

# Gov't urged to invest in offshore wind projects

By **Sheldeen Joy Talavera**  
Reporter

THE GOVERNMENT needs to consider coming in as an investor in offshore wind energy projects, an industry official said.

"Offshore wind is a big undertaking. Maybe the government wants to also have a stake there because... it's huge in scale," Jose M. Layug, Jr., president of the Developers of Renewable Energy for Advancement, Inc., said on the sidelines of a launch event last week.

Mr. Layug noted that PNOG Exploration Corp., a subsidiary of the state-owned Philippine National Oil Co., holds a 10% interest in Service Contract 38, or the Malampaya gas field development project.

"Maybe, government might want to be part of that first offshore wind project. I raised that earlier so the government could consider it," he said.

Asked to comment, Energy Secretary Raphael P.M. Lotilla said any government venture into offshore wind would depend on the availability of funds.

"It depends on the availability of financing, but there are other ways



YIQUN TANG-UNSPASH

where government can assist," he said at the same event.

Mr. Lotilla said that the government can assist in terms of rights acquisition for users of submarine resources, the sea floor, and offshore areas.

"Where government can facilitate, we should be open to consider facilitating," he said.

The Department of Energy (DoE) has awarded 82 offshore wind energy service contracts, with a potential capacity of 63.359 gigawatts (GW).

These projects are located in the north of Luzon, west of Metro Manila, north and south of Mindoro, Panay, and the Guimaras Strait. All these

projects are currently in the pre-development stage, with proponents conducting assessments on resource volumes, site suitability, and project viability.

The DoE and the Asian Development Bank initially identified at least nine ports which can be upgraded or repurposed to service offshore wind operators.

Under the Philippine Offshore Wind Roadmap, the Philippines has an estimated potential capacity of 178 GW from offshore wind resources.

This is expected to help the Philippines achieve its aim of increasing the share of renewables to 35% by 2030 and 50% by 2040.

## GSIS sets aside over P843 billion for public school fire insurance coverage

THE Government Service Insurance System (GSIS) has set aside P843.11 billion to provide fire insurance cover for public school buildings starting next year.

The pension fund for government employees will provide for one year fire, lightning, and natural catastrophe cover for more than 132,000 public school buildings effective Jan. 1, 2024, the GSIS said in a statement on Sunday.

"With the rising frequency of natural calamities, protecting public school buildings becomes a priority of the government. Our partnership

with the Department of Education (DepEd) is a step towards ensuring financial resilience in support of its MATATAG agenda," GSIS President and General Manager Jose Arnulfo A. Veloso said.

The funds were put together by the GSIS and the Bureau of the Treasury under the Treasury's National Indemnity Insurance Program (NIIP).

The NIIP aims to provide insurance protection to critical government assets such as schools, hospitals, roads, and bridges, the GSIS said.

The GSIS has also provided 24/7 personal accident insurance cover for

the death and medical expenses of all DepEd personnel.

"We are committed to look after the well-being of our DepEd members by providing them with strong insurance protection," Mr. Veloso said.

GSIS net income rose 117% year on year to P80 billion in the first 10 months, driven by revenue from financial assets.

This accounted for 66.67% of the net income target for 2023, as announced by GSIS Executive Vice-President Michael M. Praxedes in August. — **Aaron Michael C. Sy**

## Total care at the top: Dealing with head and neck cancers

Each organ of the body has a specific function to play in helping humans respond and adapt to their environment and thus in enabling a well-rounded lifestyle they can enjoy. At the top of the human body, the head, supported by the neck, houses the brain — which initiates and regulates communication with the rest of the body — as well as most of our sensory organs.

Like other organ systems, the head and neck are also prone to risk, and cancer is among them. According to head & neck surgeon and senior consultant Dr.

Christopher Goh, head and neck cancer refers to a wide range of malignant tumors found in the neck and head region, which extends from the eyes to the neck base.

For this type of cancer, smoking, drinking, as well as viruses, poor oral hygiene and dental care are the most established causes of such illness. Symptoms include neck lumps, ulcers, voice changes, and ringing sounds in the ears.

With advancements in medicine constantly evolving, nonetheless, addressing head and neck cancer can be more durable and bearable. In most cases, cancer patients start with a diagnosis based on their symptoms; and if treatment is needed, patients must undergo an endoscopy, followed by treatments through surgery, radiation, chemotherapy, or a combination of these treatments.

Unlike other cancers, head and neck cancer is a bit more tricky. Dr. Goh says that it is not easily detectable since they are well-hidden in areas that are highly concealed like the rear of the nose, voice box, or the larynx.

However, there are some cancers of this type that can be detected early on, especially those with symptoms such as tongue cancers or ulcers, allowing for preventive measures to be taken.

According to Dr. Goh, head and neck cancer treatments have made a lot of progress

in recent years. For instance, new types of chemotherapy and targeted therapy have been made available for patients.

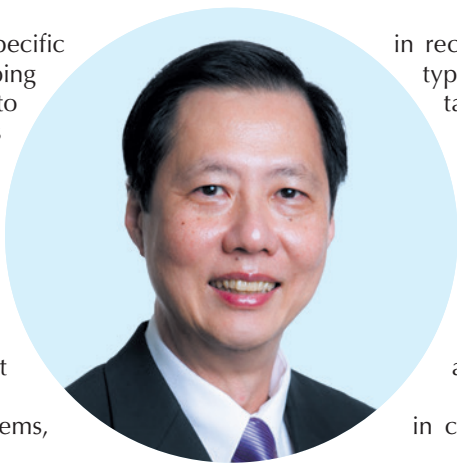
Also, reducing radiation damage and side effects is possible with proton beam therapy. Finally, endoscopic methods are being used to help reduce scarring and provide access to areas that are inaccessible.

Among hospitals specializing in cancer care, Mount Elizabeth Hospital is fully equipped to address head and neck cancer in a more convenient and holistic manner. One of the strongest cores of the hospital is its holistic medical care that ensures the best treatment, while also addressing the medical needs and providing an enhanced experience of privacy and comfort among patients.

"Mount Elizabeth Hospital has well-trained surgeons, radiation oncologists, and medical oncologists. In addition to the support team, which is important [for us in cancer care], Mount Elizabeth Hospital provides a good support team for patient care. In terms of technology, Mount Elizabeth Hospital is one of the few hospitals, the first hospital in Singapore [in fact], to have the proton beam ready or treatment and it will give the best results and the least side effects for patients," Dr. Goh said in an interview with *BusinessWorld*.

In terms of protecting one's self from potentially getting head or neck cancers, the key is to keeping a healthy lifestyle through a well-balanced diet, proper rest, exercise, and reduced smoking and drinking.

For inquiries, please contact Mount Elizabeth Hospital's patient assistance center located at G/F-B Marco Polo Hotel, Meralco Avenue and Sapphire Street, Ortigas Center, Pasig City 1600; e-mail manila.ph@ihhealthcare.com or call 0917-526-7576. Follow them at [facebook.com/MountElizabethHospitalsSGPhilippinesOffice](https://www.facebook.com/MountElizabethHospitalsSGPhilippinesOffice).



Dr. Christopher Goh

### OPINION

## Sustainability and tax: The future is calling

The journey to sustainability started with the Industrial Revolution, when economic growth was characterized by faster and large-scale manufacturing processes. This came at the expense of a degrading environment, unhealthy labor practices, and aggressive cost-saving mechanisms.

Now, sustainability has evolved into a critical key performance metric that drives long-term value for investments and embraces corporate responsibility in the use of natural resources, uplifting of social communities, and upholding accountability for regulatory obligations.

As the economy moves towards achieving the UN Sustainable Development Goals (SDGs), taxation plays the role of a catalyst that facilitates an enduring partnership between the government and businesses in building a competitive and resilient nation.

This is the eighth and last article in our series following the 2<sup>nd</sup> SGV Tax Symposium, which focused on how a sustainable and effective tax ecosystem can advance the sustainability agenda for both the public and private sectors. This article will highlight the role of taxation in a company's sustainability strategy that aligns with government priorities and contribute to building a better Philippines.

### SUSTAINABILITY AND ESG

One of the ways businesses build public trust and stakeholder confidence is by having key performance indicators (KPIs) that demonstrate their environmental, social, and governance (ESG) commitments. Businesses that integrate ESG metrics into their sustainability strategies not only create long-term value, but also set a baseline standard for future growth.

During the Conversation with the C-Suites panel at the 2<sup>nd</sup> SGV Tax Symposium, Chief Finance, Risk, and Sustainability Officer of Metro Pacific Investments Corp. (MPIC), June Cheryl Cabal-Revilla, said MPIC's holistic approach to sustainability embodies a framework for economic, environmental, social, and governance (EESG) measures which are complemented by defined KPIs.

"Apart from the usual economic or financial resilience, we put priority on environment and climate resilience, then on social, organizational, and community resilience because that involves all our employees and the communities around us who are also our customers. Lastly, we focus on governance and reputational resilience, which cut across everything that we do. That has been our way of life for three to four years now. It has been embraced by everyone in the company/group," Ms. Cabal-Revilla said. In addition, they have already incorporated sustainability in planning their capital expenditures.

According to Ms. Cabal-Revilla, "there is a desire for governmental entities to gain a more comprehensive understanding of the essence of sustainability. This desire emphasizes EESG principles, their impact, and the ability to echo their critical nature to the greater public."

Although businesses have the influence and tools to create positive outcomes, it takes a whole-of-society approach sustained by long-term government support to meet the challenges of sustainability.

### TAX AND ENVIRONMENTAL SUSTAINABILITY

Alongside regulations, taxation is also a key tool in promoting sustainable development practices and in impeding activities harmful to the environment through targeted fiscal incentives and punitive taxes. According to the Organisation for Economic Cooperation and Development (OECD), environmentally related taxes "provide incentives for further efficiency gains, green investment and innovation and shifts in consumption patterns."

In the Philippines, businesses can be partners of the government in its green campaign by aligning their investments and projects with the priority sectors of the Philippine Economic Zone Authority (PEZA) and Board of Investments (BoI). Green industries such as renewable energy projects, energy efficiency activities, and eco-industrial park development, among others, are also eligible for incentives. These highlight the administration's goal to make the Philippines a regional hub for globally competitive, innovative, and sustainability-driven industries.

In addition to tax incentives, the government can also potentially explore imposing additional charges for environmental and health damage. Such punitive taxes can stimulate businesses and consumers to seek cleaner solutions that reduce greenhouse gas emissions while simultaneously raising revenue to fund vital government social services.

### TAX AND SOCIAL RESPONSIBILITY

Taxation also contributes to the social externalities of economic activity by creating and/or attracting investments that create employment opportunities in rural and less developed areas, build infrastructure to support trade and industry, and sustain government and private expenditures for education, health, and social welfare activities.

### TAX AND TRANSPARENCY IN GOVERNANCE

Proper tax governance in ensuring that businesses pay a fair amount of tax is an issue held highly not only in local tax audit and enforcement programs, but also globally given recent regulatory developments against base erosion and profit shifting (BEPS).

The Bureau of Internal Revenue (BIR), under the leadership of Commissioner Romeo Lumagui, Jr., embodies this principle on sustainability with its four pillars: excellent taxpayer service; integrity in the revenue service; audit and enforcement; and digitalization. Guided by these pillars, the BIR aims to protect the interests of the government and its stakeholders, and at the same time foster a business climate that is conducive to growth, diversification and profitability.

In alignment with the BIR's priority programs, companies reinforce their own governance with an oversight mechanism that upholds accountability for tax planning and decisions made around its tax compliance and reporting.

### SUSTAINABILITY AS COLLABORATIVE EFFORT

The road to sustainability is not just one person's journey. It requires a collective effort from the government, the private sector, and the taxpaying public who must all work hand-in-hand to achieve the Philippines' sustainable development goals for a strong and better future.

The 2<sup>nd</sup> SGV Tax Symposium, in relaunching the SGV Tax Vision, articulates on the interdependency among taxpayers, regulators, and tax practitioners who each play a significant and complementary role in enabling businesses and driving socio-economic growth for the whole country.

In a sustainable tax ecosystem, taxpayers embody a culture of integrity with their knowledge on tax rules and a better appreciation of their social responsibility and commitment to nation-building by paying the correct taxes.

Regulators enable taxpayers to align their expenditures with government priorities and contribute the most in meeting desired outcomes. This is achieved by providing detailed and specific policies and regulations with clear accountability and measurable targets, produced in close collaboration with concerned industries and affected communities.

Tax practitioners support taxpayers and regulators alike by being equipped with the necessary skills to competently explain tax rules while upholding the value of integrity. They thereby foster an environment where taxpayers are compliant, government can deliver on its commitments, the public can access job opportunities, businesses can realize their long-term value, and the Philippines becomes a conducive place for investment.

While the factors that drive sustainability changes arise from different backgrounds, in the end, consistent and continuous collaboration is vital to attaining effective and long-term sustainable development, growth and resiliency.

*This article is for general information only and is not a substitute for professional advice where the facts and circumstances warrant. The views and opinions expressed above are those of the authors and do not necessarily represent the views of SGV & Co.*

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