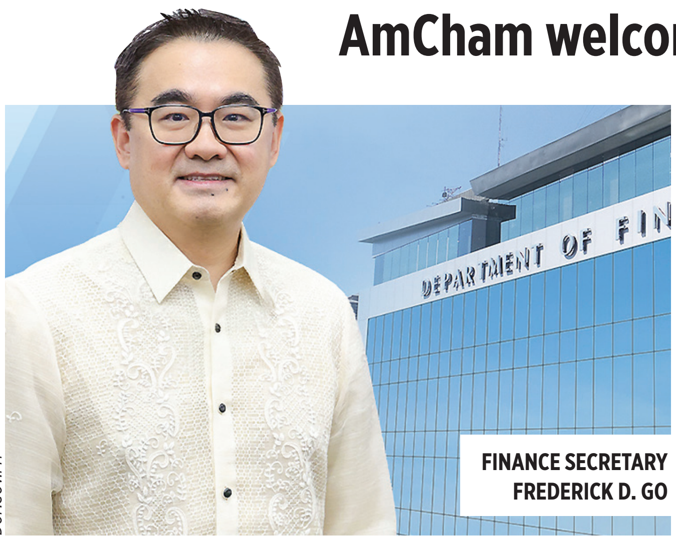
AmCham welcomes leadership continuity after DoF's Go takes over economic dev't panel



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FINANCE SECRETARY FREDERICK D. GO

THE American Chamber of Commerce of the Philippines (AmCham Philippines) said Finance Secretary Frederick D. Go's appointment as the head of the Economic Development Committee will ensure continuity in investment oversight.

AmCham Philippines said: "Continuity in investment oversight is essential to aligning fiscal policy, incentives, and national development priorities."

Executive Order (EO) No. 108, abolished the Office of Special Assistant to the President for Investment and Economic Affairs (OSAPIEA), which Mr. Go had previously led before moving to the Department of Finance (DoF).

OSAPIEA had been created by EO 49, which also designated the head of the agency to serve as chairman of the Economic Development Committee.

Under EO 108, the Secretary of Finance (DoF) will instead serve as the committee's chairman.

AmCham EO 108 "strengthens coordination across government agencies and reinforces a clear and predictable framework for economic policy and investment promotion."

In a statement, the Philippine Chamber of Commerce and Industry (PCCI) also welcomed the issuance of EO 108, calling it "a decisive step to streamline investment promotion, strengthen competitiveness, and attract more investment."

"We commend the administration for consolidating its economic team under Secretary Go's leadership. His continuing role as economic czar sends a strong signal that the government is serious about improving efficiency and reducing bureaucratic red tape," PCCI President Ferdinand A. Ferrer said.

The PCCI said Mr. Go's responsiveness to business concerns could help yield meaningful reforms.

"The chamber reaffirmed its commitment to continue working with the DoF and other agencies to make the Philippine business environment more efficient, transparent, and competitive," it added. **— Justine Irish D. Tabile**

PAGCOR projecting flat GGR on caution over stagnant tourism

GROSS GAMING REVENUE (GGR) is expected to be flat this year on caution over tourist arrivals, the Philippine Amusement and Gaming Corp. (PAGCOR) said.

"GGR will be flat primarily because as of now, we're still looking at the effects of the (declining) number of tourist arrivals," PAGCOR Chairman and Chief Executive Officer Alejandro H. Tengco told *BusinessWorld* on the sidelines of a Senate hearing on Wednesday.

Gambling operations generated about P400 billion in 2025, Mr. Tengco said, compared with the P372.33 billion collected by PAGCOR a year earlier. He did not provide a breakdown.

He added that any upside on the tourism front will come from visa-free status granted to visitors from China and India.

"We're getting a feel for things because who knows, with the visa-free (entry) for Indians and Chinese now, we might see an influx of tourists again," he said.

Tourist arrivals totaled 6.48 million last year, up 0.76% according to the Department of Tourism.

He added that online gaming income is also expected to hold steady as regulators assess the impact of the central bank's order requiring e-wallet providers to remove in-app links to gambling sites.

PHILIPPINE STAR/MIGUEL DE GUZMAN

"With regard to online, I also want to be conservative and say it's also flat. Primarily because we have not yet seen the long-term effect of de-linking," Mr. Tengco said.

During a Senate hearing on online gambling, Senator Sherwin T. Gatchalian, citing PAGCOR data, said registered online gambling users quadrupled to 32.12 million from their 2024 levels.

Mr. Gatchalian noted that the number was concerning as "because more than half of our adult population is gambling."

Mr. Tengco clarified that the actual number of active players logged in 2025 was 10 million, noting that a crackdown on illegal online gaming operations is continuing.

"There have been feelers from illegals wanting to become legal, if they come legal obviously our revenue will grow," he added.

He said that PAGCOR is preparing a position paper to propose reversing the central bank's de-linking order.

"We're actually putting it together. By March we will be able to come up with a recommendation to the Banko Sentral about the possibility of maybe looking or studying (a reversal)," he added.

The Bangko Sentral ng Pilipinas last year ordered all electronic wallets (e-wallets), banks and other supervised institutions to remove in-app links to online gambling websites, following calls to either regulate or ban the industry outright.

"When everything settles and the industry is more mature, then we can also consider payment channels that are properly regulated and monitored," Mr. Tengco said.

Asked to comment, Filomeno S. Sta. Ana III, coordinator of Action for Economic Reforms, said the industry should be taxed higher to discourage gambling.

"We should not be relying on gaming revenue. The main purpose of taxing gambling is not to earn revenue, which would suggest that we are encouraging gambling," he said via Viber.

President Ferdinand R. Marcos, Jr. has identified laws on online gambling as priority measures, following a Legislative-Executive Development Advisory Council meeting. — **Adrian H. Halili**

Franchise revocation looming for operator of Basilan sunken ship

THE Department of Transportation (DoTr) directed the Maritime Industry Authority (MARINA) to pursue administrative action against Aleson Shipping Lines, Inc. following safety violations and negligence in breach of maritime law.

"We have instructed MARINA to file administrative cases against Aleson Shipping Lines to determine whether or not to revoke their certificate of public convenience or their franchise," Transportation Acting Secretary Giovanni Z. Lopez said at a briefing on Wednesday.

Aleson Shipping Lines operates the passenger vessel *M/V Trisha Kerstin 3*, which sank off Basilan last month, leaving at least 50 dead.

The DoTr said the vessel was able to sail even after exceeding passenger capacity certification and in the absence of seaworthiness certification and compliance with drydock/repair standards.

Mr. Lopez said MARINA found that the violations include overloading of both passengers and cargo and failure to use the weigh bridge.

The DoTr also relieved eight MARINA personnel who conducted the pre-departure inspection.

"Once we proved that they committed gross negligence in their duties, we will not hesitate to also file criminal cases against them for possible violations of RA 3019, the Anti-Graft and Corrupt Practices Act," Mr. Lopez said.

The DoTr is also set to issue a department order calling for a risk categorization of ships and routes.

Last month, MARINA issued permits to other shipping lines to operate routes connecting Zamboanga City to Isabela City and Lamitan City, Basilan; Siasi City and Jolo, Sulu; and Bongao, Tawi-Tawi. **— Ashley Erika O. Jose**

Nueva Ecija biobank to help improve cacao, banana disease management

FREEPIK

A FUNGAL BIOBANK at Central Luzon State University in Nueva Ecija is expected to improve disease management practices for high-value crops for cacao and banana.

The facility, built with support from the Japan International Cooperation Agency (JICA), will serve as a centralized repository of fungal isolates in Luzon linked to major diseases affecting high-value crops.

"By improving sample preservation, the biobank is expected to support better crop disease diagnosis, strengthen research continuity, and improve disease management," JICA said in a statement.

The biobank is part of the Science and Technology Research Partnership for Sustainable Development's Project for the Development of Novel Disease Management Systems for Banana and Cacao.

JICA said isolates from bananas are also currently conserved at Tamagawa University in Japan, with the support of the Department of Agriculture's Bureau of Plant Industry (BPI).

In September last year, BPI and JICA signed a memorandum of agreement to promote plant health, particularly in sustainable banana and cacao production, part of a five-year initiative that began in 2021. **— Vonn Andrei E. Villamiel**

OPINION

Keeping up with SEC updates

TAXWISE OR OTHERWISE
AIMEE DELA CRUZ

The Securities and Exchange Commission (SEC) has rolled out several issuances this year to update the regulatory framework for corporations. More than just procedural changes, the updated requirements represent reforms to help simplify and improve the ease of doing business. For registered corporations, keeping abreast with the new rules is necessary to avoid potential violations and penalties. Let's take a closer look at what these changes mean.

STATUTORY AUDIT REQUIREMENT

One of the key changes introduced by the SEC is the increase in the threshold at which corporations must submit audited financial statements (AFS).

Previously, following the Revised Corporation Code (RCC), corporations with total assets or total liabilities of at least P600,000 were required to file AFS. Now, to align with current economic conditions, the SEC exercised its authority under Section 74 of the RCC (with the approval of the Department of Finance) and raised the threshold to more than P3 million in total assets or total liabilities.

In lieu of the AFS, exempt corporations need only to submit the financial statements accompanied by the Statement of Management Responsibility signed by the Chairman of the Board, President/Chief Executive Officer, and Treasurer/Chief Financial Officer duly authorized by the Board of Directors. In their absence, the Board may expressly designate another signatory.

This new threshold is covers fiscal years ending or after Dec. 31, 2025. The higher threshold is expected to benefit startups and small enterprises by removing the need to comply with audit requirements. Nonetheless, businesses should note that the Bureau of Internal Revenue still requires the preparation of the AFS for corporations with gross sales/receipts exceeding P3 million for the taxable year in compliance with the Tax Code.

SPECIAL AUDIT REPORT

Another significant move from the SEC is the expanded use of subscription contracts as supporting documents for applications to increase the Authorized Capital Stock (ACS).

Previously, a cash-funded ACS increase only required the submission of a subscription contract except when the increase amounts to more than P50 million, in which case a Special Audit Report (SAR) was also necessary.

The SEC removed this distinction under Memorandum Circular 6-2026. Under the relaxed rules, a notarized subscription contract executed by the subscriber/s, the president, and the treasurer of the corporation will now suffice, regardless of the amount of increase. If the president and/or treasurer are unavailable to sign the subscription contract, a director or officer may sign, as long as he has been duly authorized by a Board Resolution.

However, the Special Audit Report must still be submitted in case the applicants for increase in ACS are corporations which are either listed, public as defined under the Securities Regulations Code, offering/selling securities to the public or holders of secondary licenses regulated by the SEC. It should be emphasized that these changes only apply to increase in ACS settled in cash. In case the increase in ACS is paid in kind, specific SEC requirements depending on the form of payment must be followed.

This move is expected to shorten the preparation of the documentary requirements and, hopefully, the review process for increase in ACS applications. This would also allow companies to save costs normally incurred in the preparation of the SAR.

BENEFICIAL OWNERSHIP REGISTRY

Another notable change in SEC rules affects the disclosure requirements for Beneficial Owners. As most people are aware, Beneficial Owners refer to any natural person who ultimately owns or controls or exercises effective control over a corporation or legal entity. To ensure that corporations are misused for purposes contrary to law such as corruption, money laundering, terrorism and the like, the SEC requires corporations to disclose their beneficial owners.

Previously, beneficial ownership information was reported through a separate page of the General Information Sheet (GIS). This has now changed with the SEC's launch of the Hierarchical and Applicable Relations and Beneficial Ownership Registry, or HARBOR, the SEC's new beneficial ownership registry. Beginning Jan. 30, corporations are now required to file the beneficial ownership information via HARBOR, and will no longer form part of the GIS.

As part of this transition, new versions of GIS have also been released. Access to HARBOR requires the authorized filer to log in through their eSECURE account, which is integrated with the SEC's electronic filing system (eFAST).

For new corporations, beneficial ownership information must be provided during the incorporation process. For existing corporations, the rule would depend on when the GIS is filed. If the 2026 GIS was submitted with the beneficial ownership information before Jan. 30, 2026, then no separate HARBOR filing is required for 2026. The beneficial ownership information must only be uploaded via HARBOR when the 2027 GIS is filed.

On the other hand, if the GIS is submitted on or after Jan. 30, 2026, then the new GIS template must be used, and the beneficial ownership information must be disclosed via HARBOR. Any change in the beneficial ownership information must be reported within seven days of its occurrence. Similarly, if a GIS submitted before Jan. 30, 2026 needs to undergo amendment, then the GIS using the new template must be filed, and separate HARBOR disclosure is required.

Under this new system, corporations only need to input beneficial ownership information once through HARBOR (except when changes occur). Since HARBOR is integrated with the SEC's eFAST, the submission of the beneficial ownership declaration form will be done (by clicking submit) as part of the GIS filing process. This effectively reduces the information needed to be manually inputted in the GIS on a yearly basis.

With all accounts now interconnected (eSECURE, eFAST and HARBOR), it is important to ensure that all information encoded is consistent across accounts to avoid any discrepancies or complications.

The SEC's digitalization efforts demonstrate meaningful reforms. While the initial transition may present challenges, such as account creation and portal navigation, these initiatives hold promise for delivering long-term benefits to the public, enhancing transparency, streamlining compliance, and improving the overall compliance experience. They say every journey begins with a single step, so it is extremely encouraging that the SEC has already taken several steps to carry out its reform agenda.

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