

US sanctions individuals, entities over China-based illegal fishing

WASHINGTON — The United States on Friday imposed sanctions on individuals and companies, including Nasdaq-listed Pingtan Marine Enterprise, Ltd. (PME), over what Washington says are human rights abuses linked to China-based illegal distant water fishing.

The US Treasury department imposed sanctions on Li Zhenyu and Xinrong Zhuo, both Chinese nationals, and 10 entities they control, including Dalian Ocean Fishing Co., Ltd. and PME, the US Office of Foreign Assets Control (OFAC) said in a statement.

It also targeted 157 China-flagged fishing vessels linked to those entities, it said. “Treasury condemns the practices of those sanctioned today, which often involve the abuse of human rights, undermine fundamental labor and environmental standards, and harm the economic

prospects of local populations in the Indo-Pacific,” the Treasury’s Under Secretary for Terrorism and Financial Intelligence, Brian Nelson, said in the statement. The designation of PME marks the first time the US has imposed sanctions on an entity listed on the NASDAQ stock

exchange. The Treasury also issued general licenses allowing US persons to engage in certain transactions related to the wind down of financial contracts and other agreements related to PME or the divestment or transfer of debt or equity of PME until March 9. — **Reuters**

Global coffee surplus expected next season

NEW YORK — The global coffee supply balance will shift from a deficit of 2.17 million bags in 2022/23 (Oct-Sept) to a surplus of 3.74 million bags in 2023/24 as Brazil’s output partly recovers, according to a report by consultancy HedgePoint.

It projected Brazilian 2023/24 (April-March) coffee production to be between 64.9 million bags and 68.9 million bags, compared to 59 million bags projected for 2022/23.

HedgePoint coffee analyst Natalia Gandolphi said in the report that despite a Brazilian recovery next season compared to the two previous crops, which were impacted by frosts and drought, production will still be 14% smaller than the 2020/21 record of 72.6 million bags.

Ms. Gandolphi said many coffee fields in Brazil are still recovering after pruning. The consultancy projects Brazil’s 2023/24 arabica coffee production between 44.4 million bags and 46.4 million bags, versus 36 million bags in 2022/23.

Robusta coffee output is expected to be between 20.5 and 22.5 million bags compared to 23 million bags in 2022/23.

The report said that despite a global surplus in 2023/24, the stocks-to-use ratio will improve only slightly since global inventories are expected to remain historically low, particularly during the second quarter of next year.

Only a few estimates for Brazil’s new coffee season have been released so far. Dutch bank Rabobank expects production to grow at least 8% to 68.5 million bags, while consultancy SpillingTheBeans expects between 50 million bags and 56 million bags. — **Reuters**

Infrastructure, from SI/1

Infrastructure spending in the third quarter was higher by 16.3% to P249.9 billion from P214.9 billion in the similar period a year ago. It was also 8.84% above the P229.6-billion program.

“Infrastructure and other capital outlays have since picked up in the third quarter, exceeding the program for the period as a result of catch-up spending,” the DBM said.

“Furthermore, measures were already being undertaken to fast-track the implementation of said projects. For instance, the DoH (Department of Health) has been closely coordinating with their concerned operating units and providing them with assistance in resolving documentation requirements or issues. The review of current processes and existing systems is also ongoing with the end goal of improving fund utilization,” it added.

China Banking Corp. Chief Economist Domini S. Velasquez said the catch-up spending seen in September is much needed as the country still lags behind most of its neighbors in terms of infrastructure expenditures.

Debt service, from SI/1

Interest payments went up by 16.79% to P433.161 billion from P370.884 billion in the similar period. These included P328.617 billion worth of payments to domestic creditors and P105.544 billion to foreign creditors.

The government borrows from local and external sources to help fund a budget deficit capped at 7.6% of gross domestic product (GDP) this year, as it spends more than the revenue it generates to support programs that would stimulate economic growth.

The government plans to spend P1.298 trillion on debt payments this year, with P785.21 billion allocated for

Wealth fund, from SI/1

such funds are usually funded by commodity revenue or excess foreign reserves, none of which the Philippines possesses,” Swarup Gupta, industry manager of the Economist Intelligence Unit, said in an e-mail.

“In contrast, the Philippines has the highest fiscal deficit among economies in Southeast Asia, which makes the creation of a sovereign wealth fund a risky move at a time of great global economic uncertainty,” he added.

The National Government’s budget deficit ballooned to P99.1 billion in October, 54.08% higher than the P64.3-billion deficit in the same month a year ago.

“Full utilization of the budget of line agencies is needed to ensure that the economy will be able to take full advantage of the budget. Historically, we have observed expenditures catching up in the fourth quarter as government agencies ramp up spending to close the year. Hopefully, the remaining programmed budget will be used on time,” Ms. Velasquez said in a Viber message.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said infrastructure spending will likely remain a “bright spot” for the economy next year.

“Infrastructure spending remains a priority of the administration as a major economic driver, accounting for at least 5% of gross domestic product, more than twice the 2% over the past 20-30 years,” he said in a Viber message.

Mr. Ricafort added that increased spending on infrastructure is needed to help attract more foreign investments into the country and also support initiatives to further develop agriculture and manufacturing, including farm-to-market roads and storage facilities.

principal and the remaining P512.59 billion for interest.

The National Government’s gross borrowings declined by 32.7% to P1.85 trillion as of end-October.

In the same period, its outstanding debt hit a record high of P13.64 trillion.

The country’s debt-to-GDP ratio stood at 63.7% at end-September, still above the 60% threshold considered manageable by most multilateral lenders.

The government is aiming to bring down the ratio to 61.8% by the end of the year and to 52.5% by 2028. — **Luisa Maria Jacinta C. Jocsón**

Meanwhile, for the first 10 months, the fiscal deficit narrowed by 7.61% to P1.11 trillion from the P1.2 trillion during the same period a year ago.

Mr. Gupta said getting MWF funding from the BSP is “a move that could easily undermine the independence of the central bank and the country’s foreign exchange reserves, which could have serious implications if the global economic outlook worsens.”

“The example of Malaysia’s ill-fated 1MDB (1Malaysia Development Berhad) fund has often been quoted by critics of the fund, and with good reason,” he added. “While the Philippines’ fund will be subject to multiple audits, its initial

Rates, from SI/1

Given already high prices of food due to agricultural losses from recent typhoons, inflationary risks are on the upside, he added.

Headline inflation picked up to 8% in November from 7.7% in October and 3.7% in November 2021. For the 11-month period, inflation averaged 5.6%, still lower than the BSP’s 5.8% full-year forecast but well above its 2-4% target.

“The inflation rate is bound to stay at an accelerated level until the end of the year because of the heightened demand brought about by the onset of the holiday season,” Colegio de San Juan de Letran Graduate School Associate Professor Emmanuel J. Lopez said.

“One thing working favorably for the local economy is the continued appreciation of the local currency against the US dollar. Although this is not brought about by a stronger local economy but by the weak US economy and China’s lockdown, the appreciation of the peso has brought relief to the once-depreciating/ailing local currency,” Mr. Lopez added.

After hitting a new record low of P59 per dollar this year, the peso has rebounded, returning to the P55 level this month.

On Friday, the local unit closed at P55.37 against the dollar, up by eight centavos from its P55.45 close on Wednesday.

BSP MAY STILL HIKE RATES IN 2023

The central bank is also likely to extend its tightening cycle until next year as inflation is still expected to overshoot its 2-4% target, analysts said.

China Banking Corp. Chief Economist Domini S. Velasquez said core inflation will likely peak in the first quarter of 2023.

“This means that aside from the December hike, the BSP will continue its monetary tightening cycle until early next year. Our forecast for 2023 average inflation of 4.6% is higher than the BSP’s,” she said.

Core inflation, which discounts volatile prices of food and fuel, climbed 6.5% in November from 5.9% in October. In the eleven months to November, core inflation averaged 3.7%.

charter allows investments in all possible asset classes without restriction.”

“Also, there are concerns about governance standards and clear objectives need to be laid out in order for it to be successful. The presence of an independent ombudsman, who periodically checks on the working of the fund, could go a long way towards preventing any malfeasance,” Mr. Gupta said.

The wealth fund must also align with international best practices laid down by the International Monetary Fund, he added.

Domini S. Velasquez, chief economist at China Banking Corp., said a concern is if the budget would go through proper review channels or through a legislative process.

Agri-based micro-entrepreneurship seen as key to securing food supply

THE government’s goal of achieving food security will depend on promoting entrepreneurship in agriculture, according to Go Negosyo founder Jose Maria A. Concepcion III.

In a statement Sunday, Mr. Concepcion said the Private Sector Advisory Council (PSAC) presented various proposals to President Ferdinand R. Marcos, Jr. on Dec. 9, which included programs to develop agricultural microentrepreneurs, to upskill workers, and to make the Philippines attractive for domestic and international investment.

Mr. Concepcion, a PSAC member, said that agri-microentrepreneurs would provide a boost to job creation, but will require larger companies to integrate small businesses into their supply chains.

“Micro, small, and medium enterprises (MSMEs) provide more than 62% to jobs in the Philippines. Helping grow microentrepreneurs in the agriculture sector is a more challenging task than in the retail



sector and to scale them up will need the participation of large companies,” Mr. Concepcion said.

Mr. Concepcion said he plans to focus on agri-microentrepreneurs via the Kapatid Angat Lahat (KAL) program, which began in 2016 as a means of encouraging medium and large corporations to make micro and small enterprises part of their value chains.

“We are not talking here of doleouts, but of a sustainable and inclusive way where both parties can benefit and prosper,” Mr. Concepcion said.

“KAL will give access to the farmers a business model that will include mentoring and access to money and markets. This is being done now. We only need to scale up,” he added.

Mr. Concepcion said local government unit (LGU) involvement improves the program’s prospects.

“With the right leadership at the local level, the chances for success are higher. They will also help us pinpoint which LGUs are ready for this,” Mr. Concepcion said.

“Former Agriculture Secretary William D. Dar will join the KAL as an adviser to its agriculture program. Also being tapped for KAL are Local Government Secretary Benjamin C. Abalos, Jr. and Piddig, Ilocos Norte Mayor Eddie Guillen,” he added.

Meanwhile, Mr. Concepcion said that the KAL program would give way for a Food Security Council, which will push to ensure food security in the country.

“For now, we will do our best to make this work. The confidence is high because large agri-entrepreneurs and local government will be behind this program, with the President’s blessing,” Mr. Concepcion said. — **Revin Mikhael D. Ochave**

JOB OPENING

Company Name and Address HSBCE Electronic Data Philippines Inc. / Filinvest One Bldg., 2F, Northgate Cyberzone, Filinvest City, Alabang-Zapote Rd. cor. Filinvest Avenue, Muntinlupa City
Contact details of the Company angelicamendiola@hsbc.com.ph

Available Job Vacancy Head of GPS
Job Description: Overall Summary of the role: Global Publishing Services is a Centre of Excellence in Global Operations, DBS with core expertise in specialized services in website management, creative and digitization.

The Head of Global Publishing Services will hold this Function, and is responsible for leading its operations. The role holder will continuously build capabilities of the Function and transform it into a utility under Global Operations DBS.

- Leadership of the Function with 200+ FTEs across 5 locations and reporting into the Head of Operations, GSCs with an outlook to consolidate FTEs and cost from various parts of the Bank into the business service
- Development and execution of the business service strategy, supporting all lines of business and Functions across all HSBCE markets
- Identifying and championing transformation activities that will fulfil the COE strategy and achieve optimum efficiency across all services, leveraging on synergies with key stakeholders
- Active management of non-financial risks within Global Publishing Services, strengthen controls and achieving cost efficiencies in line with service recipients’ evolving demand and service level agreements

Principal Accountabilities and Responsibilities

- Accountable for the management of a global, cross-functional team with varied technical capabilities and specializations in website management, creative services and digitization services, brought together to deliver the requirements of the Global Businesses and Functions according to service level agreements
- Responsible for building a Function that consolidates expertise in the Bank into a Centre of Excellence utility within Global Operations
- Accountable for meeting Service Level Agreements between the Function (Global Publishing Services - delivery services) and its service recipients (Global Businesses and Global Functions)
- Responsible for Control Owner activities of Global Publishing Services, continuous monitoring of key controls, establish key control indicators (KCI) to guide production teams’ day-to-day operations
- Responsible for meeting quality and delivery KPIs across all delivery services and overall operations management, and accountable for the same in regional and global governance forums
- Accountable for production management, vis-à-vis standards and ensuring that delivery of requirements is met within customer specifications and agreed order book
- Lead and oversee global stakeholder engagement, especially with key decision makers in the lines of business functions
- Responsible for people and resource management for both BAU and advisory services
- Initiate and implement processes and interventions to ensure standardization, quality achievement and customer satisfaction
- Key point of contact for / and provides advisory to senior stakeholders and top executives in the Global Businesses and Functions on GPS services, and act as the main relationship manager between the function and its service recipients
- Accountable for the business service P&L
- Define and implement strategic vision and direction of the production teams, considering Global Operations/DBS and the Bank’s strategic objectives
- Maintain overall effectiveness of the day-to-day operations of the business service

Leadership & Teamwork

- Lead the executive committee of the business service, provide direction to achieve immediate, medium and long-term goals
- Inspire and motivate managers in the team, and bring together competencies across locations to work cohesively and collaboratively
- Management responsibility for team(s), providing clear direction, setting performance targets and contributing to employees’ professional development
- Demonstrate new ways of thinking to improve performance
- Champion change and lead the function through change through clear communication strategies, planning, training and engagement
- Communicate clearly, concisely and optimally to drive key messages on strategy, decisions and actions and get the team’s buy-in and support
- Identify opportunities to implement scalable solutions that improve revenue, efficiency, risk reduction and or client experience
- Define future skills and capabilities required from both the leadership and production teams, and work closely with support functions in identifying gaps, designing learning interventions and monitoring progress
- Enable collaboration and teamwork within the business service, and with service recipients, stakeholders and supporting functions
- Maintain high standards, and model expected behavior and attitude aligned to the HSBCE values
- Make conscious decisions around diversity and inclusion
- Confidence in driving difficult conversations to improve efficiency or create growth, especially through the business service’s consolidation strategy
- Drive quick decisions based on available data and input, and empower team members to make sensible decisions

Basic Qualification: Experience, Skills and Qualifications

- Extensive knowledge in services provided, eg. website management, creative services and digitization services
- Industry standards and best practices in Marketing, Communications and business analysis to be applied into the ways of working of the Function
- Technical expertise in key areas of operating Global Publishing Services, especially on technology standards, Agile methodology and adoption of Operational Excellence in all service areas
- Define transformation activities that will achieve efficiency targets that complement the consolidation of services across the bank, which will ultimately bring cost efficiency to the Group while also supporting revenue generating activities required from the Function
- Ability to create standardized processes vs distinct requirements and different priorities of service recipients
- Develop capabilities and skills of all staff through structured training programmes, embedding a coaching culture, peer-to-peer mentoring and future skills
- Succession pipeline for key roles in the business service, building longevity through a pragmatic approach to cross-skilling, and nurture a pool of talents through defining clear career pathways for each role in the business service
- Articulate and elevate key challenges to the right forum
- Ensure transparency of recharges and recoveries to the correct service recipients by monitoring service consumption vs allocation and aligning these to achieve accurate and realistic service costs
- Work with support teams in addressing key operational matters, such as risk and controls, people, technology, financials and business management

Others

- Proven operations and change leadership experience and the ability to accomplish through others
- Demonstrated skill to quickly grasp complex processes and concepts and make strategic decisions and recommendations/actions plans across all services provided by the Function
- Capability to organize and priorities effectively in order to manage diverse activities globally under tight deadlines and close executive management scrutiny
- Creativity and latitude is expected including direct communication with colleagues, business and support partners and other key senior stakeholders

Salary Range Annual Php 6M – 8M