PAGCOR to continue freeze on gaming licenses 'for now'

THE Philippine Amusement and Gaming Corp. (PAGCOR) said it has no immediate plans to lift its moratorium on issuing new licenses for online gaming platforms.

Asked whether the moratorium, which began on March 1, 2024, will continue, PAGCOR Chairman Alejandro H. Tengco told *BusinessWorld*: "For now, maybe it should just be like that."

"We'll review it first to see if lifting the moratorium is appropriate," he added on the sidelines of a House budget briefing on Wednesday.

Mr. Tengco told legislators that PAGCOR "temporarily" stopped accepting new applicants for accreditation as gaming system service providers.

He said applications submitted before the March cutoff will be processed. These will undergo vetting through PAGCOR's "probity checker," which verifies identities, key officials, financial capacity, and criminal records of applicants.

Currently, there are more than 70 licensed online gaming sites and applications, including ArenaPlus, Playtime, OKBet and BingoPlus.

Despite the freeze, online gaming remains the top contributor to PAGCOR revenue.

The regulator expects to generate P116.65 billion in revenue this year, with 60% likely coming from online gaming.

In the first seven months, it collected P37 billion from digital betting platforms.

"If there is a total ban, it will have a big effect on the revenue of PAGCOR. There is no question about that," he said.

Mr. Tengco added that he is open to proposals from the Department of Finance requiring online gaming operators to list on the Philippine Stock Exchange.

"Most of the major players are already listed, so it might not be a problem," Mr. Tengco said. "But smaller operators may not have the capacity to list."

He added that PAGCOR is also studying whether increasing remittance rates from e-gaming operators could help address regulatory and social concerns.

"We will definitely look at the matter," he said.

PAGCOR's take is 30% from sole e-gaming platforms, reduced from 35% in January.

Integrated resorts are charged 25% to reflect operating expenses of bricks-and-mortar venues. — **Aubrey Rose A. Inosante**

Sual solar project eligible for green-lane treatment

THE Board of Investments (BoI) said it endorsed Pacific Impact Energy Corp.'s (PIEC) solar power project in Sual, Pangasinan for green-lane treatment.

In a statement on Thursday, the BoI said it has awarded a green-lane certificate for the company's 61.551-megawatt-peak Capantolan Solar Power Project, making the developer eligible for the expedited permit process.

"The solar power project has also been registered with the BoI, reinforcing its strategic importance and eligibility for investment incentives," the BoI said.

"Once operational, the project will deliver clean and renewable energy (RE) to support the country's transition to a sustainable energy future, enhance energy security, and contribute to the attainment of the Philippine RE targets," it added.

The BoI said it will help facilitate the smooth implementation of the Capantolan project by coordinating with national and local government agencies on permitting and regulatory concerns and ensuring that the project receives support.

The project is expected to create 400 jobs in engineering, supply, transportation, and related fields and maintain long-term operational roles for plant engineers, operators, and support staff.

It is also expected to lower electricity costs, strengthen energy independence, and promote environmental sustainability.

"We're actively developing clean energy projects across Southeast Asia, but the Philippines stands out as one of the most supportive environments for RE investment," according to James Timko, managing director of Pacific Impact Development.

"With the green-lane framework, the Philippines offers an ecosystem for enabling infrastructure. This is exactly the kind of program we look for when scaling climate-aligned energy solutions," he added.

The Capantolan project adds to PIEC's clean-energy ventures in the Philippines, joining the Albay Wind Power Project in Ligao and the Malasiqui Solar Power Project, also in Pangasinan.

"These projects collectively demonstrate PIEC's strategic approach to building a comprehensive clean energy portfolio that will significantly contribute to the nation's RE infrastructure," the BoI said.

By the end of July, the BoI-One-Stop Action Center for Strategic Investments had certified 208 projects for green-lane treatment, worth a combined P5.478 trillion, of which 162 of P5.027 trillion are in the RE sector. — **Justine Irish D. Tabile**

Gov't budget utilization rate hits 94% in July

THE cash utilization rate of government agencies hit 94% at the end of July, the Department of Budget and Management (DBM) said.

The National Government, local governments, and government-owned and -controlled corporations used P2.81 trillion worth of notices of cash allocation (NCAs) issued during the period. Unused NCAs amounted to P178.16 billion.

The cash utilization rate at the end of July was level with the 94% year-earlier pace.

NCAs are a quarterly disbursement authority that the DBM issues to agencies, allowing them to withdraw funds from the Bureau of the Treasury for their spending needs.

In the seven months, line departments used P2.06 trillion or 92% of their allotments, while P171.50 billion remained unutilized.

The Department of Migrant Workers and the Commission on Audit were the only agencies that posted a utilization rate of 100% at the end of July.

This was followed by the departments of Foreign Affairs (98%), Tourism (97%), Education (97%) and Finance (96%).

State Universities and Colleges and the Commission on Human Rights used 95% of their budgets.

The Department of Information and Communications Technology posted the lowest usage rate of 64%.

Budgetary support to state-run firms was 98% utilized with allocations for local government units at 99%.

During the launch of the DBM's Budget ng Bayan Monitor on Wednesday, Budget Secretary Amenah F. Pangandaman said the DBM will cut the budgets of underperforming agencies.

Among those rated "unsatisfactory" in the use of their budgets were the Bureau of Customs and the Commission on Higher Education.

According to its Status of Allotment Releases report, the DBM said it had released 93.8% or P5.936 trillion of this year's budget at the end of July. — **Aubrey Rose A. Inosante**

Carbon-credit rules due out next month

THE Department of Energy (DoE) said rules for trading carbon credits are expected to be released next month.

Speaking to reporters on Wednesday, Energy Undersecretary Felix William B. Fuentebella said the DoE will release general guidelines governing the issuance, management and monitoring of carbon credits in the energy sector by September.

"We plan to have it out and effective next month," he said.

The Philippines, one of the most climate-vulnerable countries in the world, is a signatory to the Paris Agreement, a global treaty seeking to take action in arresting the warming of global temperatures to well below 2°C above pre-industrial levels, and limit the increase to 1.5°C.

The Philippines has committed to reduce its greenhouse gas (GHG) emissions by 75% by 2030, as outlined in its Nationally Determined Contribution (NDC) climate action plan. It plans to reduce or eliminate emissions in five areas: agriculture, waste, industry, transport, and energy.

One way to achieve the NDC is by tapping international financial mechanisms under Article 6 of the Paris Agreement, such as the issuance and transfer of carbon credit certificates (CCCs).

A CCC is a tradeable certificate representing one ton of carbon dioxide equivalent of GHG emissions reduced, avoided, or removed from the atmosphere.

The DoE is tasked with overseeing the energy industry's NDC. Meanwhile, the Department of Environment and Natural Resources will serve as the designated national authority of the Philippines tasked with soliciting international cooperation on the carbon market.

In a draft circular, the DoE said it seeks to assist and guide the private sector in "effectively planning and implementing strategies to leverage CCCs, enabling reduction of operational costs, compliance with regulatory and fiscal requirements, access to available incentives, and enhanced implementation of mitigation efforts."

Among the eligible mitigation activities for energy are voluntary early retirement of coal-fired power plants; development of renewable energy projects; adopting low-carbon energy technologies; fuel switching and co-firing in power generation; switching to electric vehicles; and biofuels blending.

Participants can trade CCCs on the Philippine market, in countries covered by bilateral or multi-lateral agreements, and in the voluntary carbon market.

According to the NDC 2020-2030, the Philippines will need an estimated investment of approximately $72 billion to implement the targets.

"Mobilizing this capital from public, private and international sources is critical to achieving the targeted reductions in greenhouse gas emissions from these sectors," Environment Secretary Raphael P.M. Lotilla said in a recent climate summit organized by investment platform GenZero.

He said that the government is undertaking a comprehensive update to the climate action plan to recalibrate strategies for accelerating decarbonization.

"For the energy sector, updating of the NDC is aligned with the Philippine Energy Plan and focuses on policy measures that promote renewable energy and energy efficiency," Mr. Lotilla said.

ACEN Corp., the listed energy platform of the Ayala group, is a pioneer of the energy transition mechanism, using carbon finance to decommission its South Luzon Thermal Energy Corp. coal power plant as early as 2030, a decade ahead of its retirement date.

"We started to divest our coal plants and basically invest everything into renewables in the Philippines," ACEN President and Chief Executive Officer Eric T. Francia said.

The company is aiming to achieve its goal of reaching 100% renewable energy generation by the end of the year. — **Sheldeen Joy Talavera**

Chicken production up 8.2% in second quarter

CHICKEN production in the three months to June rose 8.2%, the Philippine Statistics Authority (PSA) reported, reflecting the switch to other meats due to high pork prices.

Chicken produced in the second quarter amounted to 563.04 thousand metric tons (MT).

In 2023 and 2024, chicken production rose 3.2% and 8.9%, respectively, it added.

Central Luzon accounted for 33.6% or 189.09 thousand MT of production during the period, with output growing by 22.30 thousand MT from a year earlier.

It was followed by Calabarzon with 113.60 thousand MT, Northern Mindanao with 41.16 thousand MT, the Central Visayas with 35.52 thousand MT, and Soccsksargen with 26.48 thousand MT.

Of the total, broiler chicken accounted for 87.5%, followed by native/improved chicken at 11.0% share, culled layer chicken at 1.2%, and gamefowl for breeding at 0.2%.

At the end of June, the chicken inventory was 212.83 million birds, down 2.3% from a year earlier.

Chicken egg production in the three months to June rose 4.8% year on year to 207.76 thousand MT.

Calabarzon was the top producer of chicken egg with 68.09 thousand MT or a 32.8% share, followed by Central Luzon (35.72 thousand MT), the Central Visayas (20.75 thousand MT), Northern Mindanao (18.24 thousand MT), and Soccsksargen (10.39 thousand MT).

The PSA said hog production in the three months to June fell 7.5% to 390.49 thousand MT on a liveweight basis.

Central Luzon accounted for 56.90 thousand MT, or 14.6% of the total, followed by Calabarzon (52.87 thousand MT), Northern Mindanao (50.61 thousand MT), Central Visayas (36.01 thousand MT), and Davao Region (29.77 thousand MT).

The PSA said 14 regions registered declining production during the quarter, with the Central Visayas posting the highest decrease of 13.66 thousand MT.

As of the end of June, the national swine inventory was 9.01 million head, down 5.6% from a year earlier.

About 71.6% of the swine population was grown by smallholder farms, while 24.8% and 3.6% were grown by commercial and semi-commercial farms, respectively.

The PSA said dairy production in the three months to June hit 8.38 thousand MT, up 9.6% from a year earlier.

Calabarzon accounted for 2.27 thousand MT or 27.1% of the total dairy production, followed by Western Visayas (1.37 thousand MT), Northern Mindanao (1.02 thousand MT), Central Luzon (1.01 thousand MT), and Central Visayas (0.57 thousand MT).

As of June 30, the dairy animal herd rose 16.4% to 166.41 thousand head.

Dairy carabaos accounted for 54% of the herd, followed by dairy goat at 23.5% and dairy cattle at 22.5%. — **Kyle Aristophere T. Atienza**

Better-tasting rice to be cultivated in next planting

THE Department of Agriculture (DA) said it will encourage the cultivation of high-yielding rice that satisfies consumer preferences for taste.

Agriculture spokesman Arnel V. de Mesa said the DA will study imported rice varieties like Vietnam's OM18, OM5451, and DT8, which are both high-yielding and make for good eating.

Some Philippine rice varieties are high-yielding but are not considered good-tasting, like 222 and RC10, he said.

"We cannot sacrifice the quality and quantity," he added.

Mr. De Mesa said the DA will help farmers plant high-yielding, good-quality varieties in the next cropping season.

The DA expects a harvest of about 11 million metric tons during the wet season, which runs between October and November. — **Kyle Aristophere T. Atienza**

TC orders anti-dumping duties to continue on Vietnam cement

THE Tariff Commission (TC) said anti-dumping duties will continue to be imposed on imports of ordinary Portland cement (OPC) Type 1 and blended cement Type 1P from Vietnam.

"There is a need for the continued imposition of anti-dumping duty to protect the domestic cement industry against dumping, which is causing an imminent threat of material injury to the industry," the commission said in a notice dated Aug. 20.

It said that the duty "shall remain in force for the remaining period of its original 5-year imposition to counteract the continuous existence of dumping that is threatening to cause material injury to the domestic cement industry."

However, it modified the duty to \$4.03 per metric ton (/MT) or 10.16% of the export price for Vissai Ninh Binh JSC and \$0.82/MT or 2.12% of the export price for NCL Trading Joint Stock Co.

Meanwhile, the commission retained the anti-dumping duty for the other exporters listed in the Department of Trade and Industry's Administrative Order No. 23-01.

The commission found that dumping continues despite the imposition of the anti-dumping duty.

"The imposition of anti-dumping duty achieved its intended results by preventing and/or alleviating the dumping," it said.

However, it said that it "did not completely deter dumping since the circumstances with respect to dumping have not changed significantly."

During the period of investigation, the commission said imports priced below their normal value continued to enter the country.

"Imports of OPC Type 1 and Blended Cement Type 1P subject to anti-dumping duty, while declining from 2022 to 2024 and thus indicate that the duty is deterring and alleviating dumping, continued to enter the Philippines in volumes that were likewise not negligible," it added.

In its final report, the commission said import volumes of the

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OPC Type 1 and blended cement Type 1P remained sizable, with dumped imports' annual share recorded at 20% in the first quarter.

It warned that lifting the anti-dumping duty will exacerbate the situation, with the Philippines being Vietnam's second-largest export market between 2021 and March 2025.

"The Philippines' open market, geographical proximity to Vietnam, and status as a top export market with established distribution channels, combined with Vietnam being the top foreign supplier of cement to the robust Philippine market, will encourage continuation or recurrence of dumping once the anti-dumping duty is lifted," it said.

"If the duty is lifted, it is likely that those Vietnamese exporters that had exited the Philippine market due to their inability to compete at their normal prices would resume their dumping of subject cement products," it added. — **Justine Irish D. Tabile**

CORRECTIONS

CLARIFICATIONS have been made to two recent Economy-page stories: "Remittances expected to drop..." first published on Aug. 14; and "Aboitiz Estates still fielding queries..." first published on Aug. 19.

The remittance story has been modified to indicate that the expected decline is regional, and not global. Quotes in the Aboitiz Estates story have been edited to better reflect the company's views on prospects for the semiconductor market. The changes are now reflected in the online versions of these stories.