

Notice is hereby given that the state of late Felino Sajo Sevilla was extra judicially settled with Waiver of Rights as per Doc. No. 139, Page No. 29; Book No. 01, Series of 2022, before Notary Public Atty. Caridad Grecia Cuervo in Pasay City, Philippines

South Korea FTA to unlock FDI in electric vehicle components, food processing

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SALES MANAGER

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JOB OPENING

COMPANY NAME & ADDRESS:
AMERICAN POWER CONVERSION CORPORATION (A.P.C.) B.V.
Lot 1 Block 5 Phase 2, Cavite Economic Zone, PEZA, Rosario Cavite

CONTACT DETAILS OF COMPANY: ANN VIRGIL ARANEL
annvirgil.aranel@se.com

AVAILABLE JOB VACANCY POSITION:
ONE (1) OPERATIONS DIRECTOR FOR CUSTOMER CARE

JOB DESCRIPTION:

- Customer-first mindset to deliver the best-in-Class Customer Experience
- Improving the very high level of Employee Engagement
- Driving value based on the NAM Customer Transformation Hoshin
- Innovating the customer experience and driving digital interactions
- Coaching and mentoring Team Leaders and Managers
- Partnering and collaborating with varied Stakeholders to develop the best support strategies, trust and enabling achieving together
- Managing and understanding costs and headcount requirements and staffing
- Managing CCC Philippines' day to day functions
- Identifying process failures, managing escalations, and implementing process improvement measures

QUALIFICATIONS:

- Bachelor's Degree in Business, Management, Finance, Engineering, Information Technology or related discipline, MBA a plus
- Fluency in English; multilingual skills are an added benefit
- Strong Leadership skill and experience leading large international teams
- Firsthand knowledge of Customer Care Center operations
- Strong knowledge of Schneider Electric's Global Supply Chain functions
- Demonstrated experience in change management, quality, continuous improvement and digital maturity
- Role supports the North American time zone and requires night shift
- Domestic and international travel required (limited)

JOB OPENING

JOB VACANCY POSITION: PROJECT MANAGER

DESIRED SKILLS AND EXPERTISE:

- Performs professional field and office engineering works related to the planning, design, construction, and maintenance of capital improvement projects
- Preparation of basic designs, specifications, plans, estimations, and reports for the development and modification of the main project
- Manages cash flow and budget of all assigned projects
- Takes full responsibility for all assigned engineering projects

BASIC QUALIFICATIONS:

- Bachelor of Science in Mechanical, Electrical, Chemical and Process Engineering or any related engineering course
- Minimum of 5 years' experience in Engineering project management or Plant Engineering
- Experience in tobacco industry is an advantage
- Excellent command of speaking and writing English language, clear communication and at ease when talking to people on projects
- Good project management skills and structured when working on projects
- Good problem-solving skills for technical problems
- Finance basic skills and cashflow planning and management

JOB VACANCY POSITION: EHS DIRECTOR

DESIRED SKILLS AND EXPERTISE:

- Strong background in HSE management systems
- Knowledge of technical & chemical risk assessment process and tools
- Strong leadership, and collaboration skills
- Ability to influence multifunctional partners within Manufacturing, Lead and Corporate functions
- Ability to work and communicate effectively with Senior Management
- Experience working in manufacturing and corporate environment
- Support each Factory within their region in the development of their annual action plan and follow up for completion
- Manages the tracking of sites' action plans implementation and reporting of their KPIs
- Knowledge of IMS (ISO45001/ISO14001)

BASIC QUALIFICATIONS:

- Preferably Engineering or Technical University degree (BSc./BEng. or higher), preferably with a strong focus on EHS
- 10 years' experience working in EHS Supply Chain/Manufacturing role, including responsibility as Factory EHS Lead
- Global role; Fluent in English with other language skills an advantage
- MS Office user level

COMPANY NAME: JAPAN TOBACCO INTERNATIONAL ASIA MANUFACTURING CORP.
ADDRESS: Lots 1-10 Block 4 Phase 3, Lima Technology Center, Special Economic Zone, Malvar, Batangas 4233

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EPIRA amendments urged to allow government role in power auctions

THE power industry law needs to be amended to allow the government to play a role in power auctions, a senior legislator said.

"There is a lot of fine tuning that we need for EPIRA (Electric Power Industry Reform Act of 2001); for example, the government should be allowed to hold a bidding process. As of now, under the CSP (Competitive Selection Process) regime, it's Meralco (Manila Electric Co.) that seeks bids. The government should be allowed to hold a bid as well," Senator Sherwin T. Gatchalian told reporters on Friday.

The Department of Energy (DoE) requires all distribution utilities to procure power via a CSP, attracting bids to supply electricity from power generators.

EPIRA sought to restructure the power industry by deregulation and privatizing most state-owned power generation and transmission assets.

Mr. Gatchalian said his proposal will ensure fair auctions.

"My proposal is that the government should facilitate the bidding process, whether via electronic bids or physical, to ensure that it is fair," he said.

Mr. Gatchalian said that this approach would reduce the likelihood of power outages because the government can determine the supply requirement.

"We need new legislation for this; in effect, that is an amendment to EPIRA. In other countries, the government is not completely hands off in the power sector," he added.

Energy Secretary Raphael P.M. Lotilla said at a Senate Committee on Finance hearing on Friday that power supply is expected to be tight in the first quarter of 2023.

"The first quarter of next year will be difficult; we need every source of power to bridge that period," Mr. Lotilla said.

Mr. Lotilla said that the DoE is working to secure resources as well as ramping up the delivery of stranded power.

"Solar plants will also be coming in towards the first quarter. So that would help address this," Mr. Lotilla said.

National Grid Corp. of the Philippines (NGCP) President Anthony L. Almada has said that NGCP is in discussions with DoE to assure a sufficient energy supply.

Pedro H. Maniego, Jr., senior policy advisor of the Manila-based climate and energy policy group Institute for Climate and Sustainable Cities said in a tweet on Saturday that the power crisis in the Philippines is a global issue.

"It is a global market; what happens in one part of the world affects the price we're going to import at," Mr. Maniego said.

Mr. Maniego said that to reduce overdependence on imported fuel, the Philippines should ramp up the transition to renewable energy.

"That is why we must speed up the energy transition to distributed generation anchored on indigenous sources," he said. — **Ashley Erika O. Jose**

A FREE trade agreement (FTA) with South Korea is expected to generate foreign direct investment (FDI) mainly in electric vehicle components and the food industry, the Department of Trade and Industry said.

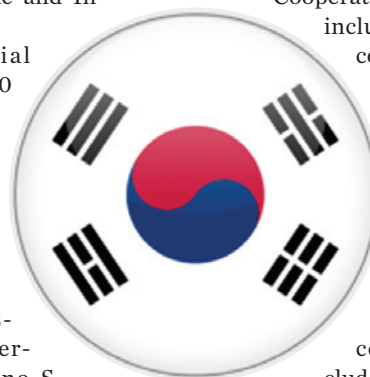
"FDI potential is between P150 billion to P200 billion in three years, particularly from the electric vehicle (EV) value chain and also in agricultural processing," Trade Undersecretary Ceferino S. Rodolfo said on the sidelines of a Makati City event last week.

Mr. Rodolfo said the FTA sign-

ing with South Korea is targeted for November.

"We are done with the legal scrubbing. I will be going to Korea from Oct. 14 to 17 for a Joint Economic Cooperation session. But that also includes a meeting with my counterparts on the FTA to prepare for the signing," Mr. Rodolfo said. FTA negotiations between the Philippines and South Korea started in June 2019 and ended in October 2021.

Philippine products covered by the FTA include banana and pineapple. South Korean products that will enjoy free-trade privileges include vehicles and auto parts.



OPINION

BEPS 2.0: A Philippine perspective

More than a year since the OECD/G20 Inclusive Framework proposed the two-pillar approach, we have heard much about BEPS 2.0 from a global standpoint. In this article, we now look at the Philippine perspective, what MNEs in the Philippines should start considering and what's at stake once it is implemented.

LOOKING BACK ON BEPS 1.0

BEPS 1.0 started back in 2015 when the Organization for Economic Cooperation and Development (OECD) and the G20 countries led the first ever global initiative to address base erosion and profit shifting (BEPS) practices. Essentially, these referred to aggressive tax planning strategies that tend to exploit gaps and mismatches in the tax rules of various countries. Some Multinational Entities (MNEs) would often choose to locate in lower tax jurisdictions and treat their profits as sourced from that country instead of the jurisdiction where the activity creating those profits takes place (profit-shifting) or reduce tax bases through certain deductions (base erosion). While not illegal *per se*, BEPS practices were viewed as unfair since they allowed international companies to reduce their effective tax rate and gain competitive advantage over local competitors.

The rise of the digital economy in recent years created another gap in prevailing tax rules as MNEs took advantage of online platforms to enter foreign markets without having to establish a physical presence. Some of the early responders began imposing a "Digital Services Tax" on the revenue of MNEs engaged in online economic activity. However, this approach was viewed as ineffective not only because the additional tax cost will likely be passed on to the consumers, but also because it could lead to double taxation and other trade-related issues due to inconsistent tax treatment.

ENTER BEPS 2.0

To effectively address the increasing tax challenges and complexities arising from the digitalization of the economy, the OECD introduced BEPS 2.0.

A two-pillar approach was proposed under this reform package to help ensure that MNEs pay their fair share of taxes wherever they operate in the world:

(1) **Pillar 1** on new nexus and profit allocation rules aims to reallocate a certain portion of taxable profits of MNEs with more than €20 billion in global revenue and profitability above 10% to market jurisdictions.

(2) **Pillar 2** has two components: the **Global Anti-Base Erosion (GloBE) Rules**, which seek to ensure that MNEs pay a 15% minimum tax and the **Subject To Tax Rule (STTR)**, which seeks to limit the treaty benefits on certain related-party payments.

PILLAR 1: NEW NEXUS AND PROFIT ALLOCATION RULE

Pillar 1 proposes a new taxation system to capture and reallocate 25% of excess profits of MNEs to the various jurisdictions where the goods and services are actually sold and consumed. Ultimately, it will give a taxing right to these market jurisdictions to facilitate re-allocation.

Realistically, however, Pillar 1 may take longer to implement given the complexity of the issues at the MNE Group level as well as the removal of the Digital Services Taxes (DST) from some jurisdictions. Hurdling these issues is necessary before Pillar 1 can take effect.

Pillar 2, on the other hand, is more likely to take off earlier as some jurisdictions are already looking at legislation to implement the minimum tax. Given this, it is imperative to understand the concept of global minimum tax and how it stands to affect MNEs headquartered or operating in the Philippines.

PILLAR 2: GloBE RULES

To start off, Pillar 2 does not require any country to increase corporate income tax rates. Instead, it envisions imposing an additional tax (top-up tax) to bring the total Effective Tax Rate (ETR) for MNEs in that particular jurisdiction to 15%.

The GloBE rules are intended to cover only MNE groups with consolidated annual revenue of more than €750 million. Moreover, government entities, international organizations, non-profit organizations, pension

funds or investment funds that are ultimate parent entities of an MNE group or any holding vehicles used by such entities, organizations or funds are exempt.

Now, the mechanism for the 15% minimum tax is quite tricky as Pillar 2 talks about three kinds of top-up taxes (Qualifying Domestic Minimum Top-up Tax, Income Inclusion Rule and Undertaxed Payments Rule) imposed either at Subsidiary or Parent level.

In applying these top-up taxes, Pillar 2 contemplates a hierarchical approach where the taxing right is primarily exercised at the subsidiary level of an MNE, followed by parent level and then finally by another subsidiary within the group (in case any residual amount of the top-up tax remains unpaid).

CONSIDERATIONS FOR MNEs

As MNEs continue to do business and invest in the Philippines and overseas, much thought should now be given on how they should approach the future with the GloBE rules in mind. Some initial considerations and action items for the MNEs are:

- Review of the group structure to determine (1) whether one is likely to fall within the scope of the GloBE rules under the €750-million consolidated revenue test, (2) which are in-scope entities where the top-up taxes may be applied and (3) which are excluded entities.

- Run initial simulations on GloBE Income and ETR of each in-scope entity. For this purpose, the group should consider subsidiaries in the Philippines (and elsewhere) enjoying income tax holidays and special income tax rates in the ETR calculation.

- Conduct a resource assessment across functions such as Tax, Treasury, Internal Audit and IT to determine if any capability is lacking and consequently tap the necessary internal or external resources to ensure the group's overall preparedness.

- Consider any potential accounting, legal, transactional issues and other complications resulting from potential application of different top-up taxes.

It is also important to note that even in cases where the GloBE ETR of a group is more than 15%, it is not necessarily compliance-free. There could still be compliance and calculation requirements to be made especially if the jurisdictions involved have local GloBE legislation in place.

REGULATORY AND POLICY CHALLENGES

Admittedly, developing countries like the Philippines stand to gain tax revenue if and when they implement local top-up tax rules. However, this must be weighed against possible foreign investment flight and other adverse effects on investment promotion efforts. In such a case, the government will have to revisit our investment packages to maintain our competitive advantage.

The other practical consideration is the resources needed to manage the complexity of the implementation framework and address possible challenges at every stage. Without a tried and tested framework, the top-up tax may not translate to real tax collections and instead end up as disputed assessment cases in the tax courts.

CONCLUSION

The Philippines has yet to adopt its own legislation to implement Pillar 2. For now, it appears that it is not yet at the top of the government's tax agenda. From an MNE perspective, however, the top-up tax could always find its way into the group — with or without a local top-up tax as yet. Accordingly, there is clear value in preparation and early Pillar 2 impact assessment. Without it, MNEs may not have sufficient time and resources for potential restructuring and other planning opportunities to address associated risks.

This article is for general information only and is not a substitute for professional advice where the facts and circumstances warrant. The views and opinions expressed above are those of the author and do not necessarily represent the views of SGV & Co.

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LifeWave Opens New Philippine Office at Bonifacio Global City

LifeWave, an advanced technology company that aims to improve people's health and wellness through patented wearable technology, recently opened its newest office at the MDI Corporate Center, Bonifacio Global City in Taguig.

LifeWave President for Global Sales and Marketing, Lori Burgher came all the way from Canada to grace the opening of the new office. Joining her were Dr. Edward Choo, LifeWave Regional Vice President for Asia Pacific; Dang Gilera, LifeWave Philippines General Manager and Dennis Morales, LifeWave Brand Partner – Senior Presidential Director.

According to Burgher, what makes LifeWave stand out from other companies is that it offers products that enhance people's health, wellness, beauty and longevity without the use of drugs or pills.

"Wearable wellness. That is what LifeWave offers. LifeWave patches boost cellular activity by using light. This technology was developed by David Schmidt, LifeWave's Founder and CEO," Burgher said. She was on a four-country LifeWave APAC business tour (Thailand, Philippines, Malaysia and Taiwan), the said region is headed by Dr. Edward Choo.

Schmidt founded LifeWave in 2002 as a research company based on a newly patented technology for enhancing health through a novel form of phototherapy that he had invented.

The United States Navy recognized Schmidt's innovative work and invited him to join an elite research team developing mini-sub or midsize submarines. Schmidt attempted to help the crew of the mini-sub stay awake without drugs. He investigated natural methods for increasing the body's energy. Three years of research to the creation of the Energy Enhancer Patch, the first LifeWave prototype;



"Stem cells are the foundation of health. If you have less stem cells, you will get sick. It is your primary source of defense mode. As we grow older, the number of stem cells in our body decreases," Gilera explained.

She added that if a LifeWave X39® patch is placed on your body, it will help grow your own stem cells. What is nice about this product is that you wear it and you do not drink it. This is not a drug, not a pill and not a pain killer. It is a patented product.

LifeWave was launched in August 2004 and was an immediate success, generating US\$17 million in sales in its first year. Since then, LifeWave has grown into a multinational corporation with offices in the United States, Ireland, Japan, Taiwan, Philippines, Malaysia, and distribution in over 100 countries.

Presently LifeWave has created 12 wellness patches and a skin care line with X39® as its flagship product. For more information about LifeWave, you can visit www.lifewave.com.