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PHL to seek ADB loan for Bataan-Cavite bridge

THE Department of Public Works and Highways (DPWH) said on Thursday that it will seek financing from the Asian Development Bank (ADB) to fund the civil works of the P175.7-billion Bataan-Cavite Interlink Bridge.

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The project's detailed engineering design is now 34% complete, the DPWH said in a statement.

The Economy

The DPWH has "already requested the Department of Finance (DoF) to initiate the application process for the loan from

the Asian Development Bank to fund the civil works," it added.

The DPWH told Business-World by phone that the DoF will negotiate the loan terms with the ADB.

Public Works Secretary Roger G. Mercado said the project has

been delayed by the pandemic, but is expected to be continued by the next administration.

"The project is hugely transformative for the Philippines, transformative for Bataan and Cavite because it will improve connectivity and open up eco-

nomic opportunities for these provinces," the DPWH said.

The contract for the detailed engineering design, which is expected to be completed next year, was signed in 2020.

The 32-kilometer bridge across the mouth of Manila Bay is expected to cut travel time between Cavite and Bataan to 20 to 30 minutes from the current five hours.

The four-lane bridge will start from Barangay Alas-asin in Mariveles, Bataan, and land in Barangay Timalan, Naic, Cavite. – Arjay L. Balinbin

Energy department floats proposal to 'stagger' fuel price increases

THE Department of Energy (DoE) said it will propose to oil companies next week a scheme to "stagger" any increases in fuel prices, in order to cushion the blow on consumers.

"We will discuss (staggered increase) with the oil companies... It's a good idea, but the problem is if prices also increase in the succeeding weeks," Energy Undersecretary Gerardo D. Erguiza, Jr. said at a virtual briefing on Wednesday.

"If you stagger next week's hike and pass it on the following week, what if it increases to P4 next?... it might result in a bigger problem... it will hurt the people more," Mr. Erguiza added.

Energy Secretary Alfonso G. Cusi in an online appearance at the Kapihan sa Manila Bay forum on Wednesday said oil prices will continue to rise over the next few weeks and could go even higher if crude prices hit \$120 a barrel.

President Rodrigo R. Duterte has called on Congress to review and amend Republic Act No. 8479, also known as the Downstream Oil Industry Deregulation Act of 1998. The law took pricing power away from the government and let the market determine prices, but the current mood is for the restoration of some government power to stabilize prices when they spike.

In a statement on Thursday, Senate Committee on Energy Chair Sherwin T. Gatchalian said he is open to reviewing the law.

Any such review should "improve transparency among industry players and assess the benefits to our consumers," he said in a statement sent via Viber.

He added that the main problem is the Philippines' "over-dependence" on imported fuel. Russia is among its sources for crude, making domestic prices vulnerable to the economic impact of the Russia-Ukraine war.

"As long as we import oil, we will be susceptible to global oil shocks that we have absolutely no control over," he said.

Pump prices are currently at P60-P83 per liter for gasoline, P52-P65 for diesel, and P61-P68 for kerosene, according to the DoE.

Since the start of the year gasoline, diesel, and kerosene prices per liter have risen by P9.65, P11.65, and P10.30, respectively. Diesel and gasoline prices are projected to hit P68.70 and P78.33 per liter, respectively, if Dubai crude, the benchmark for oil shipped to Asia, hits \$120 a barrel. -Marielle C. Lucenio

Sotto backs session to amend oil deregulation law

SENATE President Vicente C. Sotto III said the President can address high fuel prices by recalling legislators from the campaign trail via a special session of Congress, during which they will review the oil deregulation law.

Mr. Sotto, who is himself running for vice-president, said via Viber message that the Palace can summon legislators back to review the law from their campaign break, which runs until May 22.

It may take time to review the law, he said, but he expressed his willingness to do so if needed. Mr. Sotto had previously voted against the law.

President Rodrigo R. Duterte met with Cabinet members and national security officials on Tuesday to discuss the political and economic impact of the Russian invasion of Ukraine.

The Energy department has warned that diesel and gasoline prices are expected to continue rising, with a prolonged Russia-Ukraine crisis possibly pushing global crude prices to \$120 per barrel, which would drive pump prices here to about P68.70 and P78.33 per liter respectively.

price, the benchmark for much of Asia's

oil, stood at \$96.89 per barrel, the prices of diesel and gas were P54.20 and P69.28, respectively.

Republic Act No. 8479, also known as the Downstream Oil Industry Deregulation Act of 1998, removed government controls on the pricing, export, and import of petroleum products, allowing market forces to dictate their prices.

Malacañang has not confirmed whether it will call for a special session to start the amendment process.

"I'm open to reviewing the Oil Deregulation Law to improve transparency among industry players and assess the benefits to our consumers. Considering that this is a 24-year-old law, the review can be helpful in optimizing the oil industry," Senator Sherwin T. Gatchalian, who is seeking reelection, said in a statement on Thursday.

However, the Senate Energy Committee chairman said the Philippines' real problem is overdependence on imported oil.

"We import almost 100% of our oil requirements. As long as we import oil, we will be susceptible to global oil shocks that we have absolutely no control of," he said.

As a way forward, Mr. Gatchalian noted the need to explore for new domestic oil and gas reserves, transition to renewable energy, and promote the use of electric vehicles over the medium to long term.

Senate Minority Leader Franklin M. Drilon, said he is open to reviewing the law to find a long-term solution that will address the impact of rising fuel prices. He added, however, that as most legislators are preoccupied with the elections, it may be difficult to be thorough while drafting amendments.

"The debates may instead be influenced by politics," he added.

"To carry out a major policy shift in the twilight of the Duterte administration would tie the hands of the next administration. The proposal of the outgoing administration to revisit the oil deregulation law is a major policy shift that needs to be weighed carefully," he said.

The campaign period for national candidates began on Feb. 8, while local government candidates are expected to begin campaigning on March 25. The campaign period ends on May 7, two days before the election. – Alyssa Nicole O. Tan

Seafaring jobs seen at risk if PHL drops ball on training standards

THE Maritime Industry Authority (MARINA) must properly implement international training standards in compliance with European Union (EU) requirements in order to preserve about 30,000 seafarers' jobs, a Senator said.

The EU is insisting that training regimes meet the norms of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

Still time to pass Agri-Agra Law amendments – BSP

THE central bank said there is still time to pass legislation amending the agricultural lending law in a way that expands the projects eligible for financing, helping banks meet their legal obligations to lend to the agricultural sector.

"We recognize the limited time left for the 18th Congress. Among the bills supported by the BSP, we believe that the Agri-Agra bill may be prioritized by Congress considering that it is in the advanced stage of the legislative process," Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said in a bill when session resumes on May 23," he added.

Congress is currently in recess for the campaign session. The legislature will return to work between May 23 and June 3.

The Agri-Agra bills in both houses have hurdled third and final reading and a bicameral conference is set to harmonize the two chambers' measures.

Senate Bill 2494 which was passed on third reading in February, allows more types of loans to count towards the banks' agriculture and agrarian eform lending quotas. The expanded list of eligible projects for financing include loans to agribusiness enterprises that contract qualified farmers, and agricultural value chain financing, covering production, distribution, manufacturing, and processing of farm products.

The Agri-Agra Credit Act of 2009 requires banks to lend 15% of their loan book to the agriculture sector, with a 10% quota set for agrarian reform beneficiaries

Compliance with the quotas remains low, with banks preferring to pay fine rather than risk lending to the sector.

Banks' agri-agra loans totaled P804.17 billion at the end of September. Had they met the quotas, they would have issued at least P1.873 trillion worth ofloans

Separately, Mr. Diokno said the Senate is preparing the legislation that will be come the Financial Consumer Protection Act (FCPA), as well as the bill to amend the charter of the Philippine Deposit Insurance Corp. (PDIC), for the signature of President Rodrigo R. Duterte.

Meanwhile, the PDIC bill will make the agency, which is currently an arm of the Department of Finance, an agency of the BSP. This is expected to improve policy and program coordination.

BSP SIGNS CONTRACT FOR NEW CLARK CITY COMPLEX

At the same briefing, Mr. Diokno said the bank has entered into an agreement for the design of the BSP Complex, which is set to rise in New Clark City, Tarlac.

The 21.32-hectare site will be the new home of the central bank's curre cy production facilities. Its components include a data and command center, office space, a museum, academic buildings, a sports complex, and commercial stalls.

As of Feb. 28 when the Dubai crude

"If we cannot comply or if we receive a negative assessment, MARINA should answer to the thousands of our seafarers who are at risk of losing their jobs. We hope it does not come to that," Senator Emmanuel Joel J. Villanueva said in a statement.

The EU has warned Marina that failure to meet the standard before a set deadline will result in Filipino marine officers being barred from working on EU-flagged vessels. The bloc has been citing deficiencies in the Philippines' implementation of the convention since 2006, including one serious issues in the use of simulators and on-board training.

Mr. Villanueva cited the European Maritime Safety Agency Outlook for 2020, which indicated that the Philippines leads non-EU countries in number of officers working on EUflagged vessels, with a total of 30,615.

According to MARINA data, about 50,000 Filipinos work on EU-flagged ships overall, most of them registered in Malta, Greece, Norway, and Germany.

"Our seafarers greatly contribute to our economy, especially during a pandemic. Let's save this sector from drowning. Let's keep our Filipino seafarers world-class by following international standards," Mr. Villanueva said.

According to the Bangko Sentral ng Pilipinas, cash remittances from all sea-based overseas Filipino workers in 2021 totaled \$6.545 billion or about P335.42 billion.

Mr. Villanueva is also pushing for the passage of a bill that requires both the MARINA and the Commission on Higher Education to keep standards in maritime education, training, and certification in line with the STCW.

Senate Bill 2369 or the Magna Carta for Filipino Seafarers is currently in the second reading stage in the Senate. Mr. Villanueva said he plans to continue with deliberations when the session resumes on May 23. – Alyssa Nicole O. Tan

JOB OPENING

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- Provide customer support in accounting and financial services for the company and its worldwide clients • Native speaker of Bahasa Indonesia and Malay dialect
- Fluency in English and Mandarin

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7F, INSULAR LIFE BLDG., 6781 AYALA AVE., COR. PASEO DE ROXAS, 1209 MAKATI CITY Tel No.: (02) 8779-6263; Email: HR@sparva-inc.com irtual briefing on Thursday.

The bill seeks to amend the Agri-Agra Reform Credit Act of 2009, also known as Republic Act No. 10000, which prescribes lending quotas for banks in financing farmers and agrarian reform beneficiaries.

"We're positive that the Senate and the House (of Representatives) will reach a compromise for the Agri-Agra bills so that they may then ratify the

Its counterpart House Bill 6134 was passed on third and final reading in March 2020.

The FCPA will enable financial regulators to better address consumer complaints and strengthen protections against cybersecurity and data breach concerns.

"The design will be finished in five or six months, and then we will contract out the construction which will probably take around two years," Mr. Diokno said. - Luz Wendy T. Noble

DoF: Aggressive collection effort needed for recovery

FINANCE Secretary Carlos G. Dominguez III said the government revenue agencies need to turn in strong performances this year to support infrastructure and healthcare spending, which are critical to the economic recovery.

"Essential to our fiscal consolidation program is the improvement of our revenue collections to meet our expenditure requirements. This year will be critical," he said at a Bureau of Internal Revenue (BIR) event on Thursday.

"We need to begin outgrowing our debt by restoring our high growth," he added.

He said the spending priorities are infrastructure modernization, public health, and social services

"We have to continue procuring vaccines for our people. We need to rebuild the communities damaged by severe weather events caused by climate change." Mr. Dominguez said.

The BIR collected P2.08 trillion in 2021, up 6.51% year on year, according to Treasury data.

Overall tax collections rose 9.4% to P2.74 trillion last year. Meanwhile, outstanding debt hit P11.73 trillion at the end 2021, up nearly 20%.

The Department of Finance (DoF) has been preparing a fiscal consolidation program to manage the national debt.

"We have already formulated a program to limit the budget deficit and improve the debt-to-GDP ratio," Mr. Dominguez said. "This is part of our transition plan for the next administration."

Rene E. Ofreneo, president of the Freedom from Debt Coalition, has said that the government should manage its spending by tweaking infrastructure investment.

The government needs to reduce big-ticket projects that benefit only a few in favor of community-based programs that help protect citizens against the pandemic and climate change, he said.

Separately, BIR Commissioner Caesar R. Dulay at the same event proposed a review of legislation to increase salaries at the bureau.

"I would like to see, maybe, a review of the salary standardization act so that (BIR employees') compensation (is) commensurate to their responsibilities and efforts," he said.

Salaries at the bureau, he said, "pale in comparison" to other government agencies. — Jenina P. Ibañez

Competition regulator flags property developers' exclusivity deals with internet providers

THE Philippine Competition Commission (PCC) said exclusive internet provider deals entered into by property developers for residents of their communities are not conducive to market competition.

In a statement on Thursday, the PCC said several property developers were sent enforcement advisory letters (EALs) as a result of such arrangements. The letters were sent following complaints by tenants or residents because developers have an exclusive provider or are hindering other ISP operators from installing connections on their premises.

The PCC said eight developers have voluntarily complied with the EALs and have allowed other ISPs into their respective properties. These developers include DMCI Homes, Inc., Vista Residences, Inc., Amaia Land Corp., Avida Land Corp., Urban Deca Homes, Victoria Towers by New San Jose Builders, Inc., CHMI Land, Inc., and Kirkwood Development Corp.

"PCC utilizes EAL as a tool to advise companies to correct competition concerns immediately. Through the enforcement advisory, firms are given the chance to correct their actions and avoid the long process of prosecution," the commission said.

Arsenio M. Balisacan, PCC chairperson, urged the public to report cases of single-ISP arrangements areas, adding that property developers should allow competition to provide such services.

"As remote work, distance learning, and e-commerce have become part of the new normal, PCC understands the value of consumer choice for fast, stable, and affordable internet connection. The lack of competition in this space forced by exclusivity dealings by property developers is an issue that we are determined to solve," Mr. Balisacan said.

The PCC said it is planning to issue a joint circular banning exclusive arrangements for internet, telecommunications, and cable TV services.

It added that it has received 104 ISPrelated complaints since the creation of an ISP task force in March 2021.

"The lessons of previous abuse of dominance cases filed by PCC should already inform property developers of putting exclusive ISP deals to a stop. Through the EALs, voluntary compliance will add to the firms' badge of good corporate governance while giving residents the benefit of consumer choice," Mr. Balisacan said. – Revin **Mikhael D. Ochave**