#### Tarlac ecozone seen attracting investments worth P400 million

A SPECIAL economic zone in Victoria, Tarlac that will specialize in pharmaceuticalindustry locators is expected to attract P400 million worth of investments, according to the Philippine Economic Zone Authority (PEZA).

At a briefing on Wednesday, PEZA Director General Tereso O. Panga said that the developer of Victoria Industrial Park, which was proclaimed the country's first pharmaceutical ecozone, will also expand its own ointments business within the zone.

"The developer is also in the pharmaceutical business; they are the owners of the Katinko Group. In fact, as we speak, they're already undergoing construction of their manufacturing facility," he said.

"And so with that, and as a result of our recent mission to India and the setting up by the Food and Drug Administration (FDA) of a laboratory in Victoria, Tarlac, we're eyeing some locators; I cannot tell for sure how many," he added.

Melissa Y. Yap, chief executive officer of Katinko manufacturer Greenstone Pharmaceutical, said that the company has a manufacturing plant up and running at the Victoria site.

The plant, spanning 2,000 square meters, supplements the manufacturing capacity of the company's three facilities in Cavite.

"We are also looking into going global, to create a path for global brands made in the Philippines, and PEZA is enabling us to do that," Ms. Yap said.

She said new facilities in the works will produce medicine, cosmetics, and home-care products.

"We are expanding our product lines, and since each kind of product requires a different system, we really want to build new plants to be able to create various kinds of products that we can share with the world," she said.

"Usually for one factory, the investment is around P100 million to P200 million, depending on the machinery that we put in," she said, adding that the new operations will launch within two years.

Mr. Panga said the investment promotion agency's recent mission to India has resulted in investment commitments from Indian companies.

"We met with nine pharma companies, and they're big in India. So far, five have expressed interest in exploring and putting up their own facilities," Mr. Panga said.

The five companies were identified as USV Private Limited, Scimplifi, NephroPlus, Glenmark Pharmaceuticals, and Shilpa Medicare, which have established a trading presence in the Philippines.

He said NephroPlus, which has the backing of the World Health Organization, is furthest along on its plans to put up dialysis centers in the Philippines.

"They are planning to put up 200 dialysis centers, and we asked them to locate inside economic zones (which are) quite proximate to city centers, for which they'll be investing, I think, close to P500 million," he added.

In terms of jobs, Ms. Yap said that the company is planning to increase staffing to 1,000. The overall personnel target for all locators in the Victoria Industrial Park is 10,000.

"The goal for the Victoria Industrial Park is to really bring in labor-intensive factories and to really create viable alternative jobs for the farmers so they will have regular income in between planting and harvesting seasons," she added.

Ms. Yap said that the park can accommodate 20 to 25 locators at a hectare each, with plans to expand by another 30

Separately, Mr. Panga said PEZA is in talks with the Department of Labor and Employment and the IT and **Business Process Association** of the Philippines (IBPAP) to absorb any workers that will be displaced by the shutdown of Philippine Offshore Gaming Operators (POGOs).

"We have this big segment within IBPAP, which is into gaming, so we see complementary activities with the POGOs, because some of them are involved in software development and some are in backroom operations. I think they can easily migrate to the information technology (IT) sector," he said.

He said POGO talent can readily be taken on by IBPAP given the bullish outlook for the industry. — **Justine Irish** D. Tabile

# Congress queries agri, health, social spending funding cuts

**BusinessWorld THURSDAY, AUGUST 1, 2024** 

THE Development Budget Coordination Committee (DBCC) will be asked to explain to Congress the reduction in proposed budgets for agriculture, health, and social welfare, Deputy Speaker and Quezon Rep. David C. Suarez said at a briefing.

"This will be tackled as we progress into the budget hearings," "We have a DBCC briefing next week, and we will surely ask the Executive department to explain these deductions," Mr. Suarez said.

On Monday, the administration proposed a P6.352-trillion national budget for 2025, equivalent to 22.1% of gross domestic

The Department of Budget and Management (DBM) said the reductions are apparent when comparing the proposed 2025 budget with the funding approved by Congress in the budget bill it passed for 2024, known as the General Appropriations Act (GAA).

Budget Secretary Amenah F. Pangandaman said, however, that comparing on a like-for-like basis — the budgets proposed by the government in 2024 and 2025, known as the National Expenditure Program (NEP), "vou will notice that there is actually an overall increase for the agencies concerned," adding that government-proposed allocations are mostly higher across the board.

Ms. Pangandaman, responding via Viber to queries about the budget adjustments, said the 2024 GAA reflects changes made by legislators "and therefore does not reflect the original criteria the DBM used to evaluate agency proposals."

"Furthermore, changes such as (project completions) or shifting priorities, as requested by agencies, contribute to what seems like a decrease in funding," she added.

Next year's NEP allocation for the Department of Health is P223.19 billion, against the 2024 GAA funding level of P246.75 billion. The 2025 NEP proposal remains higher than the P204.6 billion the DBM submitted to Congress last year.

The budget for agriculture, which includes the Department of Agriculture and the Department of Agrarian Reform, is P211.38 billion. lower than the 2024 GAA total of P221.7 billion and the P221.86 billion proposed in the 2024 NEP.

The House of Representatives will begin its budget deliberations next week, legislators said on Tuesday.

The 2025 proposed budget for the Department of Social Welfare and Development of P230.1 billion reflects a 7.2% decline compared to the GAA level of P248.1 billion this year.

Manila Rep. Ernesto M. Dionisio said he is not alarmed by the funding adjustments, noting the opportunity to make changes when the GAA is legislated.

"It's only a proposal, and sometimes the reductions don't necessarily mean anything negative," he said at the same briefing Mr. Suarez spoke at. "Sometimes, we have projects that were accomplished... that don't need to be funded anymore."

The House will look at augmenting the proposed funds for the agencies concerned if they deem it necessary, Surigao del Norte Rep. Robert Ace S. Barbers said in the same briefing. "If we see programs that need more funding based on our scrutiny, then we'll augment the funds."

Meanwhile, it remains uncertain whether a provision in the 2024 budget authorizing the government to claim unutilized funds from government-owned and -controlled corporations (GOCCs) will be included in next year's budget.

"We can't say until the process is done. It will undergo a long and thorough process (before we can say if it'll be included)," said Mr. Suarez.

However, Mr. Suarez is "very supportive of that principle" as funds remitted by GOCCs due to the so-called cash sweeps could help fund unexpected projects. "The Chief Executive has to be given enough elbow room to address these unforeseen events that might require funds to address." - Beatriz Marie D. Cruz, Kenneth Christiane L. Basilio

### 4 KADIWA sites chosen for initial sale of subsidized rice to general public

THE Department of Agriculture (DA) said on Wednesday that the sale of governmentsubsidized rice to the general public will be launched at four KADIWA centers in Metro Manila starting Aug. 1.

Agriculture Assistant Secretary and Spokesperson Arnel V. de Mesa said that the so-called Rice for All program will launch at KADIWA outlets in Malabon, Caloocan, Food Terminal, Inc. in Taguig, and the Bureau of Plant Industry in Manila.

"The stocks will come from commercial sources and can be imported or domestically grown depending on which traders participate," Mr. De Mesa said at a briefing.

Well-milled rice will sell for P45 per kilogram, with premium rice fetching P52 kilo. Purchases are limited to 25 kilos per person per day.

Commercial outlets sell imported wellmilled rice prices in Metro Manila for between P51-P53 per kilo, while domestically grown well-milled rice fetched between P45 and P55 as of July 30, according to DA price monitors.

Imported premium rice in Metro Manila markets was selling for P53-60 per kilo, while the domestically grown equivalents were priced at P50-P58.

Prices at KADIWA outlets "will be adjusted depending on the movement of rice prices but will definitely be lower than retail prices in general," Mr. De Mesa added.

He said that more outlets will be added later in August.

Mr. De Mesa said the government could also extend the P29 subsidized-rice program for 34 million vulnerable individuals, including persons with disabilities, solo parents, and senior citizens, as well as those below the poverty line.

"The objective of this Rice for All program is to make cheaper rice available. This is one of the initiatives of government to lower the impact of food items on inflation," Mr. De Mesa said.

According to the Philippine Statistics Authority, inflation eased to 3.7% in June, with rice inflation accounted for 42.5% of overall inflation. Rice inflation eased to 22.5% from a month prior.

To lower rice prices the government reduced the import tariff on rice to 15% until 2028, via the issue of Executive Order (EO) No. 62. Mr. De Mesa said that the DA is expecting

rices to drop by August, judging from the higher import volumes approved by the Bureau of Plant Industry (BPI).

He said that the tariff cut itself is expected to lead to a P6 to P7 per kilo price reduction. As of July 20, rice imports amounted to

2.39 million metric tons (MT), according to the BPI. For July, as of the 20th of the month, rice imports totaled 56,118 MT. — Adrian H.



### Fishport landed volumes up 54% in Q2

THE volume of catch landed at regional fishports rose 54.1% year on year during the second quarter, according to the Philippine Fisheries Development Authority (PFDA).

In a report, the PFDA said the landed catch was 186,557,96 metric tons (MT) during the three months, up from 121,062.55 MT a year earlier.

"During the months of April to June, the PFDA, through its Regional Fish Ports (RFP), showed immense growth in fish unloading,"

On a quarter-on-quarter basis, fish volumes fell 38.5% compared with the first quarter.

The daily average volume rose 54.1% to 2,050.09 MT.

Vessel arrivals fell to 19,919, against the 24,050 reported a year earlier.

It said that the opening of various fishing grounds lead to the greater use of the PFDA's port facilities. - Adrian H. Halili

# Japan poultry import ban lifted THE Department of Agriculture (DA) said on

Wednesday that it lifted a temporary ban on imports of poultry and poultry by-products from Japan.

In Memorandum Order No. 31, the DA said the ruling follows an official report by the Japanese government to the World Organization for Animal Health (WOAH).

"This order is hereby issued to lift the temporary ban on importing domestic and wild birds and their products, including poultry meat, day-old chicks, eggs and semen originating from Japan," the DA said.

It added that all reported Highly Pathogenic Avian Influenza (HPAI) cases have been resolved, with no additional outbreaks reported after June 2.

"The H5N1 strain could spread rapidly among bird population, including poultry that is a multibillion-peso industry in the Philippines," the DA added.

In January, the DA barred Japanese poultry imports following a reported outbreak.

Japan's Ministry of Agriculture, Forestry and Fisheries reported the HPAI outbreak to

the WOAH on Nov. 28. "Based on the evaluation of the DA, the risk of contamination from importing live poultry, poultry meat, day-old chicks, eggs and semen is negligible," it added. — Adrian H. Halili

#### LRT-2 H1 revenue up 30.7% as ridership grows to 25.89 million posted gross revenue of P622.61 million, Ridership in June was 4.08 million, THE Light Rail Transit Author-

ity (LRTA), which operates Light Rail Transit Line 2 (LRT-2), said revenue for the first half rose 30.7% to P622.61 million as ridership grew during the period. In the six months to June, the LRTA

after carrying 25.89 million passengers, up from 23.18 million a year earlier. Its June revenue was P98.16 million,

up 26.6% from a year earlier but down 7.4% compared to May.

up 7.7% year on year. In 2023, LRTA reported gross rev-

enue of P1.1 billion after carrying 49.43 million passengers.

LRT-2 is an east-west commuter line

connecting Manila to Antipolo, Rizal. For 2024, LRTA expects its ridership to grow 2.6% to 50.7 million, with daily average ridership expected to increase to 140,444 from 136,921. - Ashley

## PCCI calls for impact study on proposed nutrition model

THE Philippine Chamber of Commerce and Industry (PCCI) said on Wednesday that the proposed Philippine Nutrient Profile Model (NPM) put forward by the National Nutrition Council (NCC) needs to undergo impact studies.

The business group was responding to the NCC announcement that it would adopting the NPM of the Pan-American Health Organization (PAHO).

"We all agree that we should have a comprehensive NPM as a crucial step toward enhancing our countrymen's physical health and mental acuity and promoting their overall well-being," PCCI President Enunina V. Mangio said.

"However, any efforts to revise or implement NPM must be science- and researchbased and not merely patterned on the PAHO model that was designed for specific countries with their dietary patterns and needs."

She said that the PCCI supports the Philippine Chamber of Food Manufacturers, Inc. which called for a focus on more urgent nutri-

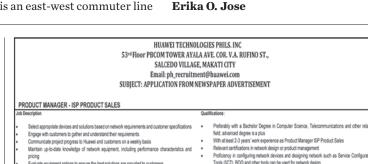
"Given the high incidence of poverty in our country, it is essential to give due consideration to approaches that increase the availability and accessibility of food rather than narrowing the food choices that our people can make," Ms. Mangio said.

Rita Palabyab, co-chair of PCCI's Agriculture Committee, said that the model must be implemented in a manner that empowers individuals to make informed dietary choices.

"We adhere to scientific research and datadriven insights as the basis of the model that can help Filipinos adjust their nutritional intake and live healthier and more productive lives," Ms. Palabyab said.

She said that the proposed Philippine NPM, which targets prepackaged foods, overlooks the role of food processing in ensuring a safe and stable food supply.

"The policy development process thus far has not adequately considered the significant contribution of the agri-food sector to GDP, which amounts to \$126.7 billion, with food and beverage manufacturing accounting for 46%," she added. — Justine Irish D. Tabile



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