Pork MAV set for overhaul to make allocations more fair, DA says

THE Department of Agriculture (DA) on Wednesday said it is looking to overhaul the minimum access volume (MAV) allocation system for pork to make the process more fair.

MAV rules were formulated almost three decades ago and have been "exploited by a small number of accredited importers," it said in a statement.

The DA's Policy and Planning Office will come up with a recommendation by October, the department said.

"Our MAV rules were written in 1996 and when I read them, I found a lot of room for improvement. So, we have to revise the MAV," Agriculture Secretary Francisco Tiu Laurel, Jr. was quoted as saying.

The MAV is a feature of the World Trade Organization system. Members must commit to open their markets to a minimum quantity of imports that are charged reduced tariffs.

Pork imports falling within the MAV quota are subject to a tariff of 15%, against the regular rate of 25%. The MAV allocation for pork is 55,000 metric tons (MT), with 30,000 MT going to meat processors.

Mr. Laurel said of the 130 quota holders, 47 account for 80% of the total; of the 47, 22 have cornered 70% of the volume of the top importers.

"In reality, 22 MAV quota holders account for 55% of the total volume," he said.

"The sad part about this is that consumers don't benefit from the reduced tariff," he said.

Asked to comment, Meat Importers and Traders Association (MITA) President Jess C. Cham said via Viber: "The licensees who have retained their allocations have all done so in accordance with MAV guidelines. We should not fault them for that."

Mr. Cham said to accommodate more importers, the MAV volume should be increased.

"It has been 30 years after all."

Mr. Cham said the DA "refuses to see the main problem" which is the lack of hogs, noting that due to the African Swine Fever outbreak in 2019, pork production dropped to 1 million MT in 2024.

Pork production pre-MAV was 1 million MT in 1995. It peaked at 1.9 million MT in 2019, he noted.

"With a production drop of 900,000 tons, MITA proposed to increase the MAV to 500,000 tons," Mr. Cham said. "This is still not enough to cover the deficit."

The DA is projecting pork production in 2025 to increase to 1.15 million MT.

National Federation of Hog Farmers, Inc. Vice-President Alfred Ng said giving a big part of the MAV to processors may benefit consumers more.

"Traditional MAV importers which are traders will not (pass on the) benefits to consumers," he said via Viber.

The DA said as initially planned, it is considering increasing allocation to meat processors to 40,000 MT.

It said Food Terminal, Inc. will also be given an allocation — initially set at 15,000 MT — to allow it to intervene in the market should pork prices increase.

MITA has been calling on the DA to issue the MAV allocation as soon as possible to avoid trade disruptions that could lead to a spike in pork prices.

Mr. Laurel in February said meat processors will be allowed to import 35,000 MT of pork. — **Kyle Aristophere T. Atienza**

San Jose del Monte city gov't approves new site of MRT stop

THE Department of Transportation (DoTr) said the city government of San Jose del Monte, Bulacan agreed last month to the new location of the Metro Rail Transit Line-7 (MRT-7) station in that city.

"The alignment agreed in September 2024 has also been reaffirmed by the San Jose del Monte government in March 2025," Michelle De Vera, assistant secretary for communications and commuter affairs at the DoTr, said via Viber on Wednesday.

Ms. De Vera said the realignment will not impact the projected start of MRT-7 operations.

The San Jose del Monte stop will now be located near the boundary of San Jose del Monte and north Caloocan, instead of the initial site, which was near the Muzon-Tungkong Mangga Road intersection, according to Philippine Information Agency.

According to the NEDA Central Luzon office website, the project is now 78.63% complete and is targeted for partial operations by 2026 and full operations by 2027.

Last year, the DoTr said the MRT-7, a project of San Miguel Corp. (SMC), is experiencing delays due to the right-of-way (RoW) issues in San Jose del Monte.

MRT-7, which will have 14 stops, will run from Quezon City to San Jose del Monte, and is expected to carry 300,000 passengers daily in its first year, and up to 850,000 passengers a day by the 12th year.

SMC is financing the construction and will operate the 23-kilometer commuter rail system under a 25-year concession agreement.

The commuter rail line's stations are Quezon/North Avenue Joint Station, Quezon Memorial Circle, University Avenue, Tandang Sora, Don Antonio, Batasan, Manggahan, Doña Carmen, Regalado, Mindanao Avenue, Quirino, Sacred Heart, Tala, and San Jose del Monte.

In 2024, the DoTr said it is looking at operating the Quezon City leg or the Quezon/North Avenue Joint Station up to Tandang Sora station. — **Ashley Erika O. Jose**

RE industry frets about rates should Trump stoke inflation

By Sheldeen Joy Talavera
Reporter

THE Trump administration's policies could cause inflation to remain elevated, which would have a major impact on the renewable energy (RE) industry because it depends heavily on borrowed capital, ACEN President and Chief Executive Officer Eric T. Francia said.

"Ninety percent of our capex (capital expenditure) is cost of capital and that remains elevated and more than offsets the low solar panel prices," Mr. Francia said.

Mr. Francia said President Donald J. Trump's preference that the US exploit its own fossil fuels to minimize dependence on foreign energy "is causing a lot of uncertainty with regard to mid- to long-term global supply and demand... There is a risk of stranded assets if you overbuild gas resources."

Mr. Trump withdrew the US from the Paris Agreement, which has been taken as a declaration of intent to lean more on fossil fuels. The resulting resistance by the US to the clean-energy transition has raised concerns that the industry's progress could stall.

Mr. Francia said in response, the Philippines should explore regional opportunities.

"These global policies are driven by US... (they are) only part of the equation. You need to look at the impact of local and regional policies. And that is where we have a great silver lining, to unlock opportunities in these challenges," he said.

Mr. Francia added that opportunities also lie in greater efficiency and falling prices of RE equipment, making renewables more competitive.

Energy Undersecretary Rowena Cristina L. Guevara, speaking at the Renewable Energy Forum 2025 on Wednesday, said the US reluctance to pursue RE aggressively means the Philippines can turn to regional partners to achieve its RE goals.

"We can have partnerships among us. And we do have leaders in Asia, like China, Japan, South Korea, and India leading the renewable energy market."

Citicore Renewable Energy Corp. President and CEO Oliver Tan said investment in energy transition has been "flattish" even before the return of Mr. Trump to office.

"At the end of the day, smart money will eventually find its way to areas where there's compelling investment (propositions). And the Philippines today is a very compelling investment for funds that will eventually come," Mr. Tan said.

The Philippines is seeking to increase the share of renewable energy in the power mix to 35% by 2030 and 50% by 2040.

Ms. Guevara expressed optimism in achieving the end-of-decade goal.

"We saw that with the developments happening in the Philippines, we will actually hit 35% by 2030," she said.

WB approves $800-M energy transition loan

THE WORLD BANK (WB) on Wednesday said it approved an $800-million financing package to support the adoption of clean energy technology and the enhancement of water management in the Philippines.

"Focusing on renewable energy sources and using energy more efficiently can help the country reduce electricity costs, improve energy security, and cut down on pollution," Zafer Mustafaoğlu, World Bank division director for the Philippines, Malaysia, and Brunei, said in a statement on Wednesday.

"Using more affordable renewable energy in the energy and transport sectors is crucial for the Philippines to build a strong economy," he added.

This First Energy Transition and Climate Resilience Development Policy Loan aims to bolster efforts to scale up clean energy technologies, enhance the security and flexibility of electricity markets, and improve water management.

The bank said the project will increase the share of renewable energy in installed generation capacity from 30% in 2023 to 42% by 2027.

It will also fund the procurement of 1,000 megawatts of new offshore wind capacity and implement energy efficiency measures saving five gigawatt hours annually.

"By strengthening RE markets, and unlocking private sector investment, the program will contribute to scalable, transformative impact beyond 2030, placing the Philippines on a sustainable trajectory," the World Bank said.

Additionally, the project will introduce policy reforms to improve governance and cohesiveness in the water sector, aiming to enhance water resources management and water supply and sanitation services.

"These reforms in the water sector are expected to increase access to safely managed water supply and sanitation services; raise funding and financing for water and sanitation projects; and improve the financial sustainability of local government-run water service providers," World Bank Senior Water Supply and Sanitation Specialist Maria Fiorella Fabella said.

Ms. Fabella noted that such support is a first for the Philippine water sector, and will promote more effective coordination, planning and management across sectors and governments. — **Aubrey Rose A. Inosante**

OPINION

Future-proofing family businesses: Strategies for success across generations

TAXWISE OR OTHERWISE
TRISSY A. ROGACION

Last month, our firm gathered family business leaders from various generations to share insights and explore strategies for navigating today's rapidly evolving landscape. Family businesses remain a cornerstone of the global economy; in the Philippines, over half of publicly listed companies are backed by family offices. As these businesses diversify and increasingly invest in entrepreneurs and startups, their influence begins to extend beyond their own enterprises, creating a broader impact across various sectors.

As the keynote speaker during the forum, Dr. Peter Bartels, PwC Germany Partner and PwC Global Entrepreneurial and Private Business Leader, advised private and family businesses to prioritize three key areas in 2025: AI technology adoption, sustainability and climate innovation, and family capital.

AI is transforming industries, and businesses must leverage it to improve operations, enhance the customer experience and make informed decisions. Family businesses have a unique advantage in adopting AI due to the presence of NextGen members, whose agility and digital proficiency help seamlessly integrate AI into business practices.

Furthermore, sustainability and climate innovation should be central to a family business's strategy. Stakeholders, including customers and investors, increasingly trust companies that demonstrate genuine commitment to these values. Mere claims of dedication to environmental, social and governance (ESG) practices or diversity, equity and inclusion (DEI) are insufficient; stakeholders seek tangible reports showing progress toward achieving sustainability goals.

Lastly, managing family capital effectively is more crucial than ever amid ongoing global geopolitical and economic pressures. The principle of diversification — avoiding concentration of assets in a single area — has never been more vital. Family enterprises should embrace diversification strategies, such as mergers and acquisitions (M&A), to mitigate risks across industries and regions.

In addition to focusing on these key priorities, we asked family business leaders at the event how they achieve success across generations. Here are some of the learnings they shared:

LESSON 1: EMBRACE THE INSIGHTS AND EXPERTISE OF NON-FAMILY MEMBERS WITHIN THE COMPANY.

The Bounty Fresh Group, which began as a modest venture by the Cheng family in the 1980s, has grown into the country's leading poultry integrator. Despite being privately owned, the company has increasingly welcomed the expertise of external professionals across various business units and management levels to drive its strategic goals. Caroline Chung, a third-generation family member and the Assistant Vice-President for Business Planning, Analysis and M&A at Bounty, highlights the crucial role these external experts play in the company's success. "Working with non-family members has been a journey over time. They have a different style and a different way of working. As the business has grown, we have to recognize that there are other skills, experiences and capabilities that other people offer that we really need," Caroline shared.

For family businesses, it's vital to acknowledge that while keeping family members involved is important, growth can be limited without the input of non-family professionals. Bringing in external talent with a range of experiences can introduce new perspectives that benefit the entire organization.

LESSON 2: FIND A SHARED OBJECTIVE THAT UNITES FAMILY MEMBERS DESPITE DIFFERENCES.

VMV Hypoallergenics was founded in Bogo, Cebu in 1979 by Dr. Vermen M. Verallo-Rowell, a dermatologist and dermatopathologist trained in the US. Today, her daughter, Laura Verallo de Bertotto, leads the company as CEO and Creative Director. Although Laura initially pursued other career paths and hadn't intended to join the family business, her mother eventually encouraged her to become part of the team alongside her stepfather and sister. Laura reflected on the initial challenges they encountered due to varying personalities and approaches, and how they ultimately found a shared purpose that propelled VMV to greater success.

"My mother is a scientific researcher, but at the core of that is the desire to care for people — which spoke to me as an academic who believes in representation, empowerment and inclusivity. Our 'why' became to save the world's skin, not just in the dermatological sense but also to save the world from harm. That cascaded to the rest of the company and united all of our people, strengthening the organization as a whole," Laura said.

In family businesses, it's not necessary for members to think alike or share the same preferences. What's important is finding common ground and a shared vision that allows family members to work together towards a common goal, despite their differences.

LESSON 3: BE OPEN TO THE INSIGHTS OF THE YOUNGER GENERATION.

D&L Industries, Inc. (DNL), established by the Lao brothers in 1963, has evolved into the country's leading chemical company, commanding significant market share across various industries. After being listed on the Philippine Stock Exchange in 2012, the Lao family has been vocal about future-proofing the business and overcoming the "third-generation curse," which suggests that the third generation tends to destroy the business. In addition to emphasizing good governance and compliance, Alvin Lao, President and CEO of DNL, highlights the value of fresh ideas from the younger generation. "Senior members of the family business also need to listen to younger people. In our family, when it matters, people listen. In our organization, we have a culture of humility and accepting that we don't know everything," Alvin said.

We live in an exciting time where Generation X, Millennials and Generation Z are all working together within organizations. It's essential for individuals to keep an open mind and appreciate the distinct insights and perspectives that each generation brings to the table.

TRANSFORM TO BUILD TRUST

The coming years will be pivotal for family businesses as many are transitioning leadership to the younger generation. In today's world, gaining trust involves more than simply ensuring that family members receive adequate returns. Trust must also be cultivated among other stakeholders, including employees, investors, customers and the public. To succeed in this dynamic environment and maintain trust, family businesses should go beyond delivering excellent services and products by clearly communicating their purpose, committing to ESG principles and upholding transparency, thus building lasting relationships with all stakeholders.

The views or opinions expressed in this article are solely those of the author and do not necessarily represent those of Isla Lipana & Co. The content is for general information purposes only, and should not be used as a substitute for specific advice.

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