

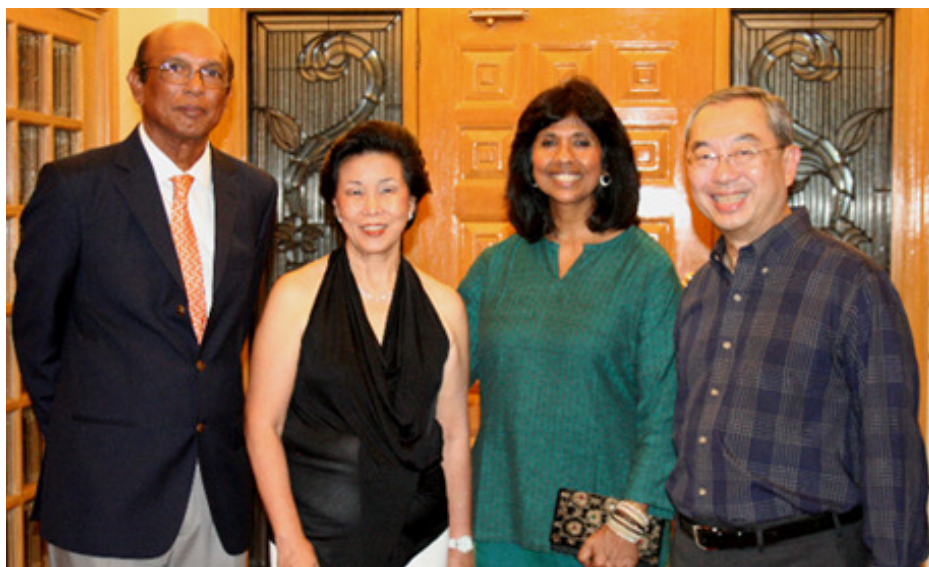


## PSBC welcomes new Singaporean Ambassador to the Philippines

The Philippines-Singapore Business Council (PSBC) welcomed the newly appointed ambassador of the Republic of Singapore to the Philippines, His Excellency Ambassador V. P. Hirubalan, in an informal reception hosted on 29 May 2012 by PSBC Chairman Mr. Guillermo D. Luchangco and his wife, Maloy, in their residence. Members of the PSBC and other business councils were likewise present in the affair to formally meet and greet Amb. Hirubalan and his wife, Mrs. Manorchitham Hirubalan.

A Fulbright scholar, Amb. Hirubalan obtained his Masters in International Relations from Yale University in the United States in 1986. Prior to his transfer to Singapore's Ministry of Foreign Affairs (MFA), he initially served in the country's Ministry of Defense, where he was awarded the Long Service Medal in 1995 and the Public Administration Medal (Silver) in 1996.

His diplomatic career includes years of service as ambassador to the Kingdom of Saudi Arabia (February 2006-July 2009) and, concurrently, ambassador-at-large to the Kingdom of Bahrain. He was also



MBC Images/ R. Del Rosario

**Pictured (L-R): Amb. V.P. Hirubalan, Mrs. Maloy Luchangco, Mrs. Manorchitham Hirubalan, and PSBC Chairman Guillermo D. Luchangco**

later appointed ambassador-at-large to the Sultanate of Oman (April 2007-February 2008). His most recent appointment, before being posted to the Philippines, was Director of the Middle East, North Africa and Central Asia Directorate of the MFA (July 2009-February 2012). ■

A publication of the Philippines-Singapore Business Council, the *PSBC Newsletter* provides the latest socio-economic updates on the Philippines and Singapore, as well as news on developments in trade and investments between the two countries.

PSBC Executive Committee Members  
GUILLERMO D. LUCHANGCO, Chairman  
FERNANDO ZOBEL DE AYALA, Vice Chairman  
CEFERINO L. BENEDICTO  
CORAZON DE LA PAZ-BERNARDO  
LANCE Y. GOKONGWEI  
RICARDO J. ROMULO  
ALFONSO YUCHENGCO III

PSBC Executive Director  
PETER ANGELO V. PERFECTO

PSBC Deputy Director  
MARC P. OPULENCIA

PSBC SECRETARIAT  
2/F, AIM Conference Center  
Benavidez Street cor. Trasierra Street  
Legaspi Village, 1229, Makati City,  
PhilippinesTel (+63 2) 751-1143  
Fax (+63 2) 751-1160

Published for the Philippines-Singapore Business Council by

## BOI launches 2012 investment priorities plan in 13 key cities

The Philippine Board of Investments conducted a roadshow in 13 cities throughout the country from September 13 to November 8 to encourage stakeholders to invest under the 2012 Investment Priorities Plan (IPP).

According to Memorandum Order No. 40 signed by President Aquino last June 13, the 2012 IPP focuses on job generation, enhanced delivery of social services, international competitiveness, and climate change mitigation and adaptation.

The plan lists down investment priorities eligible for incentives under the following lists and categories: preferred areas, mandated list, export activities, and Autonomous Region of Muslim Mindanao list. The plan includes iron and

steel and hospital/medical services to the list of priority investment activities. It also places PPP projects under infrastructure, and transfers tourism activities to the mandated list. The other preferred areas of investments are agriculture/agribusiness and fishery; creative industries/knowledge-based services; shipbuilding; mass housing; energy; infrastructure; research and development; green projects; motor vehicles; strategic projects; as well as disaster prevention, mitigation and recovery projects.

Under the Omnibus Investments Code of 1987, projects registered under the Board of Investments may be entitled to the following set of incentives: income tax holiday; duty exemption on



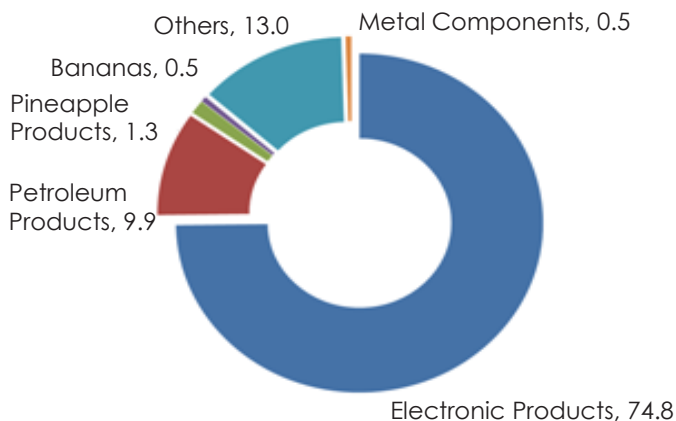
## Exports to Singapore up 3.3% in the first 7 months of 2012

Singapore is one of the Philippines' top trading partners, serving as the fourth largest market for Philippine exports and the fifth biggest source of imports in the first seven months of 2012. In the same period, total trade between the two countries shrank 4.8% to US\$5.73 billion from US\$6.02 billion a year ago.

At the same time, however, the Philippines enjoys a merchandise trade surplus of US\$344.67 million with Singapore, from a trade in goods deficit of US\$140.74 million a year ago. This turnaround is due to the 3.3% rise in merchandise exports to US\$3.04 billion from US\$2.94 billion coupled with a 12.6% fall in merchandise imports to US\$2.69 billion from US\$3.08 billion.

According to the National Statistics Office, the Philippines' principal exports to Singapore in 2011 are: electronics products (74.8%), petroleum products (9.9%), pineapple and pineapple products (1.3%), fresh bananas (0.5%), and metal components (0.5%).

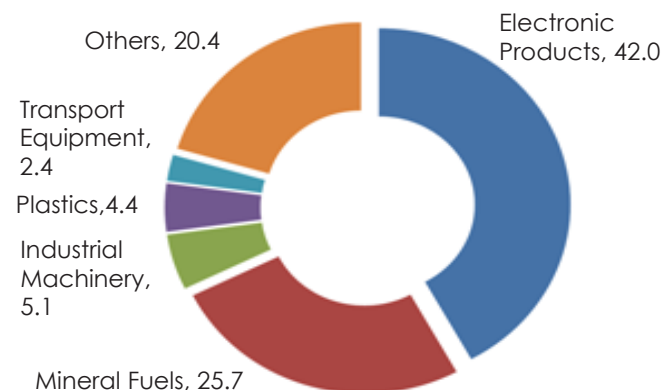
### Philippine Exports to Singapore in %, 2011



Source: National Statistics Office

On the other hand, the Philippines imported the following from Singapore last year: electronic products (42%), mineral fuels (25.7%), industrial machinery and equipment (5.1%), plastics (4.4%), and transport equipment (2.4%).

### Philippine Imports from Singapore in %, 2011



Source: National Statistics Office

## Singapore arrivals expand 10.4% in the first half of 2012

Singapore is the seventh biggest source of visitors to the Philippines, sending 73,015 visitors to the country in the first six months of 2012. The Singapore market accounts for 3.4% of overall arrivals to the country in the first semester. According to the Department of Tourism, the number of visitors grew 10.4% from 66,161 a year ago.

## Singapore is 8<sup>th</sup> biggest source of approved FDIs in the first half of 2012

Singapore is the eighth largest source of approved foreign direct investments (FDI) to the Philippines. Philippine investments promotion agencies have approved P955.5 million in FDI from Singapore in the first half of 2012. This is equivalent to 1.5% of total approved FDI during the period. But there seems to have been a slowdown compared to over a year ago, when P1.31 billion in approved FDI came from Singapore, or equivalent to 2.1% of total approved FDI.

The National Statistical Coordination Board recorded P7.28 billion and P14.93 billion in approved Singaporean FDI in 2010 and 2011, respectively.

## BOI Launches...

(Continued from page 1)

imported capital equipment, spare parts and accessories; exemption from wharfage dues and any export tax, duty, impost and fees; tax exemption on breeding stocks and genetic materials; tax credits on imported raw materials; tax and duty-free importation of consigned equipment; additional deduction for labor expense; employment of foreign nationals; simplification of customs procedures; and access to bonded manufacturing warehouse.

### Join the Philippines-Singapore Business Council!

The PSBC was established in 1994 to promote trade and investments between the Philippines and Singapore. The council is composed of top business executives who seek to explore business opportunities between the two countries and to promote the exchange of views on policies of mutual concern. The Makati Business Club serves as the secretariat of the PSBC.

For membership inquiries, contact Ms. Maria Victoria Sibal, PSBC Coordinator at (+63 2) 751-1143 or send an email to v.sibal@mbc.com.ph or mbcbusinesscouncils@gmail.com