RE push makes up for lack of net zero pledge — DoE's Garin

THE PHILIPPINES' efforts to increase the share of renewable energy (RE) in its power generation mix compensates for the absence of a net zero commitment, according to the Department of Energy (DoE).

"We have a national target in a sense... We do not need to commit to any other country (regarding net-zero targets)," Energy Secretary Sharon S. Garin said on the sidelines of the Philippine Net Zero Conference 2025 on Thursday.

"We decide ourselves what our targets are," she added.

The Philippines is the only Southeast Asian country with no formal net-zero target.

Net zero refers to reducing greenhouse gas emissions to as close as zero while also offsetting any remaining greenhouse gases in the atmosphere.

The Philippines 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, while limiting any increase to 1.5°C.

The Philippines has promised to reduce its greenhouse gas emissions by 75% by 2030, as outlined in its Nationally Determined Contribution (NDC), a climate action plan.

The NDC is part of the Philippines' broader emission-reduction goals, alongside its target to increase the share of RE in the power mix to 35% by 2030 and 50% by 2040.

"We are confident that we can reach that because we have the green energy auction (GEA), green energy options, and renewable portfolio standards. The result of that is there is so much appetite for investors to get into renewable energy," Ms. Garin said.

The first GEA, conducted in 2022 up to the latest round, which has yet been completed, promises a total RE capacity of 20 gigawatts.

Environment Secretary Raphael P.M. Lotilla said the Philippines needs to demonstrate "credible, science-based climate actions that balance economic growth with environmental integrity."

"Let us demonstrate that the Philippines, while contributing little to global emissions, can be a strong, proactive part of the solution. Let us show the world that credible, science-based climate action can coexist with competitiveness, growth, and social equity," he said.

"The Philippines cannot afford to wait, as climate impacts, especially in our country, will not wait," he added.

Allan V. Barcena, executive director of the Net Zero Carbon Alliance (NZCA), said the group is focusing its decarbonization efforts on "future-proofing" businesses against the worsening climate crisis.

"We purposely focused on the business sector... to encourage other companies to join us in our decarbonization journey, not to be superheroes for the planet, but to future-proof our respective businesses," Mr. Barcena said.

Launched in 2021, NZCA is a private-sector initiative aiming to achieve carbon neutrality by 2050. — **Sheldeen Joy Talavera**

Right-of-way law seen boosting PHL bid for upper middle-class status

By Chloe Mari A. Hufana
Reporter

THE newly signed Republic Act No. 12289, or the Accelerated and Reformed Right-of-Way (ARROW) Act, can help the Philippines achieve its goal of becoming an upper middle-income country, analysts said.

"This supports the country's push toward UMIC (upper middle-income country) status by improving connectivity, efficiency, and investor confidence," Philippine Institute for Development Studies Senior Research Fellow John Paolo R. Rivera said via Viber.

"However, strong implementation, fair compensation, and coordination with LGUs remain essential for its success," he noted.

He noted that the new measure is long overdue and will significantly improve the rollout of infrastructure projects.

"By streamlining land acquisition, it minimizes costly delays and accelerates project completion that is critical for boosting productivity and attracting investment," he added.

President Ferdinand R. Marcos, Jr. signed the ARROW Act on Sept. 12, Palace Press Officer Clarissa A. Castro told *BusinessWorld* via Viber.

Public Works Secretary Vivencio B. Dizon also confirmed the signing in a separate Viber message late Wednesday.

Malacañang has yet to release a full copy of the law, which amends Republic Act No. 10752, or the Right-of-Way Act, extending its coverage to all infrastructure projects carried out under public-private partnerships.

Nigel Paul C. Villarete, senior adviser on public-private partnerships at technical advisory group Libra Konsult, Inc., said that while private property rights are protected in a democracy, they must sometimes yield to the greater good.

He said via Viber that individual ownership cannot extend indefinitely, especially when it impedes community or national interests.

He said the law makes it easier for the government to pursue its infrastructure program.

The measure extends to private companies providing public services the power of eminent domain — including companies in electricity, petroleum, water pipelines, ports, telecommunications, and irrigation.

It also updates the law governing government access or expropriation of land for infrastructure by clarifying the rules on underground right-of-way.

The scope of the new law covers roads, bridges, power and water pipelines, telecommunications facilities, airports, seaports, and irrigation projects, among others.

Agencies will be required to prepare a Right-of-Way Action Plan before acquiring property, which must include a census of affected persons, an inventory of assets, compensation estimates, an implementation timeline, and records of consultations.

Property valuation will follow the market schedules set under the Real Property Valuation and Assessment Reform Act, ensuring fair compensation for land, structures, crops, and other affected assets.

Reforms, prospect of FTA keeping EU firms upbeat about entering PHL market

By Justine Irish D. Tabile
Reporter

EUROPEAN BUSINESSES remain confident about setting up operations in the Philippines due to recent reforms and negotiations for a free trade agreement (FTA), the European Union-Association of Southeast Asian Nations Business Council (EU-ABC) said.

"European businesses remain confident... in the direction of travel under the Marcos administration," EU-ABC Executive Director Chris Humphrey told *BusinessWorld*.

"And they remain confident because we do have those ongoing FTA negotiations with the European Union," he added.

He said that the reform agenda of the Marcos administration will help improve the ease of doing business, an ongoing concern for European businesses with operations in Southeast Asia.

"I think there's always room to improve the ease of doing business in any economy in Southeast Asia. That is true in the Philippines as well," he said.

"But the reform agenda that the Marcos administration has been undertaking makes life easier for European businesses," he added.

He said the amended Investor's Lease Act and reforms pushing the green economy and green energy are making the country a more attractive destination.

He also said the FTA, which both sides hope to complete by the end of next year, is expected to address some of the barriers to entry for European businesses as well.

"If you take a broader look between Europe and Vietnam with their FTA, we saw trade accelerate, and we saw investments from Europe into Vietnam accelerate as well," he added.

With FTA negotiations ongoing, he said there is plenty of room for expansion in Philippine-EU trade.

"The Philippines already enjoys the Generalised Scheme of Preferences Plus (GSP+), and you will lose that at some point by virtue of your own economic development. So you need the FTA in place to help boost trade going forward," he said.

"I actually do think trade and investment between Europe and the Philippines is below where it should be. And putting a comprehensive FTA in place will mean that trade will go up in the future," he added.

Asked what sectors European businesses are interested in with regard to Philippine operations, he said they will skew towards high-end sectors.

"It's a broad range of sectors like semiconductors, maybe the automotive sector as well, and high-end electronics, but also agriculture as well. I think there's plenty of scope for the EU to source more agricultural products from the Philippines," he said.

He also said that the Philippines can look at the EU as an alternative market amid the plans of the US to impose tariffs on chips.

"If the US starts pricing itself out of markets because its tariffs are too high, businesses and countries will look to other export markets for their products. And I think that's true for the Philippines. It's true for anywhere in Southeast Asia," he said.

"If you're looking at things like semiconductors, well, Europe has a huge need for them. There is naturally another market there for any Philippine production to look at," he added.

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Cebu BRT targeted for full completion by 2030 — Recto

THE Cebu Bus Rapid Transit (BRT) project is expected to be fully complete by 2030, two years later than initially planned, Finance Secretary Ralph G. Recto said on Thursday.

Speaking at the Philippine Economic Briefing in Cebu, he said the transit system's new deadline pushes back completion from the earlier-targeted date of 2028.

The 35-kilometer BRT "will transform mobility in Cebu, providing efficient, reliable, and sustainable public transport for our people," Mr. Recto said.

He did not provide further details on the new delay.

The government broke ground on the first package of the project in 2023. It is expected to serve up to 169,000 passengers per day once completed.

"After over a decade of planning, its first package is targeted to be open to the public by this quarter," Mr. Recto said.

According to a July World Bank report, construction on the Cebu BRT has slowed, with major civil works packages yet to be launched. It recommended restructuring to ensure completion before the loan agreement expires.

On July 23, then-Transportation Secretary Vivencio B. Dizon said at least three stations of the transit system are expected to commence partial operations this month.

Meanwhile, Mr. Recto said the government will continue to ramp up efforts to boost regional tourism in the region, with the privatization of international airports like Laguindingan in northern Mindanao and Bohol-Panglao.

"In the next three years, we aim to award 12 more regional airports, including the Puerto Princesa International Airport," he said.

Mr. Recto added that 40 patrol vessels to be acquired by the Philippine Coast Guard from the French shipbuilder OCEA will be assembled in Cebu.

He noted that growth in the Central Visayas averaged 7.3% over the past two years, outpacing the national average of 5.9% since President Marcos Jr. took office in 2022. — **Aubrey Rose A. Inosante**

Fisheries science conference convening in Clark this month

FISHERIES RESEARCHERS are convening later this month in Clark to present findings that will make fishing more sustainable and financially more rewarding to industry participants, conference organizers said.

The 11th Fisheries Scientific Conference (Fish SciCon) will take place at the Royce Hotel in Clark on Sept. 24-25, featuring presentations by the host organization, the National Fisheries Research and Development Institute (NFRDI) and other researchers.

The NFRDI program includes presentations on oyster, mangrove crab, milkfish, tilapia in brackish water, and tilapia in fresh water, as well as programs like the Knowledge Products Repository and the National Stock Assessment Program.

Resource persons will also discuss capture fisheries, aquaculture, postharvest operations, and biotechnology, organizers said.

Scholars of the Bureau of Fisheries and Aquatic Resources will also present their research at a competition during the conference. — **Andre Christopher H. Alampay**

DEPARTMENT OF AGRICULTURE

Agri dep't orders audit of farm-to-market roads

AGRICULTURE Secretary Francisco P. Tiu Laurel, Jr. ordered an audit of all farm-to-market road (FMR) projects since 2021, the Department of Agriculture (DA) said in a statement.

The DA said that it validates FMR projects, though they are commissioned, bid out, and constructed by the Department of Public Works and Highways, which is currently embroiled in scandal over substandard or even non-existent flood control projects.

"These roads are meant to connect production areas to markets," he said. "With what is happening now in flood control projects, I ordered an audit of all FMR projects from 2021 to 2025. If there are any issues in these agricultural road projects, I will have to report that to President (Ferdinand R.) Marcos, (Jr.)," Mr. Laurel was quoted as saying.

The FMR audit, he said, should be completed by the end of this year.

According to the government's roadmap, the target is to build 131,000 kilometers of FMRs to link farms with markets, the DA said. As of July, 70,000 kilometers have been completed — and about 61,000 kilometers awaiting validation.

For 2026, the DA said it allocated P16 billion for FMRs, well below the P56 billion requested during the budget preparation process.

Business chamber calls for digitalization push to be made more inclusive

THE Philippine Chamber of Commerce and Industry (PCCI) said the digitalization process needs to be made more inclusive if the Philippines is to catch up with the rest of the region.

"Even as the Philippines has made strides in digital transformation with rapid growth in digital payments, e-commerce platforms, and online public services, the country remains behind its Southeast Asian neighbors," the PCCI said in a statement on Thursday.

"As the Association of Southeast Asian Nations (ASEAN) region accelerates toward a digital economy, the Philippines must take decisive action to close the digital gap or risk being left further behind," it added.

PCCI President Enunina V. Mangio said robust and inclusive digital infrastructure is needed for digitalization to take off, with a special focus on broadband access in rural and underserved areas.

"If we are to achieve inclusive and sustained growth, local governments, schools, and enterprises operating in rural areas must have the same level of access and reliability as their urban counterparts," she said.

"To be competitive, cost and speed must be equivalent to or even better than those of our neighbors in ASEAN who are already years ahead of us in small-business digitization, e-commerce adoption, and digital government services," PCCI President Consul Enunina Mangio said.

She said more must be done beyond recent reforms like the amendments to the Public Service Act, the SIM Card Registration Law, the Digital Transformation Roadmap, and the National Fiber Backbone project.

"Connectivity must be treated as critical infrastructure, on par with roads, energy, and ports," according to Dennis Anthony H. Uy, PCCI director for Information and Communication Technology.

"There should be more strategic investment in both fixed and mobile broadband networks, especially in underserved regions, to enable more participation in the digital economy," he added.

The group also sought streamlined permit processes for telecom infrastructure and enforcement of infrastructure sharing policies. — **Justine Irish D. Tabile**