

SIM,
from SI/1

BusinessWorld also sought comments from DITO Telecommunity Corp. but had yet to receive a response as of the deadline.

Globe's Mr. Castelo said if NTC is considering tapping local government units (LGUs) to oversee the registration process, some LGUs in remote areas may not be able to do the SIM registration process.

"The very essence of universal access is to provide connectivity to all Filipinos at the lowest possible price and the easiest way to get it. Requiring face-to-face registration will defeat this principle," Mr. Castelo said.

Samuel V. Jacoba, founding president of the National Association of Data Protection Officers, said that the NTC's proposal might be helpful in fighting fraud but the implementation of the proposal may not be feasible.

"There are millions of Filipinos with mobile phones, some using multiple SIMs. Plus, they may collect facial or other biometrics for authentication. How will they protect those sensitive personal information?" he said in a Viber message.

Banking system,
from SI/1

Net real and other properties acquired increased by 9.3% year on year to P117.14 billion from P107.13 billion in the same period in 2024.

On the other hand, cash and due from banks amounted to P2.65 trillion as of end-January, down by 1.4% from P2.69 trillion a year earlier.

Banks' other assets jumped by 7.4% to P1.98 trillion from P1.84 trillion in the previous year.

Meanwhile, the total liabilities of the banking system rose by 9.2% to P23.71 trillion from P21.71 trillion in the year-ago period.

"Philippine banks' total asset growth is consistent with the fact that they are among the most profitable industries in the country, with earnings growth much faster than GDP growth for the country's largest banks," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said.

"As a result, relatively large earnings partly add to the capital of banks, on top of banks' various fund-raising activities through

The NTC should come up with a more thorough operational plan that will optimize the agency's use of public funds, Mr. Jacoba said.

Sought for comments, Cybercrime Investigation and Coordinating Center (CICC) Executive Director Alexander K. Ramos said the SIM Registration Act also stems from the government's ambition of digitalization.

"The whole idea of digitalization is you want it to be fully automated," he told reporters in a cybersecurity conference. "But if it is the regulator saying it, then you have to comply."

For now, Mr. Ramos said the National Privacy Commission is studying how to properly share data without jeopardizing or disclosing personal information.

"Right now, the whole process of authentication is critical. It is faster when it is automatic, but it should not be on level one only. There must be multiple authentication processes," he said.

Currently, SIM card registration only requires individuals to take a photo, submit a government-issued ID card, and provide personal information.

capital markets or strategic investors."

Latest data from the BSP showed the net profit of the country's banking industry rose by 9.76% year on year to P391.28 billion in 2024.

The growth in total assets is also consistent with strong lending activity, Mr. Ricafort said.

Bank lending jumped by 12.8% to P13.02 trillion in January, its fastest pace in over two years, separate central bank data showed.

Mr. Ricafort also noted the manageable bad loan ratio which could "partly improve banks' asset quality, profitability, and overall total resources."

The banking industry's non-performing loan ratio rose to 3.38% in January from 3.27% in December. However, this was lower than 3.44% in the same month in 2024.

"The Philippines remains one of the fastest-growing economies in Asia, so the banking industry would be one of the biggest beneficiaries in terms of faster growth in loans, deposits, spreads, fee income, and overall revenues," Mr. Ricafort added.

Duterte,
from SI/1

Mr. Duterte, who led the country from 2016 to 2022, could become the first Asian former head of state to be tried at the ICC.

Mr. Menon said it was still too early to price in the impact of the arrest on Philippine markets and the economy.

"We'll have to wait and see what kind of domestic response evolves with the midterm elections and so on. But I think at this stage, it's safe to say economically, it's unlikely to be a big factor," he added.

In terms of political risk, Mr. Menon said the country has "endured a lot of political instability in the past."

"It's not anything new... I think in the Philippines there is some built-in resilience because of ongoing uncertainties on the political front and the economic front."

While he expects a small negative impact from the arrest, Mr. Menon noted the Philippines faces other bigger challenges on the investment front.

"You've got a lot of mega-trends taking place. There's climate change effects, technological disruptions, rising protectionism. All of these things, you know, are weighty and much bigger than the type of political changes we've just seen."

GlobalSource Country Analyst Diwa C. Guinigundo said the economic impact from the political turmoil stemming from the arrest "could be insignificant."

"It will depend on how mass actions in opposition to this arrest and detention of the former President," he said on the same program.

"In other words, it looks like, yes, there were developments that could upset the financial markets, but not too significant. In other words, we have seen this before."

He said the market could "simply build this into their political risk premium and over time, the market can recover."

On the other hand, analysts also noted the potential benefits from the recent development.

"This can sometimes be a plus. You know, investors have already built that in. It'll be a slight deviation from what they're usually expecting. And so, the impacts are likely to be muted as a result," Mr. Menon added.

He noted the country should leverage opportunities that could come from these kinds of disruptions.

"There's been a lot of reconfiguration of supply chains taking place with the US-China trade war and now rising global uncertainties on protection. So far, the Philippines hasn't taken too much advantage of this."

"But I think with the increased investments in infrastructure taking place, reducing costs, that can change. Hopefully, this little political blip won't cut into that positive scenario. But the economic changes taking place with investments in infrastructure especially, I think, bode well for the immediate future for the Philippines."

Mr. Guinigundo said the Philippine government's compliance with the ICC arrest warrant "reflects adherence to accountability."

"Foreign investors in the Philippines have raised the issue of adherence to law, rule of law, consistency of public policy," he said.

"The recent development shows that the government is also capable of providing or demonstrating its adherence to the rule of law, accountability, and of course, to conclude that culture of impunity in the Philippines," he said.

"The Philippines has more to show other than this political issue," he added.

Mr. Guinigundo also called for a "critical civil society" that has the capacity to "screen out and discern between actual political noise and the noise that can disturb markets and upset economic growth." — **Luisa Maria Jacinta C. Jocsos**

This process has been exploited by scammers, with some individuals selling their identities despite the existing penalties of imprisonment for two to six years and fines of up to P300,000, NTC said.

In 2024, NTC proposed amendments to the SIM Registration Act to Congress. The commission sought provisions granting NTC the authority to regulate the number of SIMs an individual can own and the possibility of limiting valid government-issued ID cards.

Additionally, NTC is recommending a provision mandating agencies responsible for issuing government-issued IDs to develop a validation platform accessible to public telecommunications entities (PTEs).

Last year, PTEs blocked 3.34 million scam messages and deactivated 3.12 million SIM cards, contributing to the overall reduction of text scams and SIM fraud.

Smart is the wireless unit of PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls.

Manila Water,
from SI/1

These loans were used to finance the concessionaires' projects to expand and improve water and sewerage services.

According to Manila Water, the FCDA is based on the peso-dollar exchange rate as of December 2024 versus September 2024.

"There was a 4.24% increase in the USD exchange rate, which a bigger percentage of our loans are denominated in," it said.

The peso weakened against the US dollar in the fourth quarter of 2024, closing at its record low of P59 thrice (on Nov. 21, Nov. 26, and Dec. 19).

The peso traded at the P57-P59 per dollar range in the fourth quarter of 2024, and at the P55-P58 per dollar range in the third quarter of 2024.

For the second quarter, Manila Water customers who consume 10 cubic meters or less will see their bills increase by P0.21 to P255.04 from P254.83 in the first quarter.

Those consuming 20 cubic meters will see their monthly bills go up by P0.45 to P563.92, while those consuming 30 cubic meters will see their bills increase by P0.90 to P1,149.65.

Enhanced lifeline customers and low-income customers will not see any bill adjustments.

Meanwhile, the MWSS said Maynilad deferred the implementation of the upward tariff adjustment of P0.09 per cubic meter to the third quarter.

"Maynilad has opted to defer its scheduled adjustment to mitigate the immediate financial pressure to consumers. This deferment, which will see the adjustment applied in the next quarter, is a business decision and it's not a waiver," Mr. Ty said.

In a statement, Maynilad confirmed it deferred the FCDA, which was driven by peso depreciation against the dollar. It noted the concession fees or the MWSS loans it "inherited" are largely denominated in US dollar.

"Maynilad regularly evaluates various factors when implementing FCDA adjustments, including foreign exchange movements and their impact on our loan obligations," it said.

"While the mechanism allows for quarterly adjustments, we considered it prudent to maintain rate stability for this period. Moving forward, FCDA adjustments will continue to be applied as needed, based on prevailing conditions."

Last year, the MWSS Board of Trustees issued a resolution approving the FCDA guidelines prepared by MWSS RO, which became effective on Aug. 21, 2024.

"Please take note that the two concessionaires will not earn any income for the FCDA. This adjustment, based on the foreign currency exchange fluctuations, is purely pass-on amount and this will not result in any income on the part of Manila Water or Maynilad," Mr. Ty said.

Beginning January this year, the two concessionaires implemented water rate hikes following the approval of the regulator as part of the third tranche of approved tariffs for the 2023-2027 rate rebasing period.

Rate rebasing is done every five years, accompanied by a performance review and validation of the two concessionaires' projected cash flows. It also sets the water rates in a manner that allows the water suppliers to recover their expenditures.

Manila Water serves the east zone network of Metro Manila, covering parts of Marikina, Pasig, Makati, Taguig, Pateros, Mandaluyong, San Juan, portions of Quezon City and Manila, and several towns in Rizal province.

Maynilad serves parts of Manila, Quezon City, and Makati, as well as Caloocan, Pasay, Parañaque, Las Piñas, Muntinlupa, Valenzuela, Navotas, and Malabon. It also supplies water to the cities of Cavite, Bacoor, Imus, and the towns of Kawit, Noveleta, and Rosario in Cavite province.

Metro Pacific Investments Corp., which has a majority stake in Maynilad, is one of three Philippine units of First Pacific Co. Ltd., the others being Philex Mining Corp. and PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeem Joy Talavera**



Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)



DEPARTMENT CIRCULAR NO. DC2025-03-0004

AMENDMENT TO DEPARTMENT CIRCULAR NO. DC2021-11-0036 TITLED "PROVIDING THE REVISED GUIDELINES FOR THE GREEN ENERGY AUCTION PROGRAM IN THE PHILIPPINES"

WHEREAS, the Department of Energy (DOE) issued the revised Guidelines for the Green Energy Auction Program (GEAP) through Department Circular (DC) No. DC2021-11-0036 titled, *"Providing the Revised Guidelines for the Green Energy Auction Program in the Philippines"* (GEAP Guidelines);

WHEREAS, through the GEAP, the DOE instituted a competitive process in the selection of eligible renewable energy (RE) facilities entitled to the Feed-In Tariff Allowance (FIT-All) Fund;

WHEREAS, under the GEAP, the Feed-In Tariff (FIT) to be paid to the selected eligible RE facilities is fixed based on the price (in Php/kWh) of the Winning Bidder's offered capacity in a Green Energy Auction, known as the "Green Energy Tariff" (GET);

WHEREAS, GET is defined in Section 4.6 of the GEAP Guidelines as the price, in Php/kWh, resulting from the conduct of each Green Energy Auction corresponding to each Winning Bidder on a pay-as-bid basis;

WHEREAS, under Section 2.10 of ERC Resolution No. 16, Series of 2010, titled *"Resolution Adopting the Feed-In-Tariff Rules"* (FIT Rules), ERC shall adjust the FITs annually for the entire period of its applicability to allow pass-through of local inflation and foreign exchange (FOREX) rate variations and shall employ a simple benchmarking indexation formula to apply to all technologies based on applicable percentage sharing between local and foreign capital as determined by the ERC in the setting of the FITs;

WHEREAS, ERC Resolution No. 18, Series of 2014, titled *"A Resolution Approving the Templates for the Renewable Energy Payment Agreement (REPA) and the Renewable Energy Supply Agreement (RESA)"*, recognizes that the "FIT rate" may be adjusted by the ERC in accordance with Section 2.10 of the FIT Rules;

WHEREAS, Section 16 of the GEAP Guidelines provides that the Green Energy Auction adopts the Regulatory Framework and Administration of FITs provided under ERC Resolution No. 16, Series of 2010, except that the Green Energy Auction pricing mechanism shall be governed by Section 8 of said Guidelines, *i.e.*, ERC shall determine the Green Energy Auction Reserve (GEAR) Price for each auction round;

WHEREAS, there is a need to clarify that the indexation provided under ERC Resolution No. 16, Series of 2010, applies to the GET under GEAP, notwithstanding Section 4.6 of the GEAP Guidelines;

WHEREAS, Department Circular No. DC2024-06-0018, titled *"Revised Omnibus Guidelines Governing the Award and Administration of Renewable Energy Contracts and the Registration of Renewable Energy Developers"* (Revised Omnibus RE Guidelines), which took effect on 25 June 2024, grants an RE Developer the option to be issued a Certificate of Authority (COA) after approval of its RE Application but before the execution of the RE Contract;

WHEREAS, a COA is a certificate duly signed by the DOE exclusively authorizing an RE Developer to procure the necessary permits and tenorial instruments for the exploration, development, construction and installation, and commercial operation of the RE Project and conduct reconnaissance and other activities needed for pre-feasibility studies, as applicable, within the area specified in the certificate, thereby giving the RE Developer the privilege of procuring the aforesaid permits and tenorial instruments outside of the contract term;

WHEREAS, to allow the participation in the GEAP of RE Developers whose RE Applications have been duly approved by the DOE and who have been issued with COA, the term "Qualified Suppliers" as defined under the GEAP Guidelines must be modified;

WHEREAS, in the interest of efficiency in the conduct of the Green Energy Auction, the posting of the Notice of Auction for a Green Energy Auction shall serve as notice to all stakeholders of the GEAP, without the need of publication in a newspaper of general circulation;

WHEREAS, on 14 February 2025, the DOE conducted an online public consultation on the draft DC, titled *"Amendment to Department Circular No. DC2021-11-0036 titled, Providing the Revised Guidelines for the Green Energy Auction Program in the Philippines."*

NOW, THEREFORE, pursuant to its authority under Republic Act No. 9513, or the Renewable Energy Act of 2008, the DOE hereby adopts, issues, and promulgates the following amendment to the GEAP Guidelines.

Section 1. Section 4.12 of the GEAP Guidelines is hereby amended to read as follows:

"4.12. **'Qualified Suppliers'** refer to RE Developers/Generators: **(a) awarded with a valid and subsisting RE Contract, or (b) issued with COA, and** eligible to participate in the GEA as determined by the GEAC under Section 6.1 of this Circular;"

Section 2. Section 9.1 of the GEAP Guidelines is hereby amended to read as follows:

"9.1 Publication of the Notice of Auction. The DOE shall publish the Notice of Auction **on its website**. xxx."

Section 3. Section 16 of the GEAP Guidelines is hereby amended to read as follows:

"Adoption of Certain Provisions in the FIT Rules. The GEA adopts the Regulatory Framework and Administration of FITs provided under Resolution No. 16, Series of 2010, issued by the ERC. However, the GEA pricing mechanism shall be governed by Section 8 of this Circular. **For the avoidance of doubt, the GET resulting from Green Energy Auctions conducted after the effectivity of this Circular shall be subject to indexation as may be determined by the ERC in accordance with the FIT Rules.** As such, other entities involved in the implementation of the FIT shall continue to discharge their responsibilities as set forth in the FIT Rules with respect to the results of each auction round.

Section 4. Separability Clause. If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 5. Repealing Clause. All previous issuances, rules, and regulations inconsistent with this Circular are hereby repealed, amended, or modified accordingly.

Section 6. Effectivity. This Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation and shall remain in effect until otherwise revoked. A copy of this Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued this MAR 07 2025 at the DOE, Energy Center, Rizal Drive, cor. 34th Street, Bonifacio Global City, Taguig City, Metro Manila.

RAPHAEL P.M. LOTILLA
Secretary

