



FACT SHEET

U.S. ECONOMIC & HUMAN DEVELOPMENT ASSISTANCE TO THE PHILIPPINES

ECONOMIC ASSISTANCE: AN OVERVIEW

Several agencies of the U.S. Embassy in the Philippines work hard every day on projects and policies to foster economic development, stimulate economic and business growth, and increase trade, which creates jobs for Filipinos and Americans. Our economies are complementary, with the Philippines excelling in services, and the production of electronics, clothing, and tropical agricultural products. Increased economic and business ties yield great benefits to both our countries.

DISASTER RELIEF, DEVELOPMENT, AND AGRICULTURE

- Since 1946, the American people have offered more than \$7 billion in economic assistance, making the U.S. the largest development grant donor to the Philippines.
- The United States Agency for International Development (USAID) provided an estimated \$103 million to the Philippines in FY2009. About 60% of USAID assistance goes to the Mindanao region.
- Development assistance priorities in the Philippines include: good governance, human rights, economic growth, family health, education, energy and environment.
- Since 1998, over \$27 million from USAID has been provided to develop rural banks' capacity to provide savings, credit and other financial services to Philippine microentrepreneurs.
- The U.S. provided nearly \$30 million worth of grants and relief goods for emergency humanitarian assistance after Tropical Storm Ondoy (Ketsana) and Typhoon Pepeng (Parma).
- The U.S. Department of Defense has provided an estimated \$19 million for infrastructure development in the Mindanao region.



USAID-trained health action teams help educate children and mothers on a variety of health issues.

For more information, call the U.S. Embassy Press Office at (632) 301-2000, extension 2363, or visit the U.S. Embassy Manila web site at <http://manila.usembassy.gov>.



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- The U.S. Department of Agriculture provides millions of dollars in emergency food aid and longer term development assistance. In 2010, USDA has provided approximately \$8.4 million worth of rice and non-fat dry milk for Ondoy (Ketsana) typhoon victims, and \$25 million in grants to fund projects in Mindanao ranging from increasing milk, rice, and cacao production, to improving crop storage facilities, modernizing dairies, and expanding school nutrition programs.
- The U.S. Department of Agriculture's Food for Progress program has given \$16 million to agricultural developments in Mindanao.

The Millennium Challenge Corporation Compact

- Millennium Challenge Corporation (MCC) provides assistance to eligible countries to help curb poverty through economic growth.
- MCC announced a proposed \$434 million five-year compact with the Philippines focusing on three major projects:
 - \$54.3 million to help insure the integrity of the Department of Finance's revenue collection through the Revenue Administration Reform Project with the Bureau of Internal Revenue.



One of the MCC's projects includes the construction & rehabilitation of Samar Road.

- \$120 million to expand Kalahi-CIDSS, a program focusing on small-scale community-driven projects that stimulate economic growth and help reduce poverty
- \$214.4 million toward the construction and rehabilitation of Samar Road, a 220 kilometer road that passes through 15 municipalities between Samar and Eastern Samar

Peace Corps

- In 2010, the U.S. Government nearly doubled the number of Peace Corps volunteers and today nearly 200 Peace Corps volunteers work in 40 provinces throughout the Philippines.

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- Peace Corps volunteers' activities include education, youth development, and environment projects.
- Short-term Peace Corps response volunteers provide specialized technical assistance to areas devastated by disasters.
- The Peace Corps collaborates with USAID on two projects:
 - Tudlo Mindanao trains Mindanao teachers in Cebu
 - Volunteers for Environmental Governance promotes the protection of the environment among local government units (LGUs) throughout the Philippines



A Peace Corps volunteer and Filipino youth collaborate to ensure a clean environment.

U.S. Trade & Investment to the Philippines

- The United States is the Philippine's largest trading partner. Two-way trade between the Philippines and the U.S. was approximately \$12 billion in 2009, and is roughly balanced, with the Philippines holding a slight surplus. Our economies are complementary, with the Philippines excelling in services, and the production of electronics, clothing, and tropical agricultural products.



A beneficiary of a U.S.-supported micro-finance program attends to her electrical supply store.

- The United States continues to be the number one market for Filipino agricultural, fish and forestry exports with sales of \$957 million in 2009, with exports up 10% in the first six months of 2010.
- The Philippines continues to be the largest market in SE Asia for U.S. agricultural, fishery, and forestry products, with sales up by 45% to \$833 million in the first six months of 2010. For consumer ready foods and beverages alone, U.S. exports to the Philippines rose nearly 80%, making it the second fastest growing market in the world for these high end products.

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- At the end of 2008, the U.S. had invested nearly \$5.9 billion in the Philippines through foreign direct investments. The U.S. remains as one of the largest foreign investors to the Philippines.
- Since the Philippines accession to the WTO in 1994, USAID has supported trade capacity building efforts that facilitate compliance with international trade commitments and enable the country to take advantage of commercial opportunities in world trade.
- The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientations visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.
- The U.S. Trade and Development Agency (USTDA) awarded a grant totaling over Pesos16 Million to First Gen Mindanao Hydro Power Corporation (FGMHPC) to assess the requirements needed to expand its hydroelectric power plant in Northern Mindanao.
- The USTDA grant funded a feasibility study for a 14-20 megawatt run-of-river hydroelectric power plant in the municipality of Cabadbaran in the Mindanao province of Agusan Del Norte. The results of the study will include a hydrology analysis, geotechnical assessment and mapping, environmental and social impact assessments, as well as preliminary designs for the power plant.
- The feasibility study is part of the U.S. commitment to support the Philippines in its efforts to develop renewable energy sources and to increase electrification across the country. Once completed, this project will help improve access to electricity for 20,000-28,000 households in Northern Mindanao.

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