

Communities hosting power facilities granted P0.03 per kWh revenue share



THE Department of Energy (DoE) said the financial benefits due to communities hosting energy resources and power-generating facilities have been granted a new revenue share of P0.03 per kilowatt-hour (kWh) starting January. The revenue share rises from P0.01 per kWh currently, the DoE said.

The payment to communities is authorized by Energy Regulation Program No. 1-94 (ER 1-94), the DoE said in a statement on Wednesday.

Communities are entitled to a revenue share as compensation for hosting such facilities for energy projects.

When the new rate comes into force, the revenue share will be allocated as follows: 2.5 centavos for livelihood development, environmental protection, healthcare, and educational programs.

The remaining half-centavo will fund electrification projects that will link distribution utilities to households that lack power.

The policy contains an option to use the funds to lower the host communities' electricity rates, which will require a resolution by the local government units (LGUs). Non-use of the funds for two years will make the power rate cuts mandatory.

"We are shifting our approach to focus on empowering people and giving them a greater stake in our country's energy growth," Energy Secretary Sharon S. Garin said. "By reinvesting the benefits of power gen-

eration back into local areas, we are building shared prosperity and a stronger foundation for a sustainable future."

Beyond financial support, the new policy also calls for preferential employment for community members, local procurement, and skills development programs.

As of December 2024, the ER 1-94 Program funded 683 LGUs, comprising 321 barangays, 286 municipalities and cities, and 76 provinces. — **Sheldeen Joy Talavera**

Marcos urges miners to become reliable critical-mineral suppliers

PRESIDENT Ferdinand R. Marcos, Jr. said the mining industry must transform itself into a reliable supplier of critical minerals for the global green transition, which he insisted must be achieved by itself championing the highest environmental and social-responsibility standards.

Speaking at the opening of the Mining Philippines 2025 International Conference and Exhibition in Taguig City on Wednesday, Mr. Marcos warned against mining practices that "destroy forests, poison rivers and endanger lives."

He added that the country's mineral wealth "must bring tangible benefits to the people" in the form of improved schools, hospitals, and infrastructure.

"This Administration shares a common vision of responsible, inclusive, and climate-resilient mining in the country," he said. "Irresponsible mining has no place in our nation. Mining should build communities, not burden them."

He said the government is simplifying mining application procedures to attract quality investors who support national and global sustainability goals, including the United Nations Sustainable Development Goals and commitments under the Paris Agreement.

Mr. Marcos noted that recent reforms can serve to supercharge

Miners seeking to regain status as major exporter

THE Chamber of Mines of the Philippines (CoMP) said recent mining reforms hold the potential to return the industry to its former status as a leading producer of Philippine exports.

CoMP Chairman Michael T. Toledo, speaking at the 2025 Mining Philippines International Conference and Exhibition, said he was confident that the reforms can attract the kind of investment that will revive the sector.

He cited as possible catalysts for the industry the lifting of the ban on open-pit mining, the new tax system for large scale mining, and the streamlining of the permit process for miners.

He said these developments can bring the industry closer to when "mining accounted for over 20% of our export earnings."



"If we continue to operate responsibly, sustainably, and transparently, mining can once again become one of the strongest drivers of our economy," Mr. Toledo said the Philippines now ranks 16th in investment attractiveness, according to a survey by the Fraser Institute, which he says could "unlock billions in investment."

Environment Secretary Raphael P. M. Lotilla said future reforms will continue to promote responsible mining while building sustainability within the industry, adding minerals are no longer "commodities to extract but assets for a clean-energy future and inclusive progress."

He added that because of climate change, "we have adopted a climate and ecosystem-based lens in evaluating mining projects."

In 2026, the Mines and Geoscience Bureau will launch a Mineral Mapping and Inventory program to ensure operations are in line with UN Sustainable Development Goals, the Department of Environment and Natural Resources said. — **Andre Christopher H. Alampay**



EU seen as potential market for sustainable Philippine textiles

PHILIPPINE TEXTILES could establish a market niche in the European Union (EU) if they successfully navigate sustainability regulations, according to the Department of Science and Technology (DoST).

"We noticed that in some countries, their processing uses more chemicals and therefore are harmful to the environment," Science and Technology Secretary Renato U. Solidum, Jr. said on the sidelines of the 2025 Philippine Textile Congress on Wednesday.

He said the DoST Philippine Textile Research Institute is promoting sustainability and the use of natural dyes.

"This kind of material is better appreciated when you send it to Europe," he said.

"We have to have a niche. *Min-san hindi lang pamurahan 'yan* (Sometimes it's not just about price), we need to also market our products through the environmental lens," he added.

Entering the EU market has become increasingly challenging due to its new and emerging regulations as part of the EU Green Deal.

These include the EU Deforestation Regulation, the Carbon

Border Adjustment Mechanism, and the Ecodesign for Sustainable Products Regulation.

Mr. Solidum said the textile market is highly competitive for large-scale production but noted that tropical fabric is a niche the Philippines can compete in.

"This will be our edge. We need now more from the traditional textile industry to invest in the Philippines' tropical fabric because, by law, government employees need to wear Philippine tropical fabric," he said.

"*Hindi lang nama-maximize 'yan ngayon* (It just can't be maximized at the moment) because there's no mass production of Philippine tropical fabric ... That is why we are asking the private sector to invest here; otherwise *talagang magkakaron ng stale-mate* (development will stall)," he added.

He said the Philippine tropical fabrics remain expensive because they are not yet mass-produced.

"If more people use it, it will be cheaper and more competitive. But you have to scale operation, and scaling up operations needs investment," he added. — **Justine Irish D. Tabile**

Cattle imports from Spain banned after outbreak of lumpy skin disease

THE Department of Agriculture (DA) said it imposed a temporary ban on cattle products from Spain, following an outbreak of lumpy skin disease (LSD) in Catalonia.

The ban covers live cattle and water buffalo, as well as cattle products like semen and embryos for insemination, and rawhide.

Spanish veterinary authorities confirmed the outbreak in early October to the World Organization for Animal Health.

Low-risk commodities like

milk and dairy products, gelatin, collagen, tallow, hooves, horns, processed hides, skeletal muscle meat and blood derived meat are exempt from the ban.

While not contagious to humans, LSD causes cattle to lose weight, reduces milk production, damages hides, and causes infertility.

Agriculture Secretary Francisco P. Tiu Laurel, Jr. said the ban is to protect "local cattle and water buffalo." — **Andre Christopher H. Alampay**

Career Opportunity in SyCip Gorres Velayo & Co. (SGV & Co)
1 Vacancy

Company Name: SyCip Gorres Velayo & Co.
Address: 6760 Ayala Avenue, Brgy. San Lorenzo, Makati City, Philippines
Nature of Business: Professional, Scientific, and Technical Activities

Contact details of the Company: Julie Ann R. Rubia | Julie.Ann.R.Rubia@ph.ey.com

Job Position: Associate – Risk Consulting Services

Job Description:

- Review actuarial assumptions and methodologies, according to the applicable regulatory frameworks (e.g., Insurance Commission, IFRS), check reasonableness of reserves, data appropriateness and compliance with statutory requirements.
- Engage in the implementation of IFRS 17, the new accounting standard for insurance companies.
- Provide analysis and recommendations to clients regarding their actuarial assumptions and methodologies.
- Conduct research on applicable actuarial methodologies and/or regulatory requirements, as needed.
- Provide meaningful feedback to the clients with regards to risk management.
- Provide support to audit teams, both locally and within the Asia-Pacific region, with respect to disclosures in company's financial statements.

Basic Qualifications for the Position:

- Proficient in analytics tools like Alteryx, SQL, and Power BI, as well as familiarity with more traditional tools such as Excel, etc.
- Ability to simplify complex data and communicate results clearly to non-technical audiences, both in writing and through visualizations.
- Must collaborate with other members of the engagement team to plan the engagement and develop work program timelines, risk assessments, and other planning documents.
- Must have a strong understanding of financial and non-financial data.
- Be a strategic thinker that can see beyond the data and understand how analytics fits into the bigger picture of an FSO engagement and the overall consulting process.

Monthly Salary Range: 20,000 - 25,000
Workplace Location: Makati City

Name of Foreign National: Maahika Mitra
Nationality: Indian
City of Residence: Taguig City
Duration of Employment: 2 years

SyCip Gorres Velayo & Co. hereby declares that the above-named foreign national is able, willing, and qualified to perform the services and job description for this position. The company has the intention to employ the said foreign national and apply for an Alien Employment Permit with the Department of Labor and Employment - National Capital Region located at 967 Wasmiya Building, Maligaya Street, Malate, Manila.

OPINION

Goodbye tension, hello pension

Second of two parts

In the first part of our discussion, we highlighted the importance of creating robust retirement plans that exceed the minimum requirements set by Philippine retirement laws. As we move into this second part, we focus on the practicalities of implementing these strategic retirement plans, ensuring compliance with regulatory requirements, and maximizing available tax benefits that can significantly impact both employers and employees.

Apart from the registration of the plan with the Bureau of Internal Revenue (BIR) as a "Tax-Qualified Plan," employers must also take into consideration other compliance requirements such as engaging actuaries for valuation including PAS 19R and funding purposes and tax compliance returns filing and submission based on the plan's registration with the BIR, communicate benefits clearly to employees, and review and update the plan regularly to keep pace with inflation and workforce changes.

Under the BIR's revised regulations on private retirement benefit plans, within 30 days from the effectivity of the retirement benefit plan, the employer must apply for the issuance of a certification of qualification for tax exemption of the employee retirement benefit plan with the BIR. Otherwise, a penalty will be imposed on the employer. The BIR requires the submission of certain documents when applying for a Certificate of Qualification for Retirement Benefit Plans and will depend on whether the plan is trusted or non-trusted.

In the case of a trusted Retirement Plan or those whose assets or funds are being held, managed, and administered by entity appointed as trustee by an employer for the benefit of its employees, employers must submit, among others, the Retirement Plan Rules and Regulations with provisions on non-forfeiture and non-diversion rights,

TAXWISE OR OTHERWISE

MARVIN MADRIGALEJO and JOHN IAN KENG

the actuarial valuation report (must not be more than three years prior to the date of application), and the trust agreement and current fund amount. The BIR also requires the submission of the retirement plan's registration details and may request additional documents over the course of its review.

In the case of a non-trusted Retirement Plan, the documents appear to be more limited; that is, the employer must provide the written program constituting the Plan and the Deposit Administration Contract or Deferred Annuity Contract. The same documentation requirements are applicable to multi-employer plans. A copy should be submitted for each of the participating employers together with the Participating Agreement.

In deciding whether to select between a trusted or non-trusted retirement plan, the company must consider the investment earnings, administrative expenses and tax benefits (i.e., tax deductible contributions and tax exemption for investment earnings). The company provides greater control over where the funds are invested in a trusted plan as compared to a non-trusted plan, though the latter entails lower expenses.

Pending the employer's application with the BIR, the retirement benefits received by any qualified retiring employee or investment income received by the Retirement Fund is exempt from income tax and, consequently, from withholding tax pursuant to RA No. 4917, and Section 60(B) of the Tax Code, respectively. Once issued, the Certificate will be valid unless revoked by the BIR. However, should the application of the employer be denied by the BIR, the

employer/trust will be directly and solely liable for any deficiency in income taxes.

The BIR's guidelines underscore the need for timely registration, accurate documentation, and ongoing compliance. Employers must weigh the tradeoffs between control, cost, and administrative complexity when choosing the appropriate plan structure. Trusted plans offer greater investment oversight, while non-trusted plans may offer simplicity and lower expenses.

For purposes of tax compliance, trustees of all Retirement Plans are required to file an annual information return on or before April 15 of each year with the Revenue District Office (RDO) having jurisdiction over the employer together with the copy of the issued Certificate of Qualification. The submissions are subject to post audit by the BIR.

The gap between statutory benefits and actual retirement needs is undeniable. RA 4917 provides a legal and tax-efficient way for companies to support employees and secure their future. A written retirement plan isn't just good practice — it's a strategic move that benefits both employer and employee. Retirement should be a time of peace, not financial stress. By offering comprehensive retirement benefits to employees, companies can make that dream a reality.

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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