

'Pork,' IRA issues may delay House passage of P1.816-T 2012 budget



Asia CEO Forum Dirk Dumortier, vice president of Alcatel-Lucent, makes his presentation as the guest speaker at the most recent Asia CEO Forum, co-sponsored by the BusinessMirror, at the Dusit Thani Hotel in Makati City.

BY FERNAN MARASIGAN
Reporter

THE passage of the 2012 P1.816-trillion proposed national budget by the House of Representatives may face delay due to "pork" and internal revenue allotment (IRA) issues.

As such, House Speaker Feliciano Belmonte Jr. urged Budget Secretary Florencio Abad to release the Priority Development Assistance Fund (PDAF) of several members of the House of Representatives whose porks are being withheld by Malacañang.

At a press briefing that followed the submission of the 2012 National Expenditure Program to the House of Representatives on Tuesday, Belmonte said congressmen who have yet to receive their PDAF would finally get them if only to get their support in approving the 2012 budget.

Several congressmen have accused Malacañang of withholding the pork in opposition, especially those in the congress and those who voted against the measure to impeach then-

Ombudsman Merceditas Gutierrez and postponement of the Autonomous Region in Muslim Mindanao elections.

But the issue on the non-issuance of PDAF to congressmen is not the only stumbling block on the projected swift approval of the budget as a House leader said unless there is an increase in the internal revenue allotment (IRA) of P60 billion, the 2012 budget cannot be legally approved by Congress.

Liberal Party Rep. Hermilando Mandanas of Batangas, chairman of the House's ways and means committee on Wednesday, said the 2012 General Appropriations Act could not be approved as the national government had been illegally withholding part of the IRA since 1992, contrary to the provisions of the Local Government Code of 1991.

Also on Wednesday Belmonte enjoined legislators to actively join and support the budget deliberations on the administration's P1.816-trillion proposed national budget for next year which will start on Monday. Belmonte said this would give flesh

and spirit to the aspirations of President Aquino for the Filipino people which he enumerated in his State of the Nation Address (Sona).

"As the President stated in his Sona, the budget message contains a more comprehensive plan for the coming year. He has set the direction in his Sona, and how to accomplish things have been elaborated in his budget message to lawmakers," Belmonte said.

Abad earlier told House leaders that spending on the social services sector shall get a significant share of P575.8 billion, representing 31.7 percent of the National Budget. The economic services sector shall get P438.9 billion, or 24.2 percent of the proposed national budget, while debt burden shall be allocated with P356.1 billion, or 19.6 percent, of the proposed general appropriation.

The general public services and defense sectors have proposed budgets of P332.1 billion or 18.3 percent, and P113.1 billion or 6.2 percent, respectively, of the proposed national budget.

MIPIM Asia slates HK conference in November

LOCAL government units (LGUs), state agencies and Filipino businessmen in search of joint-venture partners in real estate projects were well advised to participate in the sixth edition of MIPIM Asia in Hong Kong in November as more Asian businessmen focus their interest on property developments in the region.

Tus Lau, senior manager of MIPIM Asia, said about 2,000 participants are expected at the real-estate conference and exhibition this year compared with 1,700 attendees in 2010.

"[The conference] presents huge opportunities for any organization that have to do with property developments. Businessmen in Asia want to invest but they have limited information. The MIPIM Asia is a good venue

for brand building and exposure," Lau, who visited Manila to promote the event, said.

Last year he said the Department of Tourism and the Bases Conversion and Development Authority put up their respective booths at the event. BCDA, which is in charge of the privatization of former military camps, had some serious discussions with Korean businessmen although it is not known if the talks progressed, Lau said.

He said LGUs looking for groups interested to invest in future projects in their localities should join the show. Lau said it is also a good venue for architectural firms, contractors, developers and real-property owners to find international partners for future projects. *Max de Leon*

Retail, brand experts share insights at NRCE

ASIA brand guru Joseph Baladi, Ayala Land's Antonino Aquino, and Edgar Sia II of Mang Inasal, are keynote speakers at the 20th National Retail Conference (NRCE) and Stores Asia Expo on August 11 and 12 at the SMX Convention Center in Pasay City.

Themed "The New Frontier: Taking Retail to the Next Level," this year's NRCE will delve into the challenges today's Filipino brands face, as well as their prospects for becoming a truly Asian brand.

Baladi's extensive expertise in business communications has been recognized by top media and business executives worldwide. He is the renowned author of *The Brutal Truth about Branding*. Aquino, for his part, leads Ayala Land's well-conceived strategies on mix-use development and innovations in real property development. Sia will share his story behind the amazing Mang Inasal chain, from a single store in Iloilo in 2003, Sia's Mang Inasal has succeeded in penetrating an already saturated market, overtaking household names and establishments who have been in the market longer.

Solar-power developers ask DOE anew to raise project installation targets

BY PAUL ANTHONY ISLA
Reporter

THE Philippine Solar Power Alliance (PSPA) on Wednesday urged the Department of Energy (DOE) to increase the allocated installation targets for solar power projects.

This developed as the National Renewable Energy Board (NREB) said it is willing to tap a designated government financial institution to manage the feed-in tariff (FIT) funds collected from consumers for the renewable energy (RE) developers rather than the National Grid Corp. of the Philippines doing the job as stated under FIT rules.

Pete Maniego, NREB chairman,

said the Energy Regulatory Commission has scheduled public hearings on FIT set to begin on August 3. He added that the Power Sector Assets and Liabilities Management Corp., Land Bank of the Philippines and Development Bank of the Philippines are among those being considered to manage FIT funds.

The DOE recently reduced further the allocated installation target for solar power projects to 50 megawatts (MW) instead of NREB's recommendation of 100 MW in the next three years.

In Cebu City, Aloysius Santos, First Gen vice president for sustainability and energy efficiency, told reporters it is of utmost necessity to start the

development of RE technologies, saying this would enhance the country's technical capability for such projects in the future.

"These things take years, so by going in now you build that technical capability of local RE sector in rolling out [and] to roll out the system to a wider market," Santos said. Even if the country waits for technology prices to drop, he said the country also has to develop its own technical capability.

In relation to FIT system, PSPA said installation targets are milestones wherein the achievement of targeted capacities will signal the start of succeeding projects where FIT rates will be reduced, and project approvals will be more difficult to obtain.



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