

Senate targets passage of 2023 budget bill by mid-December

THE SENATE is hoping to pass its 2023 budget bill by mid-December, according to the senator who chairs the upper chamber's Finance Committee.

"We start the DBCC hearings on Tuesday... and hope to finish our committee hearings in early to mid-October; then plenary debates in early to mid-November leading up to the passage of the budget bill in late November; then bicameral session and signing by the President in early to mid-December, that is target schedule," Senator Juan Edgardo M. Angara said in a statement Sunday.

The House of Representatives has begun deliberating on next year's budget, with its own target of ending hearings by Sept. 16. Plenary debate is set to begin on Sept. 21, with the chamber hoping to pass its bill by Oct. 1.

The P5.268-trillion budget as proposed in the 2023 National Expenditure Program (NEP) is

4.9% higher than this year's budget, and is equivalent to 22.2% of gross domestic product.

Mr. Angara said the Senate's priorities include the health sector; the poor; the micro, small and medium enterprises; and youth employment. "We hope to continue strengthening the health sector and health system, particularly PGH (Philippine General Hospital)," he said, adding that its budget has been increasing in the last few years.

Under the proposal submitted by the Department of Budget and Management (DBM), health funding will rise 10.4% next year to P296.3 billion. Funding for the Department of Health (DoH) will increase 6.6% to P196.08 billion, while the Philippine Health Insurance Corp. (PhilHealth) will get P100.23 billion.

"Marginalized sectors and those hard hit during the pandemic hopefully will be given support through programs that aid

recovery and help them get back on their feet," Mr. Angara said.

The allocation for the Department of Social Welfare and Development (DSWD) is due to fall 3.8% to P197.03 billion next year.

This includes P115.6 billion for the Pantawid Pamilyang Pilipino Program (4Ps) of cash transfers; P25.3 billion for the Social Pension for Indigent Senior Citizens; P19.9 billion for Protective Services for Individuals and Families in Difficult Circumstances; and P4.4 billion for the Sustainable Livelihood program.

"We intend to include support for our entrepreneurs through credit programs (and) small business shared support services like equipment," Mr. Angara said.

"We hope to ramp up training and skills programs for our young people, that greatly aid in... making our workforce attractive to investors," he added.

The budget for the Department of Labor and Employment

(DoLE) is P25.90 billion, down 29.9%, reflecting the creation of the Department of Migrant Workers (DMW), which has a P15 billion proposed budget, including P11.7 billion for the Overseas Workers Welfare Administration, previously a DoLE agency.

Most of the DoLE's proposed budget is for its Livelihood and Emergency Employment program, earmarked for P18.4 billion. This includes the Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (Tupad) program, allocated P14.9 billion and the DoLE Integrated Livelihood Program, allocated P2.5 billion.

"These are a few initiatives we hope to work together to push going forward," Mr. Angara said.

Most of next year's proposed budget will go to social services — P2.071 trillion or 39.31%, and economic services — P1.528 trillion or 29.01%. — **Alyssa Nicole O. Tan**

RE firms want reform of competitive selection

RENEWABLE ENERGY (RE) companies asked Congress to reform the competitive selection process, calling it excessively complex and not always awarding contracts to the lowest-cost producer.

Ruth P. Briones, chairman and chief executive officer of GreenEnergy Solutions, Inc., said at the Future Energy Philippines forum last week that the complexity of the rules is also a factor in high power prices apart from the volatile price of imported fuel.

"The competitive selection process (CSP) is very complicated, the lowest price is not always the winner," she added, referring to the Department of Energy's (DoE's) prescribed method for distribution utilities seeking to procure power.

"Electricity is very (expensive) because the regulatory framework is very complicated, I hope the Congress will look deeper into the structure," she said.

Quintin Jose V. Pastrana, president of WEnergy Power Pilipinas Inc., said power in off-grid areas

in particular is expensive, and called for scaling up power solutions for remote areas to make electricity more affordable.

"Our supply sometimes is outstripped by demand. If power doesn't keep up because regulation is a bit slower or not as fast as the demand, then we're going to have a demand asymmetry with supply and that is going to raise prices," Mr. Pastrana said.

Pedro H. Maniego, executive director of the Institute for Climate and Sustainable Cities (ICSC), said separately in an email on Sept. 9 that the Philippines is also alone in the region in not subsidizing electricity prices, as per the rules set out by the Electric Power Industry Reform Act (EPIRA), the privatization law that governs the industry.

"The major challenge is how we can be energy independent by utilizing indigenous resources, so as to minimize the country's exposure to price fluctuations in the international market," Mr. Maniego added. — **Ashley Erika O. Jose**

2022 budget 96.5% released as of end of August

THE DEPARTMENT of Budget and Management (DBM) said Friday that P4.85 trillion, or 96.5% of the 2022 budget has been released to national agencies and local government units (LGUs) as of the end of August.

The DBM's Allotment Releases data indicate that P177.73 billion has yet to be distributed.

The release rate is running ahead of the pace in 2021. At the same stage that year, the DBM had released P4.15 trillion or nearly 92.1% of the budget.

In August 2022, releases to government agencies and departments amounted to P2.8 trillion, or 97.2% of the total.

Special Purpose (SP) funds released

by the end of the month amounted to P311.18 billion, or 68.1%.

SP funds include budget support for local government units (LGUs), the Contingent Fund, the Miscellaneous Personnel Benefits Fund, and the National Disaster Risk Reduction and Management Fund.

Automatic Appropriation releases amounted to P1.47 trillion, representing

87.5% of the funding total.

This includes P10 billion for the Rice Competitiveness Enhancement Fund and P1.91 billion in funding for retirement and life insurance premiums of various National Government agencies, the DBM said.

Other automatic appropriations include the National Tax Allocation for

LGUs, block grants, interest payments, and the tax expenditure fund.

The national budget for 2022 is configured around recovery efforts from the pandemic. The budget is equal to 21.8% of projected gross domestic product, with about a fifth set aside for capital outlays, which include infrastructure spending. — **Diego Gabriel C. Robles**

MARCOS: DESIRE TO HELP MSMEs COMES FROM THE HEART

Private sector's efforts to help MSMEs will succeed because it comes from the heart. Such high praise came from no less than President Ferdinand Marcos Jr. as he addressed entrepreneurs and business leaders last August 26. "I know that this will succeed because it comes from the right place in his heart. It comes from a place that wants to help Filipinos, to make the Philippines a better place," he said in his speech at the recently concluded 2022 MSME Summit, referring to Go Negosyo founder Joey Concepcion and the group of large corporations that are helping the country's MSMEs to scale up.

"Our MSMEs form the backbone of our economy, generating more than half of our employment and this is why it is fully recognized that this sector's critical role in our country's regeneration, job creation and poverty reduction is critical," he said.

"Shared prosperity is not a dream, it is a must," said Concepcion, as he emphasized how inclusive economic development is key to ensuring that progress is sustained.

When we help others, we help ourselves. As the Philippines



President Ferdinand Marcos Jr. addresses the 2022 MSME Summit, which gathered MSMEs and their big-brother companies (below) in a show of support for Go Negosyo's Kapatid Angat Lahat program.



begins to move forward under a new administration, there is now renewed hope that the country may well be on its way to finally joining the league of upper middle income nations.

At the heart of this desire for a better life are the country's micro, small and medium enterprises (MSMEs), whose betterment the country's current crop of leaders believe will be the turning point. Building a better future for the country rests on helping MSMEs and the people behind them, creating what Concepcion calls a Circle of Success, a virtuous cycle where a bustling MSME sector creates more jobs for Filipinos, who in turn will have the capability to become entrepreneurs themselves, create more jobs, and so on.

"When you help people and make them successful, these same



Graduates of entrepreneur mentoring programs like Kapatid Mentor Me and Kapatid Agri Mentor Me go on to grow their businesses and generate more jobs for their communities.

people will help others," he said. "As we continue that Circle of Success, then we will achieve a truly inclusive Philippines."

The President's commitment to the sector gave renewed hope to the hundreds of MSMEs. Among them was Arlene Luna, who was mentored last December by Pres. Marcos himself when he guested as one of the presidential candidates during the Kandidatalks series by Go Negosyo.

Arlene shared that she was not expecting to be introduced to the future President that day, and how much the encounter meant to her. The additional capital she was given that day was put to good use to grow her small business. Today, in addition to peddling vegetables door-to-door, she now sells personal care products online.

Replicating this kind of help on a larger scale is at the heart of Go Negosyo's Kapatid Angat Lahat initiative, which aims to encourage big-brother companies to integrate MSMEs in their value chain.

"Kapag narinig ko ang salitang 'Angat Lahat', ang naiisip ko ay walang maiwan, lahat tayo aasenso," said Arlene. "Bilang isang negosyante ang pangarap ko ay matulungan kami ng mga mas nakaka-angat para magtuloy-tuloy ang aming negosyo at ang mga gusto naming makamit para sa aming mga pamilya," she said.



Go Negosyo founder Joey Concepcion with twin sisters Lovelle and Daffodil Castellon (at left) whom he mentored at the 3MOW event last August. With them is their mother, Francine, who puts her children's earnings toward their education.

The love for family also inspires the mother of twin sisters Lovelle and Daffodil Castellon. Their mother, Francine, accompanied them when they were mentored personally by Concepcion at Go Negosyo's 3MOW free mentoring roadshow. "They needed a little direction in terms of branding and packaging their Twins Pure Honey Peanut Butter," said Concepcion, "but what really struck me is how she motivates and inspires the twins to succeed, even putting their earnings toward their education," said Concepcion.

The Castellons, who were at the 2022 MSME Summit, said



Go Negosyo Founder Joey Concepcion

they are hopeful that MSMEs will have more opportunities, and that doors will be opened for MSMEs, especially those who are only starting out. "Sana makatulong po ang mga big brothers and big sisters sa amin," said Lovelle, referring to the companies who have pledged their commitment to the goals of Kapatid Angat Lahat.

"What we can do to elevate the lives of our MSMEs is to change the landscape," said Concepcion. Within Kapatid Angat Lahat is the framework for helping MSMEs succeed: access to money, markets and mentoring. Beyond those elements, however, is something which Concepcion believes is more powerful.

"What is important is to give hope, because when hope is lost, everything is lost," said Concepcion.