



필리핀한인상공회의소뉴스

KOREAN CHAMBER OF COMMERCE PHILIPPINES NEWSLETTER



September 2024 Issue | Vol. 72

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ADB maintains outlook for PH growth in '24, '25

September 26, 2024 | Angela Celis | Malaya Business Insight



The Asian Development Bank (ADB) has kept its growth forecasts for the Philippines, while it expects inflation to ease this year and next.

In its Asian Development Outlook (ADO) September 2024 report, ADB maintained its growth outlook for the Philippine economy at six percent for 2024 and 6.2 percent in 2025.

The report said the expansion is underpinned by broad-based domestic demand supported by a moderation in inflation and monetary easing, while sustained public investment, with its high multipliers, continues to lift growth.

The multilateral agency lowered its inflation forecast to 3.6 percent this year from its April estimate of 3.8 percent reflecting the sustained deceleration in food prices partly due to lower tariffs on rice imports.

Inflation is seen to ease further to 3.2 percent in 2025 compared to the previous estimate of 3.4 percent.

“Most of the ingredients for the Philippines’ sustained economic growth are in place—rising government revenues are boosting public expenditures on infrastructure and social services, increasing employment is driving consumption and reforms to open the economy to more investments are underway,” said ADB Philippines country director Pavit Ramachandran.

“With inflation slowing, the country is in a strong position to lead growth in Southeast Asia,” Ramachandran added.

However, the Manila-based agency said risks remain from potential severe weather events which could drive inflation higher. External factors such as a sharper slowdown in major advanced economies and the People’s Republic of China, financial volatility due to US monetary policy decisions, geopolitical tensions and rising global commodity prices also pose threats to growth, the report said.

Source: <https://malaya.com.ph/adb-maintains-outlook-for-ph-growth-in-24-25/>

Seipi: Better demand may shrink exports contraction

September 26, 2024 | Andrea E. San Juan | BusinessMirror

THE Semiconductor and Electronics Industries in the Philippines Inc. (Seipi) is mulling over reducing the 10-percent contraction outlook for electronics exports for this year due to a slight improvement in demand.

BusinessMirror
A broader look at today's business

Seipi President Danilo C. Lachica said demand is slowly resuming for the semiconductor and electronics exports.

“The biggest reason that we’re seeing for that improvement...well, reduction in the contraction, we’re seeing progress in inventory correction. In other words, demand is coming back. But it’s still a challenge especially for the semiconductor side,” Lachica told reporters on the sidelines of the Advanced Manufacturing Stakeholder Forum on Wednesday.

At its board meeting on October 8, Seipi will decide on the official outlook for the electronics exports this year.

“There is a possibility I’m seeing kind of a glimpse of reducing that contraction,” the Seipi chief said.

In July 2024, Lachica told the BusinessMirror that Seipi is seeing a 10-percent decline for electronics exports for 2024 due to inventory correction and the product mix in the Philippines. (See: <https://businessmirror.com.ph/2024/07/04/electronics-exports-seen-10-lower-in-2024/>)

Lachica explained that inventory correction and the product mix in the Philippines are the two factors that could change the projection of 10-percent contraction in the country’s top export commodity for this year.

He said the country is at a disadvantage in terms of product mix “because there were several companies that were not as aggressive putting in new products here and new technologies because of the incentive rationalization of the previous government.”

Meanwhile, asked if he’s elated about the recent developments in the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) bill, a measure which seeks to lower taxes on domestic and foreign companies, among others, the Seipi chief hailed some of the key provisions.

“One thing investors are asking for is the reinstatement of 5 percent GIE. I don’t know if it’s there, but also reducing the bureaucracy in the FIRB [was cited]. I think there’s a provision there to improve upon that. So that’s good,” the Seipi chief said.

Lachica also noted that the removal of the value-added tax (VAT) among constructive exports and imports, is, “I should say, I think it’s there, too. So I think that’s good.”

“But the GIE, I don’t know where that’s at,” he added.

Data from the Philippine Statistics Authority (PSA) showed export earnings from electronic products reached \$23.88 billion in the January to July 2024 period.

This is a 2.5-percent increase from the \$23.30 billion recorded in the seven-month period in 2023.

Source: <https://businessmirror.com.ph/2024/09/26/seipi-better-demand-may-shrink-exports-contraction/>

PPA seeks bidders for P733-M Opol Port project in Misamis Oriental

September 26, 2024 | Ashley Erika O. Jose | BusinessWorld



THE PHILIPPINE Ports Authority (PPA) has started inviting interested parties to participate in the bidding for the expansion and restoration of Opol Port in Luyong, Misamis Oriental.

The PPA is allocating P732.77 million for the project.

The budget will be sourced from the agency’s corporate budget for 2024, the PPA said in its invitation, adding that any bids received in excess of this amount will be rejected.

The contractor for the port and restoration project must have finished a similar contract, the PPA said.

Bids from interested parties will be accepted on or before Oct. 17. Late submission will also be automatically rejected, it said.
[Cont. page 3]

PPA seeks bidders for P733-M Opol Port project in Misamis Oriental

[Cont. from page 2]

The country's port regulator earlier expressed its intention to enhance and develop ports to improve their efficiency and capacity, while also preparing some of them to receive cruise ships.

The contractor must complete the project within 720 days from the notice to proceed, the PPA said.

The winning bidder will upgrade the berthing facility in two phases and handle overall expansion and restoration.

Over the next four years, the PPA plans to allocate about P16 billion for infrastructure projects, including 14 flagship projects, which will undergo feasibility studies.

Source: <https://www.bworldonline.com/corporate/2024/09/26/623925/ppa-seeks-bidders-for-p733-m-opol-port-project-in-misamis-oriental/>

P4.13-T projects logged under green lane initiative

September 26, 2024 | Kris Crismundo | Philippine News Agency

MANILA — The Board of Investments (BOI), through its One-Stop Action Center for Strategic Investments (OSAC-SI), has granted green lane certificates to 126 projects worth PHP4.13 trillion to expedite the processing of their permits and licenses in national government agencies (NGAs) and local government units (LGUs).

The BOI said in a statement Thursday that 114 out of 126 projects are renewable energy (RE) projects amounting to PHP3.74 trillion.

It added 36 RE projects valued at PHP1.64 trillion are already registered with the BOI to receive fiscal and non-fiscal incentives.

Most of the big-ticket projects under green lane are in offshore wind energy.

For this month alone, the OSAC-SI awarded the endorsement for green lane to an offshore wind energy project in Ilocos Norte with investments of PHP289 billion.



Three offshore wind energy projects of Filipino-Danish partnership BuhaWind Energy Philippines worth over PHP600 billion in Northern Luzon, Northern Mindoro, and East Panay with generation capacity of 4 gigawatts also got green lane certificates from the OSAC-SI.

Aside from RE projects, the OSAC-SI provided green lane treatment to six projects worth PHP346.33 billion in digital infrastructure, two projects worth PHP29.61 billion in the manufacturing sector, and four projects worth PHP4.14 billion in food security.

"The green lane initiative ensures that the Philippines remains competitive on the global stage, attracting investors who prioritize innovation and sustainability. With over PHP4 trillion in investments already certified, we are setting a clear path towards renewable energy growth, job creation, and reducing our carbon footprint," Trade Undersecretary and BOI Managing Head Ceferino Rodolfo said.

"This initiative is not only a testament to the government's commitment to creating a more efficient and business-friendly environment but also a vital tool for accelerating strategic projects that drive sustainable development," Rodolfo added.

Moreover, the BOI said that through the green lane initiatives, many strategic investment projects are on track in commencing their operations.

"Two projects previously granted Green Lane certifications have now commenced operations. PV Sinag Power Inc. (PVSPI), a subsidiary of Aboitiz Power, has begun commercial operations of its 94.717 megawatt peak Cayanga-Bugallon Solar Power Project in Pangasinan. With the BOI's Green Lane endorsement, the provisional authority to operate was fast-tracked, significantly reducing the usual 60-day processing period required by the Energy Regulatory Commission (ERC)," the BOI said.

Nexif Ratch Energy Investments Pte. Ltd.'s (NREI) Calabanga Solar Power Plant in Camarines Sur also came online last Sept. 12, wherein the green lane certificate it received in June this year accelerated the timeline of the project.

The Calabanga Solar Power Project, with investments of PHP3.7 billion, began construction in middle of 2023.

Signed by President Ferdinand R. Marcos Jr. in February 2023, Executive Order 18 establishes the OSAC-SI to give green lane treatment to strategic investments in NGAs and LGUs by simplifying and streamlining their approval process.

Source: <https://www.pna.gov.ph/articles/1234214>

South Korea surges in UN innovation index

September 26, 2024 | By Agence France-Presse | The Manila Times

The Manila Times®

GENEVA, Switzerland — South Korea made the biggest jump among the world's 10 most innovative economies in the UN's annual rankings published Thursday, alongside a gloomy global outlook for innovation investment.

While leaders Switzerland, followed by Sweden and then the United States, retained the top three positions in the Global Innovation Index 2024, Singapore overtook Britain to secure fourth place.

But South Korea was the biggest mover in the GII's top 10, up four places to sixth, leapfrogging Finland, the Netherlands, Germany and Denmark.

Now in its 17th edition, the GII ranking of 133 countries is the flagship publication of the World Intellectual Property Organization, the UN agency dealing with patenting and innovation.

"Looking at the global landscape in 2023, we find cloudy skies and gloomy weather," said WIPO chief Daren Tang.

He said that following the boom years of 2020 to 2022, research and development expenditures declined, the number of scientific publications fell, and venture capital investments returned to pre-pandemic levels.

"However, technological progress remained strong in 2023, particularly in health-related fields like genome sequencing, as well as in computing power and electric batteries. Technology adoption also deepened, especially in 5G, robotics, and electric vehicles," Tang said.

Amid tighter financial conditions, the GII's co-editor Sacha Wunsch-Vincent said the slowdown in innovation investment made "the prospect for 2024 and 2025 quite uncertain".

"This comes after a prolonged period of almost an innovation golden age.

"The geopolitical circumstances certainly play a role. The very high interest rates, which put an end to cheap money, are also part of the problem," he explained.

"We are at a real crossroads in terms of the innovation investment scenarios."

K-pop and smartphone reset

Switzerland ranks first in the GII for the 14th consecutive year.

Of the 78 indicators used for the index, Singapore comes top in 14 — more than any other country, and overtaking the United States — and is now fourth in the overall rankings.

"However, even if Singapore moves closer to the top three, breaking into that group remains challenging," WIPO said.

As for South Korea's surge, Wunsch-Vincent said its companies had had to rethink their strategy in the smartphone, IT and semiconductor markets, with some "quite cutting-edge technologies coming out" of the country again.

"It took two or so years for these companies to readjust and to come out stronger, which explains this rise in ranking," he told reporters.

Tang added that South Korea benefited from innovation-oriented regulations and heavy private investment in research and development.

Besides industry and technology, it is also a creative and cultural powerhouse, he said, citing K-pop and Korean dramas.

"South Korea has been able to make that a very important part of their exports," said Tang.

China back above France

China, which overtook France in 11th place, remains the only middle-income economy in the GII top 30.

The top three upper middle-income countries in the index were China, Malaysia (33rd) and Turkey (37th). *[Cont. page 5]*

South Korea surges in UN innovation index*[Cont. from page 4]*

The highest-ranked lower middle-income nations were India (39th), Vietnam (44th) and the Philippines (53rd).

The front-runners in the low-income group were Rwanda (104th), Madagascar (110th) and Togo (117th).

-Top 15 in the GII 2024 -

(2023 position in brackets)

- 1 — Switzerland (1)
- 2 — Sweden (2)
- 3 — United States (3)
- 4 — Singapore (5)
- 5 — Britain (4)
- 6 — South Korea (10)
- 7 — Finland (6)
- 8 — Netherlands (7)
- 9 — Germany (8)
- 10 — Denmark (9)
- 11 — China (12)
- 12 — France (11)
- 13 — Japan (13)
- 14 — Canada (15)
- 15 — Israel (14)

Source: <https://www.manilatimes.net/2024/09/26/world/asia-oceania/south-korea-surges-in-un-innovation-index/1974356>

Digitalization to boost tax collection by 2026– DOF

September 27, 2024 | Reine Juvierre S. Alberto | BusinessMirror

Digitalization efforts of the Bureaus of Internal Revenue (BIR) and Customs (BOC) to improve the government's tax collection will come to fruition by 2026, according to the Department of Finance (DOF).

BusinessMirror
A broader look at today's business

Finance Undersecretary and Chief Economist Domini SD. Velasquez said the BIR and BOC are already undertaking digitalization reforms, but the DOF does not expect this to immediately increase tax effort.

"They are not going to translate to a better system overnight," Velasquez said in a forum on Wednesday.

Almost 97 percent or 161 out of 166 customs procedures of the BOC are digitalized to improve trade facilitation, prevent smuggling and increase revenue collection.

The BOC's digitalization efforts include the One-Stop Electronic Travel Declaration System (E-Travel System), Overstaying Cargo Tracking System and National Customs Intelligence System (NCIS), among others.

Meanwhile, 90 percent of tax filings and payments done with the BIR were conducted online.

Some of its digitalization initiatives are the Enhancement of One-Time Transaction (ONETT) System, Online Registration and Update System (ORUS), Online Tax Clearance, Electronic Invoicing/Receipting and Sales Reporting System (EIS) and Optimized Chatbot Review, among others.

"Tax effort is expected to increase in the medium term as the BIR and BOC continuously improve revenue collections," Velasquez told the BusinessMirror on Thursday. *[Cont. page 6]*

Digitalization to boost tax collection by 2026– DOF*[Cont. from page 5]*

The DOF expects tax-to-GDP, or tax revenues relative to the size of the Philippine economy as measured by the gross domestic product (GDP), to improve to 16.3 percent by 2028. This is coming from a 14 percent tax-to-GDP ratio in 2020 during the pandemic era.

Revenue collections reached P2.993 trillion in January to August 2024, up by 15.91 percent from P2.582 trillion recorded in the same period in 2023.

The BIR has generated P1.920 trillion, 12.55 percent higher than the P1.706 trillion recorded a year ago; while the BOC's collections grew by 5.66 percent to P614.4 billion from last year's P581.5 billion.

"We are supplementing overall revenues with non-tax revenues until both bureaus can fully reap the benefits of their efforts in digitalization," Velasquez added.

Non-tax revenues hit P434.9 billion from January to August 2024, 58.66 percent higher year-on-year from P274.1 billion.

Source: <https://businessmirror.com.ph/2024/09/27/digitalization-to-boost-tax-collection-by-2026-dof/>

[UPCOMING EVENT]**A Joint Event of Rotary Intl D3810-BNI– KCCP | Business Matching and Networking Event**

October 18, 2024 | SMX Convention Center, Pasay City

KCCP in partnership with **PPC Rotary International D3810** and **BNI Philippines**, one of the largest business referral organizations in the world, will hold a **Business Matching/Networking Event** on **October 18, 2024 5:30PM** at **2F SMX Convention Center, Pasay City**. The registration starts at 5:00PM.

The event is expected to be attended by more than 400 local and international businesspeople, making it a great opportunity to expand your local network and connect with potential business partners, investors and buyers. A booth will be set up for event sponsors to introduce and discuss their companies and products, and even after the event, all members of each business group can continue to benefit from promotional support through E-magazine.

There will also be a program to promote networking among all attendees and a prize draw, and we are confident that it will be a more meaningful time as all proceeds from the event will be donated to a local welfare Foundation.

It is in this regard, we encourage KCCP members and colleagues to participate.

For KCCP Members, the registration fee is Php 2,000.00 (*includes food, drinks and participant kits*). If you have any questions in regards to this event and for confirmation, kindly contact KCCP at +632-8885-7342, or mobile numbers 0917-8015920 (Ms. Chi) / 0915-8887296 (Ms. Sang) or through email at info@kccp.ph.

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- Inclusion of logo in the pub mats
- Included in the e-Biz directory





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18 OCTOBER 2024
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2024 THE ARANGKADA PHILIPPINES FORUM

LEVEL UP

UPSKILL. UPSCALE. UPLIFT.

OCTOBER 24, 2024
Marriott Grand Ballroom

REGISTRATION ONGOING

The 13th *Arangkada* Philippines Forum convenes various stakeholders to explore perspectives on upskilling and upscaling human capital to accelerate the country's growth.

It identifies opportunities and challenges for the labor market posed by shifting demographics and rapid technological advancements, with a focus on key economic sectors like agriculture, mining, manufacturing, and other emerging industries. It also aims to advocate for much-needed reforms that can pave the way for a future-ready workforce and uplift the lives of Filipinos.

As in previous years, representatives from government, experts, industry leaders, and members of the business and international development community will be invited to deliver keynote speeches and provide their insights in the panel discussions.

FORUM AGENDA

- PANEL 1**
UPSKILL: ADAPTING TO A NEW WORKFORCE
- PANEL 2**
UPSCALE: STRENGTHENING THE BACKBONE OF OUR VALUE CHAINS
- PANEL 3**
UPLIFT: NURTURING TALENTS FOR THE FUTURE

REGISTRATION RATES

Regular Rate September 1 to October 25	PHP 6,500
JFC-Member Rate Individual members of any of the Chambers represented by the Joint Foreign Chambers of the Philippines (JFC).	PHP 5,500
Group Rate Group of five (5)	PHP 27,500



SCAN ME

REGISTER NOW!

Scan the QR Code or visit our event website at www.arangkadaphilippines.com/forum2024 to register.

For inquiries, please reach out to Ms. Alyx Flojo at alys.flojo@tbc-ph.com or +63 968 230 1040.

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The Joint Foreign Chambers of the Philippines, will be holding the **13th Arangkada Philippines Forum on October 24, 2024** at the **Marriott Grand Ballroom** in Pasay City.

Now in its 13th year, the forum will convene various stakeholders to explore perspectives on upskilling and upscaling human capital to accelerate the country's growth.

With the theme "**Level Up: Upskill. Upscale. Uplift.**," the forum will explore opportunities and challenges for the labor market posed by shifting demographics and rapid technological advancements—focusing on key economic sectors like agriculture, mining, manufacturing, and other emerging industries. It also aims to advocate for much-needed reforms that can pave the way for a future-ready workforce and uplift the lives of Filipinos

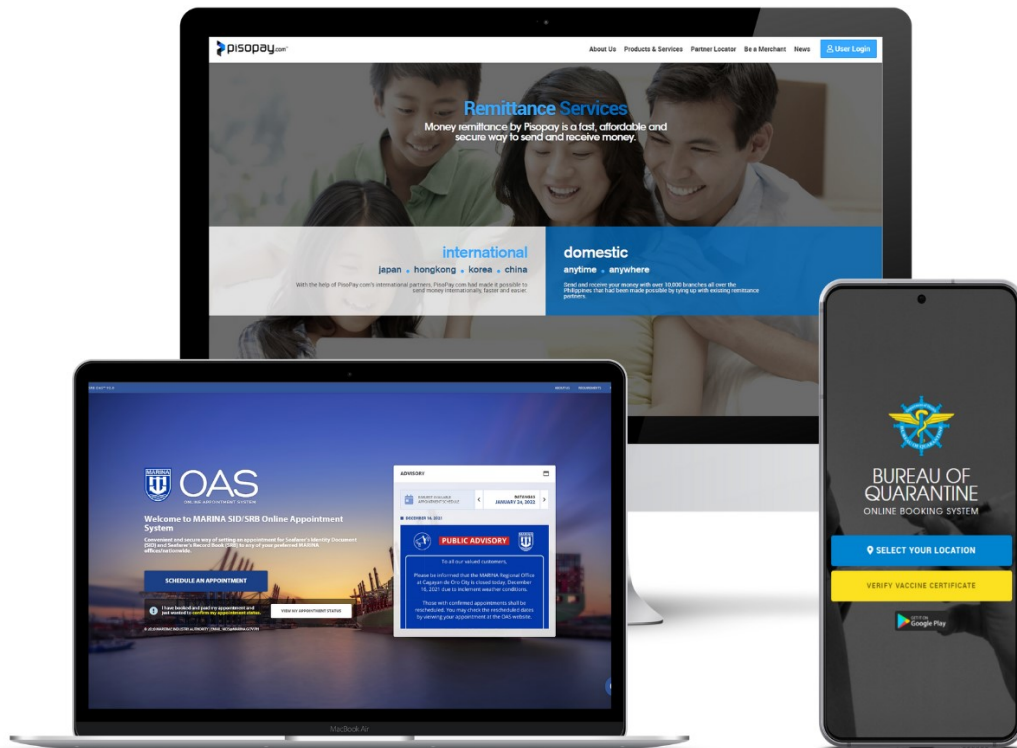
KCCP has a table for the event with **10 available seats** and each ticket will be given at a discounted rate of **Php 5,500**.

For more information, visit www.arangkadaphilippines.com/forum2024 or if you have any questions regarding this event, please feel free to contact us at +632-8885-7342 or thru this email address, info@kccp.ph or thru Ms. Chi or Ms. Sang, 0917-801-5920/ 0915-888-7296.

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