

BoC signals hoarding crackdown with plan to inspect warehouses

THE Bureau of Customs (BoC) said on Thursday that it plans to inspect warehouses holding imported rice for tax compliance and to determine whether inventory levels constitute hoarding.

The BoC will validate the inventories of warehouses storing imported rice, Commissioner Bienvenido Rubio said at a Palace briefing, "and then upon validation, we will then issue letters of authority to conduct inspection on these warehouses."

The BoC will "validate whether the imported rice paid the correct duties and taxes," he added.

Recently, the BoC raided three Bulacan warehouses, where it

found 202,000 sacks of imported rice valued at P505 million.

The rice stored in Great Harvest Rice Mill Warehouse, San Pedro Warehouse, and FS Rice Mill Warehouse were imported from Vietnam, Cambodia, and Thailand, respectively.

Mr. Rubio said the BoC gave the owners of the warehouse 15 days to submit documents, including proof of tax payment, to demonstrate that the rice was properly imported and released for storage.

"The warehouses were sealed temporarily to secure the imported sacks of rice found therein pending the completion of the

inventory by the assigned examiners which will continue today, (Aug. 29), he said.

Should the warehouses fail to submit the documentation, the contents of the facilities may be subject to a warrant of seizure, Mr. Rubio said.

Earlier this month, President Ferdinand R. Marcos, Jr. urged the Trade and Agriculture departments to closely monitor retail prices of rice, while saying supply is sufficient even with prices rising. Some retailers are selling rice at P38 to P40 per kilo "while some are selling their cheapest variety at P50 per kilo," the Palace said at the time.

The steady increase in the commodity's prices pushed rice inflation to 4.2% in July, its highest level since 2019.

The Department of Agriculture has recommended that the private sector import an additional 500,000 metric tons (MT) of rice in anticipation of El Niño, which is expected to be "moderate or strong" by the end of 2023 or early 2024, possibly dampening crop production.

Mr. Rubio said Philippine rice imports have been declining this year, with imports in the seven months to July amounting to 2.26 million MT, down 15.63% from a year earlier. — **Kyle Aristophere T. Atienza**



PHILIPPINE STAR/EDD GUMBAN

THE Bureau of Customs plans to inspect warehouses holding imported rice for tax compliance.

Electric motorcycle company lobbying for zero tariffs after exclusion from EO

ELECTRIC VEHICLE (EV) company Gogoro Philippines said it is working on getting a zero-tariff incentive for two-wheeled vehicles, an incentive authorized by the EV law but not by a recent executive order (EO).

"We are working on that, to also get the two-wheeled EVs as part of those that will benefit from zero tariff," Gogoro Philippines Chief Executive Officer Bernard P. Llamzon said in an interview with ANC.

"That will allow us (to have) competitive pricing for smart scooters and push faster adoption of two-wheeled EVs in the Philippines," he said.

He also said that once the company scales up, it will be discussing with Gogoro Taiwan plans to operate manufacturing or assembly plants in the Philippines.

Gogoro Philippines is a partnership between Ayala Corp., Globe Telecom, Inc.'s 917Ventures and EV

company Gogoro, Inc. which has a 90% market share of two-wheeled EVs in Taiwan.

According to Mr. Llamzon, government support is driving faster EV adoption elsewhere in Southeast Asia.

"You see, a lot more of the different countries in and around the region are actually getting faster adoption for EVs and that's basically supported with a lot of government subsidies," he said.

"(The subsidy also) allows the lowering to a more manageable level of scooter retail prices, while (the resulting scale) that comes with expanded adoption has allowed manufacturers to get local production going," he added.

Earlier this year, President Ferdinand R. Marcos, Jr. signed EO No. 12, which modified the import duties on selected electric vehicles under Republic Act No.

10863 or Customs Modernization and Tariff Act.

Under EO 12, the tariffs will be removed for five years, while rates on parts and components will be reduced.

However, Mr. Llamzon said that the EO does not cover two-wheeled vehicles.

"The EV Industry Development Act, which was passed in April 2022, specified zero tariffs for all EVs. However, the recent EO that came out unfortunately did not include two-wheeled EVs among those that can avail of zero tariff," he said.

In the fourth quarter, Gogoro Philippines will be launching a showroom which it calls an "experience center" for the start of its commercial operations.

"There is a lot more in store for our customers and for the general public before the year ends," Mr. Llamzon said. — **Justine Irish D. Tabile**

Gov't urged to develop ecosystem for recycling before banning, taxing plastics

THE Philippine Exporters Confederation, Inc. (Philexport) said the government needs to develop the collection and recycling industry before it cracks down on the use of plastics or taxes it.

"I think they should look at the collection and reuse systems rather than banning any plastic use," Philexport President Sergio R. Ortiz-Luis said last week on the sidelines of the 10th Philippine Die and Mold Machineries and Equipment Exhibition at the World Trade Center.

"If we can fix the collection (in such a way that) the plastics will not be trashed and be recycled into something that people can use again, I think the problem won't be so big," he said.

He said plastics collection is still not being enforced, adding that consumers are not sufficiently disciplined in segregating recyclable material.

"Because of that, we cannot process it accordingly. I think that is what we should fix first rather than imposing tax because that will just increase the costs," he said.

In his second State of the Nation Address, President Ferdinand R. Marcos, Jr. sought the support of the Congress for the passage of tax measures, including an excise tax on single-use plastics.

In November, the House approved House Bill (HB) 4102 or the proposed Single-Use Plastic Bags Tax Act, which seeks to impose an excise tax of P100 per kilogram on single-use plastic bags.

However, its counterpart measure is still with the Senate ways and means committee.

Mr. Ortiz-Luis added: "If you prohibit the use of plastic, this will encourage the use of paper which will cause us to cut more trees... We might think that we are saving the environment, but paper comes from wood."

"And if you look into the households, the housewives would do the shopping in a lot more comfortable carrying their groceries in plastic bags which have handles, unlike paper bags," he added.

Earlier this month, the Philippine Retailers Association also sought clarity on what kind of plastics will be covered under the single-use plastic tax.

The retailers also brought up the added costs that both the retailers and the consumers will shoulder once the tax is imposed.

HB 4102 defines single-use plastic bags as "secondary level plastics made of synthetic or semisynthetic organic polymer," which include "ice" and "sando" bags. — **Justine Irish D. Tabile**

BIR,
from SI/1

"We computed the total purchases (of those ghost receipts), we totaled the value-added tax and income tax and that (P370 billion) is the revenue loss to date... There are still many other groups that sell ghost receipts. It's a challenge to catch them," he said.

The BIR also signed a memorandum of

agreement with several business groups, including the Philippine Chamber of Commerce and Industry and the Management Association of the Philippines, to gain insights on how to streamline tax administration.

The agency collects about 70% of government revenues. — **AMCS**

Maharlika,
from SI/1

Under the law, the MIC's initial P125-billion funding will come from the National Government (P50 billion), LANDBANK (P50 billion) and DBP (P25 billion).

The National Government will source its P50-billion contribution from 100% of the dividends of the Bangko Sentral ng Pilipinas (BSP) for the first two years, and the 10% share from Philippine Amusement and Gaming Corp.'s income for five years. It will also source its contribution to the fund from a 10% share of revenues from gaming operations of other government-owned gaming operators and regulators; proceeds from the privatization of government assets; and other sources such as royalties and/or special assessments for a period of five years.

"Other government financial institutions and government-owned and -controlled corporations may invest in the MIF as well... However, those providing social security and public health insurance services are absolutely prohibited from investing in the MIF," the Department of Finance (DoF) said.

INVESTMENTS

According to the DoF, the IRR states that the MIC is authorized to "invest in a wide range of products, activities and projects, to wit: cash and other tradable commodities; fixed-income instruments issued by sovereigns; domestic and foreign corporate bonds; listed or unlisted equities; and Islamic investments, such as Sukuk bonds, among others."

The MIC may also issue bonds, debentures, and securities, but these will not be guaranteed by the Philippine government.

"We will pursue public road networks, tollways, railways, green energy, water resources, agro-industrial ventures, and telecommunications. These critical areas offer high rates of return and significant socioeconomic impact," Mr. Diokno said.

He said that the fund can also be used for "green and blue projects, countryside development, environment, social, and governance and cutting-edge technologies."

Meanwhile, Mr. Diokno said the "search is on" for the president and chief executive officer (CEO) of the MIC, as well as other board members.

The MIC board will be composed of the Finance secretary as ex-officio chair, the MIC president and CEO as the vice chair, LANDBANK president and CEO, DBP president and CEO, two regular directors and three independent directors. The board members' qualifications are "explicitly set out" in the IRR, the DoF said.

"The success of the implementation of the MIF hinges on selection of the best people to oversee and manage the Fund and strict compliance with the provisions of the law. This is why we made sure to include all possible safeguards in the IRR, ensuring that all our bases are covered," Mr. Diokno said.

The MIC will also be guided by an advisory body composed of secretaries of the Department of Budget and Management, the National Economic and Development Authority, and the national treasurer.

"The advisory body met for the first time in Tokyo, Japan where they attended the public-private partnerships (PPP) and MIF session. The session was held in the JICA headquarters. It serves as an avenue to brief Japanese trading houses, financial institutions, Japanese government agencies, multilateral institutions, and the private sector on their possible involvement in PPP projects in the Philippines and the MIF," Mr. Diokno said.

The DoF also said that the IRR contains the list of penalties "to ensure the integrity of the Fund."

Penalties range from P1 million to P15 million and imprisonment of six to 20 years for offenses such as "willfully holding office while in possession of any disqualification; knowingly certifying the corporation's financial statements despite its gross incompleteness or inaccuracy; willingly allowing oneself to be used for fraud; and failure to sanction, report, or file appropriate action for graft and corrupt practices." — **Luisa Maria Jacinta C. Jocsos**

Metro Pacific pays it forward for Mother Earth

Metro Pacific Investments Corp. (MPIC) may be known publicly as a diverse conglomerate, but not too many people know its corporate social responsibility programs that have far-reaching impacts which help promote marine biodiversity, ecological and eco-tourism.

Its environmental initiative dubbed "Shore It Up!" (SIU) was born in dive resort town of Mabini, Batangas as MPIC's humble contribution to the annual International Coastal Cleanup, and as a response to Metro Manila's inundation due to Typhoon Ondoy in 2009.

As a business innovator, MPIC modified the usual cleanup by enlisting volunteer divers to retrieve underwater trash, and conduct community-based educational and livelihood activities to help reduce solid wastes at the source.

For more than a decade, these activities served as the template of Shore It Up! which will later blossom into a comprehensive and multi-awarded biodiversity program, both here and abroad. This winning formula was replicated in key coastal areas, such as Alaminos City, Pangasinan; Del Carmen in Siargao Island, Surigao del Norte; Medina, Misamis Oriental; Cordova, Cebu; and Subic Bay.

Countless coastal and underwater cleanups later, it would metamorphose into more long-lasting, impactful and sustainable programs in partnership with local governments and community stakeholders.

Over the past 15 years, SIU spread its wings in 12 locations, mobilizing some 87,000 volunteers, 2,600 runners and 1,034 scuba divers, and has reached out to 464 organizations and local government units, 180 families, and 2,800 school children under the Junior Environmental Scouts.

It has also trained and provided support to 10 eco-guides and 36 marine guardians to help boost eco-tourism and protect the coastal and aquatic resources.

A notable program component is the Mangrove Propagation and Information Center which was put up in Alaminos, Siargao and Cordova, and serves as a reception area for tourists before heading out to the Hundred Islands in Alaminos, the Mangrove Forest and Sugba Lagoon



in Siargao, or viewing the panoramic Cebu-Cordova Link Expressway across the Mactan Channel.

"Our archipelago is teeming with world-renowned hubs of biodiversity and requires a strong support system from the private sector when it comes to preservation and conservation. We at the Foundation want to ensure that we play our part in future-proofing what we have and help mitigate climate change," says MPIF President Melody del Rosario.

SIU also supports two Ramsar Wetlands of International Importance: Tubbataha Reefs Natural Park in Cagayancillo, Palawan, a Unesco World Heritage Site and the country's largest marine protected area; and the Las Piñas-Parañaque Wetland Park in Manila Bay.

SIU has also been helping Del Carmen town, home to 4,871 hectares of contiguous mangrove forest, to attain membership in the prestigious Ramsar Convention.

With its vast coverage, SIU would emerge as the flagship of the Metro Pacific Investments Foundation (MPIF), which is part of Gabay Kalikasan, one of the business group's advocacies for a Sustainable Philippines, which is also aligned with the United Nations Sustainable Development Goals.

To celebrate its auspicious 15th year, the Foundation recently held a multisectoral forum which was participated in by Senate Committee Chair on Environment and Natural Resources Sen. Cynthia Villar, Bohol Congressman Rep. Edgar Chatto, Department of Environment and Natural Resources Secretary Maria Antonia Yulo-

Loyzaaga, and Department of Tourism Undersecretary Shereen Gail Yu-Pamintuan.

Representing the private sector was Metro Pacific Investments Corp. Chief Finance Risk and Sustainability Officer Chaye Cabal-Revilla, who outlined the MVP Group's Sustainability Practices through the conglomerate's Gabay Kalikasan program.

MPIF has extended financial and logistical support for the physical upkeep of the ranger station, as well as regular marine patrols to prevent illegal entries into the marine park. Situated in the Sulu Sea off mainland Palawan, Tubbataha is a 96,828-hectare award-winning biodiversity-rich marine protected area, a Unesco World Heritage Site, and a Ramsar Wetland of International Importance.

To tap the academic community, the Foundation also signed a memorandum of agreement with the University of the Philippines and the UP Marine Science Institute to jointly address marine environmental concerns and promote good governance for effective management of the country's natural resources and marine ecosystems.

Titled "Enlarging Our Blue Footprint for Philippine Marine Biodiversity Conservation," an exciting highlight of the event was an in-depth discussion on collaborative efforts in safeguarding Tubbataha Reefs Natural Park, facilitated by Protected Area Superintendent Angeliue Songco.

With its people-centered philosophy, Metro Pacific is definitely shoring up marine biodiversity and eco-tourism towards a greener future.