



MAP 2023 ANNUAL REPORT

As of November 27, 2023

MAP Theme for 2023

MAP today has a strong membership base of 1,200 leaders who are significant influencers in their respective fields. Its members cut across many industries and their outputs can be felt in employment generation, in sharing gains through corporate social responsibility initiatives and in economic development. Certainly, one of MAP’s biggest contributions is leadership excellence. From among its ranks came many of those who are called for public service and shared their expertise to benefit the country and the Filipinos.

MAP today has solidified its standing as a **professional, impartial, and independent organization**, whose advocacies extend beyond its mission to achieve management excellence.

MAP Theme for 2023

Your 2023 Board committed to work on crafting and implementing a two-pronged strategy to significantly contribute to the MAP mission of promoting management excellence for nation-building - - by **BRIDGING** and enhancing the internal fundamentals and harnessing our collective strengths to help in **BUILDING** a national future in shared prosperity.



The two-pronged strategy was captured in our 2023 theme, “BRIDGING AND BUILDING A PROGRESSIVE FUTURE”. To guide our activities for the year and to give substance to the theme, we mapped out six priority programs aptly embodied in the acronym **BRIDGE**.

- We kept on **B**ridging our internal strengths.
- We focused on **R**esilience and Recovery.
- We initiated and welcomed **I**nnovation.
- We advocated for **D**iversity, Equity, and Inclusion or DEI.
- We made a strong push for **G**rowth and People Development.
- We based our actions on what can contribute to the Environment, Social and Governance or **E**SG goals.

These priority programs integrated the major concerns of our members based on a Quick Survey conducted before the start of my term.

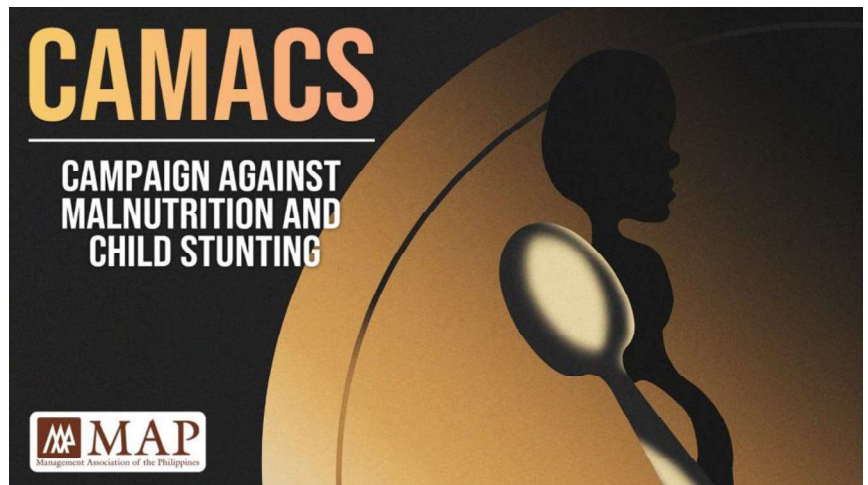
MAP FLAGSHIP PROJECTS

CAMACS

We launched this year the Campaign against Malnutrition and Child Stunting or CAMACS as MAP’s priority program. CAMACS is a major advocacy project of MAP – one that calls for multi-stakeholder synergy and collaboration.

CAMACS is not meant to take over or duplicate the many worthy efforts that had been done, are being undertaken and will be implemented in the future.

We looked at what have been going on with the various initiatives, identify the gaps, see where the MAP can contribute most effectively and work in collaboration with those who are already doing their part.



Our goal is to help eradicate malnutrition and contribute to the improvement of the overall nutritional status of Filipino children.

**MAP Meeting with Various Stakeholders to Operationalize the
MAP Campaign Against Malnutrition and Child Stunting
(CAMACS) (May 23, 2023)**



Opening Remarks of MAP President
Atty. BENEDICTA DU-BALADAD



Presentation of National Nutrition
Council (NNC) Chief of the Nutrition and
Information Division Ms. JOVITA "Jovie"
RAVAL



Presentation of Tribal Worldwide PH
Managing Director Ms. DIANE ISABEL
"Chabs" CHUA



Presentation of MAP CEO Conference
Committee Chair Ms. ALMA RITA
JIMENEZ



Team Educate Breakout Session



Team Encourage Breakout Session



Team Engage and All Stakeholder Attendees



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NEWS RELEASE

MAP Convenes Multi-Sectoral Meeting on MALNUTRITION AND CHILD STUNTING

May 29, 2023

The Management Association of the Philippines (MAP) recently convened a multi-sectoral meeting with various stakeholders to operationalize the MAP **"CAMPAIGN AGAINST MALNUTRITION AND CHILD STUNTING"** (CAMACS). Forty-one (41) organizations joined the meeting and responded to the call to be part of CAMACS.

MAP President Benedicta Du-Baladad stressed that *"Preventing CHILD STUNTING matters because malnutrition makes our children vulnerable to risks of infection and if unchecked, will unduly tax our health system's resources. CHILD STUNTING affects cognitive development, and this can later on have an impact on their capacity to be productive, resulting in lower economic output and poorer quality of life. And that becomes a major impediment to competitiveness and national development."*

The meeting was held so various groups can share the activities they are undertaking and have a clearer picture of the ongoing initiatives on CAMACS. Such exchange can establish a baseline and identify the gaps where appropriate interventions can be role planned and organized. The group agreed that resources can be best maximized if efforts are complementary and coordinated to get best results.

This was what Atty. Baladad stressed with her statement that the MAP Campaign is not meant to take over or duplicate the many worthy efforts that had been done, are being undertaken and will be implemented in the future.

"What MAP wants is to see where it can contribute most effectively, working in collaboration with the other stakeholders", she said, emphasizing that "the goal is to help eradicate malnutrition and contribute to the improvement of the overall nutritional status of Filipino children to prevent stunting."

In the same meeting, the Governor-in-Charge of the MAP Cluster on Resilience and Recovery, former NFDA Secretary Cielito Habito, emphasized the urgency of addressing the problem as the workforce in the decades ahead will be in a tech-driven environment, given the Fourth Industrial Revolution being ushered in by the Digital Age and Artificial Intelligence (AI).

"We cannot afford to have a major segment of our abundant workforce ill-equipped to meet the demands of the future AI-driven economy, by having lower mental capacities due to impaired brain development stemming from stunting at an early age," said Dr. Habito.

The MAP had already started mobilizing for the CAMACS, grouping its activities into three major directions:

- EDUCATE – will undertake campaign to promote awareness about the problem, using appropriate communication and messaging tools to reach target population of mothers and children.
- ENCOURAGE – will work towards pursuit of strategic policy reforms and enabling laws that will ensure that programs like this will be given support and focus by those that are tasked to implement these. The private sector can work with the academe, the policymakers, the legislators for the development of such policies, reforms, academic research, data analytics, legislations, or regulations in fields that will have an impact on malnutrition and child stunting, such as food security, health and others.
- ENGAGE - will be doing an inventory of ongoing initiatives directed towards this Campaign, and enable partnerships by linking them so that they can work together to cover more grounds for effective resource utilization, impact and reach.

The move of the private sector to support CAMACS was welcomed by the National Nutrition Council (NNC). Ms. JOVITA B. RAVAL, Chief of Nutrition and Information Division of NNC, was one of the resource speakers, discussing the nutrition situation in the Philippine context.

Ms. Raval said that *“The government is now open to participation of the private sector while ensuring that there is no conflict of interest. There are many ways for the private sector to participate and there are now platforms that are available, such as the Pilipinas Kontra Gutom and the Scaling Up Nutrition Movement.”*

She also gave examples of activities that the private sector can support to improve nutrition, such as enabling quality work environment for women and children; establishing lactation stations and provision of breastfeeding breaks, complying with EO 51 for manufacturers of breastmilk substitutes, among others.

Ms. DIANE CHUA, Managing Director of Tribal Worldwide PH, who worked with NNC for its communications program said that *edutainment* can be an effective tool to engage and interest audience.

She also mentioned that MAP and its members can use their spheres of influence to support NNC from a personal, organizational and societal scale to not just raise awareness for this issue but also to help address the first 1000 days of a child to prevent stunting.

The group will meet again to further concretize the collaboration to jointly help reduce child stunting in the country.


BENEDICTA DU-BALADAD
MAP President

Partnership with DSWD

To pursue CAMACS, we partnered with the Department of Social Welfare and Development or DSWD.

We have met with DSWD Secretary Rex Gatchalian a few times and we are now discussing how MAP members and our CAMACS partners can support the Sub-Projects of the Philippine Multi-sectoral Nutrition Project or PMNP.

The PMNP has a total target of 5,879 Sub-Projects in the 12 regions under “*Component 2: Community-Based Nutrition Service Delivery and Multi-sectoral Nutrition Convergence*” with focus on WASH or Water, Sanitation and Hygiene, and EECD or Early Childhood Care and Development-related interventions.

As a concrete manifestation of our support to DSWD, MAP committed an initial funding of ONE MILLION PESOS for projects on WASH in the Bicol Region.

We are now looking at 5 pilot localities in Region V from the list provided by DSWD, under an Adopt-a-Barangay Concept.

CAMACS Survey

The August 29 Survey among MAP members and CAMACS partners enabled us to get confirmation on how each one of our 70 partners will contribute to the Campaign.

MAP-GLOBE-SWS Partnership for a Research Study on the Impact of the FOOD STAMP Program

To be able to quantify the impact of DSWD’s measures undertaken towards addressing Malnutrition, particularly the FOOD STAMP Program, MAP signed a Partnership Agreement with GLOBE and SWS or the Social Weather Stations.

The Partnership entails a quantitative Research Study to determine the Impact of the FOOD STAMP Program to its beneficiaries, particularly if the Program fulfills its main purpose and if there are possible areas for improvement.

Many thanks to GLOBE for contributing P15 Million for the said Research Study.

Partnership with DOH and the National Nutrition Council

Our CAMACS Team and our Health Committee, chaired by RAC CAGURANGAN, have also met with Department of Health Secretary TED HERBOSA and National Nutrition Council Executive Director AZUCENA DAYANGHIRANG to discuss how we can work with the DOH towards a continuum of maternal, neonatal and child health care in a health service delivery network which is vital in achieving a holistic solution to malnutrition and child stunting.

MAP will meet with Asec. Dayanghirang to explore how MAP can contribute to the Philippine Plan of Action for Nutrition for 2023 to 2028 which aims to reduce all forms of malnutrition across all life stages, including interventions that focus on healthier diets, better practices and improved access to quality services.

Digital Health Strategy for 2024 – 2040

MAP is now part of the Department of Health’s Digital Health Steering Committee and Technical Working Group which will play a crucial role in ensuring that the Digital Health Strategy

for 2024-2040 will be aligned with the current healthcare landscape as it addresses emerging digital health challenges and opportunities.

The MAP President serves as our main representative in the Steering Committee as Private Sector Member.

MAP will also participate in the various Technical Working Groups and in the immediate next steps to operationalize the strategy into concrete agency-level plans, ensuring a seamless transition towards a digitally enabled healthcare ecosystem.

MAP Governor MARTS SAZON and MAP Member HENRY AGUDA will be the MAP representatives to the Technical Working Group.

Urging the government to declare addressing malnutrition a national priority

To advocate for government support to CAMACS, we released our June 19 Statement entitled “MAP URGES GOVERNMENT TO DECLARE MALNUTRITION AND CHILD STUNTING AS TOP NATIONAL AGENDA”. We stressed in our Statement that *“The government’s declaration of malnutrition and child stunting as a priority agenda will ensure that concrete measures will be taken, sufficient funds will be earmarked, and actions will be cascaded from the national all the way to the community level.”*



MAP URGES GOVERNMENT TO DECLARE MALNUTRITION AND CHILD STUNTING AS TOP NATIONAL AGENDA

June 19, 2023

We in the Management Association of the Philippines (MAP) firmly believe that because of their huge human and economic costs, malnutrition and child stunting deserve to be among the country’s top national priorities, together with other urgent issues like poverty, climate change, and national security.

MALNUTRITION AND CHILD STUNTING MUST BE ADDRESSED AT NATIONAL AND LOCAL LEVELS

The government’s declaration of malnutrition and child stunting as a priority agenda will ensure that concrete measures will be taken, sufficient funds will be earmarked, and actions will be cascaded from the national all the way to the community level.

Severe malnutrition remains a serious problem for nearly 30 years, with one in every three Filipino children below 5 years old suffering from stunting, according to a World Bank (WB) study. The country ranks fifth among countries in the East Asia and the Pacific region with the highest prevalence of child stunting. Rural areas have more stunted children (30%) than in urban areas (26%) in direct proportion to the poverty levels in the provinces like Western and Southern Mindanao, Mindoro, Negros, Palawan, Samar, and the far north of Luzon. Stunting rates are the highest in Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) (45%) and lowest in Manila and Central Luzon (23%).

An unstinting national support can enable future budgets to be allocated to initiatives and resources that can be made available to nutrition-sensitive programs that will holistically address key underlying determinants of proper nutrition. These include food security, access to nutritious food at cheaper prices, access to health and social services, as well as nutrition-specific interventions that deal with the immediate causes of maternal and child malnutrition, such as micronutrient deficiency and stunting.

ADVERSE EFFECTS CAN SPAN MULTIPLE GENERATIONS

The United Nations Children’s Fund (UNICEF) found that malnutrition contributed to child mortality with 95 Filipino children dying everyday and that 27 out of 1,000 do not get past their fifth birthday. A malnourished individual has deficient or excessive nutrient intakes, and depending on the condition, can lead to wasting (low weight-for-height), being underweight, stunting and obesity. It is malnutrition that directly causes child stunting, not only physically, but more so mentally, which needs to be addressed urgently because of its long-term and irreversible effect on children.

Most importantly, malnutrition adversely affects multiple generations. Today’s undernourished children will mature as poorly performing adults who will not have the necessary skills to better their lives and contribute to the country’s human development. This will make it harder for them to get out of the vicious

cycle of poverty and poor health. It will be in this environment that they will raise their families and passing it on to the next generations, unless this issue is acted upon with urgency today.

EFFECTS ON HEALTH, QUALITY OF LIFE AND THE BURDEN ON THE HEALTH SYSTEM

The first 1,000 days of a child from conception up to two years of age are crucial. The World Health Organization (WHO) raised the concern that chronic malnutrition at this stage results in stunted growth development and impairment of children, rendering them vulnerable to infections and impaired cognitive development. Repeated bouts of illnesses can affect the health and quality of life of these children who will grow as sickly adults. Compounded with poverty, sickly adults will lead to diseases that will burden an already resource-constrained health system. More financing will need to be allocated for curative services rather than prevention and health promotion. Needless to say, this will require bigger budget allocation just to plug the health requirements.

EFFECTS ON ECONOMIC DEVELOPMENT AND PHILIPPINE PROGRESS

Child stunting can impair a malnourished child's cognitive ability that in turn will impact his/her development, ability to learn and capacity to earn income. Failure to arrest malnutrition and child stunting will eventually lead to lowered capabilities, resulting in poor comprehension and lower educational attainment.

The extent of this problem is already evident in the deficient performance of Filipino students in the 2018 Program for International Student Assessment (PISA) where they ranked the lowest among 79 countries in mathematics, science, and reading. The COVID-19 pandemic has even worsened the learning gap and if not immediately addressed, it will affect the country's skilled labor force, make it unattractive to investors, and hamper economic growth. This will be detrimental to our future competitiveness and our progress as a nation.

MAP CAMPAIGN AGAINST MALNUTRITION AND CHILD STUNTING

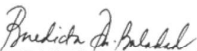
To help solve this persistent societal problem and contribute to the effort to eradicate child stunting resulting from malnutrition, the MAP launched a campaign against malnutrition and child stunting in the country. Initiatives were laid out aimed at complementing the Government's Philippine Multi-sectoral Nutrition Project (PMNP).

- We fully support the four-year PMNP which aims to lower the incidence of malnutrition by helping over two hundred towns through primary health care services and nutritional support that will be provided to children and pregnant mothers.
- We urge the effective and judicious use of the PMNP's P10 Billion loan from WB by the government to address the health and nutrition needs of poor mothers and their children.
- We recommend an active pursuit of tripartite partnerships - business sector, government, and community - for a whole-of-society approach in fighting malnutrition and child stunting.

We in the MAP hope to expand our role beyond fund generation and philanthropy to a shared responsibility in addressing malnutrition in the country, participating in the governance of nutrition strategies and interventions.

The MAP will welcome the opportunity to serve as one of the three private sector representatives in the National Nutrition Council (NNC) and contribute to its mandate to formulate national food policies and strategies for nutritional improvement.

We are worried, yet we are hopeful too, that we can solve this national problem by working together. Failure to address this problem in an urgent and decisive manner will place our country's future in the hands of stunted children becoming adults whose capacity to be productive, competitive, and creative are limited. That will imperil national development and progress.


BENEDICTA DU-BALADAD
MAP President

Communications Strategy and Creatives for CAMACS

Through our Team EDUCATE for CAMACS, MAP will soon launch a series of Tiktok videos and a handbook on the First 1,000 Days of a Child as part of the Communications Strategy and Creatives for CAMACS. The First 1,000 Days handbook aims to educate pregnant mothers on the importance of maternal and child nutrition from conception to the first 1,000 days.

Transfer of CAMACS implementation to MAP Research & Development Foundation

To institutionalize the CAMACS, we have created a CAMACS FUND and the Board approved the transfer of project implementation from MAP to the MAP Research & Development Foundation.

We also approved the transfer of P4.5 Million from MAP to the MAP R&D Foundation as seed money for the CAMACS FUND to support the project management fees and other expenses of CAMACS for the next 2 years.

Hiring of Project Manager

To further ensure the timely implementation of CAMACS, we have engaged B & V People and Business Co. to provide the Project Management Services for CAMACS. Their Co-Founder and CEO CHRISTINE BATA with Chief Transformation Officer MICHAEL SANTOS have been helping us in pursuing the campaign.

Team ENGAGE Partnerships

Thru our Team ENGAGE, chaired by KAREN BATUNGBACAL, we are also partnering with the Rotary Club of Manila, the Waves for Water, the Water.org, among others, in providing assistance pertaining to WASH. Our Team ENGAGE is relentless in its coordination with our CAMACS partners and MAP members in encouraging them to continue the necessary interventions for the identified sub-projects.



EASE OF DOING BUSINESS

Ease of Doing Business was the Number One issue when we asked in our 2023 Survey what our MAP members are most concerned about.

Our Ease of Doing Business Committee, chaired by RUY MORENO, supported programs that can improve the efficiency and effectiveness of government processes for the delivery of prompt and quality services to the people. Ensuring that the country's regulatory environment and its implementation processes are not cumbersome will certainly attract investors, encourage business expansion and enable economic growth.

MOU with ARTA, DICT and DILG

To help LGUs improve the ease of doing business in their localities, we co-signed the September 22 MOU among ARTA, DICT, DILG and MAP. The MOU **aims to** implement project that will provide necessary technical assistance, through capacity-building programs, in select LGUs in compliance with the provisions of RA 11032 or the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018".

MAP can help in providing the technical expertise that may be needed by tapping its 1,200 members to support ARTA, DILG and DICT in fulfilling their mandate.



(seated l-r) Mr. RUY Y. MORENO, Chair, MAP Ease of Doing Business Committee; Sec. ERNESTO V. PEREZ, Director-General, ARTA; Atty. BENEDICTA DU-BALADAD, President, MAP; and Mr. ZALDY I. MASANGKAY, Division Chief, DILG.

(standing l-r) Ms. KAREN V. BATUNGBACAL, Secretary, MAP; Mr. IRA PAULO POZON, Co-Vice Chair, MAP Ease of Doing Business Committee; Dr. CIELITO F. HABITO, Governor, MAP; and Mr. OSCAR TORRALBA, Chair, MAP Agribusiness Committee.

MOA with the Mayors for Good Governance (M4GG)

MAP will co-sign a MOA on the proposed partnership with the Mayors for Good Governance or M4GG for LGU-based development programs.

The collaboration between the M4GG and the MAP to achieve good governance through responsible and innovative leadership will cover Agriculture, Disaster Risk Reduction and Management, Digitalization of LGU services, Education and Public Health.

Investment Forum Series

We conducted the MAP Investment Forum series to help develop investment ecosystems that can support the new businesses intending to locate in the Philippines through access to a robust value chain. These investment ecosystems can serve as gateways for MSMEs to a bigger market that will be enabled by the new investors and the sunshine industries.

The 1st session was the Investment Forum on “*Mapping the Investment Ecosystem*” on April 19 which was co-presented by the Department of Trade and Industry, the Board of Investments, and MAP.



Opening Keynote of Trade and Industry Secretary FRED PASCUAL



Opening Remarks of MAP President Atty. BENEDICTA DU-BALADAD



Mr. KELLY BIRD
Country Director, Philippines Country Office,
Southeast Asia Department
Asian Development Bank



Usec. CEFERINO 'Perry' S. RODOLFO
Vice Chair and Managing Head, Board of
Investments (BOI)
Undersecretary for Industry Development and
Trade Policy Group, DTI



Q&A Segment with MAP Environment Committee Vice Chair Ms. CHIT U. JUAN (extreme left) as Moderator



Mr. CONRAD D. TOLENTINO
President and CEO, WPD Philippines



Asec. MYLENE C. CAPONGCOL
Renewable Energy Management Bureau (REMB)
Department of Energy (DOE)



Q&A Segment with MAP Energy Committee Chair Ms. RUTH YU OWEN (extreme left) as Moderator and Aboitiz Power Corporation Chief Commercial and Stakeholder Engagement Officer Mr. DANIEL C. ABOITIZ (extreme right) as Reactor



Dr. DANILO C. LACHICA
President, Semiconductor and Electronics



Q&A Segment with MAP Trade and Investments Committee Chair Mr. CHARLIE P. VILLASEÑOR (left) as Moderator and Embedded Silicon Technology Solutions Corp. President Mr. ROBERT O. MINGUEZ III (right) as Reactor



Mr. JUAN MIGUEL DEL ROSARIO
President, Animation Council of the Philippines, Inc. (ACPI)
President, Morph Animation / Toon City



Dir. JO-DANN N. DARONG
Director III, Competitiveness Bureau
Competitiveness and Innovation Group. DTI



Cong. CHRISTOPHER "TOFF" V.P. DE VENECIA
Representative, 4th District of Pangasinan
Author of the Philippine Creative Industries
Development Act (RA 11904)



Q&A Segment with New
Perspective Media Group CEO &
Founder Dr. KAREN REMO
(extreme left) as Moderator and
Philippine Software Industry
Association (PSIA) Director Mr.
ALLAN TAN (extreme right) as
Reactor

Our Trade and Investments Committee, chaired by CHARLIE VILLASENOR, coordinated the 2nd session which was the Panel Discussion on “Business Opportunities in ASEAN” during the July 12 MAP GMM.



2nd Investment Forum Session: Panel Discussion on “Business Opportunities in ASEAN” during the July 12 MAP GMM with MAP Trade and Investments Committee Chair Mr. CHARLIE P. VILLASEÑOR (extreme left) and MAP Treasurer Dr. DONALD L. LIM (extreme right) as Moderators

The 3rd session was the Tourism Investment Summit of the Tourism Committee, chaired by JUNIE DEL MUNDO, on October 11 which was co-presented by the Tourism Infrastructure and Enterprise Zone Authority or TIEZA.



Mr. MARK T. LAPID



Atty. BENEDICTA DU-BALADAD



Hon. CHRISTINA GARCIA FRASCO



Mr. JETRO NICOLAS F. LOZADA
Assistant COO
Assets management Sector, TIEZA

Mr. JETRO NICOLAS F. LOZADA
Assistant COO
Assets management Sector, TIEZA



Atty. KAREN MAE G. SARINAS-BAYDO
Assistant COO
TEZ Management Sector, TIEZA



Mr. CESAR MARIO O. MAMON
Chairman and President, Enchanted Kingdom, Inc.



Ms. NILA CORPUZ DIMAGUILA



Mr. RICARDO ISLA
President & CEO, Air Asia Philippines



Mr. ALEX REYES
Chief Strategy Officer, Cebu Pacific



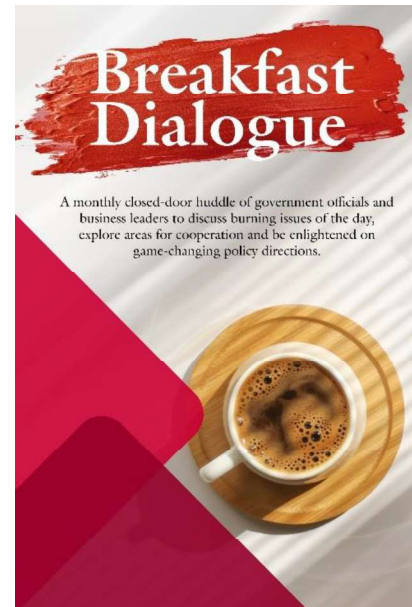
Capt. STANLEY KUA NG
President & COO, Philippine Airlines



Panel Discussion on Connecting Tourism to Markets: Enabling Connectivity, Increasing Mobility with MAP
 Tourism Vice Chair Ms. ALMA JIMENEZ (extreme left) and MAP Tourism Governor-in-Charge Dr. DONALD L. LIM (extreme right) as Moderators

Breakfast Dialogue

We revived this year the Breakfast Dialogue series of monthly closed-door huddle of government officials and business leaders to discuss burning issues of the day, explore areas for cooperation and be enlightened on game-changing policy directions. Our BDB Law – MAP Breakfast Dialogue sessions have featured Second Congressional Commission on Education or EDCOM II Co-Chair and Senator WIN GATCHALIAN on the country’s urgent needs on education, ARTA Secretary ERNIE PEREZ on ease of doing business, Energy Secretary POPO LOTILLA and Energy Regulatory Commission Chair and CEO MONALISA DIMALANTA on the country’s energy situation, and Baguio City Mayor BEN MAGALONG on fighting corruption in government.



BDB Law - MAP Breakfast Dialogue with Sen. WIN GATCHALIAN
 (June 20, 2023)



BDB Law - MAP Breakfast Dialogue with Sec. ERNESTO V. PEREZ
(June 26, 2023)



BDB Law - MAP Breakfast Dialogue with DOE Secretary RAPHAEL PERPETUO M. LOTILLA and
ERC Chairperson MONALISA C. DIMALANTA
(August 14, 2023)



MAP - BDB Law Breakfast Dialogue
“ANTI CORRUPTION PROGRAMS
OF MAYOR FOR GOOD
GOVERNANCE”
with Baguio City Mayor BENJAMIN
MAGALONG
(September 6, 2023)

May 3 MAP's Position Paper on the need for a Philippine Country Brand and a National Branding Council

Our National Issues Committee, chaired by BABES SINGSON, and Tourism Committee released the MAP's Position Paper on the need for a Philippine Country Brand and a National Branding Council to start MAP's advocacy for the development of a strong and unique Philippine country brand that would put the Philippines on the global map. We believe that a well-crafted and well-executed country brand can drive our country forward – it will improve global competitiveness, foster economic growth, and unite the nation in a shared sense of pride and identity.



MAP POSITION PAPER ON THE NEED FOR A PHILIPPINE COUNTRY BRAND AND A NATIONAL BRANDING COUNCIL TO ESTABLISH THE SAME

May 3, 2023

Why Country Branding is Critical for Philippine Positioning in the Global Market

The Philippines is a beautiful and diverse country that offers a wide range of attractions and opportunities for both domestic and international visitors. We have a rich history, a vibrant culture, and a talented workforce, all of which can be leveraged to create a strong and compelling country brand.

Despite the country's many strengths and advantages, it still faces significant challenges in terms of attracting investments, promoting tourism, and building a positive image abroad. In order to address these challenges and capitalize on its many strengths, we need to work together and establish a comprehensive country branding strategy. A National Branding Council can champion this effort.

The Potential to Attain Key Benefits Through Country Branding

1. **Economic Advantages:** A strong country brand can attract foreign investments, boost tourism, and increase exports. This can help generate jobs and income for the country.
2. **Improved international relations:** A positive country brand can help improve relations with other countries, which can lead to more opportunities for collaboration and cooperation.
3. **Cultural exchange:** A strong country brand can create interest in a country's culture, which can lead to more opportunities for cultural exchange and sharing.
4. **Increased national pride:** A strong country brand can create a sense of pride and unity among citizens, which can lead to greater social cohesion.
5. **Political benefits:** A positive country brand can help a country gain influence on the global stage, as it can help build trust and credibility with other nations.

The Imperative for a National Branding Council (NBC)

An NBC can play a crucial role in developing and implementing a comprehensive country branding strategy for the Philippines. The NBC can serve as the central coordinating body that brings together various stakeholders, including government agencies, private sector companies, and civil society organizations, to develop a unified branding approach for the country.

The NBC can also provide strategic guidance and support for branding initiatives, including the development of a national brand identity, brand messaging, and marketing campaigns. Additionally, it can monitor and evaluate the effectiveness of branding initiatives to ensure that they are aligned with the country's overall development goals.

1. Create a Unified and Consistent Brand Identity

Currently, various government agencies, private organizations, and individuals engage in branding activities without a centralized and coordinated effort. This lack of coordination results in a fragmented and confusing brand identity that does not effectively communicate the country's unique value proposition. An NBC can help create a unified and consistent brand identity for the Philippines. It can serve as the central coordinating body that will oversee and ensure the consistency of branding efforts across all sectors and levels.

2. Increase Trade, Foreign Investments and Tourism Market

Branding is a powerful tool that can influence people's perception and behavior. A well-crafted brand can create positive associations and emotions that can attract tourists and investors. The NBC can work closely with the Department of Tourism (DOT) and the Department of Trade and Industry (DTI) to develop and implement branding strategies that will differentiate Philippines from the rest, and be one of the top preferred destinations for tourism and investments.

3. Promote the Country's Culture and Heritage

The Philippines has a rich and diverse culture that can be leveraged to create a unique and compelling country brand. A country's culture and heritage promise an experience that can best be felt in its shores. The NBC can work with the National Commission for Culture and the Arts (NCCA) and other cultural organizations to showcase the country's rich and vibrant culture and heritage through branding initiatives. A strong country brand can effectively communicate our country's story to the world.

4. Develop National Pride

A strong national brand can also help foster a sense of pride and unity among the country's citizens, leading to increased social cohesion and stability.

5. Enhance the Country's Global Reputation

A positive brand image can create a sense of pride and loyalty among Filipinos and can also influence how the country is perceived by the international community. The NBC can work with international organizations and media to promote a positive image of the Philippines and counter negative stereotypes and misconceptions. This can enhance the Philippines' global reputation.

6. Crisis and Reputational Risk Management

A strong national brand can help a country weather crises and negative events, by providing a positive narrative and reputation to fall back on.

Composition of the NBC

The NBC should be multi-sectoral, with members coming from government, private sector, civil society, academia, media, branding and marketing experts, and international experts. The Council will work together and in collaboration, develop a comprehensive brand strategy that reflects the country's identity, values, aspirations and with the interests of all stakeholders considered.

- 1. Government representatives:** Government officials, including those from the Department of Foreign Affairs (DFA), DOT, DTI, Department of Education (DepEd) and NCCA, that can

provide insights on national policies, strategies, and initiatives that impact the country's brand image.

2. **Private sector representatives:** Business leaders, entrepreneurs, and industry associations can offer perspectives on the country's economic strengths, trade relations, and investment opportunities.
3. **Civil society representatives:** Civil society organizations, including non-profits, NGOs, and community groups, can provide inputs on social issues, cultural heritage, indigenous communities matters and environmental concerns.
4. **Academics and researchers:** Academics and researchers can contribute to the NBC by providing data, analysis, and insights into the country's historical, social, and cultural aspects.
5. **Media representatives:** Members of the media, including journalists, broadcasters, and bloggers, can offer perspectives on how the country is perceived and covered in local and international media.
6. **Branding and marketing experts:** Branding and marketing professionals can provide guidance on developing a strong and effective brand strategy that resonates with the country's target audience.
7. **International experts:** International experts, including those from international organizations, can offer insights into how the country is perceived globally and what steps can be taken to enhance its image.

The Role of the NBC

In pursuit of its objectives, the NBC will be responsible in carrying out these key initiatives that include:

1. **Research:** Conducting research to understand the Philippines' unique strengths, values, and identity.
2. **Brand development:** Developing a brand strategy that reflects the Philippines' unique identity and strengths, and creating a visual identity and messaging that will resonate with target audiences.
3. **Promotion:** Implementing a promotion strategy that will help raise awareness of the Philippines' brand and communicate its key messages to target audiences, including potential investors, tourists, and other stakeholders.
4. **Management:** Ensuring that the brand remains consistent and relevant over time, and responding to changes in the global economy and other external factors as needed.

A CALL TO ACTION

It is apparent that country branding is essential to the Philippines' campaign for recognition and competitiveness in the global arena. No less than the President articulated its key importance when he addressed the people in his 2022 State of the Nation Address (SONA):

“To foster the Filipino brand is to spark our sense of pride and reaffirm our strong sense of identity. It is time to welcome the rest of the world with an enhanced Filipino brand that is unique, attractive, and creative.”

Our enhanced global competitiveness can help promote economic growth and development through a positive image and reputation that a strong country brand can enable. The NBC can play a crucial role in developing and implementing a comprehensive and unified branding strategy for the Philippines, an output with the buy-in of the various stakeholders brought together for this purpose.

Therefore, the Management Association of the Philippines (MAP) urges the government to establish this NBC to steer and champion the unified effort in the direction of crafting a country brand that can ensure that the Philippines remains competitive and attractive to tourists, investors, and other key stakeholders.

The MAP is a prestigious organization composed of top-level executives and business leaders from various industries in the country. We see the urgent need to present a Philippines that is cohesive and unified in every undertaking, and this will be strongly projected by our country brand. Our membership and the objectives we pursue provide substance to our recommendation:

- First, the MAP has a deep understanding of the business environment in the Philippines. Its members are well-versed in the economic, social, and political conditions of the country, as well as the challenges and opportunities faced by various sectors. This knowledge is critical to actively spearhead the initiative to develop a country branding strategy that is aligned with the needs and goals of the business community and by extension, drive economic growth and development.
- Second, the MAP has a strong network of business and industry leaders in the Philippines and abroad. This network can be leveraged to gain support and buy-in for the establishment of an NBC and the development of a country branding strategy. The MAP can also tap into its network to gather insights, best practices, and resources from other countries that have successfully implemented country branding strategies.
- Third, the MAP has a track record of advocating for policies and initiatives that promote the country's economic growth and development. This includes supporting programs that enhance competitiveness, attract investments, and create jobs. By recommending the establishment of an NBC and the development of a country branding strategy, the MAP can continue its advocacy work and contribute to the country's long-term economic success.
- Finally, the MAP has always maintained a harmonious working relationship with government agencies and stakeholders to drive change and progress in the country. As a respected and influential organization, it can serve as a bridge between the private sector and government, bringing together stakeholders to develop a country branding strategy that is inclusive and collaborative.

The MAP hereby presents and submits this urgent recommendation for the creation of the NBC that will place under one body all the country branding efforts with the objective of crafting and presenting a Philippines' Country Brand that will link and integrate all marketing, promotion and positioning in the global market.

In reciprocity, the MAP will actively participate in this NBC and harness the expertise, experience and network of its members in support of the NBC's objectives.

###

Enterprise Development and SCALE Program

Our Tech Start-up Committee, chaired by ALDIE GARCIA, continued our advocacy for Enterprise Development by pursuing the Scale Program in partnership with DTI, FoxMont, PwC and QBO.

Several MAP members are now serving as coaches/mentors of the 15 participants of the Scale Program which aims to prepare start-ups to scale up and grow big by providing them with important knowledge on governance, leadership, business valuation, deal processes, among others.

Congratulations to KargaX, Cognitive AI, 1Export and Humble Sustainability for being the winners for the maiden implementation of the Scale Program this year.



Scale
A program on building resilient and sustainable tech businesses

Startup participants

- AGRO-DIGITALPH
- NGKAT
- CareSpan Integrated Digital Care
- chatGenie
- cognitive
- 1export
- Humble
- KARGAX
- LIGHTHOUSE
- MedCheck
- mosaic
- nextpay
- plentina
- Waste4Good
- Xamun

Program partners

- MAP
- pwc
- dti
- QBO
- FOXMONT

The MAP SCALE Program Launch Party
with PwC Philippines, QBO Philippines, DTI Philippines, and Foxmont Capital
Partners in Dr. Wine Manila in Poblacion, Makati City
(April 27, 2023)





Scale Investors Fireside Chat (Session 1) at the Cervantes Room, Discovery Prime, Ayala Avenue, Makati (July 3, 2023)



Mr. RODERICK DANA
Chairman and Senior Partner
PwC Philippines



Atty. ALEX B. CABRERA
Chairman Emeritus and ESG Leader
PwC Philippines



Mr. JECKY PELAEZ
Director of Legal and Compliance
Kickstart Ventures



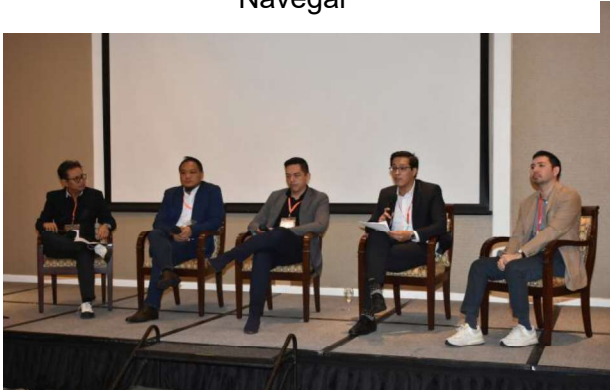
Mr. GREG RIVERA
Investment Partner
Sierra Madre



Mr. JUAN CARLOS CAMARA
Senior Investment Associate
Navegar



Mr. XAVIER MARZAN
Founding Managing Director/CEO
(dev) Digital Foundry



Panel Discussion



Group Photo of All Attendees

Scale Fireside Chat with DTI (Session 2) at the QBO Innovation Hub, DTI International Bldg.
375 Sen. Gil J. Puyat Ave., Makati City
August 1, 2023



Mr. ALDIE GARCIA
Assurance Managing Partner, PwC Philippines
Chair, MAP Tech Start-Up Committee



Ms. KATRINA CHAN
Executive Director, QBO Innovation Hub



Mr. JO-DANN DARONG
Director III, DTI Competitiveness Bureau



Mr. SATURNINO 'Ning' MEJIA
Asst. General Manager, National Development
Company



Mr. MICHAEL ANGELO ROARING
Commercial Counsellor, Philippine Trade and
Investment Center in Tel-Aviv, Israel



Mr. SAMUEL "Sam" ANG
Consultant, Asian Development Bank



Panel Discussion with
MAP Tech Start-Up
Committee

VJ MANUEL (extreme
left) as Moderator



ASEAN Management Organization

MAP is spearheading the creation of the ASEAN Management Organization which can play a pivotal role in initiating and enhancing regional cooperation, especially in fostering trade relations, inclusive and sustainable development and strengthening ASEAN's position on the global stage through sharing of best management and business practices.

On September 12, we co-signed a Memorandum of Partnership and Cooperation with the Singapore International Chamber of Commerce and the Thailand Management Association.

The Partnership aims to pursue mutually beneficial partnerships within the region through sharing of best management practices, undertaking educational management practitioners and future leaders, and advocacy for reforms that will improve the ease of doing business in the region.

To expand the Partnership and Cooperation to all other countries in the region, the MAP Board has created of an MAP International Relations Committee chaired by the MAP President.



(standing -r): H.E. Dr. KAO KIM HOURN, Secretary-General of ASEAN; Mr. GEORGE T. BARCELON, Philippine Representative to the ASEAN Business Advisory Council and the President of Philippine Chamber of Commerce and Industry (PCCI); and Thailand Ambassador TULL TRAISORAT.

(seated l-r): Mr. BICKY BHANGU, Chair of Singapore International Chamber of Commerce; Atty. BENEDICTA DU-BALADAD, President of Management Association of the Philippines (MAP); and Mr. NITHI PATARACHOKE, Chair of Thailand Management Association (TMA)

The “Business MAP”

To push forward our various programs and advocacies, we have an ongoing partnership with CNN for the 7-minute “The Business MAP” segment in CNN Philippines’ “The Final Word with Rico Hizon” every Wednesday from 9:00 PM to 10:00 PM.

The segment showcases the flagship projects and major advocacies of MAP. Topics that have been covered so far include food security and tariffication, mapping the tourism investment ecosystem, enterprise development and the Scale program, national branding, and NextGen leadership vision and values.



BRIDGE

We committed to implement a two-pronged strategy to significantly contribute to MAP’s mission of management excellence for nation-building by BRIDGING and enhancing the internal fundamentals and harnessing our collective strengths to help in BUILDING a national future in shared prosperity.

A strengthened MAP organization capacitated us to pursue our mission of management excellence. Our collective strengths continue to enable MAP to lead, be the voice for management excellence, the hub of new ideas and solutions, that can effectively push our advocacies forward.

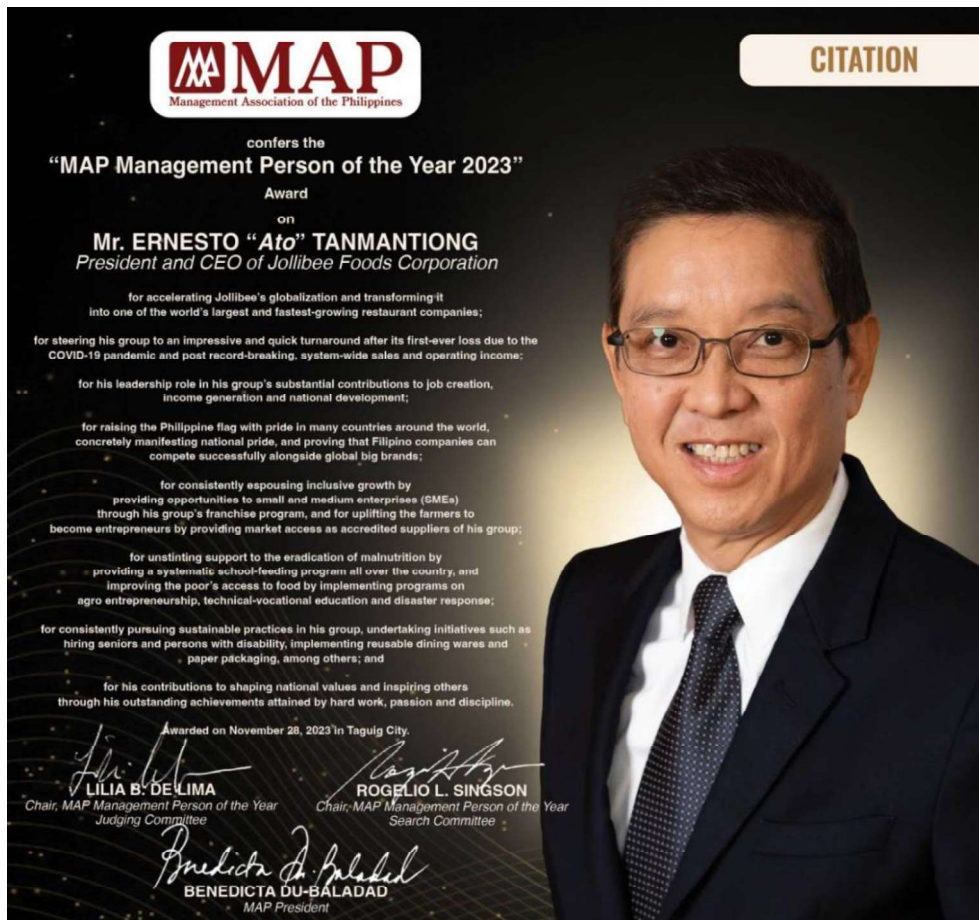
Today's MAP is a diverse group in age, gender, and professional background. It is the very first time in the history of MAP that 4 of the 9 members of the MAP Board are women.

With a relatively young Board, we created and institutionalized an environment that would bridge and connect the wisdom and wealth of experience of the seasoned CEOs, with the new thinking, new ideas, innovations in doing business and new paradigm of the next generation of CEOs. This combined force enabled us to foster thought leadership and collect a wealth of ideas, solutions and business opportunities, that are adaptive, transformative, relevant and sustainable.

We assigned NextGen members to be Co-Vice Chairs in most committees to give them the opportunity to lead, participate and be immersed in the organization.

“MAP Management Person of the Year 2023”

Thanks to the MAP Management Person of the Year Judging Committee, chaired by LILIA DE LIMA, and the Search Committee, chaired by BABES SINGSON, for producing the 47th recipient of the award.



MAP Management Person of the Year Awardees



Washington Z. SyCip+
1967



Geronimo Z. Velasco+
1977



Henry A. Brimo+
1978



Jose M. Soriano
1979



Cesar E.A. Virata
1981



Jaime V. Ongpin+
1982



Vicente T. Paterno+
1982



Dante G. Santos+
1983



Cesar A. Buenaventura
1985



Roberto T. Villanueva+
1985



Jaime Zobel de Ayala
1987



Ramon V. del Rosario, Sr.+
1988



Jose B. Fernandez, Jr.+
1989



Raul T. Concepcion
1990



Oscar J. Hilado
1991



Alfonso T. Yuchengco+
1992



Juan B. Santos
1994



David M. Consunji+
1996



Rizalino S. Navarro+
1996



Gabriel C. Singson+
1998



Delfin L. Lazaro
1999



Henry Sy, Sr.+
1999



Oscar M. Lopez+
2000



Tony Tan Caktiong
2002



Jesus P. Tambunting
2003



Rafael B. Buenaventura+
2004



Manuel V. Pangilinan
2005



George S.K. Ty+
2006



Jaime Augusto Zobel de Ayala II
2006



Jose L. Cuisia, Jr.
2007



Antonino T. Aquino
2009



Jesus P. Estanislao
2009



Lilia B. de Lima
2010



Ramon R. del Rosario, Jr.
2010



Erramon I. Aboitiz
2011



Aurelio R. Montinola III
2012



Edgar O. Chua
2013



Albert F. del Rosario+
2014



Amando M. Tetangco, Jr.
2015



Teresita Sy-Coson
2016



John Gokongwei, Jr.+
2017



Fernando Zobel de Ayala
2018



Nestor V. Tan
2019



Federico R. Lopez
2020



Carlos Chan
2021



Isidro A. Consunji
2022



Ernesto Tanmantiong
2023



MAP OFFICE

Ramon V. del Rosario Sr. Center for Management Excellence
Unit 608, Ayala Tower One, Ayala Triangle, Ayala Avenue
1226 Makati City

map@map.org.ph
map.philippines@map.org.ph
+632 7751-1151 to 52
Website: map.org.ph

Increase in MAP membership from 1,091 in 2022 to 1,200 in 2023

To enhance our internal strength, we have increased the MAP membership by 10% from 1,091 last year to 1,200 as of today.

We were able to induct an all-time high of about 165 new members. Unfortunately, 49 members resigned and 14 passed away.

Increase in the number of Women and NextGen Members

Women members increased by about 20% from 250 to 298. Women members now represent about 25% of total membership.

MAP NextGen members, who are below 50, increased by 50% from 135 to 202. NextGen members now comprise 17% of total membership.

Average age of Regular Members this year is around 57 and the average age of Total Membership is 63.

May 12 MAP Mini-GMM and Economic Briefing in Cebu

On May 12, we conducted a MAP Mini-GMM in Cebu where we inducted 25 new members. We are encouraging our 2024 Board to continue holding MAP GMMS in key cities in the Visayas and Mindanao in order to expand MAP's membership and network.



Opening Remarks of MAP President Atty. BENEDICTA DU-BALADAD



Economic Briefing of MAP Governor Dr. CIELITO HABITO



Induction of Anti-Red Tape Authority (ARTA) Director-General Ernesto V. Perez



New Members Inducted in May 12, 2023 in Cebu



Q&A Segment with MAP Flagship Projects Adviser
Ms. ALMA RITA JIMENEZ as Moderator

MAP GMMs

**MAP Economic Briefing and General Membership Meeting
(February 8, 2023)**



Dr. ACHIM FOCK, Ph.D.
Operations Manager for Brunei,
Malaysia, Philippines, and Thailand
WORLD BANK

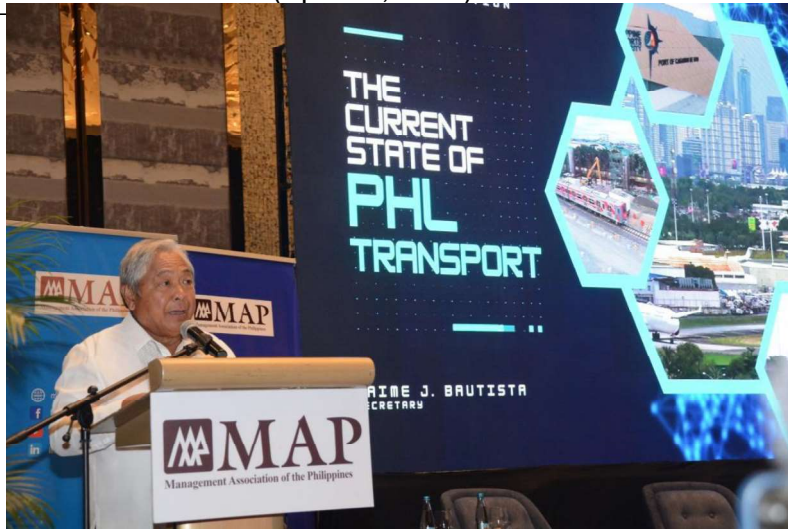


Cong. JOEY S. SALCEDA
Chair, Committee on Ways and Means
HOUSE OF REPRESENTATIVES



Panel Discussion with MAP Governor CIELITO F. HABITO (extreme left) as Moderator and Country Economist of WORLD BANK Dr. KEVIN CHUA (extreme right) as Guest Panelist

MAP GENERAL MEMBERSHIP MEETING
CURRENT STATE OF PHILIPPINE TRANSPORT
(April 12, 2023)



GUEST SPEAKER: Department of Transportation (DOTr)
Secretary Sec. JAIME “Jimmy” J. BAUTISTA



Q&A Segment with (from left to right) Former Secretary of Transportation of the Philippines JOSE “Ping” DE JESUS, President and CEO of Aboitiz InfraCapital, Inc. Ms. COSETTE V. CANILAO, DOTr Secretary JIMMY BAUTISTA, Chief Representative of JICA Mr. TAKEMA SAKAMOTO, and President and CEO of Metro Pacific Water Sec. ROGELIO “Babes” L. SINGSON

MAP-PBEEd Annual Joint General Membership Meeting
RESHAPING THE IMAGE OF TECHVOC
(May 10, 2023)



GUEST SPEAKER:
Mr. Danilo P. Cruz
Director-General, Technical Education and Skills Development Authority (TESDA)



Panel Discussion with (from left to right) MAP Education Committee Chair Mr. FEDERICO “Poch” M. MACARANAS as Moderator, R&D Community and Corporate Learning for Innovation, Inc. (CCLI) CEO & Director Dr. SERAFIN D. TALISAYON, JAD Group of Companies Chair Prof. FRANCISCO M. BERNARDO III, and Analytics Association of the Philippines (AAP) President Ms. Michelle Alarcon as Panelists

MAP General Membership Meeting
 NATIONAL PRIORITIES ON ENVIRONMENT, NATURAL RESOURCES AND
 CLIMATE CHANGE
 (June 14, 2023)



Opening Remarks of MAP President Atty. BENEDICTA DU-BALADAD



Presentation of Department of Environment and Natural Resources (DENR) Secretary MARIA ANTONIA YULO LOYZAGA

Q&A Segment with MAP Environment Committee Chair Dr. REGIE CASAS (extreme left), MAP Cluster on ESG Governor-in-Charge Atty. ALEX CABRERA (beside Sec. LOYZAGA), and MAP Shared Prosperity Committee Chair Mr. REX DRILON II (extreme right) as Panelists



MAP General Membership Meeting
BUSINESS OPPORTUNITIES IN ASEAN
(July 12, 2023)



Opening Remarks of MAP President



Amb. DATO' ABDUL MALIK MELVIN CASTELINO
Ambassador of Malaysia



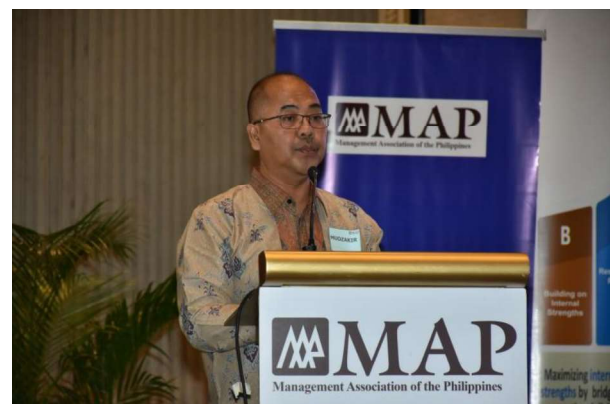
Amb. CONSTANCE SEE SIN YUAN



Amb. TULL TRAISSORAT



Mr. PHUNG VAN THANH



Minister MUDZAKIR

MAP General Membership Meeting
NATIONAL PRIORITY PROGRAMS ON POVERTY REDUCTION AND SOCIAL PROTECTION
(August 10, 2023)



Opening Remarks of MAP President
Atty. BENEDICTA DU-BALADAD



Presentation of Department of Social Welfare and
Development Secretary Rex Gatchalian



CAMACS Survey Results Presentation by The EON
GROUP Chairman & Chief Executive Officer



Q&A Segment with MAP Governor Dr. CIELITO
HABITO (left) as Moderator

MAP General Membership Meeting
NATIONAL SECURITY: Should Business Worry?
(September 20, 2023)



Opening Remarks of MAP President
Atty. BENEDICTA DU-BALADAD



Presentation of Department of National Defense
(DND) Senior Undersecretary Irineo C. Espino



Q&A Segment with Advisory Board of the Philippine National Police Academy Chair, Gen. JIMMY DE LOS SANTOS (left) as Moderator

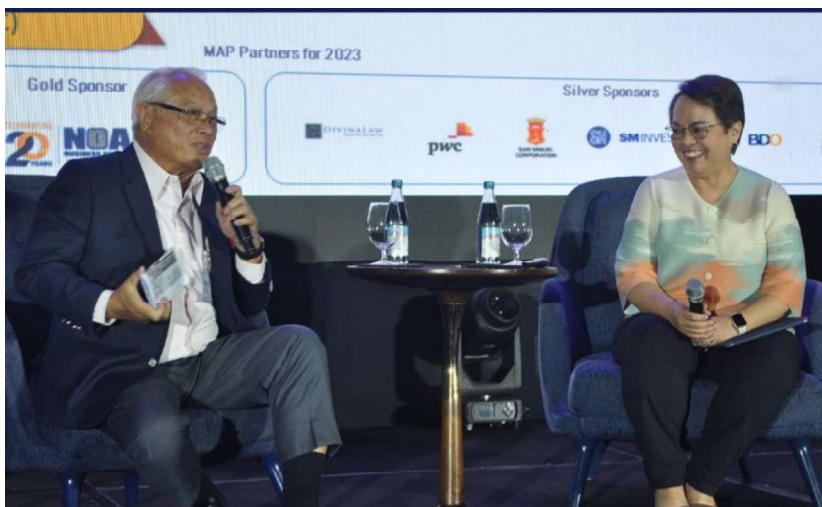
MAP General Membership Meeting
SHARED PROSPERITY: What CEOs Should Do



Opening Remarks of MAP President Atty. BENEDICTA DU-BALADAD



Ms. RITA IMELDA PALABYAB Senior Vice President and Corporate Sustainability Advisor San Miguel Corporation (SMC)



Q&A with MAP Shared Prosperity Committee Chair REX DRILON (left) as Moderator

Revised Guidelines on Nomination of New Members

Our Membership Committee, chaired by BABES SINGSON, is now implementing the revised Guidelines on Nomination of New Members, particularly on the basic requirements for membership and the procedure for admission. Generally, there should be a vetting of the prospective member and the organization to which he/she is connected, using data/information gathered from the prospective member and/or from third-party sources, including that from the internet and social media to assess whether the nominee is qualified to be a member of MAP.

September 12 International CEO Conference

Our CEO Conference Committee, chaired by ALMA JIMENEZ, successfully conducted the 21st MAP International CEO Conference on September 12 which generated a net income of P3.7 Million and total attendees of 439, including 62 teachers and 19 students from 20 colleges and universities all over the country.



Atty. BENEDICTA DU-BALADAD
President, MAP



Ms. ALMA JIMENEZ
Chair, MAP CEO Conference Committee



H.E. Dr. KAO KIM HURN
Secretary-General, Association of Southeast Asian
Nations (ASEAN)



Mr. GEORGE T. BARCELON
Philippine Representative, ASEAN Business Advisory
Council; President, PCCI



Dr. BICKY BHANGU
Chairman, Singapore International Chamber of
Commerce (SICC)



Mr. NITHI PATARACHOKE
Chair, Thailand Management Association (TMA)



Q&A Segment with MAP Education Committee Chair
Mr. FEDERICO M. MACARANAS (extreme left) as Moderator



Mr. RAYMUND CHAO
Chairman, Asia Pacific and China, PwC



Q&A with MAP Governor
Ms. CORRIE PURISIMA (left) as Moderator



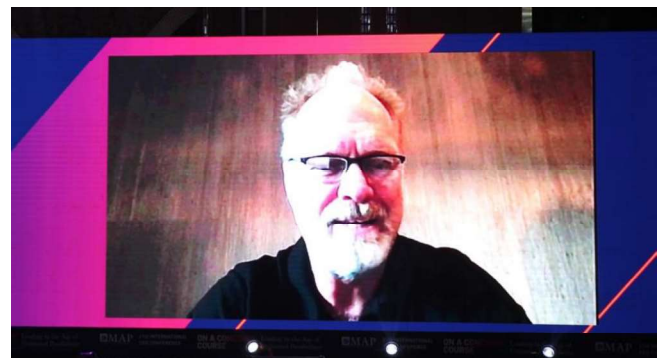
Mr. RODERICK "Rick" M. DANA O
Chair and Senior Partner
Isla Lipana & Co. / PwC Philippines



Mr. ARIS DACANAY
Economist for ASEAN, HSBC



Q&A with MAP CEO Conference Committee
Member Ms. JADE ROXAS-DIVINAGRACIA (left)
as Moderator



Mr. ANDERS BRINGDAL
Co-Founder and Chief Designer, MobyFly



Q&A Segment with (l-r) MAP Governor and
Secretary Ms. KAREN V. BATUNGBACAL and
MAP Treasurer Dr. DONALD LIM as
Moderators



Mr. GARY BENCHEGHIB
Co-Founder, Sungai Watch
Ramon Magsaysay Awardee 2022 for
Emergent Leadership



Q&A Segment with MAP Environment Committee Co-Vice Chair Ms. AGNES A. GERVACIO (left) as Moderator



Event Summation of MAP CEO Conference Committee Vice Chair Mr. JUNIE S. DEL MUNDO



21st MAP International CEO Conference
Appreciation Dinner for Conference Speakers & Major Sponsors
(September 11, 2023)



November 21 MAP Golf Cup

Our Sports, Fellowship & Wellness Committee, chaired by PENG PEREZ DE TAGLE, held last week this year's MAP Golf Cup for CSR which generated a net income of about P1 million and participation of about 100 players. The net proceeds will go to the CAMACS Fund.



Atty. BENEDICTA DU-BALADAD
President, MAP



Mr. PENG PEREZ DE TAGLE
Chair, MAP Sports, Fellowship &
Wellness Committee



Networking Fellowship with Ambassadors



To maintain camaraderie among MAP members, we conducted a MAP Networking Fellowship with Ambassadors right after our September 20 MAP GMM, and we will have our Annual MAP Christmas Party on December 4 in this venue.

MAP Columns

MAP continues its existing weekly columns --- “MAPping the Future” every Monday in INQUIRER and “MAP Insights” every Tuesday in BUSINESSWORLD - - - which serve as vehicles for MAP members to share their ideas and insights on issues of national interest as well as their management skills and disciplines in analyzing problems and offering long-term solutions.

MAP Employees Retirement Fund

Recognizing the importance of providing competitive and generous retirement benefits to attract and retain the talent needed by MAP, and to ensure that our Retirement Fund can adequately support MAP employees in the midst of rising inflation and increased cost of living, we upgraded the MAP Employees Retirement Fund to provide MAP employees with greater financial security in their retirement years.

Thanks to the MAP Operations Sustainability Fund created by the 2014 Board which helped us finance the additional fund requirements of the improved Retirement Fund.

Increase in Annual Dues for 2024

We are implementing an increase in the Annual Dues for 2024 in order to cope with rising costs. We hope that all our Regular Members will understand this decision. The Early Bird Rate which should be paid in January, will be P25,000. The Regular Rate will be P30,000. Please note that the last time we had an increase in the annual dues was in 2010 or 13 years ago.

Financial Position

Even with so many projects that we have implemented this year, we will end the year with a bottom line of about P2 million. We will end the year with Total Assets of about P60 Million and Total Cash of about P50 Million.

Many thanks to Treasurer DONALD LIM.

Appointment of Reyes Tacandong as Auditor for MAP and MAP Research and Development Foundation

Your outgoing Board has approved the appointment of Reyes Tacandong & Co. as the Auditor of the MAP and the MAP Research & Development Foundation for our 2023 financial statements.

Highest turnout ever of 49% for the election of MAP Governors for 2024 – 2025

We have elected a new set of MAP Governors for 2024 - 2025.

577 members or 49% of total membership participated in this year’s election which is the highest turnout in the history of MAP.

At this point, may I ask the officers of MAP for 2024 and other Governors to stand up, if they are here, as their names are called.

- Incoming President RENE ALMENDRAS
- Incoming Vice President NOEL BONOAN
- Incoming Treasurer CORRIE PURISIMA
- Incoming Assistant Treasurer MARTS SAZON
- Incoming Secretary KAREN BATUNGBACAL
- Governor REX DRILON
- Governor AL PANLILIO and
- Governor BEN PUNONGBAYAN with yours truly.

MAP OFFICERS FOR 2024
Management Association of the Philippines

 Sec. RENE D. ALMENDRAS MAP President for 2024 President and CEO AC Logistics Holdings Corporation	
 Atty. EMMANUEL "Noel" P. BONOAN MAP Vice President Vice Chair and COO KPMG R.G. Manabat & Co.	 Ms. CORRIE D. PURISIMA MAP Treasurer Treasurer and Head of Markets and Securities Services HSBC Philippines
 Ms. MARTHA "Marts" M. SAZON MAP Asst. Treasurer President and CEO GCash/Mynt	 Ms. KAREN V. BATUNGBACAL MAP Secretary Partner CEO Advisors, Inc.
 Atty. BENEDICTA "Dick" DU-BALADAD MAP Governor Founding Partner and CEO Du-Baladad and Associates (BDB Law)	 Mr. REX C. DRILON II MAP Governor Vice Chair Center for Excellence in Governance (CEG)
 Mr. ALFREDO "Al" S. PANLILIO MAP Governor President and CEO PLDT and SMART	 Mr. BENJAMIN "Ben" R. PUNONGBAYAN MAP Governor Founder P&A Grant Thornton

Armed with a strengthened MAP, we did our share in Building a Progressive Future.

August 3 MAP Position Paper on the Comprehensive Review of the MFN Tariff Structure

As an initiative from our CAMACS Team ENCOURAGE, chaired by CIEL HABITO, and our Agribusiness Committee, chaired by OSCAR TORRALBA, we submitted to the Tariff Commission on August 3 the MAP Position Paper on the Comprehensive Review of the MFN Tariff Structure to call on the government to move towards a tariff structure that supports food security for Filipinos, especially accessibility and affordability of competitively priced food, via low tariffs on food products.



MAP Position Paper on the Comprehensive Review of the MFN Tariff Structure

August 3, 2023

In the midst of the ongoing move by the Tariff Commission (TC) and the National Economic and Development Authority (NEDA) to review and reform the tariff structure of the Philippines, the Management Association of the Philippines (MAP) calls on the government to move towards achieving a tariff structure that:

1. Supports food security for Filipinos, especially accessibility and affordability of competitively priced food, via low tariffs on food products;
2. Strengthens sustainable agri-food value chains, especially domestic agricultural value-adding enterprises including processing, storage and logistics, through a rational tariff structure where tariff rates on inputs do not exceed those on finished products;
3. Is neutral across industries and avoids distortions and unwarranted protection arising from tariff peaks, currently seen primarily in agricultural products; and
4. Reduces incentives and opportunities for corruption and smuggling by unifying Minimum Access Volume (MAV) and non-MAV tariff rates, and keeping tariffs relatively low and uniform across all goods (with a maximum 10-15%) to keep food prices affordable, especially to the poor.

Filipino families have historically been burdened with higher food prices than consumers in other countries across ASEAN and beyond. The burden is worsened by relatively lower incomes, the bulk of which must be spent on food because food prices are higher than elsewhere. Worse, lower-income families are forced to purchase food products of low nutritional value, leading to a worsening vicious cycle of poverty, hunger and poor nutrition, lowered human capacity, hence persistent and further deepening poverty.

Yet Philippine tariffs on agricultural and food commodities are higher than those applied to goods in general. The TC reports that the simple average of tariffs applied on agricultural products is 12%, while the average for all products is 8%. Trade-weighted averages show the same pattern, with 9% for agriculture, nearly double that for all goods at 5%.

Agricultural tariffs have remained high because these have been generally excluded from tariff adjustments over the past decades, with agricultural products deemed "sensitive" levied the highest statutory rates of up to 65 percent. In 2015, two-thirds or 66 percent of Philippine agricultural output by value was shielded from foreign competition by MFN tariffs of 40 percent or more. The 2018 Philippines Trade Policy Review, jointly undertaken by the Philippine government and the World Trade Organization, showed that majority of commodities have MFN tariffs ranging from zero to 20 percent. However, about 6 percent of lines have tariffs significantly above 20 percent, reaching up to 65%.

The Trade Policy Review also observed that the tariff peaks translate into reduced incentive for domestic value adding. For example, high tariffs on corn at 40% dampen incentives to manufacture livestock and aquaculture feeds within the country, which are vital in the meat and fishery industries that provide the protein needs of Filipinos.

This exceptional level of protection has dampened the impetus for government and agricultural producers to achieve higher levels of productivity, hence lower costs and prices, to be comparable to and competitive with that of our neighbors. The long-term and lasting solution to attain food security for Filipinos is to implement game-changing reforms for productivity improvement, such as farm consolidation, better water management, and effective extension systems. Maintaining high import tariffs will only remove the urgency to pursue these.

Annex A lists the products with high tariff rates recommended by the MAP to be reviewed for reduction. Most of the agriculture commodities with very high tariffs are food products (sugar, meat, fish, rice) or inputs to local manufacturing and value addition (corn, meat, fish, sugar, etc.). These commodities are prominent and crucial in family food consumption, food security, and general inflation.

The *Bangko Sentral ng Pilipinas* (BSP) reports that on the average, food and agricultural items have accounted for 38% of inflation since 2017. The recent and disheartening episodes of inflation on specific food items, such as pork, fish, sugar, garlic, and onions, highlight the disproportionate impact of high tariffs that underlie high domestic food prices.

Trade enhances food security. It improves access to food, lowers food costs, mitigates supply shocks, reduces inflationary pressures, and ultimately strengthens economic and social prosperity. High tariffs have long been shown to be counter-productive, and lead to reduced investment, low or stagnant wages, and higher rates of malnutrition. Using protective trade policy to help farmers causes unwanted collateral damage to the much wider mass of consumers, especially the poor who suffer the long-term consequences of high-priced food.

But the positive economic gains to greater trade must be accompanied by effective implementation of focused adjustment and assistance measures carefully aimed at adversely affected sectors, especially small farmers. Government must refocus its support and assistance to farmers from high levels of trade protection to effective improvement of productivity and competitiveness.

In sum, removal of existing peaks and achieving low uniform rates in a tariff structure that provides equal incentives across domestic industries will encourage more and wider agricultural processing and value-adding, help control inflation, and enhance the country's food security. We urge the TC and NEDA to move the Philippine economy in this direction.



BENEDICTA DU-BALADAD
MAP President



CIELITO F. HABITO
Governor-in-Charge (GIC), MAP Cluster on Resilience
and Recovery
GIC, MAP Campaign against Malnutrition and Child
Stunting (CAMACS) Team ENCOURAGE

Annex A
Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
01.03	Live swine.	
	- Other :	
0103.91.00	-- Weighing less than 50 kg	
	In Quota	30
	Out Quota	35
0103.92.00	-- Weighing 50 kg or more	
	In Quota	30
	Out Quota	35
01.04	Live sheep and goats.	
0104.20.90	-- Other	
	In Quota	30
	Out Quota	35
01.05	Live poultry, that is to say, fowls of the species Gallus domesticus, ducks, geese, turkeys and guinea fowls.	
	- Weighing not more than 185 g :	
0105.11	-- Fowls of the species Gallus domesticus :	
0105.11.90	--- Other	
	In Quota	35
	Out Quota	35
0105.12	-- Turkeys :	
0105.12.90	--- Other	
	In Quota	35
	Out Quota	40
0105.13	-- Ducks :	
0105.13.90	--- Other	
	In Quota	35
	Out Quota	40
0105.14	-- Geese :	
0105.14.90	--- Other	
	In Quota	35
	Out Quota	40
0105.15	-- Guinea fowls :	
0105.15.90	--- Other	
	In Quota	35
	Out Quota	40
	- Other :	
0105.94	-- Fowls of the species Gallus domesticus :	
	--- Fighting cocks :	
0105.94.41	---- Weighing not more than 2 kg	
	In Quota	35
	Out Quota	40
0105.94.91	---- Weighing not more than 2 kg	
	In Quota	35
	Out Quota	40

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff	
0105.94.99	--- Other		
	In Quota	35	
	Out Quota	40	
0105.99	-- Other :		
0105.99.10	--- Breeding ducks		
	In Quota	35	
	Out Quota	40	
0105.99.20	--- Other ducks		
	In Quota	35	
	Out Quota	40	
0105.99.30	--- Breeding geese, turkeys and guinea fowls		
	In Quota	35	
	Out Quota	40	
0105.99.40	--- Other geese, turkeys and guinea fowls		
	In Quota	35	
	Out Quota	40	
02.03	Meat of swine, fresh, chilled or frozen.		
	- Fresh or chilled :		<i>Until end-2023</i>
0203.11.00	-- Carcasses and half-carcasses		<i>EO 10</i>
	In Quota	30	15
	Out Quota	40	25
0203.12.00	-- Hams, shoulders and cuts thereof, with bone in		
	In Quota	30	15
	Out Quota	40	25
0203.19.00	-- Other		
	In Quota	30	15
	Out Quota	40	25
0203.21.00	-- Carcasses and half-carcasses		
	In Quota	30	15
	Out Quota	40	25
0203.22.00	-- Hams, shoulders and cuts thereof, with bone in		
	In Quota	30	15
	Out Quota	40	25
0203.29.00	-- Other		
	In Quota	30	15
	Out Quota	40	25
02.04	Meat of sheep or goats, fresh, chilled or frozen.		
0204.50.00	- Meat of goats		
	In Quota	30	
	Out Quota	35	
02.07	Meat and edible offal, of the poultry of heading 01.05, fresh, chilled or frozen.		

Annex A
Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff	
	- Of fowls of the species Gallus domesticus :		
0207.11.00	-- Not cut in pieces, fresh or chilled		
	In Quota	40	
	Out Quota	40	
0207.12.00	-- Not cut in pieces, frozen		
	In Quota	40	
	Out Quota	40	
0207.13.00	-- Cuts and offal, fresh or chilled		
	In Quota	40	
	Out Quota	40	
0207.14	-- Cuts and offal, frozen :		
0207.14.10	--- Wings		
	In Quota	40	
	Out Quota	40	
0207.14.20	--- Thighs		
	In Quota	40	
	Out Quota	40	
0207.14.30	--- Livers		
	In Quota	40	
	Out Quota	40	<i>Until end-2024</i>
	--- Other :		<i>EO 13</i>
0207.14.91	---- Mechanically deboned or separated meat	40	5
0207.14.99	---- Other		
	In Quota	40	
	Out Quota	40	
	- Of turkeys :		
0207.24.00	-- Not cut in pieces, fresh or chilled		
	In Quota	40	
	Out Quota	40	
0207.25.00	-- Not cut in pieces, frozen		
	In Quota	40	
	Out Quota	40	
0207.26.00	-- Cuts and offal, fresh or chilled		
	In Quota	40	
	Out Quota	40	
0207.27	-- Cuts and offal, frozen :		
0207.27.10	--- Livers		
	In Quota	40	
	Out Quota	40	
	--- Other :		
0207.27.91	---- Mechanically deboned or separated meat		
	In Quota	30	5
	Out Quota	40	5
0207.27.99	---- Other		
	In Quota	30	

Annex A
Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
	Out Quota	40
	- Of ducks :	
0207.41.00	-- Not cut in pieces, fresh or chilled	
	In Quota	40
	Out Quota	40
0207.42.00	-- Not cut in pieces, frozen	
	In Quota	40
	Out Quota	40
0207.43.00	-- Fatty livers, fresh or chilled	
	In Quota	40
	Out Quota	40
0207.44.00	-- Other, fresh or chilled	
	In Quota	40
	Out Quota	40
0207.45.00	-- Other, frozen :	
A	--- Fatty livers, In-Quota	40
B	--- Fatty livers, Out-Quota	40
C	--- Other, In-Quota	40
D	--- Other, Out-Quota	40
	- Of geese :	
0207.51.00	-- Not cut in pieces, fresh or chilled	
	In Quota	30
	Out Quota	40
0207.52.00	-- Not cut in pieces, frozen	
	In Quota	40
	Out Quota	40
0207.53.00	-- Fatty livers, fresh or chilled	
	In Quota	40
	Out Quota	40
0207.54.00	-- Other, fresh or chilled	
	In Quota	40
	Out Quota	40
0207.55.00	-- Other, frozen :	
A	--- Fatty livers, In-Quota	40
B	--- Fatty livers, Out-Quota	40
C	--- Other, In-Quota	40
D	--- Other, Out-Quota	40
0207.60.00	- Of guinea fowls :	
A	-- Fresh or chilled, not cut in pieces, In-Quota	40
B	-- Fresh or chilled, not cut in pieces, Out-Quota	40
C	-- Frozen, In-Quota	40
D	-- Frozen, Out-Quota	40
E	-- Others, In-Quota	40
F	-- Others, Out-Quota	40

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
02.10	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal.	
	- Meat of swine :	
0210.11.00	-- Hams, shoulders and cuts thereof, with bone in	40
0210.12.00	-- Bellies (streaky) and cuts thereof	40
0210.19	-- Other :	
0210.19.30	--- Bacon or boneless hams	40
0210.19.90	--- Other	40
0210.91.00	-- Of primates	40
0210.92	-- Of whales, dolphins and porpoises (mammals of the order Cetacea); of manatees and dugongs (mammals of the order Sirenia); of seals, sea lions and walruses (mammals of the suborder Pinnipedia) :	40
0210.92.10	--- Of whales, dolphins and porpoises (mammals of the order Cetacea); of manatees and dugongs (mammals of the order Sirenia)	40
0210.92.90	--- Other	40
0210.93.00	-- Of reptiles (including snakes and turtles)	40
0210.99	-- Other :	
0210.99.90	--- Other	40
03.01	Live fish.	
03.02	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04.	
03.03	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04.	
03.04	Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen.	
03.05	Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption.	
03.06	Crustaceans, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; smoked crustaceans, whether in shell or not, whether or not cooked before or during the smoking process; crustaceans, in shell, cooked by steaming or by boiling	
03.07	Molluscs, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; smoked molluscs, whether in shell or not, whether or not cooked before or during the smoking process; flours, meals and pellets of molluscs, fit for human consumption	

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
03.08	Aquatic invertebrates other than crustaceans and molluscs, live, fresh, chilled, frozen, dried, salted or in brine; smoked aquatic invertebrates other than crustaceans and molluscs, whether or not cooked before or during the smoking process; flours, meals	
07.01	Potatoes, fresh or chilled.	
0701.90.00	-- Other	
A	Chipping potatoes, in quota	40
B	Chipping potatoes, out quota	40
C	Other, out quota	40
D	Other, in quota	40
07.03	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled.	
0703.10	- Onions and shallots :	
	-- Onions :	
0703.10.11	--- Bulbs for propagation	40
0703.10.19	--- Other	40
	-- Shallots :	
0703.10.21	--- Bulbs for propagation	40
0703.10.29	--- Other	40
0703.20	- Garlic :	
0703.20.10	-- Bulbs for propagation	40
0703.20.90	-- Other	40
07.04	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled.	
0704.10	- Cauliflowers and headed broccoli :	
0704.10.10	-- Cauliflowers	25
0704.10.20	-- Headed broccoli	25
0704.90	- Other :	
0704.90.11	-- Round (drumhead) cabbages	40
0704.90.19	-- Other	40
07.05	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium spp.</i>), fresh or chilled.	
	- Lettuce :	
0705.11.00	--Cabbage lettuce (head lettuce)	25
0705.19.00	--Other	25
07.06	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled.	
0706.10	- Carrots and turnips :	
0706.10.10	-- Carrots	40

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
07.14	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith.	
0714.10	- Manioc (cassava) :	
	- - Sliced or in the form of pellets :	
0714.10.11	- - - Dried chips	40
0714.10.19	- - - Other	40
	- - Other :	
0714.10.91	- - - Frozen	40
0714.10.99	- - - Other	40
0714.20	- Sweet potatoes :	
0714.20.10	- - Frozen	40
0714.20.90	- - Other	40
0714.30	- Yams (Dioscorea spp.) :	
09.01	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.	
	- Coffee, not roasted :	
0901.11	- - Not decaffeinated :	
0901.11.10	- - - Arabica WIB or Robusta OIB	
	In Quota	30
	Out Quota	40
0901.11.90	- - - Other	
	In Quota	30
	Out Quota	40
0901.12	- - Decaffeinated :	
0901.12.10	- - - Arabica WIB or Robusta OIB	
	In Quota	30
	Out Quota	40
0901.12.90	- - - Other	
	In Quota	30
	Out Quota	40
	- Coffee, roasted :	
0901.21	- - Not decaffeinated :	
0901.21.10	- - - Unground	
	In Quota	40
	Out Quota	40
0901.21.20	- - - Ground	
	In Quota	40
	Out Quota	40
0901.22	- - Decaffeinated :	
0901.22.10	- - - Unground	
	In Quota	40

Annex A
Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff	
	Out Quota	40	
0901.22.20	--- Ground		
	In Quota	40	
	Out Quota	40	
0901.90	- Other :		
0901.90.10	-- Coffee husks and skins		
	In Quota	40	
	Out Quota	40	
0901.90.20	-- Coffee substitutes containing coffee		
	In Quota	40	
	Out Quota	40	
10.05	Maize (corn).		<i>Until end-2023</i>
1005.90.90	-- Other		<i>EO 10</i>
	In Quota	35	5
	Out Quota	50	15
10.06	Rice.		
1006.10	- Rice in the husk (paddy or rough) :		
1006.10.90	-- Other		
	In Quota	40	35
	Out Quota	50	35
1006.20	Husked (Brown) rice		
1006.20.10	Thai Hom Mali Rice		
A	In Quota	40	35
B	Out Quota	50	35
1006.20.90	Other		
A	In Quota	40	35
B	Out Quota	50	35
1006.30	- Semi-milled or wholly milled rice, whether or not polished or glazed :		
1006.30.30	-- Glutinous rice		
	In Quota	40	35
	Out Quota	50	35
1006.30.40	-- Hom Mali rice		
	In Quota	40	35
	Out Quota	50	35
1006.30.91	--- Parboiled rice		
	In Quota	40	35
	Out Quota	50	35
1006.30.99	--- Other		
	In Quota	40	35
	Out Quota	50	35
1006.40	- Broken rice :		
1006.40.10	-- Of a kind used for animal feed		

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff	
	In Quota	40	35
	Out Quota	50	35
1006.40.90	-- Other		
	In Quota	40	35
	Out Quota	50	35
11.04	Cereal grains otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading 10.06; germ of cereals, whole, rolled, flaked or ground.		
	- Other worked grains (for example, hulled, pearled, sliced or kibbled) :		
1104.23.00	-- Of maize (corn)	40	
16.01	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products.		
1601.00.10	- In airtight containers for retail sale	40	
1601.00.90	- Other	40	
16.02	Other prepared or preserved meat, meat offal or blood.		
1602.10	- Homogenised preparations :		
1602.10.10	-- Containing pork, in airtight containers for retail sale	45	
1602.10.90	-- Other	45	
1602.20.00	- Of liver of any animal	40	
	- Of poultry of heading 01.05 :		
1602.31	-- Of turkeys :		
1602.31.10	--- In airtight containers for retail sale	40	
	--- Other :		
1602.31.91	----Of mechanically deboned or separated meat	40	
1602.31.99	---- Other	40	
1602.32	-- Of fowls of the species Gallus domesticus :		
1602.32.10	--- Chicken curry, in airtight containers for retail sale	40	
1602.32.90	--- Other	40	
1602.39.00	- - Other	40	
	- Of swine :		
1602.41	-- Hams and cuts thereof :		
1602.41.10	--- In airtight containers for retail sale	40	
1602.41.90	--- Other	40	
1602.42	-- Shoulders and cuts thereof :		
1602.42.10	--- In airtight containers for retail sale	40	
1602.42.90	--- Other	40	
1602.49	-- Other, including mixtures :		
	--- Luncheon meat :		

Annex A

Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
1602.49.11	--- In airtight containers for retail sale	40
1602.49.19	--- Other	40
	--- Other :	
1602.49.91	--- In airtight containers for retail sale	40
1602.49.99	--- Other	40
1602.50.00	- Of bovine animals	35
1602.90	- Other, including preparations of blood of any animal :	
1602.90.10	-- Mutton curry, in airtight containers for retail sale	35
1602.90.90	-- Other	35
17.01	Cane or beet sugar and chemically pure sucrose, in solid form.	
	- Raw sugar not containing added flavouring or colouring matter :	
1701.12.00	-- Beet sugar	
	In Quota	50
	Out Quota	50
1701.13.00	-- Cane sugar specified in Subheading Note 2 to this Chapter	
	In Quota	50
	Out Quota	50
1701.14.00	-- Other cane sugar	
	In Quota	50
	Out Quota	50
	- Other :	
1701.91.00	-- Containing added flavouring or colouring matter	
	-- Containing sugar over 65% by dry weight of sugar, in-quota	50
	-- Containing sugar over 65% by dry weight of sugar, out-quota	50
1701.99	-- Other :	
	-- - Refined sugar	
1701.99.11	white	
	-- Containing sugar over 65% by dry weight of sugar, in-quota	50
	-- Containing sugar over 65% by dry weight of sugar, out-quota	50
1701.99.19	Other	
	-- Containing sugar over 65% by dry weight of sugar, in-quota	50
	-- Containing sugar over 65% by dry weight of sugar, out-quota	65
1701.99.90	Other	
	In Quota	50
	Out Quota	65

Annex A
Products with MFN Tariffs over 20%, 2022

HS Code	Product	MFN Tariff
21.01	Extracts, essences and concentrates, of coffee, tea or maté, and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof.	
2101.11	-- Extracts, essences and concentrates :	
2101.11.10	--- Instant coffee	
	In Quota	30
	Out Quota	45
2101.11.90	--- Other	
	In Quota	30
	Out Quota	45
2101.12	-- Preparations with a basis of extracts, essences or concentrates or with a basis of coffee :	
2101.12.10	--- Mixtures in paste form with a basis of ground roasted coffee, containing vegetable fats	
	In Quota	30
	Out Quota	45
2101.12.90	--- Other :	
	In Quota	30
	Out Quota	45
2101.12.91	---- Coffee preparation with a basis of extracts, essences or concentrate containing added sugar, whether or not containing creamer	no data
2101.12.92	---- Coffee preparation with a basis of ground roasted coffee containing added sugar, whether or not containing creamer	no data

May 20 JALAJALA FARMS Orientation Tour and Pilgrimage

On May 20, the Agribusiness Committee conducted the JALAJALA FARMS Orientation Tour and Pilgrimage which covered visits to the Harbest Farm, the Bagombong National High School, the Villalicencio Farm, the Sanchez Farm and the Sunflower Farm.

July 10 MAP Statement entitled “MAP calls on all sectors to help ease the education crisis”

To highlight MAP’s advocacy on the importance of education, our National Issues Committee and Education Committee released our July 10 MAP Statement entitled “MAP calls on all sectors to help ease the education crisis”. We stressed in the Statement that “... *easing the education crisis should be one of the country’s top priorities and we call on all sectors to actively participate in addressing it.*”



MAP calls on all sectors to help ease the Education Crisis

July 10, 2023

We in the Management Association of the Philippines (MAP) believe that easing the education crisis should be one of the country's top priorities and we call on all sectors to actively participate in addressing it.

In an age where employment is transforming from traditional to digital, keeping students in school is a major challenge. The youth are increasingly enamored with social media and have discovered many ways to monetize their experiences by sharing them online.

This situation is a crisis waiting to happen and the consequence will put our competitiveness and national growth on the line. Education is critical to innovations and inventions, and absent these two, our development will stagnate and so will our progress.

Pre-pandemic, the Filipino students are already lowest in reading and second to lowest in Math and Science according to the PISA 2018 results. This worsened during the pandemic because the lockdowns stopped physical attendance, with the system shifting to online mechanism. The lack of supervision that teachers do onsite contributed to further deterioration, and this negatively impacts the quality of education and graduates produced by the educational institutions.

Republic Act 11899 or the "Second Congressional Commission on Education II Act" - which created the EDCOM II to address the education crisis, look at the entire system, and come up with targeted and measurable reforms - could not have come at an opportune time. A public-private partnership in education is an idea whose time is ripe.

We agree with what Senator Win Gatchalian cited during the June 20, 2023 BDB Law -MAP Breakfast Dialogue that basic education and Tech-Vocational Education and Training (TVET) are the most relevant to the business sector from among the 28 priority areas of EDCOM II. The vision of K to 12 to turn-out students going into the 11 and 12 grades as employment-ready, based on specialized skills that were supposed to be taught in the two added years, is far from being realized. Instead of getting better jobs, they end up taking on elementary jobs that do not pay well.

There is a need to streamline the implementation of the K to 12 system so that it can fully integrate as a TVET program to increase enterprise-based learning where the senior high school students will have more immersive experiences through certification training and exposure to actual work settings. A system for Micro-Credentialing should be created in such a way that a national certification program will qualify a student for better job opportunities and higher wages. The *Batang Magaling* Act that was filed to seek the reform of the Senior High School system in the country, embedding national certification for students under this program, can be a significant step to tackle this.

The lifespan of EDCOM II is three years but actions are already being taken through the proposal of laws, and recommendations for enabling policies and reforms. Among these is the House Bill No (HBN) 7370 which provides for independent councils that will recommend to the government the skills and jobs that are in step with the developments in the industries. Another significant one is the Senate Bill No. (SBN) 2029 and SBN 1754, both seeking to improve the early childhood care in the Philippines as child stunting is one of the causes of poorer cognitive development.

There is a need for effective and efficient management of public schools to streamline operations, remove duplications, improve the ratio of employees and administrators and be proficient in fiscal management. Likewise, the local government units (LGUs) must also actively participate in monitoring results of student performance by providing the Department of Education (DepEd) with timely information on the issues of delivering education.

The programs of Technical Education and Skills Development Authority (TESDA) should be re-designed to be more future-oriented. That means being updated to the technological advancement of the industries and training the teachers and trainers to look at how they can prepare the students proactively through innovative delivery, instead of a highly structured one.

The time has come for a public-private partnership in education. After all, one of education's primary reasons for being is to ensure that its graduates are adequately prepared for gainful employment or for enterprise building. As the biggest 'consumers' of these graduates, we are all too willing to do our share in preparing them to be productive and competitive, or do business with them in the future. This collaboration is indispensable in creating a workforce that is skilled and ready to actively engage. That means transforming the Philippine education system so that it can adapt to a changed workplace in a technology-driven world.

It is imperative that the educators tackle the reforms and be unafraid of disrupting their traditional systems so that the educational system can continue to be a bastion of progress and development.


BENEDICTA "Dick" DU-BALADAD
MAP President

November 22 Infrastructure Summit

Through our Infrastructure Committee, chaired by EDDIE YAP, MAP co-presented the November 22 Philippine Infrastructure Summit 2023 on “Reshaping the Philippine Infrastructure Landscape” in partnership with PwC Philippines and the Public-Private Partnership or PPP Center.



Philippine Infrastructure Summit 2023

Reshaping the Philippine infrastructure landscape

Gain insights on

- Proposed PPP Act
- Digital infrastructure
- Trends in LGU PPP
- Infrastructure financing
- Sustainability in infrastructure

To register, scan below



Or visit www.pwc.com/ph/infra2023

22 November 2023 (Wednesday)
10am – 5pm (Registration starts at 9am)
The Sheraton Ballroom, Sheraton Manila Hotel, Pasay City



August 22 MAP – GCash ICT Summit on "Protect Your Business: Emerging Strategies for Cyber Risk Management"

Recognizing the importance of protecting our respective businesses from cyber risks, our ICT Committee, chaired by HELEN MACASAET, conducted the MAP – GCash ICT Summit on August 22 to enlighten MAP members on the emerging strategies for cyber risk management which we can adopt in safeguarding our respective digital assets and sensitive information from unauthorized access and other malicious activities.



Opening Remarks of MAP President Atty. **BENEDICTA DU-BALADAD**



Opening Keynote of DICT Secretary **IVAN UY**



Q&A Segment with MAP ICT Committee Chair Ms. **HELEN MACASAET**



Presentation of GCash President and CEO Ms. **MARTHA SAZON**



1st Panel Discussion with (l-r) **HELEN MACASAET, PEBBLES SY, CHOK HO, and JAN SYSMANS**



2nd Panel Discussion with (l-r) **HELEN MACASAET, ANN CUISIA, LIA FRANCISCO, JALLAIN MANRIQUE, EDUARDO SUMULONG, JOEY REGALA, and JORGE YULO**

September 19-21 Philippine Blockchain Week

MAP supported the September 19 to 21 Philippine Blockchain Week whose theme was BREAKOUT, where the participants learned and were able to network with international thought leaders for exclusive insights and opportunities to become a leader in the Blockchain space.



Ms. KACH MEDINA UMANDAP
Travel Blogger, Two Monkeys Travel
Group



Mr. IAN UTILE
Co-Founder & CEO, attn.live



Go Digital Pilipinas Movement

MAP is one of the Convenors of the **GoDigital Pilipinas or GDP Movement** whose mission is to be the key enabling partner of the Philippine Government in advancing its national digital agenda to achieve economic growth, inclusivity, and sustainability.

The MAP representatives to the GDP Movement are ICT Committee Chair HELEN MACASAET and MAP Cluster on Innovation Governor-in-Charge DONALD LIM.

Diversity, Equity and Inclusion

March 8 GMM is in celebration of International Women's Day.

To promote diversity, equity and inclusion or DEI and in celebration of International Women's Day, our DEI Committee, chaired by CAROL DOMINGUEZ, conducted a Fireside Chat during our March 8 GMM featuring the Ambassadors of Germany, UK and the US.



Amb. LAURE BEAUFILS



Amb. MARYKAY L. CARLSON



Amb. ANKE REIFFENSTUEL



Fireside Chat Q&A with Maynilad Water Services, Inc. COO Mr. RANDOLPH T. ESTRELLADO (extreme left) as Moderator

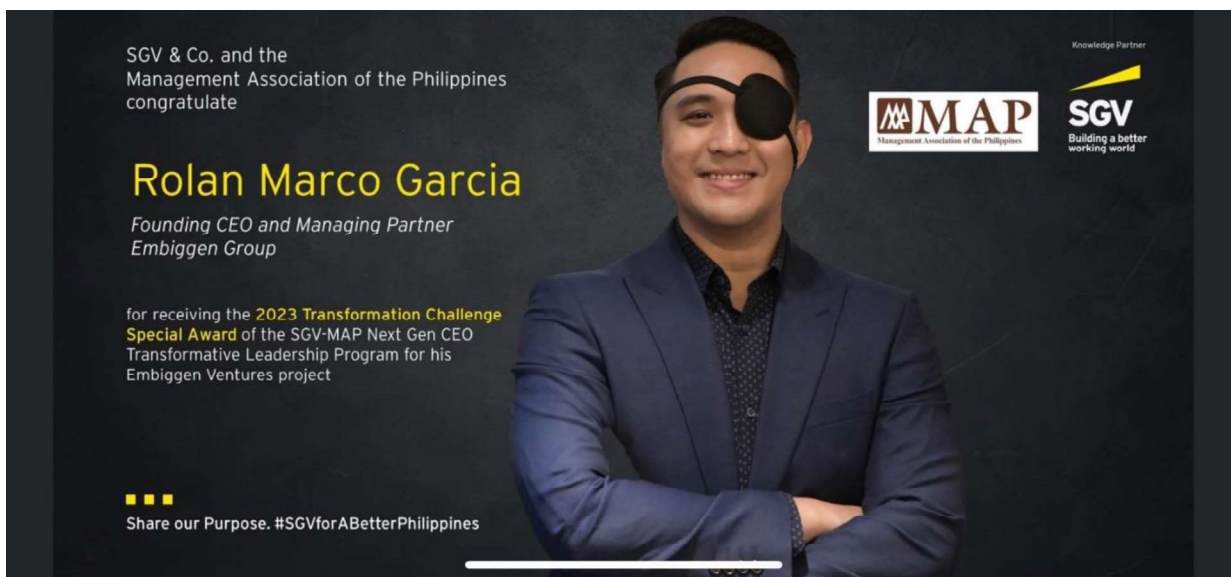
3rd SGV - MAP NextGen CEO Transformative Leadership Program 2023

We just concluded the third “SGV - MAP NextGen CEO Transformative Leadership Program”, a 6--month interactive program geared towards helping high-performing young and future CEOs reframe the future of their companies. Many thanks to SGV and Wilson Tan.

Congratulations to Mr. DONN GAMBOA for being named the 2023 Outstanding Transformative Leader of the third “SGV - MAP NextGen CEO Transformative Leadership Program”.



Congratulations also to Mr. ROLAN GARCIA for receiving the 2023 Transformation Award for his Embiggen Ventures Project and Atty. KAYE CELERA for her Special Award on her “Serving Communities and Amplifying Impact by Leading Enhanced Sanitation services and UPskilled works” (SCALE UP) project.





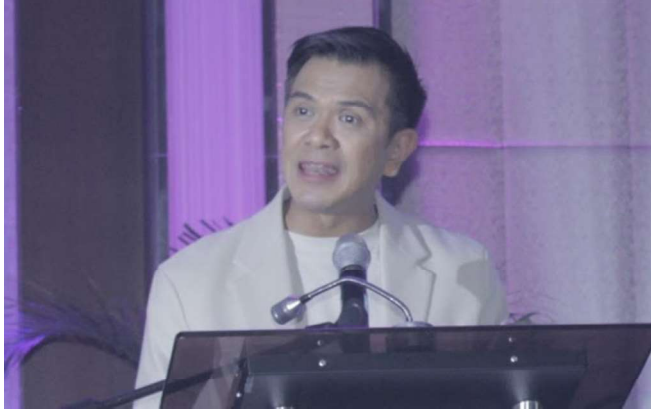
Ms. ROSANNA "Rosing" A. FAJARDO
 Partner and PHL Consulting Head, SyCip
 Gorres Velayo & Co. (SGV & Co.)



Ms. MARIA KATHRINA "Kaye" MACAISA-
 PEÑA
 Partner for Consulting, SGV & Co.

November 9 MAP NextGen Conference on “VISION AND VALUES: The Shifting Success Paradigm”

Our MAP NextGen Committee, chaired by CLIFF EALA, successfully held the 4th MAP NextGen Conference on “VISION AND VALUES: The Shifting Success Paradigm”. We continue with the NextGen Conference to provide the venue for NextGen leaders to discuss the most pressing challenges faced by them and for them to learn from one another.



Mr. NEIL TRINIDAD
Chief Marketing Officer, GCash



Atty. BENEDICTA DU-BALADAD
President, MAP



Mr. CLIFF EALA
Chair, MAP NextGen Committee



Mr. CHRISTO GEORGIEV
Country Manager and COO, FinScore, Inc.



Q&A Segment on “My Journey as a Builder of Financial Inclusion: 5 Lessons for my Younger Self” with MAP Assistant Treasurer CORRIE PURISIMA (right) as Moderator



Mr. DOMINIC LIGOT
Founder, CEO and CTO, Cirrolytix



Ms. AURELIA PAULINE G. FERMIN
President and CEO
Acumen Strategic Consulting, Inc.



Ms. SARA VENTURINA
Chief Data Officer, GCash



Ms. ELLE ADDA-LANE
Founder, Fuel to Flourish Workshops -
Mindset Transformation



Q&A Segment with MAP NextGen Committee Co-Vice Chair DONNA LINA (extreme right) as Moderator



Ms. ANNA MARIA A. DELGADO
Institutional Banking Head, Chief Customer Experience Officer and Chief Digital Channels Officer, Union Bank of the Philippines



Mr. ALVIN LAO
President and CEO, D&L Industries, Inc



Ms. SHEILA LINA
Chief Transformative Officer, AIR21 Holdings, Inc.



Ms. ISABELLE THERESE G. YAP
Executive Director and Vice President East West Banking Corp.

Ms. MARIANA BEATRIZ E. ZOBEL DE AYALA
SVP and Head of the Leasing and Hospitality Group, Ayala Land, Inc.



Q&A Segment with MAP NextGen Committee Member VJ MANUEL (extreme right) as Moderator



Mr. ROLAN MARCO U. GARCIA
Founding CEO & Managing Partner, Embiggen Group

Growth and People Development

June 15 and 22 Strategic Human Resources Summit on “Transformational Pathways for Enterprise Success”

On Growth and People Development, our Strategic HR Management Committee, chaired by MON SEGISMUNDO, successfully conducted the 2-part “STRATEGIC HUMAN RESOURCES SUMMIT on Transformational Pathways for Enterprise Success” on June 15 and 22.

The Summit enlightened participants on how to elevate the HR function to truly contribute to business value and explore courses of action on how transformative HR strategies could differentiate your company from the rest.



Opening Remarks of MAP President
Atty. BENEDICTA DU-BALADAD



Presentation of John Clements
Consultant, Inc. President and CEO Ms.
MARIA CAROLINA DOMINGUEZ



Presentation of Globe Group of Companies
CHRO Mr. RENATO JIAO

Q&A Segment with New Perspective Media Group
CEO and Managing Director Ms. KAREN REMO
(extreme left) and MAP Strategic HR Management
Committee Chair Mr. RAMON SEGISMUNDO
(extreme right) as Moderators



Presentation of Acumen Strategy Consultants
President and CEO
Ms. PAULINE FERMIN

Presentation of Unilab, Inc. People, Learning
and Culture CHRO and Head Ms. ROSITA
CERES LEGASPI-AGUAS



Presentation of Michael Page
Regional Director & Country Head
Mr. ALBERT PEREZ TORRES



Q&A Segment with Dr. KAREN REMO
(extreme left) and Mr. RAMON
SEGISMUNDO (extreme right) as Moderators

MAP Strategic Human Resources Summit (Session 2 of 2)
TRANSFORMATIONAL PATHWAYS FOR ENTERPRISE SUCCESS
(June 22, 2023)



Presentation of DDI Philippines Managing
Director Mr. ROLAND R. RUIZ



Presentation of Presentation of Investors in
People Philippines Chief Executive
Mr. GERRY A. PLANA



Presentation of Kestria Philippines
President Ms. GRACE ZATA



Q&A Segment with Mr. JP S. ORBETA
(extreme left) as Moderator



Q&A Segment with MAP Strategic HR Committee Vice Chair Mr. JP S. ORBETA (left) as Moderator



Presentation of New Perspective Marketing International, Inc. President and CEO Dr. KAREN REMO



Arts & Culture

Our Arts and Culture Committee, chaired by LORNA KAPUNAN, supported the May 6 Bayang Barrios Concert, organized the August 5 Tour of the National Museum, and coordinated the September 27 "Bite Size Slow Food" event.





July 27 – 28 Management Educators Workshop in Iloilo

Through our Education Committee, chaired by POCH MACARANAS, conducted in Iloilo City the July 27 - 28 MAP – AIM Management Educators Workshop which was hosted by the West Visayas State University.

The Workshop aimed to address the 21st-century changing business-society needs with innovative academic-industry linkages and foster long-term development of curriculum content and management across disciplines with new strategic concepts.

The Workshop had 146 participants (76 in person and 70 via ZOOM) representing 50 educational institutions in the Visayas.



Atty. BENEDICTA DU-BALADAD
President. MAP



Dr. FEDERICO "Poch" M. MACARANAS
Chair, MAP Education Committee
Adjunct Faculty, AIM



Ms. OLIVIA "Olive" LIMPE AW
President and CEO
Destileria Limtauco and Company, Inc.



Dr. DONALD L. LIM
COO, DITO CME Holdings, Inc.



**Dr. Ma. TERESITA "Tata" PASTOR
MEDADO**
President, NU - Asia Pacific College



Ms. ALMA R. JIMENEZ
President and CEO, Health Solutions
Corporation



Dr. CHRISTOPHER "Chris" P. MONTEROLA



Prof. MICHELLE "Mitch" P. BANAWAN



Dr. SAMUEL BERNAL



Management Educators Workshop (MEW) 2023 in Iloilo City (Day 2)
Co-presented by MAP and AIM
In cooperation with West Visayas State University





AIM - MAP Management Development Program

Our Education Committee is presently working on another partnership with AIM, this time on a Management Development Program that will entitle MAP members to at least 20% discount when they and their management team enroll in the management and leadership development programs of AIM.

Participation of MAP in the CORE TEAM of the Education and Global Leadership (EGL) Private Sector Coalition

MAP is now a member of the CORE TEAM of the Early Grade Learning (EGL) Coalition which is a Private Sector Coalition that supports the Department of Education in improving the quality of basic education in the country. The EGL is funded by USAID and supported by other organizations like the Ayala Foundation, Philippine Business for Education, Microsoft Philippines, and the Information Technology and Business Process Association of the Philippines.

MAP's P1 Million Contribution to the PFVR Leadership Program

MAP co-signed last week the MOA between MAP and UP NCPAG or National College of Public Administration and Governance on the FVR Leadership Training and Fellowship Program. The Program aims to provide a micro-credential, non-degree course for continuing professional education and training for our nation's leaders. The Program that will be available to community leaders, military and police officers, civil servants, and people in the office or running for office, and top officials of civil society organizations.

The FVR Legacy Group composed of former FVR Cabinet members has been actively coordinating with UP-NCPAG on the design and implementation of the Program.

As decided by the Board last year, MAP has contributed P1 million to the PFVR Leadership Program.

November 28 MAP Summit on Shared Prosperity

Our Shared Prosperity Committee, chaired by REX DRILON, spearheaded the “MAP Summit on Shared Prosperity”.

There were six breakout sessions on the following stakeholders: Community, Customers, Employees, Environment, Stockholders, and Suppliers.

The Summit, which was co-presented by the World Bank, intends to bring together all stakeholders to collaborate and collectively produce a BLUEPRINT FOR SHARED PROSPERITY. Aligned with our CAMACS, the BLUEPRINT FOR SHARED PROSPERITY will contain a roadmap of commitments on how businesses can help uplift the poor out of poverty and improve quality of life for all.

The recent MAP - PwC Survey on Shared Prosperity provided the initial inputs for the BLUEPRINT FOR SHARED PROSPERITY.



BIR’s Multi-Sectoral Partnership

MAP is part of the BIR’s historic Multi-Sectoral Partnership with business/professional organizations to improve taxpayer service. This is in line with Commissioner Romeo Lumagui’s mission to make the BIR a service-oriented agency, not merely a goal-oriented one. The Partnership integrates the BIR TWG with the 9 multi-sectoral working groups to engage in regular dialogue and consultations for drafting revenue issuances to ensure compliance by taxpayers and enhance tax administration



Our Tax Committee, chaired by EUNEY MATA PEREZ, continued the monthly Tax Bulletin to keep members abreast of developments in taxation.

Our Tax Committee also submitted our comments to Congress on the Proposed Taxpayers Bill of Rights and Obligations.



MAP's Comments on the Ease of Paying Taxes (EOPT) Bill

March 9, 2023

1. VAT BASE

Proposal to use a single VAT base

While we support the government's initiative to simplify tax compliance and adopt a uniform VAT base for sale of goods and sale of services, we believe that the current proposal to use "gross sales" (instead of gross receipts) as the tax base for VAT purposes will defeat the very purpose of the administrative reforms, *i.e.*, ease of paying of taxes. As provided in the explanatory note of the bill, the tax system should be capable of being effectively administered and enforced with the least inconvenience to the taxpayer. But with the current proposal, this would not be achieved and would even become a burden to taxpayers, particularly to those in the service industry.

Under current rules, transactions subject to VAT are taxed: (1) at the point of sale for goods; and (2) upon receipt for services. Correspondingly, the invoicing requirements mandate that a VAT sales invoice shall be issued to cover the former, and a VAT official receipt for the latter.

As an indirect tax, VAT is essentially a tax passed on by a supplier of a good, property or service to its customer. The tax is captured on the "value added" throughout the value chain and ultimately shouldered by the end-user or ultimate consumer in the value chain, which is why VAT is oftentimes referred to as a consumption tax.

This is the main essence of the output-input VAT system, wherein a purchaser pays for VAT on its "inputs" (*i.e.*, purchases) passed-on to it by its supplier. Thereafter, such input VAT can be credited against the VAT on its "outputs" (*i.e.*, sales) which it then passes on to its customer. The VAT liability of a taxpayer is thus determined by the difference between the output VAT on sales and input VAT on its purchases, as well as on importations.

1.1. *Sellers of services generally have minimal input VAT; VAT imposed on point of sale will be very burdensome on them*

The recovery of the passed-on VAT is different between a seller of goods and a seller of services. At the point of sale, the seller of goods would already have substantial input tax (*e.g.*, for traders - purchase of goods resold; for manufacturers - purchase of raw materials) which can be used as credit against its output tax. On the other hand, for a seller of service, there is minimal input tax as its primary cost, in general, is labor.

MAP's Comments on the Ease of Paying Taxes (EOPT) Bill
March 9, 2023

To illustrate:

For seller of goods

Trader/Merchandise:	Tax base	VAT	
Sale of goods	200	24.00	Output VAT
Purchases/Importations of goods resold	(80)	(9.60)	Input VAT
All Other Costs subject to VAT (rental, freight, etc.)	(15)	(1.80)	Input VAT
Labor costs not subject to VAT	(5)	nil	
Margin	100	12.60	VAT payable

Manufacturer:	Tax base	VAT	
Sale of goods manufactured	200	24.00	Output VAT
Purchases/Importations of raw materials	(60)	(7.20)	Input VAT
Conversion costs excluding labor (factory overhead, etc.)	(30)	(3.60)	Input VAT
Labor costs not subject to VAT	(10)	nil	
Margin	100	13.20	VAT payable

For seller of services

Capital-intensive Service Provider (e.g. utilities, telcos):	Tax base	VAT	
Sale of services	200	24.00	Output VAT
Conversion costs excluding labor (plant/equipment, supplies, etc.)	(80)	(9.60)	Input VAT
Labor costs not subject to VAT	(20)	nil	
Margin	100	14.40	VAT payable

Labor-intensive Service Provider:	Tax base	VAT	
Sale of services	200	24.00	Output VAT
Labor costs not subject to VAT	(80)	nil	
Other costs (computers, office rental, supplies, etc.)	(20)	(1.50)	Input VAT
Margin	100	22.50	VAT payable

As illustrated above, even with equal profit margins, those in the service sector is heavily impacted by VAT since they rely more on labor for the performance of their services where the remuneration of employees does not have any input VAT benefit.

Thus, if the VAT base will be at the point of sale, the seller of service would need to advance the payment of tax, although the customer has not yet paid the fees for services rendered. As discussed, its input tax is minimal to offset against the output tax.

1.2. *There will be heavy impact on SMEs if VAT is imposed on the sending of invoice and not upon collection.*

With a less than healthy cash flow, a business, especially the SMEs, would likely struggle to meet its financial obligations (e.g., salaries of employees, obligations to lenders and suppliers) and even its tax obligations.

Worst, if the sale is not paid and becomes a bad debt, its effect is double whammy – (a) the seller of service advanced the VAT but is not able to collect the passed-on tax from the customer, and (b) the seller paid income tax on the income it reported (assuming under accrual method) but never collected. Write-off of bad debt as an income tax deduction is also challenging as it is subject to stringent requirements and even if successful, the seller will only recover 20%/25% (assuming a corporation) income tax benefit.

On the other hand, imposition of VAT on gross receipts would help ensure that the seller actually has the financial capacity to pay its VAT liability, since the tax passed on to the customer is collected.

1.3. *There is no revenue loss to government in a shift to imposing VAT based on gross receipts.*

Adopting a gross receipt VAT base vis-à-vis gross sales would not result in revenue loss to government as VAT would still be due and paid. While there may be a timing difference, this may be minimal. Beginning January 2023, there is no more monthly declaration as VAT is now reported and paid on a quarterly basis. So even if the sale is on credit terms, say under the normal 60/90 day period, the collection would generally fall within the same quarter of the VAT reporting. The delay would only happen when collection of credit would fall in the next quarter.

MAP's Comments on the Ease of Paying Taxes (EOPT) Bill
 March 9, 2023

To illustrate:

VAT - point of sale vs. actual/constructive receipt							
Sale of goods							
		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Amount of sale	100.00						
Sale of goods		100.00					
Payment for sale of goods (same quarter)				100.00			
VAT on sale of goods (current rules)				12.00			
VAT on sale of goods (proposal - upon payment)				12.00			
Separator							
Sale of goods		100.00					
Payment for sale of goods (different quarter)					100.00		
VAT on sale of goods (current rules)				12.00			
VAT on sale of goods (proposal - upon payment)							12.00
Separator							
Sale of goods				100.00			
Payment for sale of goods, less 5% prompt payment discount					95.00		
VAT on sale of goods (current rules)				12.00			(0.60)
VAT on sale of goods (proposal - upon payment)							11.40
Separator							
Discussion points / key considerations							
- If point of sale and payment of consideration fall within the same quarter, the change in rules would have no effect.							
- Assuming sale is on credit and the payment is made after the quarter of the sale, then there is deferral of VAT. But nonetheless, only timing difference and no tax revenue loss for the government.							
- In cases of sales discounts, seller would not have to shoulder the VAT portion of such discount that may not be immediately reflected in the sales invoice.							

Under usual circumstances, any profit-oriented business would aim to immediately collect the payment on the products it sells. So the concern raised by the BIR during the TWG meetings that payments will be deferred is an exception rather than the rule.

Cash sales, which are prevalent for retail transactions, would not be affected by the shift in VAT base. Credit card sales would not also be affected, since the credit risk on the receivable actually falls upon the credit card company and not on the seller, who would still be liable for VAT, regardless of whether the credit card user settles the dues with the credit card company. In sum, there would generally be no loss or reduction of tax revenues for the government.

1.4. VAT base in other jurisdictions

Having a common consumption tax base (including VAT and similar taxes, such as goods and services tax or "GST") for sales of goods and services is a widely adopted practice [around the world](#).

- New Zealand's GST base is the value of the money received as consideration.
- Similarly, VAT in the Republic of Korea is based on the consideration received.
- In Taiwan, the value of a sale which is the total consideration received from a sale of goods or services, including any fees collected aside from the sales amount of the goods and services sold, is the amount upon which VAT is charged.
- European Union member states are required to adopt national legislation to impose VAT, and as an example, Germany imposes VAT on the proceeds from sales and services effected within the country.
- Among our Association of Southeast Asian Nations or ASEAN neighbors, Myanmar's commercial tax for goods and services is based on the proceeds of the sale.

Some of these jurisdictions cited above scored highly in the [World Bank's Paying Taxes 2020 report](#). To name a few, New Zealand, Korea and Taiwan scored 91.0, 87.4 and 84.3, respectively. For context, the Philippines scored 72.6.

With a simplified VAT system, we can expect an increase in efficiency in the processing and payment of taxes, which is one of the factors the World Bank used in its Paying Taxes report cited above. This would help save time and effort for the taxpayers, as well as for the government in administering the VAT system. This would also reduce the chance of errors or discrepancies and would result in fewer VAT deficiencies and penalties imposed on taxpayers, leading to reduced costs and increased taxpayer confidence in the VAT system.

2. WITHHOLDING TAX BASE

We support the proposed amendment to Section 57(C) in the National Internal Revenue Code providing that the obligation to deduct and withhold the tax arises at the time the payment is made, as follows:

Section 57. Withholding of Tax at Source – The obligation to deduct and withhold the tax arises at the time the payment is made.

2.1. *Withholding at the time of payment is simple; requiring the withholding at the time of accrual is complicated and has resulted to many issues.*

Revising and clarifying that the withholding tax applies when an obligation shall be paid simplifies a lot of issues affecting taxpayers, because the current reckoning rules have given rise to numerous problems and are burdensome to taxpayers.

The timing of withholding is currently prescribed under Section 2.57.4 of Revenue Regulations (RR) No. 2-98, as amended (the consolidated withholding tax regulations). Said section provides that the obligation of the payor to deduct and withhold tax arises “at the time an income payment is paid or payable, or the income payment is accrued or recorded as an expense or asset, whichever is applicable, in the payor’s books, whichever comes first.”

The current language was introduced by RR No. 12-2001 in 2001. It was further clarified in Revenue Memorandum Circular No. [10-18](#) (January 31, 2018), which stated that the obligation to withhold taxes already arises when an expense or asset is already recorded, whether or not the same has been paid.

Prior to the promulgation of RR No. 12-2001, the obligation of the payor to deduct and withhold the tax was prescribed to arise only “at the time an income is paid or payable, whichever comes first.” The term “payable” refers to the date the obligation become due, demandable or legally enforceable. The current language extends beyond this because expenses can be accrued or recorded on taxpayer’s books even before they become due, demandable or legally enforceable.

In Commissioner of Internal Revenue v. Isabela Cultural Corporation (G.R. No. 172231, February 12, 2007), the Supreme Court expounded on the accrual method of accounting as opposed to the cash method. The Supreme Court held that the accrual method relies upon the taxpayer’s right to receive amounts or its obligation to pay them, as opposed to actual receipt or payment, which characterizes the cash method of accounting. Amounts of income accrue where the right to receive them become fixed, where there is created an enforceable liability. The Supreme Court recognized that accrual of income and expense is permitted when the ‘all-events’ test has been met. Such test requires: (a) fixing of a right to income or liability to pay; and (b) the availability of the reasonable accurate determination of such income or liability.

Based on the foregoing decision, in accruing expenses and liabilities, there should already be a legal right (which should be legally demandable and enforceable) for the taxpayer to pay (and for the income recipient to receive) the payment amounts. However, the word “accrual”, in the accounting sense, extends beyond the legality of the obligation to pay.

Estimated liabilities are also accrued for accounting purposes. In other words, there are instances when liabilities (and the corresponding expenses) are accrued or recorded when they become determinable in amount, without regard to indeterminacy of time of payment. In such event, the recording in taxpayer's books of estimated amounts of liabilities or expenses are made even *before* such amounts become due, demandable or legally enforceable. This is a common exercise or requirement at year-end. And this is where the problem indeed arises.

Because of current requirements, numerous assessments have arisen and continue to arise for failure of taxpayers to withhold at the mandated time, and many of these assessments have been upheld by the courts. One of the landmark decisions is the case of *ING Bank N.V. v. Commissioner of Internal Revenue*, G.R. No. 167679, July 22, 2015, 764 PHIL 418-455, where ING Bank was assessed for deficiency taxes, which included, among others, a deficiency withholding tax on compensation for bonuses it accrued at year-end.

It should be noted that bonuses are accrued at year-end generally at a lump sum, without specifics as to who shall be the recipients yet, because the final distribution of the bonuses are made after the year ends and after individual performance evaluation. Thus, the bonus accrued at year-end are not yet "legally payable" to the employees.

2.2. *The withholding tax system should not be burdensome, especially to SMEs.*

The withholding tax system is a way for the government to collect in advance the income taxes due on the payments or income payments made. Instead of waiting for the recipient income taxpayers to pay their taxes, the government mandates payors or the withholding agents to withhold a certain percentage of the income payments and remit the amounts withheld to the government immediately on the month succeeding the payment.

However, the withholding tax system should not be burdensome as to require withholding agents to withhold even before the payment is made, and much more, even before the income payment is due, demandable and/or legally enforceable. Not all expenses which are accrued or recorded in the books are due, demandable and legally enforceable.

Accrual of expenses for accounting purposes, especially at year-end, may admit recording of estimates of expenses which may yet be legally enforceable and which amounts are reversed at the beginning of the following year to make way for normal recording of the actual expenses as and when they are billed by the supplier or when paid.

Requiring the withholding of tax upon recording of an asset has also given rise to numerous issues. A case in point is the recording of a construction asset under accounting rules based on percentage of completion, following an engineer's or architect's certification. This recording is generally not in sync with billings of contractors, which can cover advance payments or for work done.

Thus, requiring the withholding only at the time of payment greatly simplifies the withholding tax system and relieves taxpayers of the burden of remitting withholding taxes, even way ahead the obligation becomes legally demandable and enforceable.

2.3. *There is a need to simplify and review existing withholding tax rates.*

The withholding tax rates should also be simplified and lowered. There are too many different rates imposed under current BIR regulations, which give rise to confusion and common mistakes among taxpayers. Imposing uniform rates would simplify the system.

The rates should also be lowered, and ideally, should not exceed the effective tax rates payable by taxpayers. Since the regular corporate income tax has been lowered to 25% or 20%, the rates of creditable withholding taxes should be lowered as well.

For instance, a 15% withholding tax rate would be 75% of the regular income tax rate of 20%, and thus, would be exorbitant and burdensome on taxpayers. It results in taxpayers having to go through the arduous process of claiming refunds.

2.4. *Simplify tax credit for payees; allow flexibility in periods of claim.*

The payee subjected to withholding tax should be allowed to claim tax credit so long as it has proof of tax withheld.

Under current rules, payees can only claim the withholding tax in the same period they earn/record their related income. Administratively, however, this is not always possible because of the different timing of withholding tax under the present rules, or delays in the issuance of the withholding tax certificates.

These stringent timing rules can result to disallowance of legitimate tax credits and unreasonably deny the taxpayer such benefit for taxes it actually paid through the withholding system.

March 9, 2023

Sen. WIN GATCHALIAN
Chair, Committee on Ways and Means
Senate of the Philippines
J.W. Diokno Blvd.
Pasay City

Re: **MAP's Comments on the Ease of Paying Taxes (EOPT) Bill**

Dear Senator Gatchalian:

On behalf of the Management Association of the Philippines (MAP), we hereby submit our comments on the EOPT Bill.

Our specific comments cover the following issues:

1. VAT BASE - Proposal to use a single VAT base
 - 1.1. Sellers of services generally have minimal input VAT; VAT imposed on point of sale will be very burdensome on them.
 - 1.2. There will be heavy impact on SMEs if VAT is imposed on the sending of invoice and not upon collection.
 - 1.3. There is no revenue loss to government in a shift to imposing VAT based on gross receipts.
 - 1.4. VAT base in other jurisdictions
2. WITHHOLDING TAX BASE
 - 2.1. Withholding at the time of payment is simple; requiring the withholding at the time of accrual is complicated and has resulted to many issues.
 - 2.2. The withholding tax system should not be burdensome, especially to SMEs.
 - 2.3. There is a need to simplify and review existing withholding tax rates.
 - 2.4. Simplify tax credit for payees; allow flexibility in periods of claim.

We wish to thank you for allowing us to express our comments on the EOPT Bill.

Very truly yours,



BENEDICTA DU-BALADAD
MAP President



ALEXANDER B. CABRERA
MAP Vice President and
Governor-in-Charge, MAP Tax Committee



EUNEY MARIE J. MATA-PEREZ
Chair, MAP Tax Committee

THANKS

Thanks to 2023 Board



Thanks to 2023 Committee Chairs

We would also like to thank all our 2023 Committee Chairs and Vice Chairs who unselfishly devoted time and energy in driving most of MAP's programs and activities this year.





Committee Governors-in-Charge, Chairs and Vice Chairs for 2023 - as of January 30, 2023

	Committees	Governors-in-Charge	Chairs	Vice Chairs	NextGen Co-Vice Chairs
BUILDING ON INTERNAL STRENGTHS - Benedicta Du-Baladad (Governor-in-Charge for the Cluster)					
1	CEO CONFERENCE *	Benedicta Du-Baladad	Alma Rita R. Jimenez	Junie S. del Mundo	Not Applicable
2	COMMUNICATIONS	Benedicta Du-Baladad	Susan L. Dimacoll	Gil G. Chua	Karen Remo
3	MANAGEMENT MAN OF THE YEAR (MMY) SEARCH **	Benedicta Du-Baladad	Rogelio L. Singson	Aurelio R. Montinola III	Not Applicable
4	MMY JUDGING ***	Benedicta Du-Baladad	Lilia B. de Lima		Not Applicable
5	MEMBERSHIP 6.1. Sub-Committee on Recruitment 6.2. Sub-Committee on Retention and Engagement 6.3. Sub-Committee on Visayas 6.4. Sub-Committee on Mindanao	Benedicta Du-Baladad	Rogelio L. Singson	Aurelio R. Montinola III Lofreda M. del Carmen Cynthia R. Mamon Melanie C. Ng	Michael Sherwin M. Macatangay
6	NOMINATION AND ELECTION *	Benedicta Du-Baladad	Marliou C. Cristobal	Medel T. Nera	Not Applicable
7	SPECIAL PROJECTS (Special Committee)	Benedicta Du-Baladad	Enunina V. Manglo	Ferdinand A. Ferrer	Not Applicable
8	SPORTS, FELLOWSHIP AND WELLNESS	Benedicta Du-Baladad	Rafael R. Perez de Tagle, Jr.	Eusebio V. Tan	Maria Georgianna E. Carlos
RESILIENCE AND RECOVERY - Clelito F. Habito					
9	AGRIBUSINESS	Clelito F. Habito	Oscar A. Torralba	Senen C. Bacani Ernesto M. Ordoñez	Matthew G.O. Escobido
10	ENERGY	Clelito F. Habito	Ruth Y. Owen	Jose Ronald V. Vallec	Daniel C. Aboltiz
11	HEALTH	Karen V. Batungbaal	Raquel R. Cagurangan	Teodoro B. Padilla	Chito S. Maniago
12	INFRASTRUCTURE	Benjamin R. Punongbayan	Eduardo H. Yap	Gilberto V. Sloat	Not Applicable
13	NATIONAL ISSUES	Benedicta Du-Baladad	Rogelio L. Singson	Aurelio R. Montinola III	Raoul Antonio A. Villegas
14	PPP	Clelito F. Habito	Rogelio L. Singson	Ma. Aurora D. Geolina-Garola	Christopher Thomas C. Gutierrez
15	TAX	Alexander B. Cabrera	Euney Marie Mata J. Perez	Maria Lourdes P. Lim Carolina Francisco A. Bagelle	
16	TOURISM	Donald L. Lim	Junie S. del Mundo	Alma Rita R. Jimenez	Lawrence Y. Ferrer
17	TRADE AND INVESTMENTS	Donald L. Lim	Charlie P. Villaseñor	Rosemarie B. Ong	Sheila G. Lobien
18	WATER	Benjamin R. Punongbayan	Rogelio L. Singson	Ramon S. Fernandez J.V. Emmanuel A. de Dios	Michael Anatomy H. Guarin
INNOVATION - Donald L. Lim					
19	EASE OF DOING BUSINESS	Martha Mendoza Sazon	Ruy Y. Moreno	Mary Jade T. Roxas-Divinagraola	Ira Paulo A. Pozon
20	ICT	Martha Mendoza Sazon	Helen P. Macasaet	Jocelino M. Paloma Eduardo G. Sumulong	Benedict S. Carandang
21	TECH START-UP	Alexander B. Cabrera	Aldie P. Garola	Maria Aileen Abiva Patrick D. Reidenbach	Vladimir M. Manuel
DIVERSITY, EQUITY AND INCLUSION - Karen V. Batungbaal					
22	DIVERSITY, EQUITY AND INCLUSION	Karen V. Batungbaal	Maria Carolina V. Dominguez	Lynette Ortiz Randolph T. Etrellado	
23	NEXTGEN	Donald L. Lim	John Clifford M. Eala	Not Applicable	Donna May Lina Deliza G. Riddolo
GROWTH AND PEOPLE DEVELOPMENT - Chito B. Salazar					
24	ARTS & CULTURE *	Maria Corazon D. Purisima	Lorna Patajo Kapunan	Evelyn R. Singson	
25	EDUCATION 25.1. Sub-Committee on Basic Education 25.2. Sub-Committee on Higher Education 25.3. Sub-Committee on Life-Long Learning	Chito B. Salazar Maria Corazon D. Purisima Chito B. Salazar Chito B. Salazar	Federico M. Macaranas	Sister Meroeditas O. Ang, SPC Grace H. Agulling-Dalgay Bernadette L. Nacario Ma. Victoria C. Espafio	Paolo Antonio L. Azurin J. Anton Yap Theresa Ann M. Menardo
26	STRATEGIC HR MANAGEMENT	Karen V. Batungbaal	Ramon B. Segismundo	John Phillip P. Orbela	Imelda Ronnie de Guzman Castro
ESG - Environment, Social and Governance - Alexander B. Cabrera					
27	ENVIRONMENT	Alexander B. Cabrera	Reynaldo T. Casas	Chit U. Juan	Reza Dadufalza-Oyeneche
28	SOCIAL/SHARED PROSPERITY	Alexander B. Cabrera	Rex C. Drilon II	Benito L. Teehankee	
29	GOVERNANCE	Alexander B. Cabrera	Imelda Ceniza Tlongson	Jonathan Juan DC. Moreno	Marian Joanne K. Co-Pua
30	URBAN DEVELOPMENT	Benjamin R. Punongbayan	Felino A. Palafox Jr.	Roderick M. Danao	Ramon D. Rufino

Request for all Members

Lastly, we would like to request all MAP members to support the incoming Board in pursuing MAP's mission of promoting management excellence for nation-building.

Maraming salamat at Mabuhay ang MAP!