

# ECCP: PHL to attract ‘billions’ after easing investment caps

THE European Chamber of Commerce of the Philippines (ECCP) is expecting the Philippines to attract “billions” worth of investments after various industries were cleared to receive up to 100% foreign ownership.

ECCP President Lars Wittig said at a launch of event in Makati City on Thursday that the group is expecting “billions of dollars” worth of foreign direct investment into industries like renewable energy (RE).

The ECCP said investment will be unlocked by the Department of Energy’s green light to relax foreign ownership caps in

RE, as outlined in Department Circular No. 2022-11-0034, as well as the amendments to the Foreign Investment Act, Retail Trade Liberalization Act, and Public Service Act.

Mr. Wittig said that there should be an increased efforts to create green and resilient infrastructure, and to prioritize the wellness and education of the workforce.

Mr. Wittig made the remarks at the launch of its investment guide, “*Doing Business in the Philippines 2023*,” prepared in partnership with attorneys from DivinaLaw.

The guide updates the previous edition released in 2020.

“The *Doing Business in the Philippines* publication gives vital information to investors seeking to expand or enter the Philippine market,” Mr. Wittig said.

“As a valuable resource for businesses interested in exploring opportunities in the country, this booklet aims to arm potential investors with knowledge of the Philippine business environment as well as relevant laws and procedures, empowering businesses to make informed investment decisions,” he added.

Mr. Wittig called for the maintenance of a “sound regulatory environment” and to streamline government processes.

“The ECCP has actively advocated for the development of physical and digital infrastructure for investment facilitation, as well as the creation of a competitive fiscal incentives regime, further economic liberalization, and the strengthening of the sanctity of contracts. Such reforms are imperative to attain a more competitive, fair, and more inclusive business climate in the country,” Mr. Wittig said. — **Revin Mikhael D. Ochave**

## ‘Hot money’ flows turn net positive in 2022

FOREIGN portfolio investment funds entering the Philippines outweighed those exiting in 2022, the Bangko Sentral ng Pilipinas (BSP) said on Thursday, representing a turnaround from the net outflow posted in 2021.

Foreign portfolio investments registered with the central bank through authorized agent banks (AABs) posted a net inflow balance of \$886.7 million last year, against the net outflow of \$574.46 million in 2021.

Foreign portfolio investment is known as “hot money” because of the ease with which they can enter or exit a jurisdiction, as opposed to foreign direct investment, which is considered stickier and less fickle.

The net inflow was the largest since the \$1.2 billion posted in 2018. However, it missed the BSP target of \$3.5 billion for 2022.

“Hot money inflows were supported by the better economic outlook at the end of last year,” China Banking Corp. Chief Economist Domini S. Velasquez said in a Viber message.

“(Easing) inflation in the US led to expectations of smaller rate hikes in 2023, providing a much-needed boost to the US equities market,” she said.

She also noted that Philippine Stock Exchange (PSE)-listed securities registered gains following corresponding international market movements.

The US consumer price index (CPI) slipped 0.1 percentage point month on month in December, the first decline since May 2020 and following a 0.1 percentage point rise in November. Year on year, the CPI rose 6.5%, easing from the 7.1% posted in November.

The Federal Reserve raised borrowing costs by 425 basis points (bps) last year, which brought the Federal funds rate to 4.25-4.5%. The Fed will hold its first policy review for this year between Jan. 31 and Feb. 1.

In December, the Philippine hot money balance was a \$92.95 million net inflow, much lower than the \$488.75 million inflow in November. A year earlier, hot money posted a \$4.38 million net outflow.

Gross inflows in December amounted to \$1.092 billion, down 17.9% year on year, but up 3.6% from November.

Over the full year, gross inflows declined 9.4% to \$12.34 billion.

Gross outflows in December totaled \$999.12 million, down 25.2% year on year and up 76.6% from November.

This brought the full-year gross outflow to \$11.46 billion, down 19.2%.

Five countries accounted for 80.5% of short-term foreign investments in December — the UK, Singapore, US, Luxembourg, and the Netherlands.

Some 74% of their investments went to PSE-listed holding firms, telecommunications, banks, property companies, food producers, as well as beverage and tobacco makers. The remaining 26% was invested in government securities.

“Investors were possibly more bullish on emerging economies as the monetary tightening cycle is about to end for most economies. Risk-on sentiment was observed not just in the stock market but also in the foreign exchange market,” Ms. Velasquez said.

“The sudden reopening of China will be positive for hot money in 2023,” she added.

The BSP hiked its key policy rate by 350 bps to a 14-year high of 5.5% in 2022.

BSP Governor Felipe M. Medalla is looking at more rate increases in the first quarter to ensure that inflation falls within the 2-4% target by the second half.

Headline inflation rose to 8.1% in December from 8% in November, bringing average inflation in 2022 to 5.8%, the highest in 14 years.

The BSP expects hot money to post a \$5 billion net inflow in 2023. — **Keisha B. Ta-asan**

## Meat processors confer with DA to review border inspection rules

MEAT processing companies said they met with the Department of Agriculture (DA) to review the import inspection process and whether to adopt the international system for classifying regions where livestock diseases have broken out.

In a statement, the Philippine Association of Meat Processors, Inc. (PAMPI) said its representatives met with Senior Undersecretary Domingo F. Panganiban and other officials to go through the policies affecting the industry.

They reviewed the rules on first border inspection of imports ahead of the establishment of the long-delayed Cold Examination Facility for Agricultural goods, the first of which is expected to rise at the Subic Bay Freeport.

The two sides discussed the potential adoption of the World Organization for Animal Health’s guidelines for zoning regions suffering from outbreaks of animal disease.

“The (DA) can help us with science-based food safety and inspection systems, access to safe and nutritious meat materials from both local and global sources, and constant collaboration to further refine food safety standards,” PAMPI told reporters on Thursday.

PAMPI promised to help keep processed meat products affordable for consumers.

“As we represent 85% of the country’s meat processors and food chains, we are committed to provide safe and affordable meat protein to the vast majority of consumers,” the association said.

Mr. Panganiban said he has directed the Bureau of Animal Industry (BAI) and National Inspection Service (NMIS) to address the industry’s concerns. No further details of the discussions were given. — **Sheldeen Joy Talavera**

## Galunggong imports below quota as end of closed season nears

IMPORTS of round scad, known as *galunggong*, topped 25,000 metric tons (MT) as the closed fishing season neared its end in northern Palawan, the main fishery for the species.

Imports of 25,056.27 metric tons (MT) amount to over half of the target volume during the closed season, according to the Bureau of Fisheries and Aquatic Resources (BFAR).

The BFAR said imports were authorized starting November, as a measure to keep prices from rising while domestic fishing was suspended.

Regulators periodically shut down fisheries in order to allow fish stocks to regenerate.

The BFAR did not discuss why the import target was not met.

*Galunggong* is widely eaten as a source of protein by low-income families, and high prices of the commodity are deemed politically sensitive.

The BFAR said actual imports of frozen *galunggong*, bigeye scad, mackerel, bonito, and moonfish for wet markets have been within the volumes authorized when the Certificates of Necessity to Import (CNI) were issued.

CNIs were issued by the Department of Agriculture on Nov. 10 and are good until Jan. 31 this year.

The three-month closed fishing season was implemented annually since 2015 to “give the species time to reproduce and grow during its spawning season and to ensure sufficient supply of *galunggong* in the country.”

“Despite the on-going implementation of the closed season, the price of *galunggong* remains stable with local *galunggong* valued at P280/kilo while imported *galunggong* ranges from P220/kilo to P240/kilo,” BFAR said.

Palawan accounts for 89% of the *galunggongs* catch landed at Navotas Fish Port Complex last year.

Separately, overall volumes of fish unloaded at fish ports rose 41.33% from a month earlier to 45,355.24 MT in December, even as half of all fish ports reported declining volumes.

The Philippine Fisheries Development Authority said only two of the eight regional fish port complexes posted volume gains while volumes at two more were flat.

The other four posted declines due to bad weather or the closed fishing seasons.

The Navotas Fish Port Complex serving Metro Manila landed 15,493.89 MT in December, up 86.56% from a year earlier.

Volumes at the General Santos Fish Port Complex rose 7.61% year on year to 25,531.63 MT. The month-earlier total was 17,900.32 MT.

Volumes reported by the Lucena Fish Port Complex and Iloilo Fish Port Complex were flat year on year at 1,510.38 MT and 1,339.339 MT, respectively.

Posting declining volumes year on year were the Zamboanga Fish Port Complex (676.235 MT from 806.54 MT); Bulan Fish Port Complex (438.48 MT from 1,201.13 MT); Davao Fish Port Complex (310.72 MT from 371.61 MT); and Sual Fish Port (54.53 MT from 206.08 MT). — **Sheldeen Joy Talavera**

## ADB approves PHL loan worth \$500M to spur job recovery

THE Asian Development Bank (ADB) has approved a \$500 million for the Philippines to aid in the government’s efforts to effect a recovery in employment.

“With the economy slowly moving towards a sustainable growth path, it is important to ensure private enterprises are supported with policies that make it easier for them to do business and generate employment,” ADB Senior Public Management Economist Sameer Khatiwada said in a statement on Thursday.

“This program is expected to help create jobs, get businesses back into action, and pave the way for displaced

workers, youth, and women to return to the labor market by enhancing their skills through training and linking them to good quality jobs,” he added.

The “Post-COVID-19 Business and Employment Recovery Program” aims to help the government address the impact of the COVID-19 pandemic on jobs, livelihoods, and the labor market, the ADB said.

Under the program, the ADB will assist the government in creating “a more liberalized business and investment environment to encourage the private sector to grow and create more jobs.”

“The program also supports government initiatives to expand labor market programs that address skills mismatches and promote training to reskill and retool workers to meet new demands in the post-pandemic jobs market,” it added.

The ADB said that the Philippines had one of the steepest declines in employment in Southeast Asia in 2020.

“While the unemployment rate declined to 4.2% in November 2022 from 6.5% a year earlier, labor market recovery remains uneven. For example, wage employment in private establishments remains lower than pre-pandemic lev-

els. Similarly, informal employment remains higher, even though it has declined in recent months,” the bank said.

In 2021, the government launched a national employment recovery strategy to improve access to jobs and support the private sector in creating sustainable work opportunities.

“The new loan program will help the government implement the recovery strategy and achieve its targets to raise employment by 2025. ADB assisted the government in facilitating dialogue with key industry stakeholders on designing the recovery strategy,” it added. — **Luisa Maria Jacinta C. Jocson**

### JOB VACANCY

#### 1 Marketing Officer (Bilingual Speaking)

- Bachelor’s Degree in Marketing, Communications or related
- Must have native-like fluency in Chinese speaking and writing
- Proven work experience in marketing
- Excellent interpersonal skills
- Solid knowledge of market research techniques
- Thorough knowledge of social media and web analytics
- Solid understanding of research techniques

#### OLSON GLOBAL SUPPORT

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### JOB OPENING

#### Technical Lead – Application Development

**Qualification:**

- Minimum five (5) years’ experience in Technical Lead – Application Development
- With expertise in Java, Spring, Spring boot, Hibernate, Spring Data (JPA/Cassandra), SOAP and Restful Webservices framework, Eclipse, Soap UI, SQL developer, Py-charm, Dev- Center, Mobaxterm, POSTMAN rest client, Pentaho, ireport, Hazelcast

- Key Responsibilities:**
- Responsible for formulating solutions based on the requirement to enable improvement by the development team
  - Responsible for designing solutions using the HOBIS platform
  - Leading and managing offshore development team for Revenue Management module

#### TATA CONSULTANCY SERVICES (PHILIPPINES) INC.

10F Panorama Tower, 34th Street, BGC, Taguig City 1634, Philippines  
Tel no. +63-2-8663-3845  
Email address: philippines.hr@tcs.com

### JOB OPENING

#### Technical Lead - Product Catalogue Management

**Qualifications:**

- Minimum six (6) years’ experience in Information and Technology with core TELECOM industry
- Knowledgeable in Java, J2EE, Core Java, Spring MVC, Spring Boot, Web Services, Oracle 11g, 12c, Mariadb 10.3, JQuery, JavaScript, XHTML and HTML, Apache Tomcat 9.x, JBoss 7.x, apache httpd 2.X, Java 8, J2EE, Oracle, Spring MVC, SpringBoot and JQuery
- With extensive experience in using Bug Tracking Tools, Domain and Web Servers

- Key Responsibilities:**
- Design the entire process of the product Modelling and interface for the Individuals and Organizations
  - Get the additional requirements and coordinate with offshore team to get the requirements to fit in the system
  - Enablement of velocity template, conditional rule for every product based on the requirement
  - Manage the Contract Management system for the Enterprise customers
  - Manage the Product catalogue Proxy services
  - Coordinate with clients for any additional requirements and clarifications that needed for the offshore team
  - Responsible for diagnosing and resolving application issues and providing root cause analysis with recommendations for improvements

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## Davao ICT industry targets doubling of BPM workforce

DAVAO’s information and communications technology (ICT) industry is planning to double the current business process management (BPM) workforce in the region to 150,000 by 2028.

Xavier Eric B. Manalastas, president of the ICT-Davao, Inc. industry association, said this was the region’s commitment to the IT and Business Process Association of the Philippines, whose own target for the national workforce is 2.5 million in five years.

Mr. Manalastas, founder and chief executive officer of NEXT BPO Solutions, Inc., said the industry is boosting alliances with educational institutions and government agencies to prepare more people for information technology and business process management work.

“The 150,000 will not be filled or can be achieved in Davao City alone but throughout Davao Region,” he said in a media forum.

“We are currently working with different agencies in the government and we are also working closely. As mentioned, the challenge is talent, with the universities, higher education institutions and state colleges,” he said.

Discussions with schools focus on aligning courses and the curriculum to ensure that graduates can immediately be hired.

Mr. Manalastas also said ICT-Davao is working closely with the Technical Education and Skills Development Authority for the creation of a Metro Davao ICT Industry Board and to tap the agency’s scholarship programs.

“We hope to be able to train more unemployed or employed or underemployed in the Davao Region for them to get the skills they need or to upskill and to be absorbed in the industry to fill the gap,” he said. — **Maya M. Padillo**

## Marcos backing for RCEP premature, think tank says

PRESIDENT Ferdinand R. Marcos, Jr.’s declaration of support for the Regional Comprehensive Economic Partnership (RCEP) is premature pending the resolution of the agriculture industry remaining unresolved, a think tank said.

Policy research group Focus on the Global South said that the RCEP agreement is awaiting the Senate’s concurrence, where the trade deal is being studied by experts appointed by the foreign relations committee.

The committee, chaired by Senator Maria Imelda Josefa Remedios R. Marcos, has thrown the matter to a technical working group (TWG) amid objections to the trade deal raised by the agriculture industry.

“But the TWG met only once and it focused on hearing the same arguments for

RCEP from the Department of Trade and Industry (DTI) and against RCEP from the (agriculture) stakeholders,” Joseph M. Purugganan, the think tank’s program coordinator, said via chat.

“In other words, if they push for concurrence after only one TWG meeting then it casts doubt on the sincerity of the Marcos administration to address the concerns of stakeholders,” he said.

The Senate failed to ratify RCEP last year, with senators citing the lack of safeguards for agriculture.

The free trade agreement involves the 10 members of the Association of Southeast Asian Nations (ASEAN) and dialogue partners China, Japan, South Korea, Australia, and New Zealand. — **Kyle Aristophere T. Atienza**

#### FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link [bit.ly/RCEP012723](https://bit.ly/RCEP012723)