

TAMBULI Weekly Newsletter

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FPI asks govt to intensify watch vs substandard imported products

Domestic manufacturers are appealing to government regulators to take more proactive steps to ensure the country will be protected from the foreseen deluge of substandard imported products as unscrupulous Chinese traders look for markets with weak enforcement regimes where they can dump their products to recover losses from the trade impasse between China and the US.

Dr. Jesus L. Arranza, chairman of the Federation of Philippine Industries (FPI), particularly asked the Bureau of Product Standards (BPS) and the Food and Drug Administration (FDA) to intensify the inspection and testing of Chinese-made products, some of which have records of failing to pass the Philippine and international standards.

Arranza cited the case of automotive batteries coming from China.

In a raid conducted by the joint operatives of the National Bureau of Investigation and Department of Trade and Industry (DTI), close to P100 million worth of automotive batteries were seized at a warehouse in Quezon City for having no imported commodity clearance (ICC), which is a requirement before imported products could be sold in the market.

The FPI also asked the Philippine Association of Battery Manufacturers (PABMA) to conduct laboratory testing of two Chinese automotive battery brands -- namely Oursun and Superstart -- that are now being sold locally after securing ICC.

Laboratory test results showed that both batteries failed in three critical parameters under international quality standards: the Ampere Hour Test, Cold Cranking Ampere, and Heavy Load Endurance Test. Also, the posts of these batteries melted after being subjected to a simulation of cranking and discharging at a temperature of 40 degrees.

"So in the case of automotive batteries alone, we have discovered two things--- there are batteries in the market that have no ICC, which is illegal per se, and there are batteries that have secured ICC despite being substandard in quality. Automotive batteries are critical because there are about 38 million vehicles in the Philippines. These substandard products could just explode or catch fire anytime," Arranza said, noting that even netizens have been posting on social media their experience with exploding imported batteries.

The FPI, Arranza said, is ready to work with the government in the intensified campaign against substandard products to protect the Filipino consumers. Some laboratory testing groups that are accredited or recognized by the government are members of the FPI, he added.

"Our first line of defense against these substandard products are the FDA and BPS, so we are appealing to them to heighten their monitoring and testing of imported products. The Bureau of Internal Revenue can come in later by looking at the income and tax declarations of the unscrupulous importers," Arranza said.

He also asked the FDA and BPS to launch an information drive to educate Filipino consumers about the dangers of substandard products and their negative impact on the economy and local manufacturers. "Yes, these substandard products are cheaper. However, their quality is very poor that they will definitely not last long, and you are also putting your lives in danger when you use them," Arranza stressed.

SEC EAMEND SYSTEM UPDATE – Inclusion of Applications for Increase of Authorized Capital Stock

The Securities and Exchange Commission (SEC) issued an advisory that, on 5 May 2025 (Monday), the Commission's Electronic Application for Modification of Entity Data (eAMEND) will begin accepting applications for increase of authorized capital stock of domestic stock corporations under its "Regular Application" module. Due to a recent system update, domestic stock corporations will be able to amend their Articles of Incorporation to increase authorized capital stock through the eAMEND portal.

The consideration for shares may involve cash and/or other consideration, such as:-Conversion of advances/liabilities to equity;-Stock dividend;-Parcels of land (titled), building, and/or condominium units;-Parcels of untitled land;-Inventories, furniture and/or personal properties;-Heavy equipment;-Shares of stock;-Motor vehicle;-Sea vessel or aircraft;-Intangibles; and/or-Net assets.

Applications for increase of authorized capital stock, when combined with other complex applications under the jurisdiction of the Financial Analysis and Audit Division (FAAD) – such as, but not limited to, decrease of authorized capital stock, merger, reclassification/declassification/ conversion of shares, and/or change in par value—shall be filed via the appropriate FAAD email address.

To read/download SEC Notice: "EAMEND SYSTEM UPDATE – Inclusion of Applications for Increase of Authorized Capital Stock", kindly follow this link: https://www.sec.gov.ph/notices/eamend-system-update-inclusion-of-applications-for-increase-of-authorized-capital-stock/.

Join the PIDS Public Events in May 2025

1) May 22 (9:00 AM - 11:30 AM | via Zoom): Making 4Ps Work Better: Insights on Targeting and Grievance Systems

Presenters: Dr. Jose Ramon G. Albert, PIDS Senior Research Fellow and Ms. Kris Ann M. Melad, PIDS Supervising Research Specialist

Register here: https://bit.ly/pidsevent052225

Reaching the right beneficiaries and responding to their concerns are key to the success of the Pantawid Pamilyang Pilipino Program (4Ps), the country's flagship social protection initiative. Since becoming law in 2019, efforts to improve these systems have played a big role in fighting poverty and promoting accountability.

Join the Philippine Institute for Development Studies (PIDS) on May 22, 2025 (Wednesday), from 9:00 AM to 11:30 AM, for a public webinar featuring two studies on 4Ps. Attend via Zoom or watch the livestream on the PIDS and SERP-P Facebook pages.

The first study, "Is the 4Ps Targeting and Reaching the "Right" Beneficiaries? An Assessment of the Veracity of the List of Pantawid Pamilya/4Ps Beneficiaries," authored by PIDS Senior Research Fellow Dr. Jose Ramon Albert, President Dr. Aniceto Orbeta Jr., Supervising Research Specialist Ms. Kris Ann Melad, and Research Analyst Mr. Mohammad Mahmoud, provides the first comprehensive assessment of the 4Ps targeting system, analyzing its accuracy and effectiveness in identifying poor households.

The second study, "<u>From Complaints to Opportunities: Analyzing Grievance Trends and Responsiveness in the 4Ps</u>" by Ms. Melad, delves into the 4Ps grievance redress system, revealing insights on complaint patterns and program responsiveness.

Be part of this meaningful conversation that promotes data-driven decision-making and strengthens the impact of social protection programs!

Register now at https://bit.ly/pidsevent052225.

Read the studies in advance: https://bit.ly/pidsdp2024-27 and https://bit.ly/pidsdp2023-25.

2) May 26 (9:00 AM - 12:00 NN | Bangko Sentral ng Pilipinas and via Zoom): Seizing the Shift: Navigating Trump's Reciprocal Tariffs

Presenter: Dr. Rafaelita M. Aldaba, PIDS Emeritus Research Fellow

Register here: https://bit.ly/pidsevent052625

How are global trade changes affecting ASEAN?

The United States is rolling out new tariffs, and global value chains are shifting. These changes bring risks and opportunities for countries like the Philippines, Indonesia, Malaysia, Thailand, and Vietnam.

Join the Philippine Institute for Development Studies' (PIDS) hybrid policy forum on May 26, 2025 (Monday), from 9:00 AM to 12:00 NN at the Bangko Sentral ng Pilipinas (BSP), Malate, Manila, and online via Zoom.

Featuring the study of PIDS Emeritus Research Fellow Dr. Rafaelita M. Aldaba, "Navigating a New Era of Reciprocal Tariffs: Strategic Implications for the Philippines and Selected ASEAN Economies."

Be part of this important discussion and explore how the Philippines can transform trade challenges into opportunities for economic transformation!

To join onsite or online, register now at https://bit.ly/pidsevent052625. As onsite participation is limited, registration will require manual approval.

You may also tune in to the PIDS and SERP-P Facebook pages for the livestream. Meanwhile, you may access the full paper at https://bit.ly/pidsdp2025-06.

Prepared by the FPI Secretariat

"That in all things God may be glorified"