

REPORT ON INFLATION (JULY 2022)

HIGHLIGHTS

- The Philippine Statistics Authority (PSA) reported that headline inflation increased anew to 6.4 percent in July 2022 from 6.1 percent in June 2022, and significantly higher than the 3.7 percent inflation in July 2021. This is at the upper end of the *Bangko Sentral ng Pilipinas*' (BSP) forecast range of 5.6 to 6.4 percent

for the month. Year-to-date (YTD) inflation picked up to 4.7 percent.

- Inflation of food and non-alcoholic beverages increased further to 6.9 percent from 3.9 percent in July 2021, following a broad-based increase across key food commodities.
- Non-food inflation accelerated to 6.0 percent from 3.2 percent in July 2021.
- The Department of Budget and Management (DBM) has approved the release of PHP4.1 billion for the second tranche of the Targeted Cash Transfer (TCT) Program which aims to cushion the impact of elevated commodity prices on the most vulnerable Filipino families.
- Ensuring the availability and accessibility of food supply amid the looming global food shortage, and reducing energy, transport, and logistics costs will be prioritized to ease price pressures and protect the purchasing power of Filipinos.

Year-on-year inflation rates*
(2018=100)

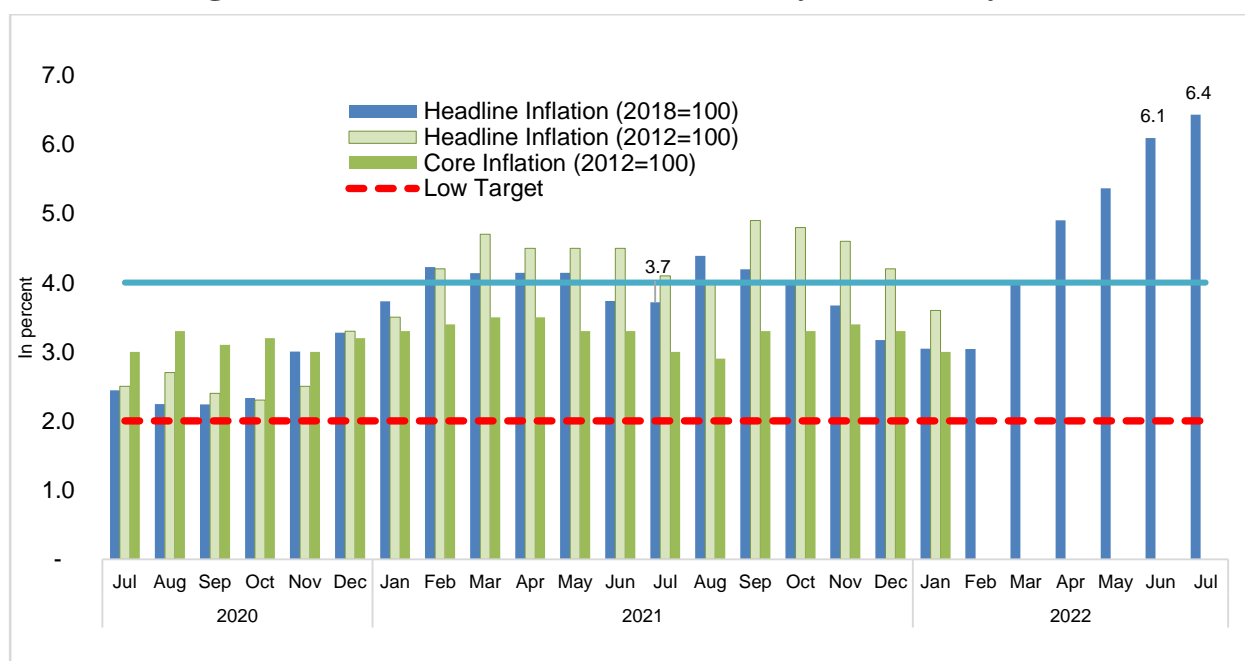
	Jul 2021	Jun 2022	Jul 2022	YTD 2022
Philippines				
Headline	3.7	6.1	6.4	4.7
Bottom 30 percent*	4.4	5.0	5.9	4.0
NCR				
Headline	2.9	5.6	5.1	3.7
AONCR				
Headline	3.9	6.3	6.8	4.9

*Bottom 30 percent uses 2012 as base year

1. The headline inflation rate accelerated to 6.4 percent in July 2022; seasonally adjusted month-on-month (m-o-m) inflation eased to 0.6 percent.

The Philippines' headline inflation increased to 6.4 percent in July 2022. This is at the upper end of the BSP's 5.6 to 6.4 percent forecast for the month,¹ higher than the private sector's median forecast of 6.2 percent.² YTD inflation is at 4.7 percent, above the government's inflation target of 2.0 to 4.0 percent.

Figure 1. Headline Inflation Rates: July 2020 – July 2022



The uptick in July inflation was driven by broad-based acceleration across commodity groups, especially food and non-alcoholic beverages and transport. On the other hand, health and housing and utilities registered slower inflation, while inflation in information and communication, education, and financial services remained stable.

¹ "Month-Ahead Inflation Forecast for July 2022."

<https://www.bsp.gov.ph/SitePages/MediaAndResearch/MediaDisp.aspx?ItemId=6383> (accessed on August 3, 2022)

² Ta-asan, Keisha B. Business World. "Inflation likely quickened in July" *Bworldonline.com* <https://www.bworldonline.com/top-stories/2022/08/01/465071/inflation-likely-quickened-in-july/> (accessed on August 3, 2022)

Operation of personal transport equipment and electricity, gas, and other fuels continues to be the top sources of inflation in July 2022, contributing a total of 2.4 percentage points (ppts). The contribution of passenger transport services is higher this month at 0.3 ppts. Meanwhile, food items, particularly meat, fish, bread and other cereals, rice, vegetables, and sugar, contributed a total of 1.9 ppts to total inflation (see Table 1).

Table 1. Top 10 Contributors to Inflation in July 2022 (in ppts)

Commodity group	July 2022
Operation of Personal Transport Equipment	1.4
Electricity, Gas, and Other Fuels	1.0
Meat and Other Parts of Slaughtered Land Animals	0.6
Fish and Other Seafood	0.5
Passenger Transport Services	0.3
Food and Beverage Serving Services	0.3
Actual Rentals for Housing	0.3
Flour, Bread, and Other Bakery Products, Pasta Products, and other Cereals	0.2
Rice	0.2
Sugar, Confectionery, and Desserts	0.2
Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses	0.2
TOTAL CONTRIBUTION TO INFLATION	5.2
Others (e.g., education, clothing and footwear, furnishings, communications, recreation, etc.)	1.2
OVERALL INFLATION	6.4

Meanwhile, month-on-month (m-o-m) seasonally-adjusted inflation slowed to 0.6 percent in July from 1.0 percent in June, owing to slower price increases of various commodity items including food and non-alcoholic beverages, housing and utilities, alcoholic beverages and tobacco, furnishing and household equipment, health, and transport. Meanwhile, clothing and footwear, recreation, and restaurant and accommodation registered higher m-o-m seasonally adjusted (SA) inflation (see Table 2).

Table 2. Headline Month-on-Month Seasonally Adjusted Inflation Rates
(in percent, 2018=100)

Commodity Group	July 2021	June 2022	July 2022	
	Y-O-Y	M-O-M SA	Y-O-Y	M-O-M SA
ALL ITEMS	3.7	1.0	6.4	0.6
Food and Non-Alcoholic Beverages	3.9	1.1	6.9	1.0
Alcoholic Beverages and Tobacco	9.3	1.5	8.5	1.0
Clothing and Footwear	1.9	0.3	2.5	0.5
Housing, Water, Electricity, Gas, and Other Fuels	2.7	0.6	5.7	-0.1
Furnishing, Household Equipment, and Routine Maintenance of the House	2.1	0.5	3.1	0.4
Health	3.9	0.3	2.4	0.1
Transport	7.1	2.7*	18.1	1.8*
Information and Communication	0.5	0.0**	0.5	0.0**
Recreation, Sports, and Culture	-0.6	0.3**	2.2	0.4**
Education Services	1.0	-0.1	0.6	-0.1
Restaurant and Accommodation	3.8	0.4	3.4	0.5
Financial Services	43.3	0.0**	0.0	0.0**
Personal Care, and Miscellaneous Goods and Services	2.3	0.3	2.8	0.3

Source: Philippine Statistics Authority

Note: *No seasonality for transport sector; **Not seasonally-adjusted; data was insufficient to establish seasonality at the time of evaluation of the models for seasonal adjustment

Compared with the same period last year, headline inflation increased to 6.4 percent in July 2022 from 3.7 percent in July 2021. Inflation for most key commodity groups registered faster inflation, particularly transport (18.1% from 7.1%), food and non-alcoholic beverages (6.9% from 3.9%), housing and utilities (5.7% from 2.7%), furnishings and household equipment (3.1% from 2.1%), clothing (2.5% from 1.9%), recreation (2.2% from -0.6%) and personal care (2.8% from 2.3%).

These were partly offset by slower inflation for restaurants (3.4% from 3.8%), health (2.4% from 3.9%), education (0.6% from 1.0%), alcoholic beverages (8.5% from 9.3%) and financial services (0.0% from 43.3%). Meanwhile, inflation for information and communication remained at 0.5 percent.

2. Inflation of food and non-alcoholic beverages further accelerated to 6.9 percent in July from 6.0 percent in June; non-food inflation remained at 6.0 percent.

Food

Inflation of food and non-alcoholic beverages increased to 6.9 percent in July 2022 from 6.0 percent in the preceding month and from 3.9 percent in July 2021. On a m-o-m seasonally-adjusted basis, it marginally eased to 1.0 percent from 1.1 percent in June.

The faster food inflation was primarily driven by broad-based acceleration across most food commodities: fish (9.2% from 7.7 in July 2021), corn (27.6% from 7.3%), rice (2.1% from -2.2%), and fruits (3.6% from -3.5%). Meanwhile, meat inflation, 9.9 percent, is lower than the 13.5 percent recorded in the same period last year. Vegetable inflation also decelerated (5.6% from 7.9%).

Fish inflation accelerated due to lower supply caused by extreme weather conditions, coupled with increased production costs owing to the elevated prices of fuel and wheat.

Similarly, fruits registered faster inflation amid the onset of the rainy season and increasing transportation costs. Corn inflation also accelerated amid high

Figure 2. Selected Food Inflation Rates: July 2020 to July 2022 in percent (%)

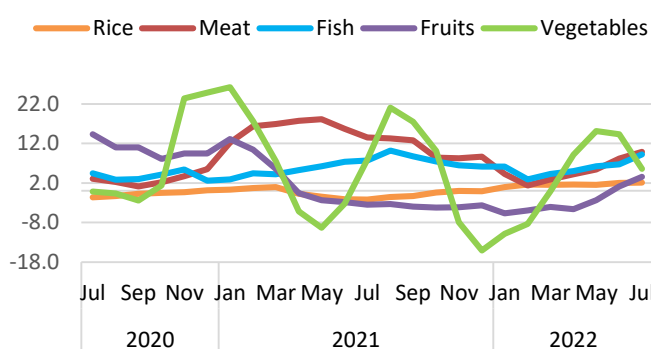
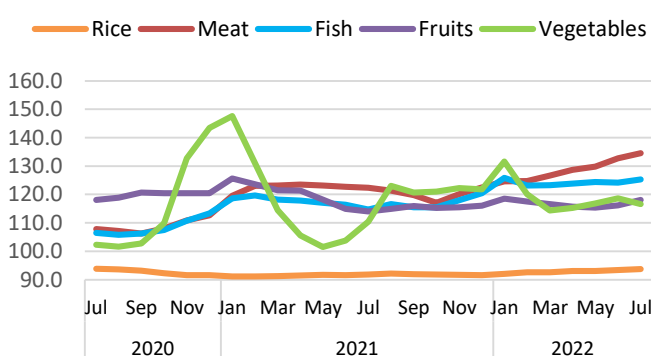


Figure 3. Selected Food CPI: July 2020 to July 2022



fuel and fertilizer costs and supply disruptions caused by the Russia-Ukraine conflict.

Meanwhile, pork inflation eased (5.6% from 23.0% in July 2021), but remained elevated due to insufficient domestic supply and slow unloading of imported pork.³ Beef inflation remains high, at 8.8 percent, though significantly lower than the 12.6 percent in July 2021.

Inflation of other food items increased: bread products (6.8% from 1.7% in July 2021), sugar and other sweetened items (17.6% from 1.0%), ready-made food and other products (5.2% from 0.6%), milk and dairy products (4.5% from 0.5%), and oils (18.4% from 5.6%).

Non-food

Non-food inflation remained stable at 6.0 percent in July 2022, but higher compared with 3.2 percent in July 2021. On a m-o-m seasonally adjusted basis, non-food inflation slowed to 0.3 percent from 0.8 percent in the previous period.

Housing and utilities inflation increased to 5.7 percent from 2.7 percent in July 2021 but decelerated relative to the 6.6 percent last month. The slower inflation of electricity, gas, and other fuels compared to last month (14.5% from 18.3%) was due to slower year-on-year (y-o-y) inflation of Meralco generation charges (39.1% from 42.1%). Similarly, liquefied petroleum gas and kerosene prices eased from last month and recorded slower y-o-y inflation (15.1% from 22.8%, and 69.4% from 88.8%, respectively).

Transport recorded faster inflation (18.1% from 7.1% in July 2021), driven by public transportation services (7.2% from 4.7%) following the nationwide provisional increase in PUJ fares.⁴ Private transport inflation remained elevated at

³ As of July 25, 2022, the inventory of frozen pork was at 69,422 MT, which is 17.3 percent higher than the 59,172 MT inventory on June 27, 2022.

⁴ Effective July 1, 2022, the LTFRB implemented a provisional PUJ fare hike of PHP1 in Metro Manila and Regions III and IV (from previous PHP10), and a PHP2 hike to the base fare in all other regions (from PHP9).

48.1 percent (from 14.9% in the same period last year), slower than the 53.5 percent in the previous month. The deceleration reflected the rollback in fuel prices due to the expected slower demand in major economies, following concerns on global economic slowdown and renewed COVID-19 restrictions.

3. Inflation in NCR slowed down to 5.1 percent, while it increased to 6.8 percent in areas outside the NCR (AONCR). Davao Region recorded the highest inflation rate at 8.6 percent.

The headline inflation in NCR eased to 5.1 percent in July 2022 from 5.6 percent in June, but higher than 2.9 percent in July 2021.

On the other hand, inflation in AONCR accelerated to 6.8 percent from 6.3 percent in the previous month and from 3.9 percent in July 2021.

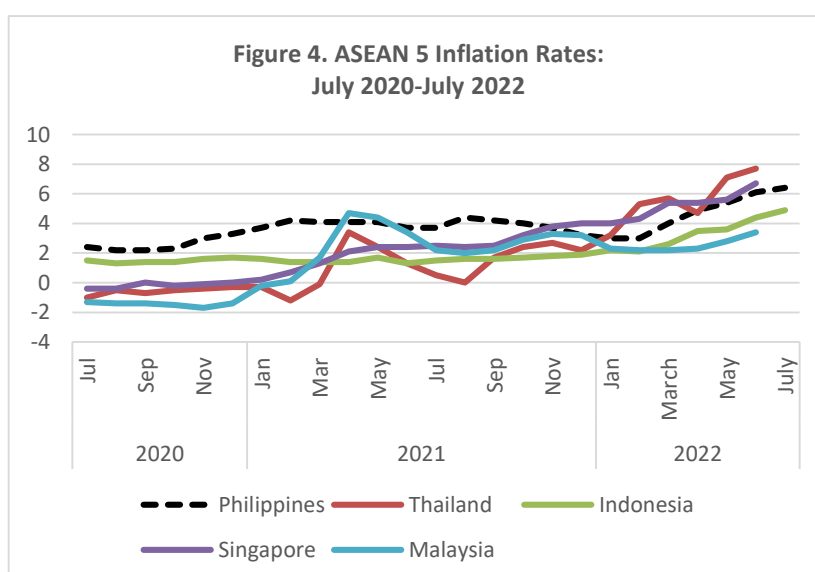
In AONCR, 14 regions recorded increase in inflation relative to last month (see Table 3). Davao Region recorded the highest inflation rate at 8.6 percent in July from 7.2 percent in June and from 4.2 percent in July 2021.

Table 3. Y-O-Y Regional Inflation Rates (in percent, 2018=100)

Regions	July 2021	June 2022	July 2022	YTD 2022
NCR	2.9	5.6	5.1	3.7
AONCR	3.9	6.3	6.8	4.9
CAR	3.3	7.5	7.3	5.9
I - Ilocos Region	3.9	6.5	6.3	5.0
II - Cagayan Valley	7.0	5.3	5.6	3.9
III - Central Luzon	3.8	7.5	7.9	5.5
IV-A - CALABARZON	4.1	5.8	5.9	4.3
IV-B - MIMAROPA	4.5	5.9	7.1	4.5
V - Bicol Region	6.3	5.0	5.6	4.1
VI - Western Visayas	3.7	6.2	6.9	5.2
VII - Central Visayas	1.5	5.7	6.9	5.5
VIII - Eastern Visayas	4.4	6.8	7.5	6.0
IX - Zamboanga Peninsula	2.4	6.8	8.3	5.5
X - Northern Mindanao	3.0	5.5	6.3	4.8
XI - Davao Region	4.2	7.2	8.6	6.0
XII - SOCCSKSARGEN	5.1	5.7	6.6	4.8
XIII - Caraga	3.9	6.5	7.1	5.0
BARMM	2.0	3.1	3.6	2.3

4. Indonesia's inflation increased further to 4.9 percent; in other ASEAN countries, inflation is also on the uptrend.

In July 2022, Indonesia's overall inflation climbed to 4.9 percent from 1.5 percent in July 2021. All major commodity groups recorded faster inflation, especially food, beverages and tobacco (9.4% in July 2022 from 2.7% in July 2021); transportation (6.7% from



0.3%); house furnishings (4.9% from 1.8%); housing and utilities (2.6% from 0.4%); and restaurants (4.0% from 2.6%).⁵ On June 21, 2022, the Bank Indonesia maintained its key policy rate at 3.5 percent.⁶

Malaysia, Singapore, and Thailand have yet to report inflation figures for July 2022. In June 2022, all three countries recorded faster inflation.

5. Inflation outlook and policy implications

The BSP maintains its 2022 inflation forecast as of June 23,⁷ at 5.0 percent. This outlook is driven by the potential impact of higher non-oil prices, the persistent domestic fish supply deficit, and the pending petitions for fare hikes amid elevated oil prices. The BSP raised its key policy interest rate by a total of 125 basis points since May, bringing the key policy rate to 3.25 percent. The BSP is prepared to take necessary actions to keep inflation within its target.

Food supply

A sufficient supply of rice, chicken, and highland vegetables is expected throughout 2022. Rice inventories are estimated at 1.6 million MT (MMT), or about 44-day stocks, while chicken inventories will be at 179.4 TMT, equivalent to 40-day stocks.⁸ Highland vegetables will also remain sufficient, with local production at about 1.0 MMT or 148 percent of local demand.⁹

On the other hand, the local production outlook for lowland vegetables is estimated at 1.6 MMT for 2022, or 88 percent of local demand.¹⁰ The pork and fish supply

⁵ BI. "Inflation in July 2022 was 0.64 percent. The highest inflation saw in Kendari of 2.27 percent." <https://www.bps.go.id/pressrelease/2022/08/01/1863/inflasi-terjadi-pada-juli-2022-sebesar-0-64-persen--inflasi-tertinggi-terjadi-di-kendari-sebesar-2-27-persen-.html> (accessed August 3, 2022)

⁶ BI. "BI 7-Day Reverse Repo Rate held at 3.50%: Synergy Maintaining Stability and Strengthening Recovery" [https://www.bi.go.id/en/publikasi/ruang-media/news-release/Pages/sp_2419522.aspx#:~:text=The%20BI%20Board%20of%20Governors,LF\)%20rates%20at%204.25%25](https://www.bi.go.id/en/publikasi/ruang-media/news-release/Pages/sp_2419522.aspx#:~:text=The%20BI%20Board%20of%20Governors,LF)%20rates%20at%204.25%25) (accessed August 3, 2022)

⁷ BSP Monetary Board Meeting – June 23, 2022

⁸ Presented during the Task Group on Food Security (TGFS) Meeting on June 15, 2022.

⁹ Source: DA – National Livestock Program (NLP) as of July 11, 2022

¹⁰ The damages caused by the recent continuous rain and earthquake is not expected to have a significant impact on the national supply of highland and lowland vegetables, as most of the damages are related to rice and irrigation facilities. As of August 1,

deficit is estimated at 65.8 TMT¹¹ and 319.8 TMT,¹² respectively. Corn supply deficit is also expected for the marketing year (MY)¹³ 2021/22,¹⁴ even after considering alternative feed supplies such as cassava.

The government prioritizes ensuring food security and affordability and reducing transport and logistics costs to arrest further inflation uptick and protect the purchasing power of consumers.

The government issued Executive Order No. 171, s. 2022, on May 21, 2022 which extended and modified tariffs on rice, pork, corn, and coal until December 2022. The tariff adjustments will facilitate the diversification of import sources for these products. To complement these, timely unloading of pork stocks from cold storage is necessary.¹⁵

To boost domestic supply, the government will support the agriculture sector through lower input costs, development of new farming technologies, extension of financial assistance to farmers, and strengthening the agricultural value chain.

The Plant, Plant, Plant Program 2 includes fertilizer subsidy (PHP20 billion of the total PHP24 billion budget for the program) and support to urban and peri-urban agriculture, local feed production, aquaculture and mariculture fisheries, and food mobilization (PHP4 billion). To address the issues of low crop yields and high fertilizer prices, the Department of Agriculture (DA) through the Philippine Rice Research Institute (PhilRice), is promoting the use of biofertilizers and biostimulants in combination with inorganic fertilizer.¹⁶ Government-to-

2022, the DA has recorded a total of PHP74.6 million damages and PHP248.5 million due to the continuous rains (73.4% of which is rice) and the earthquake (75.6% of which are irrigation facilities in Abra).

¹¹ DA-National Livestock Prograp (NLP) as of July 11, 2022

¹² Some supply-side issues are high fuel and wheat prices that inhibits fishing and transportation activities.; *Source: DA-BFAR presentation on June 15, 2022*

¹³ Marketing year starts from July to June of succeeding year.

¹⁴ NEDA-ANRES estimates

¹⁵ A continuous build-up of frozen pork stocks in cold storages was observed. The inventory of frozen pork as of July 25, 2022 was at 69,422 MT, which is 17.3 percent higher than the 59,172 MT inventory on June 27, 2022

¹⁶ DA Communications Group. "Balanced use of chemical and bio fertilizers, stimulants trims costs, yields higher | Official Portal of the Department of Agriculture" *DA.gov.ph* <https://www.da.gov.ph/balanced-use-of-chemical-and-bio-fertilizers-stimulants-trims-costs-yields-higher/> (accessed on June 29, 2022)

government procurement of inorganic fertilizer will also be enhanced to provide cheaper fertilizer to farmers. Moreover, the timely implementation and expansion of the five-year project on Market-Driven Enhancement of Vegetable Value Chain in the Philippines (MV2C) will contribute to ensuring food security, availability, accessibility, and affordability.¹⁷

The DA-Bureau of Animal Industry (BAI) will strengthen its containment and monitoring of emerging animal diseases, such as timely updating of its African Swine Fever (ASF) zoning and fast-tracking the implementation of its hog repopulation, subsidy, and credit programs. Likewise, the government is also implementing science-based measures and technologies, such as the ASF vaccine research and trials. The DA-BAI and relevant stakeholders plan to tackle the imbalance of poultry supply and demand through enhanced forecasting of supply, intensify the early reporting of farmers affected by the Avian Influenza (AI) outbreak, streamline the indemnification process, and harmonize and unify guidelines on the logistics of live birds, poultry products and by-products during AI outbreak.¹⁸

The Livestock Development and Competitiveness (LDC) Bill is being proposed to modernize the livestock, poultry, and corn sectors in the country. Among the major provisions of the LDC Bill are the updating of the corn industry roadmap and the establishment of “competitiveness enhancement funds” for the livestock value chain.

To augment the domestic supply of fish, the DA issued an additional CNI with a maximum importable volume (MIV) of 38,695 MT on May 23, 2022.¹⁹ However,

¹⁷ DA-AFID. “DA, JICA push for enhanced vegetable value chain in new project” *DA.gov.ph* <https://www.da.gov.ph/da-jica-push-for-enhanced-vegetable-value-chain-in-new-project/> (accessed on August 3, 2022)

¹⁸ DA-AFID. “Poultry stakeholders unite to find solutions for chicken supply panic” *DA.gov.ph* <https://www.da.gov.ph/poultry-stakeholders-unite-to-find-solutions-for-chicken-supply-panic/> (accessed on August 3, 2022)

¹⁹ DA Administrative Order 10-2022: Guidelines in the Implementation of FAO 259 in relation to the Certificate of Necessity to Import 38,695 MT of Frozen Fish and Fishery / Aquatic Products for Wet Markets for the Benefit of the Consuming Public

only a small portion of the allocated import volume has arrived.²⁰ The DA may look into improving the fish importation process, complemented by measures to boost fish production. These interventions include the establishment of legislated fish hatcheries and demonstration farms, provision of better-equipped fishing vessels to fisherfolk associations, and capacity building on the use of environment-friendly fishing gears. Moreover, to address agri-fishery smuggling that may distort local food supply, the government may strengthen the Sub-Task Group on Economic Intelligence (STG-EI), conduct surprise inspections,²¹ first border controls and protection, and development of a centralized digital system for better data management and transparency.

To help cushion the impact of higher fuel prices, more than 158,000 farmers and fisherfolk are set to receive PHP3,000 each as fuel discounts. As of July 20, 2022, a total of 109,073 accounts were already created nationwide. Out of the total accounts, 65,837 were loaded with fuel discounts amounting to PHP207.4 million. Apart from the scheduled nationwide caravans for the distribution of the fuel discount cards, the DA is also coordinating with relevant government agencies to ensure that at least two fuel stations shall be present in every municipality with target beneficiaries under the program.

In the long term, the DA intends to improve the production of various agricultural commodities through an enhanced value chain system. The DA will oversee and guide the research and development of planting systems, the improvement of animal industry, and guarantee climate-smart farm products.²²

²⁰ Of the total MIV, 26.06 TMT or 67.3 percent has been allocated to 29 importers. As of August 2 however, only 1.25 TMT or 4.8 percent of the total allocation has arrived at the Navotas Fish Port.

²¹ DA Communications Group, “Economic intel group confiscates smuggled vegetables in Divisoria Market”. <https://www.da.gov.ph/economic-intel-group-confiscates-smuggled-vegetables-in-divisoria-market/> (accessed May 2, 2022)

²² Rodriguez, Adora D. “Marcos relays food production agenda in 1st SONA” *DA.gov.ph* <https://www.da.gov.ph/marcos-relays-food-production-agenda-in-1st-sona/> (accessed on August 3, 2022).

Weather conditions

According to the Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA),²³ La Niña is weakening but may persist until January 2023 with a 55 to 70 percent chance, followed by ENSO neutral conditions thereafter. PAGASA expects normal rainfall conditions over most parts of the country in the coming months with above-normal rainfall conditions in some areas, which can trigger flash floods and rain-induced landslides. Meanwhile, 9 to 13 tropical cyclones may enter or develop in the Philippines between August 2022 to January 2023.

Given the increasing intensity and frequency of natural disasters, the government needs to strengthen the efficiency, transparency, and inclusive use of public resources in disaster mitigation, response, rehabilitation, and recovery. Moreover, deepening disaster risk financing will help strengthen financial resilience.²⁴

Global oil prices

On August 3, 2022, OPEC+ increased the monthly overall production by 0.1 mb/d for the month of September 2022 on top of the previous baseline production.²⁵ The global oil outlook remains uncertain amid the slowdown in major economies, protracted Russia-Ukraine conflict, zero-COVID policy in China, supply constraints, monetary policy dynamics, high sovereign debt levels, and other geopolitical risks. Based on futures markets, as of August 2, 2022, Dubai crude oil prices are expected to decline from USD103.1/bbl in July to USD99.7/bbl in August and USD89.5/bbl in December 2022.

²³ PAGASA. “150TH CLIMATE FORUM CLIMATE REVIEW AUGUST 2022 – JANUARY 2023” [DOST.gov.ph https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/climateoutlook.pdf](https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/climateoutlook.pdf) (accessed on June 29, 2022).

²⁴ World Bank. “Philippines Economic Update JUNE 2022 EDITION Strengthening the Digital Economy to Boost Domestic Recovery” (accessed on July 1, 2022)

²⁵ 31st OPEC and non-OPEC Ministerial Meeting https://www.opec.org/opec_web/en/press_room/6984.htm (accessed August 3, 2022)

Transport Services

Given that oil prices remain elevated, the government must fast-track the distribution of the second tranche of subsidies for PUJ drivers and operators, as well as the fuel cash subsidies for tricycle drivers.

Along with the extension of the Libreng Sakay Program for all the passengers of the EDSA Bus Carousel until December 2022,²⁶ the Office of the Vice President (OVP) launched on August 3, 2022, its own *Libreng Sakay* Program: Peak Hours Augmentation Bus Service (PHABS).²⁷ Two buses will be deployed in Metro Manila while three buses will be deployed in key areas in Visayas and Mindanao. Meanwhile, the Libreng Sakay for Students Program in MRT-3, LRT-2, and PNR has been approved by the Office of the President.

A more comprehensive program is needed to mitigate the impact of high fuel costs on transport operators while promoting fuel conservation. Transport operators have to contend with higher pump prices and, for those in NCR, with less ridership because of the Libreng Sakay.

Targeted cash subsidies for the low income

The Department of Budget and Management (DBM) has approved the release of PHP4.1 billion for the second tranche of the TCT Program which aims to cushion the impact of elevated commodity prices on the most vulnerable Filipino families. This is on top of the PHP6.2 billion earlier released. The DSWD will facilitate the distribution of cash grants amounting to PHP3,000, or PHP500 per month for six months in three tranches, to over four million beneficiaries belonging to the poorest 50 percent of the country's population.

²⁶ DOTR. <https://dotr.gov.ph/55-dotrnews/4462-pbbm-extends-free-edsa-carousel-bus-rides-okays-free-rides-for-students-in-mrt-3-lrt-2-and-pnr.html> (accessed August 3, 2022)

²⁷ LTFRB Official Face Book Page <https://www.facebook.com/DOTrPH> (accessed August 3, 2022)

Reduce energy cost

To conserve energy, there is a need to promote alternative work arrangements where these have been proven effective and productivity-enhancing, and encourage the use of alternative modes of transportation. In the medium- to long-term, there is also the need to pursue an energy transition and development program aimed at achieving a clean and reliable mix of energy sources.