SEC warns of new penalties under a law that aims to protect consumers

THE SECURITIES and Exchange Commission (SEC) on Monday warned illegal lending companies of the new penalties under Republic Act No. 11765 or the Financial Products and Services Consumer Protection Act (FCPA), as it took down another illegal lending operation.

In a media release, the regulator said entities engaged in abusive debt collection practices may now be criminally prosecuted for violating Section 8(d) of FCPA.

Under the FCPA rules and regulations, financial service providers as well as their collections agents and representatives are prohibited from using abusive collection or debt recovery practices against their consumers.

Additionally, violators of the law will be penalized with a maximum fine of P2 million or up to five years of imprisonment, or both.

"Financial services providers, including entities engaged in lending and financing, are required to respect the privacy and protect the data of their financial consumers," the SEC said.

"Such entities are required to inform financial consumers if their data will be shared to third parties," it added. The warning comes after a joint operation of the SEC Enforcement and Investor Protection Department and the Philippine National Police Anti-Cybercrime Group last week that resulted in the arrest of eight individuals identified as operators,

managers, employees, and agents of Realm Shifters BPO Services/FESL BPO Services in Pasig City.

In earlier releases, the SEC has taken down Phil86 Gurunanak Lending and Trading Corp. (Phil86), Dr Verma Lending Corp., and 7 Lions Lending Management Corp., among others, in its efforts to combat illegal lending. — **Adrian H. Halili**

Repower Energy targets

REPOWER ENERGY Development Corp. is planning to expand its installed energy capacity by 1 gigawatt (GW) in the next five years, with its portfolio mainly focused on hydro-

Eric Peter Y. Roxas, president of Repower Energy, said the company's hydropower plants have been operating for the past seven years and have an efficiency capacity factor of around 72%.

"We have a very high plant factor and good hydrology. We're very happy with the performance of the power plants," he said in a media

Mr. Roxas said that compared to other technologies, such as solar and wind, hydropower offers way higher efficiency compared with solar at

The company said it is setting its sights on growing its capacity by another 1,000 megawatts and concentrating on hydropower projects, "possibly upstream and downstream of existing power plants." It is also considering seawater

Mr. Roxas noted that while hy-



investments for construction, the return on investments can be huge and recurring income can extend beyond 100 years.

"There's a lot of nature involved [like] passing through mountains [and] building headrace canals. It's not for the faint of heart. But once you build it, the continuous flow of the rivers will keep it running for the next 25 to 50 years," he said.

To date, Repower Energy has six operating power plants in Laguna, Quezon, and Camarines Sur provinces. Two more power plants are expected to come online by June this year which will increase the company's operational capacity by more

Meanwhile, Mr. Roxas is optimistic about the company's performance in 2023, projecting the company's net income to reach P300 million this year from P168 million last year.

The energy company, which is a subsidiary of Pure Energy Holdings Corp., is looking to raise about P1.5 billion through an initial public offering (IPO).

Repower Energy secured clearance from the Philippine Stock Exchange on May 15 for its IPO plan. It is set to offer 200-million primary common shares at a maximum offer price of P5 apiece, with an over-allotment option of up to 30 million shares.

The company said proceeds from the IPO will fund expansion plans, including its mini hydroelectric power plants in Pulanai, Bukidnon, and Piapi, Quezon, as well as the development of its other renewable energy projects. - Ashley Erika O. Jose

LUNGSOD NG MAKATI SANGGUNIANG PANLUNGSOD OF MAKATI

PRESENT:

Vice Mayor HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO -Presiding Officer HON. DENNIS B. ALMARIO Councilor HON. MARIA DOLORES M. ARAYON Councilor HON. MARTIN JOHN PIO Q. ARENAS Councilor HON. JOEL M. ARIONES Councilor Councilor HON. SHIRLEY C. ASPILLAGA HON. BENEDICT B. BANIQUED Councilor Councilor HON. ARNOLD J. CRUZ HON. VIRGILIO V. HILARIO, JR. Councilor HON. LUIS S. JAVIER, JR. Councilor HON. EDRALYN M. MAROUEZ Councilor HON. CARMINA C. ORTEGA Councilor HON. ARMANDO P. PADILLA Councilor Councilor HON. RENE ANDREI Q. SAGUISAG, JR. HON. KRISTINA T. SAROSA Councilor Councilor HON. JOSE C. VILLENA, IV HON. ANNA ALCINA M. YABUT Councilor LnB President HON, MARIBEL F. VITALES

ALSO IN ATTENDANCE:

Secretary to the ATTY. DINDO R. CERVANTES

Sanggunian

SK President

HON. RODOLFO C. SAN PEDRO, JR.

Upon motion of Hon. B.B. Baniqued, duly seconded, the Sangguniang Panlungsod of Makati, by a unanimous vote, approved City Resolution No. 2023-038 on second and final reading.

CITY RESOLUTION NO. 2023-038

Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. D.B. Almario, Hon. B.B. Baniqued and Hon. V.V. Hilario, Jr.

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q Arenas, Hon. J.M. Ariones, Hon. A.J. Cruz, Hon. L.S. Javier, Jr., Hon. E.M. Marquez, Hon. C.C. Ortega, Hon. K.T. Sarosa, Hon. J.C. Villena, IV, Hon. A.A.M. Yabut, Hon. M.F. Vitales and Hon. R.C. San Pedro, Jr.

A RESOLUTION ADOPTING THE RECOMMENDATION OF THE COMMITTEE ON LAWS, RULES AND ETHICS IN ADMINISTRATIVE CASE NO. 2023-002, ENTITLED AS, "ASIS VS. CASAL-REYES", WHICH IS TO DISMISS THE INSTANT CASE FOR BEING MOOT AND ACADEMIC, SUBJECT TO EXISTING LAWS, RULES, AND REGULATIONS.

Verified Complaint against former Punong Barangay of Kasilawan, Kristine Mae Casal-Reyes ("Respondent Casal-Reyes", for brevity); WHEREAS, in the 25 January 2023 Regular Session of the Sangguniang Panlungsod of

Makati, the subject Verified Complaint was referred to the Committee on Laws, Rules and

Ethics ("Committee", for brevity) and was subsequently docketed as Administrative Case

WHEREAS, on 17 January 2023, Ms. Iris S. Asis ("Complainant Asis", for brevity) filed a

No. 2023-002; WHEREAS, on 26 January 2023, Respondent Casal-Reves was informed that a Verified Complaint was filed against her by Complainant Asis and was further directed by the

Committee to submit her Verified Answer within fifteen (15) days from receipt of such WHEREAS, on 10 February 2023, the Committee received Respondent Casal-Reyes'

Verified Answer;

WHEREAS, the Committee conducted a hearing on 15 February 2023;

WHEREAS, on 7 March 2023, Respondent Casal-Reyes tendered her resignation as the Punong Barangay of Barangay Kasilawan;

WHEREAS, in consideration of the resignation of Respondent Casal-Reyes as Punong Barangay of Barangay Kasilawan, the Committee recommended the DISMISSAL of the instant case on the ground of mootness, a copy of such Recommendation is hereto attached and made an integral part hereof as Annex "A";

WHEREAS, Section 2, Rule VIII of the 2022 Rules of Procedure of the Sangguniang Panlungsod of Makati in the Conduct of Administrative Proceedings in the Exercise of its Quasi-Judicial Functions, provides that: "(I)n case the Sanggunian has referred the case to a Committee to conduct the investigation and the said investigation has been terminated, the Committee shall recommend the appropriate penalty based on its finding for Sanggunian deliberation prior to the rendition of judgment.";

WHEREAS, the Sangguniang Panlungsod, after thorough scrutiny of the Committee's Recommendation, strongly holds that the instant case was rendered moot and academic due to the subject resignation of Respondent Casal-Reyes as Punong Barangay of Barangay Kasilawan thereby adopting in toto the abovementioned Recommendation; hence, this

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, to adopt the Recommendation of the Committee on Laws, Rules and Ethics in Administrative Case No. 2023-002, entitled as, "Asis vs. Casal-Reyes", which is to dismiss the instant case for being moot and academic, subject to existing laws, rules, and regulations.

RESOLVED FURTHERMORE, that a copy of this Resolution be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Liga ng mga Barangay, Accounting Department, Budget Department, Urban Development Department (UDD), Finance Department, Department of the Interior and Local Government - Makati City (DILG Makati City), Commission on Audit - Makati City, Sangguniang Barangay of Kasilawan, Complainant Iris Asis, Respondent Kristine Mae Casal-Reyes and all other offices, departments, and agencies concerned for their information, guidance, and reference.

This Resolution shall take effect immediately upon its approval.

Certified true and correct by:

Vice Mayor & Presiding Officer

HON. MONIQUE YAZMINIMARIA 6. LAGDAMEO

APPROVED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, in its Regular Session held on 17 May 2023.

> Secretary to the Sangguniang Panlungsod

to build additional 1 GW

power projects.

release on Monday.

12.7% and wind at 33%.

pumped storage.

dropower plants require huge capital

Rate, from S1/1

"Furthermore, currency weakness induced by the US Federal Reserve's aggressive tightening cycle partially drove the BSP towards steep rate hikes in 2022 to safeguard currency stability, and we think that this concern may resurface again in the near term," BMI said.

The Fitch Solutions unit expects the Fed to deliver a 25-bp rate hike at its June 13-14 meeting, bringing its policy rate to 5.5%.

growth could "set the stage for the policy rate to be left on hold."

It projects the Philippine economy to grow by 5.9% this year, slower than 7.6% in 2022 and below the government's 6-7% target.

"We think the economic slowdown will be driven by lackluster global demand and the lagged impact of domestic monetary tightening," it added.

PROLONGED PAUSE

In a report, HSBC economist for ASEAN Aris Dacanay said the BSP would "only begin cutting rates after keeping monetary policy steady for a year."

"More specifically, we expect the BSP to cut the policy rate by 25 bps to 6% in the third quarter of 2024 and by another 25 bps to 5.75% in the fourth quarter of 2024," he added.

Last week, BSP Governor Felipe M. Medalla signaled a long, extended pause on interest rates, saying the pressure to cut "is not so high."

"Furthermore, the pause seems to be a hawkish one. Although Mr. Medalla said that the BSP will 'unlikely cut or raise rates' in the next two to three meetings, the BSP also said in the official press release that it stands ready to tighten monetary policy further if threats to inflation emerge," Mr. Dacanay added.

He said the BSP is unlikely to cut rates earlier than the Fed because this might "put downward pressure on the peso and in turn, fuel inflationary pressures."

"The national saving rate has not yet normalized. As previously argued, the saving rate has not yet recovered to pre-pandemic levels. Keeping a tight monetary stance for a prolonged period of time should help incentivize saving, which in turn could bring back domestic and external balance," he added.

HSBC also expects the BSP to cut banks' reserve requirement ratio by 200 bps to 10% in July.

Mr. Medalla earlier said the BSP is considering cutting banks' reserve ratios within the year to help loosen monetary condi-

The BSP is targeting to bring down the ratio for big banks to single digits this year.

The ratio for big banks is 12%, one of the highest in the region. Reserve requirements for thrift and rural lenders are 3% and 2%, respectively. – Luisa Maria Jacinta C. Jocson

Infrastructure,

from S1/1

"If we don't act, climate change can, will and already is unleashing nature's fury upon our communities and our people... Climate change will be the lodestar for our integral national policies and investment decisions," the president said.

Mr. Marcos said that in his ninemonth tenure so far, there have been three strategic programs signed with the ADB, with more in the pipeline.

The government signed three ADB loans worth \$1.1 billion in the first nine months of the Marcos administration.

He said the Philippine government is awaiting the release of ADB's Country Partnership Strategy for 2024-2029, which will spell out the regional bank's recommended medium-term development agenda for the Philippines.

The strategy's theme, "Investing in Climate, Filipinos and the Future," is in line with the Philippine Development Plan, Mr. Marcos said.

He said the government is looking at the ADB as a key partner in rolling out climate-related projects.

The Philippine Development Plan identified 3,770 infrastructure priority programs and projects with an indicative total investment requirement of P17.3 trillion through 2028.

Meanwhile, Mr. Marcos said the government has sought ADB funding assistance for the proposed food stamp program of the Department of Social Welfare and Development (DSWD). — Kyle Aristophere T.

BII, from S1/1

"SAETF targets infrastructure investments across the energy transition spectrum, including renewable energy, energy efficiency, and energy storage projects, and focuses on emerging economies in Southeast Asia, including the Philippines," BII said in a

In the Philippines, the fund will invest in the development of a ground-mounted solar photovoltaic plant through a joint venture with Pacific Impact. This project is in the early development stage.

It has also committed to finance future rooftop solar photovoltaic projects through a joint venture with Entoria Energy.

For the Indo-Pacific region, the BII has committed £500 million (\$623 million) for climate finance

"The whole idea behind this £500-million commitment is that it will be invested in climate-related assets. That includes utility, commercial and industrial (C&I), water, electric vehicles, waste management, and energy type projects. Biofuels are also something we should explore," Mr. Nagarajan said.

The latest investment is also under the British Investment Partnerships (BIP) in the Philippines, which aims to "mobilize capital and technical expertise to support sustainable infrastructure development and the transition to clean energy in the Philippines."

Mr. Nagarajan said there are many opportunities in the commercial and industrial sector in the Philippines.

"BII is very interested in developing the C&I market in the Philippines and neighboring countries. The cost of storage is still very high. Eventually, if you want to move more away from carbon-emitting sectors like coal, we have to get storage, so C&I is an important part of what we focus on," he added.

However, Mr. Nagarajan noted that Asia still has to create more "bankable opportunities."

"That's probably what we can bring to the table — our ability to create those bankable opportunities because we're willing to take greater risks, as opposed to a more conventional player," he added.

He said having adequate transmission and distribution infrastructure will be crucial for climate projects.

"The Philippines does better on transmission distribution than many other emerging markets in Asia. But it's also difficult to reach remote parts of the country," he said.

Distributed generation can be one solution for the Philippines due to its geography.

"For example, if you want to stop burning diesel in the islands to protect the environment, we need a solution that is locally driven, such as tidal energy or any other form of renewable energy, where it does not depend on the central grid," he added.

Mr. Nagarajan also noted the importance of a stable policy and regulatory environment if the country wants to attract foreign