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SPECIAL POINTS OF INTEREST

UPCOMING EVENT

LEDAC identifies 44 priority bills, including general tax amnesty and amendments to bank secrecy law

October 01, 2025 | Chloe Mari A. Hufana | BusinessWorld

President Ferdinand R. Marcos, Jr. and Congress leaders identified 44 priority bills under the Common Legislative Agenda of the 20th Congress, including a general tax amnesty, excise tax on single-use plastics, as well as amendments to the Bank Deposit Secrecy law and Anti-Money Laundering Act.

The legislative priorities are aimed at improving the investment climate, modernizing governance, helping farmers and fisherfolk, expand social services, and ensure energy security, according to a statement from the Presidential Communications Office following a meeting of the Legislative-Executive Development Advisory Council (LEDAC) in Malacañang on Tuesday.

"Governance and transparency remain central to the Common Legislative Agenda," the Palace said.

Key measures in the list include proposed amendments to the Bank Deposits Secrecy Law and the Anti-Money Laundering Act, which are expected to improve compliance with global standards, potentially boosting the Philippines' standing with credit raters and multilateral lenders.

A Progressive Budgeting bill and proposals requiring civil servants to waive bank secrecy protections are also on the table to strengthen fiscal discipline and curb graft, as the Philippines currently probes a massive corruption scheme within government ranks.

"These, together with the proposed tax amnesties, reforms on civil service accountability such as requiring bank secrecy waivers, and the Magna Carta for Barangays, are intended to modernize institutions, strengthen fiscal responsibility, and promote accountability," it added.

Digital economy measures, including a Cybersecurity Act, a Digital Payments Act, and legislation on online gambling and artificial intelligence use in elections, were also included as LEDAC priorities.

"These initiatives are intended to secure online transactions, promote innovation, and ensure the safe and responsible use of digital platforms in governance and public life," the Palace said.

The 44 Common Legislative Agenda measures are:

1.Amendments to the Coconut Farmers and Industry Trust Fund Act
2. Amendments to the Pantawid Pamilyang Pilipino Program (4Ps) Act
3. Department of Water Resources (DWR) Bill
4. Waste-to-Energy Bill
5. EPIRA Amendments: Energy Regulatory Commission (ERC) Strengthening Bill
6. National Land Use Act
7. Excise Tax on Single-Use Plastics
8. Blue Economy Act
9. Amendments to the Bank Deposits Secrecy Law
10. Progressive Budgeting for Better and Modernized Governance Act
11. Right to Information Act

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LEDAC identifies 44 priority bills, including general tax amnesty and amendments to bank secrecy law

[Cont. from page 1]

12. Amendments to the Anti-Money Laundering Act
13. Philippine Civil Registration and Vital Statistics Act
14. Amendments to the Universal Health Care (UHC) Act
15. National Center for Geriatric Health
16. Assistance to Individuals in Crisis Situations (AICS) Act
17. Amendments to the Masustansyang Pagkain Para sa Batang Pilipino Act
18. Amendments to the Government Assistance to Students and Teachers in Private Education Act
19. Amendments to the Universal Access to Quality Tertiary Education Act
20. Amendments to the Teachers Professionalization Act
21. Amendments to the Local Government Code (Comprehensive)
22. General Tax Amnesty
23. Extension of Estate Tax Amnesty
24. Amendments to the Fisheries Code
25. Amendments to the Rice Tariffication Law or Rice Industry and Consumer Empowerment (RICE) Act, including AAES Act minor amendments (Comprehensive)
26. Amendments to the Downstream Oil Industry Deregulation Law
27. Amendments to the Biofuels Act
28. Cybersecurity Act
29. Amendments to the National Building Code
30. Amendments to the Magna Carta for MSMEs
31. National Reintegration Bill
32. Reprogramming of Seal of Good Local Governance
33. Digital Payments Act
34. Masterplan for Infrastructure and National Development
35. Classroom-Building Acceleration Program Act
36. Requiring Civil Servants to Waive Bank Secrecy
37. Law on Online Gambling
38. Disaster Risk Financing Insurance
39. Strengthening the Bases Conversion and Development Authority
40. Presidential Merit Scholarship Program
41. Disqualifying Relatives of Officials (4th degree) in Government Contracts
42. Fair Use of Social Media, AI and Internet Technology in Elections
43. Modernizing the Bureau of Immigration
44. Magna Carta for Barangays

Source: https://www.bworldonline.com/top-stories/2025/10/01/702145/ledac-identifies-44-priority-bills-including-general-tax-amnesty-and-amendments-to-bank-secrecy-law/

Factory gate prices increase in August

October 01, 2025 | Louella Desiderio | The Philippine Star

Preliminary data released by the PSA yesterday showed that the Producer Price Index (PPI) for manufacturing returned to positive territory, registering a 0.6 percent growth in August after the 0.1 percent drop in July.

STAR / File

MANILA, Philippines — Producer prices posted growth in August, reversing a contraction in the previous month, driven by a slower decline in prices of computer and electronic products, according to the Philippine Statistics Authority (PSA).

Preliminary data released by the PSA yesterday showed that the Producer Price Index (PPI) for manufacturing returned to positive territory, registering a 0.6 percent growth in August after the 0.1 percent drop in July.

It was also an improvement from the 1.3 percent dip posted in August last year.

The PPI measures the average change in factory gate prices relative to a base period.

Average PPI growth from January to August stood at 0.4 percent.

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Factory gate prices increase in August
[Cont. from page 2]

"The upturn in the annual growth rate of the PPI for the manufacturing section in August 2025 was primarily due to the slower decrement in the annual growth rate of the PPI for manufacture of computer, electronic and optical products industry division," the PSA said.

In particular, the computer, electronics and optical products industry division posted a 0.1 percent decline in August from a one percent drop in July.

Also driving the upturn in PPI growth was the faster increase in basic metals at two percent in August from 0.4 percent in the previous month.

The PSA said the slower decline in the growth of transport equipment at 0.2 percent in August from the previous month's 1.3 percent also contributed to the PPI growth performance.

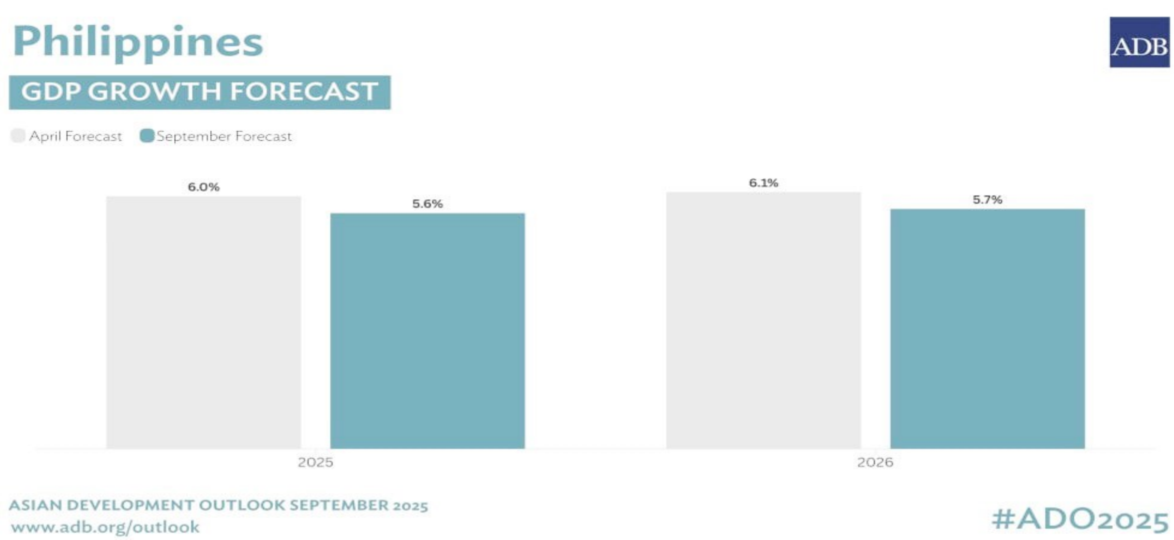
Of the remaining 19 industry divisions, 11 exhibited annual increases, while eight industry divisions registered annual decreases in August.

Those which posted increases in August are coke and refined petroleum products; food products; beverages; chemical and chemical products; tobacco products; rubber and plastic products; furniture; leather and related products including footwear; wearing apparel; textiles; and printing and reproduction of recorded media.

On the other hand, those which registered declines are other non-metallic mineral products; electrical equipment; machinery and equipment except electrical; fabricated metal products except machinery and equipment; basic pharmaceutical products and pharmaceutical preparations; wood, bamboo, cane, rattan articles and related products; other manufacturing and repair and installation of machinery and equipment; and paper and paper products.

Source: https://www.philstar.com/business/2025/10/01/2476527/factory-gate-prices-increase-august

ADB trims PH 2026 growth forecast to 5.7%; keeps 2025 at 5.6%
October 01, 2025 | Ruelle Castro | Malaya Business Insight



Corruption outcry being monitored for potential heightened risk –country director

THE Asian Development Bank (ADB) has revised downward its 2026 Philippine economic growth outlook to 5.7 percent from an earlier projection of 5.8 percent.

ADB's September update to its current Asian Development Outlook (ADO) report, however, sees the economy cruising along this year, keeping its 2025 growth outlook for the country steady at 5.6 percent. *[Cont. page 4]*

ADB trims PH 2026 growth forecast to 5.7%; keeps 2025 at 5.6%

[Cont. from page 3]

Bright spot in SEAsia

The Manila-based institution maintained that the Philippines will remain a “bright spot in Southeast Asia, with the second highest GDP expansion in the region.”

“The Philippines’ growth outlook remains resilient amid a global environment of shifting trade and investment policies, and heightened geopolitical uncertainties. Though these uncertainties pose increased risk, we see strong domestic demand anchoring growth, with sustained investments and an accommodative monetary policy supporting the economy’s expansion,” ADB Country Director for the Philippines Andrew Jeffries said.

2025 inflation seen easing to 1.8%

The ADB also lowered its inflation forecast for 2025 at 1.8 percent from an earlier forecast of 2.2 percent, but it sees the rate rising to 3 percent in 2026.

The government’s full-year target range is 2 to 4 percent.

“Slower global commodity prices and muted food prices, in part due to the improved local supply of the country’s rice staple, will keep inflation low. This subdued inflation outlook will support an accommodative monetary policy, though adverse weather conditions and climate shocks could put pressure on commodity prices,” the ADB said in the report.

Downside risks to the growth outlook include external headwinds from heightened uncertainty, further shifts in global economic policies, and rising trade barriers, which could affect market sentiment and hinder economic growth, the ADB report added.

Sustained investment

Government investment, including in social services, is seen boosting domestic demand, with business sentiment remaining positive as shown by the Bangko Sentral ng Pilipinas’ (BSP) Q2 2025 survey, though softer amid external headwinds.

The ADB noted the government aims to maintain infrastructure spending at 5 to 6 percent of gross domestic product (GDP) over the medium term.

“The Accelerated and Reformed Right-of-Way Act signed into law this month streamlines the land acquisition process for government and public-private partnership projects, which will help speed up infrastructure investments,” the ADB report said.

“This new law will benefit the government’s flagship projects, including the ADB-financed Malolos-Clark Railway Project and the South Commuter Railway Project, which will link Metro Manila to northern and southern provinces in the Luzon region; and the Bataan-Caite Interlink Bridge Project, which is expected to be one of the world’s longest bridges when completed,” it said.

ADB’s consumer outlook for 2026, meanwhile, remains optimistic, partly supported by a steady inflow of remittances from overseas Filipinos, which, it said, bodes well for private consumption growth.

Outcry vs corruption

Country Director Jeffries said the bank is monitoring how the current outcry on corruption involving government infrastructure projects will affect investment sentiments and economic output moving forward.

“Because a large percentage, I think 60 percent, of GDP is underpinned by domestic consumption and other factors and low inflation and the like, we didn’t see a reason to reduce GDP projections due to that issue at this point. But it’s certainly a heightened risk. And between now and our December update, there may be more kind of quantifiable data available,” he said.

Jeffries said the agency takes the issue of corruption and public financial management very seriously and that the ADB “employs strict oversight and due diligence on the financial management capabilities of their borrowers.” *[Cont. page 5]*

ADB trims PH 2026 growth forecast to 5.7%; keeps 2025 at 5.6%

[Cont. from page 4]

"So we take this very seriously and the government — we actually see potentially more support being asked of us to help address this problem going forward," he said.

In particular, Jeffries said the ADB has a joint agreement with the World Bank Group to cross-debar contractors involved in questionable activities. He added that may also involve blacklisting contractors identified in the current anomaly in the country's infrastructure projects, provided the government sanctions them first.

Source: https://malaya.com.ph/business/business-news/adb-trims-ph-2026-growth-forecast-to-5-7-keeps-2025-at-5-6-2/

VAT reduction to 10% 'not doable' without deep spending cuts

September 29, 2025 | Derco Rosal | Manila Bulletin

Department of Finance building in Manila (DOF photo)

Reducing the value-added tax (VAT) to 10 percent from the current 12 percent would erode the government's fiscal consolidation, with total revenues expected to decline by an average of ₱330 billion annually, or one percent of the country's economic output.

"From our estimates, the reduction of VAT from 12 percent to 10 percent is around one percent of GDP [gross domestic product], more or less ₱330 billion a year on average," Finance Undersecretary Karlo Fermin S. Adriano said during the Philippine Tax Academy (PTA) Convention last week.

This would push the deficit to about 6.3 percent of GDP, above the government's 5.3-percent target under its 2023-2027 fiscal program and wider than last year's 5.6 percent.

This was based on a scenario posed by Adriano, who said that if the government has a target of a 5.5-percent fiscal deficit this year, the gap will jump to 6.5 percent should the VAT rate be reduced to 10 percent—a bill filed in Congress on the grounds that VAT is regressive.

"[As such], we will not be able to do fiscal consolidation because our fiscal deficit last year was only 5.7 percent. If we cannot show that we are capable of fiscal consolidation, interest payments will also increase," Adriano said.

He explained this would be because the sovereign credit rating would be lower. Therefore, borrowing with higher interest rates would cause the debt pile to bloat.

An alternative action would be to decrease government spending by around ₱330 billion a year, Adriano said, but this would mean "less government programs" of a similar scale every year.

It can be recalled that the government hiked the VAT rate from 10 percent to 12 percent in February 2006, nearly two decades ago.

Meanwhile, the 12-percent VAT on digital service providers (DSPs) is expected to generate approximately ₱35 billion per year, although Adriano noted that this is a conservative estimate.

The total tax haul from the imposition of the 12-percent consumption levy on digital services in June has reached ₱2.8 billion over the past three months, encompassing both business-to-business and business-to-consumer transactions.

Adriano said the government's goal is "not just revenues per se, but to actually level the playing field between local DSPs and foreign DSPs," adding that DSP subscriptions, such as Netflix and Spotify, are largely consumed by middle- and high-income households.

"Who can afford subscriptions to DSPs? It's not the farmers or fisher folks," Adriano said.

He also disputed the assumption that VAT is regressive, pointing to a World Bank study showing the Philippine VAT system is considered "normal," not regressive.

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VAT reduction to 10% 'not doable' without deep spending cuts

[Cont. from page 5]

Adriano noted that exemptions—such as those on food—shield low-income households, whose spending is largely exempt from VAT. He added that cutting the VAT rate would mainly benefit higher earners, who are the biggest consumers and whose purchases are mostly subject to VAT.

Senen M. Quizon, business tax leader at management consulting firm Deloitte Philippines, said cutting VAT will be a relief for many Filipinos as "it will lower prices of goods and increase household purchasing power."

"However, this could also put pressure on the government to enact new tax laws, find other sources of revenue, or resort to borrowing to finance its expenditures. To recoup the loss, it would be prudent to take a second look at VAT-exempt goods and services," Quizon said.

On Sept. 3, Batangas 1st District Rep. Leandro Leviste filed House Bill No. 4302 seeking to lower VAT to 10 percent. He also moved for the bill to be prioritized by the House Ways and Means Committee for the 20th Congress.

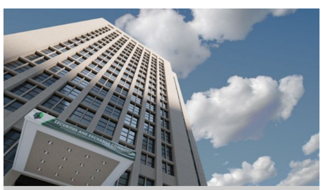
Leviste said his proposal to lower VAT could trim government revenues by about ₱200 billion, or roughly ₱7,000 per household annually.

"How we will offset these foregone revenues can be the subject of further discussions, but we should have the options by our next meeting, and we should pass the bill lowering the VAT by the end of this year," Leviste added.

Source: https://mb.com.ph/2025/09/29/vat-reduction-to-10-not-doable-without-deep-spending-cuts

SEC seeks strict 9-year limit for independent directors

October 02, 2025 | Meg J. Adonis | Philippine Daily Inquirer


SEC head office—PHOTO FROM SEC WEBSITE

MANILA, Philippines — Independent directors may soon be barred from seeking a longer term beyond nine years as the Securities and Exchange Commission (SEC) proposed a circular setting term limits.

SEC chair Francis Lim on Wednesday told reporters that setting the term limit in stone would allow opportunities for "true, meaningful independent directors."

Under the draft memorandum, independent directors will be elected for a three-year fixed term, meaning they will have security of tenure.

This is to ensure that independent directors "with different views" are protected from sudden removal.

"To make the independent directors truly independent, we're giving them a three-year security of tenure … Once voted, they are elected for three years, not just one," Lim said on the sidelines of the Shareholders' Association of the Philippines' digital library launch.

There's a way out currently

At the same time, however, the chair clarified that they may only be elected for a maximum of three consecutive terms totaling nine years.

After that, they are barred from reelection in the same company.

Current rules state that independent directors are only elected for a one-year term. They may serve as independent directors for up to nine years, although companies may apply for exemptive relief for extraordinary cases.

But once the proposed rules are approved, the term limit would be firm and the SEC would no longer grant extensions, Lim noted.

The circular will take effect immediately, meaning independent directors serving their ninth year in 2026 may not be reelected, and their term will not be extended.

[Cont. page 7]

SEC seeks strict 9-year limit for independent directors
[Cont. from page 6]

Possible penalty

Companies that fail to adopt the three-year security of tenure and the nine-year term limit may be fined P1 million.

The draft circular is available for public comment until Oct. 15.

Lim earlier pointed out that independent directors whose terms have expired in one company can move to smaller firms and share their expertise while also giving opportunities to other leaders.

Source: https://business.inquirer.net/550197/sec-seeks-strict-9-year-limit-for-independent-directors

Chip industry council unveils five-year workforce dev't plan
October 01, 2025 | Justine Irish D. Tabile | BusinessWorld


REUTERS

THE Semiconductor and Electronics Industry Advisory Council (SEIAC) said its five-year workforce development plan is intended to improve the school-to-industry pipeline.

Undersecretary Angel Ignacio of the Office of the Special Assistant to the President for Investment and Economic Affairs said in a statement: "Investing in our people is the most critical component of building a resilient and globally competitive semiconductor industry."

She added that the council's long-term goal is to develop homegrown talent and encourage Filipinos to pursue careers in the country.

The workforce development plan features flexible learning pathways, including ladderized programs and micro-credentials, to nurture technical skills that meet global industry standards.

During its second meeting, the council also discussed initiatives to enhance the investment climate.

SEAIC proposed the development of strategic economic zones to follow a pilot site in Clark, as well as infrastructure audits to identify gaps in power, water, and logistics.

"The pilot project at New Clark City is expected to provide key insights for a nationwide rollout," the council said.

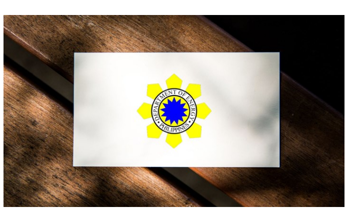
It also reviewed efforts to streamline regulations, promote ease of doing business, and showcase the semiconductor industry to the global market.

The council will lead the Philippine delegation to SEMICON Europa 2025, where it will seek to "reduce reliance on traditional markets" and tap "Europe's growing demand for alternative suppliers amid geopolitical shifts."

"SEAIC aims to ensure alignment of all participating government agencies in their efforts to position the Philippines as a competitive hub for semiconductor and electronics manufacturing and innovation," it added.

Source: https://www.bworldonline.com/economy/2025/10/01/702362/chip-industry-council-unveils-five-year-workforce-devt-plan/

DOE grants 'special allowance' to lure oil, gas exploration firms
September 30, 2025 | Lenie Lectura | BusinessMirror



IN a bid to lure in more investors in the upstream petroleum industry, the Department of Energy (DOE) will extend "special allowance" to operators of marginal petroleum blocks, new and frontier areas.

Department Circular no. 2025-3-17, signed by DOE Secretary Sharon Garin on September 23, provides special allowances that allow for maximum benefits to the country and, at the same time, provide reasonable returns to private companies that render financial and technical services and assume all the risk of petroleum exploration. This will make the country's service contract regime more attractive to investments and improve the state of the oil and gas exploration. *[Cont. page 8]*

DOE grants 'special allowance' to lure oil, gas exploration firms

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"The current state of the oil and gas exploration in the country shows low-level investments due to the attendant high risk in petroleum operations," the DOE said.

"There is a need to offer improved fiscal terms to service contractors to complement the other government initiatives in attracting more exploration and production companies to spur exploration activities leading to the discovery of more oil and gas fields in the country."

A special allowance on marginal petroleum operations shall be granted when the annual operating expenses exceed the cost recovery allowance of 70 percent. The DOE defined operating expenses as those related to produce petroleum but excluding development and exploration cost, and capital expenditures.

Meanwhile, the DOE defines "new plays" as untested geological prospects in productive basins. Under this category, a special allowance of 5 percent of the gross proceeds will be granted only to the first commercial development.

The same allowance shall be granted in frontier areas, which the agency defines as "basins with no significant production activity."

For gas development in remote areas with more than 200 kilometers (km) but not less than 400km from the identified delivery market, a special allowance of 2.5 percent shall be granted. This will increase to 5 percent for areas within the 400km but not less than 800km and 7.5 percent within 800km and above.

To encourage the production of indigenous gas in new plays, frontier, or remote areas, a special allowance of 30 percent of the gross proceeds shall be granted.

The DOE said it continues to adopt new mechanisms and strategies to carry out its plans and programs mandated under PD 87.

Source: https://businessmirror.com.ph/2025/09/30/doe-grants-special-allowance-to-lure-oil-gas-exploration-firms/

[UPCOMING EVENT]

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