The Economy



Fertilizer deal being negotiated with various governments

THE Department of Agriculture (DA) said the Philippines is negotiating with various countries a government-to-government fertilizer supply deal, with a target signing date of January.

"We are still finalizing the volume in the coming days. Hopefully we will be able to close the deal within January," Agriculture Assistant Secretary Arnel V. de Mesa said during the DA's yearend briefing on Monday.

Mr. De Mesa said the negotiations are taking place with several countries, which he did not identify.

"We are looking at all countries, the President said we need to get the least-cost fertilizer. We need to secure the transaction to ensure that by the time we need it, prices

won't go up," he said, referring to the planting season, where fertilizer will be in demand.

In July, President Ferdinand R. Marcos, Jr., who concurrently serves as the Agriculture Secretary, said that the government is planning to pursue government-to-government deals with top suppliers of fertilizer such as China and Russia.

"This is not yet final. We are considering all countries, which one will be the most advantageous for the government," he said.

He said that the fertilizer should be landed before the wet season begins.

"For government-to-government deals, we hope to close it at a lower cost and higher volume," he added.

According to the Fertilizer and Pesticide Authority, the average price of urea, which is the most commonly-used fertilizer, sold for P2,538.27 per 50 kilograms in the Nov. 7-11 period.

Mr. De Mesa said the DA is considering a voucher-based distribution scheme for the fertilizer obtained through the deal.

"It could be mixed, the one that we will be distributing is either through vouchers because we have already identified the farmers through RSBSA (the Registry System for Basic Sectors in Agriculture). Once the fertilizer is released, this can also be distributed through grants," he said.

In October, the DA said it added P4.1 billion to the government's fertilizer subsidy program to help cushion the impact of higher prices. — **Ashley Erika O. Jose**

Regulators agree to consult on GOCC competition impact

THE Philippine Competition Commission (PCC) said on Tuesday that it signed an agreement with the regulator overseeing government companies to promote competitive behavior in the latter's activities, especially in mergers and acquisitions.

The PCC and the Governance Commission for Government-Owned and -Controlled Corporations (GCG) signed a memorandum of agreement (MoA) recently to formalize consultations with regard to government companies' impact on competition in their industries.

Government companies overseen by the GCG are known as GOCCs.

The deal was signed to encourage coordination in ensuring "compliance with applicable competition laws and principles," the PCC said in a statement.

GCG Chairperson Alex L. Quiroz said: "We are entering this partnership with the Philippine Competition Commission to promote competitive neutrality across the GOCC Sector."

Under the deal, the PCC will provide assessments of the market impact of mergers or acquisitions involving GOCCs.

"The MoA facilitates consultations between the two agencies in implementing policies of mutual interest and coordination on merger review involving GOCCs," the PCC said.

The GCG and PCC also agreed to conduct capacity-building activities and support the rollout of the National Competition Policy.

"The underlying principle of competitive neutrality is fairness. It means state-owned enterprises and private businesses compete and operate on a level playing field while recognizing GOCCs' critical roles and interventions across sectors," PCC Officer-in-Charge Johannes Benjamin R. Bernabe said.

The two parties also aim to collaborate on reviewing competition regulations and guidelines to "ensure that there is consistency adhering to both the National Competition Policy as well as the principle of competitive neutrality," the PCC said. — **Arjay L. Balinbin**

Carbon tax to spur sustainability shift — Diokno

THE GOVERNMENT intends to use a carbon tax, which is currently under study, to steer large emitters towards more sustainable operations, Finance Secretary Benjamin E. Diokno said.

In a speech delivered on Dec. 14, the Department of Finance (DoF) said, Mr. Diokno described the department's position on a carbon tax as "not waiting around for long-overdue commitments to materialize. We are moving ahead with reforms to quicken our shift to more sustainable practices."

The DoF said in a statement that the carbon tax feasibility study is currently underway, with an eye towards deploying the revenue generated to fund sustainability projects.

The DoF added that the study was launched following the passage of House Bill No. 4102, or the proposed Single-Use Plastic (SUP) Bags Tax Act.

"The House of Representatives has approved a proposal to impose an excise tax on plastic bags. This will help regulate the consumption of single-use plastics as part of the Philippines' contribution to reduce plastic pollution," Mr. Diokno said.

Marcos pushes greater use of satellite imaging

PRESIDENT Ferdinand R. Marcos, Jr. has instructed the Philippine Space Council (PSC) to help government agencies use satellite imaging in modernizing their operations, the Palace said.

In a statement on Tuesday, the Office of the Press Secretary said the President met with the PSC to explore possible applications of satellite imagery in business, agriculture and environmental protection.

"As I was explaining to you earlier, in terms of green, in terms of bio assets, there is now a way to quantify... fisher-

ies (and) agricultural activity," he was quoted as telling the council.

He also noted a possible application involving the measurement of carbon emissions. "But the beginning, the first step... will be to map."

He noted that satellite data

He noted that satellite data could aid carbon emitters in offsetting their activities by developing bio-diverse areas in the Philippines.

The PSC is the principal advisory body for the space program and oversees the allocation of resources to the Philippine Space Agency.

The President chairs the council, with Science and Technology Secretary Renato U. Solidum, Jr. as co-chair.

In October, Mr. Marcos said he supported the development of the Multispectral Unit for Land Assessment, a domestically developed satellite deployable by 2025.

"I believe that through the use of data and science, we will be able to ensure national security, even our readiness to respond to calamities and boost our economy," he told space agency officials on Oct. 18. — **John Victor D. Ordoñez**

According to the Senate website, the bill is currently pending in the Ways and Means committee.

Mr. Diokno announced the carbon tax study at the third plenary session of the Intervention for COP15 Finance Day, a gathering of finance ministers.

"As a developing country, the Philippines recognizes that healthy ecosystems underpin a green, resilient, and inclusive development. This vision requires massive finance flows and investment," Mr. Diokno said in the conference.

In his speech, Mr. Diokno said finance ministers play a vital role in pushing for a green recovery.

Such ministers must "push for reforms that incentivize

and finance the integration of biodiversity considerations into economic recovery and development," he said.

COP15 is the 15th conference of the Parties to the United Nations Convention on biological diversity. It took place from Dec. 7 to 19 in Montreal. — **Aaron Michael C. Sy**

BIR launches online registration system

THE Bureau of Internal Revenue (BIR) said on Tuesday that it launched its Online Registration and Update System (ORUS) on Dec. 12.

"ORUS is one of the priority projects of the BIR aligned with this administration's agenda on the digitalization and automation of processes, which will make it easier for taxpayers to comply with the BIR's registration requirements," BIR Commissioner Romeo D. Lumagui, Jr. said.

Beginning Dec. 12, users were able to issue a Taxpayer Identification Number (TIN) for foreigners within the South Quezon City jurisdiction.

The system also allows registration for businesses and the issuance of electronic Certificates of Registration, and Authority to Print (ATP); the registration of books of account; applications for ATP or the use of BIR Printed Receipts/Invoices; and the Enrollment of Employer Accounts to facilitate the issuance of TINs to employees.

Services are available in Manila, Quezon City, Davao City, and Makati City, as well as the southern and eastern areas of the National Capital Region.

Meanwhile, the registration of books of account was made available on Dec. 19 for Eastern Visayas, Calasiao, Pangasinan, Caloocan City, and Legazpi City. Further down the line, the

bureau said that the registration for books of account is upcoming for the Cordillera Administrative Region, Cavite, Batangas, Mindoro, Romblon, and Zamboanga City on Dec. 22. On Dec. 26, the service will be available in Tuguegarao City, Iloilo City, Cagayan de Oro City, and Butuan City.

For Pampanga, Bacolod City, Koronadal City, as well as taxpayers overseen by the Large Taxpayers (LT) Service including LT Divisions, LT Assistance Division, and Excise LT Regulatory Division, the service will be available on Dec. 29, the bureau said.

All other Regional District Offices will be able to offer ORUS services on Jan. 16.

ORUS can be accessed through the BIR website (www.bir.gov.ph) or directly through https://orus. bir.gov.ph/home. Users must create an account

to use ORUS by providing a valid e-mail address. In addition, tax-payers must also update their registration records, such as their e-mail address and contact information, using the S1905 – Registration Update Sheet, in accordance with Revenue Memorandum Circular No. 122-2022. – Aaron Michael C. Sy

Bicol town receives solar systems to power wells

THE Department of Energy (DoE) said it installed solar-powered pumps to extract potable water from deep wells in Goa, Camarines Sur, as part of a demonstration project for local government units (LGUs), which are being encouraged to adopt more renewable energy (RE) in their communities.

"Through investments in off-grid and rural RE systems, local government units are encouraged to integrate RE into their own plans and policies," the DoE said in a statement.

The solar well systems are part of the DoE's Development for Renewable Energy Applications Mainstreaming and Market Sustainability (DREAMS) program.

The DoE said its partners for the solar pump installation in 10 water-deprived communities in Goa, are the Global Environment Facility, the Goa LGU, and the United Nations Development Programme.

The DoE and the Department of Interior and Local Government (DILG) have signed on to a plan to accelerate RE use at barangay, municipal, and provincial levels.

The DoE said that about 820 families in Camarines Sur have benefited from the project.

Goa Mayor Marcel S. Pan said that the completion of the project will provide relief to communities which had previously accessed water with some difficulty.

DREAMS is designed to reduce greenhouse gasses emissions via greater use of RE. It is part of a broader effort to increase the share of RE in the power mix.

A 2020 joint circular issued by the DoE and DILG directed LGUs to identify RE sources within their jurisdictions and incorporate RE into their development plans and streamline permits for RE projects.

"Investments in off-grid and rural RE systems are key contributors to the realization of the National Renewable Energy Program (NREP) goals," Tea Jalin Ty, project monitoring and evaluation officer for the DREAMS project, said in a statement.

"RE can be the answer to problems of electrification, and even other social welfare issues like water and health," Ms. Ty added. — **Ashley Erika O. Jose**

Gov't agencies' cash usage hits 94% at end of Nov.

GOVERNMENT agencies raised their cash utilization rate to 94% by the end of November, the Department of Budget and Management (DBM) said on Tuesday.

The National Government, local governments and state-owned firms used 94% of the P4.01 trillion worth of Notices of Cash Allocation (NCAs) issued to them in the first 11 months, leaving P257.94 billion unused.

The year-earlier usage rate was 91%. NCAs are a quarterly disbursement authority from the DBM issued to agencies, allowing the latter to withdraw funds from the Bureau

of the Treasury for their spending needs.

Cash utilization increased due to the further easing of coronavirus disease 2019 (COVID-19) restrictions earlier in 2022, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message. This "fundamentally led to higher budget utilization, accelerated government spending in infrastructure and other government projects before the election ban, and the continued priority on infrastructure spending by the new administration," he said.

The national elections were held on May 9, preceded by a ban on public works spending starting March 25.

"Earlier approval of the 2023 national budget would lead to higher government spending on infrastructure and other government programs/projects such as social services that would also encourage higher/faster utilization to accelerate economic growth and development," Mr. Ricafort said.

Last week, President Ferdinand R. Marcos, Jr. signed into law Republic Act No. 11936 or the General Appropriations Act outlining a P5.268-trillion national budget for 2023. According to the DBM, line departments used 91% or P2.56 trillion of their NCAs in the 11 months, leaving P240.04 billion unused.

The Commission on Human Rights recorded the highest budget usage rate at 99% Meanwhile, the Department of Information and Communications Technology posted the lowest rate of 67%.

Budgetary support to government-owned companies as well as allotments to local government units were 99% used in the 11 months, out of the P199.168 billion worth of NCAs issued.

The DBM said funds released to national agencies and local government units hit P5.15 trillion at the end of November, for a release rate of 97.4% on an adjusted budget of P5.29 trillion.

At the end of November, releases to government agencies and departments amounted to P2.83 trillion, for a utilization rate of 98.2%.

– Keisha B. Ta-asan

PHL, France exploring further collaboration in agriculture

THE Department of Agriculture (DA) said that the Philippines and France will explore possible areas of collaboration in agriculture.

In a statement, the DA said that French Ambassador to the Philippines Michèle Boccoz expressed interest in farm mechanization, the development of the dairy industry, irrigation, and agricultural insurance as possible areas of cooperation.

In 2017, the DA and the French Ministry of Agriculture, Agrifood, and Forestry signed an administrative agreement on the promotion of sustainable practices, food safety and security, the development of the livestock sector, the creation of wholesale markets,

sanitation, and technical cooperation.

This agreement has also led to the establishment of the Philippines-France Joint Steering Committee on Agriculture.

The DA said that the next agricultural forum will be held in the Philippines in 2023. The first forum was hosted by the Philippines in 2017 while the second was hosted by France in 2019. — **Ashley Erika O. Jose**