

ADB Laguna lakeshore loan expected soon

THE Asian Development Bank (ADB) said it expects to approve \$1.2 billion representing the first tranche of the Laguna Lakeshore Road Network (LLRN) project loan before year's end.

"We are in the last stages of having the Laguna Lakeshore Road Network Project presented to our board for approval," ADB Country Director for the Philippines Pavit Ramachandran told reporters on the sidelines of an event on Monday.

"We're looking to have the Laguna Lakeshore Road Network approved later this year."

Other funders are the Export-Import Bank of Korea (\$904.35 million) and the Asian Infrastructure Investment Bank (\$188.18 million).

Targeted for completion by 2027, the LLRN consists of a 37.5-kilometer primary road and a 12.0-kilometer viaduct connecting Lower Bicutan, Taguig and Tunasan, Muntinlupa.

It includes a 25.5-kilometer shoreline viaduct and embankment from Tunasan to Calamba, Laguna, and connecting roads to other towns in Laguna.

The LLRN is expected to improve road connectivity from the capital region to areas directly south of it, boosting economic activity in the area.

The ADB will also approve a \$500-million contingent disaster facility this year, a stand-by fund that would allow provide access to emergency funds during calamities.

Also for approval this year is a \$500-million loan to support public financial management reforms.

For 2025, the ADB is supporting the construction of the Metro Rail Transit Line 4 (MRT-4) as well as flood management projects nationwide.

"We will be supporting the MRT-4 next year. We have a number of flood disaster resilience projects in several river basins...Tagum, Abra, other river basins in Mindanao and Luzon and other areas."

The government is seeking a \$1-billion loan from the ADB to help fund the MRT-4. It is also proposing \$537.4 million in loans from the AIIB.

The MRT-4 is a 10-station commuter railway of about 12.7 kilometers from the Epifanio de los Santos Avenue (EDSA)-Ortigas Ave. junction to Taytay, Rizal. It is expected to serve more than 400,000 passengers daily.

Also up for approval is the \$500-million Climate Change Action Program, which would support the transition to a climate-resilient and low-carbon economy.

ADB loans to the Philippines are expected to hit at least \$24 billion until 2029, according to the bank's Country Partnership Strategy.

"Our Country Partnership Strategy is really very focused on supporting the Philippines in its efforts to intensify climate action... Primarily, I think the focus here is on climate resilience and climate adaptation," Mr. Ramachandran said.

The ADB is also assisting the government in identifying new public-private partnership projects, and is helping the Bangsamoro Autonomous Region in Muslim Mindanao in drafting its own revenue code, he added. - Beatriz Marie D. Cruz

ERC on track to complete rate reset for grid operator

THE Energy Regulatory Commission (ERC) said it is on track to complete the rate reset process for the National Grid Corp. of the Philippines (NGCP).

At a Senate budget hearing on Wednesday, ERC Commissioner Catherine P. Maceda said the commission is preparing to publish the final draft determination for the NGCP's fourth regulatory period (RP) within the month.

"We are outlining the draft final determination and hopefully that can be posted within this month," Ms. Maceda said.

The rate reset process is usually a "forward-looking" exercise that requires the regulated entity to submit forecast expenditures and proposed projects over a fiveyear regulatory period. The ERC assesses the actual performance of the entity and adjusts rates as needed.

The fourth regulatory period covers the years 2016 to 2022, and includes the lapsed period of two years.

According to the ERC, the 4th RP is "unique because it covers a past period, thus requiring evaluation of historical data on NGCP's expenditures and performance."

In November, the ERC capped the revenue that the NGCP is allowed to generate at P36.7 billion a year, well below the annual average of P77.56 billion it applied for Phase 1, based on the commission's partial initial determination.

The draft final determination will be posted to allow for public comment, Ms. Maceda said.

"The commission will review (the public comment) before deciding on the final determination," she said. - Sheldeen Joy Talavera

S. Korea trade deal seen producing import tariff savings of up to 30%

PHILIPPINE IMPORTS from South Korea across more than 600 tariff lines are expected to realize tariff savings of up to 30% once the Philippines-South Korea free trade agreement (FTA) takes effect, the Department of Trade and Industry (DTI) said.

DTI Export Marketing Bureau Director Bianca Pearl R. Sykimte added that the deal features substantial Philippine concessions on South Korean motor vehicle parts.

"Korean exports for these products amount to more than \$300 million," Ms. Sykimte said on the sidelines of the Philippines-Korea Business Forum at the Manila Hotel on Monday.

"Importers of these products will benefit from additional tariff savings of about 3%-30% compared to what were provided under the ASEAN-Korea FTA and Regional Comprehensive Economic Partnership (RCEP)," she added.

She said that the impending bilateral FTA will also benefit exporters of banana, canned pineapple and pineapple juice, avocado, guava, papaya, okra, tuna, oysters, blue crab, and octopus, among others.

"The tariffs of these products under the ASEAN-Korea FTA and RCEP are 3%-27% higher compared to those negotiated under our bilateral FTA," she said.

Aside from market access, she said that the FTA will also allow for economic and technical cooperation between the two countries to strengthen trade, investment, and economic relations.

"Both sides agreed to cooperate in various areas, including industry development, innovation, creative and cultural industries, intellectual property standards, and e-commerce, among others," she said.

She said that the cooperation may be in the form of information exchange, sharing of best practices, human resource development, exchange of experts, trade and investment promotion, technical assistance, and transfer of technology.

Meanwhile, she said that the Export Development Council is still working on the recalibration of the Philippine Export Development Plan (PEDP).

"We hope that it will come out before the end of the year ... because we are still discussing internally the things we need to consider," she said.

"But still, we are optimistic that we will meet the Philippine Development Plan (PDP) target," she added.

The PEDP projects merchandise and services exports for 2024 of \$143.4 billion, much higher than the \$107-billion export target under the PDP.

The Philippine Statistics Authority reported that goods exports in the first seven months amounted to \$42.66 billion, a 2.6% increase from a year earlier. Justine Irish D. Tabile

Indonesia, Vietnam eyed as alternative sources of ginger

FARM GOODS importers have been asked to consider ordering ginger from Indonesia or Vietnam to ensure that the needs of the food industry are met with ginger from China still expensive, the Department of Agriculture (DA) said.

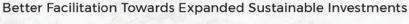
"I've asked the importers to look for other sources other than China that have much cheaper prices. We have identified Indonesia and Vietnam," Agriculture Secretary Francisco P. Tiu Laurel, Jr. told reporters.

The Bureau of Plant Industry (BPI) projects ginger imports of 13,725 metric tons (MT) this year, based on the Sanitary and Phytosanitary Import Clearances (SPSICs) issued as of Oct. 3.

Ginger landed so far totaled 4,248 MT as of that date, with most imports from China.

"Ginger prices in China remain high because it is still not the harvest season. That is why the price of ginger in (the Philippines) is high, because we don't have that much supply," Mr. Laurel added. — **Adrian H. Halili**









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