

# PLDT, US partner to test space-based broadband

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Senior Reporter

THE PLDT group announced on Thursday that it intends to conduct a space-based cellular broadband testing in the country with its US-based partner AST SpaceMobile.

PLDT's wireless arm Smart Communications, Inc. and AST SpaceMobile recently presented their plans to two government agencies to conduct tests of the latter's BlueWalker 3 satellite, which is "being designed to communicate directly with unmodified mobile phones from low Earth orbit (LEO) satellite,"

the group said in an e-mailed statement.

"Smart will be the first to test this technology in the Philippines," it added. The plans were presented to the National Telecommunications Commission and the Department of Information and Communications Technology (DICT).

In a phone interview, DICT Acting Secretary Emmanuel Rey R. Caintic said the technology "seems feasible."

"They have not yet determined the specific testing areas," he added.

"The digital divide is a massive concern that was further highlighted by the restrictions brought about by the pandemic.



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Given our country's archipelagic nature, deploying typical terrestrial broadband infrastructure across the Philippines has been a challenge, especially in geograph-

ically isolated and disadvantaged areas (GIDAs)," Mr. Caintic said in a separate statement.

"Fortunately, newer technologies in satellites are capable of

providing much-needed cellular connectivity with more flexibility in their deployment. LEO satellites are an excellent addition to our solution set as they offer low latency, high throughput internet to our GIDAs, and AST SpaceMobile's technology which is being designed to directly connect to ordinary smartphones could be a game-changer," he added.

Smart Communications Head of Regulatory Roy Cecil D. Ibay said: "PLDT and Smart have always been at the forefront of innovation, and we are always ready to work hand-in-hand with government to support its thrust to connect more Filipinos across the country and help revitalize the post-pandemic digital economy."

The PLDT group has said the satellite technology can help in disaster preparedness and resiliency efforts by providing an alternative network in times of calamities, which can impact cell sites on the ground.

The service is expected to reach remote areas to enable online learning, e-commerce and online banking for indigenous peoples in the mountains and farmers in rural areas, and cater to Filipinos out at sea.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a stake in *BusinessWorld* through the Philippine Star Group, which it controls.

## SEC proposes rules for PERA investment products

THE Securities and Exchange Commission (SEC) proposed rules for the qualification and eligibility of personal equity and retirement account (PERA) investment products.

In an advisory dated May 17, the commission listed examples of eligible PERA investment products, which can be a newly formed mutual fund, including any sub-fund of an umbrella fund and exchange traded funds.

Government securities, securities issued by the Bangko Sentral ng Pilipinas (BSP), and corporate bonds issued by banks

in compliance with requirements of the BSP are exempt securities and are also considered as eligible PERA investment products.

The SEC may qualify other securities to be eligible as PERA investment products provided that the product is demonstrated to be non-speculative, readily marketable, and with a track record of regular income payment to investors.

Meanwhile, a security loses its eligibility as a PERA investment product when it is declared as ineligible by the SEC.

A registered equity security may lose its eligibility under the following circumstances: the registration statement pertinent to the security is suspended or revoked; in the case of corporate bond, it is declared to be in default by a competent authority or person in accordance with the applicable laws; in the case of corporate bond, its credit rating is downgraded to a non-investible grade; and in the case of the Philippine Stock Exchange Composite Index (PSEI) member security, it is removed from the PSEI.

On the other hand, a corporate bond issued by banks will lose its

eligibility in case it is declared to be in default by a competent authority or person in accordance with the applicable laws, among other qualifications.

As for penalties, the SEC will impose any of the sanctions available if it finds that there is a violation of these rules as well as laws, rules, regulations and other issuances.

The commission said that the circular is to take effect 15 calendar days after its publication in the Official Gazette or in two newspapers of general circulation. — **Luisa Maria Jacinta C. Jocoson**

## High Court affirms First Gas' canceled tax assessment

THE Supreme Court (SC) has affirmed the cancellation of the tax assessment on First Gas Power Corp. for the calendar year 2000 worth P37 million, and tax liabilities for 2001 worth P82.4 million.

In a ruling on Feb. 15 and made public on May 16, the High Court reiterated the Court of Tax Appeals (CTA) full court's ruling that said the formal letter of demand and the final assessment notice were issued beyond the mandated three-year period.

The tribunal added that the assessment did not indicate the date within which the tax liabilities should have been paid by the company.

The company is a renewable energy company that operates a natural gas power plant in Batangas City.

The High Court noted that the company received the final notice and demand letter in 2004 for the 2000 tax assessment, which was clearly beyond the three-year prescriptive period provided by the country's revenue code.

The commissioner of internal revenue, the petitioner, said that the inadvertent absence of dates should not be a fatal error that invalidates the assessment.

"Similarly, in this case, the failure to indicate the date of acceptance by petitioner in the First Waiver means that the same is defective, and therefore, the original three-year prescriptive period to assess the deficiency income tax of respondent for the taxable year 2000 was never extended," according to a copy of the ruling written by SC Associate Justice Jhosep Y. Lopez.

The SC said that the CTA did not err in canceling the final assessment notice and formal letter of demand, all dated 2004.

"They are all invalid assessments because the period of the petitioner to issue the same for the taxable year 2000 has already been prescribed, and the assessments for the taxable year 2001 did not contain a definite due date for payment by the respondent," it added. — **John Victor D. Ordoñez**

## CONCEPCION-INITIATED MENTORSHIP PROGRAM TO BE IMPLEMENTED ACROSS ASEAN REGION



ASEAN-BAC PH chairman and Go Negosyo founder Joey Concepcion during the pilot run of the ASEAN Mentorship for Entrepreneurs Network (AMEN) in September 2019. The ASEAN-BAC PH through the Philippine Center for Entrepreneurship is set to implement the second phase of its legacy AMEN Project throughout the 10 countries in ASEAN.

Presidential Adviser for Entrepreneurship Joey Concepcion announced that the mentorship initiative originated in the Philippines by Go Negosyo, the non-profit he founded, will be implemented across the ASEAN starting this May. He shared this landmark news as the ASEAN Mentorship for Entrepreneurship Network (AMEN) moves to its second phase following a US\$333,943 grant from the Japan-ASEAN Integration Fund (JAIF) last March.

Concepcion is the proponent of AMEN, a legacy project of the ASEAN Business Advisory Council (BAC)-Philippines, of which he is the chairman. "We are grateful to the JAIF for making this possible," he said. "With AMEN moving to its second phase, our small entrepreneurs can scale up to the regional level, and we increase and expand our network of mentors. It is a great leap forward for the mentorship advocacy started by Go Negosyo," he said.

"What this means is that Filipino MSMEs can learn from other small entrepreneurs and mentors across the region, and vice-versa. Mentors can also exchange knowledge and learn from each other on a regional scope," he said.

The AMEN project was launched in 2017 and is supported by the Philippine Center for Entrepreneurship, which runs the Go Negosyo advocacy. It aims to institute a Public-Private Partnership (PPP) system that will help micro- and small enterprises (MSEs) access money, markets and mentorship which can help them scale up their operations and improve their profitability and sustainability.

"The project will bring timely capacity-building to micro- and small enterprises across the ASEAN," said Engr. Merly Cruz, Senior Adviser MSME Development at Go Negosyo.

The implementation of an ASEAN-wide mentorship program will also become an opportunity for the region to standardize knowledge. This cooperation becomes more crucial as the region continues its economic integration into a single market and production base.

Micro-, small and medium enterprises (MSMEs) form the backbone of the ASEAN economy, accounting for 95 to 99 percent of all business establishments. They also generate more

than half of the total jobs in the region. In general, it is the region's MSEs that need capacity building, support and access to money, markets and mentorship. This need has been exacerbated by rising inflation and the economic recession that followed the Covid-19 pandemic.

"With effective mentoring, MSEs will be guided and directed towards solutions that will cut losses for them and, more importantly, allow their businesses to stay relevant and profitable in the face of these challenges," said Cruz.

"Most MSEs are content as long as they keep earning," said Cruz. This attitude, she observed, lowers the probability that small entrepreneurs will scale up their operations. Mentoring bridges this gap, as has been the experience in the Philippines where formal mentoring from organizations like PCE helped thousands of small entrepreneurs learn business basics and eventually grow their enterprises.

The first phase of the AMEN Project was in March 2019 and was completed in December that same year. It received a US\$347,396 grant from the JAIF, and had an initial pool of 48 mentors from countries where the program was piloted, namely Malaysia, Indonesia and the Philippines. The first phase used a 10-module mentorship program that was vetted in both the public and private sectors of all 10 ASEAN member-countries, including the 127 selected mentees from the same pilot-countries.

The second phase will employ an improved ten-module mentorship program which will be translated to the languages of the ASEAN member-countries. There will also be a bigger pool of mentors from the entire ASEAN region, and will have mentoring exercises for both mentors and mentees from all 10 ASEAN member-countries. Likewise, the second phase of the project aims to forge public-private partnerships dedicated to continually developing and mobilizing mentors to enable ASEAN's MSE to succeed and grow.

Consistent with the management arrangements set up for the first phase of the project, the ASEAN Coordinating Committee on Micro, Small and Medium Enterprises (ACCMSME) will provide oversight for the project.

## Toyota unit optimistic on recovery, financing offers

TOYOTA Financial Services Philippines Corp. (TFSPH) is optimistic on the country's recovery and on its plans to expand its financing offerings.

TFSPH President Rommel J. Ocampo said in a statement on Thursday that half of the cars sold in 2021 are financed by the company, as shown by its 45% market share last year.

"The company has reached 45% market share in 2021, meaning for every 10 Toyota cars sold, five are financed by TFSPH," Mr. Ocampo said.

With this, Mr. Ocampo said the company is confident in expanding its offerings that will cater to the customers' evolving needs and will adapt to the ever-changing mobility landscape.

"We are optimistic about the country's road to recovery and shaping the future of mobility. We are excited to show our customers how TFSPH will expand beyond traditional vehicle financing, through new mobility services to keep up with the dynamic needs of the future," Mr. Ocampo said.

According to TFSPH, some of its innovations include the mobile application myTOYOTA Wallet, vehicle lease products for individual customers called KINTO One and KINTO One Business for corporate fleet.

TFSPH's myTOYOTA Wallet is a mobile payment solution that lets customers pay their Toyota transactions at any dealership across the country. The mobile app is available for Android and iOS that allows card tokenization for up to three debit or credit cards for easier transaction.

The digital wallet application complements Toyota Motor Philippines Corp.'s myTOYOTA app, which covers payments on parts, accessories, service, and insurance.

"More features will be incorporated soon, such as e-money and online and secure payment of customer's monthly amortization," TFSPH said.

KINTO One is a full-service vehicle lease package for individual customers that allows a convenient car subscription. The all-inclusive monthly payment package includes periodic maintenance service, normal wear-and-tear parts replacement, annual comprehensive insurance, annual car registration, and an exclusive KINTO concierge service.

"There are several choices of cars available for lease under the KINTO One package to suit customers' needs and the car may be replaced with a new car every three to four years," TFSPH said.

Meanwhile, KINTO One Business is a full-service lease package that can be availed by corporate customers for their fleet requirements. It offers periodic maintenance, comprehensive insurance, vehicle registration, and even roadside assistance in affordable payment packages.

KINTO One Business also has a state-of-the-art fleet connected service, for location status, geo-fencing, and unplug detection along with feedback on driver performance.

"The future looks bright for the industry. A recent Automotive Market Study has revealed that demand for new vehicles is rising in the region, and that vehicle subscription is on the rise in Southeast Asia, as an alternative to ownership," Mr. Ocampo said.

Based on its website, TFSPH is a part of Toyota's network of sales finance companies under Toyota Financial Services Corp. that has operations across 37 countries. — **Revin Mikhael D. Ochave**