Red, white onion MSRP set at P120 per kilogram

THE Department of Agriculture (DA) said it imposed a maximum suggested retail price (MSRP) of P120 per kilo for both red and white onions starting today, Dec. 1.

In a statement, Agriculture Secretary Francisco P. Tiu Laurel, Jr. said the limited supply caused by delayed import arrivals does not justify current market prices.

"There may be some tightness in supply, but that's no excuse for runaway prices. At current market levels, it already smacks of profiteering," he said.

The Agribusiness and Marketing Assistance Service (AMAS) found that retail prices are hitting P300 per kilo, nearly triple what the DA believes is a fair market price.

Mr. Laurel said that the landed cost of onions is around P60 per kilo, which means that a P120 ceiling still leaves room for reasonable margins. "At P120, everyone, from importers to logistics providers to retailers, still earns a decent profit," he said.

AMAS Director Junibert E. de Sagun was quoted in a statement as saying that onion retailers were generally receptive to the proposed MSRP during an earlier consultation, provided that the cap be implemented only once new shipments arrive, to allow them to sell current inventories purchased at higher prices.

Last week, the DA said it ordered importers to explain the slow arrival of red onion shipments after a review revealed low utilization of import permits for red onion despite high demand.

According to the DA, all issued import permits must be used by Jan. 15, 2026, a deadline set to prevent importers from hoarding clearances to influence supply and prices.

The DA said the price ceiling imposed on domestically grown onions will remain subject to further consultation and adjustment should farmgate prices rise sharply. — **Vonn Andrei E. Villamiel**

Chinese brands seen indirectly competing with luxury cars

LUXURY CAR sales dropped 8% in October amid changing consumer preferences and increasing competition from Chinese brands, Mercedes-Benz Philippines said.

General Manager Maricar Parco said the luxury segment had sustained double-digit since the start of the year.

"In the last two months, the luxury segment has been very challenging," she said on the sidelines of the launch of the Chamber of Automotive Manufacturers of the Philippines, Inc.'s (CAMPI) 30th Anniversary Coffee Table Book on Friday.

"I believe it is primarily (because) the market is changing. We have more choice. The competitive landscape is much, much wider now, so consumers also take a little bit of time to choose. Obviously, the Chinese brands have been disruptive because of the pricing," she added.

She said that the luxury brands hope to see a recovery in the last two months of the year aided by aggressive promotions.

"We hope in the last two months we will be able to finish strong. We have to have very aggressive offers now for the entire industry to support this because the market is soft," she said.

"I believe because of the current environment, spending on luxury items is not really a priority," she added.

Asked if the demand has been impacted by the corruption scandal, she said, "Yes, but I would also like to say that the majority of our customers are respectable people."

She also said that as some buyers register the cars under a company name, sellers do not have a clear-cut way to know who is buying the cars.

"Most of our customers are repeat customers, people that we have been serving for generations, actually," she added.

The luxury segment includes brands like Mercedes-Benz, BMW, Lexus, Ferrari, Audi, Porsche, Jaguar, and Land Rover.

"We are very small; we are less than 1% now of the total industry," she said.

Overall, CAMPI President Rommel R. Gutierrez said the industry is still on track to hit 500,000 units in sales by year's end amid growing demand for electrified vehicles and stronger demand for vehicles during the Christmas season.

"We are confident," he told reporters on Friday. "I think we can still reach 500,000."

At the end of October, CAMPI and the Truck Manufacturers Association reported total industry sales of 383,424 units, 0.2% behind the year-earlier pace.

Passenger car sales fell 23.2% to 77,461 units in the first 10 months.

Meanwhile, sales of commercial vehicles, which account for almost 80% of the market by volume, grew 7.9% to 305,963 units in the first 10 months. — **Justine Irish D. Tabile**

Rice, *galunggong* prices up, meat steady in mid-Nov.

PRICES of rice and *galunggong* (round scad) rose in mid-November, while pork and chicken prices were little changed, according to the Philippine Statistics Authority (PSA).

During the Nov. 15-17 period, which the PSA calls the second phase of November, the national average retail price of well-milled rice rose to P47.90 per kilo, against P47.63 during the first phase of the month (Nov. 5-7) and P47.37 a month earlier. The year-earlier price had been P55.06 per kilo.

The highest average retail price of well-milled rice in the second phase of November was recorded in the Central Visayas at P54.74 per kilo, against the P53.46 reported in the first phase of November.

The lowest retail price of well-milled rice in the second phase of November was reported in the Cagayan Valley at P40.19 per kilo, which rose from the P39.88 recorded in the first phase of the month.

Galunggong prices rose to P247.86 per kilo in the second phase of November from P242.83 in the first phase and P233.77 a month earlier. A year earlier, the retail price for the staple fish had been P217.09 per kilo.

Retail prices of fresh pork (in bone-in form) averaged P316.05 per kilo, against P316.02 in the first phase of November and down from P320.98 a month earlier. A year earlier, pork prices had been P299.88 per kilo.

The retail price of dressed chicken averaged P208.42 per kilo, against P208.44 in the first phase of November and P210.03 a month earlier. Prices remained elevated compared to the year-earlier level of P202.60 per kilo.

Meanwhile, a slight decrease in retail prices in the second phase of November was recorded for beef (bone-in and pure meat) and *bangus* (milkfish).

On the other hand, vegetables, such as *ampalaya* (bitter gourd), cabbage, carrot, eggplant, Baguio beans, string beans, tomato and potato, posted retail price increases in the second phase of November.

Red onion prices surged to an average of P208.48 per kilo in the second phase of November, against P175.30 in the first phase. — **Vonn Andrei E. Villamiel**

PHL export prospects riding on tariff ruling by US Supreme Court

By Justine Irish D. Tabile
Reporter

A US Supreme Court ruling on the reciprocal tariffs will shape the Philippines' trade prospects as the justices grapple with President Donald J. Trump's radical overhaul of the trading system, analysts said.

Associate Professor of the University of Asia and the Pacific George N. Manzano said via Viber: "Because the US is our biggest export market, our prospects will depend on the ruling of the US Supreme Court on the authority of President Trump to impose reciprocal tariffs."

The Philippine Statistics Authority (PSA) reported that exports to the US totaled $11.158 billion in the first ten months, or about 15.8% of total exports.

In the first 10 months, Philippine exports amounted to $70.43 billion, up 13.8% from a year earlier.

"The export increase looks consistent with peso depreciation, which makes Philippine exports more competitive internationally, and an increase in world demand for semiconductors, which is a significant chunk of Philippine exports," he said.

Also, among the reasons for the rising semiconductor exports, he said, is the industry's tariff-exempt status.

In the first 10 months, the Philippines exported $37.7 billion worth of electronic products, up 12.6% from a year earlier.

Of the electronic product exports, $28.27 billion consisted of semiconductors, up 11.6% year on year.

Semiconductor and Electronics Industries in the Philippines Foundation, Inc. (SEIPI) President Danilo C. Lachica said the industry's export performance in the first ten months means the group's growth projections remain on track.

"Most probably," he said via Viber. "There are no changes in our top markets: Hong Kong, the US, and China."

Last week, Mr. Lachica said SEIPI is expecting 5-7% growth in exports this year.

If realized, this will bring the total electronic product exports to at least $41 billion by year-end from $39.09 billion a year ago.

Moving forward, Mr. Manzano said that Mr. Trump's executive order exempting some agricultural exports will help boost Philippine agricultural exports.

"The US remains the top export market despite the reciprocal tariffs for the Philippines because a sizable share of Philippine exports (semiconductors and electronics) are still exempt from reciprocal tariffs," he said.

He said other factors include the gestation period to develop and diversify to other markets and the still-being-negotiated Philippines-European Union Free Trade Agreement.

Meanwhile, he said that the decline in imports in October reflected softer economic growth overall.

"Philippine imports, on the other hand, decreased, which may be consistent with soft gross domestic product growth leading to weaker import demand, particularly of capital goods, energy, and raw materials," he said.

The PSA reported that imports declined 6.5% in October to $11.22 billion.

In the first 10 months, imports amounted to $111.75 billion, up 4.3%.

"The slower imports could still reflect lower global commodity prices. Being among the lowest in three to five years partly led to a lower import bill," Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said via Viber.

"The weaker peso also made imports into the Philippines more expensive, thereby dragging on demand," he added.

However, he said that the weak peso "provided some boost for Philippine exports cheaper from the point of view of international buyers."

Meanwhile, he said that as export markets diversify away from the US in response to the reciprocal tariffs, imports could eventually pick up.

"There may be some export-dependent countries that could diversify their exports and sell more to the Philippines, which could lead to import growth going forward," he said.

OPINION

Fostering growth and tax policy innovation with RPVARA

SUITS THE C-SUITE
JUAN PAULO C. SANTOS

By prioritizing transparency and digitalization, RPVARA not only enhances the accuracy of property valuations, but also fosters a more equitable system for property owners and local governments.

IN BRIEF:

• At the SGV 4th Tax Symposium, Executive Director Consolacion Agcaoili emphasized the Bureau of Local Government Finance's (BLGF) commitment to modernizing local fiscal management and enhancing transparency in property valuation through the implementation of the Real Property Valuation and Assessment Reform Act (RPVARA) by 2028.

• Pursuant to RPVARA, the BLGF is leading the development of a comprehensive digital roadmap, which will empower local government units (LGUs) to automate real property assessments, streamline tax collection processes, and allow electronic payments.

• The creation of a centralized property valuation system under RPVARA will grant government agencies immediate access to updated property records and market values. This innovation is expected to resolve persistent bottlenecks in infrastructure projects, especially those involving land acquisition, valuation, and compensation.

At the SGV 4th Tax Symposium, Executive Director (ED) Consolacion Q. Agcaoili of the Bureau of Local Government Finance (BLGF) highlighted the agency's commitment to modernize local fiscal management and promote transparency in property valuation, aligning with the symposium's theme "From Compliance to Confidence: Trust, Transformation, and Transparency."

As Republic Act No. 12001 or the Real Property Valuation and Assessment Reform Act (RPVARA) moves toward full implementation by 2028, its twin features of digitalization and transparency are expected to bring about consistent property valuations nationwide and enable LGUs to generate accurate property valuations, which will boost their tax collection capacity and strengthen fiscal autonomy.

Prior to the law, real property valuation was done by referring to the BIR schedule of zonal values, or the schedule of fair market value of the LGUs. As a result, there are varying and sometimes even conflicting bases for determining real property valuation.

To address this issue, RPVARA established a standard basis of valuation through the Philippine Valuation Standards (PVS) and the Schedule of Market Values (SMVs).

Ms. Agcaoili said that, after extensive consultations, the BLGF is ready to launch the 2025 edition of the PVS, which will be the basis for LGUs preparing their SMVs.

The law requires that all SMVs be developed after due consultation, making the entire process transparent and open to scrutiny. Prior to the submission of the proposed SMV to the BLGF, LGUs must conduct at least two public consultations and hearings, with the proposed values being posted on official websites and in public spaces.

These measures ensure that property owners, businesses, and the broader community can understand and participate in the preparation of the SMVs. By embedding transparency into every stage — from policy formulation to implementation — RPVARA not only reduces opportunities for political intervention, but also fosters accountability and fairness in the valuation of real properties.

This inclusive process allows property owners to actively participate in determining the SMVs, which will serve as the official benchmark for adjusting assessment levels, setting property tax rates, calculating local and national taxes, and determining fair compensation for land acquisition and public land disposition.

This article explores the implications of RPVARA, its foundational principles, and the anticipated benefits for property owners and local governments alike.

DIGITALIZATION AND LOCAL INNOVATION

Ms. Agcaoili discussed the development of the Real Property Information System (RPIS) mandated by RPVARA, which is a nationwide electronic database that will consolidate all real property transactions, valuations, and related data. As part of BLGF's digital roadmap, the RPIS will enable LGUs to automate property assessments, streamline tax collections, and allow electronic payments.

She also added that National Government agencies will have free access to the system. However, private sector users will need to pay a minimal fee, which will help cover system maintenance costs.

The RPIS is designed to be interoperable with the electronic data required to be shared by the Registers of Deeds, BIR, notaries public, officials issuing building permits and geodetic engineers conducting surveys within a locality. The Department of Information and Communications Technology (DICT) is tasked with providing the necessary infrastructure, equipment, and training, prioritizing lower-income LGUs to ensure nationwide compliance.

RPVARA has laid out safeguards against misuse, which include penalties for non-compliance, unauthorized data access, and improper valuation practices.

Another innovation under RPVARA is the grant of a real property tax amnesty within two years from the law's effectivity or until July 5, 2026. The amnesty covers penalties, surcharges, and interest on all unpaid real property taxes — including the Special Education Fund, Idle Land Tax, and other special levies — incurred prior to July 5, 2024.

By waiving penalties and surcharges, the amnesty gives property owners a "fresh start," encourages voluntary compliance, and more quickly boosts local government revenues. For property owners, the amnesty provision is expected to improve real property liquidity while providing LGUs with additional resources for development projects and public services.

ACCELERATING INFRASTRUCTURE, ECONOMIC DEVELOPMENT

RPVARA's reforms directly address long-standing barriers to infrastructure development. By establishing uniform, regularly updated benchmarks for property valuation, the law streamlines land acquisition for public projects, ensuring fair compensation and reducing disputes. The digitalization of property records and the adoption of international standards accelerate project timelines, allowing government agencies to implement real property acquisition for critical infrastructure.

RPVARA represents a pivotal shift in the valuation of real property in the Philippines. By prioritizing transparency and digitalization, RPVARA not only enhances the accuracy of property valuations, but also fosters a more equitable system for property owners and local governments.

As the law moves toward full implementation, it is expected to create a more robust framework to enhance LGU's capacity to generate revenues from real property, ensure transparency of valuation standards and promote the use of innovative digital technology in real property tax administration. The proactive engagement of stakeholders throughout this process will be crucial in ensuring that the benefits of RPVARA are realized across all levels of society, paving the way for a more sustainable and prosperous future for the Philippines.

This article is for general information only and is not a substitute for professional advice where the facts and circumstances warrant. The views and opinions expressed above are those of the author and do not necessarily represent the views of SGV & Co.

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