

MARK CHAN/UNSP/LASH

DoTr issues notice to proceed on MRT-4 consulting services

TRANSPORTATION Secretary Jaime J. Bautista recently issued a notice to proceed to Ove Arup & Partners Hong Kong Ltd. (ARUP) for consulting services to develop Metro Rail Transit Line 4 (MRT-4), a transit system that will serve the eastern section of Metro Manila, including parts of Rizal.

Mr. Bautista issued the notice to proceed on Sept. 16 to Thomas John Fergal Whyte, the authorized representative of ARUP, according to documents obtained by *BusinessWorld*.

"Pursuant to the conditions of the contract of the Metro Rail Transit Line 4, procurement of independent checking engineer, please be informed that the con-

tract between the Department of Transportation (DoTr) and ARUP has been approved and concurred in by the concerned authorities," Mr. Bautista said.

The contract, according to Mr. Bautista, is worth \$4.18 million plus P38.90 million, or the equivalent of around P282.61 million.

"Accordingly, you are hereby directed to commence the work in accordance with the terms and conditions as stipulated in the contract, and the date of commencement shall be no later than 21 days upon receipt of this notice," he added.

According to its website, ARUP has "over 40 years (of) presence in Greater China, pro-

viding a full spectrum of design, engineering, planning and consulting services."

"We have worked on many of the region's most iconic structures, including the Bird's Nest and Water Cube in Beijing, Stonecutters Bridge in Hong Kong, and Taipei Performing Arts Centre in Taipei," it said.

Multinational consulting, engineering, and architecture professional services firm IDOM will be the designer of the railway project.

The DoTr "has awarded IDOM the detailed design of the architecture and engineering of the new line, a project that addresses the design challenges of sustain-

able and inclusive transportation," the company said on its website.

"This mobility system, financed by the Asian Development Bank (ADB), will connect the cities east of the capital with certain areas of Rizal, improving the conditions of mobility and general well-being of the citizens of Manila," IDOM noted.

The ADB has said it would lend \$1 billion for the project.

Along its 15.56-kilometer route, the project will feature 11 stations between Taytay and N. Domingo, near the Light Rail Transit Line 2 Gilmore station in Quezon City, IDOM added. — **Arjay L. Balinbin**

PSA estimates increase in third-quarter palay, corn output, yields

PRODUCTION of palay, or unmilled rice, and corn are estimated to have risen in the third quarter, according to the Philippine Statistics Authority (PSA).

In an Oct. 31 report, the PSA said palay output for the three months to September was estimated to have increased 2.2% year on year to 3.83 million metric tons (MT), based on the standing crop as of Aug. 1.

The projection compares with the 3.75 million MT estimate for the year-earlier period.

The estimated harvest area for rice was up 1.7% at 928,200 hectares while the yield per hectare is projected to climb 0.5% to 4.13 MT.

"About 113,377 hectares or 12.2% of the 928,200 hectares updated area of standing crop have been harvested as of Aug. 1, 2022," the PSA said.

"Of the standing palay yet to be harvested, 12.6% was in the

vegetative stage, 56% at the reproductive stage, and 31.4% at the maturing stage," it added.

Meanwhile, the PSA said corn production is estimated to have increased 3.3% year on year to 2.37 million MT in the third quarter.

The estimated area planted to corn during the quarter is thought to have declined 2.3% year on year to 790,467 hectares, while the yield per hectare is projected to have risen 6% to 3 MT.

"About 213,755 hectares or 27.0% of the 790,467 hectares updated area of standing crop have been harvested as of Aug. 1, 2022," the PSA said.

"Of the total area of 576,712 hectares of standing crop yet to be harvested as of Aug. 1, 2022, 3.2% was at the vegetative stage, 47.9% at the reproductive stage, and 48.9% at the maturing stage," it added. — **Revin Mikhael D. Ochave**

BFAR backs WTO ban on fisheries subsidies

THE Bureau of Fisheries and Aquatic Resources (BFAR) said the Philippines must comply with a World Trade Organization (WTO) ban on fishing subsidies, which is designed to deter illegal fishing, even amid pressure from fishing organizations to provide government support for fisherfolk.

Demosthenes R. Escoto, BFAR officer-in-charge, said that the WTO agreement against subsidies seeks to deter illegal, unreported, and unregulated fishing (IUUF) and to restore overfished populations.

"The WTO agreement is good since the Philippines, as a country and a responsible fishing nation, we do not want IUUF. We also do not want subsidies targeting overfished stocks since it goes against fisheries management principles," Mr. Escoto said in an interview last week.

"If fishing is contributing to IUUF, it should not be given a subsidy. If fishing targets overfished stock, there should be no subsidy," he added.

During the 12th Ministerial Conference in June, the 164 members of the WTO approved a package of six agreements, which included the deal to curb fishing subsidies which harm the supply of fish.

The deal involves prohibiting subsidies that support IUUF, harvesting overfished stocks, and rules on fishing on the high seas beyond the jurisdiction of regional fisheries management organizations.

Fisherfolk organization Pambansang Lakas ng Kilusang Mamamalakaya ng Pilipinas (PAMALAKAYA), the Asia Pacific Research Network, and People's Coalition on Food Sovereignty declared on Oct. 19 their opposition to the WTO agreement, claiming that small fishing communities will be disadvantaged by such a policy.

The groups said removing subsidies for commercial fishing fleets will not hamper IUUF and overfishing.

"The measure to cut fishing subsidies fails to identify who the real culprits are in the exploitation and exhaustion of the world's seas and oceans," PAMALAKAYA National Chairperson Fernando L. Hicap said.

They said around \$35 billion has been spent by China, the European Union, the US, and Japan on fishing subsidies each year, citing a 2019 study by the Organisation for Economic Co-operation and Development. Of the total, \$22 billion allegedly goes to "destructive fishing practices."

"WTO's measure to cut fishing subsidies will be highly detrimental to small fisherfolk who direly need concrete government support especially in the midst of inflation and its consequent economic crises. The fishing subsidies should be properly disbursed to small fishers who are never engaged in any destructive fishing practices, and in order to boost their productivity for food security," Mr. Hicap said. — **Revin Mikhael D. Ochave**

Property valuation reform seen unlocking housing potential, firming up LGU finances

By **Luisa Maria Jacinta C. Jocson**
Reporter

THE reform of the property valuation system and the digitalization of records is expected to drive growth in the housing industry, while simultaneously boosting the revenue of local governments through higher property tax assessments, economists said.

"This is consistent with addressing the housing backlog of about 6.5 million units of the country. Housing has a high multiplier effect on the economy as it supports many workers in the construction sector, and many businesses, industries for various construction materials, furniture, appliances, and the like," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a text message.

"This is one powerful way to stimulate the economy from a fiscal policy standpoint," he added.

The Department of Finance (DoF) is working to pass a Real Property Valuation and Assessment Reform bill, which forms the third package

of the previous government's Comprehensive Tax Reform Program.

The reforms aim to boost investor confidence in the real property sector through the adoption of internationally accepted valuation standards and professional real property valuation, according to the DoF.

"A key feature of the proposed reform is the establishment of a comprehensive and up-to-date electronic database to support local governments' valuation functions. An electronically accessible database will allow for the study of trends and other analyses to support land use planning and development," Finance Secretary Benjamin E. Diokno said at the Chamber of Real Estate and Builders' Associations, Inc. forum last week.

Mr. Ricafort said that one of the key reform measures is the updating of property valuation methods as the basis for assessing property taxes.

"This would be able to structurally increase the property tax collections of the LGUs on a recurring basis, in view of the increase in property values over many decades," he said.

The DoF is also working on streamlining the process of property tax collection in local government units (LGUs).

The government is monitoring the updating of real property tax base and rates in LGUs, Mr. Diokno added. Mr. Ricafort said that further digitalization of government transactions with the public will help increase LGU tax collections.

"Faster and streamlined processing of housing and building permits will also help stimulate growth in the sector," he added.

John Paolo R. Rivera, an economist at the Asian Institute of Management, also called for the review of the Tax Reform for Acceleration and Inclusion (TRAIN) law.

"Does it stimulate growth in the property sector or is it just a source of tax revenue that is passed on to buyers? There is a need to make property investing in the Philippines more reasonable," he said in a Viber message.

Mr. Rivera also called for the review of the Maceda Law (Republic Act 6552), which outlines protections for buyers of real estate via installment payments.

CA rules against EDSA Shangri-La in illegal dismissal case

THE Court of Appeals (CA) has ruled in favor of an EDSA Shangri-La Hotel laundry attendant who filed an illegal dismissal complaint against the establishment in 2016.

The appellate court decision affirmed a resolution by a 2021 National Labor Relations Commission (NLRC) which ordered the hotel to reinstate Mark Darwin L. Abitria with full back pay amounting to P161,361.20 plus legal fees.

In an 11-page decision on Oct. 26, the CA Tenth Division said

the NLRC did not abuse its discretion when it ruled in favor of the worker.

"The burden of proof to show grave abuse of discretion is on the petitioner (EDSA Shangri-La), who must demonstrate, plainly and distinctly, all facts essential to establish his/her right to a writ of certiorari," Associate Justice Ramon A. Cruz said in the ruling.

The magistrate added that an NLRC decision is final and not appealable unless there is an abuse of discretion.

The hotel had contended that Mr. Abitria was a project-based employee, which the NLRC did not sustain.

EDSA Shangri-La also claimed that it was never served a summons in regard to the illegal dismissal proceeding.

"The hotel address, which is not being disputed by the appellant (EDSA Shangri-La), is clearly stated in the summons and notices which were properly delivered by the duly authorized courier of the com-

mission (NLRC)," the court said.

It added that the hotel failed to provide proof that it did not receive the NLRC's summons and notices.

"When the court reviews an NLRC decision, it is necessarily limited to the question of whether the NLRC acted arbitrarily, whimsically, or capriciously, in the sense that grave abuse of discretion is understood under the law, the rules, and jurisprudence," the court said. — **John Victor D. Ordoñez**

Recovery prospects seen boosted by regional R&D, climate change collaboration

REGIONAL collaboration in research and development (R&D) and technology to mitigate climate change is expected to drive economic recovery, by making products and investment projects more viable, executives said at a virtual conference.

"Cross-border collaboration is vital... We look more broadly as to how we can further collaboration. People-to-people exchanges will lead to a greater degree of trust," Nikhil Sawhney, vice-chairman and managing director of Indian energy equipment manufacturer Triveni Turbines Ltd. said on Tuesday at the Asian Association of Management Organisations conference.

"I believe certain areas in terms of research and development has become a fast changing and important area for building reliable products and there needs to be a diversified base of talent. There is a world of technology and collaboration through R&D to establish platforms and standards would allow a greater degree of prosperity. It will also help bridge and build a more resilient ecosystem," he added.



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Pakistan Cables Ltd. Chief Executive Fahd K. Chinoy said that Asia needs to collaborate on climate financing, as the changing climate is one of the most pressing risks the region faces.

"The pandemic was a wakeup call. Climate change is definitely happening, and the horizon is

pretty clear. It is key to build financial incentives for countries to shift into a carbon-neutral direction... There must be sort of financial incentive," he said.

"Each country needs to build resilience around their food security and water situation. It's all connected. There needs to be

a collective narrative where the voice of the region is strongly felt, opposed to just one country. If we could collectively as a region, make more noise that would make more of an impact," he added.

Mr. Chinoy added: "There's no reason why we can't collaborate

at a regional level. There could be opportunities to network. There's no restriction on learning, which is a good starting point," he added.

Mr. Chinoy also cited best practices that can be adapted in other countries.

"Pakistan was lucky with how the pandemic impacted us.

The (infection) numbers were relatively better globally and in the region. The government acted quite fast and... subsidized financing for imported equipment, (which) encouraged investments in future projects," he said.

"The government also ensured no job losses, (providing) subsidized financing to keep people on versus letting people go. We kept unemployment relatively under control," he added.

Mr. Sawhney also cited India's own strategy in mitigating the impact of the pandemic.

"India's government took a progressive view that there (should be) business continuity for essential industries; at the same time they took a humanitarian view and provided reassurances in terms of access to food and health," he said.

"Now having come through it, the country managed well in terms of liquidity. It has the flexibility to use monetary measures to navigate through crises," he added. — **Luisa Maria Jacinta C. Jocson**