

First PHL offshore wind project cleared for green lane treatment

THE Board of Investments (BoI) has endorsed the Philippines' first offshore wind project, which is estimated to cost P81.68 billion, for green lane services, which will entitle the project to expedited processing of permits and licenses.

In a statement, BoI said it issued a certificate of endorsement to Ivisan Windkraft Corp. for its 450-megawatt Frontera Bay Wind Power Project off Cavite.

"We endeavor to develop the offshore wind industry value chain in the Philippines and invite global offshore wind industry players to choose the Philippines

as their hub in Southeast Asia," Trade Undersecretary and BoI Managing Head Ceferino S. Rodolfo said.

The BoI said that the project will help the country achieving its target of producing 15.3 gigawatts of clean energy by 2030 under the Philippine Development Plan.

"These offshore wind turbines can also become a new tourist attraction especially when the proposed bridge linking Cavite and Bataan is finished," it said.

"The project is fully aligned with the administration's goal of operating offshore wind turbines by 2028," it added.

The project is expected to create 2,700 local jobs in its pre-development, development, and operational phases. It will also provide training and development to neighboring communities.

"What we want to show is that the offshore wind industry has Filipinos around the world working as engineers, mariners, etc. Developing the ecosystem in the country aligns with our goals of bringing overseas Filipino workers home and investing in the capabilities of the Filipinos," said Theo Sunico, vice-president of Ivisan Windkraft.

The Philippines has potential offshore wind resources of 178 gigawatts, with large parts of the coast having wind that can power turbines, the BoI said.

The Ivisan wind project is one of 22 projects endorsed by BoI for green lane processing, which projects deemed strategic are eligible for.

Of the total projects endorsed, 15 are in the renewable energy sector. The remaining projects involve food security (2), manufacturing of new products or new technology (2), and digital infrastructure (3). — **Justine Irish D. Tabile**

Chamber backs changes to apprenticeship rules

THE German-Philippine Chamber of Commerce and Industry (GPCCI) said it supports amendments to the rules governing apprenticeship, citing the need to prolong worker training depending on the skills required.

The chamber expressed its position in the context of greater interest by German companies in establishing or expanding Philippine operations.

GPCCI President Stefan Schmitz said in a statement that results of an internal survey show that German businesses are interested in creating more jobs in the Philippines.

"Aside from continuing to liberalize the Philippine economy

for foreign players, we urge the Philippine government to take advantage of this momentum by instituting laws that seek to improve skills development of Filipinos such as amending the outdated apprenticeship system and strengthening enterprise-based education," Mr. Schmitz said.

According to GPCCI, needed changes to the apprenticeship rules include the elimination of the cap on the duration of apprenticeships.

"The necessary length of training should be determined based on the specific skill or curriculum requirements," it said.

On Dec. 12, 2022, the House of Representatives passed on third

reading House Bill (HB) 6523 which proposes to amend the apprenticeship provisions of the Labor Code of the Philippines.

Section 9 of HB 6523 provides for apprenticeship periods that are "based on the duration of training required in the training plan and on the complexity of the skills to be learned by the apprentices."

The bill has been consolidated in the committee report by the Senate on Nov. 22 and is among President Ferdinand R. Marcos, Jr.'s priority bills.

The GPCCI said that the Philippines has attracted significant attention among German businesses, which reported raised

expectations for improving business (63% of survey respondents).

The Philippines also scored the highest among German multinationals in terms of economic expectations over the next 12 months at 22%.

"Furthermore, the country also led in employment intentions, with 48% of participants planning to hire more within the country in the next 12 months," GPCCI said.

"Moreover, the Philippines has established dominance in the services sector (as rated by 47% of respondents), which was a pivotal factor for investment," it added. — **Justine Irish D. Tabile**

Palay production estimate downgraded by 0.5% for Q4

PRODUCTION of palay, or unmilled rice, is expected to come in at 7.32 million metric tons (MT) during the fourth quarter, based on the standing crop as of Nov. 1, according to the Philippine Statistics Authority (PSA).

PSA's estimates reflect a 0.5% downgrade from the initial 7.35 million MT projected on Oct. 1.

If realized, palay production would drop 1.3% year on year against actual output recorded in the fourth quarter of 2022.

The PSA said that the estimated harvest area for the fourth quarter is expected to decline 1.5% year on year to 1.75 million hectares.

"Based on standing crop for the period October to December 2023, the yield per hectare of palay may improve to 4.17 metric tons or by 2.7%," it added.

About 1.01 million hectares of the standing crop had been harvested as of Nov. 1, or 57.8% of the land planted to rice.

Production within the harvested area was about 4.35 million MT, it said.

About 7.9% of the crop yet to be harvested was in the vegetative stage, 32.1% in the reproductive stage, and 60.1% in the maturing stage.

Farmers call for improved agri data system

FARMERS said agriculture continues to be burdened by inadequate data that the industry relies on to make production decisions.

The Federation of Free Farmers (FFF) said in a statement that data discrepancies will continue to "haunt" the industry until data collection systems improve.

The gathering of agricultural data is currently undertaken by the Philippine Statistics Authority (PSA), local government units, Department of Agriculture (DA) regional offices, and institutional stakeholders.

"Information is indispensable for proper analysis, planning and decision making. We cannot properly address our recurrent food shortages and problems if we continue to have a shortage in timely, correct and

meaningful data," FFF National Manager Raul Q. Montemayor said.

Mr. Montemayor added that the PSA needs additional manpower and technical expertise to implement a dedicated agricultural data collection system.

"Within the DA, a system must be set up to gather and link data from various agencies and programs and to process these into meaningful and timely information for program implementors and policy makers," he said.

Agriculture Secretary Francisco Tiu Laurel, Jr., has said that he supports the revival of the Bureau of Agricultural Statistics (BAS), the former agency in charge of farm data.

The BAS was established under a 1987 executive order, mandated to collect, compile,

and release official agricultural data from the DA.

The agency was abolished and absorbed by the PSA in 2013.

Mr. Montemayor also urged the private sector to contribute to agricultural data collection by providing regular feedback to check the accuracy of the data generated by the system.

In an earlier interview with *BusinessWorld*, Edwin C. Mapanao, president of the Philippine Association of Feed Millers, Inc. likewise called for better government forecasts of crop output.

Mr. Mapanao added that crop status reports, planting intentions, and forecasts, would "go a long way in helping corn-reliant industries in planning their purchases." — **Adrian H. Halili**

Meanwhile, the PSA said corn production is estimated to decline by 2% to 1.94 million MT in the quarter.

The area planted to corn is estimated to decrease 1.9% to 615.98 thousand hectares, while

yields are expected to be flat at 3.15 MT per hectare.

The PSA said that about 47.4% or 615.98 thousand hectares of the standing crop has been harvested, producing about 1.01 million MT of corn.

"Of the 323.79 thousand hectares of standing corn yet to be harvested as of Nov. 1, about 1.4% were in the vegetative stage, 43.5% in the reproductive stage, and 55.1% in the maturing stage," it added. — **Adrian H. Halili**

Jet fuel surcharge to decline in January

THE trend of falling jet fuel prices is expected to continue early next year, the Energy department said, triggering a lowering of the jet fuel surcharge.

In an advisory on Thursday, the Civil Aeronautics Board (CAB) said it is further lowering the surcharge for domestic and international flights in January.

Rino E. Abad, director of the Oil Industry Management Bureau at the Department of Energy (DoE) said fuel prices will likely continue their decline in the first quarter.

"For next year, actually, there is an oversupply globally. Based on the global Platts projection, the oversupply will run until the end of 2024. Lower oil prices will be maintained, including jet fuel," Mr. Abad told *BusinessWorld* on Thursday.

The CAB downgraded the fuel surcharge to Level 6 for Jan. 1-31 from Level 7 in December. At Level 6, the domestic passenger surcharge is between P185 and P665, while the international surcharge is between P610.37 and P4,538.40.

For December, the domestic passenger surcharge was between P219 and P739, while the international surcharge was between P722.71 and P5,373.69.

A fuel surcharge may be collected by airlines based on the movements in jet fuel prices, based on a benchmark known as MOPS (Mean of Platts Singapore).

"Airlines wishing to impose or collect fuel surcharges for the same period must file their applications with this Office on or before the effectivity period, with fuel surcharge rates not to

exceed the above-stated level," CAB said in the advisory.

The CAB added that the applicable conversion rate for October is P56.60 to the dollar.

This week, the retail price of gasoline remained unchanged, while diesel rose 10 centavos while kerosene declined 85 centavos. These price adjustments resulted in a year-to-date net increase of P11 per liter for gasoline, P3.95 for diesel and a net decrease of 30 centavos for kerosene.

The week-on-week price of Dubai crude has fallen by about \$2.00 per barrel, while MOPS gasoline, diesel and kerosene have also decreased by about \$0.90, \$1.20, and \$2.80 per barrel, respectively, according to the Energy department.

However, despite the oversupply conditions, Mr. Abad warned of a looming output cut by the Organization of the Petroleum Exporting Countries and their allies including Russia (OPEC+), which will tighten supply conditions.

"Now the only threat we are seeing is a possible additional cut by OPEC+ by 900,000 barrels which could drive oil prices up," Mr. Abad said, adding that if this cut materializes, about 2.2 million barrels will be taken off the market.

This month, OPEC+ oil producers said they intend to cut output early next year in response to surpluses.

In April, OPEC+ announced further output target cuts of around 1.16 million barrels per day from May through the rest of 2023.

"If OPEC+ delivered on this oil output cut, this will overturn any oversupply," he added. — **Ashley Erika O. Jose**

Trade remedy process migrated to electronic filing system — DTI

THE Department of Trade and Industry's (DTI) Bureau of Import Service (BIS) will start receiving trade remedy applications via an electronic filing system.

In a statement on Thursday, the BIS said it launched the Trade Remedy Electronic Filing System (TREFS) as an ease of doing business initiative.

"The soft launch of TREFS is a prime example of the DTI's innovative approach to easing doing business in the trade industry," Trade Secretary Alfredo E. Pascual said.

"This is our way forward... as we address the challenges faced by our domestic producers in navigating the complexities of filing trade remedy petitions," he added.

According to the BIS, the electronic system gives petitioners a streamlined filing experience.

"By utilizing the system, domestic producers will experience a streamlined submission process, providing step-by-step guidance on the filing of trade remedy petitions and extensions," the BIS said.

The electronic system is configured to send instant alerts to users and will automate the validation protocols enforced by the Import Remedy Measures Division of the BIS.

"This means that submissions are meticulously examined, assuring compliance with the requirements outlined in the trade remedy laws," the BIS said. — **Justine Irish D. Tabile**

Labor groups call for passage of security of tenure, wage hike measures

By **Beatriz Marie D. Cruz**
Reporter

LABOR GROUPS have urged Congress to pass bills improving security of tenure and raising wages next year, citing workers' rights norms set by the International Labor Organization (ILO).

The Federation of Free Workers (FFW) said such bills are "crucial for advancing workers' rights and improving working conditions across the nation."

"Their enactment will ensure more stable and secure employment for millions, leading to a more committed and productive workforce," FFW President Jose G. Matula said in a Viber message.

He said a security of tenure law would end contractual employment schemes that do not offer a path to permanent employment and its associated benefits.

Mr. Matula also called for a review of the current mechanism for approving

regional wages "in favor of a one national minimum wage mechanism to remove wage discrimination and simplify implementation."

The group also supported the passage of a P150 minimum wage hike to "combat the rising cost of living, ensuring [that] workers can maintain a decent standard of living."

"Higher wages will boost consumption demand and drive wage-led growth," Trade Union Congress of the Philippines (TUCP) legislative officer Carlos Miguel S. Oñate said via Viber.

Senate President Juan Miguel F. Zubiri in March filed a bill seeking to increase the minimum wage for workers by P150.

However, Finance Secretary Benjamin E. Diokno and National Economic and Development Authority Secretary Arsenio M. Balisacan have warned that a P150 legislated wage hike would stoke inflation.

"The Philippines' minimum wage figures are lower compared with those of other Southeast Asian countries," Mr. Matula said, citing the equivalent minimum wages for Indonesia (P842 per day), Malaysia (P854 per day), and Singapore (P2,486 per day).

The FFW also supported the passage of the Freedom of Association bill to safeguard the rights of workers seeking to form unions and engage in collective bargaining free of harassment.

"The bill also must remove harsh penalties on illegal strikes and to curb the power of the Secretary of Labor to assume jurisdiction over industries in the national interest," Mr. Matula added, saying that such powers should be limited to essential services only.

The TUCP also called for the passage of the Union Formation bill, in "response to the ILO's longstanding observation of excessive registration requirements for workers' organizations."

House Bill (HB) No. 5536, or the proposed Assumption of Jurisdiction bill, Mr. Oñate said, would amend the Labor Code by limiting the Secretary of Labor's power to assume jurisdiction in the case of labor disputes in "industries providing essential services," as against his current power to intervene in "industries indispensable to national interest."

TUCP also expressed support for HB 7043, which seeks to remove dismissal and imprisonment as penalties for illegal

strikes and lockouts; for HB 1514, recognizing civil service equivalency for public sector casual and contractual workers; and for HB 1516 or the magna carta for informal economy workers.

Confederation for Unity, Recognition, and Advancement of Government Employees (COURAGE) President Santiago Y. Dasmariñas, Jr. said the organization supports measures on legislated wage hikes, the regularization of contractuals, and the Public Service Labor Relations bill.

Congress will resume its regular sessions on Jan. 22.

Last week, the Senate ratified the 2019 ILO convention to eliminate workplace violence and harassment.

The jobless rate fell to 4.2% in October, the Philippine Statistics Authority said on Dec. 7. Job quality improved with underemployment rate falling to 11.7%, translating to 5.6 million underemployed workers who are seeking more work or longer working hours.

