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GSE LAW LEGAL UPDATES

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Justice

A.M. NO. 24-02-06-SC RE THE RULE ON FAMILY MEDIATION

On 14 December 2024, the Supreme Court released the Rules on Family Mediation to enhance family court efficiency, reduce backlogs, and prioritize children's best interests. In the Rule, family mediation is defined as a non-adversarial process where an impartial mediator assists in resolving family disputes and encourages voluntary agreements.

The Rule mandates that the following cases be referred to family mediation:

1. Those involving issues under the Family Code and other laws which can be the subject of a compromise agreement, such as support, custody, visitation, property relations, and guardianship;
2. Settlement of intestate estates (estates without a will);
3. Cross-border disputes in international child abduction, support, custody and visitation, guardianship, and other civil cases involving children filed in the Philippines between a Filipino resident and a citizen of a member-country of the Council of ASEAN Chief Justices (CACJ); and
4. Other civil cases or civil aspect of criminal cases where mediation is allowed by law, rules, and international conventions or agreements between parties covered by the Rule.

Parties in these cases, excluding cross-border disputes, must first undergo a dispute resolution process and attempt to reach an amicable settlement before filing any court action. If the parties do not reach a settlement and a case is filed, the court, after the pre-trial conference and once the issues have been joined, shall direct the parties to undergo mandatory family mediation as a final attempt to settle the dispute.

Statements made during family mediation cannot be used as evidence in court unless otherwise agreed upon. Additionally, recording in any form by the family mediator is prohibited. Lastly, the mediation period of 30 days must be strictly observed unless the court approves an extension of not more than 30 days.

The following cases, however, are generally not subject to family mediation:

- (a) Civil cases that cannot be the subject of a compromise, such as the civil status of persons, validity of a marriage or legal separation, grounds for legal separation, future support, a court's jurisdiction, and future legitime, or the portion of an estate reserved by law for heirs;
- (b) Habeas corpus, unless it relates to custody of minors;
- (c) Violations under the Anti-Violence Against Women and Their Children Act; and
- (d) All cases involving issues under the Family Code with applications for protection/restraining orders or preliminary injunctions.

[Click here for the full text of The Rule on Family Mediation](#)

Action Required:

A thirty (30)-day mediation period as an additional step in the litigation process for applicable cases.

Intellectual Property

MEMORANDUM CIRCULAR NO. 2024-048 RE GUIDELINES FOR MANUAL FILINGS AND PAYMENTS

On 19 December 2024, the Intellectual Property Office of the Philippines (IPOPHL) released guidelines in order to prioritize online filings and payments as the primary mode of transaction. Manual filings and payments will only be accepted under the conditions outlined below:

Eligibility for Manual Filings and Payments:

1. Single or cumulative transactions amounting to One Hundred Thousand Pesos (PHP100,000.00) or above, provided that:
 - a. Documents have been filed online; and
 - b. A valid reference code has been generated.
2. Voluminous applications or documents exceeding two hundred fifty (250) pages per application.
3. Submission of document types not supported by the eDoc Filing System (e.g., deficit submissions).

In cases of eDoc Filing System unavailability, IPOPHL will issue specific instructions for manual filings and payments, including deadlines and procedures.

[Click here for the full text of M.C. No. 2024-048](#)

NPC ADVISORY NO. 2024-03 RE GUIDELINES ON CHILD-ORIENTED TRANSPARENCY

On 17 December 2024, the National Privacy Commission released guidelines providing that Personal Information Controllers (PIC) or Personal Information Processors (PIP) processing children's personal data must adhere to the general privacy principle of transparency; hence, the latter must be aware of the nature, purpose, and extent of the processing of their data.

On this note, PICs must incorporate a Child Privacy Impact Assessment (CPIA) as part of their Privacy Impact Assessment (PIA) before launching products or services intended or likely to be accessed by children and thereafter as may be necessary. PICs are then required to address any risks identified in the PIA and provide privacy notices.

[Click here for the full text of NPC Advisory No. 2024-03](#)



Related Issuance:
Advisory on Guidelines on
Child-Oriented Transparency

NPC ADVISORY NO. 2024-04 RE GUIDELINES ON THE APPLICATION OF RA 10173 OR THE DATA PRIVACY ACT OF 2023 (DPA), ITS IRR, AND THE ISSUANCES OF THE COMMISSION TO ARTIFICIAL INTELLIGENCE SYSTEMS PROCESSING PERSONAL DATA

On 19 December 2024, the National Privacy Commission (NPC) issued guidelines on applying the Data Privacy Act of 2012 (DPA) to Artificial Intelligence (AI) systems that process personal data. These guidelines apply to AI systems during development, deployment, training, and testing, ensuring compliance with the DPA's principles. Personal Information Controllers (PICs) and Processors are required to uphold transparency, accountability, fairness, accuracy, data minimization, and establish a lawful basis for processing personal data.

The guidelines stress the importance of governance mechanisms, such as Privacy Impact Assessments, ethics boards, and human intervention in decision-making, to ensure ethical and responsible use of AI. Additionally, PICs must respect the rights of data subjects, including their rights to object, rectify, erase, or block data, and provide transparency regarding automated decisions. Any ambiguities in the guidelines should be interpreted in favor of protecting data subjects' rights. These measures aim to balance innovation in AI systems with strict adherence to privacy laws and ethical standards.

[Click here for the full text of NPC Advisory No. 2024-04](#)

BSP MEMORANDUM NO. M-2024-043 RE UPDATED GUIDELINES ON THE IMPLEMENTATION OF THE ENHANCED COMPREHENSIVE CREDIT AND EQUITY EXPOSURES REPORT (COCREE) OF 2023

On 19 December 2024, the Bangko Sentral ng Pilipinas (BSP) released updated guidelines for implementing the Enhanced Comprehensive Credit and Equity Exposures Report (COCREE) 2.0 under Circular No. 1184.

Type of BSP-supervised Financial Institution (BSFI)	Reporting Frequency	Live Implementation of COCREE 2.0	
		Reporting Period	Due Date
Universal/Commercial Bank (U/CB), Digital Bank (DGB), Thrift Bank (TB), Non-bank Financial Institution with Quasi-banking Functions (NBQF) and Trust Corporation (TC)	Monthly	Ending 31 January 2025	07 April 2025
		Ending 28 February 2025	06 May 2025
		Ending 31 March 2025	30 May 2025
		Ending 30 April 2025	23 June 2025
		Ending 31 May 2025	15 July 2025
		Ending 30 June 2025	11 August 2025
Rural Bank (RB) and Cooperative Bank (Coop)	Quarterly	Ending 31 July 2025 and onward	25 business days after reference reporting period
		Ending 30 September 2025 and onward	

The live implementation for Universal/Commercial Banks (U/CBs), Digital Banks (DGBs), and similar institutions will commence with the January 2025 reporting period, due by April 7, 2025, while Rural and Cooperative Banks (RBs and Coops) will begin quarterly reporting by September 2025.

Pilot testing for December 2024 is suspended for system maintenance and will resume in January 2025 using a new sandbox environment. Institutions must use records from periods after June 2024 for pilot testing, avoiding dummy data and ensuring substantial representation of actual datasets. Reporting under COCREE 1.0 will continue until the live implementation of COCREE 2.0, with penalties waived for corrected violations before the next reporting period. While penalties for COCREE 2.0 violations will not apply during pilot testing, they will be strictly enforced three reporting periods after live implementation, with active participants in the pilot test eligible for a grace period. Stakeholders are advised to contact the Credit Reporting System Unit (CRSU) for inquiries and clarifications.

[Click here for the full text of BSP Memorandum No. M-2024-043](#)



BSP MEMORANDUM NO. M-2024-044 RE AMENDED GUIDELINES ON THE SUBMISSION OF REPORTS/DOCUMENTS AND COMMUNICATION THROUGH THE BSP FINANCIAL SUPERVISION SECTOR (FSS) MAIL-IN ACCOUNT

On 20 December 2024, the Bangko Sentral ng Pilipinas (BSP) issued Memorandum No. M-2024-044, outlining amended guidelines for the submission of reports, documents, and communications through the Financial Supervision Sector (FSS) mail-in account.

BSP-supervised financial institutions (BSFIs) are required to strictly adhere to the prescribed format for subject lines in email submissions. All reports, documents, and other correspondence must be transmitted electronically to the designated email address, and emails must not have settings that prohibit forwarding or duplication. Non-compliance with these requirements may result in failed email delivery. In the case of reports, such non-conformity may be treated as a breach of BSP reporting standards, subjecting the BSFI to sanctions under existing regulations.

The BSP considers the auto-generated reply from the fssmail@bsp.gov.ph account as proof of receipt for submissions. If no acknowledgment email is received within the day, it indicates a delivery failure. BSFIs are reminded to ensure full compliance to avoid potential repercussions.

[Click here for the full text of BSP Memorandum No. M-2024-044](#)

Taxation

REVENUE REGULATIONS NO. 18-2024 RE IMPLEMENTING SECTION 32(B)(5) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED BY REPUBLIC ACT NO. 12066, OR THE CREATE MORE ACT

On 17 December 2024, The Bureau of Internal Revenue issued Revenue Regulation No. 18-2024 implementing Section 32(B)(5) of the National Internal Revenue Code of 1997, as amended by Republic Act 12066, or the CREATE MORE Act, which provides the exemption of income of any kind, to the extent required by any treaty obligation, including agreements entered into by the President with economies and administrative regions, subject to the concurrence of the Senate, from income taxation.

Such income of any kind shall likewise be excluded from the computation of gross income, as defined under Section 32 (A) of the NIRC.

[Click here for the full text of BIR RR No. 18-2024](#)



Related issuance:
CREATE MORE Act

RMC NO. 131-2024 RE PUBLISHING THE FULL TEXT OF THE 14 OCTOBER 2024 LETTER FROM THE FOOD AND DRUG ADMINISTRATION (FDA) ENDORSING UPDATES TO THE LIST OF VAT-EXEMPT PRODUCTS UNDER REPUBLIC ACT (R.A.) NO. 10963 (TRAIN LAW) AND R.A. NO. 11534 (CREATE ACT)

On 03 December 2024, The Bureau of Internal Revenue published the full letter from Dr. Samuel A. Zacate dated 14 October 2024 from Food and Drug Administration (FDA) of the Department of Health (DOH) which provides the updated list of VAT Exempt Medicines under RA No. 10963 and RA No. 11534 for Cancer, Diabetes, and Mental Illness. Likewise provided therein is a clarification that the correct term for the drug product “Chorionic Gonadotrophin” is “Human Chorionic Gonodotropin”.

As clarified under Q&A No. 1 of RMC No. 99-2021, the effectivity of the VAT exemption of the covered medicines and medical devices under the CREATE Act shall be on the date of the publication by the FDA of the updates to the said list.

By virtue of the publication by the FDA of the letter containing the updates to the published list of VAT-Exempt Medicines on 03 December 2024, the VAT exemption of the covered medicines and medical devices listed therein became effective.

[Click here for the full text of BIR RMC No. 131-2024](#)

SEC

SEC MC NO. 18 SERIES OF 2024 RE GUIDELINES ON THE DISCLOSURE OF FEE-RELATED INFORMATION OF EXTERNAL AUDITOR

On 26 December 2024, the Securities and Exchange Commission issued Memorandum Circular No. 18 Series of 2024 that provides guidelines on disclosing fee-related information of external auditors, in line with the Code of Ethics for Professional Accountants duly adopted in the Philippines.

Failure to comply with any of the requirements under the Circular shall, after notice and hearing, result in the imposition of penalties under the Revised SRC Rule 68 and Consolidated Scale of Fines and Penalties of the Commission.

The requirements under these guidelines shall become effective for Audited Financial Statements (AFS) ending 31 December 2024, and thereafter of companies covered under Section 1 of the said Circular, which includes:

- Listed companies or issuers with a class of securities listed for trading in an Exchange
- Issuers which have sold a class of its securities pursuant to a registration under Section 12 of the SRC;
- Public companies or companies with assets of at least Fifty Million Pesos (P50 Million) or such other amount as the Commission shall prescribe and has Two Hundred (200) or more holders each holding at least One Hundred (100) shares of a class of its equity securities;
- Companies in the process of filing their financial statements for the purpose of issuing any class of instruments in a public market;
- Holders of secondary licenses issued by the Securities and Exchange Commission (SEC), Bangko Sentral ng Pilipinas (BSP), and Insurance Commission (IC);
- Such other corporations that the Commission may consider in the future as imbued with public interest.

All covered companies must present specific fee-related information in a two-year comparative format as a supplement to their AFS.

[Click here for the full text of SEC M.C. No. 18 Series 2024](#)

SSS

CIRCULAR NO. 2024-006 RE SCHEDULE OF SSS CONTRIBUTIONS EFFECTIVE JANUARY 2025 FOR ALL BUSINESS EMPLOYERS AND EMPLOYEES

On 19 December 2024, the Social Security System (SSS) released Circular No. 2024-006, detailing the new schedule of contributions effective January 2025 for business employers and employees. The adjustments align with the Social Security Act of 2018 and Social Security Commission Resolution No. 560-s.2024, increasing the contribution rate to 15%, the minimum monthly salary credit (MSC) to ₱5,000, and the maximum MSC to ₱35,000. Contributions for the Regular Social Security (SS) Program and Employees' Compensation (EC) Program will be based on an MSC ranging from ₱5,000 to ₱20,000, while amounts exceeding ₱20,000 up to ₱35,000 will be allocated to the Mandatory Provident Fund (MPF).



Benefits, including retirement, disability, and death, will depend on the accumulated contributions and investment income. The circular also repeals the previous 2023 contribution schedule and will take effect in January 2025 following its publication and registration.

[Click here for the full text of Circular No. 2024-006](#)

CIRCULAR NO. 2024-008 RE SCHEDULE OF SSS CONTRIBUTIONS EFFECTIVE JANUARY 2025 FOR ALL SELF-EMPLOYED MEMBERS

On 19 December 2024, The Social Security System (SSS) has announced a 1% contribution rate hike effective January 2025 bringing the contribution rate to 15% from the previous 14%, pursuant to the provisions of RA No. 11199 (Social Security Act of 2018). It also increased the minimum Monthly Salary Credit (MSC) to P5,000 from the previous P4,000 and the maximum MSC to P35,000 from the previous P30,000.

[Click here for the full text of Circular No. 2024-008](#)

Health

CIRCULAR NO. 2024-0031 RE COVERAGE OF FOSTER CHILD AS QUALIFIED DEPENDENT

On 06 December 2024, PhilHealth released the entitlement to the National Health Insurance Program (NHIP) of any foster child as a qualified dependent of foster parent/s for the duration of the validity of either the Foster Placement Authority (FPA) or the Certificate of Emergency Placement from the National Authority for Child Care, whichever is applicable. Foster parents can now register their foster children as dependents under their PhilHealth membership, enabling these children to avail of medical services and financial support for healthcare needs.

[Click here for the full text of Circular No. 2024-0031](#)

CIRCULAR NO. 2024-0037 RE FIFTY PERCENT (50%) ADJUSTMENT OF SELECT CASE RATES


On 23 December 2024, PhilHealth has approved a 50% increase in approximately 9,000 benefit packages, effective 01 January 2025. This adjustment is aimed at improving financial protection for members by reducing out-of-pocket expenses and ensuring access to quality healthcare services. Notable increases include higher coverage for moderate-risk pneumonia (from ₱19,500 to ₱29,500) and acute gastroenteritis (from ₱7,800 to ₱11,700). However, certain benefit packages, such as those for acute stroke, severe dengue, and high-risk pneumonia, are excluded from this adjustment. Additionally, Z Benefit packages, which cover catastrophic illnesses and conditions like cancer treatments, are being re-costed and scheduled for future adjustments. This move reflects PhilHealth's ongoing efforts to make healthcare more affordable and accessible for its members.


For a full list of adjusted and excluded benefit packages, members are encouraged to refer to the official PhilHealth website.

[Click here for the full text of Circular No. 2024-0037](#)

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