

15 May 2015

**His Excellency Benigno S. Aquino III**  
President of the Republic of the Philippines  
Manila, Philippines

Your Excellency:



The Philippine Business Groups and the Joint Foreign Chambers (PBG-JFC) applaud the social, political, and economic reforms of your administration since 2010. These reforms have gained for the country unprecedented improvements in competitiveness, attractiveness to investment, and an overall boost in the Philippine image in the eyes of the international community.



The PBG-JFC believes, however, that with 12 months to go before the national elections, critical remaining reforms should be enacted and implemented at the soonest time as we work toward our shared goal of **inclusive growth through job generation, poverty reduction, and global competitiveness**. The PBG-JFC would like to take this opportunity to revisit some of our recommendations, which we fervently hope will be in place before the end of the year.



The following points, which involve institutionalizing integrity and good governance, accelerating infrastructure development, ensuring massive job generation, facilitating trade, and boosting competitiveness, require **executive action**:



- The vacant posts in the Civil Service Commission, Department of Energy, and the Philippine National Police **should be immediately filled with qualified, credible, and experienced public servants**.



- In response to the recent Luzon energy reserves gap, potential and actual shortages in Visayas and Mindanao, and to prepare for future power requirements, we strongly recommend the formation of a **public-private energy council composed of credible electricity experts who will formulate an energy security and price competitiveness roadmap with specific targets and timetables, which will also be regularly updated**.

- We also call for the establishment of the **National Privacy Commission**, as well as the **release of the implementing rules and regulations** of the Data Privacy Act and the Cybercrime Prevention Act—both of which have been enacted more than a year ago.

- Given that agriculture employs a third of our workforce, we believe policies to raise the welfare of our farmers and fisherfolk should be paramount. In order to decrease the prices of agricultural products at the retail level for the consumers, while at the same time increasing the farm gate prices for the farmers,

emphasis should be given to **establishing trading centers to increase the efficiency of the supply chain**. These trading centers should be holistic in its service to farmers and fisherfolk by providing them the latest in production technology, as well as assisting them in getting financing, and marketing support.

- Small and medium enterprises further serve as a key to massive employment generation and should be better encouraged by **reducing the number of steps required in establishing a business to the minimum**. We are aware of the efforts of the National Competitiveness Council (NCC) and relevant government agencies towards this end, with focus on one local government unit. To reap the gains from this effort, **this should be implemented across the country**. The agreement to reduce the steps to pay taxes by 64% from 36 to 13, also under the leadership of the NCC, should be implemented without delay.
- To boost foreign investments, it is also important to **revise the Foreign Investment Negative List by reducing the list of industries where foreign participation is limited. Several bills in the Congress that accomplish this should be enacted**.
- **We further call for more intensified efforts to implement with no delay critical infrastructure projects** that will reduce ground transportation, airport, and seaport congestion. The costs of congestion to our economy are enormous, and solutions to the challenges of moving more goods and more people more efficiently are urgent.
- A fully functioning judiciary is likewise critical in cementing investor confidence in the country. We urge your administration for more proactive support towards speeding up the progress of the **Maguindanao massacre trial and the plunder cases against the three senators accused in the pork barrel scam. Increasing the resources of the judiciary through a special supplemental budget** will greatly assist in speeding up these and other important cases.

To complement these executive initiatives, the following legislative measures should also be certified as priority legislation and strongly supported by you as they move through Congress.

- The **Freedom of Information Act** will institutionalize the transparency and accountability gains of your administration, as well as empower citizens to act as partners in the campaign for good governance.
- **Resolution of Both Houses No. 1** by Speaker Feliciano Belmonte will encourage greater foreign investment, as well as prepare the country for high-level plurilateral agreements, such as the Trans-Pacific Partnership.
- The **PPP Act (BOT Law amendments) and amendments to the Right-of-Way Act (RA8974)** will further strengthen our public-private partnership and procurement framework.
- The **Fair Competition Act** will create a level playing field, further improve our business climate, and benefit consumers.
- The **Department of Information and Communications Technology (DICT)**, which almost all countries have, will provide appropriate focus and support to the country's massively important ICT sector. A DICT will improve e-governance, raise broadband quality, strengthen cybersecurity, and make Filipinos and the Philippines, as a whole, more competitive.
- The **Customs Modernization and Tariff Act** will ensure that the country will conform to international conventions, as well as will update our outdated customs procedures and sustain your reform of the Bureau of Customs.
- **Comprehensive reform to the tax system** by reducing personal and corporate income tax to a fair and progressive rate will improve the business environment and also make the country competitive with other economies in the Asia-Pacific region.

The PBG-JFC holds that the Philippines possesses immense untapped potential that will be unleashed with the proper environment and policies in place. It is our common position that the enactment and implementation of the above measures will accelerate the country toward the progressive nation we all aspire to become. The PBG-JFC continues to stand with your administration in the pursuit of this goal, and we fully commit ourselves to work closely with your government at this vital time in the nation's history.

Yours sincerely,



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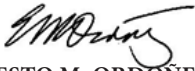
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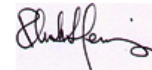
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