

Japanese positive on looser PHL investment regulations, but wary about business climate

THE Board of Investments (BoI) said Japanese investors are attracted by the liberalization program underway in the Philippines, but expressed concerns regarding ease of doing business issues.

In a statement on Thursday, the BoI said that 15 Japanese investors expressed optimism about the opening up of key Philippine industries and the economic outlook and trade policies at the 10th Consultative Group meeting for the Philippines-Japan Economic Partnership Agreement.

It added that Daisuke Nihei, minister for economic affairs of the Embassy of Japan in the Philippines cited the amendments to the Foreign Investment Act, Retail Trade Liberalization Act, Public Service Act as well as the Renewable Energy Act as the Philippines' economic highlights.

"We saw the strong commitment of the Philippine government in attracting foreign investors," the BoI quoted Mr. Nihei as saying.

However, the Japanese investors raised concerns in the Philippine business environment such as the value-added tax refund system, tax incentives under the Corporate Recovery and Tax Incentives for Enterprises Act, and the application process for the transfer of assets in an economic zone, among others.

The investors also cited concerns about restrictions on accrediting contractors and the export controls on the mining industry.

In a separate statement, Philippine Economic Zone Authority (PEZA) Director General Tereso O. Panga said it is bullish on attracting more Chinese investors.

"With our robust economic performance and aggressive investment strategy, we are bullish on attracting more Chinese investment, especially in our ecozones, which can provide the best business ecosystem for our investors," Mr. Panga said.

Philippine Ambassador to China Jaime A. FlorCruz said many Chinese investors have expressed interest in locating in the Philippines.

"In the past six months since I took this role as Ambassador, I have met many Chinese executives actively seeking investment opportunities across numerous industries in the Philippines. Many are now poised to invest in the Philippines," Mr. FlorCruz said.

To date, a total of 164 Chinese companies and projects are registered with PEZA and have generated P25.82 billion worth of investments as of May. They have created 16,221 direct jobs as of March. — **Justine Irish D. Tabile**

Creative industries expected to register double-digit growth

THE Department of Trade and Industry (DTI) said it expects the creative industry to post double-digit growth in the next three years.

Rafaelita M. Aldaba, undersecretary for the DTI's competitiveness and innovation group, told reporters on Thursday that the country will be targeting to maintain its place as a source of creative services exports.

"The estimates based on our forecast say that we will be seeing double-digit growth for creative industries in the next three years," Ms. Aldaba said.

At the Philippine Creative Cities and Municipalities Competitiveness Congress, Ms. Aldaba said that the industry accounted for 7.3% of the economy, amounting to P1.6 trillion last year.

She said that the Philippines is likely to achieve its goal of be-

coming among the top creative economies in ASEAN.

"The statistics show that we are currently number one in terms of creative services exports," she said. "And considering all our effort to level up, upgrade, and improve jobs as well as the investments including the programs that we implement together with other government agencies to promote creative industries, we will be able to achieve that."

Citing a report from the Philippine Statistics Authority, Ms. Aldaba said Philippine creative industries generated 6.98 million

jobs in 2022, adding that the sector accounted 6.6% of Philippine trade, amounting to \$7 billion.

"All these show that the Philippine creative industries are not just about creativity, they are about jobs, businesses, and economic growth. They preserve our cultural heritage and shape our future," she said.

"They are vital for our economy contributing significantly to our gross domestic product, creating jobs, and fueling innovation," she added.

Trade Secretary Alfredo E. Pascual said that the "Philippine

Creative Industries Development covered by law and funded in our budget will be able to do a lot."

He added that local government units (LGUs) play a significant role by identifying talent at the grassroots.

"The LGUs play a pivotal role in shaping the nation's competitiveness as their grassroots interaction is significant in pursuing robust economic development," he said.

The DTI promotes the sector through initiatives such as the Philippine Creative Industries Month and the Young Creatives Challenge.

"The Young Creatives Challenge really inspires our talented young people — songwriters, script writers, artists... to come up with the best creation to inspire others," Mr. Pascual said. — **Justine Irish D. Tabile**



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Key Maharlika posts attracting multiple applicants

THE Maharlika Investment Corp. (MIC) has received at least eight applications since the candidate search for the sovereign wealth fund began, Budget Secretary Amenah F. Pangandaman told reporters on Wednesday.

At least three applicants were seeking the chief executive officer (CEO) position, she added.

"That's what I got initially. Three of the applications were for the CEO position. I'm guessing more came in. That was two weeks ago," she said.

Applications and nominations for positions in the MIC began on Sept. 12, with the deadline expiring on Wednesday.

Most applicants were bankers, and some are from overseas, Ms. Pangandaman noted.

She added that the total applications will be reported to her on Friday, when she will help conduct candidate deliberations.

Six positions overall are available: President and CEO of the MIC, two regular directors and three independent directors.

Recommendations will be made to President Ferdinand R. Marcos, Jr. on Oct. 2, Ms. Pangandaman said.

The MIC will be chaired by the Secretary of Finance, in an ex-officio capacity. The board will also include the president and CEO of the Land Bank of the Philippines (LANDBANK) and the Development Bank of the Philippines (DBP).

The MIC will be guided by an advisory body composed of secretaries of the Department of Budget and Management, the

National Economic and Development Authority, as well as the national treasurer.

The MIC, which will oversee the Maharlika Investment Fund (MIF), will have an authorized capital stock of P500 billion (\$8.9 billion). The initial P125 billion in funding will come from the National Government (P50 billion) LANDBANK (P50 billion) and DBP (P25 billion).

MIF is expected to launch operations in 2024, Finance Secretary Benjamin E. Diokno said in July. — **Aaron Michael C. Sy**

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