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What’s New
Focus

PEZA approvals hit P153.93B in 10 months

Investments registered with the Philippine Economic Zone Authority (PEZA) grew P153.93B in January-October 2014 from 2.56% over the P150B recorded in the same period last year.

PEZA’s Promotion and Press Relations Group Manager Elmer H. San Pascual said the approvals were mainly for expansion and new projects.

“There were more expansion investments for semiconductors or electronics, general manufacturing, and IT [information technology],” San Pascual said.

PEZA has set a 10-% growth goal for total registered investments this year. Last year, investments registered with PEZA reached P276.12B.

To meet its target, PEZA is attracting more investments particularly in the manufacturing and agroindustrial sectors as it conducts road shows and addresses the business sector’s concerns.

Among the steps PEZA undertakes to address business concerns is to make the visa application easier for foreign nationals employed by PEZA-registered firms.

PEZA Director General Lilia B. De Lima said the agency is in talks with the Department of Justice - Bureau of Immigration (DOJ-BI) to authorize PEZA to sign visas.

De Lima said the agency is also consulting with the Manila Electric Co. (Meralco) as well as IT building owners and developers on how locators can enjoy the zero value-added tax (VAT) incentive on purchases of electrical power. (TPS 11/24)

Inside DTI

Sikat Pinoy earns P32.73M

The Sikat Pinoy National Trade Fair (NTF) that highlighted the products of entrepreneurs from the Visayas region earned P32.73M in total sales, benefiting some 250 micro, small, and medium enterprises (MSMEs).

“This event is doubly significant as there was a special focus on 40 MSMEs from Regions 6, 7, and 8 to help them recover from last year’s devastating Bohol earthquake and Typhoon Yolanda,” the Department of Trade and Industry (DTI) said.

Held from 3 to 7 December 2014 at SM Megamall in Mandaluyong City, the event featured the products of MSMEs in the following sectors:

- food
- health and wellness
- fashion
- jewelry
- furniture
- home décor
- handicrafts
- gift items

Organized by the DTI-Bureau of Domestic Trade Promotion (BDTP), the NTF was one of the domestic trade fairs under the Sikat Pinoy brand that aims to provide Filipino entrepreneurs with a venue to showcase their products.

Earlier this year, the DTI conducted Sikat Pinoy fairs for food, fashion, art, and furniture and furnishings.

National Trade Fair at SM Megamall 3-7 December 2014

Cash + Booked 21.93M
Under Negotiation 10.80M
Good News, Philippines!

1. FDIs surge 112% in August

Foreign direct investments (FDIs) in the Philippines surged by 112% to USD 299M in August from USD 141M in the same period last year, the Bangko Sentral ng Pilipinas (BSP) said.

The growth in FDIs was mainly attributed to the expansion of existing foreign firms and their affiliates operating in the country.

"FDI inflows remained robust, buoyed by investors' confidence in the economy on the back of the country's sound macroeconomic fundamentals," the BSP said.

2. Fitch keeps PHL rating

Fitch Ratings kept its investment-grade rating of BBB for the Philippines, giving the country a stable outlook grounded on resilient economy.

According to Fitch, 'BBB' ratings indicate that expectations of default risk are currently low because the borrower has a good credit quality. Meanwhile, a borrower can adequately pay financial commitments but adverse business or economic conditions are more likely to impair this capacity.

"The Philippines' rating is anchored by a resilient economy, a credible monetary policy framework, and a large net external creditor position," Fitch said.

In addition, Fitch noted a steady inflow of overseas Filipinos' (OFs) remittances and increase in the business process outsourcing (BPO) industry which continued to support the Philippine economy's healthy growth performance. (MST 11/18)

3. PHL exports post 2-digit growth

The value of Philippine merchandise exports hit USD 5.85B in September 2014, up 15.7% from USD 5.06B in the same month last year, the Philippine Statistics Authority (PSA) said.

The growth in exports was attributed to the robust shipments of electronic products which remained as the country's top export. Shipments of electronic products in the period were valued at USD 2.44B, or a growth of 13.6% from USD 2.15B recorded in September 2013.

The Philippine Exporters Confederation, Inc. (PHILEXPORT) expects total merchandise exports this year to grow by 10% from 2013. (TPS 11/11)

Top PHL merchandise exports
Free on Board (FOB) value in USD Million
As of September 2014

- electronic products 2442.13
- chemicals 600.68
- other manufactures 520.98
- machinery & transport equipment 345.54
- other mineral products 265.85

Source: Philippine Statistics Authority (PSA)
1. DTI grants financial aids to entrepreneurs in Zamboanga

The Department of Trade and Industry (DTI) provided financial assistance worth P685,000 to three municipalities in Zamboanga del Norte through its Grassroots Participatory Budgeting (GPB) program.

DTI-9 Regional Director Sitti Amina M. Jain and DTI-Zamboanga del Norte Provincial Director Noel S. Bazan awarded the checks to the municipalities of Baliguian, Piñan, and Sindangan during the Rubber Quality Improvement Advocacy seminar held in the province last month.

The seminar aimed to improve the quality of rubber products in the region in preparation for the Association of Southeast Asian Nations (ASEAN) integration in 2015.

Among those discussed include the following:
- Standardization of rubber and rubber-based products;
- Standards Development Program and the ASEAN Economic Community (AEC); and
- Best agricultural practices on rubber.

Jain urged rubber farmers to prioritize in improving the quality of their produce and avoid using battery solution and foreign objects into their product.

The GPB, previously the Bottom’s Up Budgeting (BUB) approach, is one of the poverty-alleviation programs of the Aquino Administration.

Grassroots Participatory Budgeting (GPB) program recipients in Zamboanga Del Norte for the period November 2014

<table>
<thead>
<tr>
<th>Town</th>
<th>Project</th>
<th>Amount (Php)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baliguian</td>
<td>Pangasi Rice Wine Packaging and Training</td>
<td>285,000</td>
</tr>
<tr>
<td>Piñan</td>
<td>Business Permit and Licensing System (BPLS)</td>
<td>200,000</td>
</tr>
<tr>
<td>Sindangan</td>
<td>BPLS</td>
<td>130,000</td>
</tr>
</tbody>
</table>

2. DTI grants P1.38-M equipment to Rizal coop

The Department of Trade and Industry (DTI) recently turned over a set of machinery equipment worth P1.38M to Taytay Sash Contractors Multi-Purpose Cooperative (TASACOOP) in Rizal.

DTI-4A Regional Director Marilou Quinco-Toledo said the SSF, among others, would reduce the production cost and improve the cooperative’s product quality.

TASACOOP has been operating for 19 years and was recognized as major provider of income and employment in the city.

The cooperative currently has 75 members who are mostly engaged in the woodworking industry such as the production of furniture, doors, windows, jambs, and furnishing trusses for home construction.

SSF involves providing processing equipment housed in facilities of private sector partners.

The facilities and equipment are made available for the common use of several MSME groups or cooperatives.
3. DTI launches Laguna food fair

The Department of Trade and Industry (DTI) recently held a food fair in SM City Calamba dubbed “Natatanging Pagkain, Lasang Lagunense” that aimed to strengthen Laguna’s food industry as well as its tourism sector.

The fair featured food products made by the Association of Laguna Food Processors (ALAFOP).

DTI-Laguna Provincial Director Susan Palo said the fair is timely because the province needs a strong food industry cluster to support its tourism sector.

Affirming support for this undertaking, Calamba City Mayor Justin Marc Chipeco said the local government is negotiating with SM City Calamba to put up a section where the best of the local products can be exhibited for sale.

Business Update
SEC opens first satellite office in QC mall

The Securities and Exchange Commission (SEC) has inaugurated its first satellite office in Ali Mall, Cubao, Quezon City as part of its goal to make corporate transactions easier and more accessible in the country.

Services offered by SEC satellite office
- Verification and reservation of corporate and partnership names
- Pre-processing of registration applications of corporations and partnerships
- Applications for amendments
- Receiving of general information sheets and audited financial statements

Also present in the opening was DTI Management Support (MSG) Group Undersecretary Nora K. Terado, representing as well the National Competitiveness Council (NCC) and the Business Cluster of the Medium-Term Information and Communications Technology Initiative (MITHI).

SEC said the Ali Mall branch is only the first of several more satellite offices they will put up in the country. (TPS 11/17)

Consumer News
1. DTI spots overpriced bottled water

Four brands of bottled water being sold at the Ninoy Aquino International Airport (NAIA) Terminal 3 and at several bus terminals in the National Capital Region (NCR) were found overpriced.

The Department of Trade and Industry-Fair Trade Enforcement Bureau (DTI-FTEB) conducted its price monitoring activity in the latter part of October this year to check if retailers of bottled water follow the Suggested Retail Prices (SRPs) issued by DTI.

“We must also ensure that their retailers are complying with the SRPs that they themselves have determined,” DTI Consumer Protection Group (CPG) Undersecretary Victorio Mario A. Dimagiba said.

The DTI reminded retailers to strictly follow SRPs and urged consumers to check prices when making their purchases.

SRP violators could face five to 15 years of imprisonment and a fine up to P1M.
2. 4 QC supermarkets get Show Cause Orders

The Department of Trade and Industry-Fair Trade Enforcement Bureau (DTI-FTEB) issued Show Cause Orders (SCOs) to four supermarkets found violating the Suggested Retail Prices (SRPs) for Noche Buena products in Quezon City.

Ten more supermarkets have been issued letters of warning for adding P0.50 over the SRPs issued by DTI for Noche Buena items.

The DTI-FTEB conducted surprise inspection in 21 supermarkets in Quezon City last month.

The supermarkets served with SCOs were asked to explain their pricing while the 10 issued with warning letters are expected to ensure adherence to the SRPs.

Manufacturers are allowed to adjust the SRP of their products provided that they submit their planned price for approval by the DTI.

Their proposal should be submitted a month prior to the intended date of price implementation and should include an explanation for the change.

The Department urges manufacturers of basic and prime goods to submit their product SRPs every quarter and check market prices as part of an SRP verification program.

“We urge them to not only promote business for profit and growth but also to implement best practices for consumer protection,” DTI Consumer Protection Group (CPG) Undersecretary Victorio Mario A. Dimagiba said.

Consumers are also advised to be vigilant and to report to DTI any case of overpricing or unfair trade practices.

Supermarkets issued with Show Cause Orders
- Daily Supermarket, P. Tuazon
- Mighty Mart, Project 8
- Purity Supermarket, E. Rodriguez Sr. Avenue
- Supermart 2000, T. Morato Avenue

Noche Buena items monitored
- Cheese
- Cream
- Fruit cocktail
- Ham
- Mayonnaise
- Pasta
- Elbow
- Salad macaroni
- Spaghetti
- Spaghetti sauce
- Tomato sauce

3. Uncertified Christmas lights seized

The Department of Trade and Industry (DTI) confiscated over 5,000 sets of Christmas lights worth P500,000 for bearing no or expired Import Commodity Clearance (ICC) stickers.

The DTI inspected Christmas lights being sold at the Hypergate Commercial Center in Zabarte Town Center, Caloocan City and found that some Christmas lights were either uncertified or bearing expired ICC stickers. Some items were also using substandard wires or those that failed to meet the required 1.5mm thickness.

The ICC certificates issued to importers of substandard Christmas lights were suspended by the Bureau of Philippine Standards (BPS).

The DTI urged retailers to sell only certified Christmas lights and cautioned the public to check products for certification before buying.

Violators of the product certification scheme will be meted with a fine.

Importers with suspended ICC Certificates
- Great Circles Trading
- Highest Regard Enterprises

Brands of Christmas lights confiscated
- Ako
- Lucky Deer
- Mabuhay Star
4. DTI holds Dulaang Pangmamimili competition

The Department of Trade and Industry (DTI)-Region 4A conducted its annual Dulaang Pangmamimili competition in line with the celebration of the 2014 Consumer Welfare Month (CWM) last October.

Initiated by the DTI-Batangas Provincial Office in 2002 and adopted as an annual, regional activity in 2011, the Dulaang Pangmamimili aims to educate the students and the general public about consumer rights and responsibilities.

Criteria for Judging

1. Coherence/Comprehensive Script 20%
2. Relevance to the theme/Consumerism 30%
3. Originality/Creativity 30%
4. Audience Impact/Entertainment Value 10%
5. Adherence to the rules 10%

2014 Dulaang Pangmamimili winners

<table>
<thead>
<tr>
<th>School</th>
<th>Place</th>
<th>Prize</th>
</tr>
</thead>
<tbody>
<tr>
<td>Munting Ilog National High School, Silang, Cavite</td>
<td>(First Prize)</td>
<td>P25,000</td>
</tr>
<tr>
<td>Calayan Educational Foundation, Lucena, Quezon</td>
<td>(Second Prize)</td>
<td>P20,000</td>
</tr>
<tr>
<td>Regional Lead School for the Arts, Angono, Rizal</td>
<td>(Third Prize)</td>
<td>P15,000</td>
</tr>
</tbody>
</table>

Knowledge of the EFF and power use of appliances can help consumers plan to save on energy costs.

Appliances with EFFs

- Bulbs and ballasts
- Electrical lamps
- Freezers
- Refrigerators
- Room air conditioners

5. Public encouraged to check appliances' energy efficiency

The Department of Trade and Industry (DTI) urged consumers to look for energy guides or yellow labels when buying home appliances.

Appliances with higher Energy Efficiency Factor (EFF) as indicated in the yellow tag have lower energy consumption.

ASIA Watch

1. PHL plays big role in ASEAN integration

The Philippines will have a significant role in the upcoming ASEAN Economic Cooperation (AEC), the Asian Development Bank (ADB) said.

The ADB attributed its assessment to the country’s quality of education and sturdy labor force.

“The Philippines ranked high in the quality of education and on macro performance. Its growth rate is among the highest in ASEAN countries,” ADB Regional Economic Integration Office Head Iwan J. Azis said.

Azis said the region is set to be progressively integrated due to their governments bolster trade and transport connections and as they construct regional institutions.

The latest Asian Economic Monitor report cited the region’s strategies to bolster the approaching integration, which include among others the following:

- free trade agreements (FTAs);
- regional bond market arrangements; and
- financial safety nets. (MAB 19/11)
2. PHL aims for ASEAN cooperation on disaster management, migrant workers’ welfare

President Benigno S. Aquino III called on fellow Association of Southeast Asian Nations (ASEAN) leaders for a greater ASEAN Plus three (APT) cooperation on disaster management and increased protection for the welfare of migrant workers.

Addressing the 17th APT Summit with China, Japan, and South Korea, the President cited Typhoon Haiyan and Typhoon Bopha among natural disasters that caused severe destruction to life and property in the Philippines.

“Our country believes that greater APT cooperation on disaster risk reduction is a necessity, since these increasingly powerful disasters are a threat to every country,” Aquino said.

He acknowledged the Memorandum of Understanding (MOU) between ASEAN and China on Disaster Management as a major step towards deepening APT cooperation. The MOU was signed during the summit held in November in Myanmar.

President Aquino also called on fellow leaders to protect the rights of migrant workers, citing their significant contributions to ASEAN economies.

“The Philippines supports efforts to address migrant workers’ issues under the APT Cooperation Work Plan,” he said.

STATWATCH

P276.12B Investments registered with the Philippine Economic Zone Authority (PEZA) in 2013

P153.93B PEZA-approved investments in January-October 2014, a growth of 2.56% over the P150B recorded in the same period last year

USD 5.85B PHL merchandise exports in September 2014, up 15.7% from USD 5.06B in the same month last year

USD 299M Foreign direct investments (FDIs) in the Philippines in August 2014, a 112%- expansion over the USD 141M recorded in August 2013

P32.73M Sales generated from the Sikat Pinoy National Trade Fair
What’s New?
(A synopsis of selected book acquisitions at the DTI-Library)

Title: Top 1,000 Corporations in the Philippines; economy on the ascent

Publisher: BusinessWorld Publishing Corporation
Call Number: 45 608/00.07/BUS/2014

Highlights rankings of the country’s top 1,000 corporations by gross revenue. Includes top 50 profit makers as well as top 50 loss makers, how competitors compare, new entrants, who’s in and who’s out, listed companies, exporters, government-owned and controlled corporations (GOCCs) and multinationals in the top 1,000 list. Also includes articles on the economy in the context of the nearing end of the Aquino Administration, the integration of the Southeast Asian economies, and transitions in the country’s major trading partners. 224 pages.

Title: Identifying Asian LDCs’ High Potential Export Sectors

Publisher: International Trade Centre (ITC)

Report on the results of the ITC study “Enhancing Export Capacities of Asian LDCs.” It identifies sectors that show high potential for exports in seven (7) Asian Least Developed Countries vis-à-vis China and developing countries in Asia in general. Includes tables and trade statistics. 33 pages.
Legend

MAB - Manila Bulletin
MST - Manila Standard
TPS - The Philippine Star