

# THE PHILIPPINES

MAKE IT HAPPEN

## Panel 2: Infrastructure and Industry

**ALFREDO E. PASCUAL**

Secretary

Department of Trade and Industry

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# PH-US Trade Relations

The **United States** is Philippines' **top export market** out of 206 economies, and our **5<sup>th</sup> import supplier** out of 211 economies



**Investments coming from the USA** for the 1<sup>st</sup> Semester of 2022 **have been more diversified**, with approved investments in various sectors.

# SIPP Tiers: Avail of the highest tier of incentives

## Broad Criteria

TIER 1

Job and Value creation, Market failures, Value Chain Upgrading, Support to sectors critical to industrial development, Comparative advantage

TIER 2

Critical to industrial development & import-substituting activities

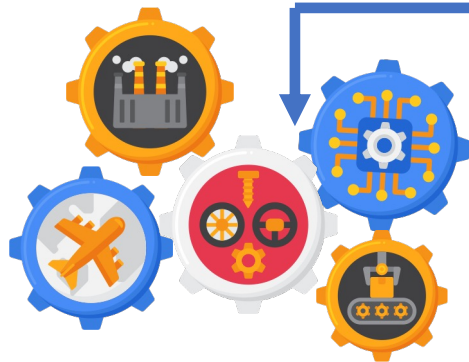
TIER 3

R&D, Breakthroughs in Science & Health, High Paying Jobs, Generation of new knowledge & IP, Commercialization, Highly technical manufacturing

Higher Incentives →

# Priority Industry Clusters : 2022-2028

## Global Reconfiguration



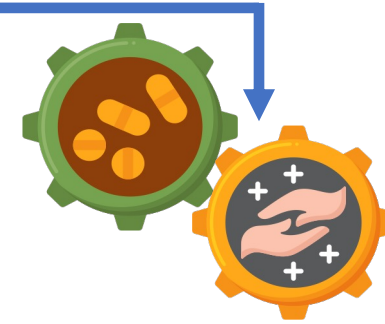
### Industrial, Manufacturing and Transport (IMT)

- Aerospace manufacturing and maintenance, repair and overhaul (MRO)
- **Automotive and Electric Vehicles & Parts Manufacturing**
- Semiconductor manufacturing services and Electronic manufacturing services
- Green metals (Nickel, Cobalt, Copper) processing
- Advanced manufacturing technologies



### Technology, Media, And Telecommunications (TMT)

- IT-BPM, Hyperscale data centers
- Creative economy and digital economy
- Products/services using AI, robotics, Augmented/Virtual/Mixed Reality, 5G, and Internet of Things
- Smart home and building technology
- Disaster and Resilient technology
- Audio, video, education technology
- **Vehicle technology**
- E-Gaming
- Metaverse



### Health and Life Sciences (HLS)

- Life sciences and biotechnology sector
- Pharmaceuticals
- Medical devices
- Healthcare services
- Digital health products and services such as personal health wellness technology products, smart watches, lighter health wearables, more precise sensors, therapeutic systems addressing chronic diseases, telemedicine solutions and AI assisted diagnoses



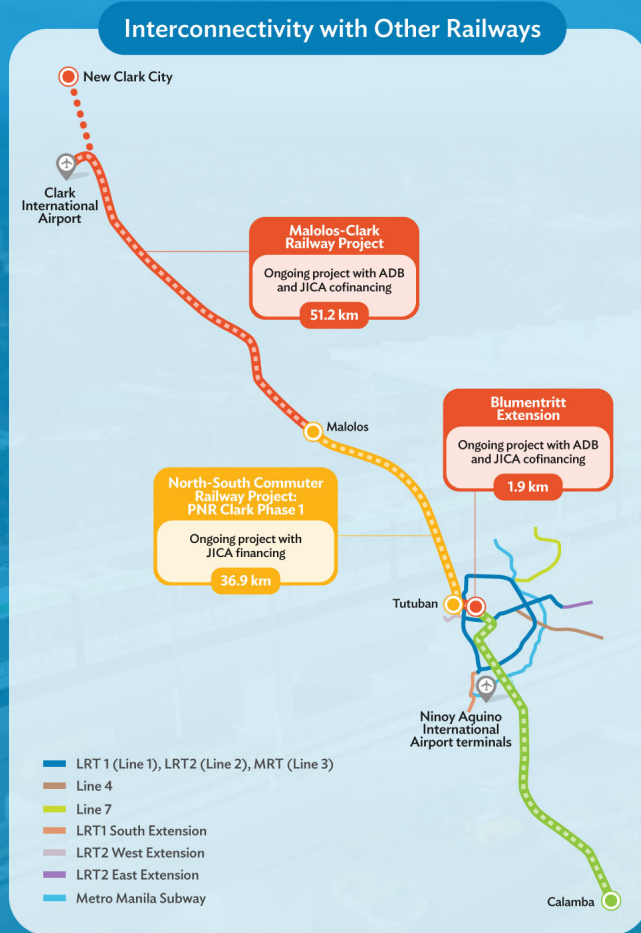
### Modern Basic Needs, Resilient Economy

- Food security, agriculture and agro-industrial, fishing
- Infrastructure, education, shelter, sanitation
- Integrated steel
- Textile
- Chemicals and Plastics
- Renewable Energy
- Energy efficiency
- Green ecosystems

# Build Better More

## South Commuter Railway Project

ADB and JICA cofinancing



ADB

## Flagship projects in

- Transport
- Logistics
- Energy
- Water resources
- Information and communications technology

# NREP 2020 – 2040: ASPIRATIONAL TARGETS

## Goals and Objectives

National Renewable Energy Program (NREP) sets a target of **at least 35 % RE SHARE** in the power generation mix (MWh) by 2030

NREP works to drive **RE share to greater than 50% by 2040, dominating the mix**



# DTI-DICT Digital Platform Supporting MSME's Business Needs

An **integrated, accessible, and fully digital market platform** to serve the needs of MSMEs

- free e-commerce website development platform
- To initiate and onboard MSMEs into the digital economy
- Link MSMEs with providers of finance, inputs/raw materials, marketing, and other business services



## EMPOWER PH

A collaborative online platform that connects various stakeholders and manufacturers to **facilitate and accelerate the production and distribution of personal protective equipment (PPE)** in the country.



## Trabaho and Negosyo Skills Pathway

Composed of **tracks on entrepreneurial skills for online enterprises** and digital skills pathway for MSMEs

**CTRL + BIZ: Reboot Now!**  
Series of free webinars that are targeted to MSMEs who need to **transform their business digitally**



## ASEAN SME Academy

A **one-stop multi-platform online learning and information resource** which aims to provide training and mentorship to **enhance ASEAN SMEs' capabilities to grow and compete** regionally and internationally



## Tech Tools for MSMEs during COVID19

A Google site developed by DTI to **provide information to MSMEs on the different technology tools, applications, platforms and resources** available in coping with the challenges of the community quarantine.



**Online Natl. Food Fair**  
Initiative to keep the National Food Fair ongoing while maintaining safety during the pandemic

**ReSTART**  
Aims to help re-start the micro-retail sector through **Access to Resources and Trade Program**



# The Center for AI Research (CAIR)

AI will contribute \$92B to GDP by 2030 / 12% of PH GDP

A **public-private partnership** hub for data scientists & researchers to

- Perform **collaborative AI R&D and technology application** among government agencies, universities, research institutes, startups, SMEs, domestic large enterprises and MNCs
- Offer **consultancy services and AI tech products**
- Conduct data literacy programs and develop learning modules to **upskill and reskill the workforce**
- Attract leading global firms to **set up R&D activities** in the country

**Focus Areas:** Manufacturing | Services | Precision Agriculture | Construction | Finance/banking | Healthcare | Resilience Technology | Smart Cities

**50+ tech startups in the Philippines are already using AI as a core technology in their business model**

*Fintech / E-Commerce / Digital Health / Sensors / Digital Services*



## INDUSTRY 4.0 & DIGITAL TRANSFORMATION INITIATIVES



# INDUSTRY 4.0 PILOT FACTORY

DTI is building an Industry 4.0 Pilot Factory to host demonstrations and case applications of Industry 4.0 technologies that local large enterprises, SMEs, & academe can access

- A cyber-physical PoC/didactic line is a modular set to conduct PoCs, and conduct practice exercises for Industry 4.0 courses



- **Pilot, demonstration and learning laboratories** with innovative products, modern technologies and digital processes
- **Technology platform** for various stakeholders from industry, academe, & government
- Serve as a **training and research hub** where industries can have insights and hands on experience on various Industry 4.0 applications
- The pilot factory will facilitate industry **access to advanced manufacturing technologies** like robotics, intelligent manufacturing systems, cyber-physical systems

# Regional Inclusive Innovation Centers (RIICs)

## Supporting MSME Development through Science, Technology, and Innovation

Networks of creative communities & innovative and entrepreneurial Filipinos, driven by their desire to do things better, provide solutions, make better products, and address market demands, supported by Strong Government-Industry-Academe Collaboration

**SHINE Cagayan Valley:** Sustaining Harvest through Innovation & Nurturing Enterprises

**THRIVE Central Luzon:** Technological Hive of Regional Innovation through a Vibrant Ecosystem

**LINC Calabarzon:** Linking Innovation Networks for Competitiveness in Calabarzon

**BRIDGE Bicol:** Building Resilience and Innovation to Drive Growth of Enterprises in Bicol

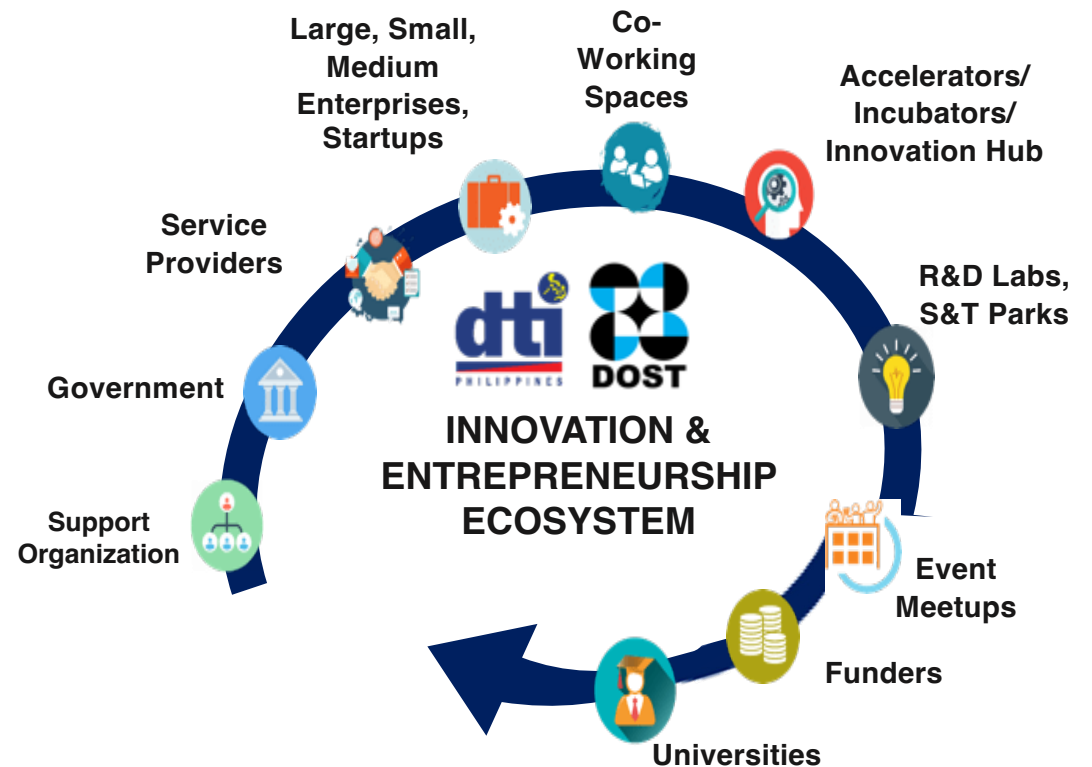
**Startup Island: Cebu**

**Zampen Innohive:** Region 9 Zamboanga

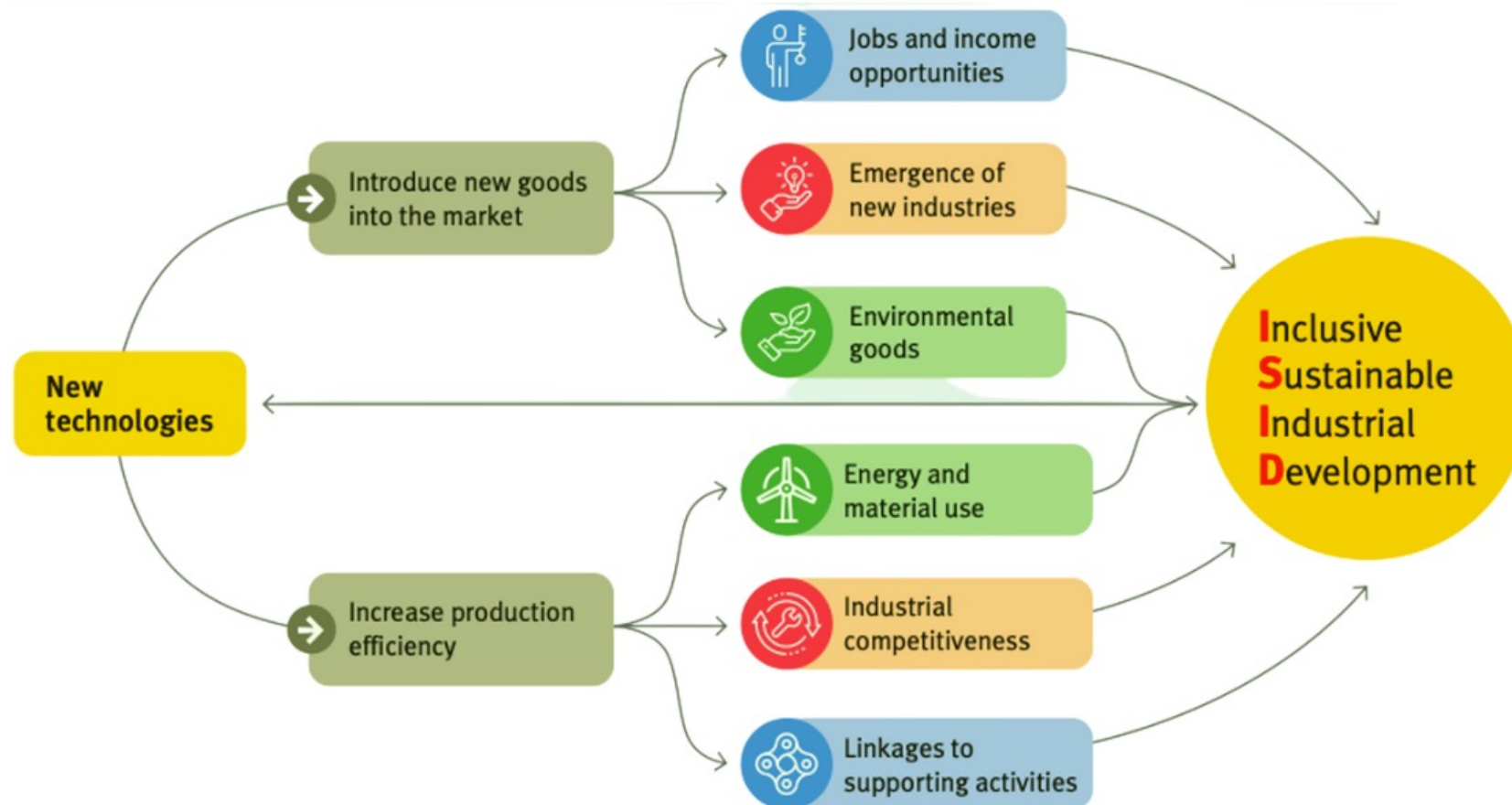
**iSTRIKE Davao:** Davao Regional Inclusive Innovation Center

**ILIGANICE:** Innovation through Leveraging Industry, Government, Academe Networks and Inclusive Community Engagements in Region 10-Iligan

**OROBEST:** Optimizing Regional Opportunities for Business Excellence through STI in Cagayan de Oro



# Science, technology, and innovation to drive inclusive and sustainable industrial transformation and development for the Philippines



**Competition, Innovation, Productivity, Dynamic Industry Ecosystem:  
Foundation to generate quality jobs, investments, new products & services, shared prosperity**

# THANK YOU!



Secretary Alfredo E. Pascual  
Department of Trade and Industry  
22 September 2022