Investments board signs Lease Act IRR

THE Board of Investments (BoI) has signed the implementing rules and regulations (IRR) for the Republic Act No. 12252, or the 99-year Investors' Lease Act, marking a step towards the new regulation's implementation next year.

"Our goal is to establish the Philippines as a top global investment destination," Trade Secretary and BoI Chairman Ma. Cristina A. Roque said in a statement on Thursday.

"This signing provides the long-term security our investors need and proves that we are serious about creating a more competitive and business-friendly nation," she added.

The IRR, which the BoI signed with the Land Registration Authority on Dec. 19, operationalizes the extension of lease periods for private land by foreign investors from 75 years to an aggregate of 99 years.

"By offering longer leasehold terms, the government aims to attract a steady flow of long-term capital, advanced technology, and global expertise," the BoI said.

"Beyond extending lease durations, the IRR introduces vital administrative safeguards designed to protect both landowners and lessees," it added.

In particular, the IRR requires annotating lease contracts on the land title, which is meant to make the lease binding to the public and provide an essential layer of legal protection.

"Additionally, the IRR simplifies the investor journey by providing a clear, step-by-step process for compliance and establishing specific timelines for government agencies to act on applications, thereby reducing bureaucratic friction," it said.

In a social media post, the Bases Conversion and Development Authority (BCDA) welcomed the signing, noting that the implementation of the new regulation will help provide "more certainty for investors, better long-term planning, and more jobs, infrastructure, and growth across BCDA developments."

The law, signed on Sept. 3, also gives investment promotion agencies the power to enforce commitments, the BCDA added.

The new regulatory framework is expected to take effect on Jan. 4, following its publication on Dec. 20. — **Justine Irish D. Tabile**

P20 rice program seen reaching 15M households by end of 2026

THE Department of Agriculture (DA) said it will scale up the P20-per-kilo rice program to serve 15 million households, or approximately 60 million beneficiaries, by the end of next year.

The "Benteng Bigas Meron Na!" program makes subsidized rice available to senior citizens, persons with disabilities and indigents. They may purchase up to 30 kilos of rice through Kadiwa outlets and other authorized stores.

The rice is sourced from the National Food Authority (NFA).

Agriculture Secretary Francisco P. Tiu Laurel, Jr. told reporters on Tuesday that the program's expansion will begin in January with a launch in Pangasinan. He said major launches are also planned in eight provinces by February.

The program recently reached its 82nd province with the opening of P20 rice outlets in Maguindanao del Norte. As of December, the DA said it had opened 740 distribution points nationwide.

The DA said it aims to establish at least one outlet in each of the country's more than 1,600 cities and municipalities, with the total number of outlets targeted at 3,000 by 2028, when the current administration steps down.

"There will be many distribution outlets. To achieve that, we need to open stores every few weeks," Mr. Laurel said.

The DA said it aims to sell between 1.5 million and 1.8 million metric tons of subsidized rice next year.

Mr. Laurel said the program will be allocated a budget of P23 billion, consisting of P9 billion from the NFA, P10 billion from the Rice-for-All program, and P4 billion in contingency funds.

Meanwhile, the DA said it is working to address logistical and operational challenges, particularly in geographically isolated areas and locations far from NFA warehouses.

"The challenge is how to bring the rice to remote islands and remote areas, places without NFA warehouses," Mr. Laurel said. "Support from local government units will be a big help. We will need to provide trucks and hire drivers and cashiers." — **Vonn Andrei E. Villamiel**

IMF sees PHL current account deficit narrowing

THE International Monetary Fund (IMF) expects the Philippine current account deficit to narrow gradually through 2030, driven by declining commodity prices and increased public and private savings.

In a report following its Article IV Consultation with the Philippines, the IMF maintained its forecast for the current account deficit this year at 3.8% of gross domestic product (GDP), but trimmed its projection for next year to 3.4% from 3.5%.

The IMF's estimates exceed the Bangko Sentral ng Pilipinas (BSP) projections of 3.3% for 2025 and 2.9% for 2026.

"The current account deficit is expected to decline to 3.8% of GDP in 2025, supported by lower commodity prices," it said.

The IMF expects the current account deficit to further narrow to 3.1% in 2027, 2.9% in 2028 and 2.7% in 2029 and 2030.

"It is projected to improve modestly over the medium term, driven by higher public and private saving, but higher investment will sustain the current account deficit through the medium term, while reforms to boost FDI (foreign direct investment) will help with its financing," it added.

At the end of September, the current account deficit narrowed to $12.507 billion from $13.336 billion a year earlier.

This is equivalent to 3.6% of GDP, down from 4% in the same period last year.

The current account measures the trade in goods and services, as well as primary and secondary income. Primary income refers to flows of labor and financial resources between resident and nonresident institutional units, while secondary income accounts for transfers between the country and abroad, such as remittances from overseas Filipino workers.

Despite the projected narrowing of the current account deficit, the IMF noted that the Philippine external position remains weaker than expected.

"The authorities project a slightly faster decline in the current account deficit but broadly agree that the external position is weaker than levels implied by fundamentals and desirable policies," it said.

The IMF continues to see the Philippines affected by geopolitical tensions and global trade uncertainty. — **Katherine K. Chan**

GOCC subsidies drop 39% in November

SUBSIDIES provided to government-owned and -controlled corporations (GOCCs) fell 38.91% year on year in November, the Bureau of the Treasury said.

Budgetary support to state-run firms totaled P7.47 billion in November.

Month on month, GOCC subsidies fell 16.23%.

State-owned firms receive monthly subsidies from the National Government to support their daily operations if their revenue is insufficient.

In November, the National Irrigation Administration (NIA) received P5.7 billion in subsidies or 76.26% of the total.

This was followed by the National Food Authority (NFA), which received P750 million, the Philippine Heart Center (P184 million), and the National Kidney and Transplant Institute (P124 million).

Other GOCCs on the subsidy list were the Philippine Children's Medical Center (P106 million), the Tourism Promotions Board (P102 million), the Light Rail Transit Authority (P74 million), the Intercontinental Broadcasting Corp.-13 (P64 million), the PRRI (P62 million), the Lung Center of the Philippines (P59 million), and Philippine Coconut Authority (P56 million).

GOCCs that obtained subsidies of less than P50 million were the Cultural Center of the Philippines (P34 million), the National Dairy Authority (P27 million), the Philippine Institute for Development Studies (P24 million), and the Center for International Trade Expositions and Missions (P20 million).

Also receiving subsidies were the People's Television Network, Inc. (P18 million), the Philippine Institute of Traditional and Alternative Health Care (P16 million), the Manila International Airport Authority (P14 million), the Aurora Pacific Economic Zone and Freeport Authority (P10 million).

State-run firms receiving less than P10 million were the Development Academy of the Philippines (P9 million), the Southern Philippines Development Authority (P7 million), the Philippine Tax Academy (P5 million), the Philippine Center for Economic Development (P5 million), and the Zamboanga City Special Economic Zone Authority (P4 million).

GOCCs receiving no subsidies were the Land Bank of the Philippines, the Small Business Corp., the National Electrification Administration, the National Housing Authority, the National Power Corp., the Bases Conversion and Development Authority, the Philippine National Railways, the Philippine Crop Insurance Corp., the Philippine Health Insurance Corp., the Philippine Reclamation Authority, the Subic Bay Metropolitan Authority, the Sugar Regulatory Authority, and the Tourism Infrastructure and Enterprise Zone Authority.

In the first 11 months, GOCC subsidies totaled P95.85 billion, down 25.95% from a year earlier.

The NIA had the most subsidies during the 11-month period with P39.73 billion, followed by the NFA with P13.65 billion. — **Aubrey Rose A. Inosante**

Bill proposes three-year tax exemption for micro firms

A BILL seeking to grant temporary tax relief to micro, small and medium enterprises (MSMEs) has been filed in the Senate, in order to ease the financial burden on smaller firms amid rising costs and tighter market conditions.

Senate Bill No. 1622, filed by Senator Joseph Victor G. Ejercito on Dec. 16, proposes a three-year income tax exemption for micro enterprises and an additional tax incentive for small and medium enterprises that expand their workforce.

Under the proposed measure, single proprietorships, cooperatives, partnerships, and corporations classified as micro enterprises under Republic Act No. 6977, or the Magna Carta for Small Enterprises, will be exempt from paying income tax during the bill's effectivity period.

Small and medium enterprises, meanwhile, will be allowed an additional 25% deduction on labor expenses for every employee they hire.

In the bill's explanatory note, Mr. Ejercito cited the critical role of MSMEs in the economy.

In 2024, 99.63% or 1.236 million of the country's 1.24 million registered business establishments fell under the MSME category, according to the Philippine Statistics Authority.

MSMEs face limited access to financing, high operating costs, regulatory compliance burdens, lack of business knowledge, and competition from larger firms, the senator said.

"The government recognizes the critical role of MSMEs in economic development and has introduced various programs and policies to support their growth and sustainability," Mr. Ejercito said. "This measure seeks to further promote and strengthen the growth and development of MSMEs in all sectors of the economy by providing incentives for their continued operation."

The proposed tax incentives are also intended to support job creation and help MSMEs adapt as the Philippines moves toward a more digital and globally connected economy.

The bill designates the Department of Finance, in coordination with the Bureau of Internal Revenue, as the issuers of the implementing rules and regulations. — **Erika Mae P. Sinaking**

New rice varieties expected to boost yields

THE Philippine Rice Research Institute (PhilRice) said it is testing new rice varieties nationwide with a view towards increasing farm yields by 2027.

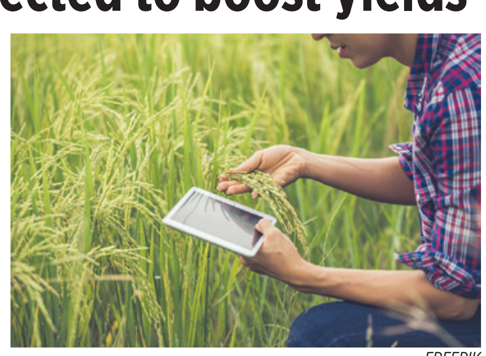
In a statement, PhilRice said it established 173 of the targeted 180 variety field trial (VFT) sites during the 2025 wet season, across 78 provinces. It said 69 sites have already been harvested despite weather- and pest-related setbacks.

Supported by the Rice Competitiveness Enhancement Fund's Seed Program, the trials are evaluating 15 inbred rice varieties, including entries from the NSIC Rc 600–700 series, alongside farmer-preferred varieties currently in use.

Unlike hybrid rice, inbred varieties produce succeeding generations with stable genetic traits, allowing farmers to retain seed for replanting in the next season.

According to PhilRice, one of the new varieties matches the taste and performance of the popular high-yielding rice variety NSIC Rc 222 (Tubigan 18) developed by the International Rice Research Institute.

PhilRice said the trials will allow farmers, local governments and seed growers to directly observe and compare the performance of the varieties under local soil and climatic conditions.



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"Farmers now have the opportunity to choose rice varieties that perform well in their own fields ... Through the VFT, they can select varieties based on yield, field performance, and grain characteristics they observe firsthand," Justine P. Ragos, a VFT representative, was quoted as saying in the statement.

PhilRice said varieties selected through the process will be multiplied by seed growers beginning the 2027 dry season and distributed ahead of the wet season. — **Vonn Andrei E. Villamiel**