



Legal Watch

PH STRENGTHENS ENERGY AND DIGITAL INFRASTRUCTURE PARTNERSHIPS WITH UAE FOR AI DEVELOPMENT UNDER PAX SILICA



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SUMMARY

The DTI, through the Board of Investments, advanced investment discussions with UAE-based firms to support the Philippines' participation in the Pax Silica initiative, a US-led alliance focused on AI development. These engagements follow the country's accession to Pax Silica and plan to establish a 4,000-acre AI-native industrial hub in Luzon requiring significant energy and digital infrastructure.

DTI met with Masdar to explore renewable energy solutions for the AI hub, building on existing cooperation to develop up to 10 GW of renewable energy projects in the Philippines by 2035. Discussions were also held with DAMAC Digital regarding a planned 250-MW data center facility, reinforcing the country's position as a hub for AI-driven technologies.

The initiative aligns with broader Philippines-UAE economic cooperation frameworks, including the Comprehensive Economic Partnership Agreement and Investment Promotion and Protection Agreement. The collaboration underscores efforts to integrate renewable energy and advanced digital infrastructure to support next-generation manufacturing and AI capabilities.

ACTIONABLE ADVICE

Businesses in energy, infrastructure, technology, and manufacturing should monitor developments related to the Luzon AI hub and Pax Silica initiative, as these may create opportunities for investment, joint ventures, and supply chain participation.

* Agency Name

Department of Trade and Industry (DTI)

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