



## PRESS RELEASE

### UP Diliman urges lawmakers to reconsider economic bills

The University of the Philippines Diliman has called on lawmakers to reconsider the passing of three economic bills that will allow 100% foreign ownership in the telecommunications, transportation, and small retail trade sectors.

In an October 6 statement, the University Council (UC), which is the highest policymaking body in UP Diliman, said that the Senate Bills 2094, 1156, and 1840 “present clear long-term risks for the country” that has been crippled by the pandemic. Senate Bill (SBN) 2094 seeks to amend the provisions of the Public Service Act to reclassify “public utilities” such as telecommunications and transportation to “public services” and allow a 100-percent foreign ownership in these industries. SB 1156 seeks to amend the Foreign Service Investment Act of 1991 to ease the entry of foreign businesses, and SB 1840 will amend the Retail Trade Liberalization Act of 2000 to lower the required paid-up capital for foreign retailers.

Instead of building the Philippine government’s capacity to secure the country’s digital and physical connectivity especially in the time of national and global emergencies, SB 2094 would pass on this responsibility to foreign corporations. SBs 1156 and 1840 seek to bring down the amount of investment that foreigners need to fully own and operate businesses in the country. On September 21, the Senate ratified the bicameral conference report that lowered the minimum paid-up capital requirement for foreign retailers to P25 million (or \$500,000) from the current P125 million (or \$2.5 million), thus opening up the country’s micro, small, and medium enterprises (MSMEs) to foreign competition.

Saying that the bills privilege foreign economic interests at a time when Filipino businesses are reeling from the pandemic, the UC called on lawmakers to instead “use this moment to stand with and invest in the economic capabilities of the Filipino people.”

The University Council added that to effectively draw in productive foreign investment would entail combating corruption, eliminating red tape, and addressing the high cost of electricity in the country.

The University Council is composed of the Chancellor, professors, associate professors, and assistant professors of the UP Diliman.

Link to the UC statement: <https://upd.edu.ph/statement-of-the-upd-university-studecouncil-on-senate-bills-2094-1156-and-1840/>