PHL 'unsafe' tag based on questionable data — DoT

THE PHILIPPINES' designation as the "least safe country on the planet" is a "false report" that is "disconnected from reality," the Department of Tourism (DoT) said.

The safety ranking, issued by HelloSafe, is based on data compiled from travel insurers.

"What was presented as an objective safety index was, in fact, built on questionable data, lacking in transparency, and entirely disconnected from realities on the ground," Tourism Secretary Ma. Esperanza Christina G. Frasco said in a statement on Thursday.

"A thorough examination of HelloSafe's website reveals a focus on driving travel insurance sales rather than ensuring accurate safety assessments," she added, noting the absence of disclosure on the index's methodology and data sources.

She said that despite the subsequent removal of the Philippines from the list, "the damage to the country's reputation and to the lives of our people has already been done."

"The impact of this false narrative is not abstract. It disrupted bookings and businesses. It cast doubt on our destinations," she said.

"Worse, it harmed the livelihoods of millions of Filipinos who depend on tourism and entire communities whose economies rise and fall with the confidence of travelers," she added.

She said HelloSafe's removal of the Philippines happened "without clarification or accountability."

"We demand that HelloSafe correct all references to the erroneous data against the Philippines across its platforms and ensure the accuracy and consistency of its reporting tools, including interactive visual assets," she added.

The Philippine Hotel Owners Association (PHOA), the Pacific Asia Travel Association (PATA), and the Philippine IATA Agents Travel Association (PIATA) have also criticized HelloSafe's rankings.

"We find the article misleading, unfair, and detrimental to the efforts of the tourism and hospitality industry," PHOA President Arthur M. Lopez.

"This unjust characterization not only misrepresents the realities of travel safety in the Philippines but also undermines the diligent efforts made by stakeholders to promote tourism in the region," PATA Philippines Chapter Chair and PIATA President Maria Paz Alberto.

"Such misleading narratives can deter prospective visitors, leading to profound and lasting repercussions for businesses reliant on inbound tourism," she added. — **Justine Irish D. Tabile**

World Bank urges PHL to build fiscal buffers against shocks

THE PHILIPPINES needs to build fiscal buffers to remain resilient against economic shocks given the below-target growth projected over the medium term, the World Bank said.

"The Philippines will benefit from fiscal reforms. This will help the country rebuild fiscal space, and so give it room to act to support the economy, to support households in case of a growth downturn in the future," World Bank Senior Economist Jaffar Al-Rikabi told reporters on Thursday.

These measures include tax reform, particularly closing compliance gaps, to increase the share of tax collection to gross domestic product (GDP).

The World Bank also proposed making expenditure more efficient through means such as improving public financial management, procurement and public investment.

Other structural reforms to safeguard and accelerate growth include investing in infrastructure, connectivity and addressing skills gaps.

In the first quarter, the fiscal deficit widened to 7.3%, driven by election-related spending.

"We expect there to be a deceleration in expenditure, which would bring the overall end-year fiscal deficit much closer to fiscal targets that the government has set," Mr. Al Rikabi said.

"Risks to the macro-fiscal outlook (highlight) the need, therefore, to really double down on reforms so that the Philippines can safeguard and accelerate its growth journey," he said.

Mr. Al-Rikabi said the bank expects the government's efforts to strengthen domestic revenue mobilization to continue supporting "robust tax collection."

In its recent Philippine Economic Update, the World Bank retained its target forecasts for the Philippines this year until 2027, saying growth will be dampened by heightened global trade uncertainty.

The bank expects the economy to grow by 5.3% this year, 5.4% in 2026 and 5.5% in 2027.

The World Bank's forecasts are all below the government's 6-8% GDP target range for this year to 2028.

The bank said externally, the risks are tilted to the downside due to trade uncertainty and escalating regional conflicts, putting upward pressure on commodity prices and logistics costs.

At the same event, the World Bank noted the constraints on small and medium enterprise (SME) exports.

"Regional and global value chains are more than just sales outlets; they are platforms for creating quality jobs and more value-added through benefits from scale, increased competition, and learning," Jaime Frias, Senior Economist for the World Bank's Finance, Competitiveness, and Innovation Global Practice said.

Among the constrainsts are access to testing facilities and certification services, limited availability of financing for equipment and quality upgrades, and insufficient market information to effectively match buyers and sellers. — **Aubrey Rose A. Inosante**

Intra-regional trade expected to mitigate uncertainty caused by US tariffs — academic

By Beatriz Marie D. Cruz *Reporter*

MADRID — Asian countries exporting to the US must bolster intra-regional trade to mitigate any disruptions caused by US tariffs, an academic said.

"Maybe for some very export-oriented Asian economies, this is a wake-up call. They need to say, 'We need to find, diversify, and try to see if we can trade with each other,'" Waya Quiviger, Professor of Practice of Global Governance and Development at IE University in Madrid, told *BusinessWorld*.

"But if we're selling the same things, we can't trade with each other... So, diversify your economy... Maybe try to (develop) the domestic market, which is very hard to do," Ms. Quiviger said.

US President Donald J. Trump in April imposed reciprocal tariffs on most of the world, but paused the scheme for 90 days pending negotiations. In the interim, he charged a 10% tariff on most trading partners.

The Philippines was assigned a 17% reciprocal tariff in April, one of the lowest in Southeast Asia.

The US remains the top destination for Philippine-made goods, with exports hitting $4.26 billion in the first four months of 2025. Its top export products to the US are semiconductors, electronic integrated circuits, insulated wire, and other insulated electric conductors.

BEATRIZ MARIE D. CRUZ

IE UNIVERSITY Professor of Practice of Global Governance and Development Waya Quiviger

"Trump is extremely unpredictable," Ms. Quiviger said. "What he's been saying since April has varied, and what we see is a lot of volatility in what he's saying, and these threats of increasing tariffs."

The 90-day pause is set to end on July 9, by which time new rates may have been negotiated with many trading partners.

Higher US tariffs on China, the Philippines' largest trading partner, could further widen the latter's trade deficit, Ms. Quiviger also said.

The US and China last week agreed on a 55% tariff rate on all Chinese goods.

"(China is) probably gonna price its exports even lower since they're not selling to America," Ms. Quiviger said. "It's up to the Philippine economy to try to say, 'We need to diversify,' and it's maybe hard to do, especially with such a giant next to you."

The Philippines' balance of trade in goods has been in a deficit since 2015, with a trade gap of $15.91 billion as of April, the Philippine Statistics Authority reported. China accounted 29.4% of all imports in April.

To stay resilient, Ms. Quiviger said Asian economies should leverage domestic production based on demand.

"You have to try to foment domestic consumption, domestic sectors... So, try to produce goods where there's demand," she noted.

"What is it that the local economy demands? Are you producing it already?" Ms. Quiviger asked. "If you're not producing and there's a big demand for it, then you have to find a way to produce it quickly, which is not easy to do."

ARTA focusing streamlining efforts on water supply, wastewater projects

THE Anti-Red Tape Authority (ARTA) said it is aiming to streamline the permit processes for water supply and wastewater projects.

"Our objective is to address issues on overlapping regulations, remove unnecessary requirements, and come up with standard processing times," ARTA Secretary Ernesto V. Perez said at a signing ceremony on Thursday.

"We have to speed up the permit process so that emergency repairs can be done within 24 hours or a maximum of 48 hours," he added.

On Thursday, ARTA signed a joint memorandum circular (JMC), which prescribes streamlined processes and requirements for permits to construct, install, restore, rehabilitate, repair, and maintain water supply and wastewater systems.

"This circular directly responds to the challenges we have all seen for years: the delays due to overlapping permits, lack of coordination among agencies, and the burdensome requirements that slow down the construction and restoration of critical water infrastructure," he said.

"With the finalization of this JMC, we are putting into motion reforms that will standardize permit timelines, integrate barangay clearances, clarify technical requirements, and introduce accountability mechanisms to prevent unnecessary delays," he added.

Key features of the JMC include the integration of barangay clearances into city/municipal-level processes, standardized processing timelines compliant with the Ease of Doing Business Act, clear delineation of permitting authority, and a unified excavation clearance system.

"Full implementation of the JMC will proceed following the formal signing by all concerned agencies," ARTA said.

"The implementation will be chaired by the Department of Public Works and Highways and co-chaired by the Department of Environment and Natural Resources, which will oversee rollout efforts, compliance monitoring, and stakeholder coordination," it added. — **Justine Irish D. Tabile**

Work experience cited as K-to-12's missing element

THE GOVERNMENT must focus on providing work experience to make K-to-12 graduates more job ready, labor experts said, after the Palace noted the program's failure to prepare students for the workplace.

"Primarily, on-the-job training. Not all programs are offering this. It is needed to give students the exposure to actual work experience," Maria Ella Calaor-Oplas, an economics professor specializing in human capital development research at De La Salle University, said via Messenger chat.

She added that the government should incentivize the private sector to take in K-to-12 students as interns.

"They can come up with a Magna Carta for K-to-12 interns that includes incentives to companies who will take them in and employ them later," Ms. Oplas said.

She added that more collaboration is needed to ensure students in senior high school programs have internship places.

"It should also be noted that the economy is not able to provide decent work options and opportunities for K-to-12 graduates who desire to work already and not proceed to higher education," Benjamin Velasco, assistant professor at the UP Diliman School of Labor and Industrial Relations, said via Facebook chat.

"The K-to-12 program cannot deliver on the goal of employability alone since improving their employment options requires a package of policies, among them industrial policy," Mr. Velasco added.

He said business process outsourcing or virtual assistant jobs are among the best options for new graduates.

"Apart from these, there are hardly any good work opportunities where K-to-12 graduates can find jobs that pay well and offer benefits," he added.

He said that the Philippines currently does not systematically identify the key industries where more jobs can be generated.

"Instead, we have left the private sector to direct 'economic development' and investments have poured into real estate development, for example, which hardly generates decent jobs," he added.

The K-to-12 program was adopted following the passage of Republic Act No. 10533, or the Enhanced Basic Education Act of 2013, adding two more years to basic education with the intent of making senior high school graduates employable and globally competitive. — **Adrian H. Halili**

SRA seeks calamity declaration to deal with Negros sugarcane pest

THE Sugar Regulatory Administration (SRA) said it is seeking a state of calamity declaration in Negros Occidental to expedite pesticide procurement in response to the red-striped soft scale insect (RSSI) infestation affecting sugarland there.

The SRA estimates the infestation to have spread to 1,505 hectares in the Visayas, of which 1,490.32 hectares were in Negros Occidental, the leading sugar-producing province.

RSSI has the potential to reduce sugar content in cane by 50%.

Sugar farms in Iloilo, Capiz and Negros Oriental have also been affected by the infestation.

Administrator Pablo Luis S. Azcona called on local government units to declare a state of calamity to expedite pesticide procurement.

"Cities and towns can do it on their own... but for Negros Occidental, we hope it can be on the provincial level because of the extent," he told *BusinessWorld*.

Mr. Azcona said the affected areas are just a fraction of the land planted to sugarcane but "the rapid spread is worrisome."

"The real extent could be bigger as there are farms that have resorted to their own remedies without reporting the matter to SRA," he said.

The SRA said 97 hectares of sugar farms are classified as recovering from the infestation.

The DA has approved P10 million for pesticide purchases.

The SRA reported on Wednesday that as of June 8, with a few weeks still left for milling, sugar production hit 2.015 million metric tons (MMT), exceeding the previous 1.840 MMT for the current crop year. Production exceeded the actual output of 1.92 MMT in the previous crop year. — **Kyle Aristophere T. Atienza**

ERC to investigate Siquijor power crisis

THE Energy Regulatory Commission (ERC) announced plans for a public inquiry next month into the failure of the power system in Siquijor province.

In a statement on Thursday, the ERC said it ordered the Province of Siquijor Electric Cooperative, Inc. (Prosielco), S.I. Power Corp. (Sipcor), and the National Power Corp. (NPC) to appear before the public hearing scheduled for July 3.

The commission is looking into "frequent and prolonged power outages" across Siquijor, which have "disrupted economic activities and affected the welfare of residents, businesses, and tourists."

In May, the ERC's technical team conducted a five-day inspection, finding "several operational and regulatory deficiencies" in the generation facilities of Sipcor and the distribution lines managed by Prosielco.

"These deficiencies include inadequate preventive maintenance, lack of fuel inventory, operating without the required safety certifications and plant certificates of compliance, and the use of rented generators without permits," the ERC said.

The commission also noted the use of improper sectionalizing equipment and delays in infrastructure relocation on the distribution side.

The ERC said it is also reviewing the compliance of Prosielco and Sipcor with their power supply agreements (PSAs). The PSAs were approved by the commission in 2012 and granted interim relief in 2019.

The ERC said that the two PSAs, which have a combined contracted capacity of 9.5 megawatts (MW), "should be sufficient to meet peak demand in Siquijor."

ERC Chairperson and Chief Executive Officer Monalisa C. Dimalanta said: "In calling for this public inquiry, the Commission is determined to find long-term solutions to the power reliability issues experienced by the province and ensure that contractual commitments are delivered, and services are improved moving forward."

Earlier this month, the provincial government of Siquijor declared a state of calamity due to the power interruptions.

In a statement on June 9, Sipcor said it is implementing corrective measures.

President Ferdinand R. Marcos, Jr. visited one of the Sipcor power plants last week and ordered authorities to address the intermittent power outages within six months, according to the Presidential Communications Office (PCO).

Four days after, the PCO reported that the National Electrification Administration has "restored" stable electricity in the island province. — **Sheldeen Joy Talavera**