

The Southeast Asian economy grew at its slowest pace in four years in the last quarter, after the controversy hampered state spending and hit consumer confidence.

When asked if the magnitude of the rate cut will likely be small, Mr. Remolona said yes, adding that a 50-basis-point reduction is unlikely. The policymaking Monetary Board is scheduled to meet on Dec. 11.

He also said there's no urgency in further reducing banks' reserve requirement ratio.

Asked about the peso, which fell to a record low last month amid the graft scandal, Mr. Remolona said the central bank doesn't target a specific level for the currency, and that it only intervenes when the market "is going crazy." — **Bloomberg**

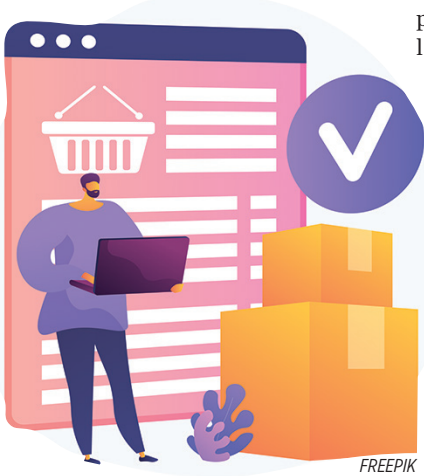
Innovation Council approves procurement, startup reforms

THE National Innovation Council (NIC) approved reforms aimed at modernizing government procurement and innovation projects and easing barriers for enterprises and startups.

In a statement on Monday, the Department of Economy, Planning, and Development (DEPDev) said the Council, at its ninth meeting, endorsed the New Government Procurement Act Supplemental Guidelines for the Direct Procurement for Science, Technology, and Innovation.

"The guidelines aim to streamline procurement processes for government entities engaged in research and devel-

opment, science, technology, and innovation programs and projects," DEPDev said.



The guidelines seek to reduce delays, enable startups to participate in government programs, and allow the procurement of pre-commercial goods to stimulate innovation and encourage early market engagement.

The guidelines round out Section 37 of the New Government Procurement Act Implementing Rules and Regulations.

DEPDev said the approved guidelines will be forwarded to the Government Procurement Policy Board for final approval and issuance.

"To keep pace with global technological developments

and foster a dynamic innovation ecosystem, government procurement must be fast, flexible, and open to new ideas," Economy Secretary and NIC Vice Chairman Arsenio M. Balisacan said.

Mr. Balisacan said the new procurement modality accelerates research, promotes early commercialization, and opens opportunities for startups and tech suppliers.

Meanwhile, the NIC also reviewed DEPDev's policy study on streamlining business registration, renewal and exit processes, which seeks to ease administrative hurdles for enterprises particularly micro, small and medium firms and startups, in

starting, operating and closing their businesses.

The initiative supports the Council's mandate to cut regulatory inefficiencies, improve ease of doing business, and boost innovation ecosystem through targeted reforms in business permitting.

DEPDev said the Council also approved implementing guidelines for Executive Order No. 99, series of 2025, which formalize the Presidential Filipinnovation Awards.

The updated rules set new eligibility criteria, evaluation standards and procedures aimed at promoting inclusivity and wider participation. — **Aubrey Rose A. Inosante**

BIR, from SI/1

This includes the Large Taxpayers Service, Revenue Regions and District Offices, Assessment Divisions, Value-Added Tax Audit Units, and Intelligence and Special Audit Units.

"The exceptions to the suspension apply only to urgent or legally mandated cases such as active criminal investigations, one-time transactions, audits prescribing within six months, refund claims that require audits, or immediate action on taxpayers flagged by verified intelligence," the BIR chief said.

Mr. Mendoza also said he instructed the creation of a Technical Working Group on the Letters of Authority and Mission Orders Integrity and Audit Reforms.

The group will evaluate existing procedures, identify operational and systemic vulnerabilities, recommend revised LOA protocols, and integrate digital safeguards and uniform audit standards, he said.

"This suspension is necessary to protect taxpayer rights, strengthen internal discipline, and ensure the integrity of our audit processes. We take every complaint seriously, and any misuse of authority, harassment, or irregularity has no place in the Bureau," Mr. Mendoza said.

Meanwhile, Senator Erwin T. Tulfo filed Senate Resolution No. 180 urging the Blue Ribbon Committee to investigate the misuse and "weaponization" of LOAs.

"We hope that Blue Ribbon will tackle this as soon as possible because they have been abusing this while everyone is busy with the flood control mess," Mr. Tulfo, who co-chairs the committee, told a news briefing in mixed Filipino and English.

In the resolution, Mr. Tulfo said the committee should assess the integrity of existing audit and LOA issuance protocols, examine paper and digital trail vulnerabilities, internal controls, and personnel accountability mechanisms; and recommend reforms.

"We have received complaints from companies that BIR personnel have been using LOA to extort businesses, even though they had already paid their taxes," he said.

Business groups have claimed that BIR personnel issued excessive and irregular LOAs, such as those covering taxable years already settled and fully paid; improperly combined multiple taxable years; and manipulated assessments in exchange for unofficial settlements.

Mr. Tulfo said the LOAs are being used to pressure businesses into paying "unofficial" taxes, with the discounted payment being pocketed by BIR personnel.

"What they are doing is excessive," he added. "Even if a businessman or business has paid their taxes, they will still inspect it."

Mr. Tulfo said that he intends to invite former BIR Commissioner Romeo D. Lumaqui, Jr. and examiners into the Senate probe. — **Aubrey Rose A. Inosante and A.H.Halili**

S&P, from SI/1

The US has slapped a 19% reciprocal tariff on most goods from the Philippines since Aug. 7. However, most agricultural goods, including coconuts, pineapples, mangoes, guavas, and frozen tuna fillets, are now exempt from the reciprocal tariff.

"Downside risks stem from aggressive US protectionism, tighter immigration policies for migrant workers, slower growth in key trading partners, more volatile global financial conditions, and potential inflationary pressures," it said.

It also flagged structural headwinds such as lingering scars from the pandemic, inadequate infrastructure, and weak manufacturing capacity.

AMRO also said a sharp slowdown in major trading partners could further weigh on the country's economic growth outlook.

The regional think tank said it expects the Philippine economy to grow above 5% in the medium term, although still slower than the pre-pandemic period. It sees GDP expanding by 6.2% in 2027 and 2028, before easing to 6% growth in 2029.

RATE CUTS

Meanwhile, S&P said it expects the Bangko Sentral ng Pilipinas (BSP) to lower borrowing costs by 25 basis points (bps) to 4.5% by yearend, before cutting further by 50 bps to a terminal rate of 4% in 2026.

BSP Governor Eli M. Remolona, Jr. earlier said a 25-bp reduction at the Monetary Board's last meeting this year on Dec. 11 is "possible," but ruled out potential large cuts.

The BSP has cut rates by a total of 175 bps since it began its easing cycle in August 2024, bringing its benchmark interest rate to a three-year low of 4.75%.

It delivered a surprise cut in October amid concerns over the impact of the widening flood control fiasco on business sentiment and the country's economic growth.

Also, S&P noted that benign inflation provides central banks in the region with some room to ease, although now limited as interest rates are nearing S&P's projected neutral rates.

"We see little scope for further cuts, chiefly because policy rates have for the most part

already descended close to our estimates of neutral policy interest rates," S&P said.

S&P sees Philippine inflation averaging 1.7% this year, matching the BSP's forecast. It also projects Philippine inflation to quicken to 2.7% next year and to 3% in 2027.

AMRO also trimmed its inflation forecast for the Philippines to 1.7% from 1.8% for 2025. It kept its projection for 2026 at 3.2%, slightly above the central bank's revised 3.1% target forecast for 2026.

"The relatively low headline inflation reflects softer supply-side pressures, such as moderating food and global commodity prices, as well as the sustained effects of administrative measures, including tariff cuts on rice and the streamlining of nontariff barriers," AMRO said.

"Risks to the inflation outlook are tilted to the upside, with potential renewed price pressures that could further diminish growth prospects," it added.

AMRO said muted inflation has opened space for a "gradual normalization" of the BSP's policy stance, to support economic growth amid heightened external uncertainties. It described the BSP's current monetary policy stance as "tight," with the real policy rate elevated at 3.05%, close to its recent peak and above the historical average.

"Such normalization would enhance policy flexibility for future rate hikes if inflation risks reemerge, while improving private investment sentiment to support economic growth in an uncertain external environment," it said.

AMRO also called for enhanced monetary policy transmission to boost growth.

"Policy recommendations include deepening liquidity and broadening the investor base in long-term bond markets, as well as enhancing interest rate pass-through, particularly for consumer and SME (small- and medium-sized enterprise) lending, by promoting broader use of shared credit data," it said.

Forward-looking risk management is important to safeguard financial stability, AMRO added, noting rapid household loan growth, vulnerable corporate segments, and rising securities exposure. — **Katherine K. Chan and Aubrey Rose A. Inosante**

among the top names committing billions of dollars to develop projects in the Philippines," he told *BusinessWorld*.

Mr. Colet said that the onshore and offshore wind space is "particularly promising" as the country possesses significant wind energy potential.

However, the success of these projects depends on the speed of permitting, site availability, community support, reasonable tariffs, and timely grid expansion, he said.

Toby Allan C. Arce, head of sales trading at Globalinks Securities and Stocks, Inc., said that CIP's investments signal that the Philippines can host large, bankable wind investments.

HOTEL101 GLOBAL SUPPORTS INVESTPHILIPPINES BUSINESS PAVILION AT WORLD ECONOMIC FORUM ANNUAL MEETING IN DAVOS SWITZERLAND 2026



Ambassador Manuel Teehankee, Permanent Representative of the Philippines to the World Trade Organization (WTO) and lead coordinator for the Philippine delegation at the WEF and Hannah Yulo-Luccini, Chief Executive Officer of Hotel101 Global at the WTO Philippine Headquarters in Geneva, Switzerland.

November 12, 2025 – NASDAQ-listed Hotel101 Global (Ticker: HBNB) announced its support for the InvestPhilippines Business Pavilion at the 56th Annual Meeting of the World Economic Forum (WEF), scheduled for January 19–23, 2026, in Davos-Klosters, Switzerland.

"Hotel101 is proof that Philippine-born innovation can lead the world in efficient, inclusive hospitality and we are honored to champion the Philippines on the world stage at Davos," said Hannah Yulo-Luccini Hotel101 Global CEO.

"Hotel101 Global exemplifies the innovation and ambition driving the Philippine economy forward," added Ambassador Manuel Teehankee. "Its presence at the InvestPhilippines Pavilion will inspire confidence in the Philippines as a premier destination for foreign direct investment in tourism infrastructure and beyond."

Hotel101 Global is the first Philippine-born hospitality brand to go global and the first Philippine-owned company to list on the NASDAQ, with bold vision to scale to 1 million standardized hotel rooms across 100 countries.

The WEF Annual Meeting, held under the theme 2026 "A Spirit of Dialogue", convenes over 40,000 participants from more than 130 countries, including heads of state, CEOs, policymakers, academics, and cultural leaders. In an era of geopolitical fragmentation, economic uncertainty, and rapid technological disruption, the Meeting serves as a trusted, impartial platform to rebuild trust, broaden perspectives, and co-create solutions for shared global challenges.

DoubleDragon's subsidiary Hotel101 Global (US NASDAQ Ticker HBNB) has a market capitalization of \$1.58 Billion USD (₱93 Billion Pesos) as of November 11, 2025 at the US NASDAQ stock exchange.



(H.E. Ambassador Manuel Teehankee, Permanent Representative of the Philippines to the World Trade Organization (WTO) and lead coordinator for the Philippine delegation at the WEF with DoubleDragon Corporation & Hotel101 Global Founders (Mang Inasal Founder) Edgar "Injap" Sia II and (Jollibee Founder) Tony Tan Caktiong.)

CIP, from SI/1

The DoE expects offshore wind to play a key role in achieving the Philippine target of increasing renewable energy's share in the power mix to 35% by 2030 and 50% by 2040.

Juan Paolo E. Colet, managing director at China Bank Capital Corp., said the Philippines needs more of large-scale projects such the one proposed by CIP to meet to its target renewable energy mix.

"Many foreign investors are keen to invest in our renewable energy sector, and CIP is