

Philippine Stock Exchange index (PSEi)

6,645.52

▲ 47.76 PTS.

▲ 0.72%

THURSDAY, MAY 26, 2022

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P660.50 ---	<b>ACEN</b> AC Energy Corp. P6.85 -P0.15 -2.14%	<b>AEV</b> Aboltiz Equity Ventures, Inc. P49.60 +P1.80 +3.77%	<b>AGI</b> Alliance Global Group, Inc. P10.52 +P0.20 +1.94%	<b>ALI</b> Ayala Land, Inc. P28.05 -P0.25 -0.88%	<b>AP</b> Aboltiz Power Corp. P30.40 -P0.30 -0.98%	<b>BDO</b> BDO Unibank, Inc. P123.20 +P0.50 +0.41%	<b>BPI</b> Bank of the Philippine Islands P97.00 +P0.70 +0.73%	<b>CNVRG</b> Converge ICT Solutions, Inc. P26.05 +P0.55 +2.16%	<b>EMP</b> Emperador, Inc. P18.20 -P0.28 -1.52%
<b>GLO</b> Globe Telecom, Inc. P2,560.00 +P16.00 +0.63%	<b>GTCAP</b> GT Capital Holdings, Inc. P500.00 ---	<b>ICT</b> International Container Terminal Services, Inc. P220.00 +P9.40 +4.46%	<b>JFC</b> Jollibee Foods Corp. P213.00 +P2.60 +1.24%	<b>JGS</b> JG Summit Holdings, Inc. P52.20 +P1.20 +2.35%	<b>LTG</b> LT Group, Inc. P8.34 -P0.31 -3.58%	<b>MBT</b> Metropolitan Bank & Trust Co. P52.75 +P1.75 +3.43%	<b>MEG</b> Megaworld Corp. P2.74 +P0.01 +0.37%	<b>MER</b> Manila Electric Co. P360.00 +P20.00 +5.88%	<b>MONDE</b> Monde Nissin Corp. P16.46 +P0.68 +4.31%
<b>MPI</b> Metro Pacific Investments Corp. P3.87 +P0.09 +2.38%	<b>PGOLD</b> Puregold Price Club, Inc. P33.00 +P0.45 +1.38%	<b>RLC</b> Robinsons Land Corp. P18.68 +P0.22 +1.19%	<b>SECB</b> Security Bank Corp. P90.00 ---	<b>SM</b> SM Investments Corp. P835.00 -P12.00 -1.42%	<b>SMC</b> San Miguel Corp. P104.90 +P0.90 +0.87%	<b>SMPH</b> SM Prime Holdings, Inc. P36.70 -P0.30 -0.81%	<b>TEL</b> PLDT, Inc. P1,944.00 -P6.00 -0.31%	<b>URC</b> Universal Robina Corp. P103.80 +P0.10 +0.10%	<b>WLCON</b> Wilcon Depot, Inc. P27.15 +P0.40 +1.50%

## SEC, Google to tighten screening of lending apps

THE Securities and Exchange Commission (SEC) said it is working alongside Google to enforce stricter regulatory compliance to online lending apps.

"After updating its screening process for online lending apps to help address the proliferation of predatory lending, Google will soon require advertisers offering cryptocurrency exchanges and wallets targeting the Philippine audience to present proof of their registration and/or license to operate in the country," the SEC said in a media release on Thursday.

Effective on July 7, this rule adds to Google's existing policy that requires all advertisers to comply with local laws for any area that their advertisements target.

"As the national government regulatory agency tasked with supervising the corporate sector, entities doing business in the Philippines must first register with the SEC, in general," the regulator said.

Meanwhile, operators of cryptocurrency exchanges must register with the Bangko Sentral ng Pilipinas as remittance and transfer companies.

The SEC said it is seeking to educate the public on legitimate investment options through investor protection and financial literacy campaigns online.

"Over the course of the pandemic, the commission has observed that several entities have taken advantage of the online space to spread investment scams supposedly engaged in cryptocurrency trading when in reality, these do not exist," it added.

SEC Chairperson Emilio B. Aquino said that its partnership with Google will help the commission fulfill its mandate as registrar and overseer of the Philippine corporate sector, as well as protector of the investing public, in the digital age.

"We believe the new policy can reduce the number of Filipinos falling prey to unregistered investment schemes online, who are usually victims of aggressive online advertising and intrusive tactics that make them believe in products that are often too good to be true," he added.

In 2019, the SEC reached out to Google to work on countermeasures against the rising cases of unregistered personal loan apps.

In May 2022, Google revised its policy for personal loan apps targeting users in the Philippines, requiring them to submit a "Personal Loan App Declaration" and other necessary documents before they could publish apps on Google Play. — **Luisa Maria Jacinta C. Jocson**

## CTA denies Melco's P898-M VAT refund

THE Court of Tax Appeals (CTA) has denied Melco Resorts Leisure Corp.'s P898-million refund claim in excess input value-added tax (VAT) for the fourth quarter of 2014 up to the second quarter of 2015.

In a 26-page decision on May 23 and made public on May 25, the CTA Third Division said the company's sales did not qualify as zero-rated or effectively zero-rated.

"In the instant case, the records are bereft of any showing that petitioner (Melco) is engaged in zero-rated or effectively zero-rated transactions, as provided under sections 106 and 108 of the National Internal Revenue Code," according to a copy of the ruling written by CTA Associate Justice Erlinda P. Uy. "This is fatal to the petitioner's cause and bars it from claiming refund of input VAT."

The tax court's First Division previously consolidated the tax

assessments for both years after a separate motion submitted by the petitioner.

The tribunal noted that the petitioner was able to file its administrative claim for refund within the two-year period prescribed by law.

Under the country's tax code, zero-rated sales are transactions made by VAT-registered taxpayers that do not result in any output tax.

The commissioner of internal revenue reiterated in its counter-argument that the petitioner did not list any sales subject to zero-percent VAT.

The tax court noted that the company was entitled to a tax exemption due to it being licensed by the Philippine Amusement and Gaming Corp.

The petitioner is a domestic corporation that handles the operation

of City of Dreams Manila resort and casino in Parañaque City.

It argued that even if its revenue from gaming operations were not considered zero-rated sales, it is still entitled to a refund due to its license.

The tribunal said that being exempt from VAT does not remove the tax burden relieved by zero-rated sales.

"Simply put, both the tax liability to pay the output VAT on the sales and the tax burden as a result of shouldering the input VAT on the purchases are removed in favor of the taxpayer-claimant engaged in zero-rated sales," it noted.

"As petitioner is simply VAT exempt and has not been shown to be engaged in any of the zero-rated or effectively zero-rated transactions, it cannot claim a refund of its input VAT." — **John Victor D. Ordoñez**

## Cybersecurity seen as a 'team sport' that holds everyone responsible

CYBERSECURITY requires the broad involvement of top management, chief information security officers, and the entire workforce, networking company Cisco Systems, Inc. and other experts said at the BusinessWorld Virtual Economic Forum on Thursday.

"Cybersecurity is a team sport and everyone has a role to play and everyone is responsible for it," Cisco Philippines Managing Director Zaza S. Nicart said during her presentation. "Organizations should prioritize a robust security posture that will help them have successful digitization efforts in 2022. Cybersecurity also should be at the core of the technology architecture, and with the right partner, any organization, regardless of size, can bolster security and build greater vigilance," she added.

The Philippines ranked fourth in Kaspersky's 2021 global league table of countries most targeted by web threats, pointing to heightened exposure for those working from home and largely beyond the protections afforded by corporate network security during the second year of the pandemic.

"If we do not address this, there will be more

losses for organizations," Ms. Nicart pointed out.

Archieval B. Tolentino, president of the Information Security Officers Group (ISOG), said that companies

should be able to achieve a measure of cyber

resilience by "detecting threats and recovering quickly."

"How can we prevent these threats right now? The main thing that I can see is cybersecurity awareness because as the pandemic drove the shift to digital services, there was also an increase in cybercrimes against consumers," he added.

Ramu Arivuel, chief technology officer of Tonik, the first digital-only neobank in the Philippines, said cybersecurity must be a board priority.

"Traditional banks focus primarily on numbers and outcomes," he said, adding that technology is "now the business."

"That means when we touch digital touchpoints, moving away from physical touchpoints, cybersecurity becomes part of the business, meaning it should be a boardroom discussion item."

At the same time, he said the most common problem for organizations is the cybersecurity budget. — **Arjay L. Balinbin**

## FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <a href="https://bit.ly/Cybersecurity052722">bit.ly/Cybersecurity052722</a>

## Rice no longer main driver of inflation, DoF says

THE Department of Finance (DoF) said that the Rice Tariffication Law (RTL) has removed rice as the main driver of inflation by making farmers more productive, with average farm yields rising to 4.22 tons per hectare (t/ha) in 2021 from 3.65 t/ha before the law took effect.

The DoF said in a statement on Thursday that the overall increase in yields equates to a 15.6% increase in farmer productivity.

Finance Secretary Carlos G. Dominguez III said that the law was a "politically difficult" reform because it "opened up the Philippine rice market and, in turn, slashed the retail cost of our country's staple food for more than 100 million Filipinos. As a result, rice is no longer the main contributor to our overall inflation rate," Mr. Dominguez said.

The law, or Republic Act No. 11203, opened up the rice import market, with importers paying a

35% tariff on Southeast Asian grain. These tariffs provide the Rice Competitiveness Enhancement Fund (RCEF) P10 billion a year.

The RCEF helps farmers stay competitive by modernizing their cultivation practices and providing quality seed, credit assistance, and farming know-how.

The Philippine Statistics Authority estimates unmilled rice output at 19.96 million metric tons in 2021, up from 19.29 MT in 2020 and 18.81 MT in 2019.

The DoF said that the RCEF has ensured a steady supply of rice, noting that in the wake of tropical depression Agaton, which caused P150 million worth of damage to crops, the rice supply in Western Visayas was sufficient.

Mr. Dominguez said that the agriculture sector was a strength of the economy during the pandemic, adding that the government

was able to maintain a steady flow of produce from farms to consumers.

The law was signed on Feb. 14, 2019, overhauling the old practice of government-to-government rice imports in favor of liberalized rice imports open to all parties.

"The RTL has reduced the retail cost of rice to the current average of P39 per kilogram (kg) or a reduction of about P7 per kg compared to its cost in 2018 when it peaked to around P46," the DoF said.

In a statement last week, Socioeconomic Planning Secretary Karl Kendrick T. Chua was quoted as saying that the law "is the best model we have to help both farmers and consumers."

"Last year, we collected P18.9 billion from rice tariff collections. We gave all that back to rice farmers. Those calling for the removal of the RTL risk taking away what we are giving to farmers to improve their productivity." — **Tobias Jared Tomas**

## DA issues 14-year roadmap for agri-fishery machinery industry

THE Department of Agriculture (DA) said it has completed a roadmap to 2036 seeking to make the agri-fishery machinery assembly and manufacturing industry more competitive.

The roadmap's short-term goals are collaboration and partnerships within the industry, a phase running between 2022 and 2026.

The medium-term phase — 2027 to 2031 — focuses on raising competitiveness, while the

2022-2036 portion targets machinery exports and the development of green technology and hybrid technology.

Policy recommendations include the establishment of regional manufacturing networks and hubs to supply the machinery needs of the industry and strengthening regional research and development networks to address the mechanization needs of the industry.

The program also seeks to strengthen the quality inspection process and improve welding, machining and other manufacturing steps.

The DA also said that it will seek out joint ventures and licensing agreements with foreign manufacturing firms to speed up localization of agri-fisheries machinery deemed important to domestic farming. — **Luisa Maria Jacinta C. Jocson**

## NGCP starts new transmission line for Bataan capacity expansion

NATIONAL GRID Corp. of the Philippines (NGCP) has energized a 500-kilovolt (kV) transmission line that will expand the capacity of its facilities to accommodate around 2,500-megawatts (MW) of new power generation capacity from Bataan province, the electricity grid operator said on Thursday.

"NGCP's mandate is to ensure that all capacities are capable of being delivered to load centers across the Philippines. It is important that we remain ahead of the curve by ensuring that lines are more than capable of delivering incoming power. NGCP is dedicated to doing its part in ensuring energy stability and resiliency, by making sure the power highways are always ready," the privately-owned power transmission company told reporters via Viber.

NGCP said the project involved building a 49.2-kilometer transmission line connecting Mariveles to Hermosa, Bataan, and substations in Alas-Asin, Mariveles and Balsik, Hermosa.

NGCP said the project cost at P6 billion, for which it sought approval from the Energy Regulatory Commission. The line expansion is expected to accommodate new capacity from the Bataan peninsula including the coal-fired power plants of GNPower Dingin Ltd. Co. and Mariveles Power Generation Corp.

NGCP said it completed and energized the line on March 30.

According to the Energy department, the second unit of GNPower Dingin with a capacity of 668 MW is scheduled for commercial operation in June.

Mariveles Power's 150 MW first unit is set for testing and commissioning in September and commercial operations in December. The plant will have eight units, each with a capacity of 150 MW.

"The capacity of the new Balsik Substation will ensure that more power can be dispatched by the transmission system, and will greatly improve the overall grid reliability and stability of the 500-kV network," NGCP said.

The new Balsik, Hermosa substation will have capacity of 2,000-megaVolt ampere (MVA), which the company said is the largest MVA capacity of its transformer bank to date. The capacity can be expanded to up to 4,000 MVA with the entry of bulk generation in the coming years, it added.

The Mariveles-Hermosa transmission line project was certified as an "energy

project of national significance" by the Department of Energy on Jan. 16, 2019.

The company said that other critical projects in its pipeline include the Hermosa-San Jose 500-kV transmission backbone project in Luzon, the Cebu-Negros-Panay and Cebu-Bohol interconnection projects, and the Mindanao-Visayas interconnection project.

The projects aim to bring about power sharing among the country's three main grids.

"The completion of these high voltage facilities affirms NGCP's commitment to its mandate of expanding the country's transmission system. We continue to ask for the support of all our stakeholders to fast-track the completion of our other critical projects as we create a better and more resilient grid across the country," the company said. — **Victor V. Saulon**

HUAWEI TECHNOLOGIES PHILS. INC  
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SUBJECT: APPLICATION FROM NEWSPAPER ADVERTISEMENT

## HUAWEI PHILIPPINES MARKETING DIRECTOR FOR SMART DEVICE SALES PROJECT

Job Description	Qualifications
<ul style="list-style-type: none"> <li>Administer the global launch and events for Huawei Marketing</li> <li>Responsible for planning and communication for Consumer Business Group (CBG) semi-annual performance events</li> <li>Prepare CBG Corporate annual reports for Smart Device Project</li> <li>In charge of handling Public Relations events and issues or potential crisis PR events in China and outside China</li> <li>Develop multiple sets of PR materials for the CBG quality series and trend series</li> </ul>	<ul style="list-style-type: none"> <li>With at least 2 years work experience as a Marketing Director</li> <li>With a Bachelor's degree in Engineering</li> <li>Proficiency with marketing practices and software, content management systems, and design software</li> <li>Excellent leadership, communication, and decision-making skills</li> <li>Proven ability to plan and manage budgets</li> <li>Highly proficient in Chinese and English language</li> </ul>