

# DoF says investment climate 'most open' in PHL history

By Justine Irish D. Tabile  
Senior Reporter

THE Department of Finance (DoF) said the investment environment is currently the most "open and liberal" in history, with the government still actively seeking to reduce the cost and enhance the ease of doing business.

At the Deloitte Tax Summit 2026, Finance Undersecretary Michael Peter A. Alejandro, delivering a speech on behalf of Secretary Frederick D. Go, added: "For strategic investments to enter the country, the government will continue to actively pursue reforms that will reduce the cost of doing business, promote greater predictability in doing business, and most importantly, enhance the ease of doing business," he said.

"This means streamlining processes, shortening approval times, and giving investors clarity," he added.

In particular, the DoF, along with the departments of Trade and Industry and Interior and Local Government (DILG), is looking to issue a joint memorandum circular (JMC) on local taxes, fees, and charges.

Mark Lester L. Aure, executive director of the Fiscal Incentives Review Board's secretariat, the National Tax Research Center, said that the draft JMC has been signed by two agencies.

"I expect it to come out within the first quarter ... Hopefully it will address concerns of registered business enterprises regarding local taxes, charges, and fees," he told *BusinessWorld* on the sidelines of the event.

"Unfortunately, up to now we still hear of issues with the local

government units (LGUs) regarding the payment of these charges ... The JMC clarifies that once you are paying the special corporate income tax, it covers all national and local taxes, fees, and charges," he added.

He said plans are in place to discuss the JMC with the cities and municipalities.

"The reason why we included the DILG in the JMC is to give it more teeth and ensure that the LGUs comply," he added.

The IT and Business Process Association of the Philippines raised concerns on Monday about the continued imposition of local taxes, fees, and charges by some LGUs despite the supposed exemptions granted to registered business enterprises (RBEs).

The Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinventing the Economy

(CREATE MORE) Act exempts RBEs from local taxes, fees, and charges.

Meanwhile, Mr. Aure said a department order seeking to clarify the guidelines for the enhanced deductions regime is in its final stages.

"We are just finalizing a few issues with the investment promotion agencies and the Bureau of Internal Revenue. So we hope to issue the guidelines before the end of March," he said.

Mr. Alejandro said that the government has been implementing decisive and progressive reforms, including the CREATE MORE Act, the Public-Private Partnership Code, and the Amended Investors Lease Act.

Reforms meant to ease doing business in the Philippines are also being implemented by the DoF and the Bureau of Internal Revenue, he added.

## Storage made mandatory for new RE facilities with 10-MW capacity

THE Department of Energy (DoE) said it will require developers with proposed renewable energy (RE) plants generating at least 10 megawatts (MW) to pair them with energy storage systems (ESS), citing the need to support grid stability and deepen clean energy penetration.

In a department circular dated Feb. 16, the DoE said it will require all upcoming variable RE plants with an installed capacity of 10 MW or more to include energy storage systems capable of handling at least 20% of the plant's capacity.

ESS allows renewable energy plants to optimize their operations by storing excess energy and releasing it when needed to augment supply or improve power quality.

"Energy storage is not only about storing surplus energy, it is about strengthening the grid's capability to absorb more renewables while maintaining reliability," Energy Secretary Sharon S. Garin said in a statement.

"This policy ensures that ESS integration becomes part of system planning and project development, supporting better outcomes for consumers," she added.

As more solar and wind power plants are connected

to the grid, voltage and frequency can change faster and more sharply than in systems that rely mainly on traditional spinning generators, so quicker and more responsive control is needed, the DoE said.

The DoE said that ESS equipment with virtual inertia or fast-acting system response to support frequency stability may be deployed to improve the power quality of transmission and distribution networks.

The transmission network operator and distribution utilities are directed to ensure that ESS facilities are considered in grid reinforcement strategies "where storage can provide critical system services and improve overall reliability."

The DoE will develop a national roadmap for ESS that will be included in the next edition of the Philippine Energy Plan, as well as other energy system plans.

"The updated ESS framework is designed to strengthen investment signals, improve system performance, and enable the country's clean energy targets without compromising reliability, accelerating a future-ready power system that can integrate more renewables while maintaining secure and dependable electricity supply," it said.

— **Sheldeen Joy Talavera**

## Hog raisers back pork import curbs to support swine industry recovery

By Vonn Andrei E. Villamiel  
Reporter

HOG RAISERS said limits on pork imports will be crucial in helping the swine herd recover, as the Department of Agriculture (DA) ramps up hog repopulation efforts.

"We will increase our production definitely because the government has a repopulation fund. But if excessive imports remain, farmers will lose because they (will have to sell) below production cost," Alfred Ng, vice chairman of the National Federation of Hog Raisers, told reporters on the sidelines of the International Farmers Summit in Pasay City on Thursday.

He said that even if the DA distributes breeder gilts, hog raisers will be reluctant to expand production if they continue to incur losses.

Mr. Ng said hog prices on a liveweight basis dropped in recent months due to record pork imports that hit 850 million kilos in 2025.

"This is the first time in my history of farming that liveweight prices did not increase in December and January despite the usual



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increase in pork consumption during the holiday season," he said.

He said the surge in imports dampened prices even during the peak demand period, squeezing producers who are still reeling from the impact of African Swine Fever (ASF).

Hog raisers are urging the government to limit imports to fill the projected supply deficit and restore higher tariffs on pork products.

"We appeal to the DA to help us in (bringing the tariff back) to its original position of 35% to 45% (from 15% to 25% currently). This

will level the playing field and give a better chance for farmers to compete," he told the summit's plenary session.

The DA has been pushing a multi-year repopulation program to rebuild the hog inventory, which was severely depleted by ASF.

Swine numbers totaled 8.79 million head in the fourth quarter, one of the lowest levels since the pre-ASF population of about 13 million in 2019.

The DA plans to distribute more than 200,000 breeder gilts by 2028, with about 40,000 expected this year.

Agriculture Undersecretary for Livestock Constante J. Palabrica told reporters on the sidelines of the summit that the government is targeting a herd increase of 1 million hogs per year.

"There will be a rebound this year, but it will be far from pre-ASF levels. Pigs take a long time to repopulate (because of their) long gestation period," he added.

Despite repopulation efforts, Mr. Palabrica said completely eradicating ASF will be difficult.

"Not in our lifetime. This is a very hard virus. That's why I have always been fighting for the vaccination. You can have biosecurity, but you should also have vaccination," he said.

Mr. Palabrica said four ASF vaccine suppliers are currently seeking approval for commercial use, with the DA hoping that at least one vaccine will be cleared this year.

"This is a long process because we have to be very careful. Hopefully, one or two can be used this year. The Chulalongkorn DNA can be approved this year, because it is not a live vaccine," he said, referring to a candidate vaccine developed by researchers at Thailand's Chulalongkorn University.

## Independent taxpayer advocate proposed to expedite refund process — former official

TAXPAYERS awaiting refunds should have a third-party advocate to turn to as the Bureau of Internal Revenue (BIR) drags its feet on reimbursements, a former finance official said.

"The BIR is inefficient in reimbursing our MSMEs (micro, small and medium enterprises) and businesses of their input VAT (value-added tax). I think that gives the BIR a bad reputation, and that's the value of having an independent tax advocate," former Finance Undersecretary Cielo D. Magno said on Thursday during the Deloitte Tax Summit 2026.

The independent tax advocate will render opinions to the Department of Finance (DoF) and legislators on whether the BIR is working efficiently and fairly in administering the tax system, she said.

Ms. Magno noted that the Philippines faces structural issues in digitizing revenue collec-

tion, describing current systems as siloed and stuck with legacy IT infrastructure.

"If they're siloed, there is discretion, and when there's discretion, there's more room for rent-seeking and corruption," she said.

Ms. Magno also noted that the BIR faces digital identity gaps

that result in inefficiencies in its revenue collection.

These include the lack of full integration of the Philippine national ID system, the absence of a unified infrastructure that secures taxpayers' digital identity, and account duplication and verification issues.

She said the potential to improve income and value-added tax systems via digitalization is equivalent to around 4% of gross domestic product.

This represents a substantial amount that can be captured through better digitalization and compliance, she said.

"There's no way that we're going to be able to digitally transform the BIR unless we abolish it and replace it with a National Revenue Authority (NRA)," she said, citing a proposal to consolidate the BIR and Bureau of Customs into the NRA.

House Bill 695, filed in 2017 by former President Gloria Macapagal-Arroyo, proposes to replace the BIR with the NRA and protect it from political interference.

If implemented, the NRA would be established as a separate legal entity and controlled by a board with independent powers.

— **Beatriz Marie D. Cruz**



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## PPA revenue up nearly 9% in 2025 on strong performance by cargo



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THE Philippine Ports Authority (PPA) said 2025 revenue rose 8.86% to P30.09 billion, driven by growth in cargo volume for the period.

"The revenue surge was driven by sustained growth in vessel traffic and cargo throughput, higher storage revenue, strengthened regulatory income following tariff adjustments, and favorable gains from dollar-denominated tariffs,"

the PPA said in a statement on Thursday.

The port regulator said maritime trade activity continues to expand, leaving the PPA "well-positioned to fund ongoing and upcoming port infrastructure projects aimed at enhancing trade facilitation, improving logistics efficiency, and supporting tourism growth. This is a reflection of our com-

mitment to modernizing our ports, strategic reforms," PPA General-Manager Jay Daniel R. Santiago said.

For 2025, PPA exceeded its 2025 target with throughput of 307.64 million metric tons (MMT).

Citing preliminary data, foreign cargo volume rose 4.62% to 193.10 MMT, while domestic cargo rose 9.27% to 114.55

MMT. Last year, PPA container ports processed 8.57 million twenty-foot equivalent units, up 9.31%.

The PPA fell short of its 2025 passenger traffic target of 85.41 million, recording 82.42 million passengers, up 4.58%.

In the fourth quarter, PPA logged cargo throughput of 74.43 MMT, up 4.36% from a year earlier. — **Ashley Erika O. Jose**