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Marcos Oks new laws to enhance procurement, fight online scams

July 20, 2024 | Kristine Daguno-Bersamina - Philstar.com | Philippine Daily Inquirer

MANILA, Philippines — President Ferdinand Marcos Jr. has signed into law two measures aimed at improving government procurement and enhancing financial security for Filipinos, the Presidential Communications Office (PCO) announced on Saturday.

The New Government Procurement Act (NGPA) and the Anti-Financial Account Scamming Act (AFASA) were officially enacted on Saturday.

The NGPA updates the Government Procurement Reform Act or Republic Act No. 1984.

Marcos said the NGPA law “streamlines the procurement process from three months to just 60 days by standardizing procurement forms and institutionalizing electronic procurement.”

According to the PCO, one of the NGPA's features includes 11 new procurement modalities “that will afford greater flexibility for government agencies in choosing the manner of acquiring the best goods and services.”

It also introduces new ways for agencies to buy goods and services and replaces the old “Lowest Calculated and Responsive Bid” system with the “Most Economically Advantageous Responsive Bid.”



President Ferdinand Marcos Jr. signs into law the New Government Procurement Act (NGPA) and the Anti-Financial Account Scamming Act on July 20, 2024.

Presidential Communications Office

“This frees us from the obligation of selecting the lowest-priced bid when there is a better choice. This will ensure that we get not only the best prices but the best deals for our clients, the Filipino people,” Marcos said in his speech.

The NGPA also requires better planning for procurement and includes green practices to address environmental concerns.

The AFASA, on the other hand, aims to combat the rising tide of online financial scams.

The law mandates financial institutions to implement stronger safeguards to protect Filipino financial accounts, the PCO said.

The AFASA also criminalizes activities such as money muling (a type of money laundering) and social engineering schemes and grants the Bangko Sentral ng Pilipinas (BSP) authority to probe financial accounts involved in illegal activities.

“It will protect our people from falling prey to perpetrators who target their banks and e-wallet accounts...I hope that, through this law, we can deter the majority of the financial scams that we have been seeing while at the same time fostering greater trust in our digitization efforts,” Marcos said.

The central bank welcomed AFASA, with BSP Gov. Eli Remolona Jr. praising the new law for boosting consumer protection and fostering trust and confidence in the Philippine financial system.

Data from the Philippine National Police recorded 19,000 cybercrimes in 2023, marking a 68.98% increase compared to 2022.

The majority of these cases were online scams, totaling 14,030 incidents. This represents an increase of 7,208 cases or 94.64% from the previous year.

Marcos signed the two laws days before his third State of the Nation Address on Monday

Source: <https://www.philstar.com/headlines/2024/07/20/2371636/marcos-oks-new-laws-enhance-procurement-fight-online-scams>

PCCI backs removal of VAT on electricity sales

July 21, 2024 | Justine Irish D. Tabile and Chloe Mari A. Hufana | BusinessWorld



MATTHEW HENRY-UNSPLASH

PRESIDENT Ferdinand R. Marcos, Jr. should push a bill that seeks to do away with the value-added tax (VAT) on electricity charges to help lower the cost of power, which is a major concern of investors, according to the Philippine Chamber of Commerce and Industry (PCCI).

The 12% tax on electricity charges from distribution to the end-user should be removed, PCCI President Enunina V. Mangio told reporters last week.

“We wish for our President to consider making VAT exempt or at least reduce the VAT imposed on electricity charges from distribution to the users because it has a big impact,” she said in mixed English and Filipino.

“Our investors, because of the cost of power here, are having problems, making them go to other countries instead of the Philippines,” she added.

Ms. Mangio said sales of generated power are VAT-zero-rated under the Electric Power Industry Reform Act. But this was repealed after the amended VAT provisions of the National Internal Revenue Code of 1997.

“During the time of then President Gloria Macapagal Arroyo, as a temporary measure, she declared that the electricity charges from distribution to the end-user would be subjected to VAT,” she said.

“It was just a temporary measure. However, it became permanent... so what we are pushing right now is to expand the zero-rating on electricity charges up to the end-user or at least reduce the VAT imposed on them,” she added.

Ms. Mangio said the cost of power is a major complaint of investors, pushes them away even if the Philippines has an English-speaking and technically equipped workforce.

She noted that while the industry is waiting for additional base load and renewable energy sources, the state should temporarily remove or cut the VAT on electricity sales to lower power rates.

“If this happens, we will be able to invite more investors, and more investors means more employment and taxes,” she added.

Last year, Senator Francis G. Escudero filed Senate Bill No. 2301, which seeks to exempt electricity sales from VAT. The bill is pending before a Senate committee.

A similar bill in the House of Representatives has been pending with the ways and means committee since August 2022.

Meanwhile, Ms. Mangio urged Mr. Marcos to push economic measures that support the business sector in his third State of the Nation Address.

PCCI sought the passage of the capital income and financial tax reform to streamline taxes on passive income and financial transactions, align tax rates on interest, dividends and capital gains, and simplify the documentary stamp tax to lower expenses.

At a virtual news briefing on Sunday, PCCI also sought the liberalization of foreign equity restrictions through constitutional amendments.

“We are strictly supporting economic amendments in our Constitution... We should be careful not to touch other provisions,” she said.

PCCI also sought the passage of a bill that seeks to improve the country’s digital infrastructure by lowering internet costs.

Lower internet charges would help micro, small and medium enterprises, which make up 99% of businesses in the Philippines, she said.

“They dream of being digitized and we can only do that if we have strong and stable internet connectivity,” Ms. Mangio said in mixed English and Filipino.

PCCI also said the government should promote digital payments among agencies, government-owned and -controlled corporations and local governments.

She said online payments, especially for processing various forms of permits, could hasten business registration processes.

Ms. Mangio also said they are hoping for changes to the Corporate Recovery and Tax Incentives for Enterprises (CREATE) and Philippine Economic Zone Authority laws, specifically the promotion of a flexible work schedule among government agencies.

PCCI is also advocating for a national unemployment insurance to protect jobless Filipinos.

The group also sought priority treatment for the Freedom of Information Act, changes to the Secrecy of Bank Deposits law and creation of a Disaster Resilience Department.

Source: <https://www.bworldonline.com/economy/2024/07/21/609445/pcci-backs-removal-of-vat-on-electricity-sales/>

Wage hike bill still needed, wage boards too slow—Chiz

July 22, 2024 | Butch Fernandez | BusinessMirror

BusinessMirror
A broader look at today's business

WHILE the House of Representatives touts it has approved many bills which remain pending in the Senate, there's one measure passed by the latter that it wants the lower chamber to move on urgently: the bill legislating a P100 daily minimum wage hike.

Senate President Francis “Chiz” Escudero flagged this a day ahead of the President’s State of the Nation Address (Sona), saying the persistent inflation pressures are shrinking whatever small relief workers get from orders of the regional wage boards, including the P35 recently mandated by the Metro Manila board, and which took effect last July 16.

Escudero said the “very slow” pace with which wage boards are responding to realities on the ground are negating the very purpose for their creation two decades ago—which is, to have a mechanism that moves faster than the pace of legislation.

Such glacial pace, he explained in a radio interview, has prompted legislators, who must heed their constituents’ constant please for relief, to reverse policy and file bills legislating wage hikes.

The Senate has approved the bill legislating a P100 daily wage hike, but it is unacted on by the House. According to Escudero, when he and Speaker Martin Romualdez were threshing out the agenda for the Legislative Executive Development Advisory Council (Ledac), he noted that Congress has been quick to legislate measures to help businessmen, such as “reducing taxes and providing more incentives,” but has not been as quick to respond to labor’s problems.

“Why not pass a bill increasing the wage of workers?” Escudero asked aloud. The Senate bill for a P100 wage hike was mainly authored by then Senate President Juan Miguel Zubiri and sponsored by then Labor Committee chair Sen. Jinggoy Estrada, who became Senate President Pro Tempore when Escudero replaced Zubiri as Senate chief.

To prove his point that in this time of continuing high inflation a legislated wage hike is better than a wage board issuance, Escudero pointed to the National Capital Region’s wage board order of a P35 hike.

“Kakarampot na dagdag [such a measly addition]” in the NCR worker’s pay does not cut it, Escudero stressed, as he noted the “wrong” premise behind the wage board’s orders, i.e., that households have more than one worker in the labor force anyway, so an additional wage can be multiplied by the number of workers in the family, which then ends up with a more substantial augmentation. “Wage boards assume households have more than one person in the work force, so a P35 hike is assumed to be X2, X3 in one family, but that’s not the reality,” Escudero said, partly in Filipino. Most households, he said, just have one breadwinner, or if there’s more than one worker, the others may be in the informal economy where wage mandates do not cover them.

Chiding wage boards, he wanted to know, “Saan ba nakatira ang ating mga wage board members? At saan ba sila nag go-grocery [Where do our wage boards live? And where do they go for their groceries]?” such that they can conclude that P35 augmentation is enough to cover a worker’s family’s basic needs in the face of mounting costs of food and transportation, among others, Escudero said.

[Source: https://businessmirror.com.ph/2024/07/22/wage-hike-bill-still-needed-wage-boards-too-slow-chiz/](https://businessmirror.com.ph/2024/07/22/wage-hike-bill-still-needed-wage-boards-too-slow-chiz/)

PH eyes FTAs with LatAm, African countries

July 23, 2024 | Irma Isip | Malaya Business Insight

**Malaya
Business Insight**

The Philippines is widening its web of free trade engagements up to Latin America and Africa.

In a press briefing, Undersecretary Allan Gepty of the Department of Trade and Industry (DTI) said the agency is conducting studies on a list of African countries that are possible candidates for a free trade agreement (FTA).

Gepty said DTI is also updating its study on the feasibility of an FTA with Chile as a jump off for the country’s engagements with Latin America.

Gepty said the Philippines’ interests are in agricultural products, services and investment. Chile meanwhile is keen on critical minerals, mining, research and development.

Gepty said the Philippines hopes to formally apply this year its participation in the Comprehensive and Progressive Agreement for Trans-Pacific (CPTPP). [Cont. page 4]

PH eyes FTAs with LatAm, African countries

[Cont. from page 3]

“It’s a good FTA for the Philippines in the sense that once we become a part of the CPTPP, the value add is (the presence in the deal of) Chile, Mexico, Peru, and Canada. Now (with) the UK there, we need to join this,” Gepty said.

Separately, the Philippines is looking at the possibility also of having a bilateral FTA with Canada.

Gepty said Senate has committed to start public hearing on the Philippines’ FTA with South Korea as part of the concurrence process as soon as Congress resumes session.

The DTI also anticipates the next round of negotiation for its FTA with the European Union in October.

Gepty reported the conclusion three weeks ago of its second round of negotiations with the United Arab Emirates (UAE) where both parties achieved significant progress on several chapters.

He said the next round will focus on market access.

“We hope to finish this by October in time for the planned state visit in November. This is a milestone within our international trade relations because this will be the first time ever that we will have an FTA with a Middle Eastern country and that would be a good takeoff point to access the Gulf Cooperation Countries. We are also marking 50 years of diplomatic relations with the UAE,” Gepty said.

Source: <https://malaya.com.ph/news/business/ph-eyes-ftas-with-latam-african-countries/>

Marcos targets 350 airport, seaport projects by end of term

July 22, 2024 | Jean Mangaluz - Philstar.com | The Philippine Star

MANILA, Philippines — President Ferdinand Marcos Jr. set an ambitious goal of building and rehabilitating gateways before the end of his term in 2028.

In his third State of the Nation Address (SONA) on Monday, he said the government will aim to complete 350 airport and seaport projects, with the Ninoy Aquino International Airport (NAIA) being a priority.

“Soon, it will be capable of accommodating 48 flights per hour, servicing our ever-increasing local and international flight routes, and catering to more than 62 million passengers per year. More than seventy airport and seaport development projects across the country have been completed, and another three hundred and fifty ongoing projects are set to be completed by 2028,” Marcos said before a joint session of Congress.

Marcos echoed business tycoon Ramon Ang’s estimates when the San Miguel Corp. signed the NAIA rehabilitation deal with the Philippine government—a deal that the president dubbed in his SONA as a benchmark for transparency and competitiveness.

“Through this partnership, our foremost aerial gateway is now primed for a revitalization. Once considered among the worst and most stressful airports in the world, it will soon be a world-class international airport that we can be proud of,” Marcos said.

The president also touted improvements to the General Santos Airport, Bicol International Airport, as well as the Batangas Port PTB.

Marcos said that Public-Private Partnerships help develop projects under the “Build Better More” program.

Since the beginning of his term, the president touted his “Build Better More” or BBM program, a play on his name, Bongbong Marcos.

The Marcos administration has benchmarked a total of P 8.3 trillion for the BBM, which translated to 194 infrastructure flagship projects.

The planned infrastructure projects encompass areas of agriculture, digital connectivity, mass transport and more.

The president has inaugurated several infrastructure projects since his 2023 SONA, including a P940.46-million dam in Ilocos Norte, transmission lines in Bataan and the Grand Westside Hotel in Metro Manila.

<https://www.philstar.com/business/2024/07/22/2372147/marcos-targets-350-airport-seaport-projects-end-term>



Metro Manila Development Authority workers install tarpaulins prior to the third State of the Nation Address of President Ferdinand “Bongbong” Marcos Jr. on electric posts along EDSA in Quezon City on Friday, July 19, 2024.

The STAR / Miguel de Guzman

PBBM performance a solid 10 out of 10, says Speaker

July 23, 2024 | Ratziel San Juan & Maricel Cruz | Manila Standard

Speaker Martin Romualdez on Monday rated the performance of President Marcos with a perfect score since his previous State of the Nation Address (SONA) last year.

“I would grade the President’s performance at a solid 10 out of 10. Over the past year, he has demonstrated strong leadership and made significant strides in delivering on his promises from the last SONA,” Romualdez said.

He said the House would remain focused on approving needed legislative proposals, including priority measures identified during the last Legislative-Executive Development Advisory Council as well as in the past SONA.

Romualdez also took pride in the legislative accomplishments of the House of Representatives, saying the positive impact of laws passed by the 19th Congress and signed by President Marcos is now being felt by Filipinos. “All necessary laws requested by President Ferdinand Marcos, Jr. in the previous SONA, everything has passed here in the House of Representatives,” he said.

“We have done our homework. We addressed concerns on food security, climate change, social protection, tourism, public health, public order and safety, among others. In fact, the fruits of our overarching development agenda initiatives for the past two years are now slowly being felt across the nation,” he added.

He said the House achieved a 100-percent approval on the third and final reading of all the 17 priority measures identified by the President in his 2023 SONA.

To further prove his point, the House leader cited the country’s economic performance in recent years. From the third quarter of 2022 to the first quarter of 2024, he said the economy grew by an average of 6.1 percent.

For the first quarter of 2024 alone, the Philippine economy outperformed Indonesia (5.1 percent), Malaysia (4.2 percent), Singapore (2.7 percent) and Thailand (1.5 percent), he said.

He noted that in May, the National Economic and Development Authority projected that the country’s growth target of 6 percent to 7 percent this year is achievable with the implementation of appropriate government policies.

“As a result, the country is expected to continue outperforming most emerging economies and expand further to a range of 6.5 percent to 7.5 percent in 2025,” Romualdez said.

Credit rating firm Fitch Ratings also affirmed last month the country’s investment-grade long-term foreign currency trading at “BBB” rating with a stable outlook, Romualdez added.



Speaker Martin Romualdez delivers his message during the opening of the 3rd Regular Session of the 19th Congress at the plenary of the House of Representatives on Monday morning, July 22, 2024. (Photo by Ver Noveno)

Editor’s Note: This is an updated article. Originally posted with the headline Romualdez rates Marcos administration ‘solid 10 out of 10’ ahead of SONA 2024

Source: <https://manilastandard.net/news/314474611/romualdez-rates-marcos-administration-solid-10-out-of-10-ahead-of-sona-2024.html>

PBBM asks Congress: Revisit Epira, legislate on PHL’s role in LDF

July 22, 2024 | Jovee Marie N. de la Cruz | BusinessMirror



Philippines President Ferdinand Marcos Jr. center, receives a standing ovation during his third State of the Nation Address as Senate President Francis Escudero, top left and House Speaker Martin Romualdez, top right look on at the House of Representatives in Quezon City, Philippines, on Monday, July 22, 2024. (AP Photo/Gerard V. Carreon)

PRESIDENT Ferdinand “Bongbong” Marcos Jr. on Monday urged Congress to consider whether the Electric Power Industry Reform Act (Epira) needs to be amended in order to provide lower electricity rates and also to enact an enabling law that will grant the Philippines legal personality and the ability to serve on the board of the Loss and Damage Fund (LDF), a climate disaster fund.

During his third State of the Nation Address, Marcos said that the government is studying whether or not the Epira still meets customer demands for lower electricity prices.

“We are revisiting and thoroughly examining the Epira to determine if it is still suitable for our current situation or if it is time to amend it,” he said.

“I am urging Congress to work together on this for the sake of the Filipino people. With the high cost of electricity in the country, it is not only businesses that are struggling, but especially the general public,” he added.

Earlier, Speaker Ferdinand Martin G. Romualdez said the lower chamber is working to reduce electricity rates by reviewing the Epira. [Cont. page 6]

PBBM asks Congress: Revisit Epira, legislate on PHL's role in LDF*[Cont. from page 5]*

“We will work to further reduce electricity rates as well as rice prices. Accomplishing that will surely lead to a further moderation of inflation,” Romualdez said.

“We are looking into possible amendments to the Epira to bring down electricity prices, making it more affordable for everyone,” he added, indicating that the House aims to complete these changes before the Christmas recess. Electricity rates in the country remain among the highest in the Asean region.

Romualdez said amending the Epira would be preceded by an inquiry into the energy situation.

“We want to know what the problem is with the law and why the law that was supposed to streamline the energy sector has unfortunately raised electricity rates. We will call all stakeholders—power producers and distributors, the transmission company, and most importantly, the consumers represented by consumer groups,” he said.

The Legislative-Executive Development Advisory Council (Ledac) has resolved to prioritize the passage of 28 bills, including Epira amendments, before the conclusion of the 19th Congress in June 2025.

Loss and damage fund

Marcos also urged Congress to enact enabling legislation to grant the Philippines legal personality and the right to serve on the board of the “Loss and Damage Fund,” a fund dedicated to climate disaster relief.

Marcos said the Philippines’s securing a seat on the LDF board and being chosen as the host country for the fund will bolster the nation’s efforts to combat the adverse effects of climate change.

“As we can see in all the world, weather events are, as predicted, getting more extreme, such as torrential rains that instantly shift to scorching heat waves—or vice-versa. Our country’s geographical location makes us highly vulnerable to the adverse effects of climate change,” he said.

“Precisely because of our inherent vulnerability, we are proactive advocates for heightened climate responsibility and justice on the global stage. To this end, we have secured a seat on the board of the Loss and Damage Fund. Further, the Philippines has also been selected as [a] host country to that fund,” he added.

The President cited the importance of securing a seat on the LDF Board and being selected as the host country for the fund as a testament to these efforts.

“This will require an enabling law from Congress to confer legal personality and capacity to the Board,” he said. Marcos said this would complement all ongoing climate adaptation and mitigation measures, providing the country with a strong voice to access the necessary financial assistance for climate-related initiatives and impacts.

Hosting the LDF Board under the UN Framework Convention on Climate Change will help the country fairly access financial resources for financing adaptation and mitigation measures against climate change, said House Committee on Ways and Means Chairman Joey Sarte Salceda.

Salceda was elected the first Asian cochair elected by 180 nation-states to the UN Green Climate Fund, a predecessor of the LDF.

“Hosting the LDF will help the Philippines gain fair access to financial resources for funding climate change adaptation and mitigation measures,” he added.

“Loss and damage are adverse impacts of climate change despite adaptation and mitigation measures. They are, in other words, the unavoidable losses due to the fault primarily of industrialized countries,” he added.

An initial USD 700 million was pledged by donor countries to the LDF. Experts warn, however, that this is merely 0.2 percent of the total loss and damage that developing countries suffer from climate change every year.

Image credits: [AP/ Gerard V. Carreon](#)

[Source: https://businessmirror.com.ph/2024/07/22/pbbm-asks-congress-revisit-epira-legislate-on-phls-role-in-ldf/](https://businessmirror.com.ph/2024/07/22/pbbm-asks-congress-revisit-epira-legislate-on-phls-role-in-ldf/)

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