

# Marcos issuing EO to address 'water crisis'

PRESIDENT Ferdinand R. Marcos, Jr. said on Thursday that he will issue an executive order (EO) creating an interim agency that will manage what he described as the "water crisis" until Congress passes a law establishing the Department of Water Management.

The text of the EO nor its number has not been released. The agency created by the EO, the Water Resource Management Office (WRMO), will ensure the implementation of "more cohesive policy" to address the water crisis.

In February, the Presidential Communications Office (PCO) said the WRMO's first action will be to reduce reliance on ground-water and deep wells, and manage the supply of surface water.

"The WRMO would be under the Department of Environment and Natural Resources (DENR) and will be a transitory body pending the creation of a Water Resources department," the Palace said.

The new office will have the authority to make binding recommendations to state-owned corporations providing water

services such as the Metropolitan Waterworks and Sewerage System, Local Water Utilities Administration, and the DENR's water resources board, the Palace said.

The PCO said the new office's main functions also include formulating and ensuring the implementation of the Integrated Water Management Plan, which will integrate the plans of various agencies.

In his speech on Thursday at a water industry convention, Mr. Marcos described the Philippines as being in a "water crisis," noting that "every single urban

community and even some rural communities" experience water shortages.

"I call it a water crisis because it is," he said in a speech. "It is something that we have continually postponed. We do not examine it."

"We all know the Philippines is not a dry place, and why do we not have enough water?"

The President called for innovation in addressing the water crisis, citing the experience of Israel, a desert country that has revolutionized water recycling.

He said the water treated for reuse in Israel is also used for irrigation and other purposes.

"They use water three times. Every bit of fresh water is used more than once," Mr. Marcos said. "This is the kind of thinking that we have to apply to the Philippines because of the crisis that we are facing and how debilitating it will be to the entire economy, to the entire society if our water supply problem continues to become more dependent on what we have been doing in the past," he said.

"The creation of a water management office is most welcome

while the bills in congress are being threshed out," Senator Mary Grace Natividad S. Poe-Llamanzares said in a statement. "This is a timely intervention from the Executive which will hopefully alleviate the creeping water crisis."

She said the EO lays down the groundwork for a "more integrated and holistic" approach to the water problem.

About 11 million Filipino families still have no access to clean water, the National Water Resources Board said earlier this week. — **Kyle Aristophere T. Atienza**

## SC exploration ruling reviewed for impact on other energy deals

THE Department of Energy (DoE) said it is reviewing whether a Supreme Court (SC) ruling rejecting a joint exploration deal with China and Vietnam in the South China Sea affects even those agreements entered into with "friendly countries."

"Among the things I would like to consider in our discussions is precisely the perspective adopted by the Department of Justice under (previous governments) because does it mean for example that the Philippines cannot enter into an agreement with a friendly country for further exploration in different parts of the country?" Energy Secretary Raphael P.M. Lotilla told reporters on the sidelines of the Energy Efficiency Day 2023 conference on Thursday.

Mr. Lotilla said that the DoE is seeking a clarification on the SC ruling.

"I don't want to foreclose that particular interpretation and how that fits into this administration," he added.

In a ruling dated January but released only this month, the SC voided a 2005 government deal with China and Vietnam for joint gas and oil exploration in the South China Sea.

The SC declared the 2005 agreement unconstitutional because it allowed foreign entities to explore for Philippine natural resources without full government supervision.

The Constitution requires that exploration, development and use of Philippine natural resources be under full state control and supervision.

"Let's look at instead whether or not there are issues that need to be further clarified because in the past, the Philippines also entered into international agreements with Australia, Norway where they assisted the Philippines... this is not actually the first time," he said.

"We are a vastly underexplored country in terms of gas and oil and so every effort to explore the potential is there," he said.

On March 18, the DoE said it is working with the Office of the Solicitor General to determine how to respond to the SC decision.

The joint marine seismic undertaking was signed in 2005 by the China National Offshore Oil Corp., Vietnam Oil and Gas Corp., and Philippine National Oil Co. — **Ashley Erika O. Jose**

## Industrialists call for overhaul of corporate rehab law

By Beatriz Marie D. Cruz

THE Federation of Philippine Industries (FPI) urged legislators to overhaul the laws governing corporate rehabilitation in light of the business closures caused by unfair competition from smugglers and rival firms that do not pay the correct taxes, as well as the impact of the pandemic.

Speaking at the House banking committee hearing on Thursday, FPI Chairman Jesus L. Arranza said rampant smuggling has caused Philippine companies "to

sell less," and noted "aggressive competition from companies who are not paying the VAT (value-added tax) and the corporate tax."

"Therefore, we lose to them, and so the end result is unemployment (and) less utilization of capacity," he said.

Mr. Arranza, who also chairs the Fight IT (Illicit Trade), said last year that the government loses over P250 billion in revenue yearly due to smuggling.

House legislators are conducting a separate investigation into alleged smuggling and price manipulation in the onion market. An ongoing investigation in the

Senate is looking into smuggled sugar.

Under discussion at the House committee was House Resolution No. 797, which seeks to investigate whether the Financial Rehabilitation and Insolvency Act of 2010 (FRIA) has helped struggling businesses recover from the coronavirus disease 2019 (COVID-19) pandemic.

Mr. Arranza said in calling for amendments: "We have a lot of members who suffered some losses during the pandemic and we foresee that in the future, there will be more companies may be in the same predicament as those mentioned."

He cited the now-liquidated Uniwide Group of Companies, Hanjin Heavy Industries, and Westmont Investment Corp.

SAGIP Party-list Rep. Rodante D. Marcoleta, author of the resolution, said, "There is a need to determine whether the existing provisions of the FRIA have indeed effectively or assisted financially-troubled persons or entities (to) recover from business reversals... which ultimately benefit the economy and prevent wastage of resources."

The committee has yet to schedule another hearing to further discuss the resolution.

## Bishop asks South Cotabato to clarify stance on open-pit ban

THE Bishop of Marbel has asked the South Cotabato province to clarify the status of its open-pit mining ban, following a Court of Appeals (CA) decision apparently permitting the controversial mining method.

The Diocese of Marbel, a city also known as Koronadal, which is the provincial capital, sent a letter dated March 16 to Governor Reynaldo S. Tamayo, seeking a "formal announcement" on the ruling from the province.

The CA decision, dated Aug. 22, 2022, "limits the open-pit mining ban to small-scale mining

operations," the diocese said. The CA ruling was handed down following an appeal of a Koronadal Regional Trial Court decision upholding the open-pit mining ban as a valid exercise of the province's police power.

"We respectfully request the Governor's good office to enlighten us on what their plan of action is regarding this decision," the Bishop of Marbel, Cerilo Casicas, said in the letter.

The ban had resulted in the suspension of the proposed \$5.9-billion Tampakan copper and gold mine.

Non-profit organization Legal Rights and Natural Resources Center (LRC) urged the provincial government to appeal the CA decision.

"This is not the end of the line for the open-pit mining ban. Certainly, the provincial government on behalf of their constituencies has the duty to appeal the CA decision precisely as the decision recognizes (the province's) police powers," LRC legal services coordinator Rolly Peoro said.

He said the authority of the LGU to regulate mineral and resource governance should not be limited to small-scale mining

projects, adding that the province must defend its constituents' right to environmental protection.

"Notwithstanding the pronouncement of the Court of Appeals, we remain firm in our stand that open-pit mining operations in South Cotabato pose a great risk to the integrity of the environment of our province and its neighbors. At stake are the health and livelihoods of many," the Diocese said.

Tampakan is the largest underdeveloped copper-gold prospect in Southeast Asia. — **Shelden Joy Talavera**



## JICA to provide tech assistance in developing sites along subway, North-South Rail lines

THE Bases Conversion and Development Authority (BCDA) said it has signed an agreement with the Japan International Cooperation Agency (JICA), which will provide technical assistance in developing sites along the subway and North-South Rail lines.

In a statement on Thursday, the BCDA said it signed the technical cooperation agreement for developing transit-oriented developments (TODs) in the Bonifacio area. The project will serve as a prototype for sustainable mixed-use communities with

train access, raising the potential of the two railway projects crossing BCDA property in Metro Manila.

The railway projects are the P500-billion Metro Manila Subway project (MMSP) and the P800-billion North-South Commuter Railway.

BCDA President and Chief Executive Officer Aileen R. Zosa and JICA Philippines Chief Representative Takema Sakamoto signed the Record of Discussions on March 21 for the TOD project.

The locations to be developed include four MMSP stations: Bonifacio Global City near the site of Market! Market!, the proposed Senate-Department of Education station, and the Kalayaan Avenue and Lawton Avenue stops.

Ms. Zosa said the TODs will help lower the Philippines' carbon footprint, provide a more efficient link between major mass transit systems and feeder systems, and create more sustainable communities.

Meanwhile, Mr. Sakamoto said the TODs would support sustain-

able urban development in Metro Manila.

"This TOD will pave the way to further create business opportunities in and around railway stations. Consequently, the TOD can enhance the attractiveness of the Philippines to potential investors," Mr. Sakamoto said.

The project for capacity development for TODs will run for three years from the start of activities. The BCDA and JICA will form a joint committee for project monitoring. — **Revin Mikhael D. Ochave**

## DBP to offer loans for coconut farmers

STATE-RUN Development Bank of the Philippines (DBP) said on Thursday that it opened a special credit facility for coconut farmers, to finance projects all along the coconut value chain.

The Coconut Farmers and Industry Development (CFID) Credit Program will focus on capacity expansion, farm integration, and enterprise diversification to increase production and raise farmer incomes, DBP President and Chief Executive Officer Michael O. de Jesus said in a statement.

"We believe that a robust agribusiness sector is one of the keys to achieving a food-secure Philippines. Through this new loan program, DBP aims to pave the way for coconut farmers and agripreneurs to thrive in a highly competitive market," he said.

Coconut farmers can borrow up to 90% of the total project cost, the bank added.

DBP said 75% of the loan will be financed by the Coconut Farmers and Industry Trust Fund, while the remaining 25% will come from DBP funds.

Eligible for the facility are coconut farmer enterprises, cooperatives, and related organizations, the DBP said.

Loan proceeds include the acquisition of machinery and equipment, establishment of production and post-production facilities, as well as intercropping initiatives and livestock or poultry integration in coconut farms.

Mr. De Jesus said the CFID was launched in support of the Department of Agriculture's efforts to strengthen the development of the industry and boost food production.

"DBP is ready to provide financing to viable projects and will continue to work towards redefining the traditional approach to agriculture lending by putting greater emphasis on the value chain and business side of the spectrum," Mr. De Jesus stated.

DBP is eighth-largest bank in the Philippines by assets, according to the Bangko Sentral ng Pilipinas.

It posted a net profit of P5.6 billion in 2022, up 50% on the back of improved interest income and loan volumes. — **Aaron Michael C. Sy**

## ADB urges regional governments to ease barriers to movement in aid of tourism

ASIA and the Pacific governments should address barriers to ease of travel in order to boost the recovery of international tourism, the Asian Development Bank (ADB) said.

The region needs "to work together to bring in more visitors from within and outside the region by adopting bilateral and regional agreements, and offering improved infrastructure and better skills," it said in a blog post on Thursday.

The ADB said that the region's tourism recovery is lagging due to its "cautious stance on reopening borders and more restrictive travel policies."

"The flow of tourists into the region was only about 10.3% of the pre-pandemic figure of 343 million in 2019, despite bullish year-on-year growth during the first eight months of 2022," it added.

The pace of tourism recovery has also been uneven in the region. Central Asia and South Asia are both at 33% of pre-pandemic tourism levels, followed by Southeast Asia at 12%, and the Pacific at 28%.

"This is likely to change in 2023 as more destinations reopen, particularly in the People's Republic of China, a major driver of outbound tourism, which opened its international borders

for tourist activities in January 2023," it added.

However, the bank said that the full recovery of international tourism by 2024 "remains uncertain."

It said risks to recovery including the looming global economic slowdown, rising inflation, and geopolitical pressures.

"The brisk recovery of tourism rests on countries' ability to make it easier to enter and leave countries, which entails stronger global and regional cooperation," it said.

It cited the Philippines, which recently renewed its tourism cooperation deals with Brunei and

Thailand, and is drafting a new tourism cooperation agreement with Malaysia to revive arrivals, which had declined by 10.2% between 2015 and 2019.

"Tourism-dependent economies must strengthen cooperation with countries outside the region. To counter the damage during COVID-19, caused by heavy reliance of Asian economies on East Asian members as their predominant source market. Countries should build partnerships with new source markets such as the US, the UK, and Europe, by working on common tourism standards," it added.

The ADB also recommended improving transport systems across the region.

"For example, Central Asia's nascent tourism sector stands to benefit from improved infrastructure being built across the region. Meanwhile, tourism arrivals to India, Bhutan, and Nepal are expected to benefit from the introduction of 'regional travel circuits' that package multiple destinations using different types of transportation," it added.

There is also a need to address the tourism industry's human capital challenges, including increasing youth and female employment,

welcoming temporary migrant workers, enhancing skills, and establishing mutual recognition of tourism professionals.

"These measures, along with harnessing digital technology, will raise competitiveness, increase transparency, and open the sector up to help more people in host countries," it said.

"As the tourism recovery gains traction, countries in Asia and the Pacific must capitalize on the opportunities it brings. That includes learning from the pandemic and building a more resilient tourism sector for future crises," it added. — **Luisa Maria Jacinta C. Jocsen**