

Safeguard duties imposed on imported meat, coffee, onions

THE Department of Agriculture said it imposed price-based special safeguard measures on 21 agricultural product categories, after import prices fell below established trigger levels.

In Department Order No. 15 Series of 2026, Agriculture Secretary Francisco P. Tiu Laurel, Jr. requested the Bureau of Customs to collect additional duties on frozen poultry, pork, coffee

preparations, and fresh onions when their actual cost, insurance, and freight (CIF) prices breach trigger thresholds.

The measure is authorized under Republic Act No. 8800, which allows the Secretary of Agriculture to impose safeguard duties without investigation when actual import prices drop below trigger prices outlined in the World Trade

Organization Agreement on Agriculture.

Additional duties will equal the difference between the actual CIF price at the time of import document lodgment and the corresponding trigger price for each product.

Affected products include frozen chicken parts, with trigger prices ranging from P93.96 to P423.55 per kilogram, various

pork products (P79.63 to P305.73), and coffee products (P134.11 to P203.74). The fresh onion trigger price is P74.21 per kilogram.

The order, issued on the strength of findings by the Trade Remedies Office of the Policy Research Service, takes effect immediately and revokes Department Order No. 20 Series of 2024 and Department Order No. 5 Series of 2026. — **Pierce Oel A. Montalvo**

Modest DPWH budget request for 2027 signals flagship-project focus as gov't prepares to exit

THE Department of Public Works and Highways (DPWH) said on Wednesday it is seeking about P215 billion in funding for 2027, with P200 billion needed to sustain ongoing flagship infrastructure projects.

At a hearing of the Committee on Flagship Programs and Projects, Public Works Senior Undersecretary Emil K. Sadain said that of the 26 ongoing flagship infrastructure projects, eight are targeted for completion by 2028, the year the administration steps down.

The relatively modest budget request for 2027 is well off the over P1 trillion it was granted in the 2025 spending plan and the nearly P530 billion allocation in 2026. In 2025, the department faced intense scrutiny in the wake of the flood control corruption scandal, leading to an overhaul of the DPWH leadership and a review of many of its projects. The department also had the farm-to-market road program taken away from it, with the Department of Agriculture (DA) stepping in to replace it.

Mr. Sadain said overall, 201 infrastructure flagship projects at various stages of implementation are being overseen by 22 agencies, with 76 under the DPWH.

He said five projects are currently awaiting approval by the Economic Development Council, while 12 others are under review by the Investment Coordination Committee.

Rizal Rep. Jose Arturo S. Garcia, Jr. queried whether substantially complete



DPWH Secretary Vince Dizon, accompanied by Bacoor City Mayor Edwin Bautista and school officials, inspect the unfinished two-story building at the Responsible Village Leaders Learning Academy (REVILLA) High School in Bacoor City, Cavite on Feb. 3.

projects can be put to use immediately.

"If there are projects like highways or buildings that are 50% to 60% complete, you can already use them, right? So they can impact people in some way," Mr. Garcia said.

Mr. Sadain said some flood control and pumping station projects can be made use of by 2027, while several road projects are substantially complete and have been operating partially. — **Pexcel John Bacon**

BSP warned against taking 'aggressive' policy stance during Middle East crisis

By Katherine K. Chan
Reporter

THE Bangko Sentral ng Pilipinas (BSP) should avoid aggressive policy tightening and keep its stance balanced between controlling inflation and supporting growth, an economist said.

Jonathan L. Ravelas, senior adviser at Reyes Tacandong & Co., added that the BSP will likely wait for additional economic data before potentially tightening once more next month.

"What we need to understand, the reason I say defensive is that they're at a crossroads. We want growth to prosper, but we need to also contain inflation, right?" he told the Pandalas Forum at the Kamuning Bakery Cafe in Quezon City on Wednesday.

If the BSP were aggressive, it could have delivered an intermeeting hike earlier this month when inflation exceeded expectations, according to Mr. Ravelas.

"But probably they'll wait for June 18 to make those decisions until they look at what's happening in the Middle East, probably the impact on the total government revenue, etc., (and) what plans they have to spur growth," he said. "At least by June, there will be a plan (that will flow on to) what the President will say for the State of the Nation Address. So they can all align themselves."

Inflation has failed to remain within central bank and market projections since the Iran war started, with the highly uncertain environment challenging forecast models.

In April, inflation accelerated to an over three-year high of 7.2%, well above the BSP's 5.6-6.4% estimate and the 5.5% median fore-

cast returned by a *BusinessWorld* poll of 17 analysts.

Mr. Ravelas sees the central bank raising the key interest rate by a total of 125 basis points (bps) to 5.75% by year's end, projecting inflation to average 7.2% for the year.

The BSP started a new tightening cycle last month, delivering its first 25-bp rate increase in over two years during its April 23 meeting to bring the key policy rate to 4.5%.

Central bank officials said the move was a preemptive measure to curb price pressures and cautioned against spillover effects, with headline inflation projected to settle well above their 2%-4% target until next year.

BSP Governor Eli M. Remolona, Jr. has left the door open to further modest rate hikes to bring inflation back within the target range in keeping with the bank's price stability mandate.

Mr. Ravelas noted that the Philippine economy is showing signs of stagflation — a combination of slowing growth, stubborn inflation and high unemployment.

Gross domestic product growth eased to 2.8% in the first quarter from 3% the previous quarter and 5.4% a year earlier.

Mr. Ravelas sees full-year growth settling between 3.8% and 4% in 2026, weakening from the 4.4% in 2025.

However, Mr. Ravelas said the conditions for stagflation may not be met with long-term unemployment remaining low at around 7%.

Meanwhile, Mr. Ravelas said the peso risks plummeting to the P65-to-the-dollar level over the next three years, though the BSP's policy tightening could provide the currency some relief.

OPINION

EO 117 centralizes accreditation under DSWD

On May 7, President Ferdinand R. Marcos, Jr. signed Executive Order (EO) No. 117, Series of 2026, streamlining the accreditation system for Donee Institutions, and designating the Department of Social Welfare and Development (DSWD) as the sole accrediting entity for social welfare and development agencies (SWDAs).

The order amends EO No. 720 (2008) and effectively removes the Philippine Council for NGO Certification (PCNC) from the accreditation chain for SWDAs, which are non-stock, non-profit organizations that provide social welfare and development programs and services to vulnerable Filipinos.

Under the new policy, the DSWD's Certificate of Registration and Accreditation will now be recognized by the Bureau of Internal Revenue (BIR) as sufficient basis to grant SWDAs donee-institution status, which entitles donors to tax deductions and exemptions under the National Internal Revenue Code.

WHAT IS PCNC?

PCNC is a private, voluntary, non-stock, non-profit corporation established on Jan. 29, 1997, by six of the country's largest national NGO networks (Association of Foundations, CODE-NGO, the League of Corporate Foundations, and Philippine Business for Social Progress). It was born out of the NGO community's response to government concerns about accountability, following the rapid proliferation of NGOs in the post-EDSA era.

The PCNC was formally designated by the Department of Finance (DoF) as the sole accrediting body for donee-institutions through a 1998 Memorandum of Agreement, a role later reinforced by EO No. 720 in 2008. Its core mandate was to certify that non-profit organizations meet minimum standards for financial management and accountability. It uses a peer-review model staffed by volunteer evaluators; these are professionals from civil society assessing their own sector. For nearly three decades, the PCNC served as the gateway through which SWDAs gained BIR recognition as donee-institutions.

TAXWISE OR OTHERWISE EDWIN PADILLO

WHY THE CHANGE?

Prior to EO No. 117, SWDAs were required to obtain accreditation from both the DSWD (for regulatory compliance) and the PCNC (as a prerequisite for BIR registration to achieve donee-institution status).

This dual-accreditation requirement made document submission more tedious, as both the DSWD and the PCNC had to verify the legitimacy of registering agencies and prevent fly-by-night organizations. While these safeguards reinforced accountability, they also contributed to longer processing times and increased administrative complexity.

The EO cites Republic Act No. 11032, or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, as its legal basis — underscoring the government's broader policy direction to simplify procedures, reduce red tape, and improve the delivery of public services.

MAIN BENEFITS AND DRAWBACKS

As we welcome any move to ease the bureaucratic challenges of NGOs, it is important to examine the main benefits as well as the potential drawbacks of this recent reform.

1. Reduced bureaucratic burden

SWDAs now deal with a single accrediting body, cutting down on time, paperwork, and administrative costs. This is particularly significant for small, grassroots organizations that have historically struggled with compliance overhead.

2. Cost efficient

The removal of the PCNC accreditation fee frees up funds that organizations can redirect toward program implementation and direct service delivery — a clear win for communities they serve.

3. Simplified process aligned with law

The EO operationalizes the Ease of Doing Business Act within the social welfare sector. A streamlined pathway may also encourage more legitimate

organizations to formalize their operations and seek donee-institution status.

4. Transition protection

Existing SWDAs retain their current donee-institution status until their accreditation expires, preventing disruption to ongoing programs and donor relationships.

POTENTIAL CONCERNS

While at face value, the new EO provides relief to SWDAs, some potential concerns are worth noting.

1. DSWD's capacity and readiness

The DSWD will now absorb the full accreditation load for all SWDAs, on top of its core mandate of delivering social welfare services. Whether the department has the staffing, systems, and technical capacity to effectively manage this expanded role, without causing delays or backlogs, remains to be seen.

2. Loss of civil society peer review

The PCNC's strength lies in its peer-review model: NGOs evaluating NGOs. This approach carries a degree of sector credibility and independence. Transferring accreditation entirely to a government body may raise questions among donors, international partners, and other stakeholders about the neutrality and rigor of the process.

Its strict process, often misconstrued as a drawback, is necessary to ensure agencies comply with basic regulatory requirements and to verify that they are properly managed and operated.

3. Potential regulatory conflict of interest

Under EO No. 117, the DSWD acts both as a service provider and as the sole accreditor of organizations that may complement or, at times, even critique government programs. This dual role warrants the need for clear structural safeguards, such as independent oversight mechanisms or functional separation, to preserve credibility and mitigate risks. Additionally, consolidating the accreditation authority under a single government agency may weaken the checks and balances between the public and private sectors. Without adequate oversight mechanisms, this could increase the risk of misuse or abuse of funds — echoing past controversies that

highlighted vulnerabilities in the system. Absent third-party certification, the government may consider implementing a more transparent and risk-based post-accreditation monitoring system to maintain public trust in donee organizations.

4. Pending implementing rules

The DoF and BIR have yet to issue the Implementing Rules and Regulations (IRR), leaving SWDAs in a period of uncertainty regarding specific compliance requirements.

While awaiting the issuance of the IRR and before full implementation, it is imperative for the DSWD to invest in institutional capacity-building. This includes hiring additional accreditation staff, improving the reliability of the digitized application and monitoring process, and establishing clear, time-bound processing standards. Equally important is the adoption of a more participatory accreditation framework that incorporates civil society reviewers or an independent technical panel, preserving the spirit of peer accountability long embodied by PCNC, while promoting transparency and maintaining the confidence among SWDAs and their donors.

For its part, the PCNC can view EO No. 117 not as an endpoint, but as an opportunity to redefine its role. Beyond SWDAs, there remains a broader ecosystem of NGOs that can benefit from its expertise. Indeed, the PCNC has already begun repositioning itself as a capacity-building and standards-setting body within the NGO sector. Its nearly three decades of experience in organizational assessment, financial accountability training, and peer evaluation remain invaluable. Moving forward, the PCNC can pivot toward providing technical assistance, pre-accreditation coaching, and sector-level research — functions that complement and support SWDAs, rather than duplicate, the government accreditation process.

Meanwhile, SWDAs should take a proactive approach to the transition. This includes reviewing the validity of their current accreditations and preparing for the eventual compliance under the new framework. Organizations may also continue to seek PCNC certifica-

tion on a voluntary basis as it serves as a recognized "Seal of Good Housekeeping." The certification process itself provides added value by encouraging NGOs to strengthen internal controls, align documentation, and enhance their financial and program reporting.

On the other side, donors, including corporations, foundations, and high-net worth individuals must be more prudent in conducting their due diligence, particularly in evaluating the governance and financial practices of the donee organizations. Ensuring that donations are properly substantiated and made to duly accredited institutions remains crucial to managing compliance and reputational risk, particularly when deductions are subject to scrutiny.

EO No. 117 clearly represents an effort to reduce bureaucratic friction for social welfare organizations delivering essential services. The intent is sound. However, as with any reform, the true measure of success lies in its implementation. Streamlining must not come at the expense of accountability.

Ultimately, the success of EO No. 117 will be measured not only by faster processing times, but how it sustains donor confidence, upholds accountability standards, and avoids an increase in compliance issues. As such, while we welcome such reform, stakeholders have the right to demand that the systems put in place are robust, transparent, and firmly grounded in the public interest — ensuring that they truly serve the communities at the heart of this work, and not just as a political move or gain.

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