

ASSESSMENT OF BOI-REGISTERED LOCAL AND FOREIGN  
INVESTMENTS IN THE PHILIPPINES, 2010 AND 2011

KHIN MARLAR

Cavite State University (Main Library)



T6057

THESIS/SP 332.6 M34 2012

JUNE 2012



**ASSESSMENT OF BOI -- REGISTERED LOCAL AND FOREIGN  
INVESTMENTS IN THE PHILIPPINES, 2010 AND 2011**

**KHIN MARLAR**

**SUBMITTED TO THE FACULTY OF GRADUATE SCHOOL  
CAVITE STATE UNIVERSITY, INDANG, CAVITE  
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS  
FOR THE DEGREE OF**

**DOCTOR OF PHILOSOPHY IN MANAGEMENT**



**June 2012**

## ABSTRACT

**KHIN, MARLAR, Assessment of BOI – Registered Local and Foreign Investments in the Philippines, 2010 and 2011.** A dissertation. Doctor of Philosophy in Management. Cavite State University, Indang, Cavite. June 2012. Adviser: Bishop Emerito P. Nacpil.

The study was conducted to present a profile of the BOI – registered local and foreign investments in the Philippines for the period 2010 to 2011 in terms of type of industry and type of project; determine the increase/decrease of BOI – registered local and foreign investment in the Philippines; determine the country investors; determine the project cost of the various BOI – registered local and foreign investment and determine the labor force contribution of the BOI – registered local and foreign investment in the Philippines.

Secondary data were gathered from the Board of Investments while other information were gathered from reading materials related to investment. Descriptive method of analysis with the aid of some statistics such as percentage, means, frequency count and tables were used to present the information concerning the study.

Results of the study showed that there were more BOI – registered local investments for the two periods considered in the study. Results revealed that there were 174 and 192 local investments for 2010 and 2011, respectively while for the same years, there were only 49 and 93, foreign investments, respectively.

In terms of type of industry, local investors were more interested in construction while foreign investors were more inclined in manufacturing and service industry.

As to type of project, 138 BOI – registered local investments were categorized as new in 2010 and 139 in 2011. For the foreign investments, there were only 59 new investments.

Results of the study also showed that there were huge decreases in the amount of local investments in some regions. These include Region 2 with -611.42%, Region 5 with -210.59%, Region 10 with -205.86% and Region 12 with -529.00%. There were also huge decreases in foreign investment notably Region 10 with -4,131.26% and Region 3 with -399.34%.

On the whole, local investment still dominates the country with 82.16% share in 2010 and further increased in 2011 with 93.71% share of the total national investment.

NCR and Region 4 had the highest share of combined local and foreign investment pegged at 29.04% and 26.23%, respectively in 2010. Meanwhile, Region 4 and Region 1 had the highest share in 2011 with 24.06% and 22.43%, respectively.

The study revealed that in most regions, the Philippines is still the highest country investors for both years considered in the study.

Results showed that the highest project cost was registered in 2011 at PhP 53B from San Miguel Corporation followed by South Premiers Corporation with PhP 42B.

In terms of number of labor employed, the study revealed that there was a lone local firm in NCR that employed 5,601 to 6,400 employees in 2010, while there was another local firm in Region 3 that employed between 3,201 to 4,000 employees for the same years.

In 2011, the picture is the same for foreign firm that employed between 2,401 to 4,000 employees in Region 3.

## TABLE OF CONTENTS

	Page
APPROVAL SHEET .....	ii
BIOGRAPHICAL DATA .....	iii
ACKNOWLEDGMENT .....	iv
ABSTRACT .....	v
LIST OF TABLES .....	ix
LIST OF APPENDICES .....	xi
INTRODUCTION .....	1
Statement of the Problem .....	5
Objectives of the Study .....	5
Significance of the Study .....	6
REVIEW OF RELATED LITERATURE.....	7
METHODOLOGY .....	20
Time and Place of the Study .....	20
Sources of Data .....	20
Method of Analysis .....	20
Scope and Limitations of the Study .....	21
RESULTS AND DISCUSSIONS .....	22
Profile of BOI – Registered Local and Foreign Investment in the Philippines .....	22
Increase/Decrease and Share of BOI – Registered Local and Foreign Investment in the Philippines, 2010 and 2011 .....	29

BOI – Registered Investment by Country Investors .....	40
Project Cost and Labor Force Contribution of BOI – Registered Local and Foreign Investments in the Philippines, 2010 and 2011 .....	45
SUMMARY, CONCLUSION, AND RECOMMENDATIONS .....	78
Summary .....	78
Conclusion .....	79
Recommendation .....	80
LITERATURE CITED .....	81
APPENDICES .....	82



## LIST OF TABLES

Table	Page
1 Classification of local investments by region and by type of industry, 2010 and 2011 .....	24
2 Classification of foreign investments by region and by type of industry, 2010 and 2011 .....	25
3 Profile of local investments by type of project and by region, 2010 and 2011 .....	27
4 Profile of local investments by type of project and by region, 2010 and 2011 .....	28
5 Percentage increase/decrease of BOI – registered local and foreign investment by region, 2010 & 2011 (in Philippine Pesos) .....	32
6 Share of BOI -- registered local and foreign investment against the total regional investment, 2010 and 2011 .....	34
7 Regional share of local and foreign investment in total national investment, 2010 and 2011 .....	37
8 Regional share of combined local and foreign investment to total national investment, 2010 and 2011 .....	39
9 BOI – registered investments by region and by country investors, 2010 and 2011 .....	42
10 Project cost of BOI – registered local and foreign investments by region, 2010 .....	51
11 Project cost of BOI – registered local and foreign investments by region, 2011 .....	61
12 Number of labor employed from BOI – registered local investment in the Philippines, 2010 .....	72
13 Number of labor employed from BOI – registered foreign investment in the Philippines, 2010 .....	74

14	Number of labor employed from BOI – registered foreign investment in the Philippines, 2010.....	75
15	Number of labor employed from BOI – registered foreign investment in the Philippines, 2011 .....	77



## LIST OF APPENDICES

Appendix Table		Page
1	BOI – registered investment by Filipino and Foreign (by Region/ Province), 2010 vs 2011, in Peso .....	84
2	List of BOI – registered projects, 2010 – 2011 .....	92

## INTRODUCTION

The 1980's marked the hasty changes in the international, political, economic market and as the Cold War ends, the emergence of the Trade Bloc Unions in the entire European community, as well as in other parts of the world became evident. There was an immediate shift of attention as international economic competition had been focused mainly on the economic performance rather than the political conviction of every nation. In relation to the Philippines' economic performance, a widening gap among Asian countries became more noticeable. Countries whose economies have performed efficiently and those whose economies have remained slow through the years became the focal point of interest and evaluation.

Changes in world economies triggered a long overdue re-evaluation of political and economic thought, practice, and relationship throughout the world. Consequently, economic integration started to become a reality throughout the world. More and more European countries removed economic barriers to freely exchange goods and services, to facilitate the movements of resources, and to use common currency. On the other hand, the United States worked with Mexico and Canada to form the North American Economic Bloc under the North American Free Trade Agreement (NAFTA). In this environment, less developed countries had no other recourse but to form alliances among themselves. Thus, in South East Asia, the Association of South East Asian Nation (ASEAN) accelerated the formation and implementation of the ASEAN Free Trade Agreement (AFTA). Europe had its European Free Trade Area (EFTA), while Africa had