



## Overall performance

The Philippines is a global leader in infrastructure planning, with a public pipeline of projects and national infrastructure plan in place. The Philippines procurement processes for infrastructure projects are also strong, with one of the best systems for managing infrastructure contracts during delivery and operations out of all InfraCompass countries. To improve the efficiency and quality of its infrastructure investment, the Philippines could seek to deepen its financial markets and reduce procurement durations. It could also reform permit procedures and regulatory frameworks, where its peers in Asia and the Lower Middle Income Countries have made considerable progress.

Drivers	Rank (/16)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	59	—	47	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	32	↓ 5	63	Green	Green	Green	Green	Green
Permits	61	↓ 9	48	Blue	Blue	Blue	Blue	Blue
Planning	7	↑ 24	98	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue
Procurement	40	↑ 32	75	Light Green	Light Green	Light Green	Light Green	Light Green
Activity	21	↑ 5	45	Teal	Teal	Teal	Teal	Teal
Funding capacity	39	↑ 1	37	Orange	Orange	Orange	Orange	Orange
Financial markets	36	↑ 1	38	Yellow	Yellow	Yellow	Yellow	Yellow

## The Philippines at a glance

\$3,294  
**GDP per capita**  
(USD, 2019)

108.3 million  
**Population**  
(2019)

3.7% of GDP  
**Infrastructure investment**  
(2019 estimate)

0.5% of GDP  
**Infrastructure gap**  
(2019 estimate)

57.8  
**Infrastructure quality**  
(0-100, 100 is best, 2019)

\$2,206 million  
**Private infrastructure investment**  
(5-year average, USD, 2019)

## Top performing metrics



**91.1/100**

### Financial stability

The Philippines' financial stability is well above the average of 83 for Lower Middle Income Countries. Stable financial markets facilitate the smooth flow of funds between infrastructure assets and investors. The impact of the COVID-19 pandemic is a concern.



**88/100**

### PPP contract management

According to the World Bank, the Philippines' management of contracts is world class. It has well-trained staff, effective guidance, milestone tracking systems, and public reporting of the contractor's financial or operating performance.



**87.5/100**

### Strength of insolvency framework

The Philippines has a solid framework for reorganisation and bankruptcy which governs formal insolvency. This ensures investors have appropriate protection and helps attract investment for potential infrastructure projects.

## Opportunities to grow



**4.2/100**

### GDP per capita

The Philippines has a low GDP per capita of USD 3,294 but is growing at a long-term average rate of 5.8% per annum. Its long-term growth suggests there will be improvement in future capacity to fund major infrastructure. However the COVID-19 pandemic may impact this trend.



**8/100**

### Stocks traded

At 9% of GDP, the Philippines' value of stocks traded is significantly below the Lower Middle Income Countries' average of 14% of GDP. As this indicator measures the liquidity of equities, it is important to infrastructure investors to know they can exit investments at appropriate points.



**40.5/100**

### Average procurement duration – transaction RFP

The average duration from announcement of a tender to contract award was 38 months. Lengthy procurement durations add costs, risks and down time to contractors bidding for and investing in infrastructure projects.

For guidance on how to improve these metrics, please see the [The Philippines Country Page](#) on the InfraCompass website.



## ECONOMY OVERVIEW

GDP (\$US billion, 2019)	356.8	Population (million, 2019)	108.3	Unemployment rate (2019)	2.4%
GDP per capita (\$US, 2019)	3,294	Urbanisation ratio (2018)	47.0%	Inflation rate (2019)	2.5%
GDP growth rate (annual, 2019)	5.7%	Gross Government Debt (% of GDP, 2019)	39.0%	Digital Adoption Index (0-1 best, 2016)	0.49
GDP per capita growth rate (annual, 2019)	6.1%	Sovereign risk rating (2019)	61	Gini coefficient (0-100 worst, 2015)	44.4

## METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE	REGULATORY FRAMEWORKS	PERMITS
Post-completion reviews?	Yes - Effect of taxation on incentives to invest	41.2 ↓ Cost to start a business
Infrastructure or PPP unit/agency?	Yes - Prevalence of foreign ownership	54.9 ↓ Dealing with construction permits
Recovery rate	21.1 ↓ Product market regulation, network sectors	58.5 - Quality of land administration
Rule of law	68.4 ↓ Regulatory (including competition) quality	50.9 ↑ Registering property
Shareholder governance	33.3 ↑ Strength of insolvency framework	87.5 - Time required to start a business
Political stability and absence of violence	31.3 ↑ Investment promotion agency?	Yes -

PLANNING	PROCUREMENT	ACTIVITY
Published project pipeline?	Yes - Average procurement duration – transaction RFP	45.5 ↓ Infrastructure investment
Published infrastructure plan?	Yes ↑ Degree of transparency in public procurement	50 - Private infrastructure investment
Preparation of PPPs	50 ↓ Published procurement guidelines?	Yes ↑ Value of closed PPP infrastructure deals
Economic analysis assessment?	Yes - Procurement of PPPs	50 - Value of closed infrastructure deals with foreign equity sponsorship
Market sounding and/or assessment?	Yes - PPP contract management	50 -
Environmental impact analysis?	Yes -	

FUNDING CAPACITY	FINANCIAL MARKETS
GDP per capita	42 ↑ Domestic credit to private sector
Gross government debt	69.2 ↓ Financing through local equity market
Long term GDP growth trend	55.2 ↑ Stocks traded
Summary credit rating	50 ↑ Financial depth
	Financial stability

**Drawing on data from:** International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPPII, Oxford Economics, Trading Economics, and Deloitte.

**Metric key:**

↑ Increase from InfraCompass 2017    ↓ Decrease from InfraCompass 2017    - No change from InfraCompass 2017

**Note:**

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are the metrics with the lowest weighted score out of 100. These metrics would have the greatest impact on the overall score.

^Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.