pending appeals for readmissions starting February 20, 2019.¹⁰¹

As part of our emphasis on promotive care, early prevention, and stronger financial protection for Filipinos, PhilHealth expanded its Yaman ng Kalusugan Program (YAKAP) and implemented Guaranteed and Accessible Medications for Outpatient Treatment (GAMOT) nationwide.

YAKAP. Launched in July 2025, YAKAP builds on the former Konsultasyong Sulit at Tama (Konsulta) to address gaps in access and affordability,

98 Including all 45 DOH hospitals in Luzon, one DOH hospital in the Visayas, four LGU hospitals in the cities of Manila and Pasig, four GOCC specialty hospitals, and one SUC hospital.

99 SPC is a claims reimbursement rule in which admissions and readmissions due to the same illness or procedure within the 90 calendar-day period shall only be compensated with one case rate benefit.

100 Pursuant to PhilHealth Circular No. 2024-0021, "Lifting the Single Period of Confinement Rule (SPC Rule) for All Case Rate Claims (ACR Claims)," October 04, 2024.

101 Pursuant to PhilHealth Circular No. 2025-0015, "Lifting the Single Period of Confinement Rule (SPC Rule) for All Case Rate Claims (ACR Claims) (Revision 1)," August 15, 2025.

Figure 3.2 New and Enhanced PhilHealth Benefits, since July 2025

Inpatient	
	Leptospirosis benefit package (2025 vs 2026) PhP21,450 → PhP63,000–PhP411,000*
	Expanded Maternity Care package (2015 vs 2026)
	Normal delivery benefit <i>hospital-based</i> PhP9,750 → PhP29,000 <i>non-hospital-based</i> PhP12,675 → PhP14,000
	Caesarean section benefit PhP37,050 → PhP58,000–PhP62,000
Outpatient	
	Cancer screening tests (effective August 15, 2025)
Screening Test	Package Rate (in PhP)
Mammogram	2,610
Breast Ultrasound	1,350
Low Dose Chest Computed Tomography Scan	7,220
Alpha Fetoprotein	1,230
Liver Ultrasound	960
Colonoscopy	23,640
	Outpatient Emergency Care Benefit (effective November 2025)
	Prehospital Emergency <i>Ambulance transport:</i> up to PhP1,250 <i>Life support and other emergency services:</i> up to PhP6,100
	Facility-based Emergency covers eligible emergency room consultations, diagnostics, imaging, procedures, medicines, and emergency support services

*Depending on the severity of condition and needed treatment

Source: PhilHealth

particularly at the primary care level. As the foundation of PhilHealth's primary care strategy, YAKAP brings essential outpatient services closer to communities through accredited primary care

providers, helping reduce avoidable hospital admissions.

YAKAP provides comprehensive primary care services, including consultations, health assessments, select laboratory and diagnostic tests, preventive and screening services (including cancer screening), essential medicines, preventive oral health services, optometric services for eligible children, and referrals to higher levels of care when needed (see Table 3.1).

Table 3.1 YAKAP Accomplishments, 2022 vs 2026

Particulars	2022*	2026**
 Accredited YAKAP providers	1,678	▲ 4,374
 Registered beneficiaries (in million)	14.29	▲ 26.10
 First patient encounters or consultations (in million)	1.43	▲ 4.50
 Benefit payments (in PhP million)	54.97	▲ 5,016

*Formerly Konsulta, as of July 2022

**As of May 31, 2026

Source: PhilHealth

PhilHealth continues to improve YAKAP through stronger linkages with GAMOT and partnership with the Department of Education (DepEd) to deliver school-based YAKAP services for teachers and learners. As of May 2026, there were 39,747 learners registered under YAKAP.



The President, with DepEd Secretary Juan Edgardo Angara, inspects the YAKAP registration process in Bogo City, Cebu on March 16, 2026.

Photo Credit: PMS

GAMOT. Central to PhilHealth's primary care reform is the expansion of access to essential medicines. We are pursuing this through GAMOT, which is an outpatient drug benefit package that covers select medications used in outpatient case management. GAMOT also functions as the pharmaceutical service delivery arm of PhilHealth's outpatient benefits.

In August 2025, we expanded outpatient drug coverage from 53 essential drugs to 75,¹⁰² and increased annual coverage per person from PhP9,000 to PhP20,000.

From January to May 31, 2026, PhilHealth has accredited 2,328 GAMOT providers. The program benefited 307,678 individuals through PhP395.10 million in benefit payments from January to June 01, 2026. In 2026, PhilHealth will engage a wide network of accredited pharmacies and facilities to further improve accessibility to essential medicines nationwide.



Natuwa po ako dahil nakakalibre na po ako sa binibili kong gamot. One month na maintenance ko umaabot ng PhP3,000–PhP4,000 kasi napakamahal [nito]. Pero ngayon eh nalilibre na po ako ng PhilHealth YAKAP kaya ito ang malaking pinasasalamatan ko."

(I am so happy because I am now getting my prescription medicines for free. My one-month maintenance medicines used to cost around PhP3,000–PhP4,000 which were so expensive. But now, I am getting them for free through PhilHealth YAKAP, which is why I am incredibly grateful.)

Edgar Candia
DXOW Radyo Pilipino Davao Anchor
YAKAP and GAMOT Beneficiary
Davao City

Digitalization. In 2026, PhilHealth advanced its digital transformation through, among others, stronger data governance and cybersecurity, expanded online services, and integration with the eGovPH Superapp.

As a result of these reforms, the average turnaround time for valid PhilHealth claims payments declined from 33 days in 2022 to around 20 days in May 2026, well ahead of the 60-day limit prescribed by law. Contribution collection has been

102 The list of essential drugs can be accessed at <https://www.philhealth.gov.ph/circulars/2025/PC2025-0013.pdf>.

strengthened by expanding digital channels, including partnerships with online payment platforms and the rollout of the Statement of Premium Account (SPA) Generator, a self-service digital tool that allows members to generate their SPA online and pay using a unique SPA number or QR code, ensuring the accurate and timely posting of contributions.

Since July 2022, payments to health care providers significantly increased by around 280.0% from PhP79 billion in 2022 to PhP300 billion benefit claims payment in 2025. The significant increase is due to faster claims processing and benefit enhancements, including payments for arrears.



How to Use the SPA Generator



- Step 1:** Access the SPA Generator at spagen.philhealth.gov.ph
- Step 2:** Log in and enter your member information.
- Step 3:** Select the applicable period and click on Generate SPA.
- Step 4:** Download the generated SPA.
- Step 5:** Present your QR code to any PhilHealth Local Health Insurance Office cashier or any PhilHealth-accredited collecting agent when making payments.

Source: PhilHealth

VAT-exempt medicines. We intensified our efforts in making medicines more affordable to every Filipino.



VAT-exempt Medicines, as of July 08, 2026



2,279 medicines



710 for cancer



537 for hypertension



331 for diabetes



300 for mental illness



172 for high cholesterol



152 for kidney disease



77 for tuberculosis

Source: Food and Drug Administration

Improved healthcare delivery. To bring quality services closer to communities, we continuously modernized our health facilities,¹⁰³ expanded access points, and provided patient transport.

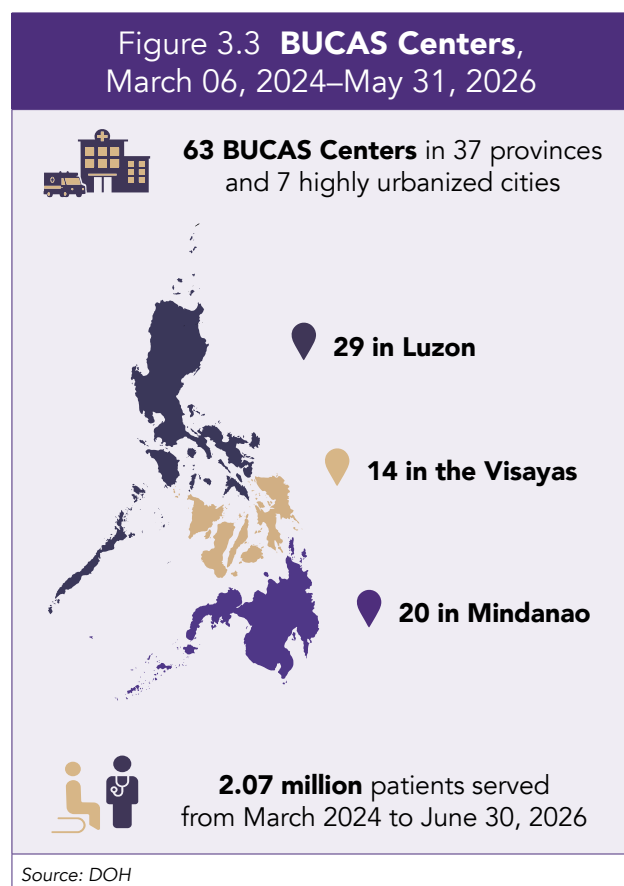
Modern health facilities. We invested in the construction, upgrading, and equipping of health facilities nationwide, such as Barangay Health Stations, Rural Health Units, hospitals, and infirmaries to serve more Filipinos.

From July 2022 to April 2026, 3,088 health facilities were constructed, 6,699 medical equipment were procured, and 920 medical vehicles were acquired,

103 A health facility is any location where healthcare services are provided, ranging from small clinics to large hospitals.

increasing the capacity of the public health system. We expanded and operationalized more DOH specialty centers¹⁰⁴ to bring specialized care closer to communities. As of December 2025, we have 208 functional specialty centers, a 112.2% increase from 98 centers in July 2022.

Bagong Urgent Care and Ambulatory Service (BUCAS) Centers. To decongest hospitals, we continue to expand the BUCAS Centers nationwide. These centers deliver urgent care for non-life-threatening conditions, offer ambulatory surgical services, and provide a range of outpatient interventions closer to where people live (see Figure 3.3).



Inside these centers, patients can avail of outpatient consultations, follow-up care, X-ray and laboratory tests, dental and ambulatory surgical procedures, electrocardiogram, cancer screening, medicines, prenatal checkups, and vaccination, among others.

Patient Transport.¹⁰⁵ We deployed, through the Philippine Charity Sweepstakes Office (PCSO) and Philippine Amusement and Gaming Corporation (PAGCOR), 1,868 Patient Transport Vehicles (PTVs) to all cities and municipalities across the country from 2022 to June 2026.¹⁰⁶

Each PTV is equipped with a stretcher, oxygen tank, and blood pressure monitor, among others.



PTVs enable safe and timely healthcare delivery, even in remote areas. On August 01, 2025, more than 100 of these vehicles were displayed in Zamboanga del Norte, ready for distribution to various provinces in the Zamboanga Peninsula and in Lanao del Sur.

Photo Credit: PCO

Enhanced Healthcare Workforce Wellness and Capacity¹⁰⁷

Healthcare workers are the foundation of the Philippine health system and are indispensable to achieving UHC.

¹⁰⁴ A specialty center refers to a unit or department in a hospital that offers specialized care addressing particular conditions and providing specific procedures and management of cases requiring specialized training and equipment on a specific specialty.

¹⁰⁵ PCSO, June 25, 2026 and PAGCOR, June 25, 2026.

¹⁰⁶ Data of PCSO was as of June 25, 2026, while data of PAGCOR was as of June 10, 2026.

¹⁰⁷ DOH, July 07, 2026 and CHED, June 25, 2026.

However, we have a national healthcare staffing shortage. According to the DOH, there were about 21.82 healthcare workers per 10,000 people in 2025,¹⁰⁸ which is below the 44.5 recommended ratio of the World Health Organization (WHO).¹⁰⁹ Given this, we stepped up our efforts to increase the country's healthcare workforce.

Engaged more healthcare workers.

From January to March 2026, we deployed 20,814 healthcare workers to 1,111 identified priority areas.

We sustained the historic milestone of Zero Doctorless Municipalities nationwide since 2025 through the deployment of physicians to unserved and underserved areas under the Doctors-to-the-Barrios (DTTB) Deployment Program.



The President leads the send-off of DTTB Batch 43 during the Panata sa Bayan at the Malacañan Palace on March 25, 2026.

Photo Credit: PMS

Invested in future health professionals.

To ensure the supply of healthcare workers, the government invested in the education and training of future health professionals.

In 2022, we lifted the moratorium on the offering of new Bachelor of Science in Nursing programs. As a result, the number of Higher Education Institutions (HEIs) offering nursing programs increased from 354 in July 2022 to 425 in June 2026.

To expand access to medical education, five additional State Universities and Colleges (SUCs)¹¹⁰ have offered medical programs starting Academic Year (AY) 2026–2027, bringing the total to 87 SUCs. This expansion ensures that every region in the country now has at least one SUC providing medical education.¹¹¹

We have also provided scholarships through the Medical Scholarship and Return Service (MSRS) program to Filipino medical students. In exchange, recipients commit to mandatory service in underserved public health sectors after graduation.



MSRS Program,
July 2022–June 2026

3,337
scholars



Source: CHED

Protected the welfare of healthcare workers.

We also prioritized the welfare and protection of our healthcare workers, alongside their recruitment, deployment, and training. We significantly increased the allocation for the Health Emergency Allowance (HEA), which grants monthly allowances based on their level of exposure during a declared public health emergency.

¹⁰⁸ This ratio includes physician, nurse, and midwife workforce requirements based on Sustainable Development Goal indicators.

¹⁰⁹ WHO Technical Series on Primary Health Care, 2018.

¹¹⁰ (i) Visayas State University; (ii) Eastern Samar State University; (iii) University of Eastern Philippines; (iv) Benguet State University; and (v) Cotabato State University–Cotabato Regional Medical Center School of Medicine.

¹¹¹ With the exception of the newly created Negros Island Region, which is targeted to be the next priority.

HEA allocation rose by 1,519.3% from PhP6.8 billion in 2022 to PhP110.11 billion in 2026.

As of 2026, we disbursed 98.9% of HEA funds, covering long overdue arrears for more than 19.46 million eligible healthcare workers and providing financial recognition for their service during the COVID-19 pandemic.

Strengthened Interventions for Health Promotion¹¹²

We elevated health promotion as part of our national development agenda. By strengthening community interventions and health literacy, we are transforming Philippine health care, championing lifelong wellness for every Filipino.

Promoted healthy living. During my 2025 State of the Nation Address, I directed concerned agencies to implement programs that foster a healthy lifestyle. Following this directive, the DILG issued a memorandum¹¹³ on February 02, 2026, encouraging local governments to create dedicated spaces for physical activity.

As of May 31, 2026, there were 1,075 LGUs that organized community physical activities and 1,167 LGUs that provided accessible parks for wellness.

In addition, 101 LGUs implemented the "Car-Free Sundays," which transformed roads into safe areas for exercise and recreation. These gave Filipinos the space for a healthier lifestyle.

Advanced nutrition initiatives.

Malnutrition remains a major challenge in the country. In 2023, stunting affected 23.6% of children under five years old, while 15.1% of children under five years old were underweight.

In response, we made nutrition a national priority by strengthening early childhood nutrition and improving access to nutritious food to help Filipino children thrive.

Supplementary Feeding Program (SFP).

Through the DSWD, we provided nutritious meals to children in LGU-managed Child Development Centers (CDCs) and Supervised Neighborhood Play areas. For School Year (SY) 2025–2026, fortified food and fresh milk were distributed to 1.59 million children to combat malnutrition and curb hunger.

In 2026, we enhanced the SFP by expanding the feeding period from 120 days to 180 days to maximize nutritional intake. We also conducted parent effectiveness sessions to sustain gains from the feeding sessions.

School-Based Feeding Program.

We extended nutritional support to all kindergarten and non-graded,¹¹⁴ and undernourished (severely wasted and wasted) Grade 1 to Grade 6 learners in 38,904 schools nationwide.

For SY 2025–2026, we supplied 3.46 million students with hot meals and nutritious food packs for 120 days and 2.81 million learners with milk for 15 days.

112 DOH, July 07, 2026; DepEd, July 07, 2026; DSWD, June 25, 2026; DILG, June 29, 2026; and DOST, July 10, 2026.

113 DILG Memorandum Circular No. 2026-008, titled, "Promotion of an Active and Healthy Lifestyle Among the Public Through Community-Wide Physical Activities, Accessible and Conducive Public Spaces, and Car-Free Sundays."

114 Non-graded refers to similarly grouped learners who are not yet ready for inclusion in the regular class.

For SY 2026–2027, schools will implement feeding for all Kindergarten and Grade 1 learners, and undernourished Grades 2 to 6 learners. Additionally, nutritionally at-risk, disadvantaged, and wasted and severely wasted learners above Grade 6, including adolescent mothers, will be beneficiaries for the first time. This will support more than 4.6 million learners across the country.

Intensified campaign against Human Immunodeficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS). According to the WHO, the Philippines has the fastest-growing number of HIV cases in the Asia-Pacific region for the period 2010–2024.¹¹⁵

To address this, the government intensified its response to curb new infections. We expanded testing access through community-based screening and self-testing kits. We also scaled up HIV prevention by providing oral pre-exposure prophylaxis (PrEP).¹¹⁶ We also advanced the preparations for the introduction of long-acting injectable PrEP (lenacapavir).¹¹⁷

From 2022 to March 2026, we established 167 HIV testing centers, bringing the total to 199. During the same period, we also established 168 HIV treatment hubs, bringing the total to 352, to increase access to clinical care and to attain the 95%-95%-95%¹¹⁸ targets.

Boosted immunization efforts.

We ramped up our immunization coverage to ensure the protection of our children. In 2025, we immunized 1.67 million children under two years old.

From 2022 to 2025, 1.17 million nine to 14-year old female students were also vaccinated against human papillomavirus through school-based and community-based immunization.

Box 3.3 Virology and Vaccine Institute of the Philippines (VIP)



The COVID-19 pandemic underscored the need to strengthen pathogen research and the local development of diagnostics, vaccines, and therapeutics for human, animal, and plant diseases. In response, on September 12, 2025, I signed into law RA No. 12290¹¹⁹ to establish the VIP. Further, on April 28, 2026, the Implementing Rules and Regulations (IRR) of this law was signed.

Prior to the signing of this Act, the DOST-Industrial Technology Development Institute completed research and development projects, with outputs such as detection kits for the African swine fever virus and tomato yellow leaf curl virus, as part of the Virology and Vaccine Research Program.

Photo Credit and Source: DOST

115 WHO, "WHO supports DOH's call for urgent action as the Philippines faces the fastest-growing HIV surge in the Asia-Pacific region," June 11, 2025.

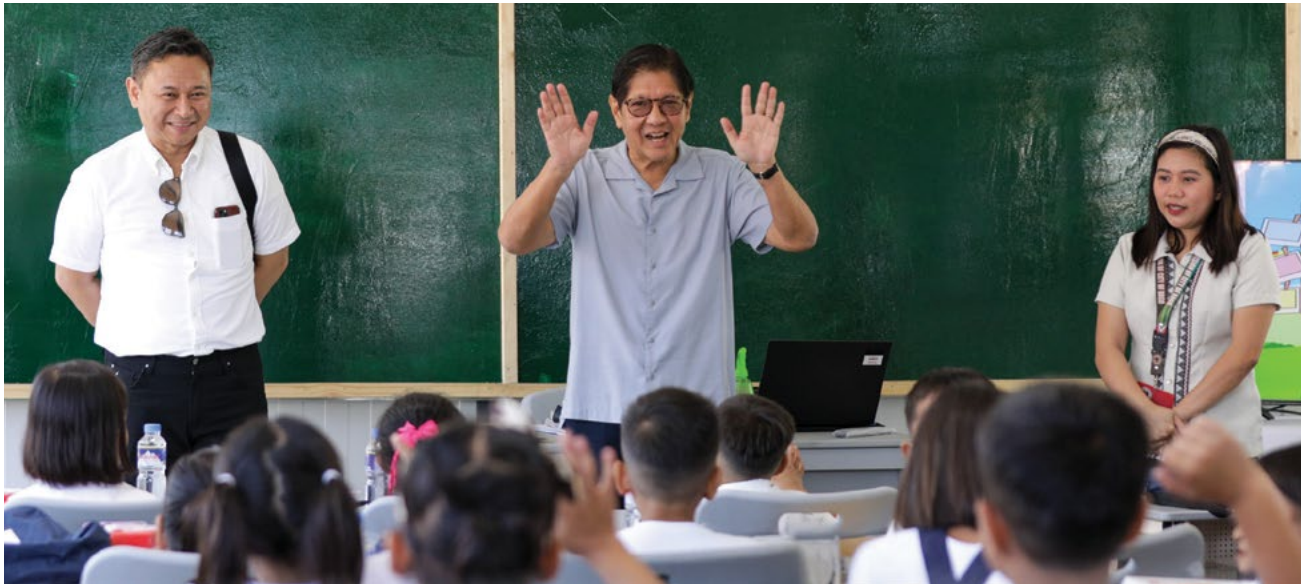
116 PrEP is a medication to help reduce the risk of contracting HIV. PrEP accessibility is being maximized through various service delivery pathways, such as: (i) facility-based PrEP services in treatment hubs and clinics; (ii) community-based PrEP delivery through accredited community organizations; (iii) TelePrEP or telemedicine for consultation and follow-up; and (iv) integration of PrEP with other sexual health and primary care services.

117 Lenacapavir is a first-in-class HIV capsid inhibitor given as a long-acting subcutaneous injection for PrEP in HIV-negative individuals at substantial risk. The WHO recommended lenacapavir as an additional PrEP option in 2025.

118 These targets were established by the Joint United Nations Programme on HIV/AIDS and entail that 95% of people living with the virus know their status, 95% of those diagnosed receive consistent treatment, and 95% of those on treatment are virally suppressed.

119 Titled, "Virology and Vaccine Institute of the Philippines (VIP) Act."

Strengthening Educational Foundations toward Sustainable Employability



The President, accompanied by DepEd Secretary Angara, interacts with learners during his visit to the Marcelo B. Fernan-Polambato Elementary School in Bogo City, Cebu on March 16, 2026.

Photo Credit: DepEd

The past four years of this Administration were defined by substantial focus and investments in education to reverse the learning losses caused by the COVID-19 pandemic.

We believe that quality education will empower Filipinos to be responsive and productive in the dynamic world of work. With another global disruption, we are steadfast in our commitment to uninterrupted learning, ensuring that our students never stop progressing regardless of the challenges we face.

Even before the onset of the Middle East conflict, we have fortified the foundations of our education system. In 2026, we allocated PhP1.34 trillion to the

education sector, the largest education budget in Philippine history. For the first time, we were able to meet the global benchmark of 4.0% of GDP for education spending, which was set by the United Nations Educational, Scientific and Cultural Organization (UNESCO).¹²⁰

Enhanced Early Childhood Care and Development (ECCD)¹²¹

According to the Second Congressional Commission on Education (EDCOM II), access to early childhood education in the country remains low and inequitable. Following the enactment of RA No. 12199¹²² in 2025, we are now seeing the early results of our efforts to strengthen the country's ECCD system.

¹²⁰ DBM, June 26, 2026.

¹²¹ DepEd, June 25, 2026; DILG, June 29, 2026; and TESDA, July 07, 2026.

¹²² Titled, "Early Childhood Care and Development System Act."

Expanded ECCD facilities. In 2025, we allocated PhP1 billion funding to 328 *barangays* in low-income class municipalities for the establishment of CDCs. As of May 31, 2026, eight CDCs have been completed, 95 were being constructed, and 128 were in the procurement stage. Further, from 2023 to 2025, the ECCD Council assisted in the conversion of 370 day care centers into modern CDCs.



The CDC in Barangay San Jose South, Anao, Tarlac is among the eight CDCs recently constructed using funding assistance from the national government. It was completed on April 29, 2026.

Photo Credit: DepEd

Professionalized the ECCD workforce.

To improve the quality of our ECCD programs, we mandated the professionalization, upskilling, and reskilling of child development teachers and child development workers (CDWs).

From May 26, 2025 to May 31, 2026, 3,211 CDWs successfully completed the ECCD Services National Certificate (NC) III training program. Of this number, 1,204 graduates have undergone assessment, with 1,160 (96.3%) certified by the TESDA.



Lubos ang aking pasasalamat sa pagkakaroon ng bagong CDC dito sa barangay. Malaki ang naitutulong ng ganitong programa sa paghubog ng aking anak. Higit pa rito, ginagabayan kami ng CDW kung paano maging aktibong bahagi ng pagkatuto ng mga anak namin."

(I am deeply thankful for the new CDC here in our barangay. Programs like this are a huge help in shaping my child's growth. Beyond that, the CDW guides us on how to be active contributors in our children's learning.)

Jessa Rose Dela Cruz
Housewife
Parent of a CDC Learner
Anao, Tarlac

Modernized Basic Education¹²³

The 2024 Functional Literacy, Education, and Mass Media Survey conducted by the PSA revealed that only seven out of 10 individuals aged 10 to 64 years old were functionally literate.¹²⁴ The EDCOM II attributed this problem to foundational gaps experienced in the early years of schooling. That is why addressing learning losses became an important pillar of my socio-economic agenda.

¹²³ DepEd, June 25 and July 07, 2026; DEPDev, July 13, 2026; DSWD, June 25, 2026; and TESDA, July 06, 2026.

¹²⁴ Functional literacy is the ability of a person to read, write, compute, and comprehend.

We have observed positive trends in our net enrollment rates¹²⁵ in basic education (see Figure 3.4).

The net enrollment rate in Kindergarten to Grade 6 was at 88.4% in SY 2025–2026, marking a sharp reversal from the multi-year decline recorded since learners returned to in-person classes in 2022. Meanwhile, the net enrollment rate in Grades 7 to 12 was at 86.8% in SY 2025–2026, which already surpassed pre-pandemic levels.

Enabled a modern and resilient learning environment. The year 2025 was marked by numerous disasters that worsened existing infrastructure and resource gaps in education. We remain steadfast in our commitment to providing learners with spaces conducive to learning and the tools they need to study effectively.

Classroom. We continue to resolve the classroom backlog. Aside from government-led construction of new classrooms, we explored innovative ways to secure learning spaces for our learners.



School Infrastructure Accomplishments, July 2022–May 2026



21,441 new classrooms constructed



14,259 damaged classrooms repaired



411 last mile schools constructed

Source: DepEd

In February 2026, the DepEd formalized partnerships with provincial and city LGUs, enabling the latter to construct classrooms in their respective localities. As of June 17, 2026, 59 provinces, 42 cities, and 11 municipalities have signed their respective Memoranda of Agreement (MOA) with the DepEd. In February 2026, the DepEd also launched a classroom leasing initiative, which aims to lease unutilized private properties for use as public school classrooms.

Meanwhile, we approved the Public-Private Partnership (PPP) for School Infrastructure Project (PSIP) Phase III on

Figure 3.4 **Net Enrollment Rates in Basic Education, SY 2019–2026**



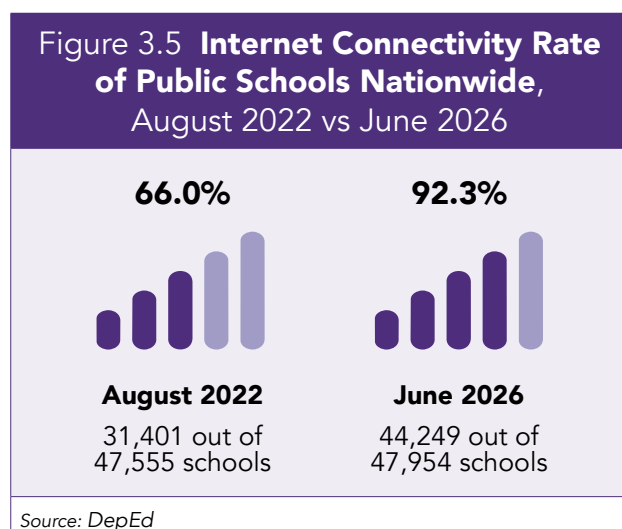
¹²⁵ Net enrollment rate, also called participation rate, is the enrollment in a particular education level of the official school age group expressed as a percentage of the corresponding population.

January 08, 2026. This project aims to construct 16,459 classrooms in Luzon, expediting our efforts to address classroom deficits. Bigger PSIP phases are also being prepared for the rest of Luzon, the Visayas, and Mindanao.

School electrification. To ensure a conducive environment for learning, we strive to achieve the electrification of all public schools, especially those in remote areas. From July 2022 to February 2026, 1,039 on-grid school sites were energized. We also target to provide solar power systems to 695 off-grid schools in 2026.

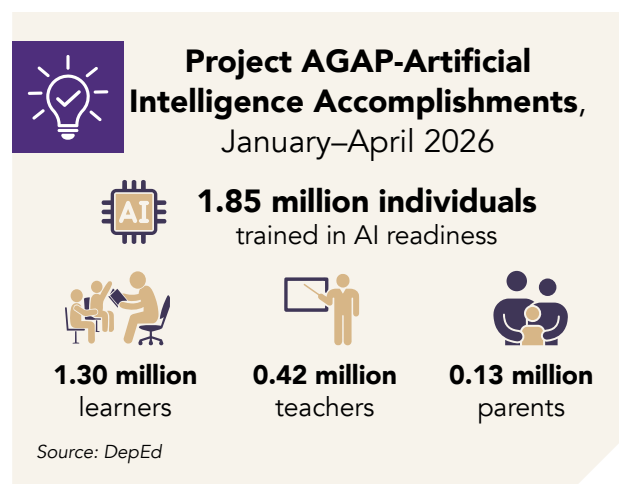
Textbook. By reducing the timelines for the procurement of textbooks from 166 to 451 calendar days to 136 to 246 calendar days, we ensured the timely provision of learning resources. As of May 2026, 156.29 million (96.7%) of the 161.64 million required textbooks for Grades 1 to 10 have been procured.

Internet. We continued to connect public schools to the internet (see *Figure 3.5*). This will enable our digitalization strategy for education and school operations.



Khan Academy. More students are now using Khan Academy, an educational platform that houses free online learning resources. From October 2023 to May 2026, 775,218 learners in 2,374 schools were registered as platform users.

AI in education. On January 09, 2026, the DepEd launched the Project Accelerating Governance and Adaptive Pedagogy through Artificial Intelligence (AGAP-Artificial Intelligence). This serves as the DepEd's umbrella initiative for the integration of AI in basic education.



On February 20, 2026, the DepEd issued the foundational guidelines on AI in basic education. This provides the framework for the responsible integration of AI in support of quality, inclusive, and future-ready basic education. The guidelines also set the standards and safeguards for ethical AI use to protect the welfare of learners.

Crisis response. After a disaster strikes, facilitating the immediate resumption of classes is crucial to prevent learning disruption. As such, the DepEd has developed Learning Continuity Spaces (LCS). These spaces are equipped with school furniture and

instructional materials, as well as power supply and telecommunication systems. From October 2025 to March 2026, we have deployed 10 LCS units in disaster-stricken areas in Luzon, the Visayas, and Mindanao.¹²⁶

Because of its prefabricated design that allows for rapid construction, the DepEd also utilized LCS to help address classroom gaps. As of July 07, 2026, 34 LCS units have been deployed in areas experiencing acute classroom shortages. Meanwhile, 612 LCS units were being constructed, and 232 units were in the procurement stage as of the same period.

As we face global energy challenges, we recognized that private schools are also affected by rising energy and operating costs. To remedy this, the DepEd allowed private schools to shift to blended learning, reducing the frequency of in-person classes.

Broadened access to basic education.

We aim to increase the net enrollment rate in our basic education system.



Students hold classes in the LCS installed at the Panique National High School in Aroroy, Masbate on March 02, 2026. A total of 26 classrooms in the school were damaged during the onslaught of Typhoon Opong in September 2025.

Photo Credit: DepEd

Assistance and subsidy programs.

The DepEd continues to expand its financial support to learners through the Education Service Contracting (ESC) Program, Senior High School (SHS) Voucher Program, and Joint Delivery Voucher Program (JDVP) (see *Table 3.2*).

Enrollment. We also implemented reforms to make the enrollment process more inclusive. DepEd Order No. 015, s. 2025¹²⁷ relaxed the age qualification for kindergarten learners.

Table 3.2 Beneficiaries of the DepEd's Government Assistance and Subsidy Programs, SY 2022–2026

Program	Number of Beneficiaries			
	SY 2022–2023	SY 2023–2024	SY 2024–2025	SY 2025–2026
ESC Program <i>For incoming Grade 7 students</i>	925,434	898,868	881,720	904,053
SHS Voucher Program <i>For incoming Grade 11 students</i>	1,361,792	1,359,094	1,296,495	1,244,288
JDVP <i>For SHS students taking Technical-Vocational-Livelihood specialization</i>	121,534	119,483	111,573	120,073

Source: DepEd

¹²⁶ Six units in Masbate, two units in Cebu, and two units in Davao del Norte.

¹²⁷ Titled, "Amendment to DepEd Order No. 47, s. 2016 (Omnibus Policy on Kindergarten Education), as Amended by DepEd Order No. 020, s. 2018."



Revised Kindergarten Enrollment Policy

Old Policy



Must be five years old by **August 31** of every CY

New Policy



Must be five years old by **October 31** of every CY



Children who turn five years old from **November to December** of every CY may be considered if s/he:

- ☒ Completed an Early Childhood Development (ECD) program for one school year; or
- ☒ Passed the Philippine ECD Checklist

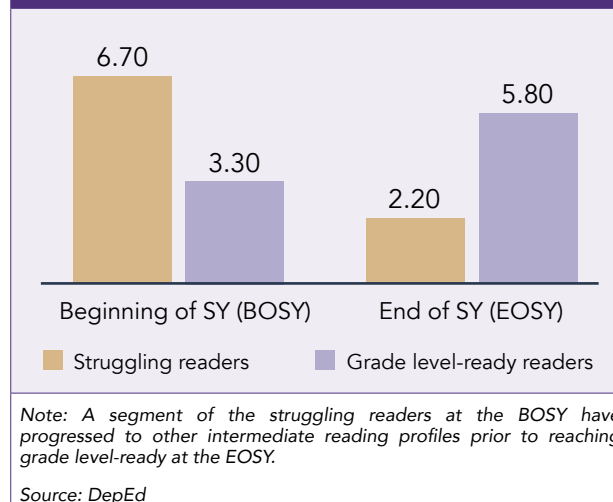
Source: DepEd

Meanwhile, DepEd Order No. 017, s. 2025¹²⁸ provided a more flexible enrollment policy. The DepEd strictly requires that a learner should only submit a birth certificate once throughout their K to 12 education. The revised policy also expanded the accepted secondary documents¹²⁹ to verify a learner's identity and introduced remote modalities, i.e., online and drop box enrollment.

Advanced learning recovery. The rollout of our revised basic education curriculum is in full swing. In SY 2026–2027, we shall start the full implementation of the revised curriculum for K to 10 and Grade 11.¹³⁰

Additionally, we have noted significant progress in reading proficiency through the DepEd's Academic Recovery and Accessible Learning (ARAL) Program and other learning delivery efforts (see Figure 3.6).

Figure 3.6 **Improvements in Reading Proficiency Levels, SY 2025–2026 (in million)**



Alongside these measures is the DSWD's Tara, Basa! Tutoring Program. This program is designed as a two-fold strategy toward addressing literacy challenges among incoming Grade 2 struggling or non-reader learners. It also provides cash-for-work for college students who serve as tutors and youth development workers.



Tara, Basa! Tutoring Program Accomplishments, 2023–2025



155,035 learners completed reading sessions



153,304 parents and guardians completed cash-for-work learning sessions



34,981 college students served as tutors and Youth Development Workers

Source: DSWD

Bolstered the employability of students. We are ensuring that our SHS graduates are prepared to

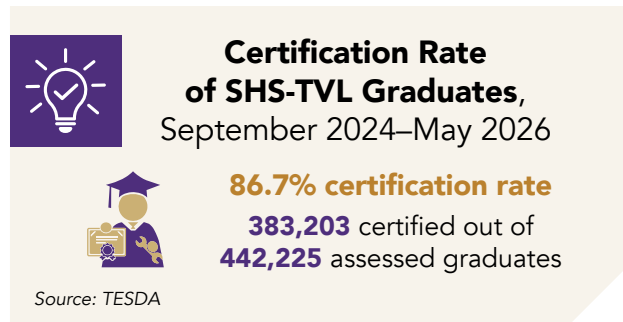
128 Titled, "Revised Basic Education Enrollment Policy."

129 Such as National ID, Certificate of Live Birth, PhilHealth ID, and Baptismal Certificate.

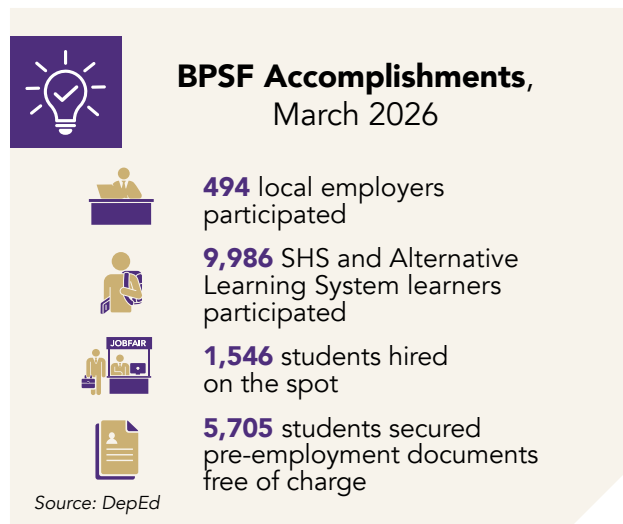
130 The strengthened SHS curriculum for Grade 12 will be piloted in 887 schools during the same period.

navigate the dynamic labor market. This includes providing them with the necessary credentials and connecting them to job opportunities.

SHS-Technical-Vocational-Livelihood (TVL) assessment. In September 2024, we introduced the free and mandatory competency assessment of SHS-TVL students to gain an NC from the TESDA.



Serbisyo Fair. In March 2026, the DepEd conducted the Bagong Pilipinas Serbisyo Fairs (BPSF) in 39 sites nationwide to strengthen school-to-work transition. These activities served as one-stop shops for pre-employment services and job vacancies.

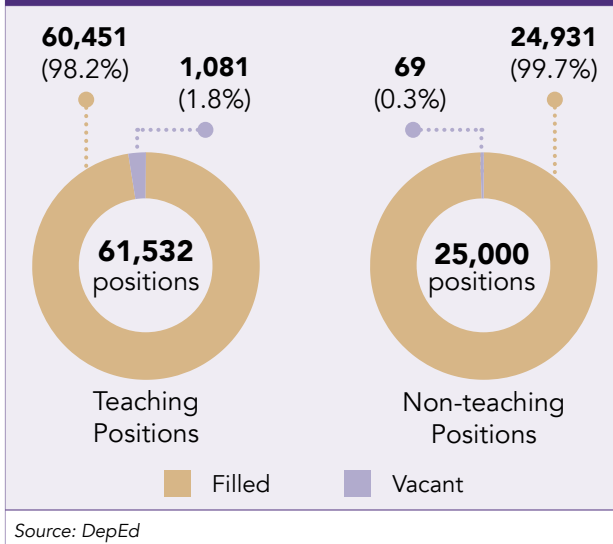


Empowered our educators. Cognizant of the crucial role of our teachers in nation-building, we have reached notable

milestones in our mission to uplift their working and living conditions.

Teacher hiring. The government aims to eliminate workforce shortages in basic education through the continuous hiring of teaching and non-teaching personnel (see *Figure 3.7*).

Figure 3.7 Fill-up Rates of Created Teaching and Non-teaching Positions, FY 2022–2025



In 2026, the DBM approved the creation of an additional 32,916 new teaching positions, which will further reduce the country's teacher backlog. Because of our efforts, we have noted improvements in the teacher-to-learner ratio in basic education (see *Table 3.3*).

Table 3.3 Teacher-to-Learner Ratio, SY 2022–2023 vs SY 2024–2025

Level	SY 2022–2023	SY 2024–2025
Elementary	1:27.5	1:26.5
Junior High School	1:24.9	1:22.2
SHS	1:34.7	1:25.9

Source: DepEd

Teacher promotion. In recognition of our teachers' hard work, we have started in March 2025 the mass promotion of public school teachers through the Expanded Career Progression (ECP) System.



Ako po ay Teacher I for 37 years. Tinanggap ko na talagang mag-re-retire ako na Teacher I. But because of this opportunity, pag-retire ko, hindi na talaga Teacher I but it is Teacher IV na. I am at the last trip of my teaching career. But I still have many things to prove, not just for myself, but for my school, and most especially, for the kids under my care."

(I had been a Teacher I for 37 years. I had already accepted that I would retire as a Teacher I. But because of this opportunity, when I retire, it won't be as a Teacher I anymore, but as a Teacher IV. I am at the last trip of my teaching career. But I still have many things to prove, not just for myself, but for my school, and most especially, for the kids under my care.)

Liliane Tarriga
Teacher IV
ECP System Beneficiary
San Nicolas, Ilocos Norte

As of May 2026, 81,499 teachers and school heads have been promoted under the new guidelines. Of this number, 502 were previous Teacher I who were nearing retirement.

Teacher evaluation. The DepEd simplified the process of evaluating teacher performance. The previous requirement of four classroom observations per SY has been reduced to two starting SY 2025–2026 until SY 2027–2028. This would allow teachers to allocate more time to teaching.

Teacher training. To support our teachers' professional development, the DepEd provides yearly training opportunities. From 2022 to 2025, 607,574 teachers attended various training programs.

Teachers' Salary Subsidy (TSS). We also provided financial relief to qualified teachers in ESC-participating junior high schools. Starting in SY 2025–2026, we increased the TSS from PhP18,000 to PhP24,000 per SY. From SY 2022–2026, we provided TSS to an average of 57,090 qualified private school teachers per SY.



The President witnesses the oath-taking of newly promoted teachers and school heads of Bulacan and Pampanga in San Jose del Monte City, Bulacan on February 19, 2026. Their oath was administered by DepEd Secretary Angara.

Photo Credit: PCO

Elevated Philippine Higher Education¹³¹

Accessibility to quality free higher education (FHE) still remains a concern, with only 2.04 million student-beneficiaries reported in July 2022. The government remains committed to providing accessible, quality, and responsive higher education that equips students with competencies for employment.

In 2025, we created the ACHIEVE¹³² Agenda, which shall serve as our blueprint in envisioning a Philippine higher education sector that is inclusive, globally competitive, innovation-driven, internationally engaged, and efficiently governed by 2030.

Widened access to higher education.

From 2.04 million students in 2022, FHE beneficiaries increased to 2.62 million in the first semester of AY 2025–2026.

For 2026, PhP32.86 billion was allocated for SUCs and local universities and colleges (LUCs). This would allow 5.17 million students to keep enjoying the FHE provided under RA No. 10931.¹³³ By 2028, the government aims to sustain FHE coverage across all LUCs and reach more than 600,000 student-beneficiaries annually.

We continued to improve Filipino students' access to higher education through the Tertiary Education Subsidy (TES) and other student financial assistance programs. The CHED approved the revised TES and Tulong Dunong Program (TDP)

guidelines in June 2026 for strict implementation and to ensure that students from low-income households would be prioritized for assistance.



Beneficiaries of CHED Scholarship Programs, July 2022–June 2026



1.28 million grantees
TES



384,414 grantees
TDP



4,925 grantees
Agricultural Competitiveness Enhancement Fund - Grants-in-Aid for Higher Education Program



647 approved scholars
Scholarship for Priority Disciplines



756 active scholars
Scholarship Grant Program for Children and Dependents of Sugarcane Industry Workers and Small Sugarcane Farmers

Source: CHED

To facilitate direct fund disbursement of assistance, we signed a MOA with the Land Bank of the Philippines for the opening of Automated Teller Machine (ATM) accounts of TES and TDP beneficiaries. As of June 2026, 589,216 beneficiaries already have ATM accounts.

In January 2026, we launched the Bagong Pilipinas Merit Scholarship Program (BPMSPP), which caters to outstanding SHS graduates.

¹³¹ CHED, July 06, 2026; DOST, June 24, 2026; and DBM, June 26, 2026.

¹³² A (Advanced and Accessible Lifelong Learning); C (Centralized One-Nation Human Capital Development); H (Harmonized Sustainable Development Goals-Based Research, Development, and Innovation); I (Inclusive and Impact-Driven Internationalization); E (Expanded and Integrated Real-Time Data Collection and Analytics); V (Vitalized Policies, Internal Systems, and Governance); and E (Effective and Efficient Public Service).

¹³³ Titled, "Universal Access to Quality Tertiary Education Act."



The President, accompanied by CHED Chairperson Shirley Agrupis, awards financial assistance to beneficiaries of the TDP in Pasay City on September 12, 2025.

Photo Credit: PMS

Beneficiaries must pursue priority degree programs in higher education¹³⁴ or priority Technical-Vocational Education and Training (TVET)¹³⁵ diploma programs. We aim to support 20,000 scholars nationwide for the first semester of AY 2026–2027.

Meanwhile, the DOST extended support to students with aptitude in the fields of science, technology, engineering, and mathematics (STEM). These students will bolster our supply of qualified STEM human resources, which can steer the country's progress.

From 45,024 undergraduate scholars supported in SY 2022–2023, the number increased to 48,520 in SY 2025–2026. For the Class of 2025, 8,466 DOST scholars graduated.



Ang CHED FHE Program, kasama ang 4Ps at DOST Scholarship Program, ay naging mahalagang bahagi ng aking tagumpay bilang isang lisensyadong Electronics Engineer at Top 1 sa April 2025 Electronics Technician Licensure Examination. Naging daan ito upang maabot ko ang mga pangarap na dati ay malayo sa aming kalagayan sa buhay."

(The CHED FHE Program, together with the 4Ps and DOST Scholarship Program, played a huge part in my success as a licensed Electronics Engineer and Top 1 at the April 2025 Electronics Technician Licensure Examination. These programs served as an avenue to help me reach my dreams despite our status in life.)

Engr. Jayvee Fuentebella
Technical Staff, CHED-Negros Island Region
FHE, 4Ps, and DOST Scholarship Beneficiary
Bacolod City

Since I signed RA No. 12124¹³⁶ in March 2025, we pursued its continued implementation as an alternative

¹³⁴ Healthcare, Engineering, Education, Agriculture and Fisheries, Digital Technology, Financial Services, Creative Industries, and Science and Mathematics (Source: BPMSP official scholarship management portal, accessed on July 11, 2026).

¹³⁵ Agriculture, Information and Communication Technology, Healthcare, and Advance Manufacturing and Semiconductor (Source: BPMSP official scholarship management portal, accessed on July 11, 2026).

¹³⁶ Titled, "Expanded Tertiary Education Equivalency and Accreditation Program Act."

degree pathway. The Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP) allows working professionals to earn a degree through recognition of their skills and experience. As of April 2026, there were 3,343 graduates under the ETEEAP.

On April 07, 2026, we launched the ETEEAP National Registration and Onboarding for Lifelong Learning (ENROLL) OFWs. This program serves as a mechanism for the pre-assessment of adult learners who intend to acquire a degree through the ETEEAP, including repatriated OFWs due to the Middle East conflict and other repatriates.

As of June 2026, through the ENROLL OFW Online System, out of 166 OFWs who were endorsed to their respective ETEEAP providers, 22 had been accepted in their respective degree programs after undergoing comprehensive assessment.

Advanced the global competitiveness of Philippine HEIs. The higher education sector also achieved gains in terms of internationalization of HEIs.

From 52 Philippine HEIs recognized in 2022, 171 Philippine HEIs were included in major global ranking systems in 2025.

Championed Transformative Lifelong Learning¹³⁷

Due to external shocks, learners need to adapt by exploring alternative degree pathways. Thus, we continue to expand access to learning opportunities for learners and aid workers in developing their skills.

Boosted access to TVET. From July 2022 to May 2026, 5.99 million students were enrolled in different TVET programs. Of this, 5.43 million successfully graduated.

We continue to strengthen access to TVET through the provision of financial assistance under several programs. From July 2022 to May 2026, we supported the education of 2.04 million students. Of this number, 1.95 million students have finished their studies.



Beneficiaries of TESDA Scholarship Programs, July 2022–May 2026



969,093 beneficiaries
Training for Work
Scholarship Program



344,074 beneficiaries
Special Training for
Employment Program



305,428 beneficiaries
Universal Access to Quality
Tertiary Education Act



172,312 beneficiaries
Tulong Trabaho Scholarship
Program



36,059 beneficiaries
Private Education Student
Financial Assistance Program

Source: TESDA

Aside from in-person instruction, we also promoted online and distance TVET learning through the TESDA Online Program. As of May 2026, 216 courses were available in the platform. From July 2022 to May 2026, the platform logged 6.86 million course enrollees and 4.50 million completers.

¹³⁷ TESDA, July 07, 2026 and DOLE, July 07, 2026.

Notably, over 4.90 million TVET graduates were assessed from July 2022 to May 2026. We also strengthened our assessment capacity by increasing the number of TVET assessors. As of May 2026, there were 16,640 TVET assessors, significantly higher than the 13,535 assessors as of July 2022. From 2022 to 2025, we increased the number of certified beneficiaries, resulting in an annual certification rate of above 90% (see *Table 3.4*).

We also offered learning opportunities to marginalized and vulnerable persons as part of our efforts to encourage lifelong learning in communities. From July 2022 to May 2026, the TVET for Social Equity Program reached 6.84 million enrollees, of whom 6.30 million graduated.

With the increasing demand for digital workers, the DICT provided Information and Communications Technology (ICT) training to boost the country's digital workforce. From July 2022 to May 2026, 353,627 beneficiaries were trained by its ICT Academy. During the same period, 21,014 Filipinos from the marginalized sector were also trained.¹³⁸



The President observes the ongoing workshops on automotive servicing at the TESDA Petron Car Care Center in Taguig City on October 10, 2025.

Photo Credit: PMS

Instituted targeted and needs-based upskilling. Micro-credentialing¹³⁹ provides a flexible and modular approach to learning, enabling workers to quickly gain industry-relevant skills and certifications that boost employability and career growth.

From July 2022 to May 2026, TESDA registered 703 micro-credential competency programs, achieving more than 234% of the June 2028 target of 300 programs, demonstrating the rapid expansion of flexible and industry-responsive skills training.

Table 3.4 TVET Certification Rate, 2022–2025

Year	Assessed	Certified	Certification Rate
2022	907,244	844,368	93.1%
2023	1,043,601	973,563	93.3%
2024	1,302,379	1,221,030	93.8%
2025	1,431,577	1,318,825	92.1%

Source: TESDA

¹³⁸ DICT, July 06, 2026.

¹³⁹ Governed by TESDA Circular No. 019, s. 2026, titled, "Amended Omnibus Guidelines on TVET Micro-Credentialing for the Skilling, Upskilling, and Reskilling of the Workforce."



Maraming salamat sa TESDA sa pagbibigay ng accessible at makabuluhang learning platforms para sa lahat. Bilang guro, tungkulin kong hikayatin ang aking mga estudyante na samantalain ito dahil sa bawat kasanayang kanilang natutunan, nabubuo ang kanilang mga pangarap."

(Thank you to TESDA for providing accessible and meaningful learning platforms for all. As a teacher, it is my duty to urge my students to use these opportunities because in every learning opportunity, they can build their dreams.)

Vince Beniga
Teacher
Consumer Electronics NC II Passer
Talisay City, Cebu

We also recognize that learning is a continuous process that occurs through all life stages. That is why in October 2025, I signed RA No. 12313,¹⁴⁰ which seeks to establish standards and guidelines for implementing lifelong learning initiatives in cities, municipalities, *barangays*, and lifelong learning providers.

When the Middle East conflict began, we foresaw the need to reskill OFWs

who might be repatriated. Hence, we ensured that training opportunities are already available for them.

As of March 2026, we have endorsed 2,234 Certificates of Scholarship Grant Commitment to the Department of Migrant Workers (DMW), of which 413 have been distributed.

They can present these certificates to any TESDA office nationwide to avail of free training courses. An additional 6,000 slots will be opened to accommodate more OFWs affected by the conflict.

Recently, we proved that our skilled workers could compete in the global stage. In August 2025, we held the 14th WorldSkills ASEAN Competition in the country. It was the largest WorldSkills ASEAN competition so far, with nearly 300 competitors in 32 skills areas.

The Philippines clinched the 2nd place, garnering 30 medals in total. It was also the country's strongest performance in the WorldSkills ASEAN history.



The Philippine contingent takes center stage during the Opening of the 14th WorldSkills ASEAN Competition in Pasay City on August 25, 2025.

Photo Credit: PMS

140 Titled, "Lifelong Learning Development Framework Act."

Fostering Quality Employment and Livelihood Opportunities



The President interacts with TUPAD beneficiaries during the Job Fair + Skills E-Hub event at the SM Mall of Asia in Pasay City on December 11, 2025.

Photo Credit: PMS

Our workforce drives the nation's economic growth and development. We remain committed to ensuring that Filipino workers have dignified, meaningful, and secure employment that improves their quality of life.

Intensified Job Search Assistance¹⁴¹

Job seekers continue to face several challenges, including skills mismatch and a lack of access to reliable job information. To address these, we proactively linked job seekers to employers and employment opportunities.



Employment Facilitation Services, July 2022–June 2026



7,546 job fairs conducted, with **284,901** individuals hired-on-the-spot (22.1% placement rate out of 1.29 million qualified job applicants)



9.49 million qualified applicants successfully placed, or **92.9%** of the 10.21 million jobseekers referred by the Public Employment Service Office (PESO) to various employment opportunities

Labor Market Information

19.38 million individuals provided with information regarding future labor market conditions to inform career choices and workforce planning

Source: DOLE

141 DOLE, July 13, 2026.

Enhanced Youth Employability¹⁴²

Limited access to quality internships and work experience reduces readiness of the youth for formal employment. As such, we continue to enhance our youth employment programs to capacitate young people and prepare them to participate in the labor market.



Youth Employability Programs, July 2022–June 2026



Special Program for Employment of Students
529,255 youth beneficiaries provided with temporary summer or Christmas break jobs



Government Internship Program
266,296 youths hired as government interns



Career Development Support Program
24,653 career development support activities conducted, covering **2.54 million** students and **23,084** parents



12,026 young workers assisted with life skills training

Source: DOLE

Provided Alternative Employment and Livelihood Assistance¹⁴³

Natural and man-made disasters disrupt access to stable jobs and income opportunities for many Filipinos. Given this, we provided emergency employment and livelihood assistance to help augment resources of affected families during crises.



Temporary Wage Employment and Livelihood Assistance, July 2022–June 2026



Tulong Panghanapbuhay sa Ating Disadvantaged Workers (TUPAD)
13.82 million beneficiaries provided with emergency employment assistance



Project LAWA at BINHI*
296,354** individuals given temporary employment opportunities



DOLE Integrated Livelihood Program
406,846 beneficiaries granted **Php7.78 billion** in livelihood assistance



SLP
1.08 million** program participants served through various modalities

*Project Local Adaptation to Water Access (LAWA) at Breaking Insufficiency through Nutritious Harvest for the Impoverished (BINHI)
 **Figures from July 2022–May 2026

Sources: DOLE and DSWD



“

Natupad ko po ang isa sa childhood dream ko na mapunta po sa field ng research and thankful po ako sa DOLE kasi hinubog niya po ako to be in this position na I can call myself a researcher.”

(I was able to fulfill my childhood dream of pursuing a career in research, and I am thankful to DOLE for preparing me for this position, where I can now call myself a researcher.)

Jean Hazel Ganigan
 JobStart Program Beneficiary
 Alaminos City, Pangasinan

¹⁴² DOLE, July 09, 2026.

¹⁴³ DOLE, July 09 and 13, 2026; DSWD, July 10, 2026; GSIS, July 10, 2026; and SSS, July 09, 2026.

The Middle East conflict also called for more targeted financial relief assistance to the vulnerable, even those gainfully employed.

As such, our national government agencies and GFIs pursued relief efforts not only for the vulnerable sectors, but also for employees and pensioners.

Safeguarded Employees' and Employers' Rights¹⁴⁴

Despite recent proactive efforts, gaps in labor protection and uneven enforcement of workplace standards still persist. We recognize the importance of protecting and preserving the rights and welfare of every Filipino worker.

Hence, we are working with the private sector to ensure just and humane working conditions by promoting compliance and enforcement of labor Occupational Safety and Health (OSH) standards.

To ensure just and humane working conditions, labor inspections were conducted in 148,560 establishments covering 13.54 million workers nationwide from July 2022 to June 2026. In addition, 3,269 OSH and Construction Safety and Health training batches were conducted, benefiting 159,549 workers.

From July 2022 to May 2026, we managed 198,514 labor dispute cases, benefiting 538,839 workers. This resulted in PhP51.92 billion in monetary benefits awarded by the Department of Labor and Employment (DOLE)'s dispute resolution agencies.



Relief Programs for Employees and Pensioners Affected by the Middle East Conflict, February–June 2026

Assistance to OFWs



624 OFWs provided with livelihood assistance

621 OFWs assisted through job search and placement services

1,161 OFWs referred to the PESO for further employment facilitation and support services

Livelihood Assistance



8,574 displaced farmers and fisherfolk served

PhP183.46 million released to farmers and fisherfolk to support sustainable income-generating activities

GSIS Balik Ginawa Program



PhP11.33 billion refunded to **649,698** members and pensioners from April 01 to July 07, 2026, under the three- and six-month loan moratorium programs

Enhanced SSS Emergency Loan



625,300 eligible beneficiaries processed, with loan amounting to **PhP10.47 billion**

Support to Pensioners



Implemented in June 2026 the second tranche of SSS Pension increase originally scheduled for September 2026

2.79 million* retirement and disability pensioners received a **10.0%** increase

1.21 million* survivor pensioners received a **5.0%** increase

**Figures are as of May 2026.*

Sources: DOLE, GSIS, and SSS

144 DOLE, July 09 and 13, 2026.

On June 08, 2026, the DOLE constituted and institutionalized the Labor Attorneys' Office (LAO),¹⁴⁵ absorbing and upgrading the reach and services of its Public Assistance and Complaints Unit.

The LAO assists qualified indigents and workers seeking free legal assistance, counseling, conciliation, mediation, advisory, and referral services. Furthermore, a Gig Economy Unit shall be created under the LAO to support platform workers, delivery riders, freelancers, remote workers, and app-based service providers.

Advanced Effective Labor Dispute Resolution¹⁴⁶

We established the National Academy of Labor Justice to strengthen the competence, professionalism, and accountability of labor justice and enforcement officers. This aims to improve the efficiency and quality of labor dispute resolution, inspections, and labor standards enforcement. The same shall ensure faster case disposition and better protection of workers' rights.

Ensured Employees' and Employers' Welfare¹⁴⁷

We are committed to continuing to improve the benefits of people with work-related disabilities. Under the Employees' Compensation Program, in cooperation with the GSIS and SSS, 1.06 million individuals (from both the public and private sectors)

received benefits amounting to PhP6.90 billion, from July 2022 to March 2026.

We recognize that inflation has affected the real purchasing power of wage adjustments. In response, we will continue to promote fair, timely, and evidence-based wage policies that balance the welfare of workers and the capacity of employers.

Moving forward, we will keep a close eye on the economy, including global events like the conflict in the Middle East and how it affects everyday prices. Our commitment to the Filipino workers is to keep tracking the numbers objectively, so that any future wage decisions across the country remain fair, realistic, and balanced for everyone.



Wage Order Issuance, June 2023–June 2026

90 wage orders

issued by all Regional Tripartite Wages and Productivity Boards



48 for private sector workers



42 for domestic workers

Range of wage increases:

- **PhP20–PhP100**
per day for private sector workers
- **PhP300–PhP2,000**
per month for domestic workers

Source: DOLE

145 Created under the DOLE Department Order No. 258-2026 titled, "Institutionalizing Free Legal Assistance for Workers, Constituting the Labor Attorneys' Office and Organizing the Workers Legal Representation Unit and Labor Justice Clinics."

146 DOLE, July 09, 2026.

147 DOLE, July 09, 2026.

Expanding Access to Inclusive and Affordable Housing



The President awards a Certificate of Entitlement to a beneficiary of Presidential Proclamation No. 436, s. 2003, during the National Housing Expo 2025 at the World Trade Center in Pasay City on October 23, 2025.

Photo Credit: PCO

Many Filipino families continue to face challenges in owning a decent home due to high housing costs, limited affordable housing and financing options, and land tenure issues. Thus, we strengthened and recalibrated our housing initiatives to better respond to the diverse needs of our people.

In 2025, the Department of Human Settlements and Urban Development (DHSUD) implemented a beneficiary-centric, multimodal, and financing-enhanced housing strategy, enabling the accelerated delivery of affordable and sustainable housing for Filipinos. As a result, the total number of produced and/or financed housing units (HUs) reached 575,693 from July 2022 to June 2026.¹⁴⁸



HUs Produced and/or Financed, July 2022–June 2026

575,693

Total HUs produced and/or financed



81,295 HUs through direct provision of housing



368,731 HUs through financing programs



125,667 HUs under the Expanded Pambansang Pabahay Para sa Pilipino Program

1.13 million

Target HUs produced and/or financed from July 2022 to June 2028

Source: DHSUD

¹⁴⁸ DHSUD, July 03, 2026.

Strengthened Access to Affordable Housing and Ensured Sustainable Homeownership¹⁴⁹

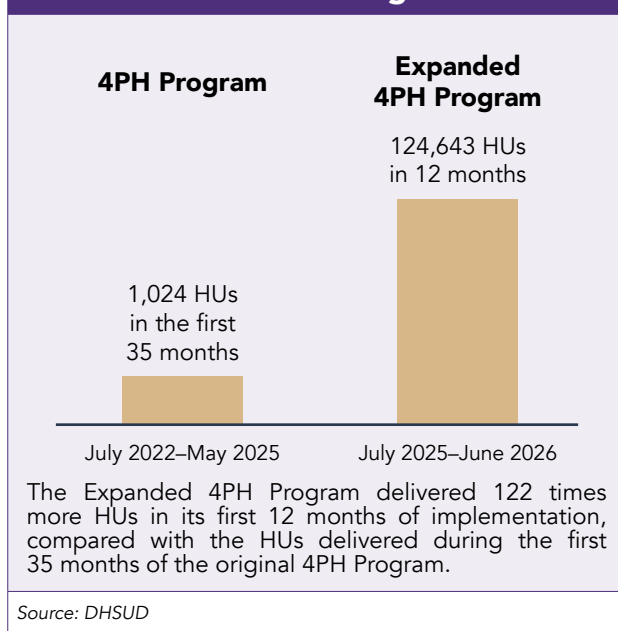
Limited access to home financing remains a major barrier to homeownership, especially for low-income and vulnerable households. Thus, we implemented programs and initiatives to help families access affordable, safe, and sustainable housing.

Implemented the Expanded Pambansang Pabahay Para sa Pilipino (4PH) Program.

The reforms introduced in July 2025 under the Expanded 4PH Program marked a decisive shift in the Administration's housing strategy (see Pages 95 to 97).

From an initial delivery of 1,024 HUs from July 2022 to May 2025, housing delivery accelerated to 124,643 HUs from July 2025 to June 2026 (see Figure 3.8).

Figure 3.8 Increase in HUs Produced and/or Financed Due to Reforms in the 4PH Program



The Palayan City Township Project in Nueva Ecija under the Expanded 4PH Program highlights government efforts to provide more HUs for Filipino families.

Photo Credit: PMS



For almost 20 years na po kaming nakatira na may agam-agam na baka kami ay mapaalis [sa aming tinitirahan]... Nagkaroon po ng katuparan ang aming pangarap...na kami'y magkaroon ng sariling title [sa lupang kinatatayuan ng aming bahay]."

(For almost 20 years, we have been living with constant anxiety that we might be evicted from the area [where we live]...Our dream finally came true...to have our own land title.)

Erlinda Asiao
Online Seller
Expanded 4PH Program Beneficiary
Pasig City

149 DHSUD, July 03, 2026; Pag-IBIG Fund, July 11, 2026; NHA, June 25, 2026; and NHMFC, July 10, 2026.

Introduction of diversified housing modalities to expand beneficiary coverage. The Expanded 4PH Program includes new housing modalities, such as horizontal housing, rental housing, and modified shelter units (MSUs).

These new modalities provide homebuyers with more options based on their needs and financial capacity. We also broadened the eligibility for the Expanded 4PH Program to include a wider segment of the population (see *Table 3.5*).

Table 3.5 Original vs Expanded 4PH Program, July 2022–June 2026

Modality	Beneficiaries	Accomplishments
Original 4PH Modality		
Vertical Housing (condominium)	First-time homebuyers, especially low-income formal and informal settler families (ISFs)	1,024 completed HUs
Expanded 4PH Program Modalities		
Vertical Housing	4Ps graduates and OFWs	11,000 completed HUs
Horizontal Housing (subdivision)	Same as vertical housing, including those under the original 4PH modality	15,775 completed HUs
Enhanced Community Mortgage Program	ISFs organized into homeowners' associations	6,842 beneficiaries
Presidential Proclamations Regularizing Tenure in Socialized Housing Sites	Long-time lot occupants	1,150 beneficiaries awarded with Certificates of Entitlement
Sale of Pag-IBIG Fund Real and Other Properties Acquired	Pag-IBIG Fund members	5,860 HUs and lots financed 51,443 HUs/lots available
Pag-IBIG Fund Low Interest and Special Programs	Low-income households	7,863 HUs financed
MSUs	Displaced households relocated from hazard-prone areas	2,223 MSUs awarded/installed/available
Government-backed Rental Housing	Low-income employees, students, and ISFs	4,334 rental housing projects with signed MOA
Pre-4PH Program Socialized HUs	First-time homebuyers	16,215 HUs available
Non-socialized HUs Enrolled under the Expanded 4PH Program	First-time homebuyers	1,938 HUs available
High-Density Housing	ISFs in danger zones in highly urbanized areas	Ongoing review of available HUs
TOTAL HUs PRODUCED AND/OR FINANCED		125,667
<i>Source: DHSUD</i>		

Implementation of special housing loan programs. The Pag-IBIG Fund introduced special housing loan programs under the Expanded 4PH Program to ease and broaden access to homeownership.

We implemented the Expanded 4PH 3.0% Loan in July 2025, which reduced the monthly amortization for house-and-lot and condominium units, with the subsidized rate assured for the first five years of the loan term and extended up to 10 years for the first 30,000 homebuyers.

Under this financing structure, the monthly amortization payment for a socialized HU valued at PhP950,000 has been reduced from PhP5,849.31 under the regular 6.25% interest rate to PhP4,005.24 under the 3.0% subsidized rate.

The subsidized 3.0% housing loan is available to Pag-IBIG Fund members earning up to PhP47,855.82 per month in the NCR and up to PhP34,685.82 per month outside NCR. OFWs may avail themselves of the subsidized rate regardless of income level.

This 3.0% rate was further supported by a 2.0% interest rate subsidy, effectively reducing the borrower's interest rate to as low as 1.0% per year.

On top of the interest rate subsidy (i.e., 2.0%), beneficiaries with monthly income not exceeding PhP32,555.82 within NCR, or PhP20,098.32 in other areas received additional non-interest subsidies. This includes coverage for mortgage redemption insurance, fire and allied peril insurance, and estate management fees subsidy of up to PhP25 per square meter.

The 3.0% housing loan eligibility requirements apply to the 4.5% Promo Housing Loan that was launched in October 2025.

The 4.5% promotional interest rate is available to the first 11,000 qualified borrowers, including 1,000 slots exclusively allocated for OFWs. For applications filed from July to December 2026, the rate may be availed of for housing loans above the PhP1.8 million socialized housing ceiling up to PhP4.9 million.

The loan may be used for the acquisition of house-and-lot and condominium units, fully developed residential lots, as well as Pag-IBIG Fund Real and Other Properties Acquired, and other eligible housing loan purposes.

Compared to the regular 6.25% rate, the 4.5% Promo Loan enables beneficiaries to save up to PhP2,000 per month, or about PhP71,000 over the first three years of the loan term.



Housing Loan Releases under the Expanded 4PH Program, July 2025–May 2026



Expanded 4PH 3.0% Loan

Released PhP12.70 billion in housing loans
Financed 12,317 socialized HUs benefiting
Pag-IBIG Fund members and families

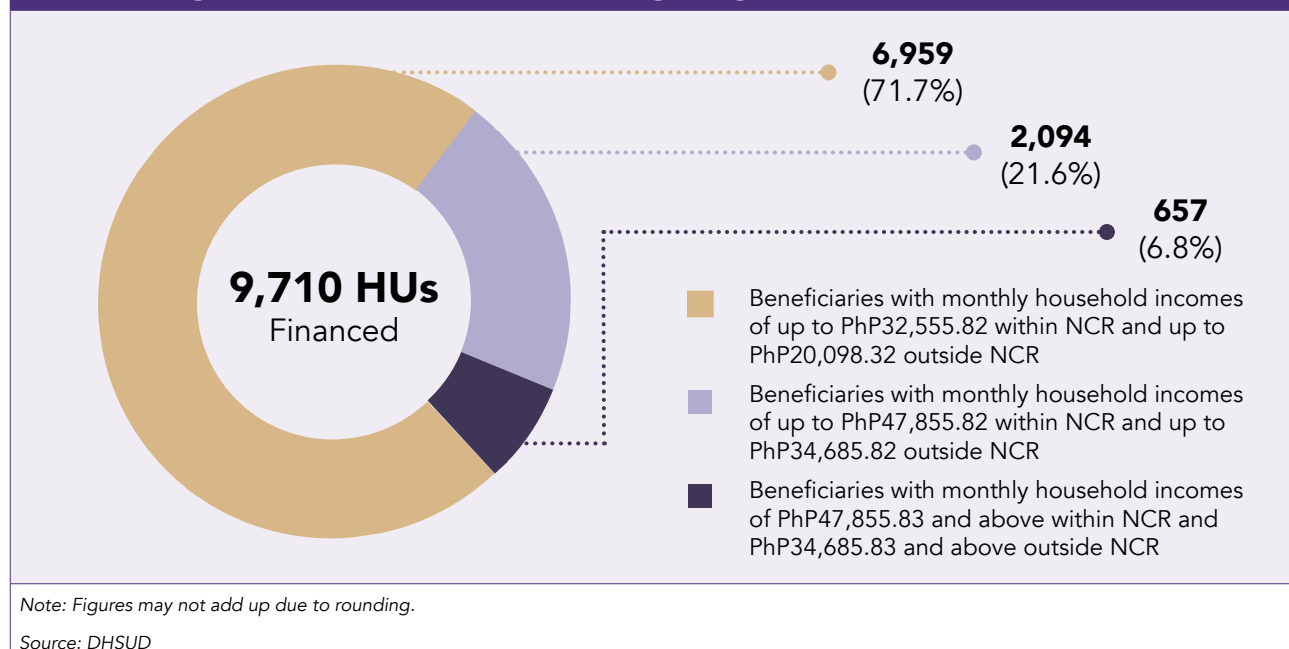


Expanded 4PH 4.5% Loan

Released PhP11.71 billion in housing loans
Financed 9,532 HUs benefiting
Pag-IBIG Fund members and families

Source: Pag-IBIG Fund

Figure 3.9 Distribution of Acquired HUs Across Income Groups through the Pag-IBIG Fund End-User Financing Program, December 2024–June 2026



As of June 2026, a total of 9,710 vertical and horizontal HUs have been financed through the Pag-IBIG Fund's End-User Financing Program¹⁵⁰ (see Figure 3.9).

To further broaden access to affordable homeownership, the Pag-IBIG Fund raised its maximum housing loan amount per borrower from PhP6 million to PhP10 million in May 2026. The program provides housing loans with repayment periods of up to 30 years. Interest rates start at 5.75% for a three-year fixing period.

Simplification of access and delivery.

The Expanded 4PH Program also improved access and delivery through streamlining processes. Unlike the original 4PH program, where beneficiaries were required to be nominated by LGUs, qualified homebuyers may now directly apply to the Pag-IBIG Fund and developers.

Provided housing loan relief measures.

As part of the housing sector's relief measures due to the Middle East conflict, the National Home Mortgage Finance Corporation (NHMFC) implemented a three-month moratorium on amortization payments, which started on May 01 and will end on July 31, 2026.

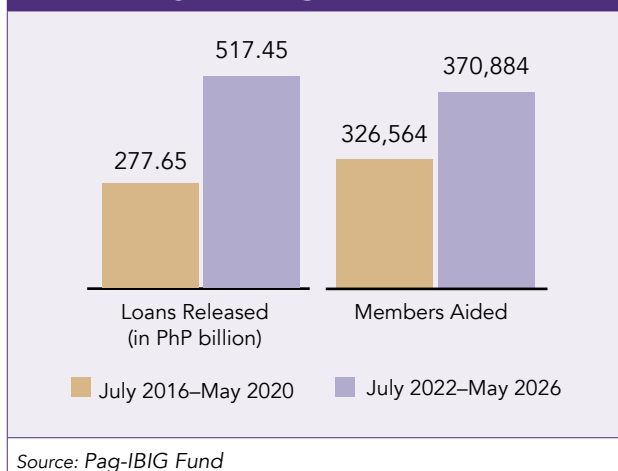
Eligible borrowers nationwide are automatically covered without the need to apply. The moratorium benefits 27,822 NHMFC borrowers, representing PhP361.62 million in deferred amortizations.

To aid families affected by the magnitude 7.8 earthquake that hit Mindanao on June 08, 2026, the NHMFC extended the moratorium for Mindanao accounts until October 2026, benefiting 3,305 borrowers.

¹⁵⁰ The Pag-IBIG Fund End-User Financing Program is a loan provided directly to the homebuyer. It includes but is not limited to the Expanded 4PH 3.0% and 4.5% loan programs.

Increased Pag-IBIG Fund housing loan releases. Housing loans released from the Pag-IBIG Fund reached PHP517.45 billion from July 2022 to May 2026, aiding more than 370,000 members and their families in acquiring, building, and renovating their houses (see Figure 3.10).

Figure 3.10 **Housing Loans Released by the Pag-IBIG Fund**



Provided debt relief through the implementation of the Condonation 7 Program. We granted PHP795 million in debt relief to 18,491 beneficiaries of the Condonation 7 Program, from May 01 to December 31, 2025. Originally scheduled to run until October 31, 2025, it was extended until the end of 2025, making it the National Housing Authority's (NHA) largest condonation program.

Provided Housing for ISFs and Calamity Victims¹⁵¹

We remain committed to relocating families exposed to environmental hazards. From July 2022 to May 2026, we completed 42,070 HUs for the resettlement of ISFs and calamity-affected households.



Malaki po ang naitulong ng Condonation [7] Program sa amin...Na-avail po namin na matanggal po ang interest, delinquent, at penalty [fees]... naibalik po kami sa original selling price."

(The Condonation [7] Program has been a great help to us...We were able to have the interest, delinquency charges, and penalties waived...and our account was reverted to the original selling price.)

Jessica Apolonio
Barangay Coordinator
Condonation 7 Program Beneficiary
Taguig City



Completed HUs for ISFs and Calamity Victims, July 2022–May 2026



4,251 HUs for those living in danger zones



27,121 HUs for calamity victims



5,094 HUs for those affected by the rehabilitation of Manila Bay



5,604 HUs for those affected by infrastructure projects

Total: 42,070 HUs

Source: NHA

151 NHA, June 25, 2026.

Elevating Philippine Sports



The President performs the ceremonial serve during the opening match of the Fédération Internationale de Volleyball (FIVB) Men's Volleyball World Championship in Pasay City on September 12, 2025. He was accompanied by Philippine Sports Commission Chairperson John Patrick Gregorio (third from the left) and members of the *Alas Pilipinas*.

Photo Credit: PMS

Sports play a vital role in the country's development, promoting health, discipline, and social cohesion, while opening pathways for youth empowerment and national pride.

In 2022, Philippine sports faced weak grassroots participation, gaps in policy implementation, and funding inefficiencies. Given these, the government prioritized expanding grassroots programs, strengthening athlete support, and upgrading sports facilities and training systems nationwide.

As these efforts began to take effect, the country saw improvements both locally and internationally.

To ensure a steady flow of talent, the Philippine Sports Commission (PSC) and DepEd established the Grassroots to Gold National Athlete Development Pipeline on February 10, 2026.

This pathway is aimed at systematically identifying, developing, and advancing athletes from communities and schools to elite competition.

Promoted Grassroots Sports

Developing grassroots sports is key to broadening participation and identifying future athletes, while promoting health, discipline, and community engagement.

Expanded participation in grassroots sports. In 2022, 6,037 athletes competed in the Batang Pinoy Games. This increased to 11,913 athletes in 2024 and 18,596 athletes in 2025. Participation expanded by increasing the number of sports disciplines and widening access at the community level.

In August 2025, the DepEd, in coordination with the PSC, institutionalized School Sports Clubs in public schools

nationwide, alongside the training of sports facilitators and the distribution of sports equipment.

These initiatives embed physical activity as a core component of basic education, promoting health, discipline, teamwork, and student well-being, while serving as a key platform for grassroots participation and talent identification.

These efforts are already showing results. In November 2025, the Philippine delegation of 144 learner-athletes placed 4th overall at the ASEAN School Games, winning 43 medals, including 11 golds, demonstrating the growing strength of school-based sports development.

During the Palarong Pambansa held from May 24 to 31, 2026 in Prosperidad, Agusan del Sur, 10,718 student-athletes nationwide competed across regular and para sports. National athletes were also allowed to compete and officially represent their LGUs.

For the first time, the government, through the PSC, provided PhP10 million worth of incentives to medalists in the regular sports and para games.

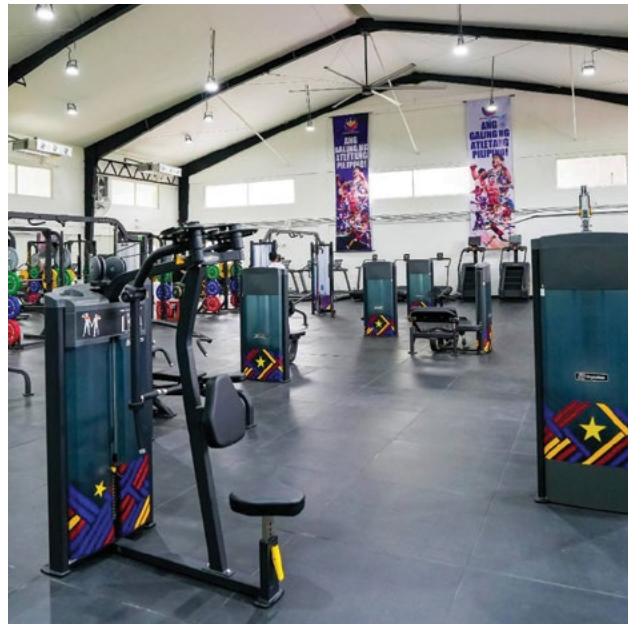
Improved public access to sports facilities. To strengthen grassroots sports, promote public health, and widen access to training opportunities, the government opened the following sports facilities to the public: (i) Rizal Memorial Sports Complex, Manila; (ii) Philippine Sports Arena, Pasig City; and (iii) PSC Baguio City.

In November 2025, we also opened the Club Intramuros Golf Course in Manila for exercise, meditation, and community recreation.¹⁵²

Provided Support for Athletes' Development and Welfare¹⁵³

Building on the Philippines' growing international recognition and success in sports, demand for stronger support to Filipino athletes continues to rise. In response, the government ensured the provision of financial assistance and the upgrading of sports facilities to sustain athlete development and performance.

Modernized sports facilities. We continue to upgrade sports infrastructure to meet international standards and provide safe, accessible, and competition-grade training environments.



Sports equipment is set up and ready for use in the Philippine Sports Complex in Pasig City, which reopened on November 19, 2025.

Photo Credit: PCO

¹⁵² DOT, July 02, 2026.

¹⁵³ PSC, June 23, 2026 and PAGCOR, June 10, 2026.

We completed the upgrading of the National Athletic Center and other facilities in the Philippine Sports Complex in November 2025.

We also established four¹⁵⁴ Regional Training Centers from July 2025 to March 2026. These centers aim to decentralize elite training and expand opportunities across regions.

Provided record-level financial support for athletes. From PhP725.24 million in 2022, we increased the PSC's budget to PhP2.21 billion in 2026 to provide comprehensive support for athletes' development and welfare.

To recognize our athletes' hard work for winning in their respective international competitions, the PAGCOR provided PhP387.11 million in cash incentives and retirement benefits to Filipino athletes from 2022 to May 2026.

From July 2025 to March 2026, the PSC released PhP1.99 billion in direct financial assistance to 67 National Sports Associations for athlete training and international competition. This is one of the largest financial support in Philippine sports history.

Participated in International Sports¹⁵⁵

With stronger government support, more Filipino athletes have competed and excelled on the global stage. From 2025 to March 2026, the country won 846 medals, elevating the Philippines' standing in international sports.

Hosted High-Impact Major International Competitions¹⁵⁶

Since 2022, the government has actively promoted the Philippines as a premier destination for global sporting competitions to boost tourism, generate economic activity, and create more opportunities for Filipino athletes. These efforts also aim to showcase the country's capability to host world-class events.



Milestone Achievements of the Philippines in Sports, 2023–January 2026



18 medals
(19th Asian Games)



4 medals
(2024 Paris Summer Olympics)



276 medals
(33rd Southeast Asian Games Thailand 2025)



134 medals
(13th ASEAN Para Games Thailand 2025)

Key Sporting Events Hosted by the Philippines, 2023–January 2026



Fédération Internationale de Basketball
Basketball World Cup 2023
(August 25–September 10, 2023)



FIVB Men's Volleyball World
Championship 2025
(September 12–28, 2025)



Women's Tennis Association 125
Philippine Women's Open 2026
(January 26–31, 2026)

Source: PSC

154 (i) Candon City, Ilocos Sur-Archery; (ii) Bukidnon-Boxing and Sepak Takraw; (iii) Dagupan City, Pangasinan-Gymnastics; and (iv) Baguio City-High-Altitude Training.

155 PSC, June 23, 2026.

156 PSC, June 23, 2026.

Way Forward

From 2026 to June 2028, the government will strengthen reforms and deliver lasting, people-centered results. Priorities remain clear: protect the vulnerable, expand access to quality services, and strengthen integrated, shock-responsive systems.

By end-2026, we will strengthen the AICS, 4Ps, and WGP through improved systems and increased funding. We will serve 750,000 food-poor households in 2026 through the WGP, help 176,000 more 4Ps households become self-sufficient by 2028, and open 12 more WGs nationwide before the end of this Administration.

Health reforms will be pursued through expanded PhilHealth coverage in line with the UHC Act, including enhanced animal bite package and transitioning to a diagnosis-related group-based global budget provider payment mechanism.

We will also continue to improve our health service delivery through the operationalization of health facilities and distribution of Landing Craft Vessels (LCVs) to each province with coastal communities.

These LCVs will serve as sea ambulances capable of ferrying PTVs, eliminating the need for patients to disembark during transit. We will continue to increase the number of VAT-exempt medicines to reduce healthcare expenditure for those who need it most. We also aim to offer a program leading to a Doctor of Medicine degree in the Negros Island Region to ensure that healthcare professionals are available in the regions.

We aim to increase participation rates in ECCD and basic education to address persistent issues in foundational learning. This will be achieved by addressing critical gaps in CDCs and classrooms. We will also expand access to education through key pieces of legislation (e.g., Classroom-Building Acceleration Program bill and amendments to the Expanded Government Assistance to Students and Teachers in Private Education Act). Further, we will fully implement the revised K to 12 curriculum nationwide by SY 2027–2028.

Parallel to this, higher quality TVET and degree programs will be offered to enhance the employability of our youth.



Our ultimate goal is to produce functionally literate and job-ready graduates who will drive this nation's growth and development.

We will continue to strengthen job facilitation and employment generation programs to create more and better opportunities for Filipinos. We will expand access to employment services, particularly for vulnerable sectors, while enhancing skills development and job matching systems to meet evolving labor market demands.

Further, the Administration will uphold balanced and responsive labor policies through social dialogue and tripartite mechanisms. We shall look at hard data, listen to all sides, and find a fair balance that protects workers' livelihoods without compromising the overall development path of our country.

The DHSUD is committed to delivering 1.13 million HUs by June 2028 by accelerating the implementation of the Expanded 4PH Program, including the delivery of horizontal HUs,

provision of rental housing, and rollout of low-interest loans.

To address implementation delays, the DHSUD is establishing express lanes for socialized housing to reduce bottlenecks in the processing of licenses, permits, and clearances. It is also reviewing the economic housing price ceiling, which was last set in 2022, to ensure it remains aligned with current market conditions.

The government shall continue to pursue the national vision of "Grassroots to Gold, Gold to Greatness," to ensure that every Filipino learner-athlete is supported from initial sports participation to elite performance.

As the Administration moves toward its conclusion, our commitment remains firm: to protect the vulnerable, open pathways to opportunity, and build a future where every Filipino can move forward with security, confidence, and hope.



Learners from the Katutubo Village Elementary School receive Bagong Pilipinas backpacks during the President's visit in Barangay Planas, Porac, Pampanga on October 03, 2025.

Photo Credit: PMS



CHAPTER

4

Addressing Corruption and Barriers to Efficient Public Service

Clients avail of government services at the Bagong Pilipinas eGovPH Serbisyo Hub in San Juan City, which opened on July 18, 2025.

Photo Credit: PNA



The President presents to the media the key findings on flood control projects, which were implemented from July 2022 to May 2025, during a press conference at the Malacañan Palace on August 11, 2025.

Photo Credit: PMS

We cannot fully realize our vision of a brighter future for our children and a more dignified life for every Filipino if our government institutions remain burdened by corruption and inaccessible to the very people they are meant to serve.

Confronting these persistent and systemic challenges has never been easy. Yet even in the face of deeply rooted resistance, we remained unyielding. When I disclosed the anomalous implementation of flood control projects (FCPs) last year, it became clear that the problem extended far beyond isolated irregularities.

In response, we acted swiftly and decisively to curb corrupt practices. At the same time, we continued to strengthen and expand our digital systems, while we empowered the LGUs as vital partners in driving national development.

The *Bagong Pilipinas* vision calls for a government that is responsive, efficient, and people-centered. By strengthening accountability, accelerating digital transformation, and enabling local governments, we are rebuilding trust and creating institutions that foster inclusive progress and a better quality of life for Filipino families.

"Huwag na po tayong magkunwari. Alam naman ng buong madla na nagkaka-racket sa mga proyekto. ...mahiya naman kayo sa inyong kapwa Pilipino!"

(Let's not pretend to be ignorant anymore. The public knows what really happened to these projects. ...be ashamed before your fellow Filipinos!)

President Ferdinand R. Marcos Jr.
State of the Nation Address
July 28, 2025

Upholding Integrity and Restoring Public Trust in the Government



The President, together with DPWH Secretary Vivencio Dizon (leftmost) and Bulacan local government officials, inspects a flood control structure in Barangay Frances, Calumpit, Bulacan on August 15, 2025.

Photo Credit: PMS

The uncovering of irregularities in FCPs and other corrupt practices in government affected how the international community and investors perceived our country. In the 2025 Corruption Perceptions Index (CPI),¹⁵⁷ the Philippines fell four places—from 116th out of 180 countries and territories in 2022 to 120th out of 182—marking the country's worst ranking since the CPI methodology was revised in 2012.¹⁵⁸

While our score remained at 33,¹⁵⁹ it is still below the global average score of 42 and the Asia-Pacific average of 45. These results reinforced the urgency for more decisive and visible actions.

Strengthened Accountability and Enforcement Initiatives

We intensified our efforts against individuals who abused public office for

personal gain. We also built on existing initiatives and introduced new measures to further strengthen accountability in the implementation of government projects.

Investigated irregularities in flood control and other government infrastructure projects.¹⁶⁰ Upon uncovering irregularities in government FCPs, we immediately pursued investigations and legal actions.

Sumbong sa Pangulo website. We launched this website on August 11, 2025. It aims to encourage citizens to fulfill their civic duty by directly reporting to the Office of the President non-operational or anomalous FCPs in their areas.

From the website's launching to May 31, 2026, we received reports involving 11,927 FCPs. Of these, 11,756

¹⁵⁷ The CPI is published annually by the Transparency International since 1995. It is a composite index that scores and ranks countries and territories based on how corrupt their public sector is according to experts and business executives.

¹⁵⁸ In 2012, the Transparency International revised its CPI methodology from a 0-10 scale to a 0-100 scale, enabling more standardized year-to-year comparisons.

¹⁵⁹ A score of zero means highly corrupt and 100 means very clean.

¹⁶⁰ PCO, June 25, 2026; PMS, June 23, 2026; Office of the Deputy Executive Secretary for Legal Affairs, June 23, 2026; DPWH, June 26 and July 08, 2026; DTI, June 30, 2026; and DOJ, July 01, 2026.

were found to have issues (6,541 were defective, 2,960 were “ghost,”¹⁶¹ and 2,255 were unfinished) and were referred to concerned agencies for verification and immediate action.

Independent Commission for Infrastructure (ICI). On September 11, 2025, we established the ICI through EO No. 94.¹⁶² It was tasked to hear, investigate, receive, gather, and evaluate evidence, intelligence reports, and information against all government officials and employees involved in irregularities and misuse of funds in the implementation of flood control and other infrastructure projects nationwide.

On March 23, 2026, the ICI turned over all documents, pieces of evidence, and other findings to the Office of the Ombudsman (OMB). These included nine referrals covering 65 individuals recommended for the filing of criminal and administrative charges or for further review.

The ICI also contributed to the efforts of the Anti-Money Laundering Council (AMLC) in the freezing of 6,692 bank accounts and the preservation, seizure, or surrender of assets worth PhP24.7 billion. These assets included 229 motor vehicles, 394 insurance policies, 161 real properties, 16 e-wallet accounts, 10 air assets, and other properties.

Investigation and audit mechanisms.

From September 13, 2025 to January 01, 2026, we inspected 10,238 FCPs. Of these, 416 FCPs, which were initially found to be substandard or non-existent, were subjected to further technical inspection by the ICI. These included the 80 FCPs undertaken by the Top 15 contractors with the most FCPs.

We also reinforced inter-agency agreements among the DPWH, Insurance Commission, AMLC, and Philippine Competition Commission (PCC) to complement our inspection efforts (see Table 4.1).

Table 4.1 Inter-Agency Mechanisms for Financial Recovery and Enforcement Related to Anomalous FCPs

Initiative	Concerned Agencies	Key Actions	Accomplishments
MOA on Insurance Bonds signed on October 15, 2025	DPWH and Insurance Commission	Retrieval of performance and surety bonds of contracts linked to anomalous FCPs	Initiated insurance claims involving eight irregular projects, with an aggregate claim worth approximately PhP255.97 million as of May 07, 2026
MOA on Financial Investigation signed on October 23, 2025	DPWH, AMLC, and PCC	Recovery of misused funds and referral of cases against contractors involved in bid rigging and other violations of the Philippine Competition Act for possible imposition of fines	- Secured 20 freeze orders with the Court of Appeals as of May 30, 2026, covering frozen assets with an aggregate value of PhP29.2 billion - Filed 18 petitions for civil forfeiture before the appropriate courts covering approximately PhP10.3 billion worth of preserved assets

Source: DPWH

¹⁶¹ Non-existent or paper projects.

¹⁶² Titled, “Creating the Independent Commission for Infrastructure.”

Institutional and legal actions. I directed the DTI to revamp the Philippine Contractors Accreditation Board (PCAB) to ensure that only qualified contractors are awarded government projects.

The Board of PCAB was reconstituted with the assumption of the new Chairperson on October 24, 2025. This was followed by the appointment of new Executive Directors of the PCAB and the Construction Industry Authority of the Philippines on December 05, 2025.

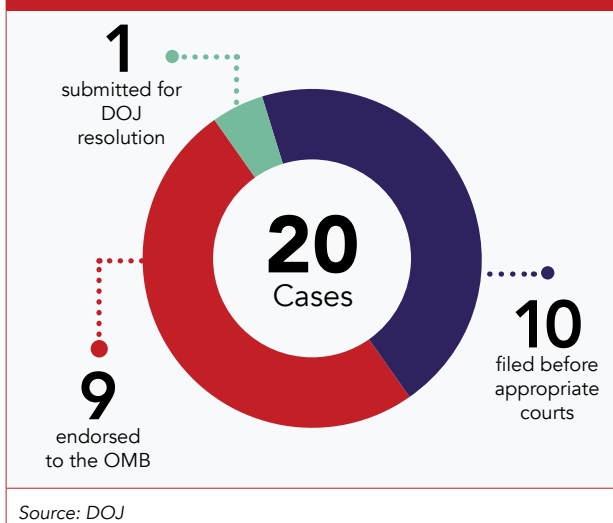
Pursuant to its mandate under RA No. 4566,¹⁶³ the PCAB revoked the licenses of four out of the 16 contractors involved in anomalous and substandard infrastructure projects as of April 30, 2026. Investigations involving the remaining contractors are ongoing.

The DPWH also immediately relieved officials facing reports of corruption, misconduct, or negligence pending investigation. As of June 30, 2026, 67 officials and personnel were relieved.

We further filed several corruption complaints before the OMB and courts upon validation of irregularities in FCPs (see Figure 4.1).

As of May 19, 2026, the Department of Justice (DOJ) has recovered PhP841.38 million in public funds linked to anomalous FCPs and deposited the amount to the BTr.

Figure 4.1 Status of FCP-Related Cases, as of June 22, 2026



Strengthened transparency and accountability in DPWH infrastructure cost estimation.¹⁶⁴ On December 11, 2025, the DPWH issued Department Order (DO) No. 210.¹⁶⁵ It prescribed uniform procedures for the application of the Construction Materials Price Data (CMPD) in the preparation and revision of project cost estimates. It also mandated the use of the updated CMPD as the sole reference for material prices, prohibited the use of outdated tables, and required that cost estimates be anchored on approved plans and specifications.

The DO further established control measures for materials not covered by the updated CMPD by requiring the use of market surveys from legitimate and duly recognized suppliers. Through these measures, we strengthened safeguards against arbitrary pricing and enhanced the integrity of infrastructure project budgeting.

¹⁶³ Titled, "Contractors' License Law."

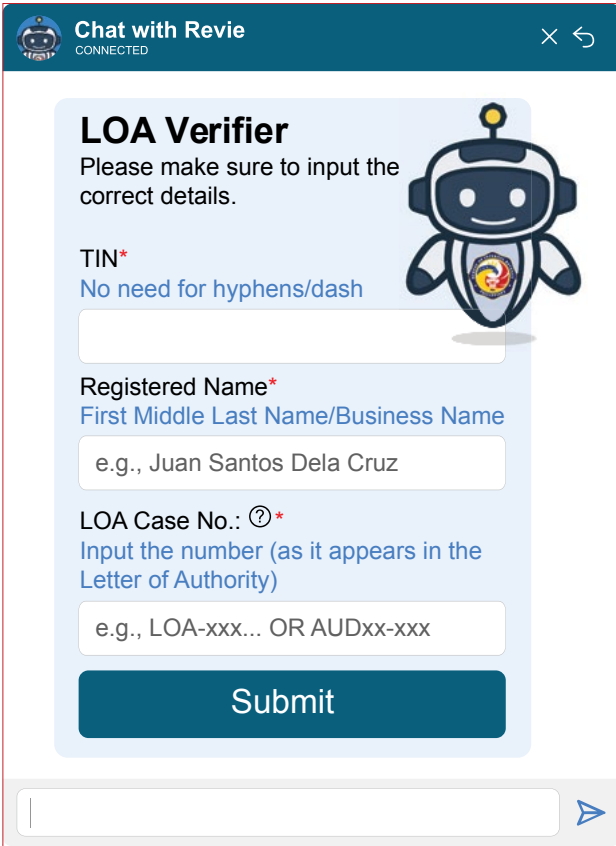
¹⁶⁴ DPWH, June 26, 2026.

¹⁶⁵ Titled, "Implementation of the Updated Construction Materials Price Data (CMPD) and Prescribing the Procedures for its Application in the Adjustment of Project Costs, POWs, and ABCs."

Pursued individuals involved in other corrupt practices.¹⁶⁶ To reinforce accountability throughout the bureaucracy, we imposed appropriate sanctions on government officials and personnel involved in corrupt practices.

BIR. We strengthened integrity and accountability measures within the BIR through the implementation of its Integrity Management Program. From January to April 2026, 20 show-cause orders were served and 24 formal charges were filed against erring BIR personnel.

We also suspended the issuance of Letters of Authority (LOAs) and Mission Orders in view of numerous complaints from taxpayers and stakeholders regarding irregularities and inconsistencies in the conduct of audit operations.¹⁶⁷ Subsequently, we created the Technical Working Group Review Committee on Assessment Integrity and Audit Reform to review existing processes and develop a more streamlined and transparent audit system.



Chat with Revie
CONNECTED

LOA Verifier
Please make sure to input the correct details.

TIN*
No need for hyphens/dash

Registered Name*
First Middle Last Name/Business Name
e.g., Juan Santos Dela Cruz

LOA Case No.: ?*
Input the number (as it appears in the Letter of Authority)
e.g., LOA-xxx... OR AUDxx-xxx

Submit

The BIR LOA Verifier allows taxpayers to instantly validate the authenticity of their LOAs. This protects businesses from fraudulent audits.

Screen Grab: BIR Website



Revised Policies for Tax Audit and Assessment



Established the Single-Instance Audit Framework

limiting the issuance of electronic LOA to one per taxpayer per year



Rationalized Audit Structures

by closing BIR special audit units, including Regional VAT Audit Sections and Large Taxpayers VAT Audit Units, and restricting regular audit authority to regional offices and the Large Taxpayers Service



Dissolved Audit-Related Task Forces

including the Run After Fake Transactions Task Force



Launched the LOA Verifier

on the BIR website through Chatbot Revie on January 23, 2026

Source: DOF

¹⁶⁶ DOF, July 10, 2026; DILG, June 29, 2026; and DOTr, July 06, 2026.

¹⁶⁷ Through BIR Revenue Memorandum Circular No. 107-2025, titled, "Suspension of all Audit and Other Field Operations of the Bureau of Internal Revenue Until Lifted by the Commissioner of Internal Revenue," issued on November 24, 2025.

These reforms were institutionalized through the Digital and Data Transformation; Audit Reform and Accountability; Revenue Collection and Base Protection; Employee Empowerment and Welfare Promotion; and Service Excellence and Stakeholder Engagement (DARES) Reform Agenda launched on January 23, 2026. This established a comprehensive framework to strengthen oversight, enhance transparency, and reinforce accountability in tax administration.

Bureau of Fire Protection (BFP).

We filed administrative charges against 12 BFP officials in January and February 2026. They were involved in recruitment irregularities, including “slot-for-sale” schemes and violations of established procedures.

Preventive suspensions were also imposed to ensure the integrity of ongoing proceedings, while 47 cases

were referred to the Philippine National Police (PNP)-Criminal Investigation and Detection Group for investigation and case buildup. Further, on March 25, 2026, we filed a complaint-affidavit before the OMB against 43 current and former BFP officials, along with two private entities, over the alleged anomalous procurement of firetrucks from 2018 to 2024, spanning multiple administrations.

Land Transportation Office (LTO).

As of May 2026, the LTO imposed administrative sanctions¹⁶⁸ on 56 erring personnel. These individuals were involved in irregularities and other forms of misconduct.

Bureau of Customs (BOC).

From July 30, 2022 to May 31, 2026, the BOC investigated 187 customs personnel involved in corrupt practices. Of these, 58 were charged with administrative cases.¹⁶⁹



Anti-Corruption Reforms in the BFP



Use of body-worn cameras during inspections

- Required fire-related inspections to be recorded from start to finish
- Ensured consistency, accountability, and proper documentation in the conduct of fire safety inspections



Streamlining of procurement processes

- Strengthened procurement planning
- Reduced procurement costs
- Required the livestreaming of BFP bidding activities to deter irregularities



Strengthening of safeguards in recruitment and selection

- Launched the electronic-Hiring and Information Registry Engine (e-HIRE) System, a fully automated and secure platform that:
- replaces manual processes
 - features automated scoring and audit trails to prevent manipulation

Source: DILG

¹⁶⁸ Dismissal, termination, revocation of deputation, and reprimand.

¹⁶⁹ The remaining cases are under review or were resolved administratively.

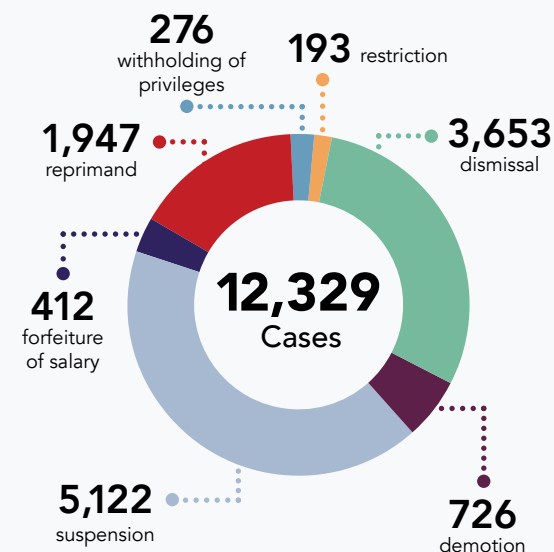
PNP. We imposed sanctions on PNP personnel involved in administrative and disciplinary violations (see Figure 4.2).

Addressed smuggling and economic sabotage.¹⁷⁰ We achieved milestones in our efforts against smuggling to protect our local industries and legitimate businesses. These include high-value seizure and condemnation of smuggled goods, and filing of cases against multiple brands.

Expanded Transparency and Participative Governance

We advanced efforts to open government processes to greater public scrutiny. These include providing the people with platforms to make information on programs and projects easily accessible and verifiable; combating disinformation or countering false and misleading information; and providing the public with avenues to air their complaints.

Figure 4.2 Administrative Sanctions Imposed on Erring PNP Personnel, July 01, 2022–May 31, 2026



Source: DILG

Broadened public access to government information.¹⁷¹ We empowered Filipinos to participate in governance by ensuring that information on programs and projects is accessible, verifiable, and timely.



Anti-Smuggling Efforts



PNP

(July 01, 2022–May 31, 2026)

- **12,232** anti-smuggling operations conducted
- **PhP19.33 billion** worth of smuggled goods seized
- **7,086** individuals arrested



BOC

(July 01, 2022–May 31, 2026)

- **5,107** anti-smuggling operations conducted
- **PhP217.79 billion** worth of smuggled goods seized
- **313** criminal complaints against unscrupulous importers and brokers filed



DA

(October 01, 2022–May 31, 2026)

84.40 million kg of agricultural and fisheries products seized and condemned, with an aggregate market value of **PhP7.54 billion**



DTI

(August 16, 2024–April 30, 2026)

- **2,000+** establishments inspected
- **4.79 million** pieces of illicit vape products worth more than **PhP2 billion** confiscated
- **420 cases*** against multiple brands, manufacturers, importers, and retailers filed

*Details of which are subject to ongoing proceedings.

Sources: DA, DTI, DILG, and DOF

170 DA, June 25, 2026; DTI, June 30, 2026; DILG, June 29, 2026; and DOF, July 01, 2026.

171 DBM, June 26, 2026; DepEd, June 25, 2026; DPWH, June 26, 2026; DICT, July 06, 2026; and DA, June 25, 2026.

Table 4.2 **New Components of Project DIME**, as of May 31, 2026

Component	Concerned Agencies	Objectives
Data integration and climate visualization	DBM, DPWH, UP NOAH* Center, and other agencies	- Integrate disaster risk reduction strategies and ensure that government projects are resilient to natural hazards - Identify infrastructure projects with substantial physical and financial accomplishments
Infrastructure project data	DBM, DPWH, DOTr, DepEd, DOH, DA, NIA, and other agencies	- Enable timely monitoring of FCPs** through geotagging and satellite imagery - Provide access to detailed project information and a feedback mechanism where citizens can comment and suggest

*University of the Philippines Nationwide Operational Assessment of Hazards Center

**Ongoing integration of other infrastructure project data into the platform

Source: DBM

Project DIME (Digital Information for Monitoring and Evaluation).

We strengthened Project DIME by utilizing modern technologies in the monitoring and evaluation of the progress of big-ticket government infrastructure projects (see Table 4.2).

Project Bukas. We launched Project Bukas on September 29, 2025. It enabled education stakeholders and the public to access key information, including school budget, resources, and learning assessment results. The data is made available through the Paaralang Bukas Dashboard.

Transparency portals. To further advance transparency and encourage more dynamic citizen participation in government decision-making, we established transparency portals across key government agencies.

Implemented the Oplan Kontra Fake News.¹⁷² We recognized that transparency is undermined when false information spreads and is left unchecked.

To safeguard the integrity of public information and protect democratic processes and institutions, the



The Paaralang Bukas dashboard presents key data and performance indicators on education in the country.

Screen Grab: DepEd's Paaralang Bukas Dashboard

¹⁷² PCO, June 25, 2026.



Government Transparency Portals



DPWH Transparency Portal



- Launched on November 24, 2025
- Serves as a digital library for more than 200,000 DPWH projects
- Includes implementing office, progress rate, and funding source



FMR Watch: FMR Transparency Portal



- Launched on January 30, 2026
- Monitors 6,428 DA-funded FMR projects nationwide (as of May 31, 2026), representing PhP109.53 billion in budget allocation
- Includes name of contractors and budget allocation



DICT Transparency Portal



- Launched in December 2025
- Provides information on the DICT's digital infrastructure programs and projects, and procurement processes

Sources: DPWH, DA, and DICT

Presidential Communications Office (PCO) launched Oplan Kontra Fake News on March 04, 2026. This inter-agency, multisectoral initiative aims to protect the public from disinformation and hold its purveyors accountable.

The PCO also entered into a Memorandum of Understanding (MOU) with major newspaper publishers¹⁷³ in

the country to strengthen efforts against false and misleading information.

Strengthened citizen feedback and grievance mechanisms.¹⁷⁴ To complement our transparency initiatives, we strengthened mechanisms that enable citizens to directly provide feedback and hold the government accountable.

Electronic Complaint Management System (eCMS). On September 10, 2025, the Anti-Red Tape Authority launched the eCMS. Integrated with the eGovPH Superapp, the system serves as an end-to-end digital platform that streamlines the filing, routing, tracking, and resolution of citizen complaints. From its launching to May 31, 2026, 2,873 complaints were received, of which 1,563 (54.4%) were endorsed to concerned agencies for appropriate action.¹⁷⁵

8888 Citizens' Complaint Center (CCC). The 8888 CCC continues to serve as a platform¹⁷⁶ for citizens to lodge complaints and grievances related to corruption and red tape in the government.

From July 01, 2022 to May 31, 2026, we processed 501,851 tickets, of which 453,788 (90.4%) were acted upon by concerned government agencies.

Pursued a more transparent national budget.¹⁷⁷ To promote greater public accountability and transparency, we launched the DBM COMPASS¹⁷⁸ on June 26, 2026. This allows citizens to track and monitor government expenditure.

173 These are the BusinessMirror, BusinessWorld, The Daily Tribune, Malaya Business Insight, Manila Bulletin, Manila Standard, The Manila Times, Philippine Daily Inquirer, and The Philippine Star.

174 ARTA, July 07, 2026 and 8888 CCC, June 22, 2026.

175 A total of 1,300 are currently being processed, while 10 have been resolved.

176 Via 8888 website, email, short message service, postal mail, and phone call.

177 DICT, July 06, 2026.

178 Centralized Open Monitoring Platform for Appropriations and Spending Statistics.



Key Features of the Digital Bayanihan Chain



Reduces corruption

Uses a tamper-proof system, making fraudulent manipulations nearly impossible



Ensures continuity of records

Maintains verifiable records across administrations



Enhances tracking of public funds

Enables citizens, media, and watchdogs to trace the flow of funds from approval to spending



Strengthens public trust

Promotes confidence in government through transparent and verifiable information

Source: DICT

We also recorded the entire national budget on blockchain through the Digital Bayanihan Chain in pursuit of greater transparency in the budget process. We started this with the 2026 GAA.

Supported government personnel.¹⁷⁹

While we held accountable those who took advantage of our public institutions, we also implemented measures to protect the welfare of public servants through additional benefits.



Benefits for Government Personnel



Contract of Service (COS) and Job Order (JO) Workers' Benefits*

Granted COS and JO workers in government with:

- premium payment which may cover SSS, PhilHealth, and Pag-IBIG Fund contributions;
- access to flexible working arrangements;
- reimbursement of authorized local travel expenses; and
- overtime pay

250,670 COS and JO workers stand to benefit (as of December 31, 2025)

**CSC-COA-DBM Joint Circular No. 1, s. 2025, titled, "Revised Rules and Regulations on the Engagement of the Contract of Service and Job Order Workers in the Government"*



Compensation and Position Classification System II for GOCC Personnel*

Provided GOCC personnel with:

- a more equitable salary framework;
- expanded job grades; and
- enhanced allowances and benefits, including a tiered medical allowance

104,592 GOCC employees benefited (as of April 30, 2026)

**EO No. 95, s. 2025, titled, "Approving the Compensation and Position Classification System II and Pay Grades for Government-Owned or -Controlled Corporations, Repealing Executive Order No. 150 (s. 2021), and for Other Purposes"*



Wellness Leaves*

Granted government personnel, including COS and JO workers (subject to the provisions of their individual contracts), an additional five-day wellness leave annually

**CSC Resolution No. 2501292, titled, "Wellness Leave Policy"*

Sources: DBM, GCG, and CSC

¹⁷⁹ DBM, June 26, 2026; GCG, June 24, 2026; and CSC, June 26, 2026.

Advancing Ease of Doing Business and Efficient Public Service Delivery



The President checks the processing of requests at the Bagong Pilipinas eGovPH Serbisyo Hub in San Juan City on July 18, 2025.

Photo Credit: PMS

The Philippines still lags behind its neighbors in the ASEAN in terms of ease of doing business performance.

Based on the World Bank's Business Ready (B-READY) Report 2025,¹⁸⁰ we scored 51.45 points in terms of operational efficiency.¹⁸¹ This placed us as the second-lowest among ASEAN nations covered in the report and in the bottom 40% globally.¹⁸² With gaps in electronic registration systems and procedural efficiency, businesses in the Philippines continue to face delays, costs, and uncertainty from business entry until insolvency despite the sufficiency of laws and regulatory policies.

While our overall position in the 2025 World Competitiveness Ranking¹⁸³ improved by one spot to 51st, we recorded declines in government and business efficiency indicators—areas where reforms are being pursued.¹⁸⁴ Our ranking also positioned us as the least competitive ASEAN country, with Singapore and Malaysia taking the lead at the 2nd and 23rd spots, respectively.

Hence, we continue to pursue and intensify sustainable reforms to address bureaucratic inefficiencies and strengthen the ease of doing business in the country.

180 The B-READY Report assesses economies across three pillars, i.e., Regulatory Framework, Public Services, and Operational Efficiency. These are scored on a scale from zero (worst performance) to 100 (best performance). (Source: World Bank, B-READY 2025)

181 Refers to ease of regulatory compliance and effective use of public services directly relevant to firms. This pillar looks at the real-world experience of firms, such as the reliability of digital payment systems.

182 Among the ASEAN countries, Singapore was the top scorer with 79.25 points.

183 The International Institute for Management Development World Competitiveness Ranking analyzes and ranks the capacity of countries to create and maintain an environment that sustains the competitiveness of enterprises. Rankings are based on scores, wherein 100 indicates most competitive.

184 International Institute for Management Development World Competitiveness Center, 2025 World Competitiveness Ranking.

Strengthened Digitalization Initiatives

We streamlined processes and expanded our digital systems to eliminate paper-based and manual processes. We also enacted RA No. 12254¹⁸⁵ on September 05, 2025 to facilitate digital transformation in the bureaucracy.¹⁸⁶

Championed a more unified eGovPH Superapp.¹⁸⁷ As of May 2026, we recorded 56 million downloads of the eGovPH Superapp, with 800 million total transactions.

Digital Tax Identification Number (TIN) ID.¹⁸⁸ Starting April 24, 2026, taxpayers can now access their digital TIN IDs through the mobile ID wallet feature¹⁸⁹ of the eGovPH Superapp. This is available to users whose eGovPH account matches their BIR records, or those who have an existing digital TIN ID in the BIR's Online Registration and Update System (ORUS).¹⁹⁰

National Senior Citizens ID (NSCID). We launched the NSCID via the eGovPH Superapp on August 15, 2025.¹⁹¹ Senior

citizens can now easily access their government benefits, discounts, and health services without the need for physical documents. A total of 1,489,569 senior citizens have accessed their NSCIDs in the eGovPH Superapp as of May 31, 2026.

Digital National IDs (NIDs). From June 2024 to June 2026, we generated 91.67 million digital IDs out of 95.95 million Filipinos registered in the Philippine Identification System. These are ready for use in the eGovPH Superapp.



NID Printing and Delivery



As of June 2026, **55,062,057 (98.7%)** out of 55,779,759 printed NID cards had been delivered nationwide.

Source: DEPDev



Other Digital IDs in the eGovPH Superapp



The public may also access the following digital IDs in the eGovPH Superapp:

- Driver's License
- PRC electronic Professional Identification Card
- OFW eCard
- ePhilHealth ID

Source: DICT

Electronic Certification, Authentication, and Verification (eCAV). We fully implemented the eCAV in all CHED regional offices on June 13, 2025. It is an online platform that allows students and graduates to securely apply for, track, and receive digital authentication of their academic records.

To make this service more convenient, we integrated the eCAV into the eGovPH Superapp on August 28, 2025. As of June 19, 2026, the platform had 360,034 registered eCAV users across 2,134 higher education institutions nationwide.

¹⁸⁵ Titled, "E-Governance Act."

¹⁸⁶ The DICT issued its Implementing Rules and Regulations on March 24, 2026.

¹⁸⁷ DICT, July 06, 2026; DOF, July 10, 2026; DEPDev, July 08, 2026; DOTr, July 03, 2026; National Commission of Senior Citizens, June 24, 2026; and CHED, June 25, 2026.

¹⁸⁸ BIR Revenue Memorandum Circular No. 34-2026, titled, "Availability of the BIR Digital TIN ID through the Department of Information and Communications Technology (DICT) eGovPH Mobile App."

¹⁸⁹ This contains a user's verified digital government IDs, e.g., National ID and Driver's License.

¹⁹⁰ The ORUS is accessible via the eGovPH Superapp or the BIR eServices website.

¹⁹¹ For senior citizens who already have a national ID and eGovPH account, their NSCIDs will be automatically activated.

eTrabaho. Launched on May 01, 2026, the eTrabaho is an end-to-end job creation platform that connects Filipino jobseekers with employers.

As of May 31, 2026, around 3 million resumes were uploaded by jobseekers on the platform.

Bagong Pilipinas eGovPH Serbisyo Hub (BPESH). In July and December 2025, we opened the BPESH in San Juan City and Mandaue City, respectively (see Figure 4.3). These hubs aim to bring medical, financial, and other necessary government assistance closer to Filipinos, reducing the need to visit government offices separately.¹⁹²

To ensure smoother, faster, and more organized transactions, we established the appointment system for the BPESH in the eGovPH Superapp. Visitors must schedule their transactions through the BPESH module.¹⁹³

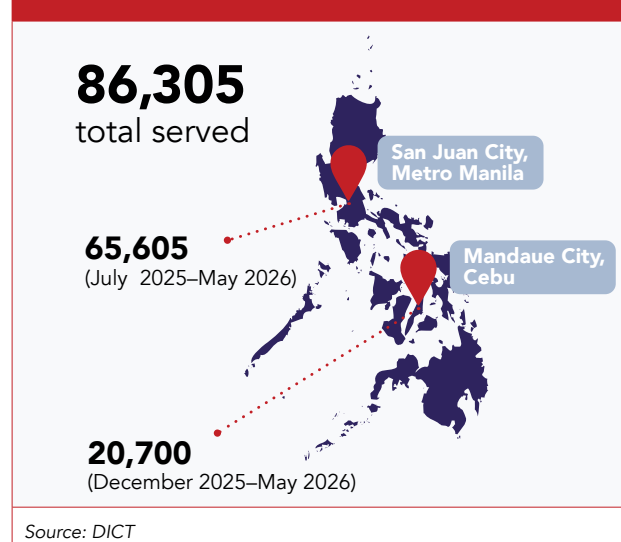


Nag-apply po ako for NBI clearance renewal. Gamit ko po ay eGov(PH) App. Madali lang naman po gamitin 'yung app. 'Yung NBI ko po, mga five minutes lang nakuha ko na agad 'yung clearance ko.'

(I applied for an NBI clearance renewal. I used the eGovPH App. The app is easy to use. I was able to get my NBI clearance in just five minutes.)

Hannah Bea Ganilo
BPESH Beneficiary
San Juan City, Metro Manila

Figure 4.3 BPESH Accommodated Clients



Maritime Industry Authority Online Appointment System (MARINA-OAS).¹⁹⁴

We made the MARINA-OAS exclusively accessible through the eGovPH Superapp effective May 13, 2026. This aims to centralize the facilitation of all appointments for the issuance, renewal, or replacement of the Seafarer's Identity Document (SID) and Seafarer's Record Book (SRB).

As of June 30, 2026, we facilitated 58,212 SID and SRB-related appointments.

¹⁹² Clients can avail the services of the SSS, DOH, PhilHealth, PSA, Lab for All, Pag-IBIG, DA, NBI, Philippine Postal Corporation, Public Attorney's Office, PCSO, DOLE, DSWD, DFA, ARTA, DMW, and PNP.

¹⁹³ Walk-in clients are not accommodated.

¹⁹⁴ MARINA Advisory No. 2026-24, dated May 11, 2026.

Electronic MAIFIP. To provide more accessible medical assistance for vulnerable sectors, we integrated the MAIFIP program into the eGovPH Superapp on June 03, 2026. This will ensure faster and more transparent delivery of health-related support to those in need. As of July 03, 2026, we have recorded 107,445 MAIFIP registrants.

Project NOAH.¹⁹⁵ In February 2026, we integrated the Project NOAH into the eGovPH Superapp. This digital tool strengthens disaster preparedness and enhances public safety by enabling citizens to monitor real-time weather conditions and hazard updates, including risks from floods, earthquakes, landslides, and other calamities.

eGovDocs. A blockchain-enabled digital platform launched on February 10, 2026, eGovDocs modernizes and streamlines document management within the government through its secure and legally binding eSignature technology. As of May 31, 2026, it recorded 45 million eSignatures.

Improved civil registry and other frontline services.¹⁹⁶ We launched the following systems to improve the issuance of civil registry documents (CRDs) and the delivery of other frontline services:

PSA E-Certificate. Launched on February 25, 2026, it is a web-based system that offers fully digital and cryptographically secured versions of CRDs.¹⁹⁷

The PSA E-Certificate bears the same legal authority as the physical document printed on security paper. It is delivered via email through a secure access link. The digital certificate is also more affordable than the hard copy and can be availed within three steps at any time of day.

As of June 30, 2026, the E-Certificate System had processed 179,913 digital certificates. This is equivalent to an average of 1,428 certificates per day.



Electronic Civil Registration and Vital Statistics (eCRVS)

Through the eCRVS, CRDs are digitized and stored in a centralized database, allowing authorized hospital and LGU personnel to retrieve and verify records in real-time. This reduces manual paperwork, minimizes errors, and shortens the processing time for applicants.

As of June 30, 2026, 58 LGUs are using the eCRVS. It had facilitated the encoding of **20,739** birth and death records, and the registration of **9,575** births and deaths.

Source: DEPDev

TESDA Skills Passport. To modernize technical-vocational education and training and make skills development more accessible for Filipino learners and workers, we launched the TESDA Skills Passport on February 05, 2026. This all-in-one application serves as a digital portfolio, allowing users to store, manage, and present their skills and credentials to employers. As of May 31, 2026, we recorded 179,284 Skills Passport users.

¹⁹⁵ The Project was initially launched by the DOST in 2012 and was adopted by the UP Board of Regents in February 2017.

¹⁹⁶ DEPDev, July 08, 2026 and TESDA, July 06, 2026.

¹⁹⁷ Birth, marriage, and death certificates; Certificate of No Marriage or Advisory on Marriage; and Certificate of No Death or Advisory on Death.



Key Features of the TESDA Skills Passport



Skills Passport. Provides a verified digital record of TESDA National Certificates and completed training, with a QR-enabled resume for easy sharing with potential employers



Job Opportunities. Features “Find a TESDA,” which allows TESDA graduates to create worker profiles and get matched with jobs and work opportunities



Learning Paths. Allows direct access to the TESDA Online Program, offering free courses and personalized recommendations based on skills and career goals



Scholarships. Gives real-time access to TESDA scholarship programs synchronized with the biometric-enabled Scholarship Registration System, allowing users to view scholarships and track application status through the app



Centers Near Me. Presents a map-based locator for TESDA-accredited training, assessment, and technology institutions nationwide

Source: TESDA

Expanded consular services and overseas employment.¹⁹⁸ We also pursued digital initiatives to help promote tourism and protect the welfare of overseas Filipinos.

Philippine e-Visa System. Following its roll out in April 2024, we expanded the Philippine e-Visa System through a phased regional implementation worldwide.

On June 08, 2026, we launched e-Visa services in 15 additional Posts in the Asia-Pacific region, bringing the total number

of participating Philippine Foreign Service Posts to 43. The system enables foreign nationals to submit and lodge e-Visa applications 24/7, significantly improving accessibility, convenience, and efficiency.

Digital apostille services. We launched the fully digital apostille for the PSA's e-Certificates and CHED's eCAV on March 16, 2026. This allows Filipino citizens and institutions to avail of fully digital apostilles—not merely digitized or scanned copy—for use overseas. The online ordering process will take less than 10 minutes to complete, with no long queues or unnecessary waiting.

Unlike the traditional printed copies, which required five working days to process, the fully digital apostille is typically issued after one working day upon the receipt by the Department of Foreign Affairs (DFA) of the e-Certificate or eCAV electronically.

As of May 31, 2026, the DFA processed 40,553 (95.4%) out of 42,514 e-Apostilles applications for eCAV and e-Certificates.

Online Employment Contract Verification System (OECVS). Through the OECVS, we simplified the verification of employment contracts for our OFWs. The system provides 24/7 access, allowing OFWs to submit, pay for, and download their verified employment contracts online.

Previously, OFWs were required to appear in person at the DMW to complete the process.

¹⁹⁸ DFA, June 26, 2026 and DMW, July 03, 2026.

In July 2025, we piloted the OECVS in our Migrant Worker Office-Dubai and Northern Emirates. As of June 2026, 57,326 OFWs in these areas benefited from the system. This allowed each OFW to save at least PhP1,000.

Kumusta Kabayan App. Launched on September 01, 2025, it is a digital welfare monitoring system to ensure our OFWs' safety and welfare around the world.



Key Functions of the Kumusta Kabayan App

-  Real-time monitoring of OFW employment status and welfare conditions*
-  Access to emergency hotlines, support services, and office contact information
-  Option to request assistance for repatriation, legal aid, financial support, or other urgent needs

*Upon the OFW's accomplishment of the Hello Kabayan Welfare Survey

Source: DMW

Streamlined the Bureaucracy and Its Processes

We continue to optimize and streamline government services to become more responsive to the needs of our people and investors.

Implemented green lanes for strategic investments.¹⁹⁹ Through our green lanes initiatives, we improved the overall efficiency of permits processing for strategic investments by 59.90%.

Across all 122 processed permits from April 2023 to June 2026, processing time was reduced from 19.12 days to just 7.67 days.

Further, from its implementation in February 2023 to June 30, 2026, we granted green lane certification to 239 projects worth PhP6.32 trillion. This generated 420,037 jobs. These projects were largely concentrated on renewable energy, PPP infrastructure, water and digital infrastructure, and food security.

Eased the closing of business registrations.²⁰⁰ To support businesses that had ceased operations, the BIR simplified and streamlined the processing of applications for closure or cancellation of business registrations starting on May 19, 2026.

Tax clearances may now be issued in as fast as three working days. Taxpayers only need to submit two other documents²⁰¹ in addition to their application form and original BIR registration permit. Further, micro taxpayers with no outstanding liabilities shall no longer be subjected to mandatory audit.²⁰²

Processed permits for infrastructure projects.²⁰³ We streamlined the permitting process of various infrastructure projects (see Table 4.3).

Streamlined processes in response to the Middle East conflict.²⁰⁴ To reduce the burden from the impacts of the

199 DTI, July 07, 2026.

200 DOF, July 10, 2026.

201 These are the: (i) List of ending inventory of goods and supplies, including capital goods for VAT-registered taxpayers; and (ii) Inventory of unused invoices, supplementary documents, and other unutilized accounting forms.

202 Subject to the submission of complete documentary requirements to the BIR.

203 DILG, June 29, 2026; DOE, June 30, 2026; and ARTA, June 24, 2026.

204 DOF, July 10, 2026 and DOTr, July 06, 2026.

Table 4.3 Streamlining Initiatives for the Permitting Process of Various Projects, as of May 31, 2026

Initiative	Description	Accomplishments
DILG-DOE-ARTA-DPWH JMC No. 2025-001*	- Streamlines the process and LGU requirements for the permitting of Energy Infrastructure Projects (EIPs) - Requires the DOE to set a program for the integration of LGU permitting process into the Energy Virtual One-Stop Shop System**	71.7% increase in permits issued, from 1,429 in 2025 to 2,454 in 2026
EO No. 32, s. 2023***	Streamlines the issuance of permits, licenses, and certificates for the construction of telecommunications and internet infrastructure	10,465 permits approved by 677 cities and municipalities

*Titled, "Streamlined Guidelines for the Issuance of Permits and Clearances for the Implementation of Energy Infrastructure Projects."
 **A web-based filing and monitoring system and repository of applications and permits issued for energy projects. With the shared access of all agencies and entities involved in the approval process, the system promotes transparency and accountability among the agencies.
 ***Titled, "Streamlining the Permitting Process for the Construction of Telecommunications and Internet Infrastructure."

Sources: DILG, DOE, and ARTA

Middle East conflict, we implemented the following:

Accreditation of importers. We extended the accreditation validity for importers.

Through Customs Administrative Order (CAO) No. 07-2022,²⁰⁵ the accreditation validity for importers was extended from one to three years, with a one-time fee of PhP5,050 from the previous PhP2,000 per application/renewal. This translates to savings of PhP333.67 per application/renewal. This policy also grants automatic renewal to importers with at least six consecutive years of good standing and those accredited under the Authorized Economic Operator²⁰⁶ and Super Green Lane²⁰⁷ programs.

Accreditation validity for exporters was also extended to three years, with a fee of PhP2,020.²⁰⁸

Validity of licenses and vehicle registration.²⁰⁹ To alleviate the financial burden of Filipinos affected by the impact of the Middle East conflict, the LTO extended by three months the validity of licenses and registrations that would expire beginning April 2026.²¹⁰

The extension covered driver's and conductor's licenses, student-driver's permits, and motor vehicle registration. During the extension period, no surcharge, penalties, or fines will be imposed for the late renewal of the covered licenses and registrations.

205 As amended by CAO 01-2026, titled, "Amendments to CAO No. 07-2022 on the Accreditation of Importers," dated April 09, 2026.

206 An importer, exporter, customs broker, forwarder, freight forwarder, transport provider, and any other entity that is duly accredited by the BOC to promote trade facilitation and provide a seamless movement of goods across borders through secure international trade supply chains.

207 Jointly established by the DOF and BOC to facilitate the advanced processing and clearance of shipments for the country's most qualified importers.

208 Pursuant to CAO No. 08-2020, CAO No. 02-2024, and OCOM Memo No. 51-2026.

209 LTO Memorandum Circular (MC) No. MVL-2026-5048, titled, "Extension of Validity of Driver's/Conductor's Licenses, Student-Driver's Permits, Motor Vehicle Registration, and Waiver of Penalties."

210 Extended until July 31, 2026 only per LTO MC No. MVL-2026-5157, titled, "Extension Period under Memorandum Circular No. MVL-2026-5048 only until 31 July 2026."

Empowering Local Governments to Deliver Better Results



The President, together with Special Assistant to the President Antonio Ernesto Lagdameo Jr. (rightmost), meets with BARM Chief Minister Abdulraof Macacua (second from right) and key officials, during the 7th Founding Anniversary of the BARM in Cotabato City on January 21, 2026.

Photo Credit: PMS

Many LGUs are still in the process of further enhancing their administrative, financial, and technical capacities to perform devolved functions effectively. Only 714 (41.6%) out of 1,715 LGUs passed the Seal of Good Local Governance (SGLG) in 2024. Of the total, a minimal 135 (18.9%) LGUs were first time awardees.

In 2021, majority of the receipts of LGUs (70.60%) came from the National Tax Allotment (NTA), making them highly dependent on government transfers.

LGUs' dependence in FY 2025 on NTA fell to 66%, a reflection of improvement in local collection capacity and the continuing effort

of LGUs to strengthen autonomy and drive inclusive growth.

Expanded the Fiscal Capacity of LGUs

We provided mechanisms that allow our LGUs to govern themselves effectively. These included laws that are essential in strengthening their capacity to deliver better services to their constituents.

Strengthened LGUs' financial capacity.²¹¹

To help LGUs better manage their own finances, we enacted the following laws:

211 DOF, July 10, 2026.

Real Property (RP) Valuation and Assessment. RA No. 12001²¹² established a single system of valuation of RPs that is aligned with international valuation standards for taxation and other purposes.

The law ensures automation of the RP systems of LGUs and the establishment of an electronic and comprehensive RP information system. LGUs are now developing their respective schedule of market values.²¹³

Automatic Income Classification. RA No. 11964²¹⁴ updated the income classification of LGUs according to their current financial capabilities. The classification conforms with the prevailing economic conditions in the locality and serves as basis for determining LGU capability to undertake development programs and projects.

As of the January 2025 reclassification, 1st class LGUs increased from 427 to 849 and 2nd class LGUs increased from 211 to 284.²¹⁵ This significant increase reflects stronger local economies and better revenue collection systems.

Provided technical support and financial assistance.²¹⁶ We implemented the following to respond to the unique limitations of LGUs in terms of administrative, financial, and technical capacities:

Devolution. I issued EO No. 103²¹⁷ on November 06, 2025, extending the transition period for the full implementation of the devolution until FY 2028.²¹⁸

This gives LGUs sufficient time to build their capacities, and the National Government to carefully review which functions and services it must perform and those that should be devolved to LGUs.

This transition period comes with the assurance that essential local services are uninterrupted.



FY 2026 NTA

For FY 2026, **PhP1.19 trillion** in NTA was released to LGUs. This is **15.1%* higher** than the PhP1.03 trillion released in FY 2025.

**Computation is based on the exact amount of NTAs for FYs 2025 and 2026.*

Source: DBM

Local Government Reform Project (LGRP).²¹⁹ In support of the autonomy of LGUs, we continue to strengthen local government revenue mobilization and management through the LGRP. As of June 16, 2026, 158 training sessions had been conducted under the program.

212 Titled, "Real Property Valuation and Assessment Reform Act," enacted on June 13, 2024.

213 Subject to the review of the DOF–Bureau of Local Government Finance and certification by the DOF Secretary.

214 Titled, "Automatic Income Classification of Local Government Units Act," enacted on October 26, 2023.

215 DOF DO No. 074.2024, titled "Schedule of Income Classification for the First General Income Reclassification of Provinces, Cities, and Municipalities Based on the Income Ranges Under Republic Act No. 11964."

216 DBM, June 26, 2026; DOF, July 10, 2026; DILG, June 29, 2026; and Office of the Executive Secretary, July 07, 2026.

217 Titled, "Amending Executive Order No. 138 (s. 2021) to Extend the Transition Period for the Full Implementation of Devolution of Certain Functions of the Executive Branch to Local Governments, to Provide Additional Policies Therefor, and for Other Purposes."

218 Does not cover the BARMM.

219 A loan project funded by the Asian Development Bank that aims to provide support to the Philippines by improving the administration and management of the RP tax at the local level.

Local Government Support Fund (LGSF). In addition to the NTA, we launched the “Sa Bagong Pilipinas, Bawat Bayan Makikinabang” Program on February 23, 2026. This program strengthens and accelerates national government support to LGUs by directly downloading funds to them. As of June 2026, we directly downloaded Php22.22 billion to 1,266 LGUs.

This ensured that development projects and public services are felt more quickly, equitably, and directly at the community level.

Among the projects that may be implemented under the LGSF are rice distribution, construction of hospital buildings and health stations, and improvement of rural electrification projects.



Students walk along the concreted FMR in Allacapan, Cagayan on March 26, 2026. This was constructed under the FALGU program.

Photo Credit: DILG

From July 2022 to May 2026, we also completed projects worth approximately Php29.50 billion as part of the regular LGSF to support LGU initiatives covering livelihood, infrastructure, health, education, and food security (see Table 4.4).

Table 4.4 LGSF Accomplishments in Cities and Municipalities, July 2022–May 2026

Programs	Areas of Support	Projects Completed	Amount (in PhP million)	Number of Beneficiaries	
				LGUs*	Households
Financial Assistance to LGUs (FALGU)	- Construction, rehabilitation, repair, and improvement of critical infrastructure, such as daycare centers and post-harvest facilities - Assistance to indigent individuals	5,749	27,230.00	3,582	52,636,442
Growth Equity Fund	Construction of evacuation centers, hygiene and sanitation facilities, and public markets in lagging and disadvantaged LGUs	610	1,428.00	491	1,025,065
Support and Assistance Fund to Participatory Budgeting (SAFPB)	- Water, sanitation, and hygiene (WaSH) projects - Construction of evacuation centers in 4th to 6th class municipalities	74	839.00	70	272,370
TOTAL		6,433	29,497.00	4,143	53,933,877

*An LGU may receive multiple forms of assistance under a single program; hence, the total number of LGU beneficiaries reported for a program may exceed the actual number of LGUs in the country.

Source: DILG



Nu'ng naipatayo na itong bagong water system, buong galak ang Villa Corazon, kasi unlimited na ang source ng tubig. Ngayon, makakapag-garden na kami sa aming mga bakuran... then syempre 'yung mga livelihood gaya ng pagpapatayo ng small piggeries."

(Everyone in Villa Corazon was glad that a new water system was built since we now have an unlimited source of water. Now, we can do gardening in our backyards... and start a livelihood, such as having small piggeries.)

Imelda Domingo
SAFPB-Water Supply System
Project Beneficiary
Mallig, Isabela



Sa ngayon, dahil medyo mahaba na rin ang na-concrete na farm-to-market road, malaking tipid namin sa oras tuwing pupunta kami sa centro. Mas nakatipid rin kami sa transportation. Noon, maghapon kami papunta sa centro, pero ngayon 20-30 minutes na lang, nandoon na kami sa bayan ng Allacapan."

(Now, because the concreted farm-to-market road was further expanded, we saved more time travelling to the center. We also saved on transportation costs. Before, it took a whole day of travel going to the center, but now, it only takes 20-30 minutes to go to Allacapan.)

Jowly Viernes
FALGU-FMR Project Beneficiary
Allacapan, Cagayan

Bawat Barangay Makikinabang Program. Our assistance to the *barangays* was further amplified by the "Bawat Barangay Makikinabang" Program, funded under the Office of the President Socio-Civic Projects Fund.

We started to implement this initiative in April 2026, wherein each *barangay* nationwide will receive PhP200,000²²⁰ to implement immediate, high-impact interventions. Half of the amount shall

be for development and safety projects, such as installation of streetlights and procurement of patrol vehicles. The other half will fund graduating students to ensure that their education will not be affected by economic shocks. As of July 02, 2026, we released PhP4.69 billion to 23,431 *barangays*, as roll out to remaining *barangays* continues.

220 PhP100,000 for educational assistance and PhP100,000 for capital outlay development priorities.

Table 4.5 **System and Information Support to LGUs**, July 2022–May 2026

System	Description	Beneficiaries
Local Government Unified Support System (LGUSS)	- Automates the daily operations of LGUs - Consists of the Barangay Information Management System and the Cities and Municipalities Information Management System	528 cities and municipalities and 25,658 <i>barangays</i>
Community-Based Monitoring System (CBMS)	- Used by the PSA to gather detailed household and <i>barangay</i> information (e.g., socioeconomic and demographic data) - Data generated is used by LGUs as a basis for poverty mapping, disaster risk reduction, program targeting, and local development planning	1,550 cities and municipalities provided with the 2024 CBMS data

Sources: DILG and DEPDDev

Accelerated the Digitalization of Local Government Services

Alongside our support for our LGUs' fiscal capacity, we continue to assist them in digitalizing both their frontline and backend processes. This effort aims to standardize workflows, reduce manual intervention, and limit discretionary decision-making in the delivery of public services, thereby minimizing opportunities for fixers and irregular transactions.²²¹

Adopted the electronic business one-stop shop (eBOSS). We continue to assist non-automated LGUs to fully comply with the eBOSS requirements under RA No. 11032²²² through the adoption of the eLGU.

From July 2022 to May 2026, of the 1,642 LGUs that had no existing eBOSS system, 1,079 (65.7%) adopted the eLGU.

Provided system and information support to LGUs. We provided LGUs with system and information that would assist them in their daily operations²²³ and decision-making (see Table 4.5). This aims to sustain the efficiency of their frontline services through the eBOSS.

Supported the Capacity-Building of Local Officials

We assisted elected local government officials in enhancing their skills to better serve their constituents (see Table 4.6).²²⁴

Supported BARMM Governance

The National Government and the BARMM continued to commit to ensuring the region's success. Through sustained support for BARMM's aspirations, we help build the foundations of unity, stability, and lasting peace.²²⁵

221 DICT, July 06, 2026; DILG, June 29, 2026; and DEPDDev, July 13, 2026.

222 Titled, "Ease of Doing Business and Efficient Government Service Delivery Act of 2018."

223 Organization and tracking of resident data, issuances management (e.g., ordinances), management and resolution of *barangay* disputes, tracking of assets and properties, disaster preparedness planning, budget planning, tracking of requests for technical assistance, creation of tailored website, and generation of reports required by NGAs.

224 DILG, June 29, 2026.

225 OPAPRU, June 30, 2026 and DILG, June 29, 2026.

Table 4.6 **Programs to Enhance Local Officials' Capacity, July 2022–May 2026**

Program	Purpose	Beneficiaries
Newly Elected Officials (NEO) Performing Leadership for Uplifting Service Program	Strengthen planning and budgeting, local government management, legislation and policy-making, service delivery, and citizen engagement skills	26,257 participants
Barangay NEO Towards Grassroots Renewal and Empowerment for Accountable and Transparent Barangays Program	Capacitate newly-elected <i>barangay</i> officials to perform their mandates and responsibilities anchored on the principle of good governance	477,640 <i>barangay</i> and Sangguniang Kabataan officials

Source: DILG



The President receives a token of appreciation from the BARM Chief Minister during the Grand Iftar at the Malacañan Palace on March 12, 2026. The token was given for the Administration's continued support to the BARM during its transition.

Photo Credit: PMS

Reset the first Bangsamoro Parliamentary Elections. On March 25, 2026, I signed RA No. 12317,²²⁶ which reset the first regular elections in the BARM to the second Monday of September 2026. This law will give ample time to fully prepare for the elections (e.g., accreditation of new political parties and sectoral organizations). It also resolved organizational and political issues, such as the BARM districting laws²²⁷ declared unconstitutional by the Supreme Court (SC), in a decision that has attained finality.²²⁸

Provided other assistance to the BARM. From January 2025 to May 2026, social and basic services (e.g., relief assistance, medical mission, burial assistance) were provided to 18,234 beneficiaries. We also assisted 26,802 Hajj registrants from 2024 to 2026.

Assisted Sulu in its Transition

In light of the SC ruling²²⁹ that declared Sulu is not part of the BARM, I signed EO No. 91, s. 2025.²³⁰ This ensured the continuity of government operations and uninterrupted delivery of critical public services in the province of Sulu during its transition. As an interim measure, the BARM government allocated funds and implemented projects and programs for Sulu for FY 2026.²³¹

For our part, various national government agencies²³² allocated specific line-item appropriations for Sulu under the FY 2026 budget, with a total of Php5.26 billion.

226 Titled, "An Act Resetting the First Regular Elections in the Bangsamoro Autonomous Region in Muslim Mindanao, Amending for the Purpose Section 13, Article XVI of Republic Act No. 11054, as Amended, otherwise known as the 'Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao.'"

227 Bangsamoro Autonomy Act No. 58, titled, "Bangsamoro Parliamentary Districts Act of 2024" and Bangsamoro Autonomy Act No. 77, titled, "Bangsamoro Parliamentary Redistricting Act of 2025."

228 Consolidated petitions in G.R. No. E-02219, Ali v. BTA Parliament, et al.; and G.R. No. E-02235, Macapaar v. Commission on Elections and BTA, dated September 30, 2025.

229 G.R. Nos. 242255, 243246, and 243693, Province of Sulu v. the Executive Secretary, et al., dated September 09, 2024.

230 Titled, "Further Ensuring the Continuity of Governmental Operations and Uninterrupted Delivery of Critical Public Services in the Province of Sulu, Declaring the Province of Sulu as Part of Region IX (Zamboanga Peninsula), and for Other Purposes."

231 Subject to existing budgeting, accounting, and auditing laws, rules, and regulations. For succeeding FYs, the DBM shall ensure that all national government agencies concerned shall include in their budgetary proposals the funding requirements for Sulu under Region IX. (Source: DBM, June 29, 2026)

232 DPWH, DOH, DA, DepEd, and SUCs.

Way Forward

The government remains resolute in pursuing reforms that uphold integrity, accountability, and transparency. We will continue to work tirelessly to deliver an honest and responsive government that is fully accountable to the Filipino people and worthy of their trust.

Central to this commitment is our firm stance against corruption. We will relentlessly investigate corrupt practices until justice is secured and perpetrators are held accountable, including those within government ranks. We are committed to pursuing accountability through every available legal mechanism until all cases are resolved.

At the same time, we recognize that preventing corruption requires systemic solutions. As investigations move forward, we are accelerating our e-governance initiatives to eliminate opportunities for the misuse of public funds. We aim to complete and fully operationalize the National Single Window, the national platform that will facilitate end-to-end trade-related services, by June 2028.

In parallel, and pursuant to the E-Governance Act, we are working toward the integration and interoperability of essential government systems within the eGovPH Superapp before 2028. These systems include: (i) all key frontline services; (ii) an electronic payment gateway; (iii) digital signature capabilities; and (iv) human capital management, financial management, and the integrated government network.

Alongside these digital transformation efforts, we continue to institute targeted reforms to simplify everyday government transactions and reduce unnecessary burdens on citizens. In support of PWDs, the National Council on Disability Affairs will streamline the PWD ID application process by removing the requirement for a medical certificate in cases of apparent disabilities.

Further, the Unified PWD ID System, which aims to standardize the issuance and verification of the ID, commenced its rollout in October 2025 and is targeted for full implementation in 2027. These reforms will eliminate redundant procedures and ensure a more dignified and inclusive experience for PWD applicants.

The PSA will also expand the Administrative Petition for Correction Automated System, targeting its roll out to 600 Local Civil Registry Offices and incorporating modules for migrant petitions and motion for reconsideration within 2026. This will improve the streamlining of procedures for the administrative correction of CRDs.

These reforms are complemented by our steady progress in the implementation of the Government Optimization Program, which seeks to build a leaner, more agile, and citizen-focused bureaucracy. The DBM issued the law's Implementing Rules and Regulations (IRR) in January 2026, and the strategic review and study of government agencies is now underway.

Recognizing that national development is inseparable from strong local governance, we continue to work closely with our LGUs as partners in progress. We remain committed to supporting them in fully realizing their autonomy through devolution. With the extended transition period and phased approach, we expect cities to fully implement devolved functions and services by 2027, and provinces and municipalities by 2028.

Digital transformation is a critical enabler of these targets. Thus, we are actively assisting LGUs in adopting the eLGU platform and the LGUSS by 2028.

In parallel, the LGRP seeks to enhance the financial capacity, fiscal sustainability, and governance systems of LGUs, particularly in the area of RP taxation. By 2028, LGUs are expected to generate increased revenues through modernized property valuation, improved tax administration, digitalized systems, and professionalized finance officers.

To further institutionalize excellence in local governance, the DILG, in close coordination with the Presidential Legislative Liaison Office, shall propose amendments to the Seal of Good Local Governance Act of 2019. A key feature of the proposed measure is the consolidation of the SGLG areas into three core domains—innovation, fiscal management, and local government resilience—to streamline the assessment process and better align it with national development priorities.

Consistent with ongoing local governance reforms, we are also undertaking a comprehensive review of the Local Government Code (LGC). After more than three decades, several of its provisions no longer fully reflect present-day realities, institutional capacities, and local governance demands.

We are working actively toward the enactment of an amended LGC—one that empowers LGUs and strengthens accountability—within this term.

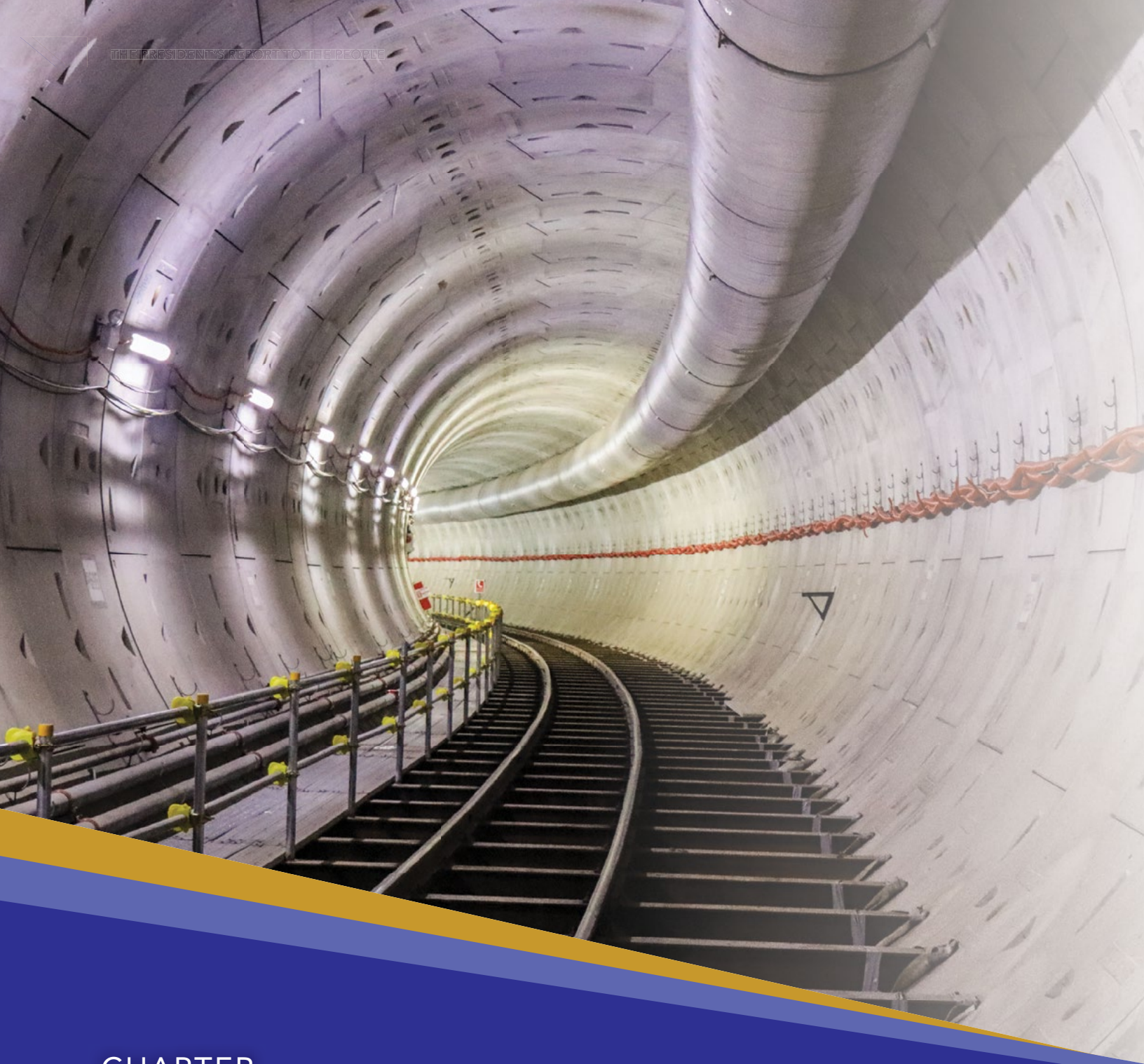
Taken together, these initiatives reflect this Administration's unwavering commitment to good governance—rooted in transparency, efficiency, and shared responsibility. At the heart of these reforms is a singular goal: to uplift the lives of all Filipinos and ensure that development is inclusive, resilient, and sustainable.

Through strong institutions, digital transformation, and empowered local governments, we continue to build the foundations of a *Bagong Pilipinas*—where government works effectively for the people, and where progress is felt in every community.



The President delivers his speech during the launching of the Bagong Pilipinas eGovPH Serbisyo Hub in San Juan City on July 18, 2025.

Photo Credit: PMS



CHAPTER

5

Connecting Communities for Sustainable Growth

A tunnel section that is under construction beneath Camp Aguinaldo, Quezon City. This section is part of the Metro Manila Subway Project Phase 1, targeted for completion by 2032. The project will feature 17 stations and connect six cities across Metro Manila.

Photo Credit and Source: DOTr



The President launches the Love Bus Libreng Sakay Program for NCR in Valenzuela City on September 13, 2025.

Photo Credit: PMS

Connectivity is the backbone of our economy, linking communities, businesses, schools, and government institutions to opportunities, services, and one another.

Despite rising fuel prices, we sustained infrastructure investments, including the release of PhP401.91 billion in May 2026 to fund infrastructure projects nationwide.

These included the construction, rehabilitation, and maintenance of road networks, keeping critical connectivity projects on track.

Under our Build Better More Program, we continue to modernize the country's transport networks to improve mobility, reduce logistics costs, and sustain economic activity. We are also improving digital connectivity, especially in remote areas.

As of March 2026, 63 physical and digital Infrastructure Flagship Projects (IFPs) were ongoing.

We reaffirm our commitment to building a more inclusive economy where all communities are connected and benefit from national development.

"From building roads that connect provinces to establishing digital infrastructure, we understand that true connectivity transcends physical links. We ensure the seamless flow of goods, of services, of people, leaving no one behind."

President Ferdinand R. Marcos Jr.
ASEAN Business and Investment Summit 2024
October 09, 2024

Building Inclusive, Reliable, and Affordable Transport Connectivity



The President interacts with students during the launch of the on-site issuance of the Concessionary White Beep Card at the Light Rail Transit Line 2 Legarda Station in Manila on September 20, 2025.

Photo Credit: PMS

In the face of global challenges particularly on fuel, we continue to advance reliable and affordable transport systems. These efforts enable the efficient movement of people, goods, and services, stimulating economic activity and supporting growth.

Strengthened Land Connectivity²³³

Compared with many of its neighboring countries, the Philippines has a relatively less extensive road network, while road quality continues to face challenges. Our railway infrastructure likewise remains less developed than many of our Southeast Asian counterparts.²³⁴

In 2025, both Davao City and Manila were among the most traffic-congested cities worldwide, with commuters

spending an average of more than 30 minutes traveling 10 km.²³⁵ Hence, we continue to improve our transport infrastructure and promote commuter-centered initiatives.

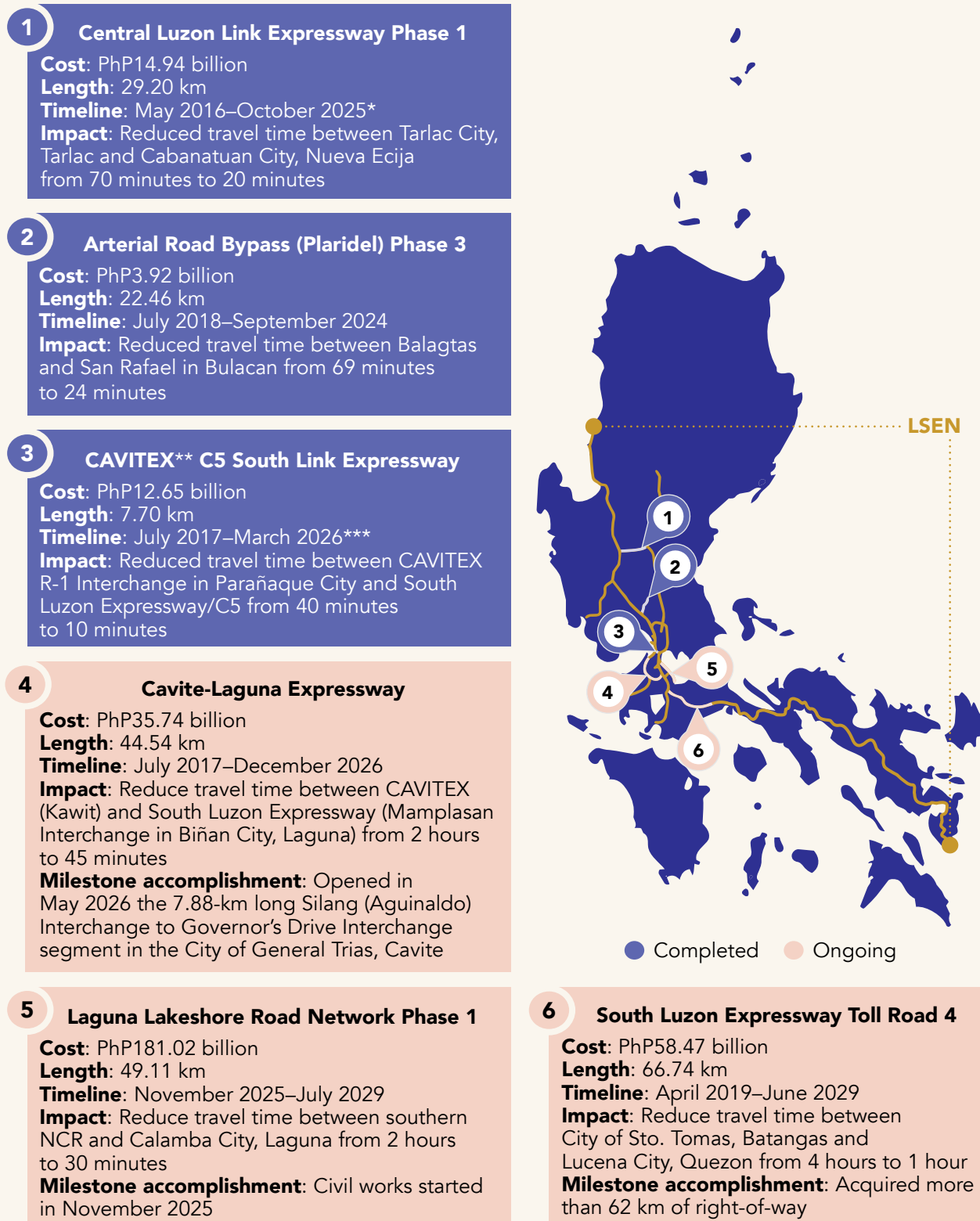
Enhanced road and bridge systems nationwide. Expanding and strengthening our road and bridge network will ensure efficient interregional connectivity.

Implementation of the Luzon Spine Expressway Network (LSEN) Program and the Inter-Island Linkage Bridge Program. The LSEN Program aims to reduce travel time between the Ilocos and Bicol Regions from 20 hours to only nine hours. We achieved key milestones in select LSEN projects, which are also IFPs (see Figure 5.1).

²³³ DPWH, June 26, and July 08 and 13, 2026; DOTr, July 06 and 13, 2026; and MMDA, June 24, and July 07 and 12, 2026.

²³⁴ Philippine Institute for Development Studies, December 2024.

²³⁵ Based on the 2025 TomTom Traffic Index, which evaluates 492 cities around the world by their average travel time and congestion level (Source: TomTom Traffic Index Official Website).

Figure 5.1 **Status of Select Projects under the LSEN Program**, as of May 2026

*Civil works for the main alignment was completed in October 2025, with remaining works at the Zaragoza Interchange

**Also known as the Manila-Cavite Toll Expressway

***Substantially completed in March 2026, with remaining works for completion by June 2027

Sources: DPWH and DOTr

We are also pursuing the Inter-Island Linkage Bridge Program, which consists of 12 bridge projects²³⁶ with a total length of approximately 90 km. Of these 12 bridges, the Panguil Bay Bridge in Northern Mindanao and the Nalil-Sikkiat Bridge in Tawi-Tawi have been completed.

Also part of this program is the Guicam Bridge, which is for completion within July 2026. It will reduce travel time between Olutanga Island and mainland Zamboanga Sibugay from one hour to five minutes. We also commenced the construction of the 32.15-km Bataan-Cavite Interlink Bridge in March 2026. Once completed by 2031, it will reduce travel time between Bataan and Cavite from five hours to 45 minutes.

Enhancement of mobility in rural areas. Aside from big-ticket road and bridge projects, efforts are underway to improve mobility and connectivity in rural communities.

On January 08, 2026, we inaugurated the 2.17-km Camalaniugan Bridge, which reduced travel time between Aparri and Ballesteros in Cagayan from one hour to 20 minutes. This bridge benefits 6,000 travelers per day.

We are also implementing the 19.82-km Boracay Circumferential Road Project. It aims to reduce travel time between Manoc-Manoc and Yapak from one hour and 30 minutes to 45 minutes. Once completed in December 2027, it will benefit 10,000 motorists per day.



Napakahalaga po...ng [Camalaniugan Bridge] sa amin sa sektor ng edukasyon. Nakakapagbigay na po kami ng magandang serbisyo sa aming mga mag-aaral, maulan man o mahangin."

([The Camalaniugan Bridge]...is very important to us in the education sector. We are now able to provide better services for our students, whether it is rainy or windy.)

Larry Fernando Jr.
Teacher
Camalaniugan Bridge Beneficiary
Camalaniugan, Cagayan

As of May 2026, the Boracay Circumferential Road Project was more than 78% accomplished.

In November 2025, we completed the 19.27-km Marawi Trans-Central Road Phase 3,²³⁷ which involves the construction of access roads connecting the BARMM to other areas in Mindanao. We are also implementing 154.91 km of road and bridge projects under the Improving Growth Corridors in Mindanao Road Sector (IGCMRS) Project.

²³⁶ These are: (i) Bataan-Cavite Interlink Bridge; (ii-iii) Panay-Guimaras-Negros Island Bridges; (iv) Panglao-Tagbilaran City Offshore Bridge Connector; (v) 4th Cebu-Mactan Bridge and Coastal Road; (vi) 2nd San Juanico Bridge; (vii) Guicam Bridge; (viii) Panguil Bay Bridge; (ix) Samal Island-Davao City Connector Bridge; (x) Nalil-Sikkiat Bridge; (xi) Tongsinah-Paniongan Bridge; and (xii) Malassa-Lupa Pula Bridge.

²³⁷ Under the Road Network Development Project in Conflict-Affected Areas in Mindanao.



Status of Select Projects under the IGCMRS, as of May 2026

COMPLETED



Nalil-Sikkiat Bridge*

Cost: PhP1.08 billion
Length: 0.54 km
Timeline: July 2022–July 2025
Impact: Reduced travel time between Sanga-Sanga Airport and Bongao Island, Tawi-Tawi from 1 hour to less than 10 minutes



R.T. Lim-Siocon Road

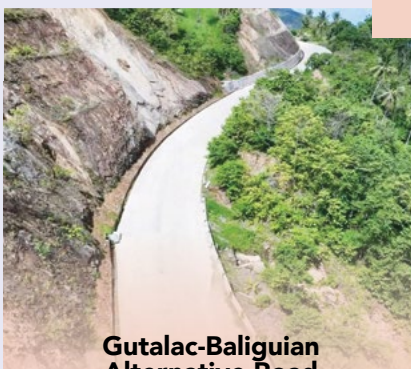
Cost: PhP2.65 billion
Length: 24.46 km
Timeline: February 2021–November 2025
Impact: Reduced travel time between Zamboanga Sibugay and Zamboanga del Norte from 5 hours to 1 hour and 30 minutes



Curuan-Sibuco Road

Cost: PhP2.09 billion
Length: 33.05 km
Timeline: March 2021–December 2025
Impact: Reduced travel time between Zamboanga City and Sibuco, Zamboanga del Norte from 3 hours to 45 minutes

ONGOING



Gutalac-Baliguian Alternative Road

Cost: PhP1.06 billion
Length: 7.38 km
Timeline: March 2021–August 2026
Impact: Reduce travel time between Barangays Diculom and Kauswagan, Baliguian, Zamboanga del Norte from 2 hours to 50 minutes
Status: 94.2% accomplished



Siay-Gapol Road

Cost: PhP1.33 billion
Length: 17.93 km
Timeline: January 2021–October 2026
Impact: Reduce travel time between Siay and Gapol, Zamboanga Sibugay from 2 hours to 45 minutes
Status: 83.8% accomplished



Tongsinah-Paniongan Bridge*

Cost: PhP1.17 billion
Length: 0.57 km
Timeline: August 2024–August 2027
Impact: Reduce travel time between Sanga-Sanga Airport and Pababag Island, Tawi-Tawi from 30 minutes to 10 minutes
Status: 43.4% accomplished

*These projects, which are part of the Inter-Island Linkage Bridge Program, involve specialized marine construction, including deep foundation works and complex inter-island logistics.

Photo Credit and Source: DPWH

Restoration of vital road and bridge networks. We are also addressing concerns over the structural integrity of our roads and bridges.

Traversing several regions, the National Road 1 (N1), which covers the Maharlika Highway (MH) and other primary roads, provides critical connectivity that supports economic growth. However, the N1's deteriorating condition has led to congestion and increased disaster vulnerability. Hence, we are implementing the MH (N1) Improvement Program²³⁸ to transform the corridor into a more efficient road network.

Pursuant to my directive, the DPWH increased the load capacity of the San Juanico Bridge from three tons (one-way) to 15 tons (two-way) in December 2025. Likewise, the limit for one-way traffic at night is now 30 tons, accommodating larger trucks delivering agricultural goods. This upgrade was achieved by installing temporary steel supports in 22 sections of the bridge and reinforcing key structural components. We aim to complete the retrofitting and restore the bridge's original 33-ton capacity (two-way) within 2026.



Temporary steel supports reinforce key sections of the San Juanico Bridge, which connects the provinces of Samar and Leyte.

Photo Credit: PMS

Following the collapse of the Piggatan Bridge in Alcala, Cagayan in October 2025 due to overloading caused by multiple heavy trucks, we implemented immediate measures to minimize traffic disruptions. In December 2025, we completed the construction of the Piggatan detour bridge. We are also prioritizing the construction of a replacement permanent bridge.

Restoring mobility is crucial to reviving economic development of communities affected by disasters.

In January 2026, we opened the newly-constructed detour road of the Bukidnon-Davao (BuDa) Road in Quezon, Bukidnon after a road section collapsed due to a landslide in October 2025.



The newly-constructed detour section of the BuDa Road links Bukidnon and Davao City.

Photo Credit: DPWH

The Paliwan Bridge along the Iloilo-Antique Road was among the critical bridges affected by Severe Tropical Storm Paeng in October 2022. We completed the reconstruction of the bridge's damaged section in June 2024 and the construction of a new parallel bridge in September 2025. These bridges benefit approximately 5,000 motorists daily.

²³⁸ To complement this program, which covers Regions I, II, III, IV-A, V, VIII, IX, X, XI, XII, XIII, NCR, and BARMM, the DPWH is also prioritizing the construction of bypass roads in areas where road widening is no longer feasible due to right-of-way limitations and existing developments.



Status of Select Projects under the MH (N1) Improvement Program,* as of May 2026

COMPLETED



Gumaca Bypass Road in Quezon

Cost: PhP1.02 billion

Length: 12.17 km

Timeline: December 2016–December 2025

Impact: Reduced travel time between Barangays Villa Arcaya and Panikihan, Gumaca, Quezon from 20 minutes to 10 minutes



Davao City Diversion Road Flyover (Junction Magtuod-Maa Section)

Cost: PhP1.57 billion

Length: 400.00 meters (m)

Timeline: September 2021–May 2026**

Impact: Reduced travel time between Davao Crocodile Park and Gap Farm in Davao City from 30 minutes to 15 minutes

ONGOING



Maharlika Highway in Pinabacdao-Sta. Rita, Samar

Cost: PhP151.45 million

Length: 6.21 km

Timeline: April 2025–August 2026***

Impact: Support reliable transport of goods and services between Tacloban City, Leyte and Catbalogan City, Samar

Status: 38.8% accomplished



Lopez Viaduct in Quezon

Cost: PhP2.98 billion

Length: 2.58 km

Timeline: June 2022–March 2028

Impact: Mitigate traffic congestion and frequent road closures caused by flooding in the low-lying areas of Barangay Canda Ilaya, Lopez, Quezon

Status: 15.0% accomplished

*Includes bypass roads that will help improve the overall traffic flow along the N1

**The flyover was opened to traffic in March 2026, with remaining works along the at-grade roadway for completion by September 2026.

***With proposed revision of completion date to October 2026 due to unworkable weather conditions

Photo Credit and Source: DPWH

Boosted mass transportation system capacity, accessibility, and affordability.

We are improving our mass transportation systems to enhance the connectivity of our cities and support further economic integration.

Expansion of the railway network and enhancement of commuter experience.

Our continued efforts to develop railways aim to ease urban congestion while providing commuters with a reliable and affordable transport experience.

Through our efforts, railway IFPs (e.g., Metro Rail Transit Line 7 [MRT-7] and North-South Commuter Railway [NSCR] Valenzuela-Malolos segment) are set to begin serving commuters before the close of this Administration. To accelerate the implementation of railway projects, we are pursuing reforms, including the enactment of RA No. 12289²³⁹ in September 2025. The law aims to streamline right-of-way acquisition (ROWA) procedures.

We also implemented targeted initiatives to make the Light Rail Transit Line 1 (LRT-1), LRT-2, and MRT-3 more affordable and accessible for commuters.



Commuters enter the rehabilitated MRT-3 Quezon Avenue Station on April 21, 2026. The upgraded station features improved aesthetics, standardized wayfinding, and enhanced accessibility.

Photo Credit: DOTr



Initiatives to Improve Railway Affordability and Accessibility, July 2022–May 2026



On-site issuance of Concessionary White Beep Cards providing 50% discount* to 496,926 beneficiaries

- 396,068 students
- 54,697 senior citizens
- 46,161 PWDs



Expansion of cashless and contactless payment options in MRT-3



Continuous maintenance of escalators and elevators in MRT-3



Standardization of wayfinding signages for LRT-1 and MRT-3



Release of 748,880 Beep Cards in 2025

*This discount remains in effect while a separate 50% fare discount is being extended to other commuters to help cushion the impact of the Middle East conflict on transportation costs (see Page 149 for more details).

Source: DOTr



Students display their White Beep Cards at the MRT-3 Cubao Station on April 30, 2026.

Photo Credit: DOTr

The commuting public also continues to enjoy the Pamilya Pass 1+3 for LRT-1, LRT-2, and MRT-3 every Sunday. Since its launch in June 2025, 925,078 families and groups have benefited from the program as of May 2026.

²³⁹ Titled, "Accelerated and Reformed Right-of-Way (ARROW) Act."



Progress of Ongoing Railway Infrastructure Projects, as of May 2026

MRT-7



Cost: PhP62.70 billion

Length: 22 km

Timeline: 2016–2028

- 12 out of 14 stations to be operational by Q2 of 2027

Impact: Reduce travel time between North Avenue, Quezon City and San Jose Del Monte City, Bulacan from 2 to 3 hours to 35 minutes

Projected ridership: Around 850,000 daily

Milestone accomplishment: 22-km rail guideway is more than 85% accomplished and 12 stations are energized for testing

ROWA: 92.6% accomplished

Status: 88.2% accomplished

NSCR



Cost: PhP873.62 billion

Length: 147.26 km

Timeline: 2019–2033

- Operationalization of Valenzuela-Malolos segment (7 out of 35 stations) by Q4 of 2027

Impact: Reduce travel time between Calamba City, Laguna and Clark, Pampanga from 4 hours to 2 hours

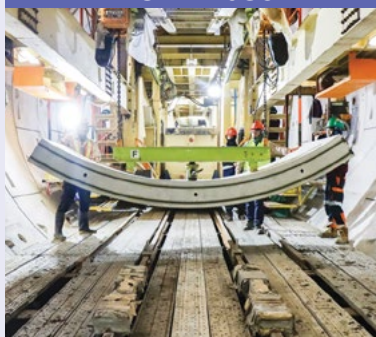
Projected ridership: Over 800,000 daily

Milestone accomplishment: Completion of the 28-km Valenzuela-Malolos rail viaduct, and over 80% completion of the Balagtas and Malolos stations

ROWA: 77.3% accomplished

Status: 61.6% accomplished

MMSP Phase 1



Cost: PhP488.48 billion

Length: 33.10 km

Timeline: 2021–2032

- Demo run from Quirino Highway Station to the depot by Q1 of 2028

Impact: Reduce travel time between Valenzuela City and NAIA from 1 hour and 30 minutes to 41 minutes

Projected ridership: Over 520,000 daily

Milestone accomplishment: Ongoing tunnel boring machine operations in 5 segments, with the length of tunnels built at 6.90 km out of the total tunnel length of 22.92 km

ROWA: 90.8% accomplished

Status: 58.0% accomplished

Common Station



Cost: PhP2.60 billion

Timeline: 2019–2028*

- Partial operations by Q1 of 2028

Impact: Minimize transfer times through the interconnectivity of the LRT-1, MRT-3, MRT-7, and MMSP

Projected passenger traffic: Over 1.28 million daily

Milestone accomplishment: Onboarding of step-in contractor for the continuation of the project

Status: 75.8% accomplished

**2028 refers to the start of interim operations of the Common Station; full operations remain under discussion with the step-in contractor.*

Photo Credit and Source: DOTr

Through these railway improvements and initiatives, we saw more commuters shift to public transit resulting in the increase in railway ridership since 2022 (see Table 5.1).

Table 5.1 Railway Ridership, 2022 vs 2025

Railway	2022	2025	Change
LRT-1	78,457,681	143,361,838	▲ 82.7%
LRT-2	31,613,510	58,754,981	▲ 85.9%
MRT-3	98,330,683	141,626,536	▲ 44.0%

Source: DOTr

Improvement of other mass transport systems and alternative mobility solutions.

We continue to address congestion in our metropolitan areas by advancing the modernization of our public transportation networks, with a focus on enhancing convenience and ensuring inclusive mobility.

The Epifanio de los Santos Avenue (EDSA) Busway served 66.67 million paying passengers in 2025, a 15.9% increase compared to 57.51 million in 2023.

In partnership with the private sector, we are implementing station upgrades to improve the commuting experience and accessibility for busway riders, PWDs, and senior citizens. These upgrades include the new Kamuning busway station and footbridge, which replaced the infamous "Mount Kamuning," allowing for a safer and more efficient commute for thousands of daily riders.

In July 2025, we re-launched the Love Bus, which provides free rides during peak hours in Metro Cebu, Metro Davao, and Metro Manila (see Table 5.2).²⁴⁰

²⁴⁰ The Love Bus was first introduced in the 1970s.



Initiatives to Improve the EDSA Busway, July 2022–May 2026



Established busway stations connected to commercial centers* in North EDSA and Ortigas



Installed elevators for PWDs* in the Kamuning, SM Megamall, and SM North EDSA busway stations



Activated Free Wi-Fi access points in 21 busway stations



Ongoing rehabilitation of stations in Monumento, Bagong Barrio, North Avenue, and Guadalupe for completion within 2026



Ongoing construction of new stations in the Parañaque Integrated Terminal Exchange, Cubao, and Magallanes for completion by 2027

*In partnership with the private sector

Source: DOTr



The President meets busway riders using wheelchair lifters at the Kamuning busway station and footbridge in Quezon City on March 05, 2026.

Photo Credit: PCO

Table 5.2 Ridership of the Re-launched Love Bus, July 2025–May 2026

Area	Number of Commuters Served
Metro Cebu	5,798,695
Metro Davao	2,456,242
Metro Manila*	190,859
TOTAL	8,445,796

*Metro Davao and Metro Cebu utilized a combination of buses and modern jeepneys, while only electric mini-buses were deployed in Metro Manila.

Source: DOTr

The Love Bus in Metro Manila uses electric mini-buses with accessibility features for PWDs, including low-floor boarding access and designated wheelchair spaces.



Commuters board an electric Love Bus equipped with accessibility ramps in Valenzuela City on September 13, 2025.

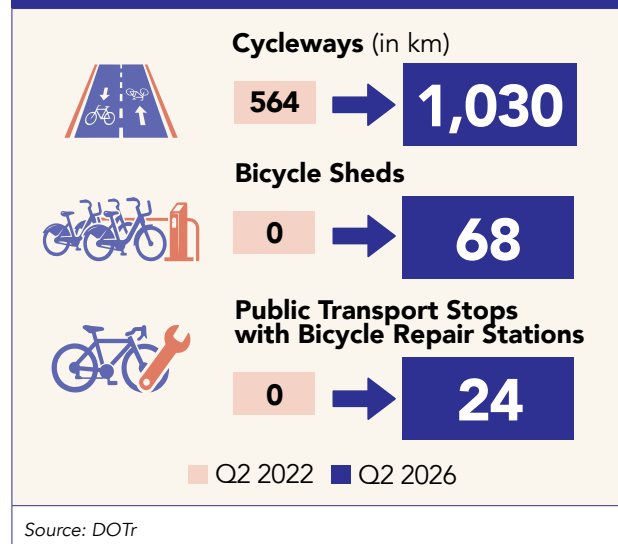
Photo Credit: PMS

We also implemented the Accessible Transport Policy (ATP) and the Active Transport Bike Share System and Safe Pathways Program (AT Program). The ATP ensures that transport systems are inclusive and responsive to the diverse needs of passengers.

In line with this, railway operators have been directed to prepare for the phased implementation of accessibility infrastructure upgrades.²⁴¹

Through the AT Program, we improved and expanded cycleways and constructed new end-of-trip facilities for bikers across the country (see Figure 5.2).

Figure 5.2 AT Program Accomplishments, Q2 2022 vs Q2 2026



Cyclists in Angeles City, Pampanga enjoy the bicycle lanes developed under the AT Program.

Photo Credit: DOTr

²⁴¹ The DOTr is coordinating with operators in developing ATP Action Plans, which will identify accessibility improvements in railways.

We are also implementing the Pasig River Ferry Service (PRFS), the only formal water-based mass transport in Metro Manila, cruising from Pinagbuhatan in Pasig City to Escolta in the City of Manila. From July 2022 to May 2026, a total of 795,580 passengers were served under its Libreng Sakay Program. As of June 2026, nine ferries were operating along the PRFS route.

We also conducted the pilot sailing of the M/B Dalaray under the PRFS from November 17, 2025 to March 2026. Developed by the University of the Philippines, the M/B Dalaray is a prototype electric ferry capable of carrying up to 40 passengers. Within 2026, we aim to commence its full operations and acquire two additional electric ferries.



The M/B Dalaray sails along the Pasig River in Intramuros, Manila during its demonstration on October 06, 2025.

Photo Credit: MMDA

In partnership with the DICT, the Metropolitan Manila Development Authority (MMDA) launched the Free Public Internet Access Program (FPIAP) in PRFS stations and ferries. Through this initiative, we aim to maximize the benefits of the PRFS for commuters. We are also implementing the PRFS Comprehensive Rehabilitation Plan, which is for completion by September 2026.

Covering 13 stations,²⁴² this initiative includes the installation of roofing and safety railings, ensuring that facilities meet modern safety and service standards.

Implemented measures to address traffic congestion in urban areas nationwide.

Efforts are ongoing to reduce traffic congestion on major roads through the modernization of our public transportation networks and integration of road safety and traffic management initiatives.

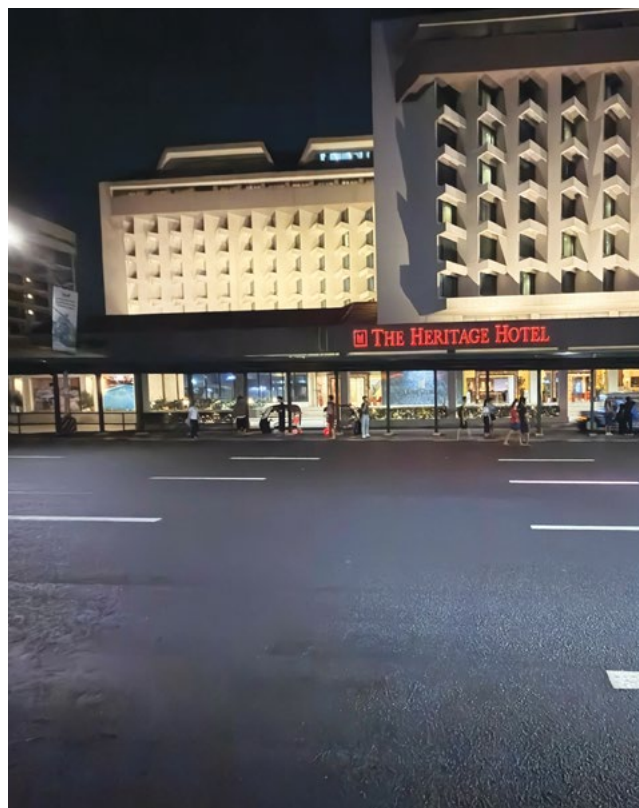
Over the years, EDSA has remained a critical road network in Metro Manila and the rest of Luzon. With more than 400,000 vehicles traversing EDSA daily, many sections have deteriorated due to aging infrastructure, heavy traffic volume, and prolonged use beyond its intended capacity.

Improvement works along EDSA are now ongoing, such as pavement crack repairs and asphalt overlay in selected sections. These aim to restore road quality and extend the roadway's service life. Existing bicycle lanes along EDSA are also being elevated to sidewalk level to provide cyclists with a safer and more continuous route. New pavement markings are likewise being applied to improve road visibility and traffic guidance.

Under EDSA Rebuild²⁴³ Phase 1, we substantially completed in April 2026 the improvement of the carriageway of EDSA from Roxas Boulevard in Pasay City to Orense Street in Makati City. Phase 2, targeted for completion by 2027, will cover the remaining road sections of EDSA from Orense Street to Monumento Circle in Caloocan City.

242 These are: (i) Escolta; (ii) Lawton; (iii) Quinta; (iv) Polytechnic University of the Philippines; (v) Sta. Ana; (vi) Lambingan; (vii) Valenzuela; (viii) Hulo; (ix) Guadalupe; (x) Maybunga; (xi) San Joaquin; (xii) Kalawaan; and (xiii) Pinagbuhatan.

243 Officially known as "EDSA Transport Road Network Rehabilitation Program."

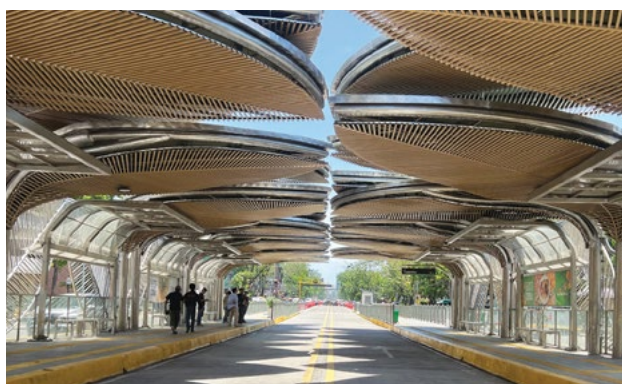


The EDSA segment in Pasay City previously had uneven road surfaces (top left), while the Makati segment had narrow sidewalks (bottom left). With the implementation of EDSA Rebuild Phase 1, the Pasay segment now features a newly paved carriageway (top right), while the Makati segment now has upgraded sidewalks and dedicated bicycle lanes (bottom right).

Photo Credit and Source: DPWH

In Cebu City, we started the partial operations of Package 1 of the Cebu Bus Rapid Transit (CBRT) on March 13, 2026.

Costing PhP990.91 million, Package 1 includes dedicated PUV lanes and three busway stations (i.e., Cebu South Bus Terminal [CSBT], Cebu Normal University, and Fuente).



A bus arrives at the CSBT (top), which is part of the CBRT Package 1 with dedicated lanes that can be shared with other PUVs (bottom).

Photo Credit: DOTr

Opened in December 2025, the Davao River Bridge (Bucana Bridge),²⁴⁴ provides an alternative route decongesting traffic in downtown Davao City. It also reduced travel time between Bago Aplaya and Roxas Junction in Davao City from 45 minutes to 15 minutes.

²⁴⁴ A component of the Davao City Coastal Road.

²⁴⁵ Registration is optional for tollway users.



Dahil dito [sa Davao River Bridge (Bucana Bridge)], mas bumilis ang biyahe ko at nabawasan ang konsumo sa gasolina... Malaki rin ang naitulong nito sa mga biyaheng pauwi sa North Cotabato dahil...mas mabilis ang daloy ng trapiko."

(Because of [the Davao River Bridge (Bucana Bridge)], my travel time has become faster, and my fuel consumption has been reduced...It has also helped those traveling to North Cotabato, as... traffic flow has become faster.)

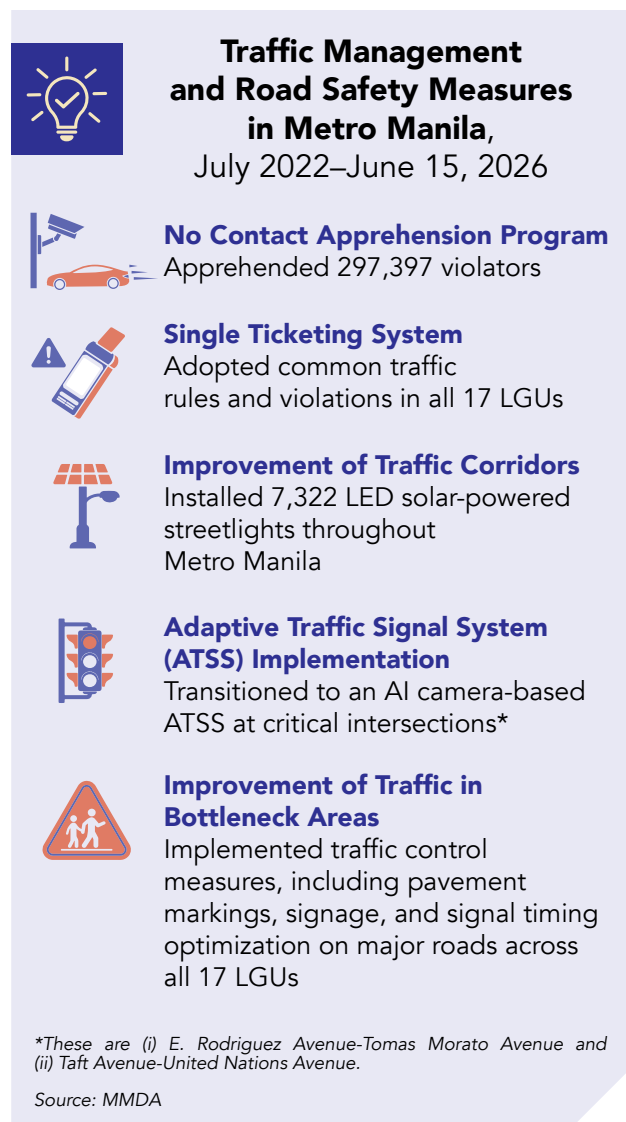
King Villarubia
Self-employed
Davao River Bridge (Bucana Bridge)
Beneficiary
Bucana, Davao City

Pursued initiatives toward a modern and safe transportation system.

We continue to upgrade the driving and commuting experience in our roads.

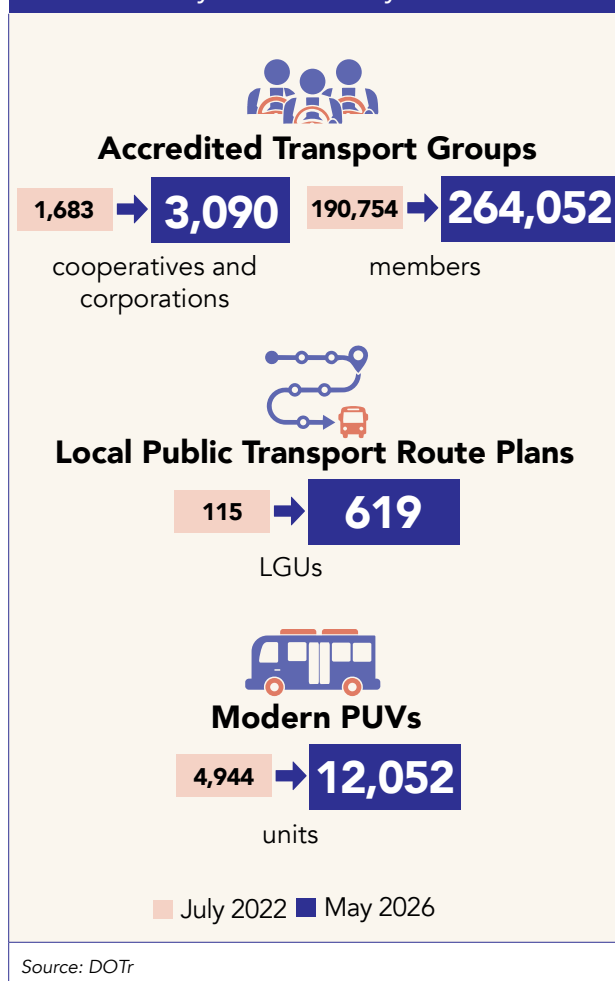
In October 2025, we launched the One RFID, All Tollways Program, which promotes seamless interconnectivity between tollways. Motorists can now use a unified account and sticker to access multiple tollways across Luzon. As of May 27, 2026, a total of 483,075 vehicles have registered²⁴⁵ under the program.

The MMDA also implemented measures to enhance traffic movement and safety in Metro Manila.



More operators and units have joined transport cooperatives and corporations under the Public Transport Modernization Program (PTMP). At the same time, 619 out of 1,445 targeted LGUs nationwide have completed their Local Public Transport Route Plans, improving transport planning in their areas. The number of modern PUVs has also increased by 143.8% since July 2022, providing commuters more sustainable transport options (see Figure 5.3).

Figure 5.3 PTMP Accomplishments, July 2022 vs May 2026



A commuter boards a modern PUV under the PTMP in Cubao, Quezon City on April 20, 2026.

Photo Credit: DOTr

Improved Air Connectivity²⁴⁶

Outdated airport infrastructure resulted in congested terminals, delayed flights, and limited route options. To address these and further promote inter-island air connectivity, we pursued the modernization of our airports.

Revitalized Manila's Airport. Significant improvements have been introduced at the Ninoy Aquino International Airport (NAIA) during its first full year under privatized operations and management.²⁴⁷ The privatization of the NAIA has generated cumulative remittances to the national government amounting to PhP69.34 billion as of May 2026, including the upfront payment and subsequent remittances.

Boosted regional air connectivity. From July 2022 to June 2026, we completed 83 airport development and improvement projects,²⁴⁸ which included the expansion of the Laoag Airport Passenger Terminal Building (PTB). We also target to complete 45 additional projects by 2028, such as the new Bukidnon Airport and the Tacloban Airport new PTB. These improvements aim to increase the capacity of regional airports while enhancing overall experience of travelers.

We are also partnering with the private sector to modernize our airports. In 2025, we broke ground on the construction of a new PTB at the Caticlan Airport, which is a public-private partnership (PPP) initiative. Furthermore, we are pursuing a PPP for the improvement of three²⁴⁹ additional airports by 2028.



Key Improvements at the NAIA, September 2024–May 2026

92.29% single-day on-time performance in 2025

highest ever recorded in NAIA's history

52.02 million passengers in 2025

highest ever recorded in NAIA's history

Upgrade of air-conditioning, elevators, and baggage systems

Rollout of digital check-in and improvement of free Wi-Fi access

Launch of Terminal 3 food halls and upgrading of food areas at Terminals 1 and 2



The NAIA was recognized among the world's best airports for layover food in March 2026.*

*Recognized by the Airport Parking and Hotels, a United Kingdom-based travel website

Photo Credit and Source: DOTr



Construction of the new PTB at the Caticlan Airport continues after starting in July 2025. Once completed by December 2026, the new PTB will increase seating capacity from 1,205 to 3,472 passengers.

Photo Credit and Source: DOTr

246 DOTr, July 06 and 13, 2026.

247 The New NAIA Infra Corp. took over operations of the airport in September 2024.

248 An airport may have more than one improvement project.

249 These are the (i) Bicol International Airport, (ii) Davao International Airport, and (iii) Siargao Airport.



Select Airport Improvement Projects, as of June 2026



Laoag Airport PTB Expansion

Cost: PhP145.32 million
Timeline: 2024–2025
Impact: Increased seating capacity from 725 to 1,000 passengers
Status: 100% accomplished



New Bukidnon Airport

Cost: PhP4.10 billion
Timeline: 2018–2028
Impact: Provide direct air connectivity to Bukidnon and neighboring provinces
Status: 62.4% accomplished



Tacloban Airport New PTB

Cost: PhP4.07 billion
Timeline: 2020–2028
Impact: Increase seating capacity from 300 to 1,600 passengers
Status: 63.2% accomplished

Photo Credit and Sources: DOTr and CAAP

Through our efforts, 70 new air routes were opened from July 2022 to May 2026, with 22 new domestic routes and 48 new international routes providing more options for travelers.

This means that, as of May 2026, we have a total of 214 commercial routes connecting Filipinos to one another and to the rest of the world.

Ensured affordable airfares. We are standardizing the runways of regional airports to at least 2,100 m. This aims to ensure that regional airports can accommodate larger jet aircraft with higher seating capacity.

Through higher operational efficiency and increased number of passengers carried per flight, airlines will be able to lower airfares.



Select New International Routes Opened in 2025



NAIA to Techo International Airport (Cambodia)



Bohol-Panglao International Airport to Taoyuan International Airport (Taiwan)



Mactan-Cebu International Airport to Tan Son Nhat International Airport (Viet Nam)

Source: DOTr



Runway Projects for Completion by 2027, as of May 2026

Construction of a new runway for Busuanga Airport

--- 1,225 m --- Existing runway

--- 2,130 m ---

Extension of the Bukidnon Airport runway

--- 1,260 m --- > 840 m ---

--- 2,100 m ---

Source: DOTr

Enhanced Maritime Connectivity²⁵⁰

Congestion in our ports limits the movement of people, goods, and services between our islands, increasing costs for travelers, businesses, and consumers. Thus, we continue to improve our maritime connectivity.

From July 2022 to May 2026, we completed 150 port development projects.²⁵¹ These included the construction of new ports, such as the Carmen Port in Agusan del Norte and Sangputan Port in Northern Samar. By June 2028, we aim to complete a total of 280²⁵² port improvement projects.



Select Completed Port Development Projects



Banago Port, Bacolod City

Scope: Construction of PTB and widening of causeway
Cost: PhP568.77 million
Timeline: August 2023–June 2025
Impact: Increased seating capacity from 50 to 500 passengers



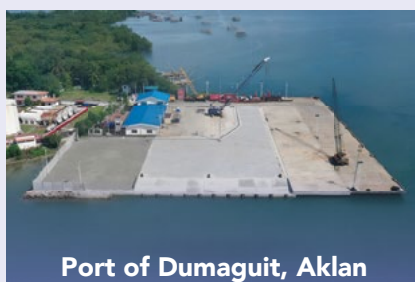
Carmen Port, Agusan del Norte

Scope: Construction of causeway with stair landing
Cost: PhP19.68 million
Timeline: July 2024–August 2025
Impact: Accommodated more than 200 fishing boats since its completion



Malbog Port, Romblon

Scope: Construction of solar-powered PTB, guardhouse, fence, and gate
Cost: PhP38.06 million
Timeline: October 2023–September 2025
Impact: Provided seating capacity for up to 50 passengers



Port of Dumaguít, Aklan

Scope: Port expansion
Cost: PhP207.73 million
Timeline: November 2023–September 2025
Impact: Expanded capacity to handle 262,896.61 MT of cargo annually



Sangputan Port, Northern Samar

Scope: Construction of causeway with stair landing
Cost: PhP24.59 million
Timeline: December 2024–September 2025
Impact: Accommodated an average of 20 fishing boats per day



Jordan Port, Guimaras

Scope: Port expansion
Cost: PhP359.30 million
Timeline: January 2024–October 2025
Impact: Enabled the accommodation of an additional 1,158 vessel calls annually

Photo Credits: DOTr and PIA
 Source: DOTr

²⁵⁰ DOTr, July 06 and 13, 2026.

²⁵¹ These include the improvement of existing ports and construction of new ports. Note that a port may have more than one improvement project.

²⁵² These cover the period from July 2022 to 2028.

Mitigated the Impact of the Middle East Conflict on Transport Costs

The fuel price pressures referenced at the outset of this chapter intensified with the Middle East conflict.

In response, the Department of Transportation (DOTr), in collaboration with other government offices, carried out targeted measures to keep our transport sector, the lifeblood of our economy, operational and affordable.



Mitigating the Impact of the Middle East Conflict on the Transportation Sector, March 2026–June 2026

LAND

PhP10/Liter Fuel Discount

- 65,869 unique PUVs covered
- PhP120.21 million disbursed

Net Service Contracting Program (SCP)

- 16,399 PUVs onboarded
- PhP629.96 million disbursed

Fuel Subsidy Program

- 306,500 drivers paid*
- PhP2.09 billion disbursed

Parañaque Integrated Terminal Exchange Terminal Fee Suspension

- 53,282 PUV departures covered
- PhP1.62 million total savings

Tollway Discount Programs for PUVs

- 108,950 beneficiaries
- PhP74.94 million total rebates

TUPAD Tuloy Pasada Program

- 16,348 transport worker-beneficiaries
- PhP102.30 million disbursed

Other Commuter Fare Relief Interventions

- 27.14 million passengers benefited from 50% fare discount in LRT-2 and MRT-3
- 70,283 passengers served under the Libreng Sakay Program in Metro Manila

MARITIME

Cebu Port Authority

- 1,284,626 passengers with waived terminal fees
- 48,198 food transport vehicles with waived permits and fees

Subic Bay Metropolitan Authority (SBMA)

- 35% tariff reduction on anchorage and berthing fee, among others
- 5% reduction on storage fees

Philippine Ports Authority

- Piso Roll-on/Roll-off (RoRo) Terminal Fee Program
 - 11,407 vehicles benefited (PUVs and food transport services)
 - PhP5.47 million saved

Maritime Industry Authority

- 418,444 passengers served by 61 vessels under the maritime SCP
- 8,413 ships benefited from PhP1 reduced tonnage fee

AVIATION

Civil Aviation Authority of the Philippines Operated Airports

- 50% reduction in landing and take-off fees for airlines
- PhP150 to PhP200 reduction in passenger service charges for domestic and international travelers

Mactan-Cebu International Airport

- 10% reduction in landing and take-off fees for airlines

*Covers public transport operators and drivers of tricycles, taxis, buses, modern and traditional UV Express and jeepneys, among others

Sources: DOTr, DOLE, and SBMA

Advancing Inclusive Digital Connectivity



Three students receive their Bayanihan SIM cards during the Bayanihan SIM card distribution in Manubiray Elementary School in Kalilangan, Bukidnon in January 2026.

Photo Credit and Source: DICT

For the past years, our commitment to digital inclusion has helped provide enhanced internet speeds with wider coverage and more affordable internet services, boosting economic activities and improving service efficiency. As a result, more Filipinos have faster and more reliable access to education, healthcare, and government services. These gains were driven by the deployment of fiber optic cables, activation of Free Wi-Fi access points, and stronger private sector participation.

Expanded Digital Infrastructure²⁵³

While digital connectivity has improved significantly, geographically isolated and disadvantaged areas (GIDAs) continue to experience unstable or no internet connectivity. In response, we continued to expand and strengthen our digital infrastructure.

Continued the implementation of the National Fiber Backbone (NFB) Project. The NFB²⁵⁴ serves as a key component of the country's digital infrastructure. This project is being implemented in six phases, with Phase 1 launched in April 2024 and Phases 2 and 3 launched in July 2025. These phases now provide high-speed internet to 26.47 million transacting clients and over 1,100 government offices in Regions I, II, III, IV-A, V, VIII, X, XI, and NCR and Benguet Province.

We hope to commence the construction of Phases 4 and 5 by October 2026. For completion by 2027, these phases will cover Regions VI, VII, IX, XII, and XIII, and provinces in Regions VIII, X, and XI that Phases 2 and 3 did not cover. Both phases will benefit 23.12 million transacting clients and 1,606 government offices.

²⁵³ DICT, June 06, and July 08 and 10, 2026.

²⁵⁴ A component of the IFP National Broadband Program.

Phase 6 is also for completion by 2027. It will cover Regions IV-B and BARMM and provinces in Regions I, III, and V that Phases 1, 2, and 3 did not cover. This phase is expected to benefit 8.99 million transacting clients and 2,705 government offices. All six phases of the NFB will be connected by a middle-mile backbone, a high-capacity fiber optic network, that is for completion by 2028.

On June 19, 2026, we enhanced connectivity across Mindanao through the launch of Phase 1 of the Mindanao Integrated Government Network, extending NFB's reach into Regions IX, X, XI, XII, and XIII by integrating 500 regional and local government facilities into the core network.

Ensured faster government transactions through the expanded reach of the Government Network Project (GovNet). GovNet enables government offices to exchange information faster and deliver services more efficiently through fiber optic cables. This results in more efficient government transactions and supports remote learning and livelihood opportunities.

As of May 2026, GovNet has connected 1,764 government agencies and facilities across 20 sites²⁵⁵ nationwide, equivalent to 58% of its 3,064-site target slated for completion by 2028.

By the end of 2026, GovNet aims to activate 10 additional sites²⁵⁶ to benefit 507 more government offices.

Pursued the establishment of the National Government Data Center (NGDC). As the government's central digital infrastructure provider, the NGDC provides secure and scalable cloud and colocation services to government agencies. As of March 2026, the NGDC was 97% accomplished and targeted for final commissioning in September 2026.

Through the NGDC, government agencies can securely host and manage government data and systems. In the long term, the DICT is consolidating the government's digital infrastructure through the NGDC, providing agencies with a secure and scalable shared data center.

As of April 2026, the NGDC has supported 103 unique government agencies and engaged 153 stakeholders across major platforms. The NGDC hosts 3,093 systems, ensuring the continuous operation of government applications and digital services.



Server racks at the NGDC in Subic, Zambales provide colocation facilities, cloud infrastructure, and hosting services to partner government agencies.

Photo Credit and Source: DICT

255 These are (i) NCR; (ii) Baguio City; (iii) Laoag City; (iv) San Fernando City in La Union; (v) Tuguegarao City; (vi) San Fernando City in Pampanga; (vii) Subic in Zambales; (viii) Baler in Aurora; (ix) Boac in Marinduque; (x) Legazpi City; (xi) Iloilo City; (xii) Palo in Leyte; (xiii) Cebu City; (xiv) Cagayan de Oro City; (xv) Butuan City; (xvi) Marawi City; (xvii) Zamboanga City; (xviii) Cotabato City; (xix) Davao City; and (xx) Pagadian City.

256 These are (i) Vigan City; (ii) Iligan City; (iii) Cabanatuan City; (iv) Balanga City; (v) Calamba City; (vi) Batangas City; (vii) Lucena City; (viii) Sorsogon City; (ix) Tacloban City; and (x) Koronadal City.

Deployed more Wi-Fi access points in public places under the FPIAP.

We are bringing free internet directly to communities, schools, barangays, and public spaces where Filipinos live, learn, and work.

From 4,469 FPIAP access points in July 2022, we have established more than 24,000 access points as of May 2026. These cover schools, government offices, and other public facilities and institutions in 1,364 cities and municipalities.



Malaking tulong po ang nagawa [ng Free Wi-Fi] sa [lying-in] facility po namin...nagagamit po namin [ito] para ma-refer ang aming mga pasyente...sa mga espesyalista sa Zamboanga City Medical...Center through their web application."

(The [Free Wi-Fi] helped us a lot in our [lying-in] facility...we can use this to refer our patients...to specialists in Zamboanga City Medical...Center through their web application.)

Carmelo Umandal
Nurse
FPIAP Beneficiary
Vitali Lying-in Center, Zamboanga City



FPIAP Accomplishments, as of May 2026



Activated 24,189 Free Wi-Fi access points

- Include 6,151 access points in GIDAs



Utilized by 9.8 million unique users

- 1.7 million unique users from the education sector

Source: DICT

Partnered with the Private Sector to Reach Remote Areas²⁵⁷

We partnered with the private sector to expand connectivity and reach remote communities nationwide. Through this, we continue to accelerate the rollout of digital infrastructure projects and extend digital services nationwide.

Facilitated the roll-out of Direct-to-Cell (D2C) satellite. We welcomed in January 2026 the landmark partnership between Globe Telecom and Starlink. This positioned the Philippines to become the first country in Southeast Asia to roll out D2C satellite services.

D2C allows mobile phones with a clear line of sight to directly connect to Starlink's low orbit satellites without additional hardware or special applications. It extends connectivity to communities unreachable by cell towers.

Deployed Starlink kits to disaster-affected areas. Following the magnitude 7.8 earthquake that struck Mindanao on June 08, 2026, 22 Starlink kits were deployed to affected areas. As disasters can disrupt cell towers and

²⁵⁷ DICT, June 06, and July 08 and 10, 2026.



The President delivers a speech during the signing of the agreement between Globe Telecom and Starlink for D2C service in the Philippines at the Bonifacio Global City in Taguig on January 16, 2026.

Photo Credit and Source: PCO

fiber-optic networks, these kits provide rapid internet connectivity for emergency responders, government agencies, and affected communities, supporting timely response and recovery operations.

Supported the construction of new towers and cell sites. From January to March 2026 alone, our private partners built approximately 4,000 new cell sites, equivalent to their entire 2025 accomplishments.

A total of 13,000 new cell sites were activated from 2023 to May 2026. These cell sites are now fully operational and transmitting service to users across the country, including users in remote communities such as Barangay Caruray in San Vicente, Palawan.

To support the private sector, we extended the validity of Independent Tower Company (ITC) Certificates of Registration from five to 15 years.

The longer validity period of ITC Certificates of Registration provides greater stability and predictability for tower companies, enabling them to plan, finance, and deploy passive telecommunications infrastructure with greater confidence. As a result, faster tower deployment and expanded connectivity can be achieved nationwide, particularly in underserved and remote communities.

Box 5.1 Construction of a Telecommunications (Telecom) Tower in San Vicente, Palawan



On June 08, 2026, the DICT, Smart Communications, PLDT Enterprise, and the local government of San Vicente successfully activated a new telecom tower in Barangay Caruray, San Vicente, Palawan. This provides improved connectivity to more than 4,500 residents.

Prior to its construction, residents had to travel 15 to 20 minutes by boat to Sitio Gawid just to access an unreliable internet signal. With the tower improving connectivity in the community, residents can access faster and more reliable internet.

Photo Credit and Source: DICT

Launched the Bayanihan SIM Card Project.

To help ensure that no student, teacher, or community is left behind in the country's pursuit of digital inclusivity, we launched the Bayanihan SIM Card Project in 2025.

This project aims to expand internet access in underserved and unserved communities through the provision of mobile connectivity services.

In December 2025, we officially commenced the distribution of SIM cards to DepEd public school students and staff in underserved and unserved areas, as well as the 4Ps and other DSWD program beneficiaries. The SIM cards have free 25 gigabytes (GB) monthly data for one year, renewable for another year.

Moreover, as of June 2026, the Bayanihan SIM Card Project, implemented in partnership with Mobile Network Operators, has led to the construction of 15 telecom towers in underserved and unserved areas and the activation of 563 existing cellular towers. These initiatives provide beneficiaries with more reliable internet connectivity.



Natulungan po ako [ng Bayanihan SIM Card Project] na ma-organize ang aking mga academic tasks at makapag-[sumite] ng mga assignments on time...hindi ko na kailangan [gumamit] ng piso-net para lang makapag-internet..."

([The Bayanihan SIM Card Project] has helped me organize my academic tasks and [submit] my assignments on time... I no longer need to [use] "piso-net" just to access the internet...)

Joana Mae Palma
Student
Bayanihan SIM Card Project Beneficiary
New Dumangas National High School
T'boli, South Cotabato



Bayanihan SIM Card Project Accomplishments, December 2025–June 2026

Target

Distribute over 1 million SIM cards to more than 1 million beneficiaries until July 2026

Accomplishments



Digitally connected 1,899 public schools in underserved and unserved areas covering 251 municipalities and 66 provinces nationwide



Distributed SIM cards to 621,085 beneficiaries

- 568,673 public school students and DepEd teachers and non-teaching personnel
- 52,412 4Ps beneficiaries

Source: DICT

Table 5.3 Internet Connectivity Indicators

Indicator	Before	Now	Change
	December 2022	May 2026	
Internet Speed (in Mbps)			
 Mobile Internet Download	25.12	59.31	▲ 136.1%
 Fixed Broadband Download	87.13	112.84	▲ 29.5%
Internet Cost (in PhP)			
 Mobile Internet (per GB)	149.50	11.19	▼ 92.5%
 Broadband (per Mbps)	33.98	12.99	▼ 61.8%
Internet Access (in %)			
	2019	2024	
 Households with Internet Access	17.7	48.8	▲ 31.1 pp
 Individuals Using Internet	25.4	67.3	▲ 41.9 pp
Source: DICT			

Source: DICT

Enhanced Internet Connectivity²⁵⁸

Through initiatives such as the NFB Project, the continued deployment of Free Wi-Fi access points, and partnerships with the private sector, indicators on internet speed, affordability, and access have shown improvement (see Table 5.3).

As of June 2026, 99.13 million Filipinos were digitally connected, marking a substantial increase from the 76 million Filipinos connected in July 2022.²⁵⁹

To ensure continuity even after this Administration, we need to ensure that all efforts to improve digital connectivity are integrated into a single master plan. Hence, in January 2026, we finalized the National Digital Connectivity Plan, the country's first digital connectivity infrastructure master plan.



[Kumpara noon] Ngayon, makakapag-load [ako] ng Php99...unlimited calls and texts na...mas mura [ngayon]..."

([Compared to before] Now, for only Php99...I already get unlimited calls and texts...it is cheaper [now].)

John Celeste
Grab Delivery Rider
Internet Connectivity Beneficiary
Quezon City

²⁵⁸ DICT, June 06 and July 08, 2026.

²⁵⁹ DICT, July 09, 2026 and National Telecommunications Commission, July 09, 2026.

Way Forward

Sustained growth depends on seamless physical and digital connectivity. We therefore pressed ahead with various programs and projects to deliver reliable and affordable transport systems alongside inclusive digital connectivity.

While gains have been made, there are still gaps in physical and digital connectivity that constrain mobility, access to services, and wider participation in economic opportunities.

In this context, we will accelerate the implementation of our Build Better More campaign by ensuring the timely completion of critical IFPs and the achievement of key milestones.

Moreover, through the reforms envisioned under RA No. 11966 (PPP Code) and RA No. 12289 (ARROW Act), we will continue to facilitate greater private sector participation and improve project delivery.

We are expediting the completion of the following high-impact projects:

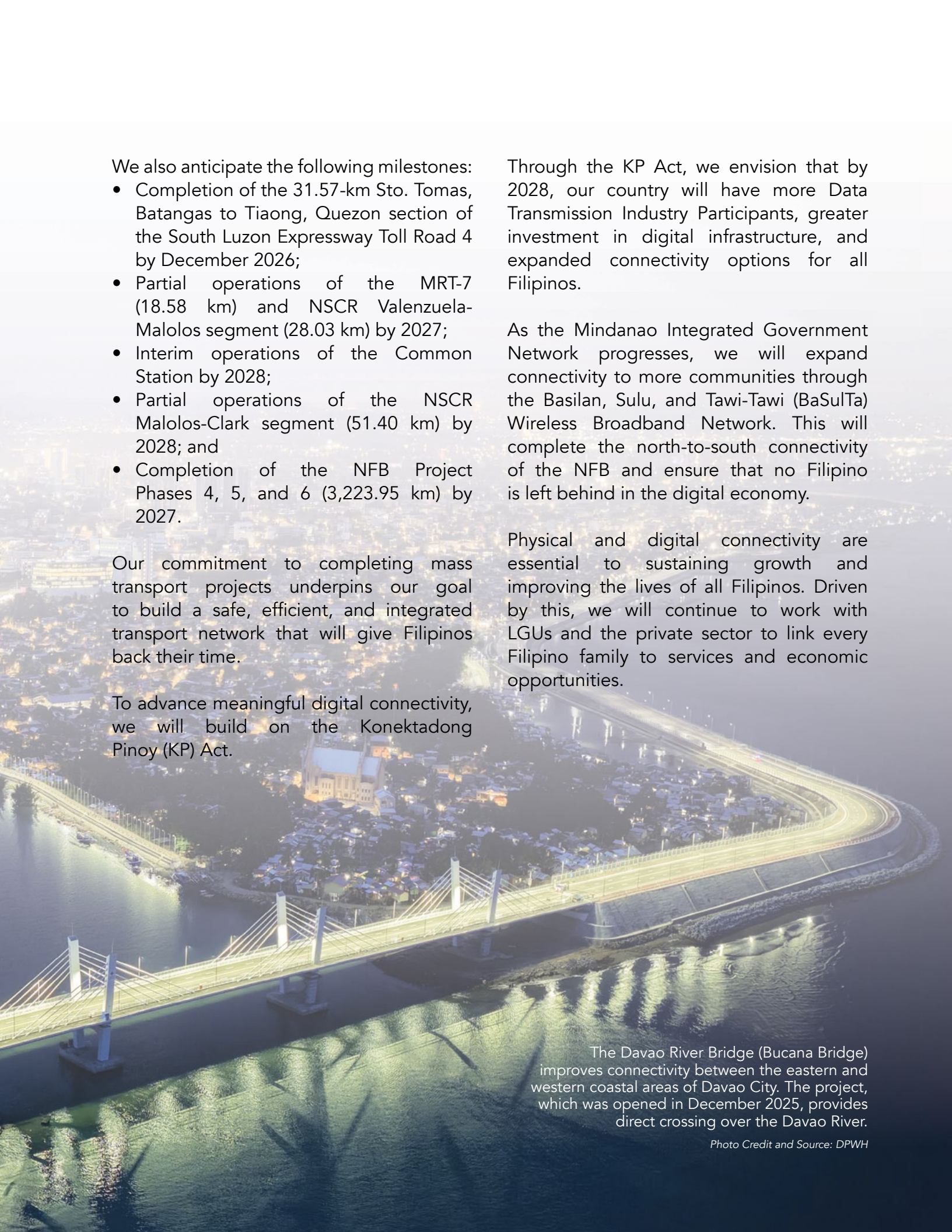
- Malassa-Lupa Pula Bridge in Tawi-Tawi (October 2026);
- Samal Island-Davao City Connector Bridge (September 2028); and
- Davao City Bypass Construction Project (December 2028).

Construction of various land projects is likewise being targeted to commence within this Administration:

- 4th Cebu-Mactan Bridge and Coastal Road (November 2026);
- Tarlac-Pangasinan-La Union Expressway Extension (March 2027); and
- Panay-Guimaras-Negros Island Bridges (July 2027).

We are also accelerating the rollout of bridge projects under the Metro Manila Logistics Improvement Program. These bridges aim to bypass road bottlenecks, alleviating traffic congestion in Metro Manila.





We also anticipate the following milestones:

- Completion of the 31.57-km Sto. Tomas, Batangas to Tiaong, Quezon section of the South Luzon Expressway Toll Road 4 by December 2026;
- Partial operations of the MRT-7 (18.58 km) and NSCR Valenzuela-Malolos segment (28.03 km) by 2027;
- Interim operations of the Common Station by 2028;
- Partial operations of the NSCR Malolos-Clark segment (51.40 km) by 2028; and
- Completion of the NFB Project Phases 4, 5, and 6 (3,223.95 km) by 2027.

Our commitment to completing mass transport projects underpins our goal to build a safe, efficient, and integrated transport network that will give Filipinos back their time.

To advance meaningful digital connectivity, we will build on the Konektadong Pinoy (KP) Act.

Through the KP Act, we envision that by 2028, our country will have more Data Transmission Industry Participants, greater investment in digital infrastructure, and expanded connectivity options for all Filipinos.

As the Mindanao Integrated Government Network progresses, we will expand connectivity to more communities through the Basilan, Sulu, and Tawi-Tawi (BaSulTa) Wireless Broadband Network. This will complete the north-to-south connectivity of the NFB and ensure that no Filipino is left behind in the digital economy.

Physical and digital connectivity are essential to sustaining growth and improving the lives of all Filipinos. Driven by this, we will continue to work with LGUs and the private sector to link every Filipino family to services and economic opportunities.

The Davao River Bridge (Bucana Bridge) improves connectivity between the eastern and western coastal areas of Davao City. The project, which was opened in December 2025, provides direct crossing over the Davao River.

Photo Credit and Source: DPWH



CHAPTER

6

Pursuing Energy Security and Protecting the Environment

Prime Energy Resources Development B.V., the service operator of Malampaya Service Contract 38, successfully tests the Camago-3 well in March 2026. With production rates of up to 60 million standard cubic feet of gas per day, this marks a significant addition to the country's indigenous gas supply.

Photo Credit and Source: DOE



The President delivers his speech during the visit to the NING*NING 6.55-Megawatt Peak Solar Rooftop Power Facility in Naic, Cavite on November 25, 2025. This is the country's first grid-connected, utility-scale solar rooftop project integrated within a socialized housing community.

Photo Credit: PMS
Source: DOE

This Administration has always been firm in our goal to achieve energy security, environmental protection, and disaster resilience anchored on science and innovation. We understand that only by attaining this goal can we fully secure the Filipino family and provide our children a clean, healthy, and sustainable environment to live in.

Our efforts are now showing progress, with improvements in our forest cover

and wildlife conservation. We also continue to safeguard our diverse ecosystems. The development of our indigenous energy resources is gaining momentum, complemented by our transition to clean energy. We are localizing climate action and focusing on better preparation and disaster response.

We will act with even more urgency and purpose to achieve a resilient and sustainable nation for Filipinos.

"Together, let us power a Bagong Pilipinas that stands on its own—secure in its energy, strong in its economy, and steady in its commitment to future generations."

President Ferdinand R. Marcos Jr.
Presentation of Petroleum
Service Contracts
October 08, 2025

Achieving Energy Security



Solar panels for power generation and advanced battery technology to address the intermittency of renewable energy are installed at the Citicore Solar Batangas 1, Inc.'s Lumbangan Solar Power Plant in Tuy, Batangas. The plant is the country's first baseload agro-solar and battery storage system.

Photo Credit: PCO
Source: DOE

Energy security serves as one of the foundations of economic stability. Ensuring a secure, reliable, and sustainable energy supply is a core agenda of this Administration. Amid global challenges and increasing demand, the country is advancing energy independence and expanding access to affordable and reliable electricity for all.

Mitigated the Impact of the National Energy Emergency²⁶⁰

From January to December 2025, 67.2% of the country's total demand for finished petroleum products was imported while 32.8% was from local refinery production. This pre-existing dependence made the country especially vulnerable when the Middle East tensions began.

Following the disruptions in the Strait of Hormuz, a critical energy corridor for global oil shipments, the country's energy supply security was put at risk, resulting in significant increases in pump prices.

Despite the tensions, the government is committed to keep our economy going, prevent disruptions in essential services, and ensure the welfare of our people.

On March 24, 2026, I issued EO No. 110,²⁶¹ declaring a state of national energy emergency to mitigate the impact of the Middle East tensions. We also adopted the Unified Package for Livelihoods, Industry, Food, and Transport as the government's response framework.

²⁶⁰ DOE, June 29 and July 14, 2026; ERC, June 25, 2026; DOF, July 08, 2026; DILG, June 29, 2026; DOTr, July 06, 2026; and GSIS, June 27, 2026.

²⁶¹ Titled, "Declaring a State of National Energy Emergency and Authorizing the Unified Package for Livelihoods, Industry, Food, and Transport."

With this, the government implemented energy supply management measures and other complementary measures to support consumers and affected sectors.

Ensured sufficient fuel and electricity supply. The Department of Energy (DOE) worked with other agencies, oil companies, and traditional and alternative trade partners to ensure the continued delivery and stable supply of fuel in the country.

The government has procured petroleum products such as diesel, gasoline, and liquefied petroleum gas (LPG), through the Philippine National Oil Company (PNOC) and PNOC-Exploration Corporation (EC). From March to May 2026, 1.39 million barrels of diesel, around 300,000 barrels of gasoline, and 21,000 metric tons of LPG arrived in the country.

At the height of the Middle East tensions, we achieved a fuel inventory level as high as 54 days. As of June 19, 2026, the country's supply remained stable and maintained around 44 days' worth of fuel reserves (see Table 6.1). Since the country could only store up to 60 days of fuel, we are looking into the possibility of establishing our strategic petroleum reserve.

Further, to help ensure stable electricity supply, the DOE expedited the grid entry of 11 renewable energy (RE) facilities with a total capacity of 358.28 megawatts (MW) as of June 22, 2026. This was earlier than their targeted commissioning dates in the latter part of 2026.

Table 6.1 Fuel Inventory Levels,
as of June 19, 2026

Fuel Type	Total Expected Available Days' Supply
Gasoline	44
Diesel	40
Kerosene	129
Jet Fuel	68
Fuel Oil	38
LPG	43
TOTAL FUEL INVENTORY	44
<i>Source: DOE</i>	

The PNOC-EC shall also implement a fuel distribution program that prioritizes the allocation of petroleum products to missionary electrification facilities and other sectors.²⁶² This helps stabilize generation costs and ensure reliable power supply in off-grid and remote areas. As of June 30, 2026, there were ongoing negotiations with Microgrid Service Providers and New Power Providers on the procurement of petroleum products.

Cushioned the impact of fuel and electricity price hikes. While the government could not directly control pump prices,²⁶³ we implemented measures to cushion the impact of significant oil price hikes, especially on vulnerable sectors.

²⁶² These include the agriculture and fisheries sectors; agri-fishery transport and maritime sectors; mining operations critical to the energy supply chain; essential or large-scale manufacturing entities; and critical infrastructure projects.

²⁶³ This is due to the deregulated nature of the oil industry pursuant to RA No. 8479 or the Downstream Oil Industry Deregulation Act of 1998.

We also put in place interventions to protect electricity consumers from excessive price hikes. These include the suspension of the Wholesale Electricity Spot Market (WESM) operations and Green Energy Auction (GEA) Allowance²⁶⁴ collection by the Energy Regulatory Commission (ERC).

Intensified enforcement against hoarding and profiteering. We will not tolerate any attempt to take advantage of the situation at the expense of consumers. The DOE worked with the

PNP and LGUs to strengthen monitoring and enforcement against hoarding and profiteering of petroleum products. From March 01 to May 31, 2026, the PNP reported that 44 cases had been filed due to fuel-related violations.

To give the public a platform to report their complaints, we also launched a “Gas Stations Concerns” feature on the eGovPH Superapp. As of June 18, 2026, 286 of the 566 total complaints received in the eGovPH Superapp had been closed or addressed.



Measures to Mitigate Fuel and Electricity Price Hikes

FUEL

Temporary excise tax suspension* on LPG and kerosene,** resulting in consumer savings of:

- 
PhP3.36
per kilogram of LPG
- 
PhP5.60
per liter of kerosene

Provision of subsidies to transport workers, farmers, and fisherfolk (see Chapters 2 and 5)

 **Staggered implementation** of fuel price increases

 Setting **minimum rollbacks** and **maximum price increases** since April 14, 2026

ELECTRICITY

Suspension of the operations of the WESM (March 26–April 30, 2026)

-  Prioritized dispatch of cheaper sources (i.e., RE and coal)
-  Averted the projected **PhP9 per kilowatt-hour (kWh)** increase in electricity rates in April 2026

Expediting the refund of the remaining PhP14.17 billion out of the PhP19.96 billion over recoveries of Meralco***

-  Shortened refund period from **24 months to 12 months**
-  Increased refund rate from **PhP0.12/kWh to PhP0.25/kWh**

 **Suspension of the GEA Allowance collection**, resulting in a monthly savings of PhP7.42 for a consumer with 200-kWh consumption (May–August 2026)

 Order by the ERC to the distribution utilities to allow customers**** to **stagger their payments** from May to July 2026 billings and implement moratorium on disconnection

*Effective April 17, 2026 and lifted on July 08, 2026

**Except when LPG is used as raw material to produce petrochemical products or used for motive power; and when kerosene is used as aviation fuel

***For the lapsed period from July 2022 to December 2024

****With monthly consumption not exceeding 200 kWh

Sources: DOE, ERC, and DOF

264 This is used to support payments to eligible RE developers participating in the GEA Program.

Promoted energy conservation and efficiency. Recognizing the need to manage power demand, the government implemented the following:

Government Energy Management Program (GEMP). On March 06, 2026, I issued Memorandum Circular No. 114,²⁶⁵ directing all government agencies and instrumentalities to strictly adopt energy conservation measures and reduce their actual electricity and fuel consumption by 10% to 20%. These include implementing applicable flexible work arrangements starting March 09, 2026 and limiting official travel to essential and indispensable functions. From March to May 2026, government agencies reported a 17.6% reduction in fuel and electricity consumption, resulting in energy savings of 508.37 MW valued at PhP168 million.

Relatedly, the DOE launched the Oras Natin sa Efficiency (O.N.E.) campaign to encourage power consumers to save electricity by switching off non-essential lights and unplugging unused appliances from 8:00 PM to 9:00 PM every Saturday, starting April 25, 2026.

Net-Metering Program (NMP). Even prior to the national energy emergency, we recognized the benefits of the NMP in enabling qualified consumers to install rooftop solar systems and reduce their electricity bills.

Following my directive during the 2025 SONA, concerned agencies have streamlined processes under the NMP. These were further expedited to help protect consumers following global energy market volatility due to the tensions in the Middle East (see Figure 6.1).

As a result, the number of customers registered in the program has more than tripled from July 2022 to May 2026 (see Figure 6.2), demonstrating the effectiveness of the government's reforms to promote net-metering.

Figure 6.1 Streamlined NMP

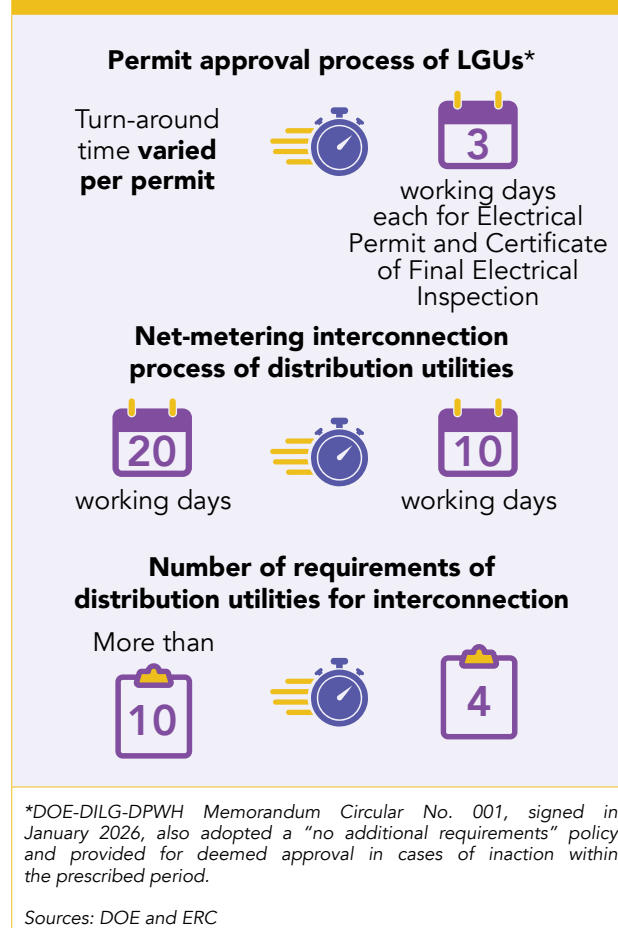
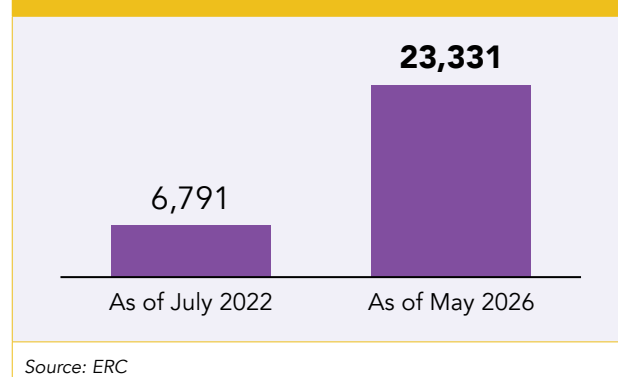


Figure 6.2 Number of Registered NMP Customers

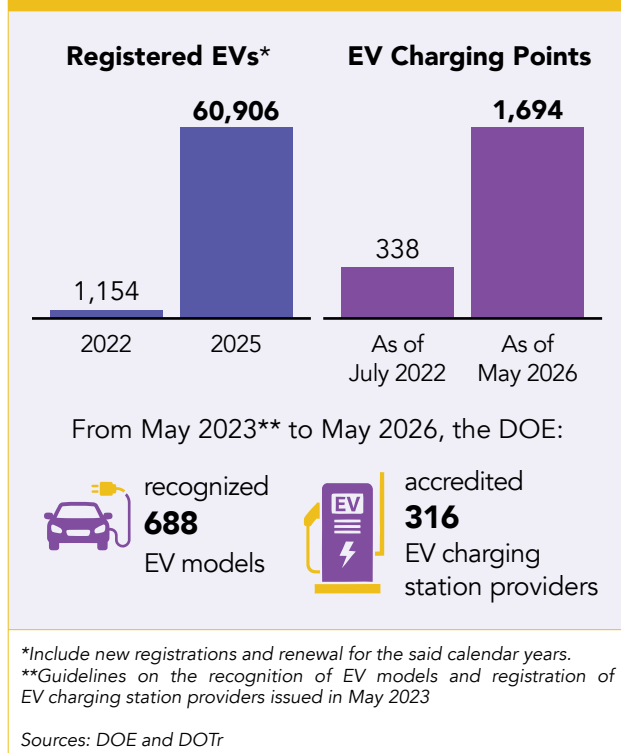


265 Titled, "Directing All Government Agencies and Instrumentalities to Strictly Adopt Energy Conservation Protocols."

To make solar home systems more attainable, the GSIS launched the Ginhawa Solar Energy Loan on March 25, 2026. GSIS members may borrow up to PhP500,000 to finance the purchase and installation of solar panels. Loans are payable over five years, with an interest rate of 5% per annum computed in advance.²⁶⁶ As of June 19, 2026, 19,412 applications amounting to PhP5.97 billion had been approved.

EV industry development. As a long-term measure, we continue to develop the EV industry to reduce our dependence on imported fuels and improve fuel efficiency. Under this Administration, the EV industry saw significant growth across vehicles, infrastructure, and market players (see Figure 6.3).

Figure 6.3 EV Industry Development

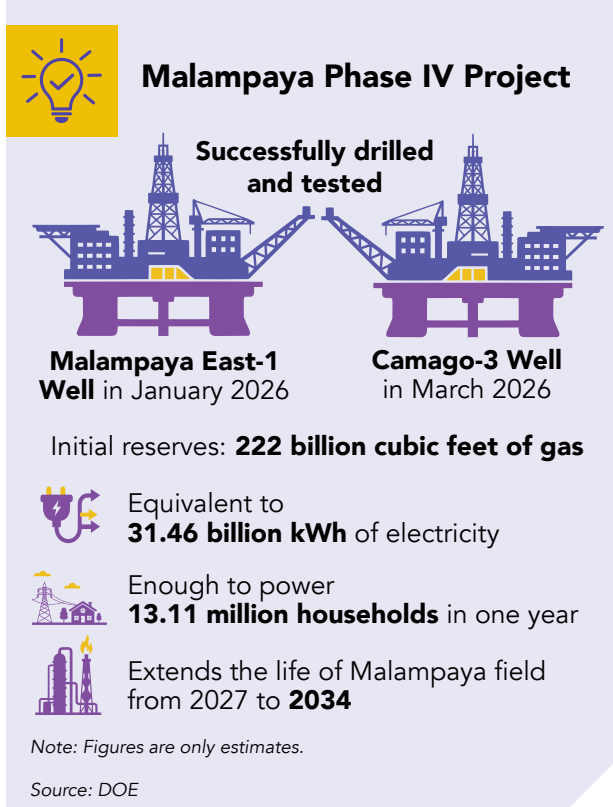


Pursued Energy Independence²⁶⁷

Geopolitical uncertainties underscore the urgent need to strengthen the country's energy systems and enhance energy self-sufficiency. The government remains committed to implementing long-term strategies that will accelerate the development of our indigenous energy resources.

Unlocked indigenous energy resources.

The continued implementation of Malampaya Service Contract 38 under an all-Filipino-owned consortium highlighted the country's ability to manage its own energy resources. Following the renewal of Malampaya Service Contract 38 in May 2023, we witnessed landmark achievements toward strengthening our long-term energy security.



²⁶⁶ The effective interest rate per annum shall be 9.55% for five years.

²⁶⁷ DOE, June 29 and July 14, 2026.

The pipeline connection of the Malampaya East-1 and Camago-3 wells to the existing Malampaya subsea production infrastructure was completed in June 2026. By the fourth quarter of 2026, these wells will start to deliver gas, augmenting our energy supply and reducing our reliance on imported liquefied natural gas.

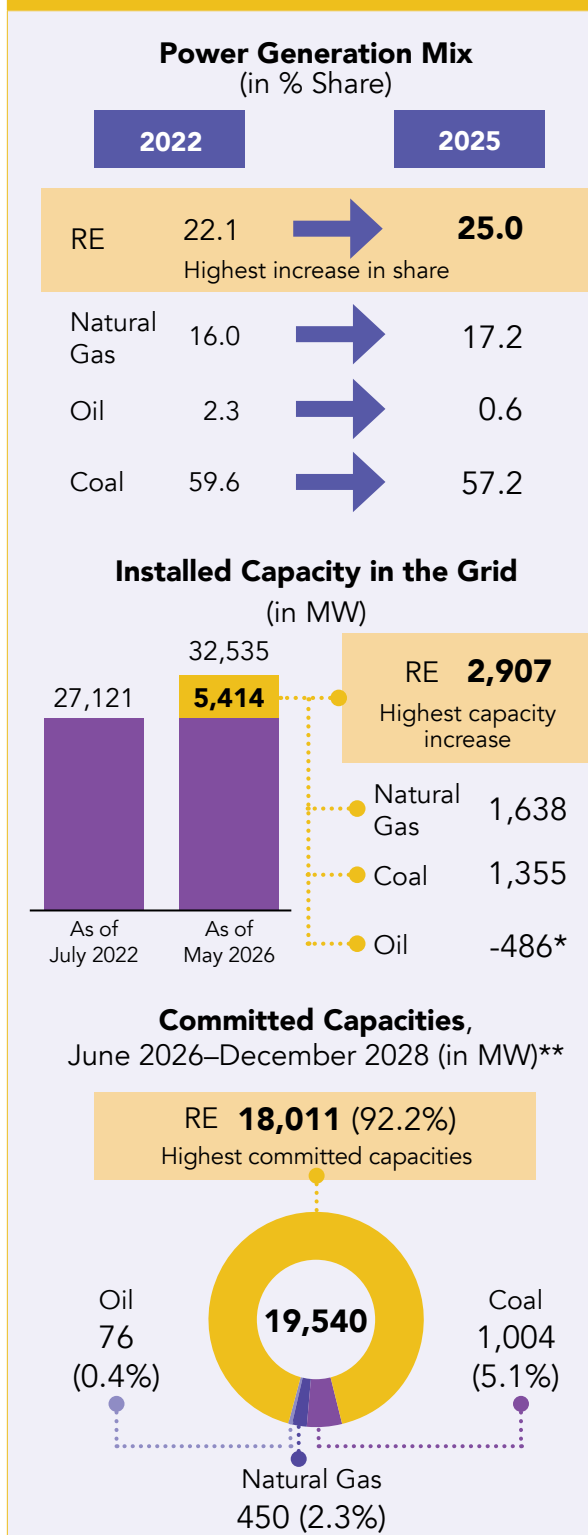
Meanwhile, to further accelerate domestic energy exploration and production, the government awarded 13 new Petroleum Service Contracts (PSC) from July 2022 to April 2026 covering prospective areas in Cagayan, Pangasinan, Zambales, offshore Palawan, Cebu, Leyte, and the Sulu Sea. These awards increased the country's active PSC portfolio from 12 to 25. These also represent potential exploration-period investment commitments of approximately PhP17.93 billion or USD290.74 million.

The awards include pioneering native hydrogen service contracts, marking the Philippines' entry into an emerging subsurface energy resource. In support of energy development in the BARMM, two of the newly awarded PSCs in the Sulu Sea are co-managed with the BARMM Government, strengthening collaboration in the exploration and sustainable development of the region's petroleum resources.

Accelerated RE development.

While we continue to explore oil and gas fields, we will never lose sight of the country's goal to transition to cleaner energy. Our push to accelerate RE was clearly demonstrated through the increased RE share in the power generation mix and power grid (see Figure 6.4).

Figure 6.4 Increased RE in Power Generation Mix and Power Grid



*The capacity decreased due to the retirement and decommissioning of oil-fired power plants.

**Figures may not add up due to rounding.

Source: DOE

From July 2022 to May 2026, the DOE awarded 582 RE contracts, with potential capacity of 81,064.18 MW, subject to actual development and grid integration. The RE contracts give the developers the exclusive right to explore, develop, or utilize a particular RE area.

The DOE is also implementing the GEA Program to award long-term supply contracts to RE developers. Across four auction rounds conducted since 2022, committed GEA capacities reached 20,689.04 MW.

To enable higher RE penetration in the grid and mitigate the inherent variability of RE output, we are also developing the country's energy storage system (ESS). Installed capacity of ESS significantly increased from 93 MW as of July 2022 to 845 MW as of May 2026. In February 2026, the DOE required all prospective variable RE power plants²⁶⁸ to integrate ESS with at least 20% of the plant's installed capacity.

Pushed for nuclear energy adoption.

On September 18, 2025, I signed RA No. 12305,²⁶⁹ which establishes the Philippine Atomic Energy Regulatory Authority. This will serve as the sole and autonomous regulator overseeing the peaceful, safe, and secure use of nuclear energy and radiation sources in the country.

To complement the law, the DOE released in October 2025 a comprehensive framework for the integration of nuclear energy into the power generation mix. This also identified the incentives for the pioneer nuclear power plant in the country.



Incentives for the Pioneer Nuclear Power Plant



Treated as a **baseload facility***



Granted **priority dispatch** in the WESM



Automatically certified as an **Energy Project of National Significance**, giving it access to incentives and expedited permit processes

*Plants that operate continuously to meet the minimum level of power demand.

Source: DOE

Enhanced Power Service Delivery²⁷⁰

Inadequate transmission infrastructure and weak distribution networks continue to limit access to reliable electricity. To ensure that power reaches every household, we are committed to modernizing and expanding our transmission and distribution systems.

Improved energy transmission system.

From July 2022 to May 2026, 52 transmission projects were completed.



Major Transmission Projects Completed

2024



Mindanao-Visayas Interconnection Project
Cebu-Negros-Panay 230 kilovolt (kV) Backbone Project



Mariveles-Hermosa-San Jose 500 kV Transmission Line Project



Cebu-Bohol 230 kV Interconnection Project

2025



24 transmission substation projects

Source: DOE

²⁶⁸ Power plants with an installed capacity of 10 MW and above.

²⁶⁹ Titled, "Philippine National Nuclear Energy Safety Act."

²⁷⁰ DOE, June 29 and July 14, 2026; and ERC, June 25, 2026.

Meanwhile, 50 transmission projects are expected to be completed by 2028. The Ad Hoc Committee on Transmission Projects²⁷¹ is assisting the National Grid Corporation of the Philippines (NGCP) to address implementation bottlenecks (e.g., right-of-way and permitting concerns). To further strengthen our transmission infrastructure, in January and February 2026, the DOE allowed generation companies and the National Transmission Corporation, respectively, to finance and/or construct critical transmission lines.

Expanded electricity access.

From July 2022 to December 2025, 3.30 million additional households were energized through various electrification programs.²⁷² As of December 2025, the country's household electrification stood at 94.93%, equivalent to 28.75 million households energized out of the projected 30.28 million households for 2025.²⁷³

Despite significant gains in household electrification, approximately 1.53 million households, primarily in GIDAs, have no reliable electricity services. To address this, RA No. 11646²⁷⁴ institutionalized the development of microgrid systems²⁷⁵ as a key electrification strategy. The DOE is monitoring the development and operation of 36 microgrid systems nationwide as of December 2025.

A landmark achievement was the commencement of operation of the first phase of the Cagbalete Island Hybrid Microgrid in Mauban, Quezon in December 2025. Implemented through

a partnership among the DOE, ERC, National Power Corporation, and Meralco, the project will provide electricity to around 1,192 households, businesses, and public facilities. Upon its full completion in 2027, it is expected to be the country's largest hybrid microgrid system and serve as a model for future off-grid electrification projects.



[Dati] gumagastos kami sa generator humigit kumulang Php3,000 to Php4,000 a month. Dalawa o tatlong oras lang iyan. Ngayon [dahil sa Barangay Line Enhancement Program]... nanonood kami ng TV hanggang sa gusto namin [at] naka-electric fan kami hanggang umaga... Hindi umabot ng Php1,000 [ang bill namin].

([Before], we used to spend around Php3,000 to Php4,000 a month on a generator. That only gave us two or three hours of electricity. Now [because of the Barangay Enhancement Line Program]... we can watch TV as long as we want [and] keep the electric fan running until morning... [Our bill] didn't reach Php1,000.)

Gigi Gonzales
Barangay Captain
Barangay Line Enhancement Program Beneficiary
Barangay Talingting, Carles, Iloilo

271 This was created in November 2023 and composed of the DOE, ERC, DOJ, DENR, DAR, DA, DILG, and National Commission on Indigenous Peoples.

272 These include the Sitio Electrification, Barangay Line Enhancement, and Photovoltaic Mainstreaming Programs, among others.

273 Figures may not add up due to rounding.

274 Titled, "Microgrid Systems Act."

275 Microgrid systems integrate generation and distribution facilities to serve isolated communities.

The government is also committed to ensure reliable electricity services in off-grid and missionary areas. I have directed the DOE, ERC, and National

Electrification Administration (NEA) to ensure that power companies across the country will improve their management and operations.

Box 6.1 Addressed the Power Crisis in Siquijor and Catanduanes



In compliance with my directive during the 2025 SONA, the DOE, NEA, and ERC committed to restore 24/7 electricity service in the province of Siquijor before end-2025. This was after the province declared a State of Emergency in June 2025 due to the power crisis brought about by lack of power supply.

The power plants have a combined installed generating capacity of 17 MW and a dependable capacity of 13.25 MW. In addition, the Province of Siquijor Electric Cooperative, Inc. (PROSIELCO) has a reserve capacity of 1.70 MW. As of July 09, 2026, the power supply in the province was stable and sufficient to meet demand.

Following the closure order against power supplier Siquijor Island Power Corporation due to multiple violations, I led the ceremonial switch-on of three diesel power plants from TOTAL Power, Inc. in September 2025.

As a long-term measure, on April 30, 2026, the ERC provisionally approved the 15-year Power Supply Agreement (PSA) between PROSIELCO and Isla Dilaab Energy Corporation, with a contract capacity of 5 to 11 MW.



We also implemented interventions that resolved the daily power interruptions in Catanduanes, which lasted up to 12 hours. On June 11, 2026, the DOE facilitated the execution of an Interim PSA between the National Power Corporation and First Catanduanes Electric Cooperative, Inc. (FICELCO), enabling the deployment of a 5-MW generator set.

In addition, we accelerated the implementation of the Emergency PSA 2 between FICELCO and Isla Dagayab Energy Corporation (IDEC). Commercial operations of IDEC's generator sets commenced on June 16, 2026, providing an additional 8 MW of contracted capacity. As of July 10, 2026, the power supply in Catanduanes was sufficient to support 24-hour electricity service.

Photo Credits: PMS and DOE
Sources: DOE and ERC

Promoted Power Consumer Welfare²⁷⁶

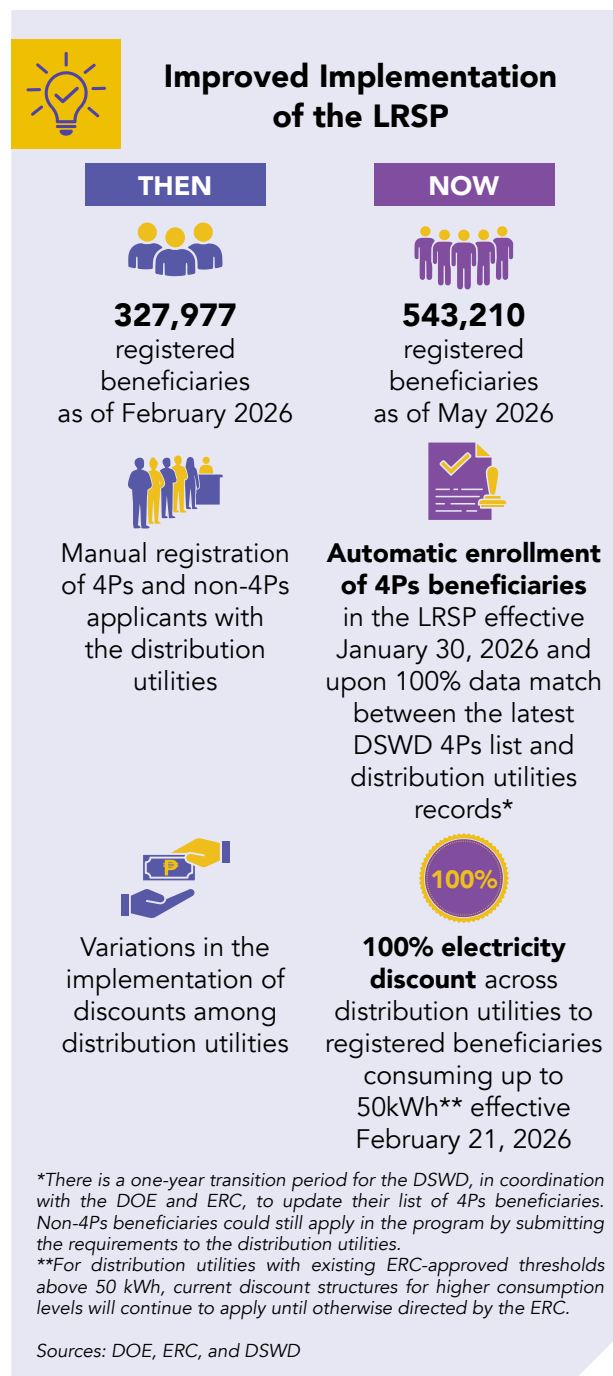
High electricity rates remain a major concern for consumers, reducing their budgets for other necessities. Aside from developing our indigenous energy resources and promoting energy efficiency and conservation measures, we are also ensuring that electricity market reforms are implemented and consumer welfare is prioritized.

Expanded the Lifeline Rate Subsidy Program (LRSP). Under RA No. 11552,²⁷⁷ we have been implementing the Amended Lifeline Rate Program since January 2024 to provide electricity discounts to marginalized consumers. However, there was low registration among eligible consumers²⁷⁸ due to various concerns such as manual registration of applicants with the distribution utilities.

Following my directive during the 2025 SONA, the DOE, ERC, and DSWD improved and expanded the program to ensure that no qualified household is left behind.

Increased financial benefits for energy-hosting communities. We continue to implement Energy Regulations No. 1-94 (ER 1-94) Program. This provides benefits to communities hosting energy generation and resource development facilities.

Effective January 2026, financial benefits of energy-hosting communities under the program increased from PhP0.01/kWh to PhP0.03/kWh of electricity generated and sold.



Aside from the increased financial benefits, the DOE also expanded the eligible uses of the fund (e.g., electricity subsidies, scholarships, and training) and required the automatic reallocation of unutilized balances to electricity subsidies.

²⁷⁶ DOE, June 29, 2026; ERC, June 25, 2026; and DSWD, July 10, 2026.

²⁷⁷ Titled, "An Act Extending and Enhancing the Implementation of the Lifeline Rate, Amending for the Purpose Section 73 of Republic Act No. 9136, Otherwise Known as the "Electric Power Industry Reform Act of 2001," as Amended by Republic Act No. 10150."

²⁷⁸ Eligible consumers are 4Ps beneficiaries and other households with income below the poverty threshold.

From July 2022 to March 2026, 1,366 LGUs benefited from the program, receiving a total of PhP3.14 billion, covering electrification, livelihood, and reforestation and watershed management projects, among others.



Nagpapasalamat po kami dahil mayroon po itong ER 1-94. Natupad namin iyong mga proyekto katulad ng... [pag-install ng] early warning devices at pagbili ng ambulansya... [at] medical equipment."

"We are thankful because of ER 1-94. We were able to accomplish projects such as... [installation of] early warning devices and purchase of ambulance... [and] medical equipment."

Ernesto Putang
Barangay Captain
ER 1-94 Program Beneficiary
Barangay Planas, Ramon, Isabela

Ensured fair and reasonable electricity rates. The ERC protected consumer interests and ordered refunds from distribution utilities mainly due to over recoveries.



Regulatory Measures to Protect Consumer Interests, July 2022–March 2026



PhP21.30 billion

worth of refunds from distribution utilities due to over recoveries and regulatory reset



PhP157.05 million

worth of penalties imposed on different energy stakeholders such as distribution utilities, generation companies, and NGCP due to multiple violations such as collecting other charges without approval, unplanned outage events, and non-submission of requirements

Source: ERC

Empowered electricity consumers.

In November 2025, the ERC lowered the eligibility threshold for participation in the Retail Competition and Open Access²⁷⁹ and Retail Aggregation Program²⁸⁰ from 500 kW to 100 kW average monthly peak demand.

The new threshold took effect on June 26, 2026, paving the way for more medium-sized enterprises and institutions to directly choose their electricity suppliers or aggregate their demand.

Retail customers increased from 1,996 as of July 2022 to 3,496 as of March 2026. With the lower eligibility threshold, an additional 11,798 potential end-users may participate in the retail market.

²⁷⁹ This allows electricity end-users to choose their supplier of electricity with an average demand set by the ERC.

²⁸⁰ This allows several electricity end-users to combine their power demand and choose their preferred retail electricity supplier.

Safeguarding the Integrity of the Environment



The Madangay Beach in Uyugan, Batanes is part of the Batanes Protected Landscapes and Seascapes.

Photo Credit and Source: DENR

This Administration recognizes that the protection, conservation, and rehabilitation of our environment are paramount to achieving a sustainable and inclusive future for every Filipino family. Thus, we remain resolute in ensuring that our pursuit of energy security goes hand-in-hand with the protection and rehabilitation of the environment.

Rehabilitated and Protected the Country's Ecosystems²⁸¹

Our diverse ecosystems are increasingly threatened by environmental degradation. Hence, we are driving measures that will ensure the responsible management of the country's ecosystems.

Rehabilitated forestlands. We continue to implement the Enhanced National Greening Program (ENGP), the government's key forest rehabilitation program.



63.69 million seedlings planted across **100,992 ha** of plantation from July 2022 to March 2026 under the ENGP



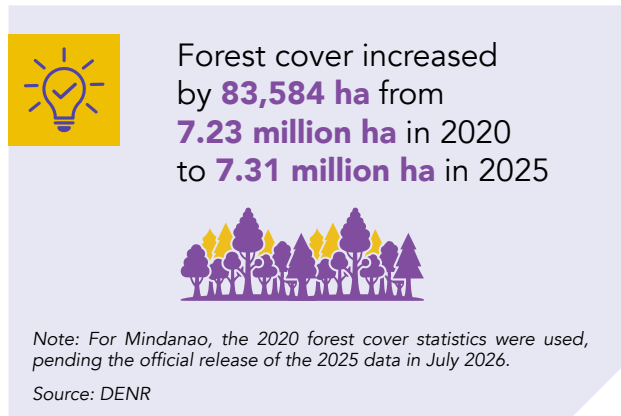
Source: DENR

Through the ENGP, we also generated 773,723 jobs and facilitated the employment of 130,100 individuals from July 2022 to March 2026.

On March 21, 2025, we launched the Forest for Life: 5 Million Trees, which aims to establish at least five million trees by 2028 across Ilocos Norte, Rizal, Leyte, Bataan, and Lanao del Norte. As of April 30, 2026, we formalized our collaboration with 24 partners in implementing forest conservation activities.

²⁸¹ DENR, June 25 and July 09, 2026; MMDA, June 24, 2026; Intramuros Administration, June 25, 2026; and Philippine Eagle Foundation, June 23, 2026.

From July 2022 to March 2026, we developed 7,645.61 ha of forest area through agroforestry and livelihood projects under the Community-Based Forest Management-Comprehensive Agrarian Reform Program. Through this program, we provided financial assistance and equipment subsidies to 49 enterprises and generated 14,460 jobs.



Complementing reforestation is our commitment to long-term forest protection. To safeguard our natural forests and effectively respond to forest threats, we employed 1,275 Forest Protection Officers from July 2022 to May 2026.

These forest protection officers, in collaboration with community partners, regularly patrol our forest areas to deter illegal logging and other forest disturbances.

Promoted urban greening. We have undertaken measures to create livable and sustainable communities while addressing environmental degradation and rising urban temperatures.

We continued the implementation of the Pasig Bigyang Buhay Muli Project to transform the Pasig River into a sustainable, inclusive, and economically vibrant waterway. Central to this effort is the development of a riverfront esplanade.

On January 27, 2026, we turned over 47 kiosks and 18 commercial chambers along the esplanade, benefiting 72 merchants. We also continued cleanup activities, rehabilitation of the PRFS stations, and conduct of cultural and tourism-oriented activities. On November 27, 2025, the Pasig Bigyang Buhay Muli Project received the 2025 Asian Townscape Award from the UN-Habitat Regional Office for Asia and the Pacific for its contribution to sustainable urban development.



People are enjoying the kiosks at the Pasig River Esplanade. These kiosks were turned over to merchants on January 27, 2026.

Photo Credit and Source: Intramuros Administration

The MMDA continues to advance its vision of a cleaner and greener Metro Manila through strategic urban greening initiatives, including expanding green spaces. From July 2022 to April 2026, we transformed 28 underutilized and degraded areas into public parks in partnership with LGUs under the Adopt-A-Park Program.

Under the MMDA Nature Park Development Project, we are also transforming the Carmona Sanitary Landfill in Cavite into a functional nature park to promote recreation, contribute to climate change mitigation efforts, and serve as an area for specimen planting. As of June 24, 2026, the MMDA completed the construction of walkways, jogging paths, bike lanes, and other facilities.

Managed protected areas and marine resources.

The country's protected area system has long faced challenges such as land encroachment. In response, the government adopted a comprehensive and transformative approach to biodiversity governance.

To protect against exploitation and enhance biodiversity, I signed in 2025 several laws declaring seven new protected areas, bringing the total to 251 covering approximately 7.88 million ha. Meanwhile, several areas across the country were recognized as global geopark, biosphere reserve, and accredited wetland city by international bodies such as the UNESCO.

Revenues from the management of our protected areas increased from PhP313.19 million in 2022 to PhP1.04 billion in 2025. These were derived from fees and charges from the use of resources and facilities in and operation of the protected areas, among others.



Areas Internationally Recognized, 2023–2026



Bohol Island Geopark

Designated in 2023 as the first UNESCO Global Geopark in the Philippines



Apayao Province and Sablayan, Occidental Mindoro

Declared in 2024 and 2026 as the 4th and 5th UNESCO Biosphere Reserves in the Philippines, respectively



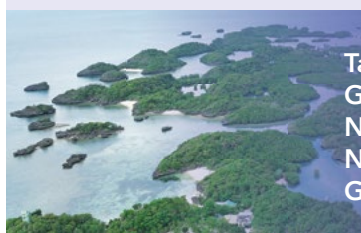
Balanga City, Bataan

Recognized in 2025 as the country's first Accredited Wetland City

Source: DENR



Protected Areas Declared in 2025*



Taklong and Tandog Group of Islands Natural Park, Nueva Valencia, Guimaras



Alibijaban Protected Landscape and Seascape, San Andres, Quezon



Mt. Masaraga Protected Landscape, Albay



San Francisco Protected Landscape, Quezon



Paoay Lake Protected Landscape, Ilocos Norte



Mt. Sawtooth Protected Landscape, Tarlac



Panaon Island Protected Seascape, Southern Leyte

*Through RA Nos. 12225, 12226, 12227, 12229, 12230, 12237, and 12238, respectively

Photo Credit and Source: DENR

The country's coastal and marine ecosystems continue to face mounting pressure from climate change, resource overexploitation, and fragmented governance. We continue to empower coastal communities as key partners in conservation. From 2022 to 2025, we provided technical and financial assistance to 174 People's Organizations under the Biodiversity-Friendly Enterprises Program.

Conserved threatened wildlife species.²⁸² The Philippines is home to about 52,000 species, nearly half of which are found nowhere else in the world. Our unique flora and fauna species faced extinction without action. Over the past four years, the government significantly strengthened wildlife protection through a combination of enforcement, science-based conservation, habitat protection, and public engagement.

We continue to carefully implement species conservation plans, including plans for the most critically endangered. With our protection and conservation efforts, the population of our critically endangered species increased (see Table 6.2).

Table 6.2 Increased Population of Critically Endangered Species		
Species	As of July 2022	As of December 2025
 Tamaraw	521	557
 Philippine cockatoo	860	1,230
 Philippine eagle	319 pairs	392 pairs
Source: DENR		

Box 6.2 Newly Hatched Philippine Eagle Bayani



On December 05, 2025, Bayani, the offspring of Philippine eagles Dakila and Sinag, hatched at the Philippine Eagle Foundation-National Bird Breeding Sanctuary in Davao City. Bayani was produced through cooperative artificial insemination under the Conservation Breeding Program of the Philippine Eagle Foundation.

Photo Credit and Source: Philippine Eagle Foundation

The Philippine eagle population continues to be observed in the wild, with new nesting territories documented in Luzon, while efforts are underway to secure forest habitats critical for its survival. Meanwhile, tamaraw in Mindoro Island and Philippine cockatoo show positive signs of population recovery with core populations secured in established national protected areas. Marine turtle conservation efforts expanded to 443 monitored nesting and foraging sites.

To strengthen surveillance against illegal wildlife trade, from July 2022 to December 2025, we deputized 1,763 wildlife enforcement officers and established Wildlife Traffic Monitoring Units to monitor 63 airports and 197 seaports nationwide.

282 A general term to denote species or subspecies considered as critically endangered, endangered, vulnerable, or other categories of wildlife whose population is at risk of extinction.

Promoted Sustainable Mining²⁸³

The country's mineral resource, valued at USD4.4 trillion, remains untapped. Hence, we are revitalizing the country's minerals industry, especially with the rising global demand for critical minerals. We are also committed to promoting safe and sustainable mining, prioritizing the welfare of host and neighboring communities and the environment.

On September 05, 2025, I signed into law RA No. 12253.²⁸⁴ This aims to simplify the country's mining fiscal regime, enhance transparency, and encourage investments in the mining sector. On December 18, 2025, we issued the law's IRR.

To help push our critical minerals industry, we signed critical minerals agreements with Japan, the Republic of Korea (ROK), and the United States of America (USA), among others.

On May 28, 2025, the DENR also issued DENR Administrative Order No. 2025-17 streamlining the procedures in the processing of mining applications.

We remain committed to formalizing small-scale mining in the country. From July 2022 to March 2026, the DENR declared 23 Minahang Bayan.²⁸⁵

On March 25, 2026, the DENR launched the Mobile One-Stop Shop for Small-Scale Mining in various regions. It aims to accelerate the formalization of artisanal and small-scale miners in the Minahang Bayan.

Our initiatives to strengthen and formalize the small-scale mining sector helped drive the growth in the BSP's gold purchases, which increased from PhP22.8 billion in 2022 to PhP40.2 billion in 2025.

In partnership with the UN Industrial Development Organization, we established mercury-free processing facilities through the planetGOLD Philippines Project funded by the Global Environment Facility. These were turned over to mining associations in Sagada, Mountain Province and Paracale, Camarines Norte on February 03, 2025 and April 02, 2025, respectively. These facilities are safer alternatives to traditional mercury-based methods and are expected to improve the profitability of small-scale miners.



Select Critical Minerals Agreements Signed



Japan

Signed on November 03, 2023, it promotes cooperation on mining policy, information sharing, mining security, and environmental impact assessment.



ROK

Signed on October 07, 2024, it facilitates a strategic partnership for critical raw material supply chains and strengthens cooperation in the research, development, production, and processing of critical raw materials.



USA

Signed on February 04, 2026, it aims to open access to more investments, technology transfer, and research initiatives.

Source: DFA

²⁸³ DENR, June 25 and July 09, 2026; and DFA, June 26, 2026.

²⁸⁴ Titled, "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act."

²⁸⁵ A designated zone approved by the DENR where small-scale mining operations can legally and safely occur.

We also pursued efforts to eradicate illegal mining activities. From July 2022 to April 2026, we issued 670 cease-and-desist orders and 84 confiscation orders against violators of RA No. 7942.²⁸⁶

Improved Environmental Quality Monitoring²⁸⁷

Pollution remains a serious concern for the country. Hence, we directed our efforts toward improving environmental quality.

Improved air and water quality monitoring. This Administration continues to improve the monitoring of air and water quality to ensure that these would be at par with established standards.

We increased our air quality monitoring stations from 109 in December 2022 to 121 in January 2026. These were deployed in strategic locations to ensure comprehensive and real-time air quality monitoring.

Meanwhile, in 2025, 386 classified waterbodies were monitored based on ambient water quality parameters such as fecal coliform. While still not fit for swimming and other forms of contact recreation, continuous water quality monitoring indicated a decline in the fecal coliform levels in designated bathing beaches in Manila Bay, from 3,400 most probable number per 100 milliliters (MPN/100 mL) in 2022 to 2,411 MPN/100 mL in 2025.²⁸⁸

Similarly, results of water quality monitoring in Laguna Lake indicated that the lake's Biochemical Oxygen Demand averaged

2.75 milligrams per liter from 2022 to 2025, signifying improved water quality.

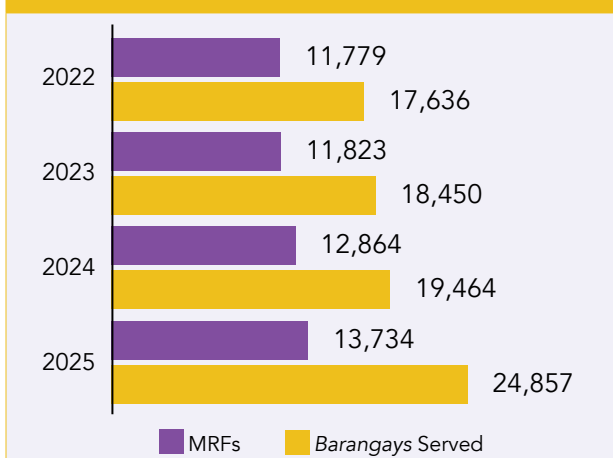
In 2025, 6,552 Notices of Violation were issued to firms for discharging pollutants into bodies of water nationwide, compared to 5,346 notices issued in 2022.

We operationalized five Water Quality Management Areas from July 2022 to March 2026 to address site-specific water quality issues, bringing the total to 45. Meanwhile, from July 2022 to March 2026, 681 esteros were adopted through partnerships with the private sector and other stakeholders under the Adopt-an-Estero Program.

Strengthened solid waste management. We have initiated efforts to manage the country's solid waste, including plastic waste.

From 11,779 in 2022, materials recovery facilities (MRF) grew to 13,734 MRFs servicing 24,857 *barangays* nationwide in 2025 (see Figure 6.5).

Figure 6.5 Total MRFs and Barangays Served, 2022–2025



Source: DENR

286 Titled, "Philippine Mining Act of 1995."

287 DENR, June 25 and July 09, 2026.

288 Acceptable water quality guideline value for Class SB is 100 MPN/100 mL.

In 2025, the country was serviced by 375 sanitary landfills (SLF) covering 799 cities and municipalities. This is an increase from the 287 SLFs in December 2022, covering 590 localities. From July 2022 to March 2026, four treatment, storage, and disposal facilities were registered, bringing the total to 176.

We continue to promote a circular economy. As of December 2024, plastic recovery under RA No. 11898²⁸⁹ reached 56% for rigid plastics and 56.3% for flexible plastics, both exceeding the 40% target for 2024. As of December 2025, we have mobilized 1,017 registered businesses and diverted 246 million kg of plastic waste.

Boosted Climate Action and Financing²⁹⁰

We understand that climate change is an existential threat. Hence, we continue to accelerate our climate action.

In May 2024, we submitted the country's first ever National Adaptation Plan (NAP) 2023–2050 to the UN Framework Convention on Climate Change. The NAP serves as our long-term strategy for addressing climate risks and strengthening resilience across sectors. We are now working to localize the NAP.

From November 2025 to February 2026, we rolled out the Adaptation Investment Learning Course to 12 carefully selected pilot provinces. Of these provinces, seven²⁹¹ have completed the program. This initiative aims to equip local actors with the skills to transform climate adaptation needs into investment-ready portfolios.

In 2024, the People's Survival Fund (PSF) fully committed its PhP1 billion allocation for the first time since its establishment in 2012. The PSF secured its first succeeding replenishments of PhP1 billion through the FY 2025 GAA and another PhP1 billion through the FY 2026 GAA. As of April 2026, the approved PSF financing commitments for 28 climate change adaptation projects reached PhP1.55 billion.



Completed PSF Projects



Building Resilience through Community-Based Ecological Farming in San Francisco, Camotes Island, Cebu

Project type: Rainwater collection facilities
Approved funding: PhP33.89 million
Date of completion: October 2023

Impact:

- Ensured reliable water supply for household and agricultural activities
- Reduced electricity costs in accessing water supply for irrigation
- Contributed in increasing the crop production of beneficiary farmers



Construction of Three Solar-Powered Irrigation Systems in Cabagan, Isabela

Project type: Solar-powered water systems
Approved funding: PhP21.28 million
Date of completion: November 2025

Impact:

- Benefited 730 members of five farmer associations
- Expected to increase the beneficiaries' rice produce by 10% during dry season

Source: Climate Change Commission

289 Titled, "Extended Producer Responsibility Act of 2022."

290 DENR, June 25, 2026; Climate Change Commission, July 02, 2026; and DOF, July 08, 2026.

291 These are (i) Bukidnon; (ii) Negros Occidental; (iii) Leyte; (iv) Camarines Norte; (v) Mountain Province; (vi) Apayao; and (vii) Zamboanga del Norte.

We continue to perform our duties as host of the Board of the Fund for Responding to Loss and Damage (FRLD). On April 22 to 24, 2026, the Board conducted its 8th Meeting in Livingstone, Zambia. The FRLD Board is set to approve the first batch of funding requests in July 2026. This will shape how the Fund will evolve and help climate-vulnerable countries including the Philippines.

Meanwhile, from July 2022 to March 2026, we generated USD349.38 million in combined loan and grant financing from development partners to support environment and natural resources management and climate action programs.

Accelerated Innovation²⁹²

Recognizing that insufficient research and development (R&D) spending and limited support for innovation have long constrained

the science and technology (S&T) sector, we have significantly increased our investments in R&D. We also remain steadfast in supporting innovative ideas that address the country's pressing needs and concerns, particularly the intensifying impact of climate change.

Supported Filipino innovators and inventors. On October 06, 2025, I issued EO No. 99 establishing the Presidential Filipinovation Awards.²⁹³ It serves as the government's flagship program to recognize Filipino enterprises and individuals whose innovative products or services are at the early-stage of commercialization.

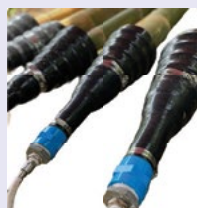
On November 06, 2025, through the National Innovation Council (NIC), we conferred the inaugural Presidential Filipinovation Awards to five exceptional innovators.



2025 Presidential Filipinovation Awardees

Bambujett

by Hamilton Agri Supply



A bamboo treatment system using a one-size-fits-all fitting that makes bamboo poles termite-resistant, durable, and eco-friendly

Palatak Palay Seeder

by Farmwell Agricultural Machinery Manufacturing



A rice planting device that combines direct seeding and manual transplanting to ensure precise, efficient, and sustainable rice farming

Rezbin

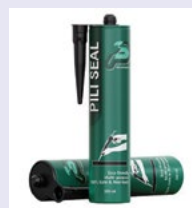
by Rezbin Waste Technology, Inc.



A cost-effective recycling solution that uses technology and rewards to educate people on proper waste segregation

Pili Seal

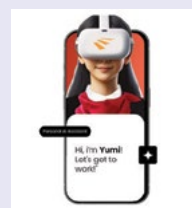
by Pili AdheSeal, Inc.



A two-in-one sustainable, multipurpose adhesive and sealant product derived from upcycled agricultural pili tree resin waste

Ediphi

by Ediphi Training Programs, Inc.



An immersive virtual reality training platform that transforms conventional learning into hands-on, real-world simulations for education and workforce development

Photo Credit and Source: DEPDev

²⁹² DOST, June 24 and July 10, 2026; and DEPDev, July 08, 2026.

²⁹³ Formerly known as the National Regional Innovation Awards and Competition.

Each awardee received PhP3.50 million worth of cash grant and post-competition support, including expert mentorship, to scale up their winning innovations.

On April 28, 2026, I led the 2026 National Invention Contest and Exhibits (NICE) Awards. Held every two years since 2008, the NICE Awards recognizes the Filipinos' creativity and ingenuity in S&T and encourage inventors to commercialize their work.



The President interacts with one of the winning inventors of the Multi-Shell Neutron Spectrometer prior to the 2026 NICE Awards at the Malacañan Palace on April 28, 2026. The invention is used to measure neutron radiation.

Photo Credit: PMS

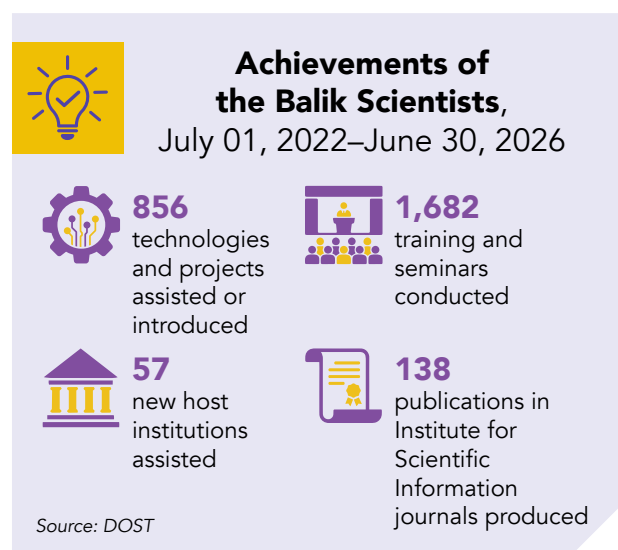
I awarded the 2026 NICE Awards to five inventions²⁹⁴ and provided cash rewards to the inventors to pursue further improvement of their inventions.

To accelerate the commercialization of innovations and technologies, the DOST launched the PROPEL Business Hub and Exhibit Center on March 31, 2026. The facility houses a curated technology exhibit center and collaborative workspaces for researchers, inventors, entrepreneurs, and investors.

On May 11, 2026, the DOST, in partnership with CHED, also launched the Philippine Technology Evaluation and Standards for Testing (PHITEST). It serves as a unified national framework for the testing, validation, certification, and standards development of emerging and locally developed technologies.

Engaged Filipino experts in S&T.

Under the Balik Scientist Program,²⁹⁵ we engaged 201 Balik Scientists in various science research initiatives from July 01, 2022 to June 30, 2026.



To encourage Filipino experts to remain in and contribute to the country, we provided them with job opportunities within the DOST's attached agencies. From July 2022 to April 2026, we engaged 84 experts under the S&T Fellows Program.

Provided funding assistance to R&D and innovation projects.

We sustained our commitment to investing in Filipino creativity and ingenuity by providing grants and funding assistance.

²⁹⁴ These are (i) Multi-Shell Neutron Spectrometer; (ii) Effectiveness and Safety of Herbal Cream Preparation DEMOLLUSCUM in Removing of Molluscum Contagiosum and the Like Using Cashew Nut Oil Extract; (iii) Multi-Grain Precision Seeder with Fertilizer Applicator; (iv) Point-Of-Care (On-Site) African Swine Fever Virus Detection System; and (v) I-Count: AI Optical Chick Counting Device for Unloading Operation.

²⁹⁵ This is pursuant to RA No. 11035 or the Balik Scientist Act.

Under the DOST's Grants-in-Aid Program, we provided PhP12.64 billion worth of funding assistance to 824 projects from July 01, 2022 to June 15, 2026. In addition, the DOST-Technology Application and Promotion Institute's Invention Development Assistance Fund supported 77 inventions and invention-related projects worth PhP98.27 million from 2022 to 2025.

From 2022 to 2025, the NIC approved 61 innovation programs, activities, and projects (PAPs) worth PhP317.67 million under the Innovation Grants.

The DOST also implemented programs aimed at boosting the transfer, adoption, and commercialization of R&D projects through the provision of funding assistance.



Select PAPs approved under the Innovation Grants, 2022–2025



Blue Economy and Water

CoralTech: Developing Scalable 3D-Printed Artificial Reef Systems to Support Marine Ecosystem Recovery and Livelihood Innovation

 Davao Oriental State University

 PhP5 million

Pre-Commercialization of BahuraKrete™: Advancing Coral Reef Restoration with 3D-Printed and/or Precast Lightweight Foamed Concrete Artificial Reefs with Circular Fish Foaming Agent and Agro-Industrial Wastes

 Mindanao State University

 PhP7.50 million



Energy

Enhancing the Capacity of the Renewable and Sustainable Energy Technologies Center using Local Innovation for Smarter and More Resilient Community-Based RE Microgrids

 DOST-Regional Office XI

 PhP6.76 million



Health and Well-being

Hearing for Life Phase 3: Quality Assurance Testing of a Pre-Commercial Locally Developed Newborn Hearing Screening Device through Clinical Validation and Manufacturing Engineering

 University of the Philippines Manila

 PhP15 million

 Implementing Entity

 Approved Funding

Source: DEPDDev



DOST Programs for Technology Transfer, Adoption, and Commercialization

Small Enterprise Technology Upgrading Program (SETUP)



PhP2.90 billion

2,339 projects
(July 2022–March 2026)

Technology Innovation for Commercialization (TECHNiCOM) 2.0 Program



PhP163.33 million

44 projects
(July 2022–June 2026)

Short-Term Program for Researchers on Innovation and Technopreneurship (SPRINT)



PhP54.85 million

498 researchers
(July 2023–April 2026)

Grants and Assistance to Leverage Innovations for National Growth (GALING) Program



PhP5.44 million

37 projects
(January 2023–June 2026)

Expanded Venture Financing Program



PhP55.81 million

14 projects
(September 2024–June 2026)

Source: DOST

Building Resilient and Adaptive Communities



The President, accompanied by DSWD Secretary Rex Gatchalian, inspects the Visayas Disaster Resource Center in Barangay Tingub, Mandaue City, Cebu on February 26, 2026.

Photo Credit: PMS

The Philippines' vulnerability to disasters remains a major impediment to development. In 2025 and early 2026, we faced destructive tropical cyclones, strong earthquakes, and volcanic eruptions. Despite our diligent efforts to prevent and mitigate their impacts, disasters continue to cause loss of lives, displace families, and incur billions of pesos in damage. These losses underscored that much work remains to be done in building resilient and adaptive communities.

Improved Early Warning and Monitoring Capabilities²⁹⁶

We remain committed to strengthening resilience and reducing vulnerability to disasters. To this end, we continue to explore new technologies and innovations that strengthen our disaster risk reduction and management (DRRM) capacity.

Established early warning and monitoring systems. We continue to build early warning and monitoring systems.



Installed Early Warning and Monitoring Systems, July 2022–April 2026



14
Flood
Forecasting and
Warning Systems



3
Sea Level
Monitoring
Stations for
Tsunami
Detection



11
Volcano Broadband
Seismic Stations



9
X-Band Radars



3
Doppler Weather
Radars



20
Seismic Stations

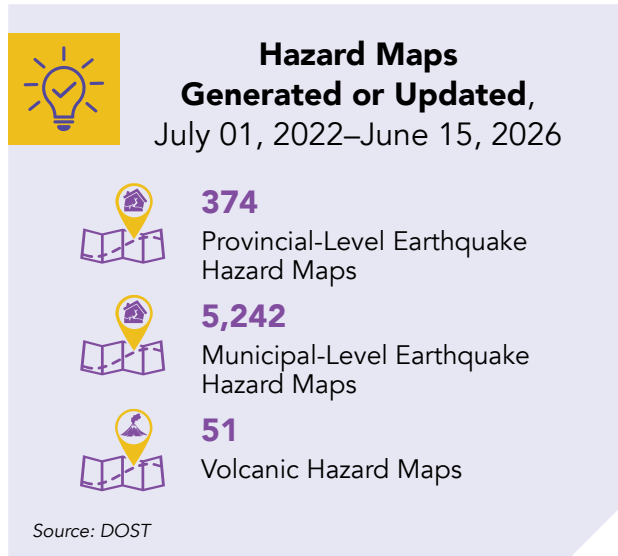


18 Community Tsunami Alerting Stations

Source: DOST

296 DOST, June 24, 2026.

Integrated S&T in hazard mapping and disaster planning. By evaluating the risks from natural hazards, we developed multi-hazard maps to ensure evidence-based interventions in times of disasters. We continue to generate or update our hazard maps for active volcanoes, faults, and trenches.



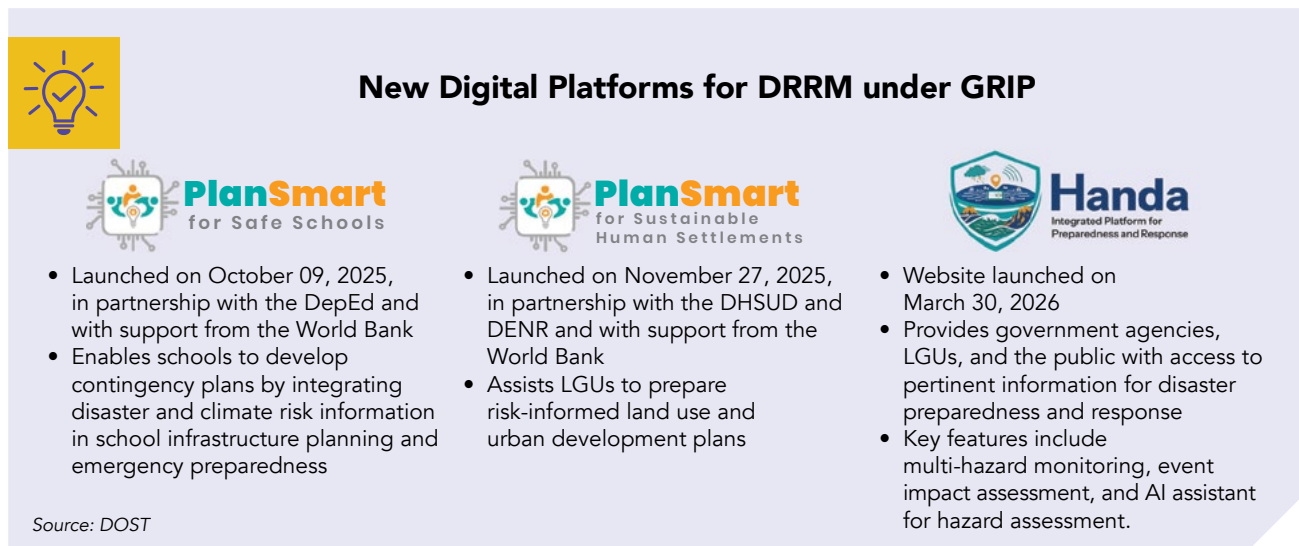
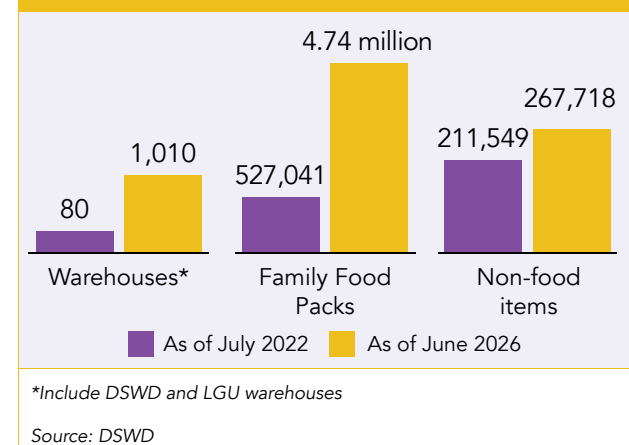
To ensure science-based disaster planning and risk assessment against natural hazards, we developed new digital tools under the DOST-Philippine Institute of Volcanology and Seismology's GeoRiskPH Integrated Platform (GRIP).

Ensured Immediate and Adequate Disaster Response²⁹⁷

This Administration prioritizes the welfare of the Filipino family, particularly those who are highly susceptible to natural hazards. We are working to provide timely assistance and rapid response to disaster-affected areas.

Improved production and prepositioning of relief goods. To ensure sufficient supply for disaster-affected families, we continue to construct warehouses and preposition relief resources (see Figure 6.6).

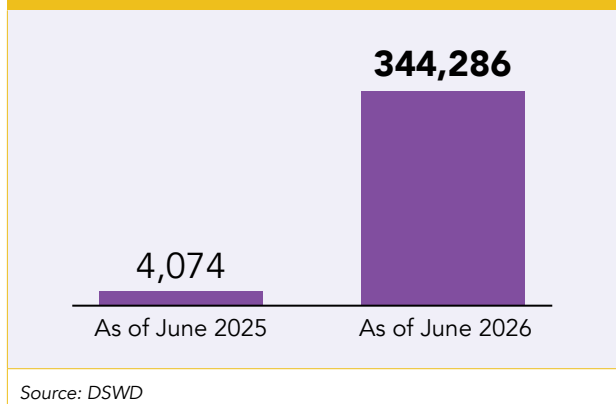
Figure 6.6 Warehouses and Prepositioned Relief Stockpile



²⁹⁷ DSWD, June 25, 2026; DBM, June 26, 2026; OCD, June 30, 2026; and Office of the Deputy Executive Secretary for Finance and Administration, June 25, 2026.

We also ensured the immediate provision of meals for stranded passengers affected by typhoons or sea travel disruptions. In June 2025, the DSWD partnered with the Philippine Ports Authority to preposition ready-to-eat food (RTEF) packs in seaports nationwide (see Figure 6.7).

Figure 6.7 Prepositioned RTEF Packs in Seaports Nationwide



The DSWD installed new mechanized production systems at the Luzon Disaster Resource Center (LDRC) and Visayas DRC in June and July 2025, respectively. The new systems increased the facilities' combined production capacity from 40,000 family food packs (FFP) to 70,000 FFPs daily.

As part of the Buong Bansa Handa Project, the DSWD partnered with national government agencies, LGUs, and the private sector to strengthen the prepositioning of relief goods. As of June 2026, 909 LGUs, especially in areas vulnerable to disasters, have prepositioned goods.

By prepositioning goods nationwide, the DSWD can now provide critical food assistance in under 24 hours, a significant improvement from the previous one to five-day lead time required to mobilize goods from the LDRC in Pasay City.

Provided timely and responsive assistance. The DSWD sustained the provision of disaster response and early recovery services. From January 2025 to June 2026, the DSWD provided various forms of assistance to affected families.



The President inspects the relief goods for packaging at the DSWD-LDRC in Pasay City on July 18, 2025.

Photo Credit: PMS



From July 01, 2022 to June 15, 2026, the Office of the President also extended Presidential assistance worth PhP4.78 billion to LGUs heavily affected by calamities to support their rehabilitation efforts.

Given our vulnerability to disasters, we increased to almost double our National DRRM Fund (NDRRMF), from PhP21 billion in 2025 to PhP39.82 billion in 2026. Under the NDRRMF for 2026, we appropriated PhP15.33 billion to the Disaster Rehabilitation and Reconstruction Assistance Program for LGUs. This aims to support the post-disaster recovery efforts of affected LGUs.

Institutionalized anticipatory action.

On September 12, 2025, I signed into law RA No. 12287²⁹⁸ to allow the national and local governments to mobilize resources in anticipation of highly probable and imminent disasters. The law enables the government to provide timely humanitarian assistance to at-risk populations before disaster strikes. This means that vulnerable families can secure essential supplies in advance, evacuate early, and take other precautions to save lives and property.

Box 6.3 Government Preparations for El Niño

The Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) reported that as of June 24, 2026, El Niño conditions are present in the tropical Pacific. Climate models suggest that El Niño will likely intensify over the next few seasons and persist until early 2027. A strong El Niño is likely to emerge by the August-September-October season (69%) and a very strong El Niño is favored during October-November-December and November-December-January seasons (more than 62%).

Recognizing the need to face this threat head-on, I presided over the Meeting on the Government's Preparation for El Niño on May 25, 2026. To mitigate the effects of El Niño, we are undertaking the following:

Water

- Desilting, reservoir monitoring, and infrastructure repair
- Reduction of leakages and non-revenue water
- Promotion of water conservation

Food

- Construction and rehabilitation of irrigation and water harvesting systems
- Planting of drought-resistant forage



- Provision of crop insurance for farmers
- Promotion of crop diversification and biofertilizer use

Energy

- Prepositioning of resources and assets and ensuring emergency backup power systems in critical infrastructure
- Strict monitoring of energy supply and fuel inventories
- Promotion of energy efficiency and conservation measures

Health

- Heightened surveillance for heat-related and water-borne diseases
- Prepositioning of medical supplies and logistics

Public safety

- Urging LGUs to implement preparedness measures and water conservation
- Curbing illegal water connections

*Photo Credit: PMS
Sources: PAGASA and OCD*

298 Titled, "Declaration of State of Imminent Disaster Act."

On September 23, 2025, the NDRRM Council (NDRRMC) adopted the 2024 National Disaster Response Plan. This plan serves as the country's updated multi-hazard response and early recovery framework. It is designed to strengthen risk-informed governance and coordination across sectors at the national and local levels.

Established Disaster-Resilient Infrastructure²⁹⁹

Climate risks remain a major threat to communities. To prevent and mitigate their impacts, we continue to invest in measures that strengthen the adaptive capacity of our communities.

Established disaster-resilient evacuation centers. As of December 2025, 1,034 LGUs lacked standardized evacuation centers. In response, the DPWH continues to build safe, comfortable, and disaster-resilient evacuation centers. From July 2022 to June 2026, 137 evacuation centers were completed.

Pursuant to RA No. 12076,³⁰⁰ the DPWH shall ensure that all Ligtas Pinoy Centers funded in 2026 and subsequent FYs are designed and constructed following minimum standards for evacuation centers and other applicable national laws, codes, and standards.

Recalibrated initiatives to mitigate flooding. Our DRRM efforts took a massive hit upon the discovery of the extent of the mismanagement and irregularities in government-funded FCPs. Despite this setback, we continued to implement initiatives to mitigate flooding.



Workers conduct clearing operations during the launch of the Oplan Kontra Baha Program at the Mahiga Creek, Mandaue City, Cebu on November 21, 2025.

Photo Credit: PCO

To address perennial flooding in the NCR, the MMDA completed the cleanup and rehabilitation of 73 priority waterways from August 2025 to May 2026 under its Bayanihan sa Estero Program. These waterways were selected due to significant siltation, heavy accumulation of solid waste, poor flow conditions, and their susceptibility to recurrent flooding.

The DPWH is also modernizing the inland drainage network and rehabilitating pumping stations in Metro Manila. From July 2022 to June 2026, 43 pumping stations were constructed in critical areas in Metro Manila while 32 pumping stations were rehabilitated.

On November 12, 2025, I spearheaded the launch of the Oplan Kontra Baha Program at the Balihatar Creek in Barangay San Dionisio, Parañaque City.

299 DPWH, June 26 and July 08 and 14, 2026; MMDA, June 24, 2026; DENR, June 25, 2026; DOE, June 29, 2026; and OCD, June 30, 2026.

300 Titled, "Ligtas Pinoy Centers Act."

This collaborative initiative aims to reduce the vulnerability of low-lying communities to flood risks through dredging of waterways and declogging of drainage systems.

To complement these efforts, we are strictly implementing solid waste management and removing illegal structures and encroachments along waterways and drainage systems. We are also working to ensure the proper maintenance and activation of pumping stations, dikes, and flood gates, and prepositioning manpower and equipment in flood-prone areas.

As of June 30, 2026, we have implemented the Oplan Kontra Baha Program across 41 cities and municipalities in the NCR, Regions I, II, III, V, VI, VII and X, Negros Island Region, and BARMM.

To ensure the continued relevance and effectiveness of FCPs, the DPWH is updating the flood control master plans of the 18 Major River Basins and other critical principal rivers. As of May 31, 2026, the DPWH has updated the master plans and feasibility studies of 16 major river basins while those for the Cagayan and Pasig-Marikina-Laguna Bay River Basins are targeted to be finalized by end-2026.

We are also exploring nature-based solutions (NbS) as a sustainable and long-term approach to stabilize riverbanks, mitigate flooding, conserve biodiversity, and strengthen the climate resilience of communities in major river basins. Various NbS have been piloted in select river basins in 2025. These include the planting of miagos, a plant species



Accomplishments of the Oplan Kontra Baha Program, November 2025–June 2026



1,530,871.68
cubic meters
of debris cleared
across 93 waterways



41,121.16
cubic meters
of debris removed
from 200 drainage
systems

Source: DPWH

endemic to the Philippines, in the Ilog-Hilabangan River Basin and installation of bamboo poles along sections of the Mindanao River Basin. These interventions aim to assess the effectiveness of NbS in managing soil erosion and enhancing riverbank stability.

Improved resilience of energy infrastructure. The DOE deployed mobile energy systems (MES) to provide clean, sustainable, and reliable power generation for microgrids, businesses, health facilities, and homes, particularly during emergencies. As of December 2025, 10 MES units were strategically deployed nationwide.³⁰¹

The DOE is procuring at least 60 MES units for deployment in the second half of 2026. These will provide emergency power in disaster-affected areas and support the electrification of unserved and underserved communities.

301 Three in Palawan; three in Camp Aguinaldo, Quezon City; two in Cagayan; one in Energy Center, Bonifacio Global City, Taguig City; and one in Tigaon, Camarines Sur.

Empowered Communities to Prepare for Disasters and Climate Risks³⁰²

Recognizing the country's constant exposure to natural hazards, we continue to capacitate our communities and relevant stakeholders to ensure that they can effectively prepare for and respond to disasters.

Capacitated DRRM personnel. The Office of Civil Defense (OCD) continues the conduct of training programs for communities, volunteers, and DRRM personnel to strengthen their competencies in disaster preparedness and response (see Table 6.3).

To ensure that our disaster response teams are equipped to deal with various disasters, we operationalized the Philippine Urban Search and Rescue (USAR) National Accreditation Body on August 28, 2025.³⁰³ This body has issued the minimum standards for equipment, organization, and training for USAR and Water Search and Rescue Teams.

Recognizing the importance of the youth in disaster preparedness, the OCD and the Office of the Presidential Assistant for Northern Luzon initiated and implemented the Agent for Risk and

Damage Management (AGRIDAM) Project for Youth nationwide on March 30, 2026. The project aims to equip the youth with community DRRM knowledge so they can help in reducing and managing disaster risks. As of May 31, 2026, 27 Community-Based DRRM (CBDRRM) training courses were conducted under the project, producing 1,069 graduates.

This builds on the initial AGRIDAM Program, which has trained about 1,800 participants in Northern Luzon in 2024.

Sustained the implementation of the Project LAWA at BINHI. The DSWD's Project LAWA at BINHI or Local Adaptation to Water Access and Breaking Insufficiency through Nutritious Harvest for the Impoverished remains critical in creating climate-resilient communities. The project incentivizes and capacitates communities to develop climate-resilient food sources and natural water reservoirs for agriculture, fish farming, and household use.

From 2023 to June 2026, the project reached 728 cities and municipalities in 72 provinces. It was nominated for the prestigious UN Sasakawa Award for DRR in 2025.

Table 6.3 **Capacity-Building Activities on DRRM, 2022–2025**

Training	Activities	Graduates
DRRM Training	1,180	45,598
CBDRRM Training*	356	9,955
Civil Defense Enhancement Training	211	10,569
Technical Assistance	6,547	185,778
*Covers 2024–2025 only		
Source: OCD		

302 DSWD, June 25, 2026; and OCD, June 30, 2026.

303 Through NDRRMC Memorandum No. 221, s. 2025.

Way Forward

Strengthening our energy systems is a national imperative given our increasingly volatile global environment. We shall continue to pursue energy and fuel independence by:

- Maximizing indigenous resources through exploration and development of the country's untapped potential in oil and gas fields;
- Accelerating RE development and deployment to expand clean, sustainable, and locally sourced power capacity;
- Advancing alternative fuels such as hydrogen, nuclear, and biofuels to diversify the country's energy mix;
- Promoting demand-side management through key programs such as GEMP and EV adoption;
- Establishing a strategic petroleum reserve to ensure energy security during supply disruptions; and
- Driving decarbonization to align the energy sector with our climate commitments and the Sustainable Development Goals.

These measures would help shield our economy and our people from global oil market instability brought about by geopolitical shocks.

RE development remains our priority to reduce our reliance on fossil fuels. To attract more RE investments, the DOE launched the 10-Year GEA Program in February 2026, targeting 25 gigawatts of new RE capacity from 2027 to 2035.

We are ensuring the timely implementation and completion of priority energy projects through regular monitoring and proactive resolution of implementation bottlenecks such as right-of-way and permitting issues.

To enforce accountability, the DOE will continue to review and, when warranted, terminate the service contracts of developers who fail to comply with their obligations, subject to the terms of the contract and applicable laws and regulations. This action will open idle energy contracts to more capable and committed developers.

To further support the country's energy transition, we also continue to establish the necessary policies and systems for the development of nuclear and hydrogen energy technologies.

Delays in transmission projects hinder the timely addition of new capacities and weaken investor confidence. Hence, the DOE is working with the NGCP to ensure the timely completion of transmission projects and accelerate the integration of new power plants into the grid. We shall also reach unserved and underserved communities with the help of our partner electric cooperatives and through solar home systems and microgrids.

In the second quarter of 2027, we will launch the Multispectral Unit for Land Assessment satellite. The satellite will be able to capture up to 129,000 square kilometers of the Philippine territory daily to support the updating of agricultural, land use, water resources, built infrastructure, and other maps. Information provided could help government agencies and LGUs plan and implement measures to better rehabilitate, protect, conserve, and utilize our natural resources.



We will continue to implement the ENGP, Forest for Life: 5 Million Trees, and other initiatives to increase our country's total forest cover from 24.1% in 2020 to 25.2% by the end of 2028.

The government will finalize and fully implement the Critical Minerals Framework to establish a whole-of-government action plan in maximizing the value of the country's critical mineral resources. Through this, we aim to position the Philippines as a key player in the global clean energy transition.

We will expedite the localization of the NAP to equip our communities in addressing the impacts of climate change. The Philippines will continue to host the meetings of the FRLD Board that seeks to mobilize resources and funding toward delivering long-awaited support to countries and communities most affected by loss and damage.

R&D and innovation serve as catalysts for our national development. The government will continue to invest in science, technology, and innovation. We will continue to promote Filipino innovations to expand their market access and accelerate commercialization.

Further, we aim to engage more than 300 Balik Scientists by 2028 to reverse the effects of brain drain in the country.

We are firm in our resolve to create resilient and adaptive communities.

The OCD, in coordination with partner agencies, is set to begin constructing Ligtas Pinoy Centers in priority LGUs within 2026. These LGUs were prioritized according to their coping capacity, susceptibility to natural hazards, and readiness for construction. By June 2028, 315 Ligtas Pinoy Centers in priority areas are in the pipeline for construction.

To ensure that no family is left behind in relief distribution, we are working toward the completion by 2028 of the Mindanao DRC and other major disaster response hubs strategically located near international seaports and airports nationwide.

This Administration will continue to work with Congress on the speedy passage of the following priority bills:

- Waste-to-Energy Bill;
- Amendments to the Electric Power Industry Reform Act-ERC Strengthening Bill; and
- DWR Bill.

We will work to achieve all these as we build the *Bagong Pilipinas* that is energy secure, sustainable, climate-resilient, and driven by responsible stewardship of our natural resources.

The Northern Blossom Flower Farm is an attraction in Atok, Benguet that features diverse flora species.

Photo Credit and Source: DOT





CHAPTER

7

Securing the Filipino Family and the Nation

A Philippine Military Academy (PMA) graduate of Class of 2026 shares a warm moment with her family at the PMA, Fort General Gregorio H. Del Pilar, Baguio City on May 16, 2026.

Photo Credit: PCO



The President hands over rice assistance to a beneficiary during the kickoff of the Bawat Bayan Makikinabang program in Obando, Bulacan on May 21, 2026.

Photo Credit: PMS

At the heart of this Administration is our firm commitment to ensuring the safety and well-being of Filipino families. We are making our streets safer by keeping our police prepared to swiftly respond to any emergency. Crime is down by 27.5% under this Administration (see Table 7.1).

In the face of global security challenges that affect lives and livelihood, we have maintained public order. Externally, we are strengthening our capabilities to safeguard our borders from threats.

We remain committed to promoting the interests of Filipinos. The government continues to ensure the safety and well-being of our OFWs and their families. This is our promise: the government is within reach wherever Filipinos may be.

During the recent conflict in the Middle East, we ensured that our OFWs were brought home safely to their families. By protecting Filipino families today, we are helping secure a better future for our youth and for generations to come.

"...[We] continue our steady work to safeguard and to strengthen the foundations of peace. And we do so with a deep sense of responsibility, mindful that the decisions we make here today must help secure a safer and more stable future for our children and for the families that they will one day build."

President Ferdinand R. Marcos Jr.
Grand Iftar 2026
March 12, 2026

Ensuring Peace and Order in Filipino Communities



The President leads the traditional parade of the graduating cadets during the 47th PNP Academy Commencement Exercises at Camp General Mariano N. Castañeda in Silang, Cavite on March 27, 2026.

Photo Credit: DILG

Maintained Public Safety

According to a Gallup 2025 Global Safety Report, only 64% of Filipinos feel safe walking alone at night. Among ASEAN countries, the Philippines ranked fifth in public safety perception,³⁰⁴ emphasizing the urgent need to strengthen public confidence in law enforcement.

This is why as an immediate step, we increased police deployment in our neighborhoods. We remain committed to strengthening crime prevention efforts and improving police capabilities.

We are pursuing reforms to ensure that the police and other law enforcement agencies (LEAs) are prepared to respond effectively to any call for assistance.

Expanded police visibility and improved responsiveness.³⁰⁵ Response time is crucial to saving lives. We ensured police visibility by deploying additional mobile units and police officers, especially in high-risk areas, such as schools, transport terminals, establishments, and public markets.

Due to the PNP's recruitment efforts, we reached a 1:516 police-to-population ratio (PPR) in May 2026. This PPR is close to the ideal 1:500 ratio³⁰⁶ and an improvement from the December 2022 PPR of 1:518. As of May 31, 2026, the PNP has 235,795 personnel.

Further, on September 11, 2025, we launched the Unified 911 System or Unified 911, which provides free, 24/7, and language-sensitive access to emergency assistance.

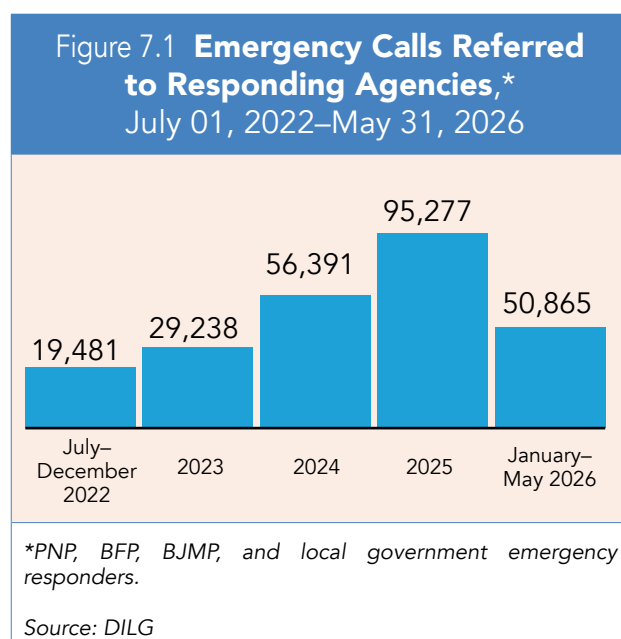
³⁰⁴ The Gallup Law and Order Index gauges people's sense of security in more than 140 countries and territories with questions on safety of streets at night, trustworthiness of law enforcement, and experience of assault and robbery.

³⁰⁵ DILG, June 29, 2026.

³⁰⁶ Section 27 of RA No. 6975, titled, "Department of the Interior and Local Government Act of 1990."

Any emergency call, whether for police, fire, medical, or disaster response, is now routed through a single point of contact, integrating the response efforts of the PNP, BFP, Bureau of Jail Management and Penology (BJMP), and LGUs. This integrated approach enhanced inter-agency coordination and supported faster and more efficient emergency response service for the public.

The Unified 911 significantly improved the operational foundation of the previous Emergency 911 system, with a higher number of calls received and referred to responding agencies (see Figure 7.1).



From its launch to May 31, 2026, 116,237 emergency and non-emergency calls³⁰⁷ were received and acted upon through the Unified 911. Through its intelligent call management system, we enhanced our response accuracy and reduced misuse, resulting in a 98.26% decline in prank and abandoned calls as of May 2026.

We reduced the average emergency response time from 10-15 minutes in June 2022 to 5-7 minutes under the Unified 911.

The DILG launched Unified 911 Command Centers nationwide from September 11, 2025 to June 04, 2026: one National Command Center (NCC) in Luzon, one Regional Command Center (RCC) in the Visayas, and four Satellite Command Centers (SCCs) in Ilocos Norte, Isabela, Iloilo, and Leyte. This will be expanded with the launching of a permanent site for the NCC, an RCC in Cagayan de Oro, and an SCC in the BARMM within July 2026.

To further modernize and expand emergency response services, the DILG intensified the procurement of Unified 911 vehicles. As a result, the following are expected to be delivered by the end of 2026: (i) 1,038 motorcycles; (ii) 718 patrol cars; and (iii) 224 ambulances.



PNP personnel answer emergency calls at the PNP Command Center on August 12, 2025.

Photo Credit: PMS

³⁰⁷ Non-emergency calls are requests that do not involve immediate threat to life, safety, or property, such as noise complaints, civil disputes, follow-up reports, and administrative requests.

Reduced crime.³⁰⁸ We continue to see a decline in crime incidents (see Table 7.1).

However, we saw an increase in crimes against property in urban areas at the height of the Middle East conflict.³⁰⁹ The PNP immediately acted on the situation through increased police deployment.³¹⁰ In April 2026, the DILG launched the Safer Cities Initiative, which aims to enhance public safety especially



Chief PNP General Jose Melencio Nartatez Jr. (middle), together with other PNP personnel, leads the rollout of Safer Cities Initiative in Manila on April 08, 2026.

Photo Credit: DILG

in urban communities. As a result, theft and robbery cases went down in the months of April (1,036 and 344, respectively) and May 2026 (930 and 282, respectively).



DILG Safer Cities initiative

On April 08, 2026, the DILG issued **Memorandum Circular No. 2026-029**, encouraging the enactment or strengthening of local ordinances on the following:

- Ban against drinking liquor and intoxicating beverages in public places;
- Prohibition against going about topless or half-naked in public places;
- Regulating noise and prohibiting excessive, unnecessary, and unusually loud sounds in residential and public areas, such as those coming from videoke machines and other amplified audio devices, among others; and
- Institution of curfew hours for minors, specifically loitering and roaming around on public roads, consistent with applicable laws, jurisprudence, and child protection policies.

Source: DILG

Table 7.1 Peace and Order Indicators

Crime Success Indicator	July 01, 2016– May 31, 2020	July 01, 2022– May 31, 2026	Change
Crime Volume	1,142,813	828,421	▼ (27.5%)
Focus Crime:			
Theft	117,262	51,464	▼ (56.1%)
Physical Injury	69,589	20,898	▼ (70.0%)
Robbery	50,334	16,837	▼ (66.5%)
Rape	41,234	38,385	▼ (6.9%)
Murder	31,826	15,436	▼ (51.5%)
Carnapping	21,482	9,347	▼ (56.5%)
Homicide	8,125	4,526	▼ (44.3%)
Crime Clearance Efficiency (CCE)*	89.0%	99.3%	▲ 10.2 percentage points
Crime Solution Efficiency (CSE)**	75.4%	83.9%	▲ 8.5 percentage points

*A crime is considered cleared when at least one of the offenders has been identified, there is sufficient evidence to charge him, and he has been charged before the prosecutor's office or any other court of appropriate jurisdiction.

**A crime is considered solved when the offender has been identified, charged, and taken into custody.

Source: DILG

308 DILG, June 29 and July 13, 2026.

309 The PNP recorded an increase in theft and robbery cases from February to March 2026, with theft incidents rising from 1,000 to 1,144 and robbery cases from 327 to 370.

310 The average daily number of personnel deployed for foot and beat patrols rose from 67,026 in February 2026 to 73,822 in March 2026.

From July 01, 2022 to May 31, 2026, the PNP and other LEAs arrested 392,445 wanted persons and 670,972 individuals involved in illegal activities (see Table 7.2), recovered 5,630 vehicles, confiscated 118,815 firearms, and seized PhP19.33 billion in smuggled goods.

Table 7.2 Arrested Personalities from Anti-Crime Campaigns, July 01, 2022–May 31, 2026

Crimes	Number of individuals arrested
 Illegal gambling	337,090
 Illegal drugs	200,875
 Loose firearms	97,268
 Child abuse or pedophiles	10,412
 Illegal logging	10,029
 Smuggling	7,086
 Carnapping	4,884
 Criminal gangs	3,328
TOTAL	670,972

Sources: DILG and PDEA

Crimes in high-risk and high-conflict areas usually involve Private Armed Groups (PAGs). Through the assistance of the Armed Forces of the Philippines (AFP), the PNP neutralized 298 PAG members³¹¹ and confiscated 127 firearms from July 01, 2022 to May 31, 2026. Based on their Year-End 2025 periodic status report, only one PAG, composed of 35 members, remained active in Sulu. We target to dismantle all PAGs and achieve a sustained nationwide reduction in crime incidents.

Eradicated illegal drug networks.³¹² Despite billions in drug seizures and

arrests, drug syndicates remain a major problem. These drug syndicates pose a threat to the progress in curbing the supply of illegal drugs.

As such, we prioritized the dismantling of drug networks and disruption of supply routes to reduce and eventually eliminate the presence of illicit drugs.

From July 01, 2022 to May 31, 2026, the Philippine Drug Enforcement Agency (PDEA) and the PNP, together with other LEAs conducted anti-illegal drug operations nationwide (see Figure 7.2). We strengthened inter-agency and international cooperation to enhance border control measures and prevent drug smuggling in the country.

Figure 7.2 Anti-Illegal Drug Operations, July 01, 2022–May 31, 2026



Source: PDEA

311 244 surrendered, 47 arrested, and seven died in police operations.

312 PDEA, June 25, 2026.

Through intelligence operations and local community reporting, 3,738 high-impact operations³¹³ were successfully carried out nationwide from July 01, 2022 to May 31, 2026 (see Table 7.3).

In the same period, our LEAs intercepted 515 illegal drug smuggling incidents, arrested 118 individuals, and seized PHP55.40 billion worth of dangerous drugs in several entry points in the country (e.g., airports, seaports, the mail and parcel system, and coastlines) (see Figure 7.3).



Continued prosecution of drug cases.³¹⁴ To hold arrested drug offenders accountable, we ensured that proper legal action is taken (see Figure 7.4).

Table 7.3 High-Impact Operations Conducted, July 01, 2022–May 31, 2026

Accomplishments	Number of operations conducted
 Dismantled drug dens	1,917
 High-volume seizures	1,343
 Marijuana eradication	467
 Dismantled clandestine laboratories	11
TOTAL	3,738

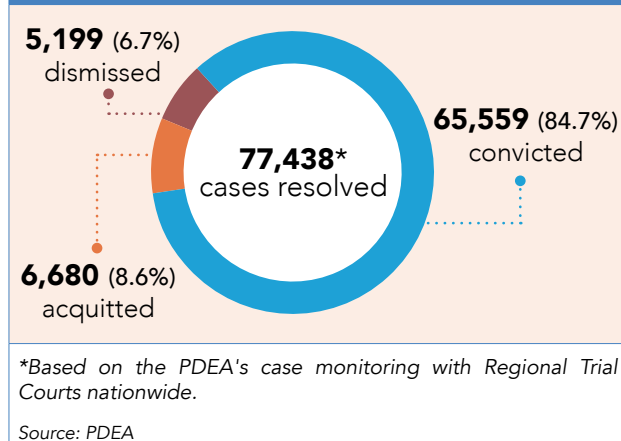
Source: PDEA



Operatives of the PDEA, PNP, National Intelligence Coordinating Agency, AFP, and NBI seize 894.50 kg of shabu during the implementation of a search warrant in Labrador, Pangasinan on October 03, 2025.

Photo Credit: PDEA

Figure 7.4 Anti-illegal Drug Cases Resolved, July 01, 2022–May 31, 2026



313 This includes the dismantling of major drug trafficking networks, seizure of large volume of illicit substances, and involvement of HVTs.

314 PDEA, June 25, 2026.

Sustained treatment and rehabilitation efforts.³¹⁵ The use and abuse of illegal drugs is considered a health concern that needs intervention. We continue to strengthen the health, social, and developmental services of the PDEA and DILG, in collaboration with other government agencies and stakeholders.

PDEA Regional Public Assistance Desk.

On January 01, 2024, the PDEA institutionalized the Regional Assistance Desk to assist persons who used drugs (PWUDs) in availing rehabilitation and treatment programs. Through these desks, 156 were successfully admitted to Treatment and Rehabilitation Centers, 162 to Balay Silangan Reformation Centers (BSRC), and 220 to the Community-Based Drug Rehabilitation Program (CBDRP), as of May 31, 2026.³¹⁶

BSRC. We continued the establishment of BSRC under the Balay Silangan Program

of the PDEA and LGUs, providing interventions through counseling, livelihood training, and community reintegration. From July 01, 2022 to May 31, 2026, 280 BSRCs were established nationwide, from which 2,798 out of 5,827 graduates were successfully employed.

CBDRP. This program focuses on the recovery and rehabilitation of the PWUDs through counseling and therapeutic sessions. It aims to restore and reconnect PWUDs with their families and communities. From January 2025 to March 2026, 48,773 out of 57,476 surrenderers graduated from the program.

Reduced drug affectation. As of May 2026, national drug affectation decreased from 23.5% in June 2022 to 12.9% (see Table 7.4).

Table 7.4 Barangay Drug Clearing Program

	As of June 2022	As of May 2026	Change (in %)
Number of <i>barangays</i>	42,046	42,010	
Drug-affected <i>barangays</i> *	9,860	5,407	▼ (10.6)
Drug-cleared <i>barangays</i> **	25,634	30,099	▲ 10.7
Drug-unaffected <i>barangays</i> ***	771	278	▼ (1.2)
Drug-free <i>barangays</i> ****	5,781	6,226	▲ 1.1

*A *barangay* that has reported and validated presence of PWUDs, pushers, drug den maintainer, coddler, protector, financier, cultivator, manufacturer, existence of drug dens, plant sources, plantations, clandestine drug laboratories, facilities, and structures related to storage or production of illegal drugs, and prevalence of illegal drug activities.

**A *barangay* classified as previously drug-affected, subjected to the Barangay Drug Clearing Program and declared cleared by the Regional Oversight Committee on Barangay Drug Clearing (ROCBDC) upon meeting the requirements.

***A *barangay* that has no reported and validated presence of PWUDs, pushers, drug maintainer, coddler, protector, financier, cultivator, manufacturer, and others.

****Unaffected *barangay* that has been vetted and confirmed by the ROCBDC.

Source: PDEA

315 PDEA, June 25, 2026; and DILG, June 29, 2026.

316 791 clients were informed about the requirements for rehabilitation.

Addressed cybercrime.³¹⁷ Crime modalities evolve along with technological advancements and rapid globalization. From July 01, 2022 to May 31, 2026, the PNP recorded 58,189 complaints related to online scam, illegal access, computer-related identity theft, hacking, and malware attack, among others. To address these digital crimes, we strengthened our law enforcement operations.

From July 01, 2022 to May 31, 2026, the PNP Anti-Cybercrime Group conducted 3,713 anti-cybercrime operations. These resulted in the arrest of 4,068 individuals and rescue of 4,554 victims of photo and video voyeurism, cyber-enabled trafficking, abuse, and nihilistic violent extremism.

In the same period, 45,142 cybercrime cases were solved,³¹⁸ which translates to a CSE of 80.29% and CCE of 86.62% (see Table 7.5).

Table 7.5 Data on Cybercrime Cases, July 01, 2022–May 31, 2026

Status	Number of complaints
 Solved	45,142
 Under investigation	7,757
 Filed*	5,263
 Referred to other agencies	27
TOTAL	58,189

*A formal criminal complaint filed before the Office of the Prosecutor and the court.

Source: DILG

Moreover, the PNP established 69 cybercrime offices nationwide: six special operating units, 17 regional anti-cybercrime units, and 46 cyber response teams from July 01, 2022 to May 31, 2026.

Dismantled Philippine Offshore Gaming Operators (POGOs).³¹⁹ On July 22, 2024, I ordered the ban of all POGOs in the country. Our investigation uncovered criminal networks masquerading as offshore gaming operations that violated our laws, threatened national sovereignty, and exploited Filipino laborers to sustain serious crimes. We intensified our campaign against POGOs, which resulted in legal actions, including the forfeiture of POGO-related assets and the deportation of foreign nationals involved in illicit activities (see Figure 7.5). As of April 05, 2026, we have successfully dismantled all POGOs in the Philippines.

Figure 7.5 Anti-POGO Campaign Accomplishments, May 2023–May 2026



55 cases monitored and supported by the PAOCC*

- **9** cases under development
- **5** cases under preliminary investigation
- **33** cases under trial
- **5** cases resolved with favorable decisions
- **3** cases dismissed



PhP7.68 billion worth of assets seized



2,827 foreign nationals deported

*The first case commenced on May 02, 2023, when authorities raided a POGO-linked scam hub in Pampanga involved in human trafficking and cyber fraud.

Source: PAOCC

317 DILG, June 29, 2026.

318 Under PNP Memorandum Circular No. 2021-141, a case shall be considered "solved" under the criteria of "beyond police control" when any of the following circumstances is present: (i) The offender had been charged in the appropriate court; (ii) The complainant failed to submit necessary evidentiary requirements; (iii) Victim explicitly declined to prosecute the case; (iv) Victim only requested to deactivate fake and dummy accounts or delete illicit online content such as pornographic materials; and (v) Complainant cannot be reached.

319 PAOCC, June 23 and July 09, 2026.

Relatedly, from January 2024 to May 2026, we addressed the wider web of POGO-related illicit activities, including illegal recruitment and trafficking in persons (TIP). Through the Presidential Anti-Organized Crime Commission's (PAOCC) monitoring and with the support of the NAIA Task Force Against Trafficking, at least 2,941 Filipinos were rescued from overseas scam hubs. We also prevented 487 Filipinos from departing and being victimized by these overseas scam hubs.

Sustained Anti-Illegal Recruitment (AIR)-TIP campaign.³²⁰ To safeguard Filipino workers from illegal recruitment and human trafficking, the DMW conducted 969 operations and surveillance activities from July 2022 to May 2026, through its AIR-TIP Campaign. In the same period, authorities successfully took down 211,259 fake job postings online. This effort reduced the online footprint of fraudulent recruitment networks and curtailed their ability to target vulnerable jobseekers.

To protect vulnerable overseas Filipinos, the DFA facilitated the repatriation of over 3,100 Filipinos from scam hubs in Southeast Asia from July 2022 to May 2026, in cooperation with host governments and the Inter-Agency Council Against Trafficking (IACAT).³²¹

Further, from January 2022 to May 2026, the DSWD provided social welfare services to 8,992 victims of trafficking through the Recovery and Reintegration Program for TIPs. Of these, 4,531 victims were successfully reintegrated into their respective families and communities.



AIR-TIP Related Activities Conducted by the DMW, July 2022–May 2026



72
manning agencies closed



1,149
illegal recruitment cases handled



116,835
victims provided with legal assistance



36
convictions secured



152
overseas labor trafficking cases handled

Source: DMW



The DMW Regional Office IV-A, in coordination with the PESO, holds the AIR-TIP Seminar in Bay, Laguna on March 06, 2026.

Photo Credit: DMW

Through our sustained efforts to combat TIPs, the Philippines maintained its Tier 1 status for the 10th consecutive year in the US 2025 TIPs Report. This status reaffirms that our country meets international standards to prevent trafficking through strong laws, effective enforcement, and victim protection.³²²

³²⁰ DMW, July 03, 2026 and DSWD, June 25, 2026.

³²¹ DFA, June 26, 2026.

³²² DOJ, July 08, 2026.

Strengthened the protection of children against Online Sexual Abuse or Exploitation of Children (OSAEC) and Child Sexual Abuse or Exploitation Materials (CSAEM).³²³ One of the most serious manifestations of cybercrime is OSAEC and CSAEM. Our government and police force conducted operations to rescue child victims and bring perpetrators to justice (see *Figure 7.6*).

In 2025, the National Coordination Center Against OSAEC and CSAEM and stakeholders reached approximately 3.6 million individuals through prevention and advocacy programs. Pursuant to RA No. 11930,³²⁴ 1,010 LGUs were supported to enact Anti-OSAEC and Anti-CSAEM ordinances.

Mahalin at Kalingain ang mga Bata (MAKABATA) Helpline.³²⁵ The MAKABATA Helpline 1383 operates 24/7 as the central reporting system for all issues and concerns of children in need of special protection, including OSAEC victim-survivors. From November 2022 to May 2026, the Helpline received 5,717

reports, 814 of which were referred to government agencies, LGUs, and partner organizations for further intervention and support.³²⁶

Project SAFE.³²⁷ Project SAFE aims to strengthen preventive and protective mechanisms for the recovery and safe reintegration of victims of OSAEC and prevent risks of revictimization. As of May 2026, two LGUs have launched the project. Six LGUs are scheduled to pilot-test the project within 2026.

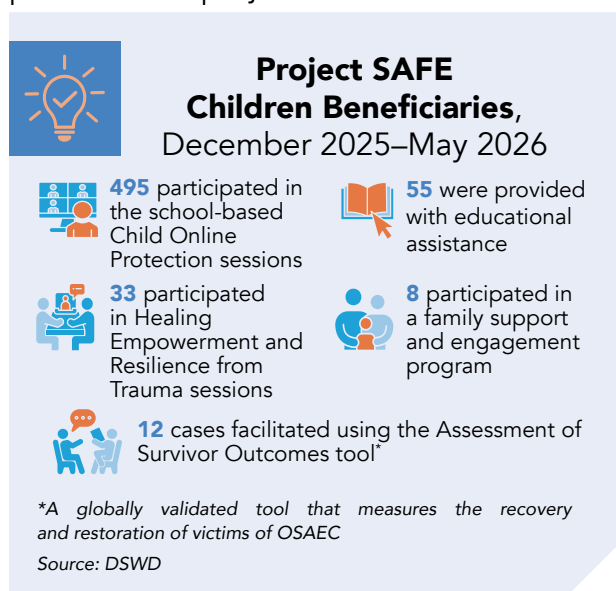
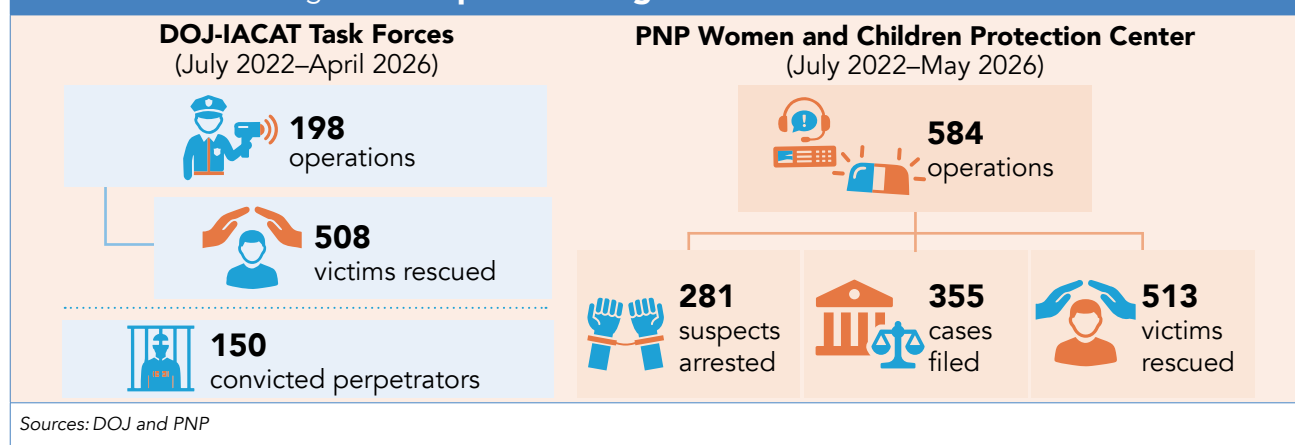


Figure 7.6 Operations Against OSAEC and CSAEM



323 DOJ, July 08, 2026.

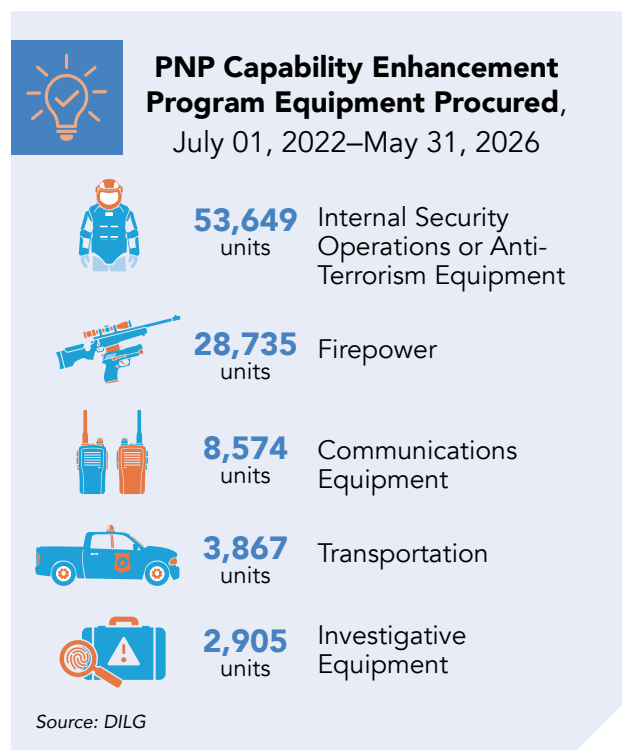
324 Titled, "Anti-Online Sexual Abuse or Exploitation of Children (OSAEC) and Anti-Child Sexual Abuse or Exploitation Materials (CSAEM) Act."

325 Council for the Welfare of Children and DSWD, June 25, 2026.

326 Most of the remaining reports were cases that did not push through with the referral process due to incomplete information or withdrawal of the informant to pursue the referral process. Other reports were classified as invalid, prank, or dropped calls.

327 DSWD, June 25, 2026.

Enhanced police capabilities.³²⁸ Current crime trends necessitate continuous improvement in our law enforcement's capability. Through the acquisition of additional mission essential equipment and assets, we have boosted the operational capability of our law enforcers. These enhancements enabled them to respond more effectively to emerging forms of criminality including cybercrimes and transnational crimes.



Improved Fire Safety Initiatives.³²⁹ We strengthened our fire prevention measures through the conduct of frequent and rigorous inspections of establishments, enhanced public awareness campaigns, and stricter enforcement of fire safety regulations. Further, to achieve the ideal fire officer-to-population ratio of 1:2,000,³³⁰ we ramped up the recruitment of reliable fire officers the past year.

As of March 2026, one fire officer is serving a population of 2,889, an improvement from the June 2022 fire officer-to-population ratio of 1:4,136.

We have also equipped our fire stations with additional fire trucks and reduced the number of LGUs without activated fire stations (see Table 7.6).

Table 7.6 Status of Fire Prevention and Suppression Capability

Indicator	As of June 2022	As of March 2026
LGUs without Fire Stations	203	▼ 104
LGUs without Fire Trucks	211	▼ 109
Fire truck-to-population ratio	1:41,756	▼ 1:38,245

Source: DILG



BFP personnel respond to a fire at Parola Compound in Binondo, Manila on May 23, 2026.

Photo Credit: Manila Fire District

³²⁸ DILG, June 29, 2026.

³²⁹ DILG, June 29 and July 09, 2026.

³³⁰ Section 5 of Presidential Decree No. 1184, titled, "Integrated National Police Personnel Professionalization Law of 1977."

Enhanced the Administration of Justice

Punitive measures alone are insufficient to break the cycle of crime and harm in our communities. We remain committed to advancing a justice system that is responsive, restorative, and within reach of every Filipino.

Strengthened justice delivery through efficient prosecution.³³¹ Our institutionalized rules on preliminary investigation and inquest proceedings ensured that only airtight cases are filed in court. From 2022 to 2025, the DOJ resolved 1,621,721 cases, demonstrating our commitment to prompt case disposition (see Table 7.7).

We also increased the prosecution plantilla positions from 2,756 in 2022 to 3,407, and prosecution attorney plantilla positions from 210 to 561 in 2026, to reduce the caseload per prosecutor.

Table 7.7 DOJ-National Prosecution Service (NPS) Accomplishments

Performance Indicators	July 2022	December 2025
Disposition Rate*	93.0	▲ 99.8
Case Aging Rate**	76.8	▲ 89.2
Prosecution Success Rate***	89.9	▲ 90.8

*Disposition rate = [(Number of Resolved Cases) over (Total Number of Case load - Number of Pending Cases within 120 days)] x 100%
**Case Aging Rate = Number of Pending Cases within 60 days + Number of Pending Cases within 120 days over Number of Reported Pending Cases x 100%
***Prosecution Success Rate = Conviction over (Conviction + Acquittal)

Source: DOJ

Expanded public access to justice.³³²

Barriers, such as cost, distance, and complex legal processes make access to justice uneven across the country. Through the DOJ Action Center (DOJAC), Katarungan Caravan, and Public Attorney's Office (PAO), we made justice more inclusive to ensure that no one is excluded from seeking legal protection and support.



DOJ Frontline Services

DOJ-NPS (July 2022–March 2026)



Three Regional Prosecution Offices established in Region IV-B, Cordillera Administrative Region, and Negros Island Region

DOJAC (July 2022–April 2026)



Eight Regional DOJACs established in Regions I, III, IV-A, V, VII, X, XI, and XII

72,510 DOJAC clients served

Katarungan Caravan* (June 2024–April 2026)



30 Katarungan Caravans conducted

PAO (July 2022–March 2026)



52,025,777 clients served
1,841,439 cases handled**
83.3% overall disposition rate
91.8% alternative dispute resolution rate

*One-stop legal aid outreach program
**Include pending cases carried over from preceding years

Source: DOJ

331 DOJ, July 08, 2026.
332 DOJ, July 08, 2026.

Implemented restorative justice.³³³

Through the Bureau of Corrections' (BuCor) Bilis Laya Program, we sped up the process of releasing persons deprived of liberty (PDLs) who have served their sentence, those who had been granted parole, and those who had been acquitted of their criminal charges. From July 01, 2022 to April 30, 2026, we released 30,863 PDLs under the BuCor's custody and transferred 14,673 PDLs from the New Bilibid Prison in Muntinlupa City to regional prison facilities. This reduced the congestion rate in the BuCor's facilities from 305.0% in July 2022 to 206.0% in April 2026.

On the other hand, the congestion rate at the jail facilities managed by the BJMP decreased from 387.0% in July 2022 to 281.0% in May 2026. The ratio of Jail Officer to PDL likewise improved from 1:50 to 1:33 in the same period.

The DILG offered educational, vocational, and livelihood programs to promote the holistic development and reintegration of PDLs under BJMP custody. From July 01, 2022 to May 31, 2026, 62,631 PDLs benefited from various livelihood projects. In the same period, 22,400 PDLs were awarded with NCs from TESDA, while 52,290 benefited from non-TESDA Skills Training.

Consistent with our belief that deserving PDLs should be given the opportunity for reintegration into society, I granted 5,686 paroles and 132 executive clemencies from July 2022 to February 2026.



Nasintensyahan po akong makulong ng minimum na eight years at maximum na ten years. Ngunit ako po ay nakalaya nang maaga sa loob lamang ng limang taon sa kadahilanan na nabigyan po ako ng Good Conduct Time Allowance (GCTA) at nabigyan po ako ng Time Allowance for Study, Teaching, and Mentoring (TASTM) o dahil po sa aking pag-aaral. Napakalaking tulong nito sa mga kagaya ko na nais magbago...”

(I was sentenced to imprisonment for a minimum of eight years and a maximum of ten years. However, I was released early after serving only five years because I was granted GCTA and TASTM due to my studies. This has been an invaluable help for people like me who genuinely want to change...)

Jordan Panaligan
Assistant Manager of a restaurant
Former PDL and GCTA Beneficiary
Bacoor, Cavite

333 DOJ, July 08, 2026 and DILG, June 29, 2026.

Safeguarding our National Security



PN personnel work together to hoist the Philippine flag on the BRP Jose Rizal during the 10th Multilateral Maritime Cooperative Activity with the USA, Australia, and Canada in the West Philippine Sea in September 2025.

Photo Credit: AFP

The Philippines currently faces the growing complexities of the regional security environment. While we sustain efforts to preserve our gains in internal security, the government continues to provide support to boost our armed forces' readiness to defend our country against external threats.

Preserved Internal Security and Stability

Our military and LEAs have achieved significant progress in securing our nation from internal threats. However, we must ensure that the remaining forces of the Communist Terrorist Group (CTG) and Local Terrorist Groups (LTGs) do not regain their influence in vulnerable communities. The government continues to implement military and developmental approaches to address local insurgency and terrorism.

Addressed insurgency.³³⁴ The AFP and PNP sustained their momentum in internal

security operations, which significantly diminished the CTG and LTGs' forces.



Internal Security Operations, July 2022–May 2026

Operations against the CTG



4,133 members
neutralized



4,977 firearms recovered



Zero barangays influenced
since December 2024

Operations against the LTGs



1,224 members
neutralized



1,096 firearms recovered



Zero barangays influenced
since December 2023

Source: DND

334 DND, July 07, 2026 and DILG, June 29 and July 09, 2026.

From January 25, 2024 to May 31, 2026, the PNP also deployed 888 Revitalized-Pulis sa Barangay (R-PSB) teams in GIDAs across the country and conducted 11,441 quick impact projects (e.g., improvement of access roads) to address the common socioeconomic issues in communities, which are exploited by the CTG. In the same period, 5,590 *barangays* declared the CTG as *persona non grata* and 4,788 *barangays* declared withdrawal of CTG support.

Created peaceful communities. To prevent the resurgence of communist influence in communities, *barangays* were made resilient through strengthened community engagement and implementation of development projects in GIDAs.

The National Task Force to End Local Communist Armed Conflict (NTF-ELCAC) continues to coordinate with agencies and LGUs on the implementation of the Barangay Development Program (BDP). In addition, the Enhanced Comprehensive Local Integration Program (E-CLIP) provided socioeconomic assistance to CTG and LTG members who returned to the fold of the law. We also implemented an amnesty program for former rebels (FRs) to provide them with an opportunity to fully reintegrate into society.

BDP.³³⁵ The BDP provides communities that were cleared of CTG influence with funding for key infrastructure and socioeconomic projects, such as FMRs, school buildings, health centers, water systems, electrification, and livelihood programs. From July 2022 to May 2026, 5,935 BDP projects in 5,638 *barangays* were completed.

335 NTF-ELCAC, June 25, 2026.



Noon po, malayo...
[Ngayon] mas malapit na
ito [health station] kaya...
kahit na maglakad ka lang,
makakapagpa-check up ka."

(The health center was far before. Now,
it [the new health station] is near and we
could easily go there for check-ups even
on foot.)

Ginalyn Villena
Mother
BDP-Barangay Health Station Beneficiary
Barangay Alucao, Santa Teresita, Cagayan



Residents from Barangay Alucao, Santa Teresita, Cagayan avail services of the barangay health station on March 26, 2026. This was funded through the FY 2024 Support to the BDP.

Photo Credit: DILG

E-CLIP.³³⁶ From July 2022 to May 2026, 4,866 FRs and former violent extremists who surrendered were covered under the E-CLIP. The DILG provided immediate, livelihood, and reintegration assistance, and firearms remuneration worth PhP400.83 million.

Amnesty for FRs.³³⁷ We sustained our efforts to dismantle legal and social barriers to the successful reintegration of our FRs through the amnesty program. The National Amnesty Commission (NAC) concluded the application period for FRs on March 04 and 13, 2026.³³⁸ The NAC received 16,207 applications, which surpassed the initial target of 10,000 applicants (see Table 7.8).

From April 11, 2025 to June 23, 2026, we issued 4,325 Safe Conduct Passes³³⁹ to allow amnesty applicants to begin reclaiming the normalcy of everyday life

while awaiting the outcome of their applications.



We carried a lot of worries about what our future would be before we were able to apply for amnesty. But now, we have truly felt the help of the government...[We] can finally say that we are free."

Iresh Ramos
Citizen Armed Force
Geographical Unit member
Amnesty grantee and former
CPP-NPA-NDF member
Gingoog City, Misamis Oriental

Table 7.8 Amnesty Applications per Group, March 04, 2024–March 31, 2026

Group	Initial Target	Received Applications	Achievement Rate*
Communist Party of the Philippines-New People's Army-National Democratic Front (CPP-NPA-NDF)	5,000	13,836	276.7
Moro National Liberation Front (MNLF)	2,000	647	32.4
Moro Islamic Liberation Front (MILF)	1,500	1,240	82.7
Rebolusyonaryong Partido ng Manggagawa-Pilipinas/Revolutionary Proletarian Army/Alex Boncayao Brigade (RPM-P/RPA/ABB)	1,500	484	32.3
TOTAL	10,000	16,207	162.1

*Applications received over initial target

Source: NAC

³³⁶ DILG, June 29, 2026.

³³⁷ NAC, July 07, 2026.

³³⁸ Amnesty applications for the MILF, MNLF, and RPM-P/RPA/ABB closed on March 04, 2026, followed by the CPP-NPA-NDF on March 13, 2026.

³³⁹ Memorandum Order No. 36, s. 2025, titled, "Authorizing the National Amnesty Commission to Issue Safe Conduct Passes in Favor of Amnesty Applicants Covered by Proclamation Nos. 403, 404, 405, and 406, all series of 2023."

Upheld the Peace Process

We are firm in our resolve to fulfill our remaining peace commitments. As the political track of the Bangsamoro peace process nears completion, we are pivoting toward the socioeconomic transformation of the decommissioned combatants and their communities. This ensures that our projects and interventions are sustainable, providing the necessary foundations for a just and lasting peace (see *Table 7.9*).

Expanded the implementation of the PAyapa at MASaganang PamayaNAn (PAMANA) Program.³⁴⁰ We have actively pursued and supported convergent measures in peace agreement areas.

Table 7.9 Status of the Political Track* of the Peace Tables		
Peace Table	Accomplishments**	
	July 2022	May 2026
Government of the Philippines (GPH)-MILF	16.0%	90.0%***
GPH-MNLF	50.0%	70.0%****
GPH-RPM-P/RPA/ABB*****	77.0%	84.0%
GPH-Cordillera Bodong Administration-Cordillera People's Liberation Army*****	74.0%	91.0%
*Refers to the political negotiation and establishment of policies, structures, and parameters (i.e., legislation) to implement the commitments of peace agreements **Share of commitments completed over total commitment per peace agreement ***With 6/7 priority legislation enacted and the first Bangsamoro Parliamentary Elections slated on September 14, 2026 ****With the integration of 7,500 MNLF members into the AFP and PNP and the appointment of 10 MNLF members to the BTA in 2026 *****Based on the ongoing consensus-building efforts of the GPH-RPM-P/RPA/ABB Joint Enforcement Monitoring Committee *****Data reflected are based on accomplishments accounted for by the government side. Source: OPAPRU		

Through the Office of the Presidential Adviser on Peace, Reconciliation and Unity's (OPAPRU) PAMANA Program, we invested in infrastructure, education, health, and livelihood initiatives to foster community-driven development (see *Table 7.10*).

We are addressing the root causes of conflict through sustained developmental interventions to allow us to shift our focus toward strengthening and safeguarding our territorial integrity.

Table 7.10 PAMANA Program Accomplishments, January 2024–June 2026	
Status	Project
 Completed	73
 Concreted roads	56
 Water systems	8
 Community infrastructure	4
 Bridges	3
 Fish landings	2
 For final inspection	17
 Under contract implementation	138
 Procured/awarded	18
 Ongoing procurement	31
 Allocation disbursed for implementation of partner LGUs and SUCs	10
 For reassessment	1
TOTAL	288
Source: OPAPRU	

Protected our Maritime Rights and Interests

The external security environment is becoming more complex and unpredictable. As we face global uncertainties and geopolitical challenges, we continue to strengthen our partnerships with like-minded countries. We signed agreements and engaged with our partners through joint exercises.

Forged bilateral defense agreements.³⁴¹

We forged defense agreements with new partners and further bolstered defense cooperation with existing ones.



Defense Agreements,

June 2025–May 2026



Canada

Philippines-Canada Status of Visiting Forces Agreement



France

Philippines-France Status of Visiting Forces Agreement



Lithuania

Philippines-Lithuania MOU on Defense Cooperation



United Arab Emirates (UAE)

Philippines-UAE MOU on Defense Cooperation



Italy

Philippines-Italy Defense Cooperation Agreement

Sources: DND and DFA

Entry into force of these legal frameworks would enable the Philippines to further enhance its military capabilities and interoperability with other like-minded military forces. It also allows more opportunities to conduct joint activities in each country's territory.



DND Secretary Gilberto Teodoro Jr. and Canadian Minister of National Defense David McGuinty present the signed Philippines-Canada Status of Visiting Forces Agreement in Makati City on November 02, 2025.

Photo Credit: DND

Engaged in cooperative activities with partners.³⁴²

We are regularly conducting Maritime Cooperative Activities (MCAs) with like-minded partners to promote a rules-based order while jointly enhancing capacities and interoperability with other countries' armed forces.

From April 2025 to May 2026, the Philippines conducted 16 multilateral MCAs with the USA, Australia, Canada, Japan, and New Zealand. Bilateral MCAs were also held with these countries, as well as France and the United Kingdom.

Notably, upon the elevation of our diplomatic relations with India to a strategic partnership in 2025, India participated in two bilateral MCAs that further strengthened naval cooperation and maritime domain awareness.

The Philippine-India strategic partnership expands opportunities for joint maritime activities, improves interoperability, and supports both countries' shared interest.

³⁴¹ DND, July 07, 2026.

³⁴² DND, July 07, 2026.



The AFP and the Indian Navy conduct their first-ever Bilateral MCA in the waters from Masinloc, Zambales to Cabra Island in Lubang, Occidental Mindoro in August 2025.

Photo Credit: AFP

One of the most significant and longest-running joint exercises of our armed forces is the Exercise *Balikatan* with the USA. For the 2026 iteration, more than 17,000 personnel from the Philippines, USA, and six defense partners: Australia, Canada, France, Japan, New Zealand, and the United Kingdom were involved.

Participating forces conducted simulations that helped improve interoperability in defending the Philippines' territory, responding to emerging threats, and providing assistance during disasters.



The AFP works together with its international counterparts during the Integrated Air and Missile Defense Exercise of the Exercise *Balikatan* 41-2026 at the Naval Station Leovigildo Gantioqui in San Antonio, Zambales in April 2026.

Photo Credit: AFP

Modernized our Coast Guard and Armed Forces.³⁴³ This Administration fully supports the AFP and Philippine Coast Guard (PCG) in their efforts to improve their capabilities. We ensured that they have the equipment they need to effectively carry out their duties in securing our nation.



Two units of the PAF A-29B Super Tucano fly side-by-side during the 14th Multilateral MCA with the USA and Australia on February 16, 2026.

Photo Credit: PAF

The PCG is acquiring 40 units of 35-meter Fast Patrol Craft. These vessels shall strengthen the PCG's patrol capabilities across the Philippines' Exclusive Economic Zone, enabling broader coverage and improved mobility for simultaneous nationwide deployment. The first three vessels are ready to be delivered to the PCG by 2027.

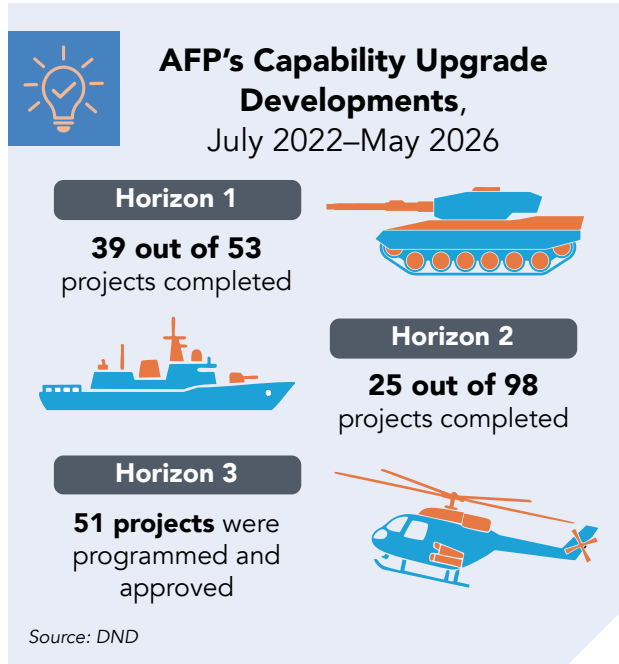


The DND Secretary (middle), then ROK Ambassador to the Philippines Lee Sang-Hwa (second from left), and key military officials attend the welcome ceremony for the BRP Miguel Malvar at the Naval Operating Base in Subic, Zambales on April 08, 2025.

Photo Credit: AFP

343 DOTr, July 13, 2026; and DND, July 07, 2026.

We are working toward the enhancement of the AFP's deterrent capabilities, anchored on the Comprehensive Archipelagic Defense Concept,³⁴⁴ to ensure the protection of the Philippines' sovereignty and jurisdictional rights.



Engaged in training and exercises.³⁴⁵ The AFP conducted training and exercises among its major services to enhance their ability to work together.

In November 2025, the AFP Joint Exercise “Dagat, Langit, at Lupa” (AJEX DAGITPA) was held. It brought together the Philippine Army, Philippine Navy (PN), Philippine Marine Corps (PMC), and Philippine Air Force (PAF), with the participation of the PCG and PNP, to enhance interoperability and joint operational readiness. Training activities include airfield seizure, counter-landing live fire, amphibious operations, and land defense exercises.



PMC personnel conduct Amphibious and Counter Landing Operations during the AJEX DAGITPA at Camp Cape Bojeador, Burgos, Ilocos Norte on November 14, 2025.

Photo Credit: AFP

Uplifted the Morale and Welfare of Military and Uniformed Personnel (MUP)

Given the economic circumstances, we saw the need to increase the base pay and subsistence allowance of our MUP in recognition of their vital role in nation building.

Increased MUP compensation.³⁴⁶

In December 2025, I signed EO No. 107, s. 2025,³⁴⁷ which updated the base pay schedule and increased the subsistence allowance of MUP under the DND, DILG, PCG, BuCor, and National Mapping and Resource Information Authority.

The updated base pay schedule is being implemented in three tranches: first tranche beginning on January 01, 2026; second tranche beginning on January 01, 2027; and third and final tranche beginning on January 01, 2028. The subsistence allowance of all MUP was also increased from PhP150 to PhP350 per day, effective January 01, 2026.

³⁴⁴ Implemented in line with the AFP's shift from internal security operations to protecting and securing the Philippine territory and Exclusive Economic Zone.

³⁴⁵ DND, July 07, 2026.

³⁴⁶ DBM, June 26, 2026.

³⁴⁷ Titled, “Updating the Base Pay Schedule and Increasing the Subsistence Allowance of the Military and Uniformed Personnel.”

Promoting the Interests of Filipinos Overseas



The President sends off OFW repatriates from the Middle East during the Presidential Salubong at the Villamor Air Base, Pasay City on March 23, 2026.

Photo Credit: PMS

In every engagement abroad, I always make it a point to meet with our OFWs whose strength, tenacity, and work ethic are admired not just by the Filipino nation, but by the whole world.

Facilitated the Safe Return of OFWs Abroad³⁴⁸

Today, as our OFWs face new challenges, the government remains prepared to provide timely support and protection. This Administration ensures that no Filipino will ever be left behind in every repatriation flight arranged and every assistance package delivered.

Provided timely assistance to OFWs in distress. In the face of the challenges brought about by geopolitical tensions and unforeseen emergencies, we ensured that the government remained responsive and delivered timely, targeted, and effective services to our OFWs.

Agarang Kalinga at Saklolo para sa mga OFW na Nangangailangan (AKSYON) Fund. We acted decisively on reports of abuse and enforced fair and lawful employment practices. We also delivered timely support to those in distress abroad.

From July 2023 to March 2026, we provided PhP5.42 billion worth of welfare assistance and support services to 501,660 OFW beneficiaries of the AKSYON Fund (see Table 7.11).

Table 7.11 **AKSYON Fund OFW Beneficiaries**, July 2023–March 2026

Assistance	Beneficiaries
 Welfare Assistance	397,779
 Financial Assistance	65,690
 Repatriation Assistance	21,136
 Legal Assistance	14,073
 Medical Assistance	2,982
TOTAL	501,660

Source: DMW

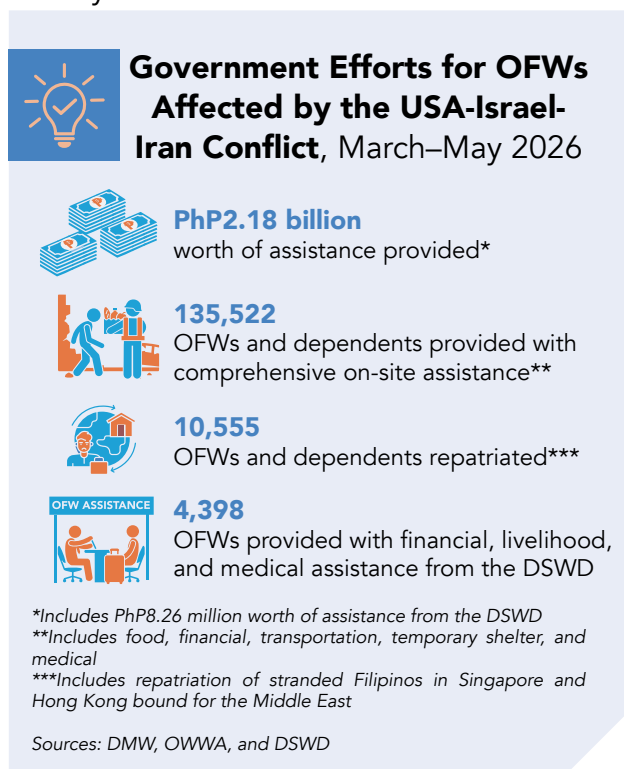
348 DMW, July 03, 2026; OWWA, June 25 and July 15, 2026; and DSWD, July 12, 2026.

Emergency Repatriation Fund (ERF).

The Philippine government, in close coordination with host countries, activated emergency repatriation mechanisms to ensure the safe, orderly, and timely return of OFWs and their families affected by emergency situations and other crises overseas.

Beyond responding to major international crises, such as the conflict in the Middle East, the ERF served as a vital social protection mechanism for OFWs in distress. It enabled the government to assist undocumented OFWs, victims of illegal recruitment, trafficking, abuse, and exploitation.

Through the ERF, we provided 49,524 plane tickets to OFWs and their dependents who were affected by armed conflicts, hostilities, natural disasters, and other emergency situations from July 2022 to May 2026.



In the same period, we utilized PhP5.80 billion to render 1,012,595 comprehensive pre- and post-repatriation assistance to returning OFWs under the ERF. We ensured that affected workers and their families received essential support³⁴⁹ throughout the repatriation process.



Wala po kaming masabi sa ganda ng serbisyong ibinigay po sa amin [ng gobyerno]. Mula po sa paglalakbay po namin...papunta po sa Egypt ay inalalayan po kami... hanggang makarating po kami ng Manila."

(We have nothing but praise for the quality of service they [the government] gave us. From the time we traveled...to Egypt, they took good care of us...until we arrived in Manila.)

Perlita Gonzales
Caregiver
Evacuated from Israel through the
Taba Crossing
OFW in Israel

Broadened Reintegration and Recovery Pathways for OFWs³⁵⁰

Unemployment and lack of livelihood opportunities are common challenges faced by our returning OFWs. These challenges leave them economically vulnerable.

We prioritized their future by putting in place responsive reintegration programs meant to help them recover, find new opportunities, and fully reintegrate into

³⁴⁹ Includes the provision of commercial and chartered flight tickets, medical assistance, psychosocial counseling services, assistance for the arrival and transport of human remains, and financial assistance, among others.

³⁵⁰ DMW, July 03 and 08, 2026.

the society, should they choose to remain permanently in the Philippines.

Expanded reintegration programs and initiatives. We strengthened our reintegration efforts for our OFWs through the establishment of new services under the Kabuhayan, Kaalaman, Kalinga (KKK) Program, Kaagapay Program, and the National Reintegration Network (NRN). Through these initiatives, we facilitated the smooth transition of OFWs from overseas employment to local employment and entrepreneurship.

KKK Program. We implemented the KKK Program to support our returning OFWs through economic stability interventions (Kabuhayan), capacity-building (Kaalaman), and psychosocial support (Kalinga). From July 2022 to May 2026, 105,416 OFWs and their family members benefited from this program (see Table 7.12).

Kaagapay Program. As a support mechanism, the Kaagapay Program facilitates the referral of OFWs and their families to reintegration partners, enabling access to various reintegration interventions and assistance. This covers economic, social, psychosocial, and cultural dimensions of reintegration. From October 2024 to May 2026, 6,956 returning OFWs benefited from this program.

ELPOR. We expanded the Livelihood Program for OFW Reintegration to include complementary interventions, such as health services, psychosocial support, and community-based development efforts.

Table 7.12 KKK Program Beneficiaries, July 2022–May 2026

Program	Beneficiaries
Kabuhayan Program	35,791
Balik Pinay, Balik Hanapbuhay	14,142
Sa Pinas, Ikaw ang Ma'am at Sir	11,065
Livelihood Development Assistance Program	5,190
Enhanced Livelihood Program for OFW Reintegration (ELPOR)	4,102
Other Kabuhayan Programs*	1,292
Kaalaman Program	57,896
Other Kaalaman Programs**	36,628
Financial Awareness Seminar-Small Business Management Training	21,268
Kalinga Program	11,729
TOTAL	105,416

*Includes beneficiaries of the Linangin ang Kakayahan at Kahusayan Award or LIKHA Business Plan Competition and Buy Lokal, By OFWs
**Includes beneficiaries of Training on Livelihood, Skills, Technical and Professional Development, Business Mentoring and Technical Support, Reintegration Education Campaign, Pre-Migration Orientation Seminar, Byaheng Entrepreneur, Kaalaman to Kabuhayan, and Kaalaman Webinars

Source: DMW

Beneficiaries of this program are provided not only with capital assistance, which increased from PhP10,000 to PhP15,000, but also with the necessary tools and training to transition toward sustainable and independent livelihoods. From January to May 2026, 4,102 OFW beneficiaries received PhP15,000 worth of capital assistance each through the ELPOR.

NRN. On June 07, 2025, we launched the NRN, which integrates services from 18 government agencies³⁵¹ to support the reintegration of returning OFWs. Its services include livelihood support, job placement assistance, social protection, and skills development.

³⁵¹ These are DMW, DOLE, DTI, DSWD, DA, DOST, DOT, DepEd, OWWA, BSP, TESDA, SSS, PhilHealth, Pag-IBIG Fund, SBCorp, Overseas Filipino Bank, National Commission on Muslim Filipinos, and Philippine Pharma Procurement, Inc.

From June 2025 to May 2026, we conducted 43 NRN fairs, which were later renamed as the Bayanihan para sa Balikbayang Manggagawa: NRN. These fairs benefited 25,400 OFW returnees who were able to directly access employment opportunities, livelihood programs, and government support services all in one venue.

Safeguarded the Welfare of OFWs at Home and Abroad³⁵²

Despite the global security challenges, we will continue to safeguard the rights and welfare of Filipinos who wish to find opportunities overseas.

Our OFWs are not just important pillars of both the economy and Filipino families. They have become significant contributors to the betterment of their host countries. We ensured that they have the support they need, wherever they are.

Pursued Bilateral Labor Agreements (BLAs)³⁵³ We continued to ensure safe, orderly, and mutually beneficial labor migration for our migrant workers. The BLAs set the standards for the protection and employment of migrant workers.

From July 2022 to May 2026, we forged 24 additional agreements, including 12 BLAs on healthcare, increasing the total number of BLAs from 48 to 72.

Improved Labor Conditions for Filipino Domestic Workers. On August 22, 2025, the DMW issued Advisory No. 25, adopting the Enhanced Reform Programs for Filipino Domestic Workers.

Implemented in October 2025, the Reform Programs set new guidelines for employers to ensure decent work and strengthened welfare mechanisms for Filipino domestic workers.

A critical reform is the increase in the minimum monthly salary of all Filipino domestic workers from USD400 to at least USD500. The salary increase will be incorporated into all subsequent DMW-processed employment contracts following the implementation of Advisory No. 25. As of May 2026, 13,832 job orders offering a USD500 salary have been registered.



Other Components of the Enhanced Reform Programs for Filipino Domestic Workers



Annual medical check-ups and access to hospitalization



Mandatory implementation of "Know Your Employer" Protocol, requiring video conferencing between domestic workers and employers before contract finalization



Implementation of a Digital Welfare Monitoring System



Reskilling, upskilling, and career mobility programs



Stricter standards on accommodation facilities



A whitelisting policy for recruitment agencies with proven compliance and ethical deployment practices

Source: DMW

352 DMW, July 03 and 08, 2026.

353 Includes MOU, Memoranda of Cooperation, MOA, Joint Statements, Joint Communiqués, and Joint Declarations of Intent.



Compliance with the USD500 Monthly Wage Standard for Filipino Domestic Workers, October 2025–May 2026



8 host countries

voluntarily complied

(Kuwait, Bahrain, Malaysia, Brunei Darussalam, Oman, Kingdom of Saudi Arabia [KSA], Qatar, and Jordan)



129 Philippine recruitment agencies complied



152 foreign recruitment agencies or employers complied

Source: DMW



Malaking tulong po ang dagdag na sahod...bilang isang breadwinner. Nakakapagpadala po ako sa [pamilya ko] para po sa kanilang mga pangangailangan at mayroon na din po akong [naitatabing] ipon."

(The salary increase greatly helps me... as a breadwinner. I am now able to send money to [my family] for their needs, and I have also been able to save money.)

Angel Dove Maderse
Domestic Worker
Enhanced Reform Programs Beneficiary
OFW in Kuwait

Enhanced facilities and services for OFWs.³⁵⁴ We enhanced facilities to promote the comfort, safety, and well-being of OFWs throughout every stage of their overseas employment, from pre-departure to on-site assistance and reintegration (see Table 7.13).

Table 7.13 **Facilities for OFWs,**
November 2022–May 2026

Facilities	Beneficiaries
OFW Lounges at NAIA Terminals 1 and 3*	1,796,258
48 Migrant's Brew nationwide**	468,509
Seafarers' Welfare Centers in Manila and Parañaque City***	303,453
TOTAL	2,568,220

*Launched in January 2024

**Data from November 2022

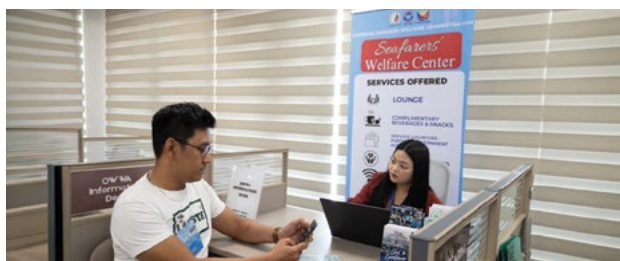
***Launched in Malate, Manila in July 2024

Sources: DMW and OWWA

OFW Lounge. The OFW Lounge at NAIA Terminal 3, which initially operated in July 2024, was renovated and reopened on September 01, 2025 to serve departing OFWs. It has dedicated sleeping quarters for those with layovers of at least eight hours. The improved lounge features 12 double-deck beds for women and 14 for men, along with a shower area and two massage chairs.

Meanwhile, a bigger and improved OFW Lounge at NAIA Terminal 1, inaugurated in January 2024, was also reopened on December 01, 2025. The facility offers a more comfortable space, featuring reclining chairs and secure baggage storage to enhance the convenience of OFWs.

354 DMW, July 03, 2026 and OWWA, June 25, 2026.



A Filipino seafarer seeks assistance at the OWWA Seafarers' Welfare Center.

Photo Credit: OWWA

Seafarers' Welfare Center. On February 13, 2026, the DMW and Overseas Workers Welfare Administration (OWWA) inaugurated the Seafarers' Welfare Center in Parañaque City as a one-stop shop for government services for Filipino seafarers and their families. These include services from the SSS, Pag-IBIG Fund, and PhilHealth; legal assistance from PAO; and medical aid from the OWWA YAKAP Clinic and Botika.

The welfare center also houses Migrant's Brew, OWWAoke, training facilities, and the Love Yourself Booth for sexual health and HIV awareness.

OFW Global Centers. To enhance the accessibility of government services for OFWs and provide venues for training and learning, we established OFW Global Centers in Malaysia, Hong Kong, and Taiwan. These centers also feature Migrant's Brew, where OFWs are served free coffee and complimentary biscuits.

From the start of their operations in November 2024 to May 2026, the OFW Global Centers have assisted and served 306,936 OFWs.

OFW Serbisyo Caravan. In June 2025, we started the OFW Serbisyo Caravan in several locations to improve the OFWs' access to government services.

The Serbisyo Caravan is a one-stop service hub that provides services, such as employment documentation, legal and welfare support, and social protection programs.

As of May 2026, the DMW has conducted 25 caravans, benefiting 75,145 OFWs, with a total of 176,698 transactions availed of (see Table 7.14).

Table 7.14 OFW Serbisyo Caravan Beneficiaries, June 2025–May 2026

Location	OFWs served	Transactions availed
 UAE	18,076	52,821
 Kuwait	17,868	26,430
 KSA	14,136	40,741
 Hong Kong	8,656	18,612
 Italy	5,914	8,305
 Singapore	5,240	11,999
 Cayman Islands	1,101	2,652
 Qatar	1,028	3,418
 Cambodia	951	4,619
 United Kingdom	696	696
 The Bahamas	616	1,546
 Japan	518	2,502
 China	345	2,357

Source: DMW

OFW Hospital. The OFW Hospital, in San Fernando, Pampanga, successfully upgraded its license from a Level 1 to Level 2 hospital and maintained its Level 3 accreditation for laboratory and radiology facilities. This upgrade increases its bed capacity from 50 to 72 beds, inclusive of four ICU beds. These developments enabled the hospital to expand its services (see Table 7.15).

In December 2025, the hospital was accredited as a Medical Facility for Overseas Workers and Seafarers, allowing it to conduct pre-employment medical examinations for land-based and sea-based Filipino workers.



An OFW undergoes an eye check-up during a medical mission at the OFW Hospital in San Fernando, Pampanga on February 18, 2026.

Photo Credit: DMW

Table 7.15 **OFW Hospital Beneficiaries**, July 2022–May 2026

Facilities	Beneficiaries
 Outpatient care	155,223
 Laboratory	96,283
 Radiology	43,706
 Heart station	29,217
 Urgent or emergency care	13,393
 Respiratory	4,832
 Dental	4,025
 Inpatient care	3,431
 Minor and major operations	1,634
 OB-GYNE care	478
TOTAL	352,222

Source: DMW



Through its [the OFW Hospital] free consultation and treatment, laboratory and diagnostic services, and hospitalization support...by PhilHealth, I was able to recover...without incurring overwhelming expenses. This...provided [for] my family...peace of mind."

Edgardo Cuenca
Former carpenter in Guam, USA
OFW Hospital Beneficiary
Guagua, Pampanga

Advancing the National Interest in the Global Stage



The President (center) and ASEAN Leaders open the 48th ASEAN Summit in Mactan, Cebu on May 08, 2026.

Photo Credit: PCO

Geopolitical rivalries and global uncertainties have significantly affected the lives of our people. To help address these challenges and uplift the lives of our fellow Filipinos, we broadened and deepened our engagement with both longstanding and emerging partners. Guided by our independent foreign policy, we have forged 295 agreements across sectors with our bilateral partners since the beginning of this Administration.³⁵⁵

Strengthened Relations Globally³⁵⁶

Through our sustained engagements with our allies and partners, we secured petroleum supply to replenish our local stockpile during the conflict in the Middle East. These include the following partners: ROK, China, Japan, Malaysia, Singapore, India, Oman, and Russia.³⁵⁷

We also worked closely with foreign governments to ensure the safety and well-being of our overseas Filipinos and migrant workers in conflict-affected areas. As a result, we were able to safely bring home Filipinos and their dependents from the Middle East.



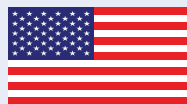
New Foreign Service Posts Established in 2025



Philippine Embassy in Suva, Fiji



Philippine Consulate General in Busan, ROK



Philippine Consulate General in Seattle, Washington, USA

Source: DFA

355 DFA, June 26, 2026.

356 DFA, June 26 and July 08, 2026.

357 DOE, June 29, 2026.

The continued goodwill of our friends and neighbors complemented this Administration's domestic efforts to cushion the impact of the conflict.

Sustained engagements with key and emerging partners. Our strategic engagements are anchored on our firm commitment to the principles of a rules-based order and a free, open, and secure Indo-Pacific. We ensured that our cooperation with our friends and partners will redound to peace and stability as well as better opportunities for our people.

India. In August 2025, I visited India at the invitation of Prime Minister Narendra Modi to mark 75 years of Philippines-India relations. During my visit, we formally elevated our relations with India to a Strategic Partnership, strengthening cooperation in various areas, such as trade and investment, connectivity, defense and security, and the maritime domain.



Cambodia. In September 2025, I undertook a reciprocal visit to Phnom Penh following the visit of Prime Minister Hun Manet to Manila in February 2025.

During my visit, we concluded agreements aimed at strengthening our cooperation in higher education, protecting our migrant workers, and combating transnational crime.



The President and the UAE President shake hands after they witness the exchange of the Philippines-UAE CEPA in Abu Dhabi, UAE on January 13, 2026.

Photo Credit: PCO

UAE.³⁵⁸ In January 2026, I undertook a working visit to the UAE. UAE President Sheikh Mohamed bin Zayed Al Nahyan and I witnessed the signing of the Philippines-UAE CEPA and the MOU on Defense Cooperation on the sidelines of the Abu Dhabi Sustainability Week. The CEPA is our first FTA with a Middle Eastern country, further expanding trade opportunities for Filipino businesses and workers.

ROK. In March 2026, we welcomed ROK President Lee Jae Myung to the country.



The President and the ROK President exchange toasts during the State Banquet at the Malacañan Palace on March 03, 2026.

Photo Credit: PCO

358 DFA, June 26, 2026 and DTI, June 30, 2026.

During his visit, we reaffirmed the deepening Strategic Partnership between the Philippines and ROK. We concluded 10 agreements in various areas, such as defense materials procurement, veterans affairs, agriculture, trade and investment, intellectual property, digitalization and innovation, education, cultural, and police cooperation.

Japan. In May 2026, I undertook a State Visit to Japan and met with His Majesty Emperor Naruhito and Prime Minister Takaichi Sanae. We elevated our bilateral relations from a Strengthened Strategic Partnership to a Comprehensive Strategic Partnership. This reflects the growing depth and breadth of the Philippines-Japan cooperation and coincides with the 70th anniversary of the normalization of our diplomatic ties.



Japan Visit Outcome



5 bilateral agreements signed



5 areas of cooperation enhanced: maritime cooperation, security of military information, energy security and supply chain resilience, AI, and space cooperation



PhP263.6 billion worth of investment pledges secured

Source: DFA

Viet Nam. In June 2026, I welcomed the General Secretary of the Central Committee of the Communist Party and President of Viet Nam, To Lam, to Manila. His visit marked the 50th anniversary of our countries' bilateral relations. During his visit, we elevated our bilateral relations

to an Enhanced Strategic Partnership and witnessed the signing of agreements that would bolster our cooperation in defense, ICT, education, and tourism.



The President and the Vietnamese President shake hands before their bilateral meeting at the Malacañan Palace on June 01, 2026.

Photo Credit: PMS

Germany. In June 2026, I welcomed German President Frank-Walter Steinmeier to Manila. We discussed partnerships in a wide range of sectors, such as peace and development in Mindanao, defense, maritime cooperation, climate change, renewable energy, and labor cooperation.



The President and the German President interact after their joint press conference at the Malacañan Palace on June 16, 2026.

Photo Credit: PMS

Engaged non-traditional partners. Physical distance between countries has become negligible in our globalized world. We engaged our non-traditional partners to diversify our trade networks and provide new opportunities for our people.

Bhutan. In March 2026, I also met with Bhutan Prime Minister Tshering Tobgay in Manila, the first leaders-level meeting between our two countries since the establishment of diplomatic relations in October 2025. We exchanged ideas about expanding our cooperation in sectors of mutual interest, including TVET, trade and investment, tourism, and connectivity.

Paraguay. I invited Paraguay President Santiago Peña Palacios to visit the country in May 2026. We discussed ways to increase trade and investments between our two countries. We also witnessed the signing of the Visa Waiver Agreement for Ordinary Passport Holders, which will facilitate business, tourism, and people-to-people exchanges between the Philippines and Paraguay.

Russia. In June 2026, I met with Russian President Vladimir Putin on the sidelines of the ASEAN-Russia Commemorative Summit in Kazan, Russia. My visit coincided with the 50th anniversary of diplomatic relations between the Philippines and the Russian Federation. We discussed areas of mutual interest, such as energy and food security, and agreed to explore new avenues for bilateral cooperation.



The President and the Russian President shake hands during their bilateral meeting in Kazan, Russia on June 17, 2026.

Photo Credit: PCO

Sustained Diplomatic and Legal Response to Maritime Domain Issues³⁵⁹

This year, we mark the 10th anniversary of the 2016 Arbitral Award on the South China Sea (SCS). This landmark ruling reaffirmed our sovereign rights over the features in the West Philippine Sea (WPS)/SCS under our maritime jurisdiction. The Award remains a cornerstone of our maritime policy and our advocacy for a rules-based order.

This Administration shall continue to tirelessly defend our sovereignty and territorial integrity. From July 01, 2022 to June 16, 2026, we filed 285 diplomatic protests against China's illegal and coercive activities in the WPS. We acknowledge that our maritime domain issues do not represent the totality of our relations with other claimant states. As such, we have continued to engage them diplomatically and pragmatically.

We reconvened foreign ministry consultations and the bilateral consultation mechanism on the SCS with China this year, emphasizing the importance of sustained dialogue in managing differences.

As the ASEAN 2026 Chair, we remain committed to the successful conclusion of the Code of Conduct (COC) in the SCS within our Chairship. We convened monthly negotiations and meetings to facilitate substantive discussions on the COC.

³⁵⁹ DFA, June 26, 2026.



The President receives the Chairship gavel from Malaysian Prime Minister Anwar Ibrahim during the ceremonial turnover of the ASEAN Chairship in Kuala Lumpur, Malaysia on October 28, 2025.

Photo Credit: PCO

Demonstrated Global Leadership in Regional and Multilateral Issues³⁶⁰

The Philippines continues to actively participate in multilateral bodies, offering its voice and perspective in addressing the impacts of climate change, geopolitical tensions, and global trade disruptions—challenges that cannot be resolved by any country alone.

Reaffirmed commitment to ASEAN Centrality. At the beginning of 2026, we officially assumed our ASEAN Chairship, hoping to showcase the best of Filipino hospitality. Leading the ASEAN provides the Philippines with the opportunity to shape the future and direction of the region in line with the ASEAN's guiding principles.

Unfortunately, the impact of the Middle East conflict was inevitably felt across the region. As a result, we convened some of the ASEAN 2026 preparatory meetings virtually to support regional energy conservation measures.

From December 10, 2025 to July 27, 2026, 157 in-person and 150 virtual meetings were held to advance the work and deliverables of our ASEAN Chairship.³⁶¹

On May 07, 2026, we hosted the Special Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) Summit, wherein we adopted the BIMP-EAGA Vision 2035. This document sets the 10-year agenda across connectivity, food and energy security, digital transformation, and sustainable development across our sub-region.³⁶²

I also met with Cambodian Prime Minister Hun Manet and Thai Prime Minister Anutin Charnvirakul and provided a meaningful space for dialogue aimed at advancing the peaceful resolution of their border issues. By utilizing the good offices of the ASEAN Chair, the Philippines demonstrated its support to peaceful engagement between Cambodia and Thailand. I likewise reaffirmed the Philippines' commitment to play a constructive role as ASEAN Observer Team Coordinator in verifying and reporting the implementation of all agreements reached by both countries.



The President chairs the Special BIMP-EAGA Summit in Mactan, Cebu on May 07, 2026.

Photo Credit: PCO

³⁶⁰ DFA, June 26, 2026.

³⁶¹ ASEAN National Organizing Council-Office of the Director-General for Operations, June 25, 2026.

³⁶² Mindanao Development Authority, June 22, 2026.

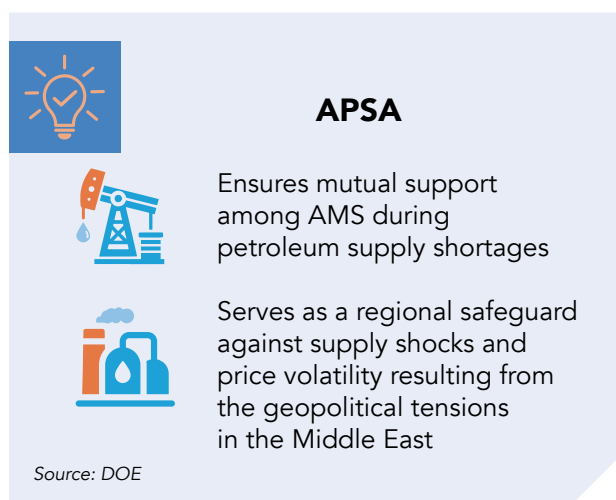
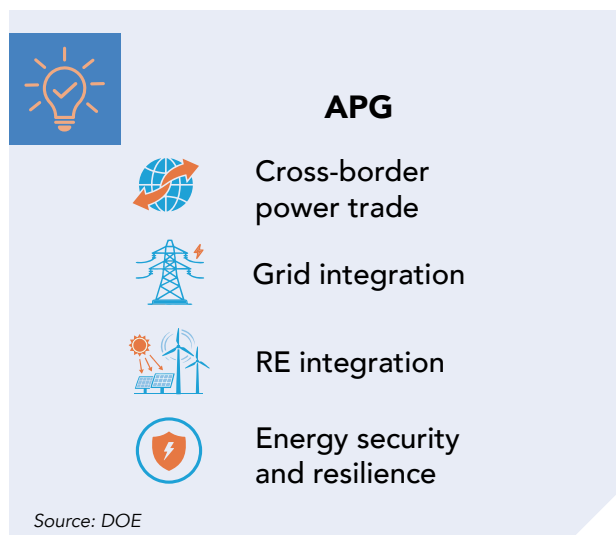


The President (center) and other ASEAN Leaders pose for the "ASEAN Way" family photo during the 48th ASEAN Summit Retreat in Mactan, Cebu on May 08, 2026.

Photo Credit and Source: ASEAN Secretariat and DFA

On May 08, 2026, I met with ASEAN Heads of State and Government during the 48th ASEAN Summit in Mactan, Cebu to discuss the impact of the ongoing conflict on our region. True to the spirit of our theme, "Navigating Our Future, Together," we discussed measures to address challenges to our regional energy security, food security, and the safety of ASEAN nationals, especially in conflict areas. During the Summit, we issued, noted, and adopted 18 key outcome documents, including the ASEAN Leaders' Statement on the Response to the Middle East Crisis, which includes coordinated and practical measures addressing the impacts of the crisis.

We acknowledged the positive developments in advancing the ASEAN Power Grid (APG), which aims to connect the electricity networks of all ASEAN Member States (AMS). This initiative will promote cross-border power trading, support renewable energy integration, and deliver more affordable electricity to about 700 million people in the region. We also called for the expedited ratification of the ASEAN Framework Agreement on Petroleum Security (APSA).



Further, ASEAN Leaders agreed to maintain open and predictable markets, strengthen intra-ASEAN trade, and reinforce regional food security mechanisms. We also committed to closely coordinate and provide timely support to ASEAN nationals who may need urgent assistance, evacuation, and/or repatriation.

We will host around 300 more ASEAN meetings for the rest of our Chairship.³⁶³ Our countrymen and the rest of the region could be assured of deliverables that would steer the ASEAN toward a more resilient, dynamic, and people-centered community.

363 ASEAN National Organizing Council-Office of the Director-General for Operations, June 25, 2026.

Way Forward

Protecting Filipino families is at the core of securing our nation's future. We continue to prioritize public safety through the establishment of a fully operational command and emergency response network for the Unified 911. We will continue to enhance the nation's cybersecurity posture by expanding the coverage of the National Security Operations Center, the government's 24/7 cybersecurity monitoring and incident response center, to all government agencies.

Aside from these infrastructure upgrades, we are aggressively professionalizing our police force by conducting training and operational exercises to ensure that they effectively combat criminality, including cybercrimes.

As we enforce the law, we do not forget to preserve human dignity and recognize human rights. We will strengthen the

justice sector by streamlining judicial processes to declog court dockets and by implementing measures to decongest our jails and prisons.

We will sustain our peace process efforts as we extend the amnesty application period. We will continue to give chance to those who want to be part of building the *Bagong Pilipinas*.

At the same time, the armed forces remain focused on securing our borders. We will continue to look after our troops by providing them with modern capabilities and relevant training to deter any potential hostilities. We aim not just to protect our fisherfolk but also to safeguard their livelihood.

With our national interest in mind, we continue to be a responsible member of the international community and a reliable partner in efforts to address



global challenges. We remain steadfast advocates for a rules-based order. Diplomacy and open dialogue remain essential components of our strategy to maintain peace and stability in the region.

We have seen the power of multilateralism and international cooperation in addressing global issues and challenges. Our countrymen can be assured that this Administration would strengthen our alliances and partnerships to yield greater and better opportunities for all Filipinos.

For our OFWs, we continue to streamline processes, strengthen labor agreements, and expand migrant workers offices to better protect their rights and improve access to government services locally and internationally.

We are enhancing key facilities and services to better serve our OFWs. This includes additional OFW Lounges at international airports in the provinces and the expansion of the OFW Hospital's capacity through the development of wellness clinics and additional services, such as cancer care. Reintegration programs and upskilling initiatives are also being strengthened to advance long-term economic empowerment and ensure a sustainable transition upon their return to the country.

Our efforts in the national and international spheres would help bring about the *Bagong Pilipinas* we would pass on to our future generations.

The President delivers his remarks during the Opening Ceremony of the 48th ASEAN Summit in Mactan, Cebu on May 08, 2026.

Photo Credit: PCO

Conclusion

To serve the Filipino people is one of the most noble of vocations there is. These last four years, I have had the privilege of building upon the reforms pursued by those who came before me and to shepherd our country toward a high-growth path.

The journey has not been easy. Emerging from the pandemic, we faced issues on corruption and the Middle East conflict, which slowed but did not derail us in our path.

Our economic fundamentals that rest upon the bedrocks of democracy, transparency, and a people-centered governance, have kept the Philippine economy resilient in the face of domestic and external challenges. By pursuing structural reforms, we further fortified these foundations.

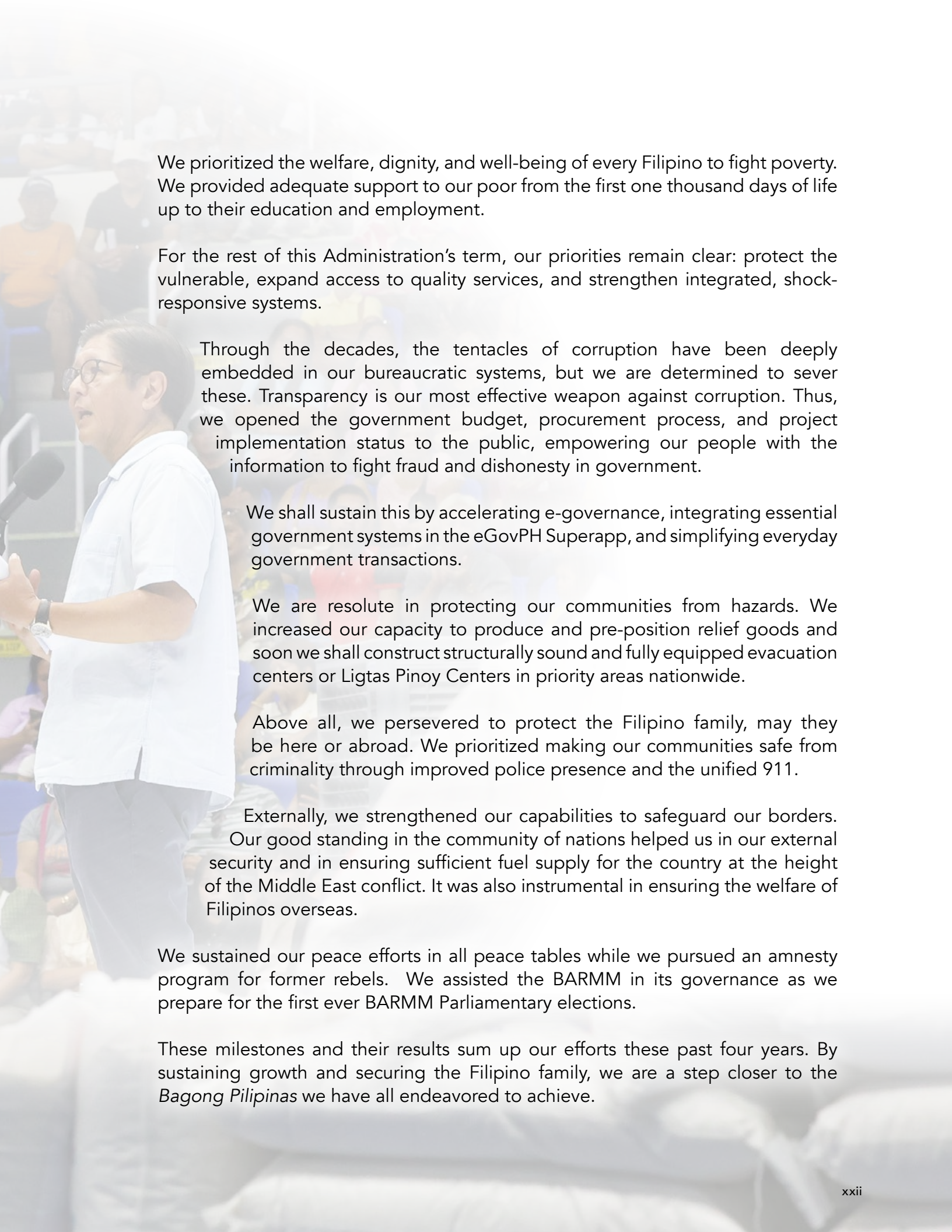
Our steady economic expansion since 2022 and our strong performance across all industries allowed us to achieve the status of an upper-middle income country this 2026. To sustain this expansion, we shall improve public spending efficiency, maintain fiscal discipline, and advance regulatory clarity.

Through roads, bridges, airports, ports, energy infrastructure, and our national fiber backbone, we linked our communities to government services and economic opportunities. Moving forward, we shall strengthen our energy supply and reserves to protect our economy from global energy market volatility.

Food security remains a key priority of this Administration. Since 2022, we have heavily invested in modernizing the agriculture sector. Through innovations and mechanization, we improved agricultural production from planting to harvesting and processing. Mindful of the vulnerability of our farmers to economic and climate shocks, we provided them with inputs, financial assistance, training, and insurance, among others.

Alongside this, we have buttressed investments in our health and education sectors. We optimized our health insurance program by expanding benefits while DOH hospitals provided our people with access to free quality healthcare to lessen their out-of-pocket health expenses. We are ensuring that all Filipinos would have access to primary care and the medicines they need to be better.

We bankrolled our education sector with more than one trillion pesos in funding, the highest in our history. With this, we prioritized the provision of educational inputs and the building and rehabilitation of classrooms. We improved the welfare of our teachers through administrative support, promotion, and other assistance. Lastly, we ensured internet connection for our students. To address the learning gaps of our students, we pursued a national learning recovery program.



We prioritized the welfare, dignity, and well-being of every Filipino to fight poverty. We provided adequate support to our poor from the first one thousand days of life up to their education and employment.

For the rest of this Administration's term, our priorities remain clear: protect the vulnerable, expand access to quality services, and strengthen integrated, shock-responsive systems.

Through the decades, the tentacles of corruption have been deeply embedded in our bureaucratic systems, but we are determined to sever these. Transparency is our most effective weapon against corruption. Thus, we opened the government budget, procurement process, and project implementation status to the public, empowering our people with the information to fight fraud and dishonesty in government.

We shall sustain this by accelerating e-governance, integrating essential government systems in the eGovPH Superapp, and simplifying everyday government transactions.

We are resolute in protecting our communities from hazards. We increased our capacity to produce and pre-position relief goods and soon we shall construct structurally sound and fully equipped evacuation centers or Ligtas Pinoy Centers in priority areas nationwide.

Above all, we persevered to protect the Filipino family, may they be here or abroad. We prioritized making our communities safe from criminality through improved police presence and the unified 911.

Externally, we strengthened our capabilities to safeguard our borders. Our good standing in the community of nations helped us in our external security and in ensuring sufficient fuel supply for the country at the height of the Middle East conflict. It was also instrumental in ensuring the welfare of Filipinos overseas.

We sustained our peace efforts in all peace tables while we pursued an amnesty program for former rebels. We assisted the BARMM in its governance as we prepare for the first ever BARMM Parliamentary elections.

These milestones and their results sum up our efforts these past four years. By sustaining growth and securing the Filipino family, we are a step closer to the *Bagong Pilipinas* we have all endeavored to achieve.

