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The IMMIGRANT

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Breaking through in 2015

Things are looking up for the country once dubbed 'the sick man of Asia,' Maria Operario reports

In a small ceremony in Malacañang held in late October, President Aquino and heads of various government departments and agencies pledged to redouble their efforts in the "last two minutes" of the Aquino administration to carry out more reforms and maximize services to the public.

They signed contracts spelling out their commitment to do all they can to serve the Filipino people, President Aquino said during the closing ceremony on October 24 of the 40th Philippine Business Conference and Expo at the Manila Hotel, and that meant the members of his Cabinet were 'duty bound' to be even more receptive to the needs of the public.

It is this consistent message of good governance and reforms that has won for the Philippines the confidence of both local and foreign investors, raising hopes that 2015 will turn out to be a breakthrough year for the Philippines that has undoubtedly captured the world's attention.

"Indeed, good governance is good economics," said Finance Secretary Cesar V. Purisima in a recent statement.

Purisima's statement is not without basis considering that since the assumption of the Aquino administration in 2010 on a platform of good governance and anti-corruption, the Philippines has registered unprecedented gains in areas of competitiveness and credit standing despite challenges confronting the global economy.

The Philippines, for example, registered the biggest jump from 2010 – by 33 notches to 52nd spot – in the Global Competitiveness rankings of the World Economic Forum.

Moreover, the Philippines secured investment-grade sovereign credit ratings from all three major international credit rating agencies – after years of being ranked as junk – making it cheaper for the Philippines as well as Filipino companies to borrow funds to finance economic activity since the perceived risk has been reduced.

Fitch Ratings, Moody's Investors Service, and Standard and Poor's all cited the country's improved macroeconomic fundamentals.

In raising the country's credit rating to investment grade, the rating

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2015

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agencies factored inrapid growth and modest inflation, as well as a growing middle class, helped no doubt by the growth of the information technology and business process management sector, which now employs a million Filipinos.

Then in the first quarter of 2014, the Philippines attracted $3.57 billion in net foreign direct investments (FDI), 80 percent more than the FDI recorded in the same period of 2013. Manufacturing has also rebounded, with an 8.8 percent growth in the first half of the year. Exports are likewise up.

Though economic growth in 2014 is expected to slow down to about 6.5 percent from last year's stellar 7.2 percent, this is still seen as a respectable number, according to the National Economic Development Authority, considering the slowdown in global growth with the Eurozone struggling to post even a 1 percent growth in its economy this year.

In 2015, the government expects the country's economic growth to accelerate again to an enviable range of 7-8 percent, on the back on milder inflation and increased government spending on needed infrastructure, which should ensure continued growth beyond the term of President Aquino, who will step down in the middle of 2016.

"The Philippines is poised to remain a bright spot," stressed Purisima.

Shanaka Peris, Resident Representative to the Philippines of the International Monetary Fund, shared his view, saying that the country should be able to sustain its growth momentum, especially if it continues to implement the structural reforms that began under the Aquino administration.

"Most of the priority bills of the administration are part of the second generation of reforms, which can help the Philippines grow even faster than the current [annual rate of] 6-7 percent over the medium term," Peris said in a presentation in September.

"First-generation" reforms implemented by the Aquino administration cited by Peris include the passage of the Sin Tax Reform law that hiked taxes on tobacco and alcohol, thus raising government revenues; the GOCC Governance Act that seeks to rationalize the operations of government-owned and controlled corporations; and the Bank Liberalization law, which gives foreign banks more room to compete in the Philippines.

Peris said the "second generation of reforms" that would help sustain recent

> ***"It is this consistent message of good governance and reforms that has won for the Philippines the confidence of both local and foreign investors, raising hopes that 2015 will turn out to be a breakthrough year for the Philippines that has undoubtedly captured the world's attention."***

gains on the economic reform include the easing of restrictions on foreign ownership, rationalization of fiscal incentives to further shore up revenues, and the passage of the Bangsamoro Basic Law, which should significantly improve the peace and order situation in Mindanao and unlock the full economic potential of the resource-rich island.

Not to say, however, that everything's coming up roses for the Philippines. Downside risks are ever-present.

These include the subdued outlook for some of the major economies in the Eurozone such as Germany, as well as Japan, China, and India. Weakened economic activity in these major export markets will mean less export receipts for the Philippines and possibly less investments and remittances from Filipinos living and working there.

On the domestic front, risks include the potential shortage in power supply next year and extreme weather disturbances that would drag down agriculture and fisheries output.

Then there is the challenge of making the economic growth felt by the majority of Filipinos, considering that a quarter of the population is considered poor; and stubborn bottlenecks have prevented the country's flagship public-private partnership program for infrastructure development from moving as fast as expected.

Members of the Philippine Chamber of Commerce and Industry, the country's largest organization of local businesses, also cited in their resolutions presented to the President during the 40th Philippine Business Conference (PBC) that the government should immediately produce an integrated and sustainable energy and power development roadmap to sustain accelerated economic activity.

Urgent action was likewise sought to fully address the port and traffic congestion in Metro Manila, which has severely hampered the delivery of goods and services in the capital, and consequently, the country. The chamber's members also stressed the need to draw up strategies and programs to prepare the Philippines for the integration of the member economies of the Association of Southeast Asian Nations into the Asean Economic Community starting in 2015.

President Aquino, for his part, said that his administration shared the private sector's concerns and that many of the issues raised during the PBC were already being addressed, particularly in the area of power and port congestion.

He expressed confidence that with closer and deeper coordination with the private sector, the gains achieved during the first four years would be consolidated for further growth.

President Aquino declared that the "Philippine brand" has recaptured the world's attention and that the successes so far achieved despite the myriad of challenges here and abroad affirm what he defined as basic truths: integrity works, reform works and the Philippines works.

Visit the Philippines 2015!

The Department of Tourism has declared 2015 as "Visit the Philippines" Year, as part of continuing efforts to promote the Philippines as a destination for meetings, incentives, conferences, and exhibitions that go beyond mere business gatherings to include cultural, adventure and lifestyle festivals.

Tourism Secretary Ramon Jimenez Jr. said during the launch in September that the campaign was not meant to replace the successful "It's More Fun in the Philippines" campaign, but rather to refresh the theme and translate

it into activities that will cement the idea that the Philippines is taking its place among the world's up-and-coming major tourist destinations.

The "Visit the Philippines" campaign is based on a year-round calendar of events that will compel local and foreign tourists to visit the Philippines and participate in various activities on the calendar to be implemented with the support of the private sector, local government units, attached agencies of the DOT, and other government agencies.

Activities will fall under five main themes: music and arts (concerts by One Direction and Justin Timberlake), lifestyle and entertainment (Chefs on Parade, Madrid Fusion), sports and adventure (Siargao International Surfing Competition), business (Asia-Pacific Economic Cooperation Ministerial Meetings and Leaders' Summit), and history and culture (fiestas).

The idea is that by having a central repository of events – phl2015.itsmorefuninthephilippines.com – to be posted by partner organizations such as hotels, restaurants, museums, event organizers, schools and universities, private firms and local governments – foreign and local tourists will find a reason or two to come over and visit.

The DOT is not the only organization that has declared 2015 as the year to visit the Philippines.

Popular travel guide Lonely Planet has included the Philippines among the top 10 countries to visit in 2015 because these countries are "hitting their stride, celebrating anniversaries or begging to be discovered".

"With more than 7,100 islands (compare that to Thailand, with a paltry 1,430), the Philippines has one of the world's most beautiful coastlines, fringed by dive-tastic coral reefs, sprinkled with sunbathe-ready white sand, backed by swaying palm trees and dotted with simple resorts of nipa-palm thatched huts," wrote Lonely Planet.

Lonely Planet likewise cited how the government has declared 2015 as Visit the Philippines Year and was laying on special events to raise the profile of the archipelago. "And if there's one thing Filipinos know how to do, it's throw a party," Lonely Planet said.

The IMMIGRANT

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ON THE COVER: 'Ready, set, go!'
Another container is loaded onto a waiting truck in the busy Port of Manila, the Philippines' capital city. The bustling Philippine economy, buoyed by strides in good governance and fiscal reforms, is fueling optimism from home and abroad of a breakout year in 2015. *Photo courtesy of ICTS*


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Doing business in the Philippines

Interested in investing in one of Asia's fastest-growing economies? Dennis Quintero provides a useful guide.

The Philippines is now firmly on the radar of foreign investors. Having achieved gains in competitiveness, credit rating, ease of doing business, and other measures of a country's economic and business environment performance, there is renewed interest in the Philippines as an investment destination.

Below are some frequently asked questions about doing business in the Philippines.

What is the State's policy towards foreign investment?

The Foreign Investments Act of 1991 (FIA) governs the participation of foreign entities in economic and commercial activities in the Philippines.

Under the FIA, it is the state's policy to attract, promote, and welcome productive investments from foreign individuals, partnerships, corporations, and governments, in activities that significantly contribute to national industrialization and socioeconomic development to the extent that foreign investment is allowed in such activity by the Constitution and relevant laws.

To encourage foreign investments, Philippine laws recognize various rights of foreign investors, including the right to repatriate investments and remit earnings.

What is the extent of foreign equity participation allowed?

The FIA provides for the formulation of a Foreign Investment Negative List (Negative List) – a list of economic activities where foreign equity is either prohibited or limited to a certain percentage. The Negative List has two component lists: List A and List B. List A contains areas of investment where foreign ownership is limited by the mandate of the Philippine Constitution or by specific laws. List B contains areas of investment where foreign ownership is limited for reasons of security, defense, risk to health and morals, or protection of local small- and medium-sized enterprises. A new Negative List is prospective in application and will not affect foreign investment that already exists on the date of its publication. Except with respect to activities where restrictions on foreign equity are imposed under the Philippine Constitution or statutes, the President of the Philippines may amend the Negative List. Such amendments may not be made more often than once every two years.

A non-Philippine national may invest in a domestic enterprise or an export enterprise in the Philippines to the extent of 100 percent of the domestic enterprise's or the export enterprise's capital, subject to certain conditions.

The FIA defines the term "Philippine national" as a citizen of the Philippines; a domestic partnership or association wholly owned by citizens of the Philippines; a corporation organized under the laws of the Philippines, of which at least 60 percent of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; a corporation organized abroad and registered as doing business in the Philippines under the Corporation Code, of which 100 percent of the capital stock outstanding and entitled to vote is wholly owned by Filipinos; a trustee of funds for pension or other employee retirement or separation benefits where the trustee is a Philippine national and at least 60 percent of the fund will accrue to the benefit of Philippine nationals.

Where a corporation and its non-Filipino stockholders own stocks in an enterprise registered with the Philippine Securities and Exchange Commission (SEC), at least 60 percent of the capital stock outstanding and entitled to vote of each of both corporations must be owned and held by citizens of the Philippines and at least 60 percent of the members of the Board of Directors must be citizens of the Philippines, in order for the corporation to be considered a Philippine national.

What are the general forms of corporate vehicles?

There are three general forms of business organizations in the Philippines: sole proprietorship, partnership and corporation (domestic or foreign).

A **sole proprietorship** is a business owned and operated by a single natural person. The liability of the sole proprietor is unlimited, and the personality of the business enterprise is not distinct and separate from that of the owner.

A **partnership** is created by virtue of a contract whereby two or more persons bind themselves to contribute money, property or industry to a common fund, with the intention of dividing the profits among themselves. The partnership has a juridical personality separate and distinct from that of each of the partners.

Subject to nationality requirements pertaining to the intended activity, Philippine law allows foreign investors to establish and register a domestic corporation, and foreign corporations to transact business in the Philippines as a branch or a representative office.

A **domestic corporation** may be a joint venture or a wholly owned subsidiary. A **branch** and a representative office of a foreign corporation are mere extensions of their head offices. A foreign investor may also invest as a limited or general partner in a partnership.

For reasons relating to the exercise of management powers and the extent of liability, among others, the corporation is generally the most preferred vehicle for investments in the Philippines among the various forms of business organizations. Foreign investors who wish to engage in a business that is not subject to nationality restrictions generally choose between establishing a subsidiary and establishing a branch office.

Should you establish a Philippine corporation or a Philippine branch?

Assuming that the proposed activity is not subject to any foreign equity limitation, a foreign investor may set up a domestic corporation or a branch of a foreign corporation in the Philippines.

If the proposed activity is subject to foreign equity limitations, a foreign investor will have to set up a domestic corporation with a Philippine national as a joint venture partner.

Generally, corporations that are more than 40 percent foreign-owned, as well as branches of foreign corporations that are considered domestic market enterprises must have a paid-in capital of at least USD200,000.

The paid-in capital requirement is reduced to USD100,000 for domestic market enterprises whose activities involve advanced technology or employ at least 50 direct employees.

"A non-Philippine national may invest in a domestic enterprise or an export enterprise in the Philippines to the extent of 100 percent of the domestic enterprise's or the export enterprise's capital, subject to certain conditions."

Entities that qualify as export enterprises are not subject to any minimum paid-in capital requirement.

What are the other types of corporate vehicles?

1. **Representative Office.** A representative office may be established to deal directly with the clients of its head office who are in the Philippines, and to undertake information dissemination and promotion of the company's products as well as quality control only. A representative office may not derive income in the Philippines.

2. **Regional or Area Headquarters.** A multinational company engaged in international trade may establish a regional or area headquarters in the Philippines to act as an administrative branch of the multinational company and to serve principally as a supervision, communications and coordination center for its subsidiaries, branches or affiliates in the Asia Pacific Region and other foreign markets.

   The regional or area headquarters may not earn or derive income in the Philippines. It may not participate in managing any subsidiary or branch office it may have in the Philippines. Its expenses must be financed by the head office or parent company from external sources in an acceptable foreign currency.

   The regional headquarters is not subject to income tax, value-added tax (VAT), and all local licenses, fees and charges, except real property tax on land improvements and equipment. It enjoys tax- and duty- free importation of equipment and materials necessary for training and conferences.

3. **Regional Operating Headquarters (ROHQ).** A multinational company may establish an ROHQ in the Philippines to service its own affiliates, subsidiaries or

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Israel, Philippines toast to stronger ties

THE DIPLOMAT

By **H.E. Menashe Bar On,** former Ambassador of Israel to the Philippines

Israel and the Philippines have always had – and will always have – very strong ties despite being thousands of miles apart. This year, this relationship continues to grow as both countries celebrate 56 years of friendship.

This amicable relationship can be traced as far back as 1939, when President Manuel L. Quezon opened the doors of his country to Jews fleeing Nazi Germany.

As the years passed, this relationship has only gotten stronger, and the Philippines, being a firm believer in the right to freedom and sovereignty, was the only Asian country to vote in favor of the UN Resolution for the creation of the State of Israel, and we, the Jewish nation, will never forget this historical moment and will forever be grateful to the Philippines.

Since then, Israel has always been there for the Philippines, and when Typhoon Yolanda hit, it was never a question of if we would help, but a question of how and when.

Upon our request, my government sent the elite rescue team of the Israel Defense Forces and just 96 hours after the typhoon hit, they landed on Cebu and proceeded to Bogo City.

They brought with them a mobile hospital, medical equipment, and medicine, and assisted those in need of help. They also provided help in the reconstruction of schools and water filtration systems.

This typhoon wreaked havoc, and Israel, being an expert on disaster risk reduction, decided that we had to share our knowledge and expertise with our friends in the Philippines.

We decided to set up training programs to help better prepare the Philippines for future disasters.

The first event that we conducted was a"Mass Event and Disaster Preparedness Workshop" where our Agency for International Cooperation and Development, MASHAV, through the Embassy of Israel in Manila, partnered with the Cebu Government.

It was attended by representatives from the Philippine National Police, Armed Forces of the Philippines, Coast Guards, Cebu's emergency responders (fire and rescue teams, Red Cross), and members from various business and non-government organizations.

Of course, we also already had many training programs ongoing in the country in the fields of education, science and agriculture and the first example is the Philippine-Israeli Center for Agricultural Training (PICAT) which was launched in 2006.

Our Embassy in Manila together with the Department of Agrarian Reform (DAR) and in cooperation with the Central Luzon University teamed up for this program, which aimed to promote farm productivity, profitability and sustainability in the province of Nueva Ecija.

Another program that we continue to share with the Philippines is our Agrostudies program. This program is on its fifth year now and we will be inviting 450 students to take part in a one-year on-the-job training on fishery, livestock and farming technologies.

In the three years that I have stayed here in the Philippines,I have seen much progress and development in the bilateral relations of our countries and it is no doubt that we both see each other as trade partners and tourist destinations.

With the increasing number of Filipino workers in Israel and with the growing number of tourists from both countries, our governments saw the need to re-establish direct flights, and, as a result, they updated the Air Service Agreement last May 26, 2014, the same day that Pope Francis visited Israel. Philippine Airlines is planning to have direct flights starting December of this year.

This agreement aims to boost the trade and tourism sectors of both countries as well as encourage the thousands of Filipinos working in Israel to come home more often to visit their families.

As both countries continue to explore and discover endless opportunities of doing business, high-level officials from the Philippine government have visited Israel such as Vice President Jejomar Binay, Department of National Defense Secretary Voltaire Gazmin, and most recently Department of Foreign Affairs Secretary Albert Del Rosario.

This is the first visit to Israel of a Philippine Foreign Secretary in more than 20 years, and, during this visit, both sides agreed on expanded cooperation in the fields of science, technology and innovation.

This unwavering relationship [between Israel and the Philippines] has lasted more than 50 years and I strongly believe it will only continue to flourish for many more.

Doing Business...

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branches in the Philippines or in the Asia Pacific Region and other foreign markets.

An ROHQ is allowed to derive income in the Philippines by performing 'qualifying' services only to its affiliates, branches, or subsidiaries, as declared in its registration with the SEC.

4. **Regional Warehouses.** A multinational company organized and existing under any laws other than those of the Philippines, which is engaged in international trade and supplies spare parts, components, semi-finished products and raw materials to its distributors or markets in the Asia Pacific area and other foreign areas, and which has established or will simultaneously establish a regional or area headquarters and/or regional operating headquarters in the Philippines, may also establish a regional warehouse or warehouses in special economic zones (Ecozones) in the Philippines after securing a license therefore from the Philippine Economic Zone Authority (PEZA).

   With respect to regional warehouses located or to be located in Ecozones with special charters, such license shall be secured from the concerned Ecozone authorities.

   The regional warehouse may not directly engage in trade, solicit business, promote any sale, or enter into any contract for the sale of goods in the Philippines.

5. **Offshore Banking Unit (OBU).** A foreign bank may operate an OBU in the Philippines. The OBU may be a branch, subsidiary, or affiliate of a foreign banking corporation authorized by the Bangko Sentral ng Pilipinas (BSP), which is the Philippine Central Bank, to conduct business with funds from external sources.

After registration with the SEC, are there other registrations that need to be complied with?

After incorporation/registration with the SEC, the newly incorporated/registered entity must comply with certain basic registration and licensing requirements with different government agencies. These post-registration requirements include obtaining from certain government agencies and local government offices permits, licenses and registrations.

> ***"Assuming that the proposed activity is not subject to any foreign equity limitation, a foreign investor may set up a domestic corporation or a branch of a foreign corporation in the Philippines."***

Are there incentives available under special registrations?

Qualified enterprises may register with the BOI under the Omnibus Investments Code (OIC) or with the PEZA to avail themselves of certain incentives. Investment opportunities in the Philippines have also been created by the Philippine government's conversion plan covering Clark Air Base, Subic Naval Base, Camp John Hay in Baguio City, and other former US military reservations as well as their extensions into Special Economic Zones.

Incentives available under a BOI registration include income tax holiday consisting of income tax exemption for six years from the start of commercial operations for pioneer firms, and four years for nonpioneer firms.

The incentives to PEZA-registered entities include an income tax holiday, which may have a duration of four years for new registered nonpioneer firms or six years for new registered pioneer firms.

Upon expiry of the income tax holiday, an Ecozone Enterprise becomes entitled to a preferential rate of 5 percent of gross income in lieu of all national and local taxes.

Dennis A. Quintero is a Partner at Quisumbing Torres, Corporate and Commercial Group. He also heads the Natural Resources Industry Group. He. wishes to acknowledge materials from the Quisumbing Torres Doing Business Primer. Readers may request for a copy of the primer from the author at *dennis.quintero@quisumbingtorres.com.*

The FAQs above are the sole opinion of the writer and should not constitute as legal opinion or advice. **– The IMMIGRANT**

Taiwan:

Where the Christmas spirit is felt beyond the holidays

Christmas is not traditionally celebrated in Taiwan, but that has not stopped the citizens of the thriving economy from getting into the spirit of the holidays and putting up festive decorations and colorful ornaments.

And because it is the world's LED capital, Taiwan can rival – if not exceed – nations that have always been big on Christmas such as the Philippines when it comes to holiday glitter and sparkle.

Trees on the road are lit with various colors. Activity centers are set up with different Christmas themes. Big shopping malls are decorated with Christmas trees taller than those in Manila.

Boisterous laughter and giggles are heard in these places on the weekends, when parents take their kids to get a glimpse of the non-traditional holiday, when friends come together to witness the razzle dazzle, or when intimate lovers share something of this season.

Meanwhile, those who religiously observe the holiday go miles further – not only singing Christmas songs, jingles and hymns in their respective places of worship but also having Christmas parties or even going around the neighborhood singing carols on the Eve.

But what is Christmas? Is it just a mere observation of the birth of Christ? What about the non-believers in countries where Christmas is celebrated? Do they also gather in honor of the benevolent Jesus Christ? Or do they just gather because of tradition?

I studied in a Catholic school growing up, but I have never once defined Christmas as just a time to welcome Jesus Christ to the world.

> *"For me, (Christmas) is a time when we take a break from the hustle and bustle of our lives, forget about our busyness, and express gratitude for what we have."*

For me, it is a time when we take a break from the hustle and bustle of our lives, forget about our busyness, and express gratitude to what we have. Most of all, Christmas is a time for giving and sharing our abundance.

Christmas as a holiday may not be known to most of the Taiwanese but they nevertheless reflect and live its spirit of joy and generosity.

Taiwan, after all, is a place where there is no shortage of volunteers in various shelters and hospitals. There are countless of charities, people's organizations, non-government organizations, and social enterprises in this little island dubbed Formosa (beautiful island) by the Portuguese back in the 16th century.

In addition to helping its own, Taiwan has always been one of the first nations to extend aid to countries hit by a tragedy. Taiwan, for example, responded in a big way soon after Supertyphoon Yolanda (Haiyan) slammed the Philippines in November last year.

I've always looked forward to the Christmas festivities in Philippines, which is said to have the longest Christmas celebration with festivities starting as early as September every year.

But I have also come to appreciate how Taiwan celebrates the Christmas spirit in its own unique way. Taiwan has in fact humbled me and showed me that Christmas shouldn't just be celebrated once a year, but rather every single day.

Executive Checkup: Preventing Prostate Cancer

Get screened for prostate cancer. Candy P. Dalizon gives reasons why.

In July 2011, retired bank manager Oscar Zalvidea's routine blood test showed an elevated Prostate Specific Antigen (PSA) level. The test was part of his regular annual exam.

Elevated PSA levels may indicate prostate cancer or noncancerous conditions such as prostatitis or enlarged benign prostate. PSA testing is generally done in men above the age of 50 years. Oscar was 72 years old at that time.

His doctor, Dr. Julius Cajucom, urologist and head of The Medical City (TMC) Robotics Surgery Program, noted the persistence of Oscar's high PSA level prompting him to order a biopsy in October 2011. The result of the biopsy revealed that Oscar has prostate cancer which was localized and still in its early stage.

Dr. Cajucom says prostate cancer is the second leading cancer among Filipinos. It is a form of cancer that develops in the prostate, a gland in the male reproductive system. It is different from prostate enlargement, swelling and infection. Prostate cancer is not directly caused by any particular diet, physical activity, urinary habits or sexual practice.

"It does not have any sign or symptom, especially in the early stages – that's why screening is very important," says Dr. Cajucom. However, symptoms such as difficulty in urinating, erectile dysfunction and problems during sexual intercourse and other symptoms can potentially develop during later stages of the disease.

Since most cases of prostate cancer do not have any specific sign or symptom, there are several tests that need to be done in order to detect it early.

> ***"Prostate cancer does not have any sign or symptom, especially in the early stages – that's why screening is very important."***

"The first step is to consult a urologist for any concern regarding prostate cancer screening or early detection," adds Dr. Cajucom.

Tests may be done, which includes PSA and Digital Rectal Exam (DRE). These tests go hand-in-hand in detecting prostate cancer. Done together, they increase the pick-up rate in diagnosing prostate cancer. In patient Zalvidea's case, his prostate cancer was detected through his routine PSA testing. An elevated PSA does not automatically indicate the presence of prostate cancer. PSA can also be elevated in other prostate conditions such as enlargement, infection and inflammation, instrumentation and catheterization.

DRE is done by inserting a lubricated gloved finger into the rectum in order to feel the prostate. The prostate's size and consistency, as well as the presence of lumps and hard areas signify prostate malignancy. If prostate cancer is highly suspected after

DRE and PSA, a prostate biopsy will confirm the diagnosis. The presence of prostate cancer can be confirmed based on the microscopic findings. In cases wherein prostate cancer is seen, the aggressiveness of the cancer can also be assessed.

Dr. Cajucom says the choice of treatment for prostate cancer depends on the characteristics of the cancer and of the patient. Prostate cancer can be considered as aggressive depending on various factors such as PSA, cancer grade and extent of involvement.

The different treatments include surgery to remove the entire prostate and surrounding lymph nodes, radiation to gradually kill the cancer cells within the prostate, active surveillance for prostate cancer that is not aggressive, and androgen-deprivation therapy and chemotherapy.

In the case of Zalvidea, he opted to undergo robotic-assisted prostatectomy, a minimally invasive surgery to remove the cancerous prostate gland.

"The patient is a strong and healthy elderly with a life expectancy of more than 10 years and he himself wanted the cancer removed in its entirety which makes robotic radical prostatectomy the best option for him," says Dr. Cajucom.

Dr. Cajucom points out that prostate cancer is most successfully treated when detected early. Thus, knowing one's risks of prostate cancer can help him determine when to begin prostate cancer screening. In the Philippines, it usually starts at 50 years of age. As one gets older, the risk of prostate cancer increases. The majority of prostate cancers are found in men age 65 or older. If a close family member, brother or father, is diagnosed with prostate cancer before age 65, his risk of the disease is greater than that of the average. If several of a patient's first-degree relatives – father, brothers, sons – have had prostate cancer at an early age, his risk is considered very high. A high-fat diet and obesity is said to increase one's risk of prostate cancer.

For inquiries or concerns about prostate cancer screening, consult your urologist or call The Medical City Cancer Center at 988-1000 or 988-7000 ext. 6214.

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Coping with a major man-made typhoon

Port congestion, infrastructure limitations wreaking havoc on logistics sector, says Michael Kurt Raeuber

The shortest and most scientific definition of "logistics," from military jargon, is "handling an operation that involves providing labor and materials as needed."

Managing a logistics company today provides challenges similar to those experienced by military commanders supporting troops by supplying people, materials and equipment when under attack.

Logistics managers are adrenalin addicts; otherwise they wouldn't enjoy what they're doing. They like to be challenged and thrive on the satisfaction of solving logistics puzzles, finding solutions and basking in the recognition of peers and customers when they do. They love to be in control of complex processes.

Typhoons, however, cannot be controlled. One can only try and prepare for it and anticipate the worst. The same goes for man-made typhoons like the logistics nightmare at the City of Manila and Manila Ports that affects the national economy.

Let's call this typhoon "Hydra" for its multi-faceted complex challenges, which are slowing down economic growth, congesting ports, delaying imports/exports, increasing prices of commodities and likely destroying badly needed jobs.

So what gave birth to this "Hydra"?

The Philippines, catching up with its fast-paced neighbors, is enjoying an unparalleled period of commercial and industrial growth. Billions of USD remittances by millions of Filipinos working abroad and a million newly created, well-paying jobs in the white collar Business Processing Industry (BPM), are fueling consumer spending.

This, in turn, accelerates imports, outpacing exports, creating a sharp, imbalanced growth of container traffic which, aggravated by the usual bad traffic management in Manila, led to the city's port congestion, initially manifesting in the fourth quarter of 2013.

Years of advocacy of local and foreign chambers to create the infrastructure needed to handle the expected growth by managing the access to and from the primary Manila port, had failed to be heard and acted upon, while the use of the Batangas and Subic subports were not incentivized.

The Manila ports access was restricted by a traffic route management, sending trucks through circuitous lanes smack through the city university belt, while the Batangas and Subic ports, were underutilized rendering them costly white elephants.

The 'positive' problem of growing container traffic volumes created first pains around Christmas of last year with the imposition of a "Christmas truck ban" for several days. The port clogged up, while deliveries slowed down.

When early this year traffic remained bad in Manila due to accelerated deliveries of the pent-up volumes of cargo in the port, the city imposed the daytime "truck" ban. It is a misnomer, as it really did not ban trucks but the deliveries of goods, with dire consequences. Lines of parked trucks clogged streets, and instead of it alleviating traffic, it increased it, further delaying deliveries. Trucking rates doubled.

Weeks of soul-searching and talks produced a single truck lane to and from the port, supposedly open for 24 hours, while the bans remained in effect.

Next came the threat to severely penalize truck owners fielding insured and registered trucks but not "franchised" by the Land Transportation Franchising and Regulatory Board (LTFRB). This is rather a useless, previously unenforced requirement taking ages to comply with. Trucking rates tripled.

At the same time, shipping lines encountered waiting times to discharge their vessels, imposed congestion surcharges for the Manila port, canceled some trips to the Philippines altogether, and diverted others to the subports of Batangas and Subic.

While others worked overtime to manage the problem, local ship agents continued working largely within their usual work schedules.

So in the midst of this typhoon "Hydra", what can be done short-, middle- and long-term?

Looking at the problem as an opportunity, here is an offering of possible solutions:

- Get involved in the design of an independently created master plan by international experts, to develop the port facilities of Luzon to the expected expanded demands
- Support the delivery bans of local government units and as a minimum request the national government to reassert control of national roads, and guarantee 100% 24/7 access to them
- Plead to the Department of Transportation and Communication (DOTC) to scrap the franchise system of trucks and let the LFTRB concentrate on regulating and enforcing rules and restrictions for buses and jeepneys to favor modern mass transport systems
- Allow trucks to be used efficiently by re-creating real "rotondas" replacing the pseudo ones with their chaotic and sometimes hazardous "U-turn" slots. Seek professional help to design those
- Invite logistics experts to get involved in a private public task force to eradicate all traffic flow restrictions which create more opportunities for "fines" rather than enabling traffic to flow smoothly
- Request shipping lines, banks and all other support industries to keep port offices open especially during crisis times when everybody else maintains a 24/7 operations
- Make delivery orders and gate passes not expirable against payment of port charges, and let shipping lines collect demurrage charges upon return of the empty container or prior to the issuance of the initial delivery order
- Enforce the age restrictions of cargo trucks to abolish the practice of dumping junk trucks onto Philippine streets, but limit them to new registrations to avoid further bottlenecks
- Dialogue with PEZA to create container yards in Cavite and Laguna for mandatory empty container storage of PEZA traffic, to cut cost for the return of empty containers and make them easily available for exports

Many of these proposed solutions have been accepted by stakeholders. There is an understanding among them now to cooperate instead of everybody trying to solve his part of the complex challenge in isolation.

And once the Department of Public Works and Highways (DPWH) convinces the company building the connecting road between NLEX and SLEX that it also has to construct a connection to the port now, the majority of the container traffic issues in Manila will be solved sooner, rather than later.

Michael Kurt Raeuber is CEO of ECCP/ Royal Cargo, Inc.

Flying business class

Terence Hockenhull talks about bringing the romance back to air travel

Casting my mind back to when I traveled as a child, there was still some romance left in air travel. Indeed, I still recall times when most passengers dressed for a flight. Flip-flops, shorts, sandos and tees would never be seen aboard an aircraft, even on relatively short regional flights.

The airline industry has undergone major changes over the last 20 years. Today, the industry has made flying affordable.

It's a sobering thought that from a high of US$0.32 cents per passenger mile, the cost of flying has fallen to less than US$0.15 cents in the last 30 years.

But these low, low prices come at a cost: no frills service, charges for food and beverages, headsets and blankets. One European low-cost carrier, Ryanair, even proposed a fee to use the lavatories on board their aircraft.

All well and good for the price-conscious traveler who is prepared to endure a few short hours of discomfort on a budget carrier so he can have money in his pocket for shopping and vacation entertainment.

But what about the harried executive who has to rise in the early dawn hours, endure a traffic-logged drive to the airport, stand in a check-in line, and finally, after an hour or so's wait in an uncomfortable waiting area, board the aircraft only to find a minuscule seat and overhead storage bins that will not – unless he is first to board the aircraft – handle his overnight bag and laptop?

Consider for a moment a short hop to Japan for a business meeting.

Up at 5:00 a.m. to reach the airport by 6:30; an 8:15 am departure for the three-and-a-half-hour flight and a good two hours to disembark, clear customs and immigration and travel to Central Tokyo. That's nearly nine hours for a businessman who is expected to meet with clients, negotiate important deals or make a formative product presentation.

Flying business class offers so very many advantages for the business traveler. Gone is the long wait at the check-in counter.

Airline lounges offer desks, computer stations, stationery, comfortable lounge seats, Wi-Fi and sufficient food and drink to ensure a comfortable and productive wait.

Priority boarding ahead of queues, ample room for overnight bag and laptop stowage, a spacious and comfortable seat, and a good selection of newspapers and magazines take away much of the stress of boarding.

Depending on the carrier, food and wine can be excellent – certainly good enough to negate the need for a meal on arrival at destination. Long-haul flights usually offer lie-flat beds allowing restful slumber.

The flexibility of business class also offers other advantages. Rebooking or cancelling flights is usually allowed without serious penalty. Flights tend to be less full which means that seats can be booked within hours of departure. Bags are often priority-tagged so they come off the aircraft quickly.

Some airports have premium service lanes for business passengers, further shortening the time to pass through immigration. And a number of carriers offer business class passengers a free limousine service to their home or office. Unless you have over-indulged on fine wines and spirits, you arrive feeling refreshed and ready for a full day's work.

The cost of flying business varies tremendously by airline, route, and even day of the week.

Travel from Manila to London can cost as little as USD550 for an economy seat against USD2,650 for business class. However, there are other options.

Using online searches, business class seats may be found at a fraction of full-fare flights. The same London flight can be purchased online for USD1,350. Further discounts can be found by choosing less popular airports. Flying out of Clark, for example, can reduce the business class fare by as much as 30 percent.

Another alternative for the price-conscious traveler is to fly "premium economy". Most major airlines offer this class on long-haul routes. Wider seats, more legroom, attentive service, good food, free drinks, a larger free baggage allowance, a personal entertainment system and noise-reducing headphones are some of the advantages of flying "premium economy". The fare may be as little as 35 percent more than the economy fare.

So is business class really worth it?

The premium paid for this class of travel is the same whichever airline you take; unfortunately, amenities, seat pitch and on-board services may differ significantly. Stick with the major international carriers and you are generally assured of a comfortable, relaxing flight.

Indeed, flying business class will make you feel that some of the romance has been brought back to air travel.

Local fabrics go global

ECCP and DTI join hands to keep weaving tradition alive in Bohol, Rosemel Calderon narrates

The Philippine creative manufacturing sector was once a leader in the application of natural materials to product design. Product developers and engineers would apply them on a chair, on a table, or on any furniture accessory; they are also worn to embellish wardrobes.

International market landscapes, however, have changed. And Charles Darwin, the English naturalist and geologist, once said, "It is not the strongest or the most intelligent who will survive but those who can best manage change."

Competitor countries started investing in research and development (R & D) and by partnering with technology providers. They developed fast and effectively transformed themselves into material innovators. We were no longer the only game in town and our market leadership started to fade.

This backdrop inspired the European Chamber of Commerce of the Philippines (ECCP) to unveil the Materials R & D program in 2008 with the vision of providing the creative industries with access to new materials and technology. Manipulation, reinvention, and rejuvenation of natural materials are part of the program design to promote creativity and competitiveness. As global market forces persistently threaten the Philippine creative industries and slowly push them to a sunset, the Materials R & D program steers them to new horizons to find a new sunrise.

It is this program that paved the way for the dawning of the Tubigon Raffia Export Development Program and for a staunch alliance between ECCP and the Department of Trade and Industry (DTI) in Region 7. Both ECCP and DTI have the same passion and singular dream of sustaining the loom-weaving heritage of the town and of making Tubigon the weaving capital of the Visayas.

Skills-enhancing workshops were conducted by European consultants to mix and weave new materials with raffia, which is bountiful in the Bohol. Cutting-edge patterns were formed and swatches of freshly manipulated materials were created, transforming the woven raffia and giving it a spanking new look.

The metamorphosis of the Tubigon woven raffia leads to an intensified bond between ECCP and DTI, bringing another level of change to the celebrated fabric. As the famous management guru Peter Drucker put it, "If you want something new, you have to stop doing something old."

ECCP and DTI advanced by bringing in another consultant, Francis Dravigny, an abaca weaving expert, who transferred his weaving proficiency to the community. A new weaving center was constructed with brand-new looms that allow weaving of fabrics wider in length. Old looms were upgraded. Skills of old weavers were enhanced. Young weavers were trained.

Tubigon is close to the epicenter of the 7.1 magnitude earthquake that rocked Bohol and nearby islands on October 15, 2013. The newly constructed weaving center was badly hit; the community, shaken. But the weavers' spirits were not crushed. They immediately got back on their feet. Moving on, both young and old weavers started using the new looms and produced woven fabric that would make one not easily recognize the material.

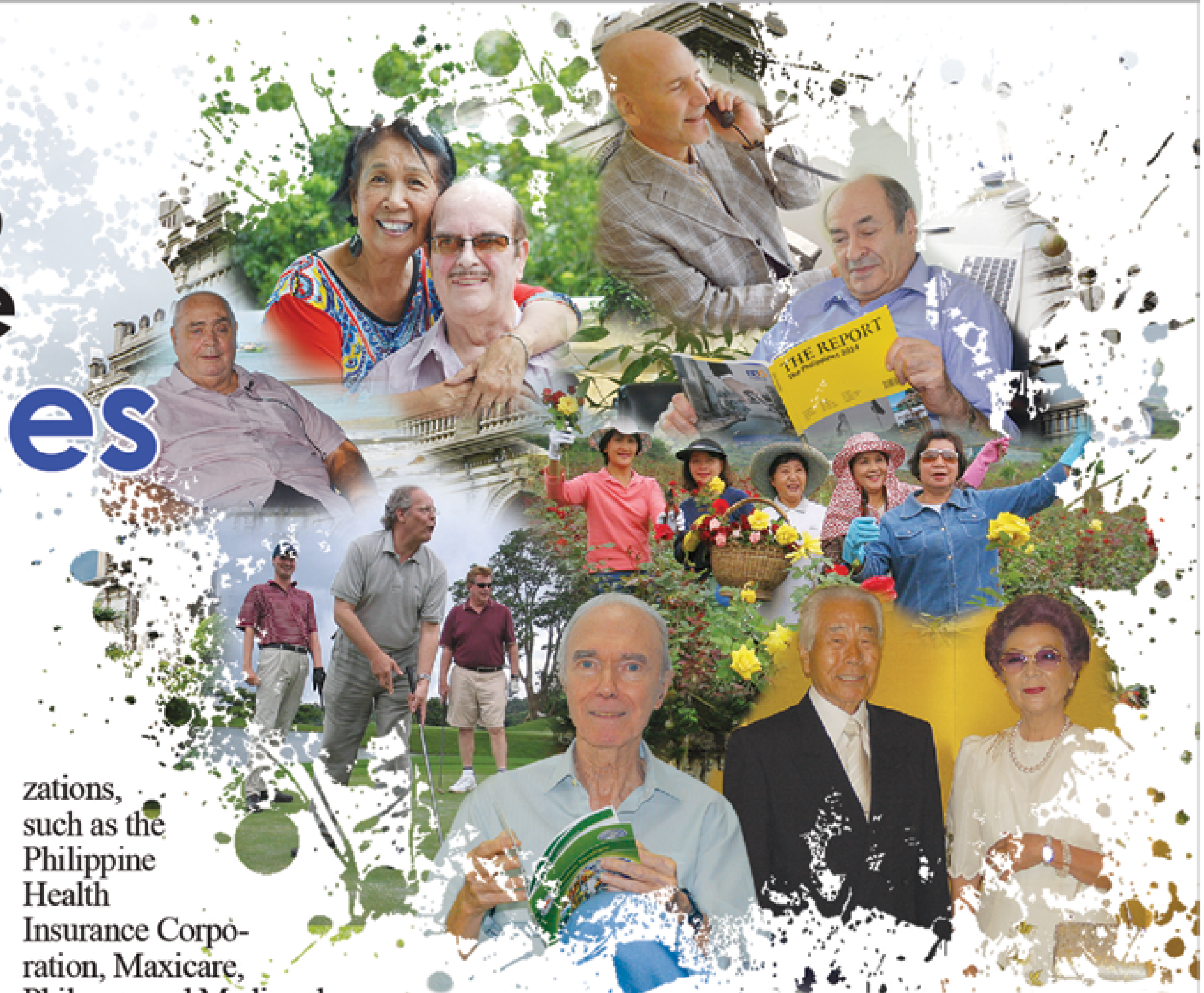
The interventions from international consultants through the ECCP-DTI partnership paid off and successfully transformed the woven raffia into an outstanding fabric that designers and product developers can play around with and apply in product design. Today, the material is sold to markets in Paris and different parts of Europe and Asia.

ECCP and DTI continue to weave dreams for the town of Tubigon to sustain its weaving heritage and for the community to be an essential part of the value chain for global markets.

The ECCP-DTI alliance provides a few steps closer to those dreams. The two organizations hope that by providing freshly manipulated natural materials, they can help bring the country back to its leadership in product design.

Rosemel Calderon is the ECCP Cebu Branch Manager.

Excellent Reasons to Retire in the Philippines



Photos by Patricia Kyle Mendoza

It is definitely "More ***fun*** in the Philippines!" Enjoy Filipino dishes like adobo, sinigang, kare-kare, pinakbet, bicol express, and the freshest sea food dishes you can imagine. Experience the country's most popular festivals like Cebu City's Sinulog, Aklan's Ati-Atihan, Iloilo's Dinagyang, Baguio's Panagbenga Flower Festival, Davao's Kadayawan, Bohol's Sandugo; and islands like Palawan, Panglao, Boracay, Caramoan, Camiguin, and Coron.

Shop in the some of the world's largest malls like Mall of Asia, SM Aura, Megamall, Greenbelt, Glorietta, Shangri-la, Rockwell, Greenhills Center, Robinson's Galleria, Robinson's Magnolia among others. Enjoy world-class casinos and gaming venues like Casino Filipino, Solaire Resort & Casino, and Resorts World Manila.

The ***cost of living*** in the Philippines is much cheaper. No doubt about this. And think of the many business opportunities.

The Philippines has ***world-class healthcare***. We have JCI-accredited hospitals like St. Luke's, Medical City, Makati Medical Center, Asian Hospital, and Chong Hua. We also have locally accredited quality and affordable hospitals like Cardinal Santos, University of the East Medical Center, Lorma Medical Center, University of Santo Tomas Hospital, Manila Doctors, Medical Center Manila, Far Eastern University Hospital, Cebu Doctors, and Chinese General Hospital, and leading government hospitals like the Philippine General Hospital, Philippine Heart Center, the Lung Center of the Philippines, Philippine Children's Medical Center, and the National Kidney and Transplant Institute, among others.

The Philippines also has quality health insurance and health maintenance organizations, such as the Philippine Health Insurance Corporation, Maxicare, Philcare, and Medicard. International health insurance coverage by providers such as Van Breda, Aetna, United Healthcare, Carefirst, Humana, Molina Healthcare, Blue Cross, TriCare, and Kaiser International is accepted in Philippine hospitals.

The cost of co-pay in the US may be practically equal to the cost of the whole medical procedure in the Philippines.

The emergence of independent physician associations such as United Physician International, Inc. will help make Medicare benefits portable to the Philippines. Third party administrators and other facilitators are providing more mechanisms for Medicare portability.

Aggressive lobbying by groups (such as US Medicare PH) identified with the Philippines and Latin American countries is bringing the passage of a bill making Medicare portable to countries like the Philippines and Mexico more and more likely. Furthermore, more policy studies by an increasing number of respectable research groups are providing the metrics to justify health outsourcing and retirement migration.

It is easy to integrate with Filipinos. English is very widely spoken. Signages and instructions are in English, and daily newspapers are in English. There is freedom of expression, and as PRA retiree-member Jon Stewart would say:

"One of the reasons my family and I choose to live in the Philippines is that the people are warm, kind and reliable. We are happy to make our home here among such people."

Many localities see and promote their towns and cities as ***RADAR (Retirement Areas Deemed as Retiree-friendly)***: Makati, Quezon City, Cebu City, Talisay City, Liloan, Bogo, Cadiz, Bacolod, Dumaguete, Victorias, Baguio, Tagaytay, Davao City, Zamboanga City. Also economic zones like Subic, Clark and Zamboanga.

Retirement facility projects include:

a. Cebu SRP Project to host cutting-edge and largest retirement-related facility with 1.25 hectares, 3 buildings, 800 units;
b. Tagaytay offers a unique project with best of wellness and best of retirement. La Bella in Tagaytay is an intergenerational project consisting of a condotel for visiting relatives of retirees and residential condos for retirees. Wellness packages are included in the purchase of the units;
c. Mactan Newtown Township is in a fast-expanding mode. The first cluster consisting of four buildings is moving towards the finishing stage, as Megaworld has expanded the project from the Lapu-Lapu Shrine to the beach thru the acquisition of Portofino beach.
d. LifeCare Residences Cebu has tied up with the Manosa Group of Architect Manosa to develop a 2-hectare retirement facility in Cebu.
e. Oroland in Bacolod is an international-oriented, green, intergenerational community with access to metropolitan amenities.

Last but not least, the retiree has visa options depending on his situation: dual citizenship, 13A (for those married to Filipinos), and PRA's ***Special Resident Retiree's Visa (SRRV)***.

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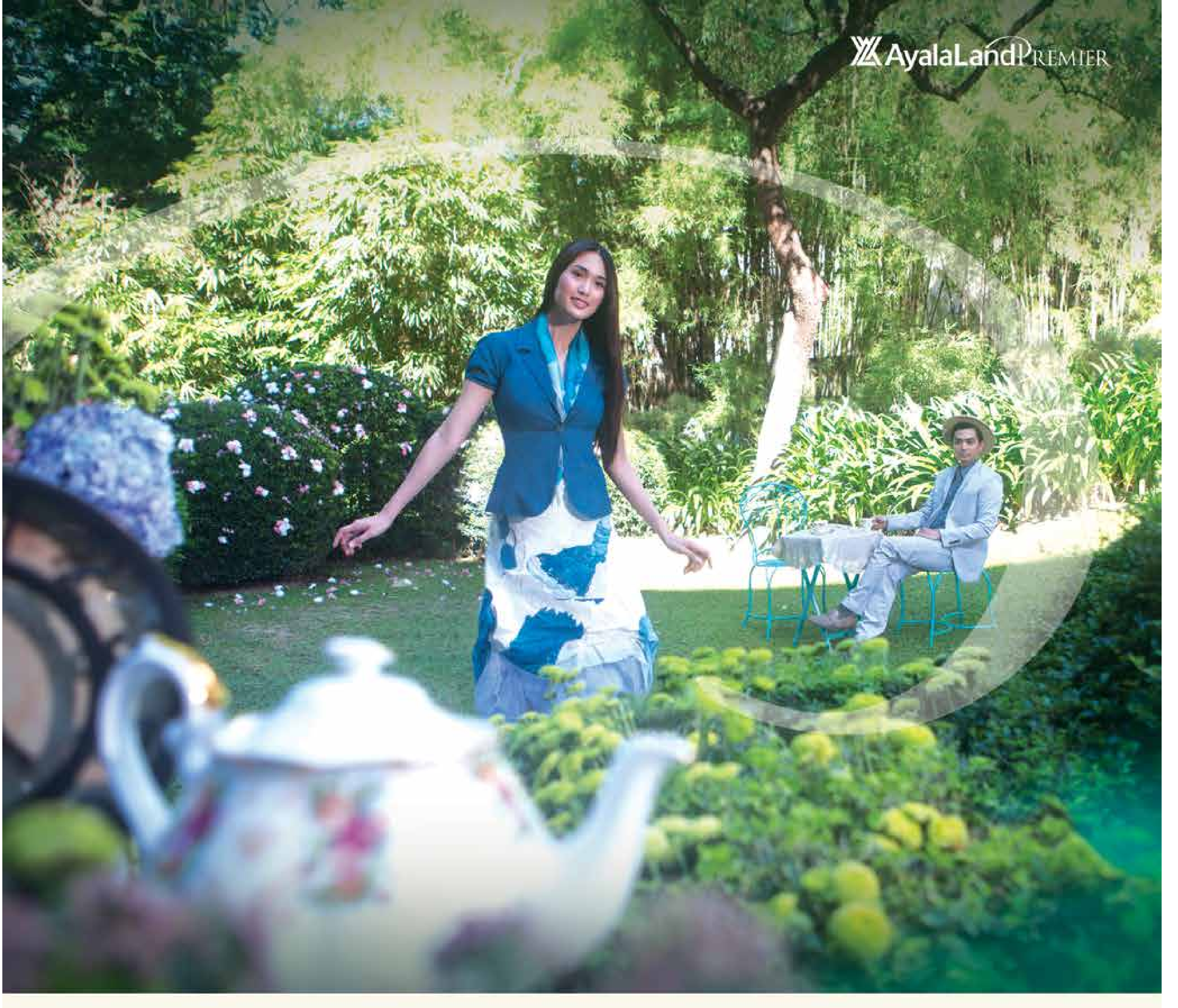

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