

Green lane for infrastructure to weed out subpar contractors

By Justine Irish D. Tabile

Senior Reporter

THE Department of Public Works and Highways (DPWH) said it is considering a proposal to establish a green-lane scheme for public works projects that will encourage legitimate contractors to take on more government projects.

"You have green lanes for investors and companies who qualify based on certain criteria; there is no reason why we can't do that in the DPWH," according to Public Works Secretary Vivencio B. Dizon, speaking at the Philippine Chamber of Commerce and Industry (PCCI) 1st General Membership Meeting on Monday.

"We can have a green lane to speed up the requirements, (to speed up the payment process for contractors)," he added, noting that the department will be working with the PCCI in designing such a system.

He said one of the objectives for a green lane scheme is to encourage well-run contractors to participate in public works.

"Once the big contractors and the legitimate contractors join the DPWH, I think (it will help rebuild) trust in the department," he added.

PCCI President Ferdinand A. Ferrer said the green lane system will help the infrastructure program regain momentum.

"We saw what happened when they stopped it; our gross domestic product went down," he told reporters on the sidelines of the event, referring to the flood control corruption scandal of 2025, which triggered sweeping reviews of all government works.

Mr. Ferrer said the DPWH and the PCCI want to come up with criteria that will serve to screen for legitimate contractors.

"Let's give them a medal that says, 'You're now part of the green lane, and we will make your (par-

ticipation in government projects) easier, including the payments,'" he said.

"Currently, many contractors are waiting to be paid, but now that the DPWH is funded, they will get paid. What we want for these green lane contractors is that they get paid on time," he added.

The target, Mr. Ferrer, is to establish the green lane scheme within three months.

"We will work with the Board of Investments and the Philippine Economic Zone Authority so we can help DPWH to establish a green lane faster," he said.

"It took us a year to establish a green lane in BoI. We cannot wait a year, so we want to set it up maybe in three months, hopefully," Mr. Ferrer added.

He said that the PCCI is scheduled to discuss the scheme with the DPWH next week. Talks with agencies that set up the green lane and one-stop shop for strategic investments are ongoing.

Mr. Ferrer also said that the PCCI is seeking greater participation in the Department of Economy, Planning, and Development's regional development councils.

Mr. Dizon reiterated the need for reforms at the Philippine Contractors Accreditation Board (PCAB).

"*Marami sa nakikita nating problema ay nanggagaling po doon* (It's the source of many problems) ... So, we also have to reform that institution as well with the Department of Trade and Industry (DTI)," he said.

Mr. Ferrer said that the PCCI is also scheduled to talk with the Philippine Constructors Association (PCA) to improve the PCAB.

"We will work with the new administration of PCA ... to help us crack on how to improve PCAB licensing. So that when they issue a license, not only do they give the other contractors a peace of mind but also the other stakeholders," he added.

US business delegation expected to arrive in July

THE PHILIPPINES is set to welcome a 30-member business delegation from the US in July, the Philippine Trade and Investment Center (PTIC) in New York said.

"The list of participants for the mission will be released once finalized and confirmed to travel to the Philippines," the PTIC said on Tuesday.

"A target of 30 investors or businesses will be carefully selected for the mission," it added.

The delegation will be brought to Manila, the Luzon Economic Corridor (Manila-Clark-Subic), and Palawan for high-level briefings, business-to-business meetings, site visits, and engagements with government and private-sector partners.

On Feb. 11, the New York PTIC launched an event to drum up the 2026 US Business Mission to the Philippines.

Organized in partnership with the Philippine Consulate

General in New York and the Philippine American Chamber of Commerce, it provided "an in-depth look at the Philippine economy and the opportunities available through the mission."

The event featured the Philippine Economic Outlook Briefing and the US Business Mission launch.

Ronilo Balbieran, a professor at the University of Asia and the Pacific, delivered the briefing on Philippine macroeconomic fundamentals.

"Now is the best time for American businesses to invest in the Philippines. Valuations are still attractive, growth prospects are strong, and local investor confidence is high," he said.

Meanwhile, SGV & Co. Senior Director Marian Kris B. Santos briefed on macroeconomic trends, policy reforms, regulatory environment, and emerging industries. — **Justine Irish D. Tabile**

6-8% VAT seen workable if exemptions eliminated

THE PHILIPPINES could lower the value-added tax (VAT) rate to 6-8% if exemptions are removed, which poses a dilemma for the government, which must ensure the categories losing their exemptions can still afford basic needs, analysts said.

Raymond Abrea, chairman and chief executive officer of the Asian Consulting Group, said the exemptions could be removed for everything except agricultural products in the interest of lowering the 12% VAT rate, the highest in Southeast Asia.

"I agree. Reduce it even to 6%. Reduce the rate from 12% down to 8% but remove the exemptions," he told the Pandesal Forum at the Kamuning Bakery Cafe in Quezon City on Tuesday.

His position was similar to a World Bank recommendation to maintain exemptions for raw agricultural products and medicine.

The Philippines charges 12% VAT on the sale, lease, barter, and import of goods and services. It accounts for around 22% of the Bureau of Internal Revenue's (BIR) collections.

Philippine collection efficiency is just 35-40%, Mr. Abrea said in his presentation.

"The ASEAN average is 57% collection efficiency. In the Philippines, where there are a lot of smugglers and crooks, it's 35-40%," he said.

In comparison, Thailand posts a collection efficiency of 71-79% on its 7% VAT, the lowest rate in the region.

Mr. Abrea also noted that the VAT exemptions of persons with disabilities and senior citizens are also abused, and disproportionately benefit the rich.

Former Budget Undersecretary Cielo D. Magno said removing exemptions to lower the VAT rate must be paired with broader reforms to ensure basic needs remain accessible.

"It's all connected. If we say no more VAT exemption for medicine, it's related to the reform that we should have proper health insurance," she said.

Ms. Magno added that legislators must take a comprehensive view of reform, and not just treat the matter as a tax administration fix.

She also said that raising taxes alone will not resolve fiscal challenges.

"We Filipinos feel overtaxed and underserved," Ms. Magno said.

Both Ms. Magno and Mr. Abrea supported consolidating the Bureau of Customs (BoC) and BIR into a National Revenue Authority, an independent entity with the power to pursue corrupt politicians.

"We deserve a better tax authority (that is) efficient, proper, honest, and independent politically," she said.

The government hopes to collect P4.82 trillion in revenue in 2026, with P3.431 trillion expected from the BIR and P1.003 trillion from the BoC.

Ms. Magno added that while a proposed wealth tax is conceptually sound, enforcement would be challenging.

"The rich have the ability to hide their wealth and most of that wealth is not in the Philippines... That's why it's so important for... international cooperation to trace where the wealth is," she said. — **Aubrey Rose A. Inosante**

DPWH backs award to China group of P3-B Bataan-Cavite bridge deal

THE Department of Public Works and Highways (DPWH) recommended the award of the P3.07-billion contract package 2 of the Bataan-Cavite Interlink bridge project to a consortium led by China Wu Yi Co. Ltd.

In a resolution dated Nov. 13, 2025, the DPWH's bids and awards committee (BAC) said the consortium of China Wu Yi, Jinan Urban Construction Group Co., Ltd. and CM Pancho Construction, Inc. were the highest-rated bidder in terms of the combined score for their technical package and price.

As such, the DPWH recommended the approval of the notice of award to the group, according to a resolution signed by Senior Undersecretary Emil K. Sadain.

The Bataan-Cavite Interlink Bridge project consists of six phases,

with bidding for Phase 1 still under review following the submission of eight proposals to the agency. The first phase of the project has also attracted bids from foreign companies, mainly Chinese construction firms.

Contract package 2 or the Cavite land approach covers 1.3 kilometers of road, while contract package 3 involves the north and central marine viaducts.

According to the DPWH's BAC resolution, bids were received from Beijing Urban Construction Group Co., Ltd.; China Road and Bridge Corp.; the consortium of China Wu Yi, Jinan Urban, C.M. Pancho; the joint venture of Hunan Road & Bridge Construction Group Co., Ltd. and China Civil Engineering Construction Corp.

D.M. Consunji, Inc. also submitted a proposal.

The 32.15-kilometer interlink bridge across the mouth of Manila Bay is expected to boost regional economic integration and development.

In 2023, the Asian Development Bank (ADB), which is co-financing the project, approved a \$2.11-billion loan. The government is responsible for the remaining \$664.23 million.

According to the ADB, the civil works for the Bataan-Cavite Interlink bridge will be broken up into six contract packages.

The others are contract package 4 which covers the south marine viaducts; and contract packages 5 and 6, which involve the bridge's navigational channel cable and high-level approach spans. — **Ashley Erika O. Jose**

Dedicated DA office to oversee coffee industry

AGRICULTURE Secretary Francisco P. Tiu Laurel, Jr. ordered the creation of a dedicated Coffee Industry Development Office (CIDO) to centralize oversight of the crop, the Department of Agriculture (DA) said.

Department Order No. 06 puts CIDO under the Office of the Undersecretary for Special Concerns and Official Development Assistance (ODA), now headed by Undersecretary Jerome V. Oliveros.

The DA draws the power to create the office from Executive Order No. 292, or the Administrative Code of 1987. It empowers the DA to sup-

port domestic and export-oriented agriculture.

Mr. Laurel said coffee has long been treated as a minor crop and now demands full attention.

The DA said coffee consumption is booming while domestic production has lagged. Mr. Laurel noted that coffee farmers are ageing while access to inputs is limited and equipment outdated.

The DA said the creation of CIDO as a standalone office "signals a shift from side-line management to a focused, strategic approach."

All coffee development funds, including those under the High Value

Crops Development Program and the Office of the Secretary, will now be controlled by CIDO, the DA said.

Mr. Laurel said "We cannot keep talking about the promise of Philippine coffee while farmers grow older, yields stagnate and imports rise," he said.

"By creating CIDO under focused leadership, we are putting strategy, funding and execution in one accountable office. This is about restoring competitiveness and making sure Filipino coffee farmers finally capture the value of a market that is already growing around them," he said.



PHL free trade talks with Europe must consider worker interests, NGO says

TRADE Justice Pilipinas said the government needs to address workers' rights before continuing negotiations for a free trade agreement (FTA) with the European Union (EU).

In a statement on Monday, the group called for a halt to FTA negotiations "until there is concrete, verifiable progress on workers' rights, forced labor enforcement, and a real industrial strategy that creates decent jobs."

The statement was issued after a consultation on the EU-Philippines FTA organized by the International Trade Committee of the European Parliament.

During the consultation, labor group Sentro ng mga Nagkakaisa at

Progresibong Manggagawa (SENTRO) said trade liberalization has long failed Filipino workers.

"Each new deal benefits a narrow elite, while wages stagnate and inequality deepens. Without structural reforms, this FTA will simply lock in an unjust economic model," SENTRO Secretary General Josua Mata said.

He noted how the order meant to guarantee minimum wages for commercial fishermen who supply export markets "exists mostly on paper."

"As such, commercial fishermen have yet to receive minimum wage, and many report zero net income after voyages due to debt and exploitative sharing systems," he said.

"These conditions amount to labor bordering on forced work — in supply chains linked directly to exports. Trade must follow reform — not replace it," he added.

Meanwhile, Joseph Purugganan of Focus on the Global South raised concerns about whether the agreement is a partnership of equals, noting how the US reciprocal tariffs embody how powerful economies weaponize trade instruments for their own economic and political benefit.

"Trade Justice Pilipinas views the EU-Philippines FTA through this lens of weaponized interdependence," he said, adding that "the burden of proving otherwise rests with the EU." — **Justine Irish D. Tabile**



DENR issues new rules to expedite titling process for residential land

THE Department of Environment and Natural Resources (DENR) said it issued new regulations to accelerate the process of residential land titling.

The changes involve simplified procedures, revised eligibility rules, and an electronic application and tracking process, it said.

DENR Administrative Order No. 2025-35 authorizes the overhaul of the residential free patent system to address barriers that have prevented households from obtaining land titles.

The order clarifies who qualifies as an actual occupant and allows heirs, spouses, returning residents, and those whose possession was interrupted for valid reasons, such as work, marriage, or disasters, to apply for titles.

The new rules establish a 120-day processing period for applications and enable electronic filing and monitoring through the Land Administration and Management System. Applicants may also defer submission of Land Registration Authority certification for up to 90 days.

The standardized application fee remains P150, while cadastral survey charges are waived, reducing the cost to applicants, according to the DENR.



The DENR said untitled land has contributed to delays in infrastructure projects, complications in inheritance, and vulnerability to property disputes.

"We are fixing a system that has left too many families in uncertainty for too long," Environment Secretary Raphael P.M. Lotilla said in a statement. "Our duty is to ensure that land governance is not only efficient but truly responsive to the realities ordinary Filipinos face."

The DENR expects the updated rules to improve security of tenure, provide legal recognition for residential landowners, and reduce administrative backlog. — **Vonn Andrei E. Villamuel**