

# Raising tax exemption threshold to create revenue hole — DEPDev



PHILIPPINE STAR/END GUMBAAN

THE Department of Economy, Planning, and Development (DEPDev) said the proposed increase in the income tax exemption threshold will require Congress to find replacement funding to make up for the forgone revenue.

"Of course, that would increase the purchasing power of workers, especially the lower-income groups," Economy Secretary Arsenio M. Balisacan told reporters on the sidelines of a briefing on Thursday.

However, he said that replacement revenue will be needed for key spending items like infrastructure, schools, hospitals, and government services.

"If you remove those taxes, how are you going to support those important critical projects that are especially needed by the poor and low-income groups?" he said.

"We have always urged Congress that if they have to remove a tax, they will have to find a way to generate replacement (revenue)," he added.

He said however that he favors reducing the tax burden on the poor and the middle class.

"But we have to find a replacement for very much-needed tax revenue and unless you are able to do that, what you remove might actually hurt the very group that you are trying to help," he said.

"The thrust of the Marcos administration is to bring services as close to the people as possible, which means spending more for qual-

ity services. And so we are sensitive to that," he added.

Earlier this week, Senator Sherwin T. Gatchalian called for the immediate passage of the Granting Increase in Take-Home Pay for All Working Filipinos Act.

Senate Bill No. 56 seeks to raise the income tax exemption threshold from P250,000 to P400,000 annually.

According to the Senate's website, the bill, which was filed in July 2025, is still in committee. — **Justine Irish D. Tabile**

# PHL seen on track to enter top tier of WB's B-Ready ranking by 2028

THE Anti-Red Tape Authority (ARTA) said the Philippines is poised to enter the top 20% of countries assessed by the World Bank's (WB) Business Ready (B-Ready) report by 2028.

"We have to aim high, because this is very important for our country. We have to project the image of the Philippines as ready for business," ARTA Director-General Ernesto V. Perez told reporters on the sidelines of the 2026 Business Ready Reforms Forum on Thursday.

The Philippines placed 53<sup>rd</sup> out of 101 economies in the B-Ready 2025 report, which assesses the global business and investment climate, specifically regulatory frameworks, public services, and operational efficiency.

"When we move our ranking, this will encourage foreign investors to come here instead of going to Vietnam, Malaysia, or Thailand," Mr. Perez said.

However, he noted that investor confidence is hampered by implementation issues of existing laws meant to improve the ease doing business.

"We have all the good laws and regulations available... but this is not felt by the stakeholders," Mr. Perez said.

In the Philippines, it takes about 53 days to start a Filipino-controlled business, while the registration for a foreign firm takes 77.5 days, according to the B-Ready report.

"Part of the delay comes from fragmented processes and lack of alignment across agen-

cies," ARTA Better Regulations Office Director Marbida L. Marbida said.

During the forum, Ms. Marbida presented a draft joint memorandum circular (JMC) that seeks to create the Business Registry Forum for Corporate Registration and Licensing (BRF-CRL).

The BRF-CRL is designed to align requirements, issue guidance, maintain regulatory data, and resolve sector-specific registration issues.

The JMC tasks the ARTA with serving as chair and secretariat of the BRF, with the Securities and Exchange Commission designated vice-chair.

The BRF will cover registration of priority industries like transportation, learning and education, and mining and energy. — **Beatriz Marie D. Cruz**



MASDAR/AF

# BoI seeking UAE tech tie-ups for RE integration projects

THE Board of Investments (BoI) said it is looking to partner with tech firms in the United Arab Emirates (UAE) to integrate renewable energy (RE) and data center capabilities.

It said the goal of the collaboration is to boost the Philippine artificial intelligence (AI) ecosystem, following the country's inclusion in the US-led Pax Silica bloc.

On May 4, Trade Undersecretary and BoI Managing Head Ceferino S. Rodolfo met with Masdar, a state-owned renewable energy firm, to explore the possible deployment of renewable energy solutions in the AI-native hub of New Clark City in Tarlac.

Masdar is also involved in the development of up to 10 gigawatts of RE projects in the Philippines.

The UAE, one of the world's top oil producers, is hoping to generate most of its electricity from RE sources by 2050, according to the UAE Ministry of Economy.

Mr. Rodolfo also met with DAMAC Digital, a Dubai digital infrastructure company, to discuss the progress of a 250-megawatt data center in the Philippines.

In January, President Ferdinand R. Marcos, Jr. met with DAMAC Chairman Hussain Sajwani in Abu Dhabi to discuss its planned investments in the Philippines, including a data center in Laguna.

The planned investments are expected to raise the profile of the Philippines as a hub for AI-driven technologies, Mr. Rodolfo said.

"The Luzon AI-native hub within the Pax Silica alliance

integrates UAE's renewable energy expertise and data center capabilities for next-gen manufacturing," he added.

Both the Philippines and the UAE are part of the Pax Silica alliance, which seeks to compete with China's growing tech manufacturing sector.

Following its entry to the Pax Silica bloc, the Philippine government announced its plan to develop a 1,618-hectare AI-native hub in New Clark City. This is expected to support the country's emerging AI supply-chain ecosystem.

Philippine Ambassador to the UAE Alfonso Ferdinand A. Ver said any Pax Silica-related projects will be facilitated by the two countries' active bilateral and trade agreements.

These include the Comprehensive Economic Partnership Agreement and the Investment Promotion and Protection Agreement, he said.

"This signifies that the Philippines and the UAE are no longer just traditional trading partners, they are now strategic tech allies," Mr. Ver said.

Mr. Rodolfo also held discussions with several UAE-based firms for potential partnerships, including Tristar Group, iSON Xperiences, AIM Congress, and The Hub Trading LLC, the BoI said.

The UAE, the Philippines' 18<sup>th</sup> largest trading partner, accounts for almost 39% of Philippine exports to the Middle East.

In 2024, bilateral trade between Manila and Abu Dhabi hit nearly \$1.83 billion. — **Beatriz Marie D. Cruz**



ALEXIS GERARD/UNSPASH

# Six ASF vaccine makers apply for commercial-use approval

THE Bureau of Animal Industry (BAI) said six vaccine makers with treatments for African Swine Fever (ASF) are currently seeking approval for commercial use of their products.

"The ASF vaccines that we are looking at... with ongoing applications for registration, are at six," BAI Director Christian P. Daquigan told reporters on Wednesday.

Mr. Daquigan said there is no timeline yet for approval, but the transfer of regulatory authority over veterinary vaccines from the Food and Drug Administration to

the BAI is expected to streamline the approval process.

Republic Act No. 12308, or the Animal Industry Development and Competitiveness Act, signed in September, grants jurisdiction over the registration, licensing, and regulation of veterinary drugs, biologics, and vaccines to the BAI.

Mr. Daquigan said the Department of Agriculture (DA) is pushing for the commercialization of ASF vaccines following positive results in controlled vaccine trials.

"I think we need to proceed with the commercialization of

vaccines because we need this. And we found out that the result is good based on our monitored release," he said.

The DA has so far released 400,000 ASF vaccine doses out of the 500,000 allocated for controlled use, according to Mr. Daquigan.

"There are still about 100,000 doses left, but our applications for monitored release are ongoing. We have a lot of applications in this office," he said.

Currently, all ASF vaccinations remain under DA control and monitoring, with no vaccine yet approved for commercial use.

Agriculture Undersecretary for Livestock Constante J. Palabrica has said that the DA hopes that at least one ASF vaccine will be cleared for commercial use within the 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. — **Vonn Andrei E. Villamiel**

# DEPDev backs coco trust fund budget flexibility

THE Department of Economy, Planning, and Development (DEPDev) said it supported proposed amendments to the Coconut Farmers and Industry Trust Fund Act that will expand the flexibility of its budget allocations.

At the Senate Committee on Agriculture, Food, and Agrarian Reform hearing on amending the Republic Act No. 11524, Director Rory Jay S.C. Dacumos highlighted the need for flex-

ible allocations for the coconut farming agencies.

"We are supportive of, as mentioned in several statements, the removal of the fixed allocations," Mr. Dacumos said. "There has to be a provision to allow the flexibility depending on the actual need of the farmers on how to disburse the trust fund."

The Philippine Coconut Authority (PCA) also lobbied for the removal of the fixed-

percentage allocation scheme in the trust fund.

The coconut farmers and industry development plan, a feature of the Coconut Farmers and Industry Trust Fund Act, specifies percentage allocations for 16 implementing agencies.

Dexter R. Buted, PCA administrator and chief executive officer, said the PCA needs funding to plant about 100 million coconut trees, a target set for it by the administration.

"For us to realize the 100 million coconut palm, we need a budget... we need to plant at least 25.3 million until 2028," Mr. Buted said.

According to Mr. Buted, a legal opinion was solicited from the Department of Justice to use the unused portion of the P1.8-billion PCA hybridization fund for the coconut tree-planting program, but the funds to be repurposed are not enough. — **Kaela Patricia B. Gabriel**

# Lucena port terminal completion expected by 3<sup>rd</sup> quarter

THE Department of Transportation (DoTr) said the new passenger terminal building at the Port of Lucena is nearing completion and is expected to be finished by the third quarter.

In a statement on Thursday, Transportation Acting Secretary Giovanni Z. Lopez said the expanded and upgraded terminal can accommodate up to 1,000 passengers.

Philippine Ports Authority (PPA) General Manager Jay Daniel R. Santiago said the ongoing terminal upgrades were pursued to accommodate rising passenger demand.

The new passenger terminal building will be equipped with automated ticketing counters and will be powered by renewable energy, Mr. Santiago said.

In the first quarter, the PPA said passenger traffic rose 1.97%

to 19.69 million, even in the face of fewer ship calls during the period. The port regulator reported 124,875 cruise passengers, down 5.17% from a year earlier.

The PPA and DoTr are undertaking a series of terminal upgrades and expansions to increase passenger and cargo-handling capacity while enhancing cruise tourism infrastructure. — **Ashley Erika O. Jose**



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# Upgraded DA labs to expand food safety monitoring role

THE Department of Agriculture (DA) said it invested P55 million to expand the food safety monitoring capabilities of DA laboratories, to include testing for nitrate and nitrite contaminants in plant-based food products.

In a statement on Wednesday, the DA said laboratories operated by the Bureau of Plant Industry (BPI) in Quezon City, Cebu, Baguio, Davao, and Cagayan de Oro have been upgraded to conduct nitrate testing.

The facilities, operated by the Plant Product Safety Services Division, are now able to analyze key contaminants commonly found in vegetables, particularly leafy greens that are more susceptible to nitrate accumulation.

According to the DA, the program also includes funding for

chromatograph equipment, laboratory chemicals, and technical training.

The DA said initial recovery tests have been completed, while validation work is ongoing to ensure the regulatory bench accuracy and consistency of laboratory results.

Once fully operational, the system is expected to support nationwide monitoring of vegetables and fruits considered at high risk for contamination, the DA said.

"This is part of our continuing effort to ensure food security, protect public health, while preparing our capacity to broaden access for Philippine plant products to markets abroad," Agriculture Secretary Francisco P. Tiu Laurel, Jr. said. — **Vonn Andrei E. Villamiel**