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SPECIAL POINTS OF INTEREST

UPCOMING EVENT

FPI hopes BoC digitalization can reform 'most corrupt' agency, curb smuggling

October 13, 2025 | Justin Irish D. Tabile | BusinessWorld

BW FILE PHOTO

THE Federation of Philippine Industries (FPI) said it is hoping that digitalization can turn the Bureau of Customs (BoC) around from its current reputation "from one of the most corrupt to one of the most reformed.

FPI Chairman Emeritus Jesus L. Arranza said he hopes Customs Commissioner Ariel F. Nepomuceno's reform agenda "will help restore the credibility of the BoC."

Mr. Arranza said in a statement on Monday that FPI members, "who have long been victims of smuggling and illicit trade, are the first to feel the negative effects of these illegal activities — and we will also be the first to commend genuine reform efforts."

Citing the US Department of State's Annual Investment Climate Report, he said that American businessmen have complained about facilitation fees and bureaucratic hurdles at the BoC.

He said that the digitalization of customs processes will help eliminate face-to-face transactions between importers and Customs personnel.

"The modernization effort, to be implemented through a public-private partnership model, will automate import documentation, inspection tracking, and valuation processes — removing the opportunities for collusion, bribery, and technical smuggling," the FPI said.

Mr. Nepomuceno has banned BoC officials and employees from doing business or taking a financial interest in customs brokerage companies.

"All BoC personnel are now required to submit verified affidavits disclosing any relatives within the fourth civil degree who are involved in brokerage operations," the FPI said.

The BoC also suspended Letters of Authority and Mission Orders issued before July 2 pending review of all planned enforcement actions under the Intelligence and Enforcement Groups.

Source: https://www.bworldonline.com/economy/2025/10/13/704995/fpi-hopes-boc-digitalization-can-reform-most-corrupt-agency-curb-smuggling/

DOE: Full RE foreign ownership added 20 GW to Philippine power supply

October 14, 2025 | Lisbet K. Esmael | Philippine Daily Inquirer

MANILA, Philippines – The Philippines' decision to open the renewable energy (RE) space to full foreign ownership has led to the installation of about 20 gigawatts (GW) of new power capacity, a government official said.

Department of Energy (DOE) Undersecretary Rowena Cristina Guevara acknowledged the private sector's role in helping the country hit its target of 35 percent renewable energy share in the electricity generation mix by 2030.

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DOE: Full RE foreign ownership added 20 GW to Philippine power supply

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At present, renewables contribution is at 22 percent.

She said the country moved closer to achieving this goal after the government allowed full foreign ownership in renewable projects in 2022.

"To date, it has already attracted 75 projects, totaling 20 GW capacity, awarded to fully foreign entities," she said at the recent 2nd Philippines Future Energy and Grid Summit 2025.

Enabling environment

"Hence, we are creating an enabling business environment to make RE more appealing to investors," Guevara added.

One of the ways the government is enticing more private support is the green energy auction program (GEAP), as it provides fixed rates to winning power bidders.

"With GEAP, technologies are mature, and costs are lower," she said.

For this year alone, the government has set four auction rounds. The agency saw bids for 7,530.89 megawatts (MW) under the third round, surpassing its 4,650 MW target. About 6,680 MW were awarded.

The GEA-4, meanwhile, launched the country's first integrated renewable energy and energy storage system. Accepted bids reached over 9,400 MW.

Two more rounds are slated this year, focusing on fixed-bottom offshore wind and biomass/waste-to-energy (WTE) technologies.

Special auction

Last week, the DOE said it would also conduct a "special green energy auction" for WTE projects that will source their waste feedstock within Metro Manila and highly urbanized cities (HUCs), with completion set by the fourth quarter of 2027.

Citing 2024 data from the National Solid Waste Management Commission, the capital region and HUCs generate an estimated 6.12 million metric tons of municipal solid waste, which could fuel 335 MW of baseload power capacity.

Source: https://business.inquirer.net/552415/doe-full-re-foreign-ownership-added-20-gw-to-ph-power-supply

PSE chief nixes proposed term limits for independent directors

October 14, 2025 | Richmond Mercurio | The Philippine Star

MANILA, Philippines — Philippine Stock Exchange Inc. (PSE) president and CEO Ramon Monzon has expressed reservations over a proposed memorandum circular from the Securities and Exchange Commission (SEC) that seeks to impose a mandatory nine-year term limit on independent directors while simultaneously granting them security of tenure.

Ramon Monzon

STAR / File

"I told SEC chairperson Francis Lim that I am not in favor of it. Why are we going to require a company to keep or maintain an independent director for three years? The election of independent directors is held every year. But what if the independent director's performance is not good? Or what if someone good becomes available? You have to stick with it?" Monzon told The STAR in an interview.

"But overall, the nine years look okay. But the problem, I told him, is that other jurisdictions are liberalizing. Us, on the other hand, are regulating. Anyway, he's very open. He said put that in your comments since we have a public comment period up to Oct. 15," the PSE chief said.

The SEC issued a draft memorandum circular late last month, which sets the rules on the duration of terms and amends its rules on term limits for independent directors.

The issuance is expected to strengthen the independence of independent directors, as well as to align with international best practices under Republic Act 11232, also known as the Revised Corporation Code of the Philippines. *[Cont. page 3]*

PSE chief nixes proposed term limits for independent directors

[Cont. from page 2]

Under the draft memorandum circular, an independent director shall be elected for a fixed three-year term and is subject to term limits.

An independent director should serve for a maximum cumulative term of nine years. An independent director who has served the maximum term shall be disqualified from serving as an independent director in the same company.

Lim said that the proposed three-year security of tenure aims to make the independent directors "truly independent."

"In other words, once voted, he or she is elected for three years, not one year only," he said.

Lim said that the SEC would also eliminate exemptive reliefs and will strictly enforce the nine-year term limit.

A company's independent director is currently allowed to serve for a maximum cumulative term of nine years, after which the independent director shall be perpetually barred from re-election as such in the company, but may continue to qualify as a non-independent director.

However, in the instance that a company wants to retain an independent director who has served for nine years, the firm's board should provide meritorious justifications and seek shareholders' approval during the annual shareholders' meeting.

With the draft memorandum circular still subject to public comments, Lim earlier acknowledged that there will be issues, but assured the public that the SEC is ready to face them.

Ramon Lopez, an independent director at listed firms SM Investments Corp. and Monde Nissin Corp., said that the proposed three-year fixed term for independent directors is logical and fair.

"On the nine-year maximum term of independent directors, this is a reasonable provision that is being strictly adhered to by corporations with a high standard of corporate governance," he told The STAR.

Aside from enforcing a mandatory term limit for independent directors of publicly listed companies, the SEC is also considering implementing a term limit for broker directors of the PSE.

Lim earlier told The STAR that the proposal, which is still under study, aims to introduce term limits for PSE broker directors, similar to the existing limits for independent and non-broker directors.

He said the intent is to level the playing field and provide other brokers the opportunity to serve on the PSE board.

Asked about his position on the proposal, Monzon said, "If he wants to level the playing field, then all directors should have term limits. If independent directors are to have term limits, then why not for broker directors as well? So I think that is leveling the playing field."

Source: https://www.philstar.com/business/2025/10/14/2479644/pse-chief-nixes-proposed-term-limits-independent-directors

PHL close to concluding trade deals with EU, UAE

October 13, 2025 | Adrian H. Halili | BusinessWorld

REUTERS

THE Department of Trade and Industry said on Monday that it is looking to finalize negotiations for free trade deals with the European Union (EU) and the United Arab Emirates (UAE), next year and next month, respectively.

At a Senate budget hearing on Monday, Trade Secretary Cristina A. Roque said the Philippines is not yet at the stage of discussing market access issues with the EU.

"We are still in the text-based negotiations. These are the rules and disciplines," Trade Undersecretary Allan B. Gepty also told the Senators.

The Philippines-EU FTA is expected to be the country's most comprehensive trade agreement, being the first such deal to tackle government procurement, digital trade, energy and raw materials, and trade and sustainable development.

Trade between the Philippines and the EU was $15.5 billion in 2024, making the bloc the Philippines' fifth-largest trading partner, accounting for 7.7% of total trade. *[Cont. page 4]*

PHL close to concluding trade deals with EU, UAE

[Cont. from page 3]

Philippine exports to the EU hit $8.1 billion, while imports from the EU amounted to $7.5 billion.

Ms. Roque said that the DTI is looking to sign a free trade deal with the UAE by late November.

"The Comprehensive Economic Partnership Agreement (CEPA) will be signed by end of November, around Nov. 24," Ms. Roque told the panel.

Among the top Philippine exports to the UAE are electrical equipment, food products, iron and steel, mineral fuels and machinery.

Mr. Gepty said products covered under the free trade deal include agricultural products, industrial products, machinery, and electronics.

The Philippines and the UAE began negotiating their CEPA in February 2022. Once signed it would be Manila's first free trade agreement (FTA) with a Middle Eastern country.

The CEPA is expected to provide opportunities for Dubai companies to invest in the Philippines.

The UAE is the Philippines' 18th biggest trading partner and top export market in the Gulf Cooperation Council.

Source: https://www.bworldonline.com/economy/2025/10/13/704999/phl-close-to-concluding-trade-deals-with-eu-uae/

Samsung flags 32% jump in Q3 operating profit

October 14, 2025 | Agence France-Presse | Philippine Daily Inquirer

SEOUL, South Korea – Samsung Electronics forecast a 32-percent jump Tuesday in third-quarter operating profit from a year earlier, beating market expectations as solid demand for conventional memory chips offset weaker sales of high-bandwidth memory products.

The South Korean tech giant estimated an operating profit of around 12.1 trillion won ($8.5 billion) for the July–September period, the largest quarterly earnings since the second quarter of 2022.

The figure was 17.4 percent higher than the average estimate, according to South Korea's Yonhap news agency, which cited its own financial data firm.

The results highlighted firm demand for server and artificial intelligence chips, which drove higher prices and shipments of conventional NAND and DRAM memory.

The company "has reclaimed the top spot in memory market revenue in the third quarter," Counterpoint's research director MS Hwang told AFP.

"This was made possible by stronger-than-expected prices and sales volumes of general-purpose DRAM and NAND, driven by AI-related investments centered around servers," he added.

South Korean tech giant Samsung Electronics has built factories in Vietnam for years, with nearly half its high-end mobile phones now put together in the southeast Asian country. It has signaled higher profit in the third quarter. (Photo by Nhac NGUYEN / AFP)

OpenAI

Earlier this month, Samsung said it had signed preliminary deals with OpenAI to provide chips and other equipment for its Stargate project.

In July, Samsung signed a $16.5 billion deal with Tesla under which its new chip plant in Taylor, Texas, will produce Tesla's next-generation AI6 chip.

Samsung said in its Tuesday regulatory filing that its sales increased 8.7 percent to 86 trillion won. The data for net income was not available.

Samsung is also expected to benefit from stronger mobile earnings, Neil Shah, vice president at Counterpoint, told AFP.

That is likely driven by improved product mix and solid demand for its latest foldables, including the new Galaxy Z Fold7, he added.

Samsung is expected to release its final earnings report at the end of this month.

Its shares were up 2.79 percent in early trading in Seoul.

Source: https://business.inquirer.net/552497/samsung-flags-32-jump-in-q3-operating-profit

Reciprocal tariff talks seen concluding next year

October 13, 2025 | Justine Irish D. Tabile | BusinessWorld

ASIANTERMINALS.COM.PH

THE Department of Trade and Industry (DTI) said negotiations on US reciprocal tariffs are likely to be completed next year.

Trade Undersecretary Allan B. Gepty said it will be hard to conclude the negotiations in 2025 as the US is negotiating with at least 69 countries.

"On our part we want to fast track the negotiation, but when we had the last round of negotiations with the US about three weeks ago, they told us that they are facing a lot of negotiations with other countries, so we are looking at next year," he said.

"As to when next year, I couldn't give a definite period, *pero 'yon ang naging usapan po namin* (that has been the result of our talks)," he added.

The US currently charges a 19% tariff on Philippine goods, which he said covers agricultural products, which the Philippines is seeking to exempt from tariffs.

"'*Yon po ang wino*-work out *at nine*-negotiate *natin* (That's what we are working on and still negotiating). That is why we submitted a list," he said, noting that the list includes auto parts and garments.

The Philippines is also negotiating with the US to exempt semiconductors, especially after US President Donald J. Trump threatened to impose tariffs on all chips entering the US market.

"Another strategy is expanding our market access to other countries. That is why we have a series of free trade agreement negotiations right now," he said.

Source: https://www.bworldonline.com/economy/2025/10/13/704992/reciprocal-tariff-talks-seen-concluding-next-year/

More rate cuts seen amid risks to growth

October 14, 2025 | Niña Myka Pauline Arceo | The Manila Times

THE Bangko Sentral ng Pilipinas (BSP) will likely cut key interest rates again in December and follow this up with two more next year given slowing economic growth and manageable inflation, a Fitch Group unit said.

The central bank, BMI Country Risk and Industry Research noted in an Oct. 10 report, took a "much more dovish tone" when it announced a surprise 25-basis point (bps) rate cut last Thursday.

"Our takeaway is that the BSP is poised to frontload easing to support the economy," BMI said.

It pointed to the central bank's having said that there was "scope for a more accommodative monetary policy stance" amid a "favorable inflation outlook and moderating domestic demand."

"As such, we now expect BSP to cut by 25 bps at its final meeting in 2025 in December to 4.50 percent and by another 50 bps in 2026," BMI said.

The Fitch unit, which expects 2025 gross domestic product (GDP) growth to fall below the 5.5- to 6.5-percent target at 5.4 percent, said the BSP's downbeat economic assessment and mention of the possible impact of an ongoing corruption scandal indicated that the "central bank is coming round to our view."

Slowdown signs are plenty, it added, including the Philippine Stock Exchange index having closed at a near six-month low last Sept. 30 and merchandise exports growth decelerating to 4.6 percent in August from 17.6 percent in July.

GDP growth is expected to slow further in 2026 to 5.2 percent — below the government's 6.0- to 7.0-percent target — given US tariff hikes and business confidence remaining low due to graft concerns and shifting US trade policies.

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More rate cuts seen amid risks to growth

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"50 bps [of cuts next year] may seem a meek response to what will be two consecutive years of growth underperforming the pre-pandemic trend," BMI said. "However, we note that the BSP has already cut interest rates by a total of 175 bps since the current easing cycle began in July 2024."

A more measured easing pace, it added, will give the central bank more time to assess the impact of earlier rate cuts.

Inflation, meanwhile, is expected to stay mostly within the 2.0- to 4.0-percent target next year, averaging 3.5 percent and slightly higher than the BSP's 3.1-percent projection.

While a weak peso — down nearly 1.0 percent to $58.44 last Thursday — could prompt a December pause, BMI said the BSP had sufficient reserves — $108.805 billion at the end of September — to defend the currency.

"Besides, there probably will not be more selling pressure on the peso due to a 25 bps cut in December," it added, as the yearend easing would lower the interest rate differential with the US Federal Reserve — expected to cut by 25 bps later this month — back to 50 bps.

BMI said the risks to its forecast were skewed towards more than 50 bps of rate cuts next year.

"Further unravelling of the corruption scandal across other infrastructure projects beyond flood control projects could dampen business sentiment and widen the output gap," it said.

"With inflation expectations remaining well-anchored, the BSP could prioritize the economy and implement more policy rate cuts in 2026."

Source: https://www.manilatimes.net/2025/10/14/business/top-business/more-rate-cuts-seen-amid-risks-to-growth/2199735

South Korea in talks with US on various ways to set up FX swap, minister says

October | By Reuters | Malaya Business Insight

SEOUL — South Korea is discussing with the US various ways to set up a bilateral foreign exchange swap line as part of a trade deal over concerns about how proposed US investments could skew the local currency market, the country's finance minister said.

Minister Koo Yun-cheol made the comment at a parliamentary session on Monday as he answered a lawmaker's question about the need to request a conditional swap line, if not an unlimited one.

Koo put the maximum amount of direct investment South Korea would be able to make in the US each year at around $20 billion, without depleting central bank reserves, compared with $350 billion agreed in the initial deal reached in July.

South Korea's stance has been that the $350 billion would mostly comprise loans and guarantees, with limited direct investment, given the foreign exchange implications, while US President Donald Trump had said South Korea would pay "upfront".

Koo said at the hearing he believed Washington now understood South Korea's concerns "to some degree".

Foreign Minister Cho Hyun, in a different session held on Monday, said there had been "some positive signals" from the United States.

South Korea's presidential office also said in a separate notice there was some response from the US on a revised proposal made by Seoul last month, without elaborating. The proposal included a request for a currency swap line, Presidential Secretary Kim Yong-beom said earlier this month.

Seoul aims to formalize its trade deal with the US by late October when it holds an Asia-Pacific summit in Gyeongju, South Korea, where Trump is expected to meet Chinese President Xi Jinping.

Source: https://malaya.com.ph/business/world-business/south-korea-in-talks-with-us-on-various-ways-to-set-up-fx-swap-minister-says/

UPCOMING EVENT

The Korean Chamber of Commerce Philippines (KCCP) invites **interested sponsors (Table or Raffle Sponsors)** to join our **Christmas Party on November 24, 2025, at the Makati Sports Club**. This festive event will bring together Korean and Filipino business leaders to celebrate the yuletide season. If you have any questions or need additional information, please do not hesitate to contact the following:

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