

Non-standard permit processes still hampering telecom infra

THE rollout of telecommunications towers continues to be hindered by the failure to harmonize permit processes at various levels of government, even after the issuance of joint memorandum circulars (JMCs) under the Anti-Red Tape Authority (ARTA), ARTA said.

"We also recognize the challenges beyond the issuance of our JMCs and despite our intervention," ARTA Deputy Director General for Operations Gerald G. Divinagracia said at the Second Telco Workshop on Tuesday.

"The lack of standard processes, requirements and fees specifically on the conduct of inspections by the electric cooperatives, and the lack of coordination and communication among relevant agencies continue to persist and affect the energization phase of telecommunication towers," he added.

Alfredo S. Panlilio, president and chief executive officer of PLDT, Inc., said that workshops involving the private sector and government agencies will help minimize the risk of other projects disrupting the building of telecom infrastructure.

"We fully support this ARTA-driven workshop on process mapping of telco fa-

cilities' operations and builds," Mr. Panlilio said. "Solutions to be developed from this initiative will minimize, if not totally prevent, accidental cable cuts caused by the Department of Public Works and Highways' projects."

PLDT wireless unit Smart Communications, Inc. is the ARTA partner for the second telco workshop.

"We hope to address the urgent need to operationalize policies to ultimately ensure the highest possible quality of service for all Filipinos, and consequently support the government's digitalization efforts," Mr. Panlilio said.

According to Mr. Divinagracia, the second workshop aims to examine the complexities of implementation at the government agency level.

"Through these collective efforts, we hope to improve the quality and coverage of telecommunications and internet connectivity across the country, bridging the digital divide connecting our 7,641 islands and ensuring that no one is left behind in the journey towards a more connected and inclusive nation," he said. — **Justine Irish D. Tabile**



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Airport consortium seeks clarity on real property tax payments

THE Department of Transportation (DoTr) said it is due to meet with the Manila International Airport Consortium (MIAC) this week to discuss issues like which party is responsible for paying real property taxes.

"The unsolicited proposal is under evaluation by the DoTr. We've met with them several times and in fact, we'll meet with them again this week," DoTr Undersecretary for Aviation and Airports Roberto C.O. Lim told reporters on Tuesday.

"There are still (items to be clarified) regarding issues like real property taxes. So, another meeting will take place this week," he added.

In April, the MIAC, composed of Aboitiz Infracapital, Inc., AC Infrastructure Holdings Corp., Alliance Global-Infracorp Development, Inc., Filinvest Developments, JG Summit Infrastructure Holdings Corp., and the Global Infrastructure Partners fund, submitted an unsolicited proposal for the rehabilitation of Ninoy Aquino International Airport (NAIA).

The proposal involves P267 billion worth of investment, which includes a P57-billion upfront payment and around P211 billion in development costs over a 25-year concession period.

Last month, the DoTr and the Manila International Airport Authority submitted to the National Economic and Development Authority a P141-billion package to serve as a baseline for solicited proposals. The package gives private concessionaires 15 years to operate the airport and recover their investment.

Mr. Lim said that the DoTr believes that a shorter concession period, particularly its 15-year proposal, will give the government more flexibility.

"We have to consider that our strategy... is to have a multi-airport strategy for the Greater Capital Region. So, we envisage that over time, with the forecast demand, you will have NAIA as one airport, and you have two other airports that have proposed to develop new airport complexes. We would welcome all of these three airports to serve the region," said Mr. Lim.

The two other airports are the Bulacan International Airport and Sangley Point International Airport.

"On top of that, you already have an existing airport nearby, the Clark International Airport, which will become nearer once the subway that connects Manila to Clark is completed by 2027," he added.

Mr. Lim said that the Transportation department has decided to adopt an option to add 10 years to its solicited proposal.

"At this point, we believe that (the 15-year period) is the better option. But we also are incorporating in our proposal an option to extend it by another 10 years in the event the circumstances warrant," he said.

"So that's how we're approaching it. So, it has a 15-year concession period with an option to extend it by 10 years," he added.

The DoTr has said it hopes to open bidding on the solicited proposal by September.

"For the solicited proposal, that is the working date that we're using," Mr. Lim said. "The good thing about the privatization of Manila International Airport is that there is great interest from the private sector to participate and that is a good indicator."

Mr. Lim said these were the findings of a market sounding conducted by its project advisor, the Asian Development Bank. — **Justine Irish D. Tabile**

June inflation estimated at 5.4% — DBS

HEADLINE inflation in June is likely to have declined for a fifth straight month to 5.4% due to base effects from the year-earlier period alongside easing prices for food and energy products, DBS Bank Ltd. said.

In a July 3 report, DBS Bank Senior FX Strategist Philipp Wee and Economist Chua Han Teng said the inflation data, due for release on July 5, Wednesday will likely reflect a continued easing in inflationary pressure.

"For the Philippines, favorable base effects should have allowed headline inflation to cool to 5.4% year on year from 6.1% in May, due to broad-based moderation across core, food, and energy-related items," the bank said.

The bank's inflation estimate for June is lower than the 5.5% median estimate of 17 analysts in a *BusinessWorld* poll last week.

It is also within the 5.3-6.1% forecast range of the Bangko Sentral ng Pilipinas (BSP) for the month.

The June 2022 reading had been 6.1%.

If June inflation comes in as projected, it would mark the 15th consecutive month that inflation breached the BSP's 2-4% target range.

"The incoming data is likely to provide comfort to the BSP to extend its steady interest rate path to ensure headline inflation returns to its 2-4% target by end-2023," DBS Bank said.

The Monetary Board extended its policy pause for a second straight meeting in June, keeping the benchmark rate at a near 16-year high of 6.25%. The monetary authorities had hiked borrowing costs by 425 basis points between May 2022 and March 2023.

DBS Bank expects Philippine benchmark interest rates to remain steady at 6.25% this year, before easing to 5.75% in the first quarter of 2024. It also expects the BSP to cut the key policy rate further to 5.25% in the second quarter next year.

DBS Bank sees inflation averaging 5.4% this year, before easing to 3.2% in 2024.

The 2023 projection is in line with the BSP's 5.4% full-year inflation forecast, while the estimate for 2024 is higher than the central bank's 2.9%.

Separately, in a report dated July 4, Pantheon Macroeconomics also gave an inflation estimate of 5.4% for June due to moderating food and transport costs.

"We reckon that core (inflation) will fall below 7% for the first time since December," it added.

Core inflation, which discounts volatile food and fuel prices, slowed to 7.7% in May from 7.9% a month earlier. It has averaged 7.8% this year.

Newly appointed BSP Governor Eli M. Remolona said inflation will return to the 2-4% target range before the year ends.

The Monetary Board's next policy meeting is on Aug. 17. — **Keisha B. Ta-asan**

Trade delegation pitches chip projects to Dutch companies

THE Department of Trade and Industry (DTI) made its pitch in the Netherlands for more semiconductor investment, citing the Philippines' capable workforce and surging global chip demand.

Trade Secretary Alfredo E. Pascual made the remarks during a roundtable in the Netherlands on semiconductors, automotive components, and integrated circuit design on June 30.

The conference was attended by Dutch semiconductor and high-tech companies in the Nijmegen and Eindhoven areas, where most of the country's major tech companies are based. The participants are members of the industry association High Tech NL Semiconductors.

Mr. Pascual said the Philippines offers "a one-of-a-kind opportunity to reduce costs while maximizing value-add to effectively service worldwide clients."

Mr. Pascual cited recent reforms such as the Corporate Recovery and Tax Incentives for Enterprises Act, which offers foreign

investors more attractive and rationalized incentives, as well as the amended Public Service Act, Foreign Investments Act, and Retail Trade Liberalization Act that ease the restrictions on foreign ownership in certain industries.

"The Philippines boasts a vast number of engineers and robust workforce, having a nearly competitive integrated circuit (IC) design engineers and experience in Fin field-effect transistor (FinFET) technology," he added.

FinFET technology is used in home computers, laptops, tablets, smartphones, wearables, high-end networks, and automotive electronics.

The Philippine semiconductor industry has set a 5% export growth target for 2023. Last year, the industry posted 6.88% export growth to \$49.09 billion.

The chip industry meeting is part of the DTI's Europe Investment Roadshow, which runs until July 6. — **Revin Mikhael D. Ochave**

Dalton Pass project cost initially estimated at P37 billion

THE Department of Public Works and Highways (DPWH) said the Pre-Appraisal Mission of the Japan International Cooperation Agency (JICA) has estimated the construction cost of the Dalton Pass East Alignment Road Project at P37 billion.

In a statement on Tuesday, the DPWH said the week-long discussions on the road project concluded on July 3.

The Dalton Pass links Nueva Ecija and Nueva Vizcaya and forms part of the road network leading to the Cagayan Valley in northeastern Luzon. The pass

is a segment of the Pan-Philippine Highway.

"We are very pleased with the progress we have made in our discussions with the JICA Pre-Appraisal Mission and we look forward to securing the support of the government of Japan for the Dalton Pass East Alignment Road Project," DPWH Senior Undersecretary Emil K. Sadain said.

The DPWH, the JICA Pre-Appraisal Mission, the Department of Finance, and the National Economic and Development Authority were involved in the technical discussions of the project.

The DPWH is proposing that the project be funded via the JICA's Special Terms for Economic Loans, which will allow the deployment of Japanese expertise in tunnel excavation, construction, and operation and maintenance.

The Dalton Pass East Alignment Road is a proposed four-lane 23.5-kilometer road that will decongest the route and address regular closures at the current pass due to natural disasters.

The alternate road connects San Jose City, Nueva Ecija to Aritao, Nueva Vizcaya.

According to the DPWH, the project will result in the construction of a High Standard Road with twin-tube long distance tunnels and 10 bridges.

On Feb. 12, President Ferdinand R. Marcos, Jr. and Japanese Prime Minister Kishida Fumio agreed on early loan arrangements for the Dalton Pass East Alignment Alternative Road and two other projects.

The other two projects are the Central Mindanao High-Standard Highway and Second San Juanico Bridge. — **Justine Irish D. Tabile**

Consultations ongoing for further amendments to Fisheries Code

THE Bureau of Fisheries and Aquatic Resources (BFAR) and commercial fishing companies are currently in discussions on possible new amendments to the Fisheries Code, the BFAR said.

In a virtual forum on Tuesday, Rommel Adolf I. Diciano, head of BFAR's conservation and environmental protection section, said consultations are ongoing with various segments of the fishing industry.

"Pertaining to the amendments to the fisheries law that we are proposing, this is undergoing consultation and we have asked the various sectors... to (propose) possible amendments to our fisheries law," he said.

"But rest assured, in the spirit of policy democracy, we want to get your side... your participation is important as you witness the real situations," he added.

Republic Act (RA) No. 10654 or the Amended Philippine Fisheries Code of the Philippines has most recently been amended to address illegal, unreported, and unregulated fishing (IUUF), a condition for the Philippines to continue enjoying trade privileges with blocs like the European Union (EU).

"It bears noting that the Philippine Fisheries Code was amended as part of the international commitment specifically to the EU, after a yellow card warning was issued for failure to address IUU fishing," Rose-Liza Eisma-Osorio, acting vice-president of Oceana Philippines, said.

Edlyn L. Rosales, leader of fisherfolk group Pagkakaisa ng mga Samahan ng Mangingisda (Pangisda)-Bataan, said amendments would be premature as the revised law has not even been fully implemented.

"We haven't fully used RA 10654 since it was amended from RA 8550," she said.

Ms. Rosales said that the bureau needs to show "real teeth" for the benefit of fisherfolk, adding that code violations are rampant within Philippine waters.

"Maraming magagandang batas na nasa loob ng RA 10654 kaso ang problema kasi natin doon ay walang tiyak na inilagay or binigyan ng power 'yong ating gobyerno para sa tiyak na magpapa-implement ng mga nilalaman (RA 10654 has many good provisions, but the problem is that it lacks specific enforcement powers)," she added. — **Sheldeen Joy Talavera**



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Industry group asks dealers to shun uncertified pipe products

THE Philippine Association of Black Iron and Galvanized Iron Pipes and Tubes Manufacturers, Inc. said hardware stores need to join the campaign against uncertified steel products, citing the danger to consumers of their continued proliferation.

"I implore each hardware retailer to view consumers as part of your family whom you (must) protect and give your best. Surely, this perspective will drive us toward higher regard for the technical regulations set by the mandatory product certification of steel," the industry association's President Mauro Dela Rosa Arce said during a recent industry event.

Trade Undersecretary Ruth B. Castelo called the steel pipe industry "an active partner of the Department of Trade and Industry (DTI) in its quest to provide consumers with high-quality steel pipes.

Our longstanding cooperation through the years manifests our common appreciation of these iron steel pipes as raw materials which must be of the highest standard to ensure that consumers will produce the most durable and safest steam, water, gas, and air lines, and steel frame structures," Ms. Castelo said.

The DTI's Bureau of Philippine Standards currently requires such products to undergo product certification.

The process includes testing to earn the Philippine Standard quality and/or safety certification mark or import commodity clearance certification.

Department Administrative Order No. 19-16 issued in December 2019 lays down the new technical regulations for the certification of steel pipes. — **Revin Mikhael D. Ochave**