THE PHILIPPINE IT-BPM INDUSTRY: Its Economic Impact

Huawei Asia-Pacific Innovation Day
Kuala Lumpur
09 November 2017

Monchito B. Ibrahim
Undersecretary
11 YEARS AGO...

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- Mainly North American Market
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• Operations in 23 cities
• Career of choice for most graduates
Market Reach
- North America: 67%
- Australia – New Zealand: 12%
- Japan: 15%
- Europe – UK: 5%
GLOBAL PROVIDER OF SERVICES

Philippines records a 72% increase in global services market share in 5 years

Source: Everest Group

psia.org.ph
# THE RIPPLE EFFECT

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget (USD million)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food</strong></td>
<td>2,000</td>
<td>1.7 billion Chickenjoy meals • 1 billion Big Mac meals</td>
</tr>
<tr>
<td><strong>Housing</strong></td>
<td>670</td>
<td>90,000 middle-class houses</td>
</tr>
<tr>
<td><strong>Transportation &amp; Comm</strong></td>
<td>335</td>
<td>1.7 billion jeepney rides • 34 million P500 prepaid cards</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>1,340</td>
<td>34 million Bench jeans • 6.7 million iPods</td>
</tr>
<tr>
<td><strong>Savings</strong></td>
<td>1,000</td>
<td>Investments • Financial institutions</td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>1,340</td>
<td>1 million classrooms • 7 billion days of nutrition program</td>
</tr>
</tbody>
</table>

*Based on consumption of average Filipino family; savings of 80th and 90th percentile
Source: National Statistics Office; team analysis
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• 73% Mid to High Value Jobs
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• Significant growth in the Creatives Sub-sector
BY END 2022 …

• National Broadband Program
• National Free WiFi in Public places Program
• National Government Portal Project
• Legislative Reforms to bring down barriers to telecommunication investments
Thank you!