

# PHL becomes biggest buyer of Brazil pork

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Reporter



REUTERS FILE PHOTO

THE PHILIPPINES has overtaken China as the largest buyer of pork and pork products from Brazil, according to the US Department of Agriculture (USDA).

In a report, the USDA said Brazilian pork exports to the Philippines rose 56.6% last year to 433,595 metric tons (MT) in carcass-weight equivalent.

The shipments to the Philippines accounted for 25.3% of Brazil's total pork exports during the year, making the country the top destination for Brazilian pork products.

The USDA also reported that Brazil supplied more than 66% of all pork and pork product imports to the Philippines in 2025.

"Analysts report that the reason for the increased exports to the Philippines is related to their economic and population growth, as well as challenges in the domestic in-

dustry related to animal disease," the USDA said.

The Bureau of Animal Industry (BAI) earlier reported that meat imports rose 13.38% to a record 1.64 million MT in 2025, with pork imports up 16.09% to 851,760 MT.

The BAI said other major pork suppliers to the Philippines included Spain, Canada, and the Netherlands.

## Spot prices ease in Feb. on improved supply margin

POWER PRICES in the Wholesale Electricity Spot Market (WESM) continued to decline in February as supply margins improved, according to the Independent Electricity Market Operator of the Philippines (IEMOP).

In a statement on Sunday, IEMOP reported a 1.8% month-on-month decline in the average WESM rate system-wide to P3.50 per kilowatt-hour (kWh).

Available supply increased 4.4% to 19,992 megawatts (MW). Demand grew 3.1% to 12,874 MW.

"Because supply increased faster than demand, the system maintained a larger buffer of available generation capacity," IEMOP said.

Electricity demand in Luzon grew 5.2% to 9,016 MW, while available generation rose 8% to 14,286 MW. This resulted to a higher supply margin, which helped reduce the region's spot price to P2.69 per kWh, down 17.2% from a month earlier.

Supply margins in the Visayas and Mindanao slightly decreased due to "higher levels of generating unit outages and variations in electricity transfers between regions," IEMOP said.

Spot prices in the Visayas increased 26.6% month on month to P5.37 per kWh.

During the period, available supply dropped 4.4% to 2,256 MW. Demand declined 1.7% to 1,829 MW.

The market operator said the Visayas grid was not able to receive more electricity from the Luzon grid through the Leyte-Luzon transmission interconnection, which is already operating close to its maximum capacity.

Similarly, the Mindanao-Visayas interconnection faced periods of constrained transfers, reducing the available supply of the Mindanao grid by 3.2% to 3,449 MW, with demand easing 1.4% to 2,028 MW.

As a result, the region's electricity rates rose 23.2% month on month to P5.25 per kWh.

IEMOP said several power plants experienced both planned maintenance outages and unexpected shutdowns, prompting the more frequent dispatch of higher-cost generating units during periods of higher demand.

IEMOP said it "continues to closely monitor electricity supply and demand conditions in coordination with the system operator and market participants to support the reliable and efficient operation of the power system."

IEMOP operates the WESM, where energy companies can purchase power when their long-term contracted power supply is insufficient for customer needs. — **Sheldeen Joy Talavera**

# PHL has second-highest share of women in senior management

THE PHILIPPINES has the second-highest share of women in senior management behind only South Africa, according to P&A Grant Thornton.

According to the firm's Women in Business 2026 report, 44.5% of senior roles in the Philippines are held by women, up from 43% in 2025.

South Africa had the top share at 47.3%. Other countries in the study included Thailand (44.1%), Colombia (43.4%), Malaysia (41.9%), Japan (21.5%), and South Korea (21.1%).

The number of Filipino women in senior management exceeded the global average of 32.9% and 31.8% across the Asia-Pacific.

Only 1.1% of businesses in the Philippines have all-male leadership teams, P&A Grant Thornton said.

"In today's competitive talent environment, organizations that visibly embed gender equality into their strategy are better positioned to attract and retain high-performing leaders," Romualdo V. Murcia III, chairman and managing partner of P&A Grant Thornton, said in a statement.

Colombia, Vietnam, India and South Africa reported no businesses with all-male leadership teams, it added.

The report also noted that 98.9% of Filipino businesses have diversity, equity, and inclusion (DEI) initiatives, higher than the global average of 92.7%.

About 80.7% of the Philippine businesses said they reviewed their DEI policies in 2025, with 33.3% planning to introduce new ones.

Job candidates are more likely to prefer a company with strong DEI policies, P&A Grant Thornton said.

About 97.7% of business leaders said they consider a company's gender equality initiatives when applying for a new role, while 71.6% see it as a priority.

The report also noted that 40.9% of businesses said potential hires ask about gender balance.

"We're seeing candidates focus more on culture aside from numbers," Abe Pelayo, people and culture group director of P&A Grant Thornton, said.

"They want to know if the workplace is fair, if people are treated consistently, and if opportunities are genuinely open to everyone."

It added that female senior hires in the last six months came from companies with fewer than 50 employees.

"This suggests that women leaders are actively seeking platforms where growth pathways are clearer, leadership is visible, and inclusion is measurable," P&A Thornton said.

More Philippine businesses said they have embedded gender equality into senior leadership roles (60.9%) and the recruitment and selection processes (56.3%). However, gender equality is least embedded in the coverage of employee bonus at 55.2%.

The report also cautioned that 8% of Philippine businesses said they plan to relax or have already relaxed some of their gender equality initiatives.

"Given the external pressures and changes organizations have faced this year, it's only natural that many would revisit their initiatives," Eleanor L. Roque, tax principal at P&A Grant Thornton, said.

Most common areas affected when companies revisit their gender equality initiatives include senior leadership roles, mentoring programs, and employee pay, P&A Grant Thornton said.

Asked to comment, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said adopting DEI initiatives is now a standard practice globally. — **Beatriz Marie D. Cruz**

## Wholesale rice prices higher in Feb.

THE WHOLESALE PRICE of rice increased in February, according to preliminary data from the Philippine Statistics Authority (PSA).

The PSA said the national average wholesale price of well-milled rice increased 4.2% year on year in February to P47.72 per kilo.

The biggest increase in the well-milled rice wholesale price was logged in the Caraga region, where it rose 15.7% year on year to P53.14 per kilo.

Wholesale prices of well-milled rice in the National Capital

Region rose 15.5% from a year earlier to P53.95 per kilo.

The average wholesale price of regular-milled rice in February rose 0.7% year on year to P41.60 per kilo.

Central Luzon posted the biggest increase in the wholesale price of regular-milled rice, with the regional average rising 12.4% year on year to P44.92 per kilo.

Premium and special rice also posted wholesale price declines, with their national

averages rising 6% and 4.9%, respectively.

Meanwhile, the national average wholesale price of yellow corn grains in February fell 5.9% year on year to P19.70 per kilo. The corresponding price for white corn grains rose 54.1% to P26.77 per kilo.

The wholesale price of yellow corn grits in February rose 7.7% year on year to P31.82 per kilo, while the price of white corn grits increased 36.7% to P38.67 per kilo. — **Vonn Andrei E. Villamiel**

### OPINION

# PFRS 18 in focus: Confidently navigating changes in financial reporting

(Second of two parts)  
**IN BRIEF:**

• PFRS 18 emphasizes Management-Defined Performance Measures (MPMs), which are specific subtotals reflecting management's view of financial performance, and requires detailed disclosures to enhance transparency and accountability.

• The standard enhances the guidance on aggregating and disaggregating financial information, which is expected to reinforce more disciplined financial reporting.

• Companies must prepare for the implementation of PFRS 18 by aligning their financial reporting processes, assessing data management systems, and engaging with stakeholders to ensure a smooth transition and capitalize on the opportunity for modernization in financial reporting.

Entities often provide certain information about their financial performance beyond typical PFRS totals, such as certain additional performance metrics to guide decision-making and communicate results. These data and metrics are generally communicated outside the financial statements and included in management's press releases, strategic reports, management discussion and analysis. Users of financial statements find these to be useful; however, there are concerns about the lack of transparency on how these measures or metrics are calculated.

In the first part of this article, we discussed the upcoming IFRS 18 standard, its significant changes to financial statement presentations, and the implications for clarity, comparability, and compliance in financial reporting starting from January 2027.

In this second part, we discuss how under PFRS 18, certain performance measures, known as Management-Defined Performance Measures (MPMs), will move to the financial statements, along with the enhanced guidance on disclosures of financial information and implications for companies as they prepare for its implementation.

#### SPOTLIGHT ON MPMs

PFRS 18 places a significant emphasis on MPMs, which are specific subtotals

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**"PFRS 18 represents a significant shift in financial reporting standards that will enhance the clarity, comparability, and transparency of financial statements."**

of income and expenses that reflect management's view of the entity's financial performance as a whole and are used in public communications outside of financial statements.

The introduction of MPMs is a strategically significant change that directly impacts how an entity communicates its performance. However, the narrow definition of MPMs means that not all performance measures used in an entity's communications will qualify as MPMs. An adjusted profit figure, which modifies a total or subtotal required by PFRS Accounting Standards, can qualify as an MPM.

However, non-financial performance measures such as market share, store surface and customer satisfaction score will not meet the definition of an MPM. In addition, certain financial performance measures, such as free cash flows, net debt and adjusted revenues will also not qualify as MPMs since they do not represent subtotals of income and expenses.

PFRS 18 also provides that certain subtotals of income and expense, such as those already required or specified by a PFRS Accounting Standard (like operating profit) or are specifically excluded (like gross profit or loss), are not MPMs. Lastly, while financial ratios such as return on equity are not MPMs, a subtotal that is a numerator or a denominator in a financial ratio could qualify as an MPM.

#### DISCLOSURE REQUIREMENTS FOR MPMs

PFRS 18 requires entities to include all necessary information about MPMs in a single note to the financial statements, which includes how the measure is calculated, why it is useful, and a reconciliation to the most comparable PFRS subtotal.

This requirement ensures that users have access to relevant information about MPMs, enhancing transparency and accountability.

#### IMPLICATIONS FOR FINANCIAL REPORTING PROCESSES

Many entities currently use alternative performance measures (APMs) when explaining financial performance, but information about these measures is generally communicated outside the financial statements, which has led to some concerns about the quality of such information. As a result of PFRS 18's guidance on MPMs, companies must ensure that their current financial reporting process can capture all the required information about MPMs.

Entities that use APMs will also need to assess whether any of such APMs meets the definition of an MPM, which will then require additional disclosures that they may not be preparing currently, such as the reconciliation to the most comparable PFRS subtotal. The financial reporting process should also be able to monitor any changes to public communications, as these can affect which measures qualify, or cease to qualify, as MPMs.

Additionally, since MPMs are required to be disclosed in a single note to the financial statements, they will face increased scrutiny from regulators and investors.

#### AGGREGATION AND DISAGGREGATION GUIDANCE

PFRS 18 improves the general requirements for aggregating and disaggregating information in financial statements. It provides guidance on how entities should aggregate items based on shared characteristics and disaggregate them based on dissimilar characteristics.

#### IMPORTANCE OF CLEARER LINE ITEM PRESENTATION

In financial reporting, clarity is paramount. Users should not be left guessing about the nature of line items. PFRS 18 emphasizes that entities must avoid using vague labels like "other" unless absolutely necessary. If an entity cannot find a more informative label, it may use "other," but this should be the exception rather than the rule.

#### PLANNING FOR PFRS 18 IMPLEMENTATION

PFRS 18 will be effective for periods beginning on or after Jan. 1, 2027. Entities are required to apply the standard retrospectively for comparative periods in both interim and annual financial statements. PFRS 18 also introduces consequential amendments to other PFRS Accounting Standards that entities must apply when adopting PFRS 18.

Given the requirement to retrospectively restate comparative periods and disclose certain reconciliations, companies need to plan ahead and start determining the impact of PFRS 18 as early as possible. For example, the annual financial statements in the year of adoption for an entity that adopts PFRS 18 beginning Jan. 1, 2027 will require information from 2025 onwards if the entity presents more than one comparative period in its statement of profit or loss.

For companies that prepare quarterly financial statements in accordance with PAS 34 Interim Financial Reporting, the impact of adopting PFRS 18 will already be reflected in their first quarterly report during the year of adoption by presenting the headings and subtotals and disclosing the reconciliations required by PFRS 18.

#### KEY CONSIDERATIONS FOR COMPANIES

Companies preparing for the implementation of PFRS 18 should consider the following key areas:

**Compliance:** Ensure that financial reporting processes align with the new requirements and that the impacts on contracts and debt covenants which currently use subtotals from the statement of profit or loss as inputs have been considered.

**Processes:** Evaluate existing processes and identify areas that may require modification.

**Data and Systems:** Assess whether current data management systems can accommodate the changes introduced by PFRS 18.

**Internal reporting:** Assess any potential changes to the current structure and contents of internal management reports and explore any opportunities for alignment with the new categories and subtotals required by PFRS 18.

**Performance measurement:** Revisit how management incentive structures

are currently designed and how key performance indicators are measured, particularly those that are tied to certain subtotals in the statement of profit or loss.

**Investor Relations:** Communicate with investors, analysts, regulators and creditors about the changes and how they will impact financial reporting.

**Strategy and People:** Engage relevant stakeholders across the organization to ensure a smooth transition.

#### DRIVING MODERNIZATION IN FINANCIAL REPORTING PROCESSES

The countdown to PFRS 18 has begun, and as companies inch closer to the initial application of the new standard, it is essential that management understands the potential impact on their reporting. While the changes may seem daunting, they also present an opportunity for organizations to modernize their financial reporting processes.

PFRS 18 can serve as a catalyst for improving transparency and encouraging stronger cross-department collaboration in financial reporting. By redefining conversations about financial performance and performance measures, companies can rethink how they tell their story and shape how they are understood by stakeholders.

PFRS 18 represents a significant shift in financial reporting standards that will enhance the clarity, comparability, and transparency of financial statements. As companies prepare for the implementation of this new standard, they must embrace the opportunity to improve their reporting processes and engage with stakeholders effectively. By doing so, they can navigate the changes with confidence and position themselves for success in a rapidly evolving financial landscape.

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