

American Chamber urges Senate to ratify RCEP trade deal treaty

THE American Chamber of Commerce of the Philippines (AmCham) said the Senate needs to immediately accede to the Regional Comprehensive Economic Partnership (RCEP) treaty after the trade deal came into force on Jan. 1.

In a statement on Thursday, AmCham Executive Director Ebb Hinchliffe said Senate concurrence to the RCEP deal needs to happen soon to allow Philippine businesses and American businesses based in the Philippines to maximize RCEP's benefits.

"We already know that we are behind as the agreement was implemented on Jan. 1, 2022. We hope to see the country implement the agreement by early 2022," Mr. Hinchliffe said.

According to Mr. Hinchliffe, the Philippines cannot afford to shun RCEP, as doing so would send a negative message to foreign investors and ASEAN partners.

RCEP is a free trade agreement among ASEAN, Australia, China, Japan, South Korea, and New Zealand.

"We see RCEP as a platform for our members to source cheaper local goods for production and manufacturing, as well as benefit the country's vital sectors such as the creative sectors, financial services, research and development, information technology and business process management (IT-BPM), professional services, and energy, given the transparent, stable and predictable rules that the agreement provides," Mr. Hinchliffe said.

Mr. Hinchliffe added that joining RCEP complements the programs and policies of the Philippines such as lower corporate income taxes under Republic Act No. 11534, or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act.

"Such initiatives are very much what our members look for when investing in the country. The recent passage also of the amendment to the Retail Trade Liberalization Act is a good signal that the Philippines is working towards a more open, transparent and stable market in the region," Mr. Hinchliffe said.

Separately, the Department of Trade and Industry (DTI) said the digital economy and business process outsourcing (BPO) sector are expected to receive a boost from RCEP.

Trade Assistant Secretary Allan B. Gepty said in a statement on Thursday that RCEP specifically addresses e-commerce, and will create a conducive environment for electronic transactions, promote cross border trade online, and raise cooperation and capacity-building in the Asia-Pacific.

The DTI said RCEP guarantees that covered businesses will not be required to transfer or relocate computing facilities as a pre-condition for establishing a presence in the region, and that the cross-border transfer of information via electronic means will remain unhampered.

"While this rule is not absolute as it is subject to certain exceptions such as essential security interests and legitimate public policy objectives, having this kind of stability will encourage more investments in the country particularly in the BPO sector whose transactions are mostly cross

border and require an enabling environment to provide digital services," Mr. Gepty said.

The DTI said RCEP also has transparent and effective consumer protection measures for e-commerce and other measures for the development of consumer confidence.

"The RCEP requires parties to adopt or maintain laws or regulations to ensure protection of consumers against fraudulent and misleading practices that cause harm or potential harm to such consumers. The chapter also requires parties to ensure protection of personal information of e-commerce users including through online consumer protection," the DTI said.

The DTI added that RCEP takes a balanced and inclusive approach to protecting intellectual property rights.

"The commitments and obligations include harmonizing the protections and enforcement of intellectual property rights including provisions relating to technological protection measures and enforcement in the digital environment," the DTI said. — **Revin Mikhael D. Ochave**

ANZ Research sees wider Philippine BoP deficit in 2022

THE BALANCE of payments (BoP) deficit will likely widen this year on the back of increased imports, which will also blow out the trade deficit, according to ANZ Research.

"This trend will likely persist in 2022 as well. The upcoming Presidential elections and the attendant emphasis on infrastructure spending, along with high oil prices, will likely keep the import bill heavy," ANZ Research said in a note.

ANZ Research expects a BoP deficit of \$6.7 billion in 2022, equivalent to 1.6% of gross domestic product (GDP). It estimates that the BoP deficit was equivalent to 0.9% of GDP last year.

The ANZ Research estimates are far more negative than those made by the Bangko Sentral ng Pilipinas (BSP), which expects the BoP to be in surplus by \$700 million, equivalent to 0.2% of GDP, this year. The BSP estimates that the BoP was in surplus by \$1.7 billion, or 0.4% of GDP in 2021.

"The strength in imports looks anomalous at the current stage of the business cycle recovery but it has widened the trade deficit," ANZ Research said.

The import bill rose 36.8% year on year to a record \$10.98 billion in November, while exports rose at a much slower rate of 6.6% to \$6.27 billion,

according to the Philippine Statistics Authority.

This brought the trade deficit to \$4.71 billion in November, wider than the year-earlier \$2.14 billion.

ANZ Research said the services trade balance could improve assuming relaxed border controls, which could yield higher tourism receipts.

"Foreign tourism recovery will become discernible from the second quarter if the government's plan to allow fully vaccinated travelers to enter the country materializes in February," it said.

In addition, ANZ Research expects further improvement in cash remittance inflows from overseas Filipino workers.

"We expect smaller portfolio outflows in 2022, as foreign investors are already considerably underweight on Philippine assets. Foreign direct investment has remained robust in 2021, and is expected to remain steady in 2022," it said.

In November, the BoP position was a \$123-million deficit, reversing the \$1.473-billion surplus posted a year earlier. This brought the year-to-date BoP position to a surplus of \$353 million, much smaller than the \$1.786 billion from the same period of 2020. — **Luz Wendy T. Noble**



PHL seeking Chinese bidders for PNR Bicol's train sets

THE Transportation department said it is seeking Chinese bidders for the rolling stock package of the Philippine National Railways (PNR) Bicol project.

The Department of Transportation (DoTr) is working on four more contract packages of the PNR Bicol line, also known as the South Long Haul Project. The first contract for the design and construction of a 380-kilometer railway from Banlic in Calamba, Laguna to Daraga, Albay was signed on Jan. 17.

"Yung Package 5 po para sa rolling stock ay nakapag-request na tayo ng shortlist na manggagal-ing sa China at hinihintay na lang natin 'yan (We have requested a shortlist from China for Package 5, which is for the rolling stock, and we are waiting for a reply)," Transportation Undersecretary Timothy John R. Batan said during a virtual briefing on Thursday.

The department is also preparing to bid out the other remaining contract packages.

"Ito namang packages 2, 3 and 4 natin ay kasalukuyan pong ongoing 'yung design works at preparation ng bidding documents ng ating project management consultant (The project consultant is doing the design work for packages 2, 3 and 4)," Mr. Batan said, referring to China Railway Design Corp.

"Ang procurement ng (packages) 2, 3, 4 and 5 ay (hopefully) maumpisahan by the end of this year (We hope to start procuring those packages by the end of this year)," he added.

According to the DoTr, projects funded by China's official development assistance, or ODA, go through six stages before they are implemented.

First, the DoTr will request the Department of Finance (DoF) to obtain a shortlist of qualified contractors from China. The DoF will then request the Chinese government to provide the shortlist.

Once the shortlist is provided, the DoTr, through the Procurement Service of the Department of Budget and Management, will initiate the procurement.

After procurement, the DoTr will sign a contract with the winning bidder, followed by a notice to the DoF to apply for a loan from China to finance the signed contract.

The P142-billion design-build contract was awarded to the Joint Venture of China Railway Group Ltd., China Railway No. 3 Engineering Group Co., Ltd., and China Railway Engineering Consulting Group Co., Ltd.

The DoTr said the first 380 kilometers of the PNR Bicol project will span 39 cities and municipalities, four provinces, and two regions. It will feature 23 stations, 230 bridges, 10 passenger tunnels, and a 70-hectare depot in San Pablo, Laguna.

The entire PNR Bicol project consists of a 560-kilometer long-haul rail line connecting Metro Manila to provinces in Southern Luzon.

"Once fully operational, it will cut travel time between Metro Manila and Bicol from the current 12 hours by road to as little as four hours," the DoTr said.

"Passenger trains will run at a speed of up to 160 kilometers per hour, while freight trains will run at a speed of up to 100 kilometers per hour," it added. — **Arjay L. Balinbin**

Visayan Electric ordered to probe reconnection scams

THE ENERGY Regulatory Commission (ERC) ordered Visayan Electric Co. (VECO), a unit of the Aboitiz Power Corp., Inc., to investigate reports that its personnel are asking for money to reconnect power in areas hit by Typhoon Odette (international name: Rai).

"We have directed VECO to conduct a prompt and thorough investigation of the matter and submit the result to the Commission in writing within 15 days from receipt of our directive," ERC Chairperson and Chief Executive Agnes VST Devanadera said in a statement on Wednesday.

Ms. Devanadera said that the commission is alarmed over the reports it has received mostly through its social media account about delays in restoring electricity in Cebu being the result of customers who pay bribes receiving priority for reconnecting their power.

The commission also directed VECO to report action taken against those confirmed to have been involved and any other measures to prevent such schemes in the future.

"We enjoin VECO to use the necessary means to obtain thorough, comprehensive, and unbiased findings, including the use of witness testimony when available," Ms. Devanadera added.

VECO has said it is investigating reports of linemen or contractors seeking money in exchange for priority in restoring power.

"We ask for cooperation from the public not to entertain or participate in these illegal activities. We urge everyone to report these incidents through our Visayan Electric hotline number 230-8326 or send us a direct message on our Facebook page," VECO said in a statement to the Cebu media on Jan. 7.

It added that power restoration is free of charge and that it charges no priority fee. — **Marielle C. Lucenio**

Agri groups see fish supply as adequate, reject need to import

AGRICULTURE and fisheries organizations said the domestic fish supply is adequate and rejected the need for imports, which the Department of Agriculture (DA) hopes to supply to areas hit by Typhoon Odette (international name: Rai).

"Hindi totoo na walang supply. Nabasa ko 'yung official statement at ginagamit pa rin 'yung dahilan ng Typhoon Odette at mataas daw ang feed, mga factors na hindi totoo sa galunggong (round scad) (It's not true that supply is tight. I read the official statement justifying the imports, which is using Typhoon Odette as an excuse. It is also citing high feed prices, which should not be a factor for galunggong)" according to Laban Konsumer, Inc. President Victor A. Dimagiba, speaking at a televised briefing.

"Meron sigurong grupong nagpasok ng importer na kailangan maibenta. Wala ka na daw mabibili na local, puro frozen na 'yung mabibili mo. In other words, 'yung issue ng papayagan na import, press release lang 'yon, nandito na (Importing groups may have already brought in the fish. You can see this in the markets, where the fish available are mostly frozen. In other words, they are putting out press releases about allowing imports. The fish have actually already arrived)."

The DA announced on Jan. 18 that it has issued import certificates for small frozen pelagic fish amounting to 60,000 metric tons for the first quarter.

Farmers group Samahang Industriya ng Agrikultura (SINAG) said that the imports will be more expensive than local catch.

"There is ample supply of local fish and fish products that are much cheaper than the imported galunggong," SINAG Chairman Rosendo O. So said in a statement.

"Instead of protecting and helping farmers and fishers recover from the

recent typhoon, we have a government agency that sides with importers and big traders," Mr. So added.

In a virtual news conference, Agriculture Secretary William D. Dar reiterated the need for the imports.

"Typhoon Odette caused about P3 billion in damage to the fisheries sector," Mr. Dar said. "Current global price spikes in petroleum, fish feed, and other inputs are also expected to impact local production and supply."

"High fish prices continue to contribute significantly to food inflation. In 2021, it was at 7.6%," he added.

Mr. Dar also cited the closed fishing season as another reason for the supply deficit, adding that closed seasons are vital for fishing stocks to regenerate.

An organization of small fishermen, Pambansang Lakas ng Kilusang Mamalakaya ng Pilipinas (PAMALAKAYA), said that imports will "drive down the farmgate prices of fish, forcing small fishers to deep crisis and bankruptcy."

"The existing closed fishing season creates an artificial shortage of fish and inflation (to the) detriment (of) fisherfolk and consumers. We maintain that the shortage of fish is artificial, caused by unregulated and unjust declaration of closed fishing seasons in our productive fishing grounds. But even (with a) closed fishing season, we remind the government that there are lots of fish in the sea; imports (are) unnecessary," Fernando L. Hicap, PAMALAKAYA chairman, said in a statement.

"Flooding our local markets with imported fish will (do) harm than good to our struggling fishing industry. This liberalization scheme never addresses the country's crisis in fisheries production. Rather, it is burden to fisherfolk whose products are being outcompeted by imported fish," Mr. Hicap added. — **Luisa Maria Jacinta C. Jocsnon**

JOB OPENING

5 Chinese Language Customer Service Representative
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2 Thai Language Customer Service Representative
2 Vietnamese Language Customer Service Representative

- Bachelor's/College Degree or with equivalent training and work experience
- Proficient in writing, reading and speaking in both English and Chinese/Bahasa/Thai/Vietnamese

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JOB OPENING

1 MANDARIN REGIONAL SALES MANAGER

- Degree in economics, finance, accounting, or related field managerial experience.
- Must be proficient in Mandarin Chinese, in both simplified and traditional.
- Act as the business advisor to the account executive team and look to drive profitability improvements across the account and collaborate with client and engagement partners executives, Client Group Finance Leads (or Equivalent), and other finance operations executives to communicate the position and to the account position.

1 MANDARIN DIGITAL MARKETING AND BRANDING MANAGER

- Experience of managing portfolio of activities in a target-driven environment.
- Experience of managing internal relationship within multidisciplinary teams and cross-cultural communication.
- Must be proficient in Mandarin Chinese, in both simplified and traditional.

1 MANDARIN FINANCE MANAGER

- Degree in economics, finance, accounting, or related field managerial experience.
- Must be proficient in Mandarin Chinese, in both simplified and traditional.
- Act as the business advisor to the account executive team and look to drive profitability improvements across the account and collaborate with client and engagement partners executives, Client Group Finance Leads (or Equivalent), and other finance operations executives to communicate the position and to the account position.

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Online TIN seen unlocking OFW investments

THE BUREAU of Internal Revenue (BIR) said it will allow overseas Filipino workers (OFWs) to register their tax identification numbers (TIN) online, with a senior legislator saying that such measures will help workers overseas to invest in their home country.

Representative Jose Ma. Clemente S. Salceda of Albay, who chairs the House Ways and Means committee, said he was looking forward for "OFWs who may be particularly interested in investing in Philippine stocks as a means for preparing for their return to the country and to secure the future of their families."

The BIR requires taxpayer information to be verified in person in Revenue District Offices, denying OFWs who are not in the country the opportunity to open brokerage accounts. Obtaining a TIN also requires a personal appearance, he said in a letter to the BIR in December.

The BIR responded by committing to making the application process a "fully online experience." It currently allows OFWs to apply for TINs through an authorized representative or via e-mail if the purpose is to contribute to the Personal Equity and Retirement Account, a policy which can be extended to cover the opening of brokerage accounts. — **Alyssa Nicole O. Tan**

DENR suspends Davao Oriental mining firms over river siltation

THE Department of Environment and Natural Resources (DENR) ordered mining companies to suspend their operations following heavy siltation and water discoloration at the Mapagba and Pinatagan rivers in Banaybanay.

"I received the report yesterday (Jan. 17) confirming that the river has turned red due to extraction activities. I have instructed our

regional office to immediately address the incident and to suspend the operations of the mining company(ies)," Secretary Roy A. Cimatu said in a statement.

The investigation, led by the DENR and its Davao regional office, attributed the extraction activity to Riverbend Consolidated Mining Corp. and Arc Nickel Resources, Inc.

Residents reported the changes observed along the rivers on Jan. 14. Heavy rains are believed to have caused the mines' silt ponds to overflow, according to the DENR.

On Jan. 17, the miners were served a cease-and-desist order and notice of violation.

Separately, the Mindanao Development Authority's new chair called

for a review of mining operating practices.

"While the minerals industry continues to be cited as among the country's economic drivers, some industry practices need thorough review and operations require close monitoring," Secretary Maria Belen S. Acosta said in a statement. — **Luisa Maria Jacinta C. Jocsnon**

FULL STORY



Read the full story by scanning the QR code or by typing the link bit.ly/Mining012122