

DoTr could ditch plan to 'bundle' MRT-3, LRT-2

THE Department of Transportation (DoTr) said its original plan to bundle the operations and maintenance contracts for Metro Rail Transit Line 3 (MRT-3) and Light Rail Transit Line 2 (LRT-2) could be difficult to pull off, due to the different markets served by the two commuter lines.

"We are seeing that maybe bundling is not appropriate at this time because these are two different markets," Transportation Undersecretary for Railways Jeremy S. Regino told reporters.

No decision has been made pending the conclusion of the feasibility study, which is expected this year at the earliest, he said.

"The International Finance Corp. is studying Line 2 while the ADB (Asian Development Bank) on the other hand is studying MRT-3."

In 2023, the DoTr said it was studying the viability of bundling the MRT-3 and LRT-2 contracts once the two lines are privatized.

The Transportation department is hoping to auction the operations and maintenance contract for MRT-3 by the first quarter of 2025.

The DoTr aims to privatize MRT-3 before the build, lease, and transfer contract with Metro Rail Transit Corp. expires next year.

"The best approach in MRT-3 might not be the same approach in Line 2. We are looking into all options and we are looking into the figures," Mr. Regino said.

The DoTr is looking to rehabilitate and expand LRT-2.

"We need to expand it to the West going to the South harbor. We need to expand it to Cogeo (Antipolo) to cater to more passengers. In short, Line 2 has its own orientation," Mr. Regino said.

The Light Rail Transit Authority has said that about three more stations will be added to the LRT-2 eastward expansion to Antipolo City. — **Ashley Erika O. Jose**



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Visayas, Mindanao KADIWA store network could launch next month

THE Department of Agriculture (DA) said it hopes to expand its KADIWA network of direct-to-consumer food stores to the Visayas and Mindanao by September.

"We expect to have at least 60 KADIWA stores across the country next month to provide greater access to affordably priced agricultural products," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said in a statement on Sunday.

Mr. Laurel added that the government-subsidized stores in the new locations will feature the P29 per kilogram rice program, targeted at vulnerable segments of society.

He added that the agency had identified about 650 potential locations in the Visayas and Mindanao to set up KADIWA stores.

The ultimate goal is a store network of 1,500 outlets.

"For us to reach the 1,500 target we need to open at least one store a day, which is almost impossible. That's why we need the private sector's collaboration in this project," he said.

KADIWA provides farm cooperatives and associations an opportunity to sell directly to consumers, maximizing their returns by cutting out middlemen.

It added that the DA is planning to invite food manufacturers to offer canned sardines, cooking oil, and condiments in KADIWA stores.

"We're also talking to manufacturers of other basic goods like condiments, sugar and canned goods to help ease the financial challenges faced by consumers," Mr. Laurel said. — **Adrian H. Halili**

Revenue to be raised from plastics excise questioned

By Justine Irish D. Tabilo *Reporter*

THE REVENUE to be earned from a single-use plastics tax may not be as strong as the Department of Finance assumes, the former head of the plastics industry association said.

"The government's assumption that these taxes will generate significant revenue, mirroring the experience with sugar-sweetened beverages, is flawed," according to Danny Ngo, former president of the Philippine Plastics Industry Association, speaking to *BusinessWorld* via Viber.

"The Philippines, currently facing economic challenges, may not be in a position to bear the additional burden of excise taxes on essential items like plastic bags," he added.

The Department of Finance has identified the excise tax on single-use plastics as a priority tax reform measure. It is projected to yield P21,644 billion in revenue between 2025 and 2027.

In May, the National Economic and Development Authority asked legislators to pass a measure that seeks to impose a P100 excise tax for every kilogram of single-use plastics exiting the factory or released by the Bureau of Customs.

The House of Representatives approved its version of the bill in November 2022, while a similar measure is pending with a Senate committee.

Mr. Ngo also warned that taxing plastics could "undermine" the Extended Producer Responsibility (EPR) Act, also known as Republic Act 11898.



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"The reality is that consumers, already facing rising costs of living, may resort to alternative, potentially less sustainable, packaging options. This could lead to increased waste generation and undermine the Extended Producer Responsibility framework's effectiveness," he added.

He said that the EPR law already places the responsibility for managing the entire life cycle of a product on the producers, which promotes a circular economy.

"The law's stringent requirements, exceeding those of developed nations, demonstrate the Philippines' commitment to achieving a high standard of environmental responsibility," he added.

He said the government should do more to make policy more coherent, weighing the

economic realities, viable alternatives, and potential consequences of the tax.

He added that such a tax could embolden the underground economy, incentivizing tax evasion, smuggling, the manufacture of substandard products, and environmental degradation. He added that the monitoring of single-use plastics so they can be properly taxed will be challenging.

"In light of these considerations, it is imperative to reassess the potential implications of imposing an excise tax on single-use plastic bags in the Philippines and explore alternative strategies that prioritize both economic growth and environmental sustainability," he said.



FREEPIK

PHL dairy imports up 12.9% in first half, but value falls 9.2%

DAIRY IMPORTS rose 12.9% year on year to 1.65 million metric tons (MT) during the first half, according to the National Dairy Authority (NDA).

The NDA said by value, milk and dairy shipments declined 9.2% to \$37.11 million.

The report said skim milk powder accounted for 40% of all such imports followed by other milk powders and

ready-to-drink milk at 17% and 4%, respectively.

"New Zealand was the largest source of these imports with 31% (by value, followed by the US (23%) and Indonesia (5%)," it added.

Domestic milk production rose 15% year on year to 16,020 MT in the first half, the NDA said.

It added that domestic production

accounted for 21% of the liquid milk supply in the Philippines.

"The domestic milk industry is supported by a dairy animal inventory of 151,059 head, which includes 34,754 dairy cattle, 80,805 carabao, and 35,500 goats," it added.

The NDA said dairy exports for the six-month period rose 27.5% year on year to 21,030 MT.

Export products included cream (17%), cheese (16%), whole milk powder (7%), and skim milk powder (6%).

The NDA said that key export markets were Singapore and the United Arab Emirates with 19% and 13% of the total by value, followed by Canada (12%) and the US (11%). — **Adrian H. Halili**

OPINION

Keeping up with advances in employment fraud

IN BRIEF:

• Advanced background checks are being integrated into hiring protocols to address the rise of employment fraud in the digital age, with a focus on enhancing fraud detection rather than guaranteeing complete prevention.

• Future technological developments, such as machine learning and blockchain, hold promise for further improving the integrity of hiring, but caution is advised to avoid overreliance on tech solutions.

As the global economy shifts towards recovery, organizations are ramping up their defenses against the threat of employment fraud. The hiring landscape, ever-evolving and increasingly digital, presents various opportunities for deceitful practices. Impersonation, falsification of qualifications, and sophisticated phishing attacks are just a few of the tactics employed by fraudsters to infiltrate companies.

Employers who place their bets on seemingly promising candidates without conducting thorough background checks are especially vulnerable to fraud. Impersonation, hiding information, falsifying facts, sending proxy attendees during work evaluations, multiple affiliations, and phishing attacks on job portals have been increasing given the advent of technology.

The Report to the Nations 2022 by the Association of Certified Fraud Examiners (ACFE) reports that nearly half of the organizations that fell victim to employment fraud (43%) had bypassed comprehensive background

SUITS THE C-SUITE

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checks in their hiring processes. The data highlight the need for a more diligent and nuanced approach to candidate verification, one that balances thoroughness with the realities of the modern job market.

THE SHORTCOMINGS OF TRADITIONAL BACKGROUND SCREENING METHODS

Currently, the hiring industry relies almost entirely on multiple third-party verification vendors who physically visit addresses to check the claims made by prospective employees. In one of the surveys conducted by EY, as many as 59% of the LinkedIn poll respondents revealed that their organizations employ third-party intermediaries for pre-employment background checks, while 18% conduct manual checks, and 9% onboard employees without any employment verification at all. However, the manual process is not only time consuming but also prone to human error as well as allowing room for misinterpretation.

As many as 14% of the LinkedIn poll respondents confided that their current manual verification process is prone to error while 66% consider their current

method to be time consuming. The costs involved and the exposure of employees' Personal Identifiable Information (PII) data and the challenges it entails additionally weigh heavily on employers.

Physical verification methods alone are almost redundant given that fraudsters are devising more technically advanced scams. On the other hand, making the process non-virtual makes the process transparent, reduces the chances of employees submitting doctored documents, and ticks all the boxes of data privacy compliance.

NAVIGATING THE EVOLVING TECHNOLOGICAL LANDSCAPE

The rise of the gig economy and the shift to remote work have compounded the difficulty of tracking a candidate's employment history. Traditional verification methods, which often involve third-party vendors personally verifying claims, are becoming increasingly outdated. These methods are not only slow and prone to human error but also raise privacy concerns as they involve the handling of sensitive personal information.

While the fraud menace threatens to arrest the application of technological advances in the hiring space, the answer to the dilemma lies in tech itself. The development of employee background check tools has led to a complete overhaul of pre-hiring formalities. Technology-supported checks have helped simplify the methods for companies to identify anomalies in the overall assessment of the candidate's past employment experience. Scaled and custom-

ized to fit the hiring prerequisites of diverse industries, these models also have a shorter turnaround time as compared to traditional methods, making for a swifter hiring experience.

Digital address verification, face-match technology, and geotagging are other methods being employed to identify inconsistencies in photographs and validate the authenticity of the claims made by candidates. These solutions are more efficient and offer a higher degree of accuracy and compliance with data privacy standards.

THE ETHICAL USE OF TECHNOLOGY IN HIRING

As we integrate these advanced tools into our hiring processes, it is imperative to consider the ethical implications. It is crucial to ensure that these technologies are used responsibly and that they serve to enhance, rather than replace, human judgment. Technology strengthens our hiring defenses, yet it cannot guarantee absolute protection against fraud.

While these technological advancements significantly enhance our ability to detect inconsistencies and fraudulent claims, they are not foolproof. It is important to acknowledge that no system can guarantee a completely fraud-free hiring process. The goal is to reduce the risk of fraud and to build a more trustworthy workforce.

REVOLUTIONIZING HIRING

Looking ahead, the potential for further technological advancements in hiring is vast. Machine learning algorithms are

becoming increasingly adept at analyzing vast amounts of data to identify patterns that may indicate fraudulent behavior. Blockchain technology holds the promise of creating secure, immutable records of candidates' employment histories, education, and credentials.

HR departments play a critical role in navigating this new landscape. They must be adept at using these technological tools while also maintaining a human touch. It is their responsibility to ensure that the hiring process remains fair, equitable, and free from discrimination.

In an era where hiring practices are being redefined by digital innovation, it may be crucial to consider engaging the services of an experienced and technologically enabled third party who can do precise and regulatory-compliant models to expedite and secure pre-employment checks. This way, companies will be able to harness the power of data and technology to hire candidates with verified profiles, enabling a more secure and reliable recruitment process.

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