Import volumes down 3.9% in November — BoC

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THE BUREAU of Customs (BoC) said import volumes fell 3.9% in November, while collections in the first 11 months reached P859.85 billion.

Customs Commissioner Ariel F. Nepomuceno told *BusinessWorld* that import volumes amounted to 9.6 billion kilograms (kg) during the month, which encompassed the period when rice imports were banned.

"Foregone revenue due to the rice import ban and the decline in volume affected BoC collections. It's good that collections still increased compared to the same period in 2024 because of the ongoing programs in collection efficiency and reforms," he said last week.

Collections amounted to P75.22 billion in November, up 3.8% from a year earlier, but 5.95% short of target, he said.

"As of Nov. 30, BoC is at P859.851 billion, which is 89.7% of the P958.713 billion emerging target for 2025," he said.

Mr. Nepomuceno has said that he is not giving up on the P958.7-billion full-year revenue goal.

"From July 1, 2025 when me and my team started to lead, until Nov. 30, BoC improved collections year-on-year despite the lower import volume and the rice import ban. Volume decreased but revenues increased," Mr. Nepomuceno said.

He earlier warned that foregone revenue from the rice import freeze, expected to last until mid-January, could top P6 billion.

The temporary ban, which began on Sept. 1, was extended until Dec. 31, which President Ferdinand R. Marcos, Jr. said was intended to provide relief for farmers during the harvest. — **Aubrey Rose A. Inosante**

Palawan petroleum service contract forwarded to Palace

THE DEPARTMENT of Energy (DoE) has endorsed a petroleum exploration service contract to the Office of the President for awarding, involving a potential resource in Northeast Palawan.

In an interview, Demujin F. Antiporda, director of the DoE's Energy Resource Development Bureau, told *BusinessWorld* that the DoE has forwarded four service contracts in total to the Palace — two petroleum service contracts and two hydrogen contracts.

To reduce dependence on imported energy and increase the utilization of indigenous resources, the Philippines is pinning its hopes on tapping hydrogen as an alternative fuel.

The hydrogen contracts cover 212,105 hectares in Western Luzon and 494,041 hectares in onshore blocks in Leyte.

Two more contracts are currently with the DoE for evaluation.

In October, the DoE invited interested parties to submit competing proposal to explore potential native hydrogen resources on 436,000 hectares in southern Zambales.

Applicants may submit counter offers until 11 am on Dec. 9.

"So far, no one has challenged H-NA-3 yet," Mr. Antiporda said, referring to the nominated area.

The government recently awarded eight new petroleum service contracts, representing potential investment of around $207 million over seven years of exploration.

The potential petroleum and hydrogen resources for exploration are in the Sulu Sea, Cagayan, Cebu, Northwestern Palawan, Eastern Palawan, and Central Luzon.

Companies with service contracts can start their work programs, which include geological and geophysical studies, seismic surveys, and drilling activities, as appropriate, to assess the potential of the resource. — **Sheldeen Joy Talavera**

Rural electrification rate seen at 94% by end-2026

STATE-RUN National Electrification Administration (NEA) said it is hoping to energize 94% of rural households by the end of 2026 with the availability of additional funding.

"With the increase in subsidy granted to us by Congress, we are expecting to achieve 94% electrification," NEA Administrator Antonio Mariano C. Almeda told reporters last week.

The government is hoping for total electrification by 2028.

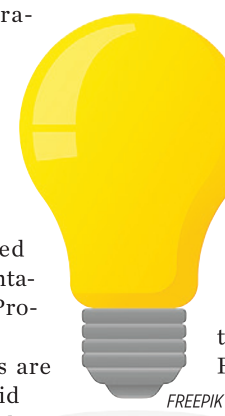
The NEA is a government-owned and -controlled corporation tasked with implementing the rural electrification program and with bringing electricity to missionary or economically unviable areas in the countryside via electric cooperatives (ECs).

According to EC estimates as of July 31, around 16.81 million households have access to power.

The NEA hopes to energize its 17 millionth connection this month.

The agency has been allotted around P5 billion for the implementation of the Sitio Electrification Program.

While the budget and targets are already in place, Mr. Almeda said the NEA will need additional manpower to "validate, inspect, liquidate, and issue certificates of final inspection" in order to fast-track energization.


FREEPIK

He said the priority areas for electrification include the Bangsamoro Autonomous Region in Muslim Mindanao.

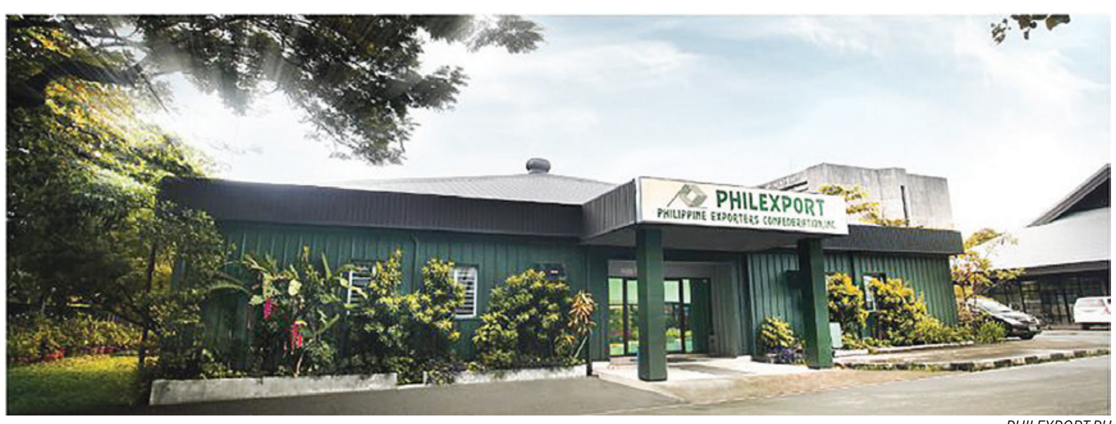
"These are really areas in the country that need help. Of course, there are others we can extend somewhere in the north—such as the Cordilleras and Region 2—as well as areas in the Visayas, particularly in the Negros region," he said. — **Sheldeen Joy Talavera**

Exporters warn of industry closures, seek more government funding

THE PHILIPPINE Exporters Confederation, Inc. (Philexport) said urgent government intervention is needed as more of its members shut down, citing the absence of financing.

"Philexport has in fact received resignations from members closing shop," Philexport President Sergio R. Ortiz-Luis, Jr. said at a general membership meeting last week, adding that the industry's sentiment is that the government needs to step in.

At the National Export Congress, the Department of Trade and Industry's Export Marketing Bureau (EMB) reported that the number of exporters declined to 4,000, or half of what the total was a decade ago.



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He said exporters, especially micro, small, and medium enterprises (MSMEs), continue to face problems accessing financing and raw materials. They also have to deal with stiffer market requirements, supply-chain disruptions, and compliance.

"We raised this repeatedly in public statements urging the government to increase, not cut, funds for export promotion and MSME support," he said.

"We made it clear that our budget for export development is almost nothing compared to our Association of Southeast Asian Nations (ASEAN) neighbors," he added.

Such support, he said, allows Malaysia and Thailand to send over 200 firms to participate in international trade fairs, against the 10 firms the Philippines was able to send to a certain fair last year.

"This is unacceptable, and we aim to compete globally," he added. "We are fighting for more support. We are finding markets, and we are pushing our government to recognize that export development is not an expense; it is an investment in national recovery."

Philexport said it is banking on free trade agreements (FTAs) and US tariff concessions to drive growth next year.

"Our trade environment is opening new doors. The Philippines and Canada are supposed to launch negotiations for an FTA by early 2026," he said.

"The ASEAN-Canada FTA is also on track for completion next year, while discussions for our entry into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership are advancing with member countries expected to consider our application soon," he added.

He also cited the soon-to-be-signed FTA between the Philippines and the United Arab Emirates and progress in the country's FTA negotiations with Chile.

Meanwhile, he said that the recent exemption of agricultural products from the US reciprocal tariffs will allow for 46% of Philippine exports to the US to enter tariff-free.

Under the revised Philippine Export Development Plan, the Philippines is targeting exports of between $116.1 billion and $120.2 billion next year, while exports of as much as $113.4 billion are expected in 2025. — **Justine Irish D. Tabile**

OPINION

PEZA steadies investor confidence amid shifting economy

IN BRIEF:

• The Philippines underscores that sustained investor confidence is built on strong economic fundamentals, bold tax reforms, and a transparent, digitally driven investment environment led by trailblazing IPAs like PEZA.

• PEZA's "no red tape" governance, cutting-edge digital systems, and globally competitive ecozones reinforce its role as a safe haven for investors and a model of predictability, efficiency and trust.

• Despite political shifts and external uncertainties, the government and private sector emphasize that the resilience and excellence of Filipino talent remain the country's greatest asset and the strongest reason to invest in the Philippines.

SUITS THE C-SUITE

MARGAUX A. ADVINCULA

Agencies like PEZA help ensure stability through the high standards of transparency, efficiency, and predictability.

The Philippines remains open for business, and Filipino talent continues to support investors in creating value. Strengthening investor confidence means creating an environment that is secure, predictable, and competitive. At the 4th SGV Tax Symposium held on 23 October 2025, with the theme "From Compliance to Confidence: Trust, Transformation and Transparency," Philippine Economic Zone Authority (PEZA) Director General Tereso Panga spoke about the role of Investment Promotion Agencies (IPAs), particularly PEZA in driving investment through tax reform and digitalization.

PEZA AND POLICY REFORM

IPAs like PEZA drive investments by implementing regulatory reforms and accelerating digital transformation. PEZA oversees 431 economic zones that host more than 4,000 companies in the electronics, information technology and business process management (IT-BPM) industries, with investors from Japan, the US, the Netherlands, and others.

Mr. Panga emphasized the importance of the 2024 Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act, which extends tax incentives for up to 27 years and clarifies value-added tax zero-rating procedures, building on the CREATE Act of 2021. The CREATE Act, as amended by CREATE MORE, is a landmark tax reform, which introduced the presidential power to grant a special incentive package for up to 40 years. According to Mr. Panga, this set of reforms "gives investors renewed confidence by offering one of the most generous and competitive incentives packages in the region, where businesses can truly thrive."

PEZA'S TECHNOLOGY-DRIVEN INITIATIVES

Investor confidence is also improved by ease of doing business, with transformation using technology seen as a key building blocks. Businesses increasingly seek simpler, faster, and more predictable processes. Technology supports these needs by reducing corruption, improving transparency, strengthening policy consistency, and signaling that the country is committed to modern, fair and efficient governance. Digital transformation is therefore more than an administrative upgrade because each technological improvement is a step toward enhanced trust, efficiency, and competitiveness.

PEZA has been at the forefront of recent modernization initiatives. Its "no red tape" governance model ensures streamlined services, with many processes — such as permit applications and clearances — handled electronically. According to Mr. Panga, PEZA was the first to implement electronic import permits and automated export documentation. Recent developments include the Ecozone Transfer System, a data-sharing agreement with the Bureau of Customs on electronic cargo tracking and the PEZA The One Portal System (PTOPS). PTOPS consolidates all PEZA-related transactions into a single platform, providing investors with an agile and digitally capable ecosystem that reduces processing time and enhances accountability.

PEZA'S PIVOTAL ROLE

Mr. Panga noted that while broader bureaucratic challenges may persist, agencies like PEZA continue to serve as reliable and predictable partners for investors. This has contributed to sustained investor trust even during periods of uncertainty. The US government, in its 2025 Investment Climate Statement, commended PEZA and the Board of Investments (BoI) for maintaining regulatory transparency, upholding a "no red tape" policy and offering efficient one-stop-shop services. The report emphasized that although the wider bureaucracy can sometimes be slow, the business environment in special economic zones remains more conducive.

Recent domestic issues have occasionally created uncertainty for investors, but Mr. Panga stressed the importance of evaluating how institutions adapt and respond. The government continues to assure investors that economic fundamentals remain strong, government institutions continue to function, and its commitment to protecting investors is clear. Recent appointments in key economic agencies have been positively received by the business community, reinforcing confidence that investment priorities remain consistent and well supported. As examples of these changes, the recent appointments of economic officials — including former Special Assistant to the President for Investment and Economic Affairs Frederick D. Go as Secretary of Finance and former Finance Undersecretary Charlito Martin Mendoza as Commissioner of Internal Revenue (CIR) — reflect this direction.

Agencies like PEZA help ensure stability through the high standards of transparency, efficiency, and predictability. The private sector also remains resilient and forward-looking, providing additional assurance that long-term investments in the Philippines continue to thrive. While political or administrative changes may occur over time, the steady commitment of IPAs and the private sector creates strong confidence among investors.

Recent public statements of President Ferdinand R. Marcos, Jr. highlight the importance of public-private sector collaboration in strengthening the investment landscape. Partnerships with agencies like PEZA introduce global companies to the skills and capabilities of the Filipino workforce, generating employment, expanding training programs, and bringing new opportunities for Filipino families. These collaborations reinforce the country's position as a competitive and promising destination for international businesses.

PEZA AND THE FUTURE OF FILIPINO TALENT

The Philippines is building a future driven by innovation, competitiveness, and talent. This is a vision that extends beyond political cycles. Challenges will inevitably arise, but opportunities can be endless when companies invest in Filipino creativity, resilience and expertise. Filipino talent remains diligent, adaptable and committed to supporting business growth.

With PEZA's leadership and the strength of Filipino talent, the Philippines offers a reliable and future-ready environment where the public and private sector can work together to shape the future of a better Philippines where investments can grow and create long-term value.

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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