Unsolicited railway proposals in the works for 2 commuter lines

THE Department of Transportation (DoTr) said on Wednesday that it has received unsolicited proposals for two commuter rail systems for Metro Manila, which it plans to evaluate within the year.

"We are in the process of identifying other railway lines. There are four operating lines now, the next operating line will be MRT-7 (Metro Rail Transit Line-7)," Transport Secretary Jaime J. Bautista said on the sidelines of the General Membership Meeting of the Management Association of the Philippines.

The active commuter rail lines in Metro Manila are Light Rail Transit Lines 1 and 2, MRT-3, and the Philippine National Railway's lines serving the capital.

Mr. Bautista said that the DoTr received proposals for MRT-11 and an MRT line along the C5 road. He did not disclose the proponents.

The unsolicited proposal for MRT-11 will run between Monumento in Caloocan and San Jose del Monte, Bulacan, while the line along C5 road will run from the airport to Taguig.

Mr. Bautista said the department hopes to evaluate the build-operate-transfer proposal for the MRT-11 project within the year, noting that it is waiting for additional submissions from the proponent, a domestic company, within the week.

"If the documents are complete, we will review it. And since it's an unsolicited proposal, it will be subject to a Swiss Challenge," he added.

The DoTr seeks to grant original proponent status for MRT-11 by 2024. It is waiting on the completion of the proposal for the railway line along C5 road.

Aside from these two railway lines, Mr. Bautista said that there are plans to add another line in Cavite, an extension railway to Batangas, and train systems in Leyte, Panay, and Cebu.

Meanwhile, Mr. Bautista said that the department is finalizing the feasibility studies for the Manila Bay, Pasig and Laguna de Bay Ferry System.

The ferry system is expected to operate along the Pasig River and on Laguna de Bay and is designed to mitigate road congestion in Metro Manila.

"This is part of the 71 projects of DoTr which were submitted to the National Economic and Development Authority. We hope we can implement this before the end of the term of President Ferdinand R. Marcos, Jr.," Mr. Bautista said. — **Justine Irish D. Tabile**

PHL pork import forecast downgraded on weak demand

PHILIPPINE pork imports will be lower than initially expected this year due to weak domestic demand and high international prices, the United States Department of Agriculture (USDA) said.

In a report, the USDA estimated Philippine pork imports at 525,000 metric tons (MT), down 12.5% from its previous forecast issued earlier in 2023.

The USDA said the forecast was revised due to the "effects of food inflation, which leaves little purchasing power for pork."

In December, President Ferdinand R. Marcos, Jr. signed Executive Order No. 10, which extended the reduced most-favored-nation tariff rates on fresh, chilled, or frozen meat at 15% (for shipments within the quota) and 25% (for shipments exceeding the quota).

The USDA forecast domestic pork production at 975,000 MT, exceeding the 2022 level but lower than 1 million MT produced in 2021, following the resurgence of African Swine Fever (ASF) in Luzon and Mindanao.

It cited the recent ASF outbreaks in Cebu province — a major supplier of pork to Metro Manila — and in the Bangsamoro Autonomous Region in Muslim Mindanao.

The National Capital Region is the only region which is ASF-free.

Earlier, the Department of Agriculture (DA) projected a shortfall of pork this month based on its inventory estimates.

According to the USDA, the price of imported pork remained significantly lower than domestic pork prices.

On Wednesday, the DA's monitoring reports indicated that markets in Metro Manila sold pork belly (*liempo*) for between P340 and P420 per kilogram while pork shoulder (*kasim*) commanded P310-P360.

The USDA estimated chicken imports and production to increase 520,000 MT and nearly 1.48 million birds, respectively, citing "shifting demand from pork and eggs."

The prolonged ASF outbreak and the decline in egg production due to the Highly Pathogenic Avian Influenza (HPAI) has created opportunities for the chicken industry, it said.

"With the egg industry also taking a big hit from HPAI, chicken is the next available less expensive protein source," the USDA said.

"Small victories were recorded in provinces like South Cotabato, Quezon, and Rizal, which were declared HPAI-free," it added.

The USDA noted the decline of chicken prices since December, which it attributed to "the cyclonical nature of chicken consumption."

The price of whole chicken runs between P150 and P200 per kilogram, according to the DA. — **Sheldeen Joy Talavera**

El Niño task force reactivated at DA

THE Department of Agriculture (DA) said it has reactivated its El Niño task force to mitigate the impact of the expected dry spell on crops.

"When there is a calamity, whether it's El Niño or typhoons, the biggest hit is always to agriculture," Agriculture Deputy Spokesman Rex C. Estoperez told reporters.

Mr. Estoperez said that the task force consists of representatives from the various DA agencies and led by a steering committee of undersecretaries and assistant secretaries and assisted by a technical working group.

The government weather service, known as PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), is projecting the onset of the El Niño later this year, persisting until 2024.

Citing PAGASA rainfall forecast data, the DA said at least 16 provinces in the Central Visayas, Eastern Visayas, Zamboanga Peninsula, the Caraga Administrative Region, and Calabarzon, will be affected by unusually dry conditions.

In a statement, the DA said that the mitigation and adaptation plan for this year focuses on building more water-related infrastructure.

"Part of the government's masterplan to address El Niño is to save vulnerable areas through appropriate water management, while irrecoverable areas will be rehabilitated," the DA said.

It said that it will develop and rehabilitate water systems including irrigation canals, diversion dams, and small-scale irrigation projects before the start of the El Niño.

Earlier Wednesday, Danilo H. Ramos, who chairs Kilusang Magbubukid ng Pilipinas, asked for the government's action plan to mitigate a possible drought.

"We need effective and coordinated action from both national agencies and local government units to address the impending water shortage to be aggravated by the onset of El Niño. Agriculture and farming will be most affected by possible dry spells and drought," he said.

The DA's Disaster Risk Reduction and Management Unit said the first storm of the season, a cyclone named Amang, may affect about 632,706 hectares of standing crops — 602,728 hectares planted to rice and 29,978 to corn.

The DA has advised farmers to consider an early harvest ahead of the weather disturbance. — **Sheldeen Joy Talavera**

GOCC regulator to revamp evaluation process to measure state firms' customer satisfaction

THE Governance Commission for GOCCs (GCG) and the Anti-Red Tape Authority (ARTA) have entered into a partnership to improve the evaluation process for customer satisfaction at government-owned and -controlled corporations (GOCCs).

"With this streamlined and harmonized performance measurement system, we can clearly envision a clearer platform for analyzing government performance that will help us improve and enhance our systems for the Filipino people," ARTA Director General Ernest V. Perez said in a statement on Wednesday.

The GCG and ARTA signed a joint memorandum circular to provide guidance to GOCCs regarding the performance evaluation system.

The partnership will also introduce new requirements to measure client satisfaction.

"The Customer Satisfaction Survey serves to integrate direct citizen participation in the performance evaluation of GOCCs by giving weight to their experience as customers," GCG Commissioner Gideon D.V. Mortel said.

"At least 80% of the customers of a GOCC must be satisfied with its services; otherwise, it automatically receives a zero score for this performance indicator," he added.

All GOCCs will also need to conduct client satisfaction surveys for all their external and internal services either through a third-party service provider or an in-house survey. — **Luisa Maria Jacinta C. Jocson**

Fitch Solutions maintains 5.9% PHL growth forecast

FITCH SOLUTIONS said on Wednesday that it maintained its 5.9% growth forecast in 2023 for the Philippines with inflation cooling though interest rates remain elevated.

"We are forecasting GDP (gross domestic product) growth to slow from 7.6% in 2022, to 5.9% in 2023, slightly more downbeat than the official government forecast range of 6-7%," Fitch Solutions Country Risk Analyst Low Shi Cheng said in a Webinar.

Despite cooling inflation, pressures remain high which could result in the central bank raising borrowing costs further and weigh on consumption and investment growth, he added.

Mr. Low forecasts inflation to remain on a downward track for the rest of the year, eventually hitting the government's 2-4% forecast range in the second half of the year.

Headline inflation in March cooled to a six-month low of 7.6% from 8.6% in the previous month amid lower prices of food and transport, according to preliminary data from the Philippine Statistics Authority.

March inflation was the weakest reading since the 6.9% posted in September. It remained much higher than the year-earlier 4%.

"Signs of the economy's weakness will also become increasingly evident in the data, which will set the stage for the policy rate to be kept on pause beyond the next meeting," he added.

Fitch Solutions expects the central bank to raise benchmark interest rates by another 25 basis points (bps) at its May 18 meeting, before keeping the policy rate on pause at 6.5% thereafter.

The Bangko Sentral ng Pilipinas (BSP) last month hiked benchmark interest rates by 25 bps to help bring down inflation, raising its key rate to 6.25%.

Since May 2022, the central bank has raised borrowing costs by a total of 425 bps.

However, Mr. Low said that the BSP could hike rates beyond 6.5% if inflation remains elevated and if the peso remains vulnerable.

Fitch Solutions forecasts the current account deficit to narrow to 4.1% of GDP by the end of this year from 4.7% in 2022, on the back of lower commodity prices and resilient remittances. — **Aaron Michael C. Sy**

Registered births, deaths fall at end-Nov.

REGISTERED BIRTHS and deaths in the Philippines declined by 8% and 31.6% year on year, respectively, in the 11 months to November, the Philippine Statistics Authority reported on Wednesday.

Preliminary data indicated that births during the period totaled 1.15 million from 1.25 million a year earlier.

Calabarzon — consisting of the provinces of Cavite, Laguna, Batangas, Rizal, and Quezon — posted the most registered births of any region at 175,952 or 15.4% of the national total.

The National Capital Region (NCR) accounted for 120,204 births or a 10.5% share.

Cavite was the top province with 46,569 births or 4.1% of the total, followed by Bulacan (40,493 or 3.5%) and Cebu (38,414 or 3.4%).

Registered deaths, meanwhile, totaled 563,465 in the 11 months to November, down from the 823,227 posted in 2021.

The leading cause of death remained ischaemic heart diseases, accounting for 18.4% of the total, with 103,628 cases recorded during the period. This total was down 28.6% from a year earlier.

It was followed by cerebrovascular diseases (57,411 or 10.2%), neoplasms (587,354 or 10.2%), diabetes mellitus (35,712 or 6.3%), and hypertensive diseases (32,339 or 5.7%).

Deaths associated with coronavirus disease 2019 (COVID-19) totaled 16,080, down 85.6% from a year earlier.

Deaths recorded with COVID-19 identified as the cause were the 11th leading cause of death, down from 3rd a year earlier. Deaths suspected to be COVID-19-related but with the virus not definitively identified totaled 4,703, to become the 22nd leading cause of death, down from 8th a year earlier. — **Miguel Hanz L. Antivola**

OPINION

Don't delay — avail of the SEC amnesty today

TAXWISE OR OTHERWISE
ANIKA MAE FIERRO

Many of us are always on the lookout for bargains, whether these be the monthly sales offered in online shopping sites or seat sales for air travel. Bargains are opportunities for most people to get more value for money. For corporations, the recent amnesty offered by the Securities and Exchange Commission (SEC) appears to be one of the best bargains in years. This time, the amnesty is available to certain corporations until the end of April.

As part of the SEC's continuing efforts to encourage regulatory compliance, on March 16, it issued Memorandum Circular (MC) No. 2, series of 2023 (MC 2-2023) granting domestic and foreign corporations and other regulated entities amnesty for non-compliance with its documentary and reporting requirements and with MC No. 28, series of 2020 (MC 28-2020) or the submission of the e-mail addresses and mobile numbers.

The amnesty does not apply to public and publicly listed corporations, corporations with intra-corporate dispute or with disputed General Information Sheets (GIS), and other corporations covered under Sec. 17.2 of RA No. 8799 or the Securities Regulation Code.

As a rule, non-compliance with the SEC's reporting requirements results in administrative penalties, monetary penalties, and in the worst case, revocation of a company's registration. More often than not, the SEC discovers the non-compliance whenever companies go through the monitoring process, which is an indispensable requirement in some applications filed with the SEC (e.g., increase in authorized capital stock, mergers).

With the amnesty granted on the unassessed and/or uncollected fines and penalties for the non-filing or late filing of the GIS, Financial Statements (FS), and its attachments, for the latest and prior years, SEC-regulated entities are provided ample and cost-effective opportunities to return to compliance with the SEC.

The fixed amnesty amount of P5,000 for non-compliant corporations and prescribed amnesty rate of 50% of the assessed fines for suspended and revoked corporations (*including those which have filed for the lifting of suspension/revocation*), encompasses all violations for non-filing and late filing of the GIS, and AFS and its attachments. Additionally, the penalty for failure to submit the e-mail addresses and mobile numbers as required under MC 28-2020 in the amount of P10,000, will be waived.

To avail of the amnesty, corporations should file an Online Expression of Interest Form (EoI) via eFAST. In addition, revoked and suspended corporations also need to file a Petition to Lift Order of Suspension/Revocation in addition to the EoI. The eFAST will automatically generate a Payment Assessment Form (PAF) reflecting the fixed amnesty amount or the petition fees, as the case may be. Once the payment is settled, the applicant must then upload via eFAST the Notarized Application for Amnesty Form together with the required documents such as latest due FS, GIS and proof of compliance with MC No. 28-2020.

While the application process is fairly straightforward for non-compliant corporations, revoked and suspended corporations will have to wait for verification of their corporate status. Once the assessment and monitoring process is completed by the SEC, revoked and suspended corporations will receive an e-mail notification with the PAF reflecting 50% of the total assessed fines which may be settled through eSPAYSEC or the Land Bank of the Philippines (LANDBANK) On-Coll Facility.

When all the conditions set forth in MC 2-2023 have been fully complied with, a Confirmation of Payment for Amnesty on Fines and Penalties (Confirmation) will be issued to the company's registered e-mail address.

The amnesty granted is final and irrevocable, covering the period/s indicated in the Confirmation. This, however, does not exempt corporations from filing their subsequent mandatory reporting requirements in a timely manner. And in the case of revoked or suspended corporations, the amnesty does not automatically lift their suspended or revoked status, which will be a separate proceeding with the Company Registration and Monitoring Department of the SEC.

Note that only those which have filed an amnesty application, secured a PAF through the eFAST, and paid through the eSPAYSEC or LANDBANK On-Coll Facility on or before April 30 are eligible for amnesty. Thereafter, the existing SEC scale of fines and penalties will apply.

In a notice issued by the SEC on March 23, effective April 1, the accounts of all corporations enrolled in the eFAST with revoked, suspended and non-compliant registration status are to be put on "on-hold" as a window in availing of this amnesty. Should such companies fail to avail of the amnesty this month, they will have to undergo the standard process of requesting for monitoring, and of filing the necessary petition for the lifting of their suspension or revocation should they wish to revive their registration. They must likewise settle the assessed fines and penalties in full to reactivate their accounts in eFAST.

The recent Easter holidays has provided time to pause and reflect on our mistakes and shortcomings. For some, it has also provided the chance to seek forgiveness and renew commitment to the faith. Perhaps it is an opportune time as well to renew our corporations' conformity with SEC's documentary and reporting requirements for a bargain price before the month ends.

The views or opinions expressed in this article are solely those of the author and do not necessarily represent those of Isla Lipana & Co. The content is for general information purposes only, and should not be used as a substitute for specific advice.

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