Marcos vetoes bill expanding DLPC franchise

PRESIDENT Ferdinand R. Marcos, Jr. has vetoed House Bill 10554, an Act Expanding the Franchise Area of Davao Light and Power Co., Inc. (DLPC), noting that the area targeted for expansion would mean that DLPC would effectively "kill" the current franchise holder, North Davao Electric Cooperative, Inc. (Nordeco).

In his veto letter sent to the Senate and House of Representatives on Wednesday, Mr. Marcos said that he is concerned that the measure could be subject to a court challenge if Nordeco defends its interests.

"I remain committed to the pursuit and attainment of this objective in a vigorous and systematic manner, with utmost respect for the concomitant rights of the public service entities engaged in supplying electric service," Mr. Marcos said in his letter, noting that with Nordeco's franchise ending in 2023, "House Bill 10554, aims to kill the (electric cooperative's) franchise."

He said the measure would violate Section 27 of Republic Act No. 9136 or the Electric Power Industry Reform Act (EPIRA) of 2001. Section 27 allows franchises to continue operating over their full term.

"Likewise, the resulting repeal of North Davao Electric Cooperative, Inc.'s franchise over the expanded franchise area will violate the non-impairment clause as provided in Section 10, Article III of the 1987 Constitution," the President said.

Asked to comment, Rodger S. Velasco, president and chief operating officer of DLPC, said the company has been notified of the veto.

"We can confirm that we have received information that Malacañang vetoed House Bill 10554, which is meant to expand the franchise area of AboitizPower subsidiary Davao Light and Power Co. to Davao del Norte," Mr. Velasco said in a text message.

Mr. Velasco declined to comment further pending the issuance of an official company statement and "until we receive final instructions from regulators and government authorities." — **Ashley Erika O. Jose *with* Maya M. Padillo**

Minimal 2023 budget increase could force sacrifice of some programs for agri, Angara says

THE 4% funding increase in the 2023 General Appropriations Act will require the government to set clear spending priorities and possibly sacrifice some spending items to achieve its goal of expanding agriculture, according to the chairman of the Senate Finance Committee.

The budget increase over 2022 is "a very small increase compared to previous years," Senator Juan Edgardo M. Angara told ABS-CBN news channel on Thursday, in response to expectations that the government will spend freely on agriculture, to the extent of tripling the agriculture budget.

He was referring to expectations that the administration will triple the budget and spending on the agriculture sector.

Mr. Angara said the limited expansion of the budget will mean cutbacks for some programs, which will "bear the brunt" as the food crisis takes priority.

He expects that there will be a "more focused spending" as "the President wants to do so many things so, the departments have to take their cue and focus on what the President mentioned in his SONA (State of the Nation Address)."

"Maybe that's why the President started off his SONA with a kind of budget responsibility call, maybe a fiscal responsibility call, but there will be no wasteful spending, precisely so he can focus on all of these issues he wants to spend on," he added.

The senator approved of the chief executive's decision to talk about taxes to open his address, saying that "if you want to have funds (for) your projects, do it at your most popular."

To simplify taxation, Mr. Angara proposed to strengthen the role of the Department of Information and Communications Technology (DICT) and pass bills digitizing government processes and transactions.

"These are all intertwined with ease of doing business. So, if you can do this online, if people can do this from the comfort of their home, just punch in their bank account and transact, that would be fantastic," he said.

"But of course, the adjunct to that is there are also cyber security concerns. So, as cyber commerce grows, then... your ability to protect that space becomes more important also," he added.

Mr. Angara believes that the government's goal should be to return to pre-pandemic levels and achieve goals previously set.

"We were on track to achieve those goals during the previous administration, except that COVID (coronavirus) hit us," he said. "I guess, the biggest challenge is how to put us back on that track." — **Alyssa Nicole O. Tan**

Oct. set as arrival target for fresh fertilizer shipments

THE Department of Agriculture (DA) said fertilizer from overseas suppliers to ease price pressures on farmers must arrive by the next planting season in October.

"We are continuing to research and source cheaper fertilizer, which is very important for our farmers right now," Undersecretary-designate for Consumer and Political Affairs and DA spokesperson Kristine Y. Evangelista said.

The DA's National Rice Program (NRP) will lead the fertilizer import initiative, according to Ms. Evangelista.

"Together with the NRP, we are studying the appropriate schedule of utilizing fertilizer. We are counting the days, from the time of planting, and how many days is required to use fertilizer," she said.

Ms. Evangelista said that the DA and regional field offices will guide farmers in availing of credit programs.

"Financial assistance is available. It is just a matter of applying as an individual farmer or a cooperative. As of now, we are really pushing for clustering and cooperativism," she said.

"We encourage farmers to register under the Registry System for Basic Sectors in Agriculture (RSBSA) so they can avail of the many interventions and support from the government," she added.

The DA is looking into government-to-government agreements with China, Indonesia, Malaysia, and the United Arab Emirates to ensure favorable prices.

"The logistics are very important. Even if it's cheap, if it comes from somewhere far away, it will end up being more expensive. We are looking at strategic sources for fertilizer," she said.

"We are currently conducting a national inventory of our facilities (to) maximize fertilizer storage (and) food mobilization as well," she added. — **Luisa Maria Jacinta C. Jocson**

ASEAN not in favor of excluding Russia, DFA says

THE Association of Southeast Asian Nations (ASEAN) does not support efforts to isolate Russia and seeks to pursue further engagement with Moscow in the near future, including on matters of trade, the Department of Foreign Affairs (DFA) said in a briefing.

Foreign Affairs Assistant Secretary for ASEAN Affairs Daniel R. Espiritu said during an online briefing on Thursday that Russia's prime minister is due to participate in upcoming ASEAN meetings, and that the bloc plans to organize "economic and socio-cultural activities" involving Russia.

The ASEAN position leaves the region's options open regarding key commodities that Russia can export in volume, like energy and grain.

"Russia has been a partner for a long time of ASEAN, and so we have a lot of common cooperation projects," Mr. Espiritu said.

"In fact, 2022 is a year of scientific and technological cooperation between ASEAN and Russia. The relations between ASEAN and Russia transcend politics, and they include all of these economic and socio-cultural cooperation activities," he added.

"We are also working on a work program... on trade and investment between ASEAN and Russia, and that would still go towards helping economic recovery in the wake of the pandemic and of course the crisis in Ukraine."

ASEAN, however, remains concerned about the humanitarian situation in Ukraine and the destruction of its infrastructure. The bloc intends to provide humanitarian assistance to displaced people, and has called for a cessation of hostilities a number of times, he said.

Regarding the impact on the regional economy from the Russia-Ukraine war, Mr. Espiritu said ASEAN "will not be hampered simply because of the economic crisis" with active discussions within the bloc regarding energy security, food security and supply-chain disruptions.

In the past two years, ASEAN member-states have also come to broad agreement on relaxing travel restrictions within the region without sacrificing health safeguards, with similar travel arrangements reached with the European Union.

Mr. Espiritu said the DFA supports Philippine participation in the world's largest trade bloc.

"Of course, the implementation of the RCEP (Regional Comprehensive Economic Partnership) can be a big help in regards to (gaining) leeway for economic recovery," he said. "It is now up to the countries to maximize the benefits they can get from this agreement."

The RCEP, which started coming into force in the various jurisdictions on Jan. 1, involves Australia, China, Japan, South Korea, New Zealand and the 10 members of the ASEAN.

The Philippines is one of three countries that have not ratified RCEP, along with ASEAN members Indonesia and Myanmar.

Representing about 30% of global gross domestic product, the RCEP allows for zero or reduced tariffs in trade between the members of ASEAN and its free trade agreement partners.

The DFA also reiterated Philippine backing for the ASEAN condemnation of Myanmar's execution of two pro-democracy activists and two alleged terrorists.

"Aside from the position of ASEAN of expressing being extremely troubled and saddened by the execution of the four in Myanmar, the Philippines denounces that execution," Mr. Espiritu said.

The Philippines raised its alert level for Filipino citizens in Myanmar after the military takeover, allowing only workers with live contracts to go to that country. — **Alyssa Nicole O. Tan**

PEMC launches commercial operations in renewable market

THE Philippine Electricity Market Corp. (PEMC) said it opened the renewable energy market (REM) to interim commercial operations on Thursday.

"The REM will incentivize the harnessing of our wealth of natural resources, bringing in additional, more sustainable sources of electricity," PEMC President Leonido J. Pulido III said in a statement.

Mr. Pulido said that PEMC hopes that more diverse sources of energy will boost energy security.

REM is a venue for buying and selling renewable energy certificates (REC), representing property rights over renewable electricity generated by market participants.

Under the Renewable Energy Act of 2008, PEMC serves as the Renewable Energy Registrar, which will be responsible for issuing, keeping, and verifying RE Certificates corresponding to energy generated from eligible RE facilities.

The PEMC, as the DOE-designated registrar for renewable energy, issues one REC for every megawatt hour of actual output from eligible RE facilities. — **Ashley Erika O. Jose**

Condos seen as main beneficiary as businesses resume on-site work

A RETURN to on-site work for most employees is expected to boost the recovery of the residential property market, particularly condominiums, according to Colliers Philippines.

"In terms of supply, we are seeing sustained recovery in condominium completion.... a lot of employees are returning to traditional work spaces and are looking for condo units near(by)," Colliers Senior Research Manager Joey Roi H. Bondoc said in a virtual briefing.

On the other hand, the market for pre-selling condominiums in Metro Manila is likely to be hampered by rising interest rates, according to Colliers.

"In our view, compressing yields have also been compelling developers to delay condominium launches in the capital region. Colliers believes that developers are now taking a more cautious stance as they await the release of the new administration's economic agenda, including property reforms, and gauge general consumer sentiment amid rising inflation and interest rates," the company said in its report.

"The secondary market, meanwhile, is likely to benefit from the return of foreign employees as well as local firms' return-to-office mandates. We see this positively influencing prices and rents in major business districts," it added.

Mr. Bondoc said that the administration's plans for infrastructure development will also support the recovery of the residential property sector.

"There's a push to support ecozones and investments and data centers, which is a potential driver for spaces," he said.

Colliers projected the delivery of 10,100 units by the end of 2022, with the Bay Area accounting for about 60% of this new supply.

"Looking at the second half, we are expecting the delivery of about 8,800 new units. This is an aggressive completion (rate which) we are projecting," Mr. Bondoc said.

"This relentless completion will propel Bay Area to top the business districts in terms of completion or total share of condo supply. By 2024, the Bay Area will overtake Fort Bonifacio," he added.

Rents increased by 0.4% in the second quarter this year, Colliers said. "The return of more local and foreign employees to their offices should support leasing demand and lift rents 1.2% year on year in 2022."

In the second quarter, vacancies declined across all submarkets except for the Bay Area.

By the end of the year, Colliers said it projects vacancies easing to 17.3% after the record 17.9% set in 2021.

"Given the subdued residential demand during the last two years, developers offered attractive promos and discounts to attract potential buyers and investors. Common offerings included lower reservation fees, split or no down payments, and free furniture, gadgets and appliances such as air-conditioning units," the property consultant said.

"In our view, developers should continue to be aggressive in offering innovative and attractive promos to recapture residential demand. Some developers may opt to offer early move-in promos or rent-to-own schemes for their ready-for-occupancy (RFO) units. For non-RFO units, developers may offer extended payment terms even beyond turnover. These promos should be highlighted especially for a client base wary of rising inflation and mortgage rates," it added. — **Luisa Maria Jacinta C. Jocson**

FULL STORY

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South Cotabato cooperative makes fruitful comeback thru LANDBANK

Assistance from LANDBANK allowed Laconon 100 Multi-Purpose Cooperative (LMPC) to overcome financial losses. The T'boli based co-op now manages 1,000 hectares of pineapple plantation in South Cotabato with an average annual production of 40,000 to 50,000 tons.

T'BOLI, SOUTH COTABATO — The unexpected closure of its anchor firm and primary pineapple produce buyer pushed the Laconon 100 Multi-Purpose Cooperative (LMPC) to the brink of financial collapse in 2003.

The cooperative struggled to recover and improve its operations in the years thereafter, forcing several members to pull their capital share out of the organization.

In 2017, LMPC was given a fresh start after availing of a series of loans from the Land Bank of the Philippines (LANDBANK), which were used to expand the co-op's operations and acquire the needed farm machinery, including four trucks, one tractor, one tractor implement and one service monitoring vehicle.

Finally, with the support from LANDBANK, the cooperative was able to bounce back from previous losses and started gaining new members.

In a bid to further expand its operations in the municipalities of T'boli, Surallah, Lake Sebu, and Banga, and to accommodate pineapple farmers who have yet to access financing from the Bank, the co-op renewed a P160-million loan line which was further increased to P200 million in 2020.

LMPC was also granted a P7-million term loan for the purchase of five hauling trucks to address the increasing logistics requirements, especially during the harvest season.

The co-op availed of another P5-million loan from LANDBANK as working capital for cassava trading operations to support members who have not qualified for the pineapple growership program of its anchor firm.

From a struggling cooperative managing 300 hectares of farmland with 150 members, LMPC has since expanded its area of production to 1,000 hectares with 1,187 co-op members.

Since 2017, the timely credit of LANDBANK allowed LMPC to post steady growth in net income with an average production of 40,000 to 50,000 tons of pineapples per year — assisting the co-op to weather the economic challenges of the global pandemic.

"Hindi kami iniwan ng LANDBANK *sa panahon na kailangan namin ng suporta. Nandiyan ang* LANDBANK *bilang aming kaagapay para makabangon sa pagkakalugmok sa mga nakalipas na pagsubok. Nakabili kami ng mga makinarya at nakapagbigay ng hanapbuhay sa aming mga miyembro at pamilya,"* said LMPC Chairperson Rhoda O. Pecadizo.

LANDBANK's relationship with LMPC continues to expand, after the co-op was certified in December 2021 as one of the Bank's Agent Banking Partners, offering basic banking services to unbanked and underserved communities.

As an accredited full-suite Agent Banking Partner, LMPC provides cash-out, cash-in, fund transfers, and bills payment services on behalf of LANDBANK, and facilitates the opening and issuance of LANDBANK Agent Banking Cards.

This arrangement provides LANDBANK customers in T'boli with improved access to financial services and lower transaction costs, which is reflective of the Bank's steadfast commitment to advancing financial inclusion in South Cotabato and the country as a whole.

As LMPC celebrates its 25th anniversary this year, the co-op is looking to avail of additional term loans from LANDBANK to support its expansion plans. These include the acquisition of two tractors and the construction of a new office building and logistics facility with a gas station.

LPMC is only one of the many agricultural cooperatives supported by LANDBANK nationwide, as part of its main thrust of serving the nation.