

Philippine Stock Exchange index (PSEi)

7,261.34 ▼ 46.41 PTS. ▼ 0.63%

PSEi MEMBER STOCKS

AC Ayala Corp. P856.00 -P14.00 -1.61%	ACEN AC Energy Corp. P9.50 -P0.02 -0.21%	AEO Aboitiz Equity Ventures, Inc. P60.00 ---	AGI Alliance Global Group, Inc. P12.26 +P0.24 +2.00%	ALI Ayala Land, Inc. P36.20 +P0.40 +1.12%	AP Aboitiz Power Corp. P30.90 -P0.10 -0.32%	BDO BDO Unibank, Inc. P129.50 -P0.20 -0.15%	BLOOM Bloomberg Resorts Corp. P6.32 -P0.08 -1.25%	BPI Bank of the Philippine Islands P94.90 -P1.30 -1.35%	CNVRG Converge ICT Solutions, Inc. P31.25 -P0.15 -0.48%
GLO Globe Telecom, Inc. P3,296.00 -P34.00 -1.02%	GTCAP GT Capital Holdings, Inc. P565.00 +P2.50 +0.44%	ICT International Container Terminal Services, Inc. P198.50 -P4.50 -2.22%	JFC Jollibee Foods Corp. P229.00 -P1.60 -0.69%	JGS JG Summit Holdings, Inc. P60.00 ---	LTG LT Group, Inc. P9.99 +P0.10 +1.01%	MBT Metropolitan Bank & Trust Co. P57.80 -P1.40 -2.36%	MEG Megaworld Corp. P3.20 -P0.05 -1.54%	MER Manila Electric Co. P306.80 -P0.20 -0.07%	MPI Metro Pacific Investments Corp. P3.94 -P0.05 -1.25%
PGOLD Puregold Price Club, Inc. P37.30 +P0.15 +0.40%	RLC Robinsons Land Corp. P19.08 -P0.10 -0.52%	RRHI Robinsons Retail Holdings, Inc. P58.25 -P0.25 -0.43%	SECB Security Bank Corp. P112.00 -P1.50 -1.32%	SM SM Investments Corp. P947.00 -P3.00 -0.32%	SMC San Miguel Corp. P110.30 -P0.50 -0.45%	SMPH SM Prime Holdings, Inc. P34.30 -P0.60 -1.72%	TEL PLDT, Inc. P1,897.00 -P7.00 -0.37%	URC Universal Robina Corp. P129.50 -P0.40 -0.31%	WLCON Wilcon Depot, Inc. P28.50 +P0.20 +0.71%

DoE clears 147 firms to supply clean energy to DUs

RPS program requires part of power sales to come from renewables

MORE THAN a hundred clean energy companies with a total capacity of 2,619 megawatts (MW) have been cleared by the Energy department to participate in its renewable portfolio standards (RPS), a program that requires electricity sellers to source part of their supply from renewables.

In its tally as of end-December 2021, the Department of Energy (DoE) listed 147 renewable energy (RE) companies for the program, 62 of which are solar energy companies with a total capacity of 1,312.96 MW or more than half of the total eligible capacity.

"Eligibility of RE Facilities are based on the criteria provided in Sections 10 and 11 of Department Circular No. DC2017-12-0015 and

Sections 9 and 10 of Department Circular No. DC2018-08-0024," the department in its report released over the weekend.

The first circular covers the RPS program for on-grid areas, or those within the country's interconnected system that transmits power from where it is produced to where the demand is.

RPS is a policy mechanism under Republic Act No. 9513 or the Renewable Energy Act of 2008 mandating distribution utilities (DU) and retail electricity suppliers (RES) to source or produce at least a percent of their net electricity sales from eligible RE facilities.

The DoE later expanded the scope of the program to include

those off the grid, thus increasing the use of RE while optimizing the power supply mix in these areas that are largely served by expensive diesel-fed power plants.

In summary, the DoE's latest count covers 62 solar farms, 36 biomass and 36 hydro power facilities, seven wind farms, and six geothermal power plants.

Next to solar farms, hydro power plants came out with the biggest capacity of eligible projects at 412,802 MW. Wind farms followed with 409.9 MW, while biomass and geothermal projects under the program have a capacity of 264,845 MW and 218.5 MW, respectively.

Of the 147 renewable energy projects under the RPS program,

the biggest project in terms of capacity is EDC Burgos Wind Power Corp.'s 150-MW wind farm in Burgos, Ilocos Norte. It started commercial operation on Nov. 11, 2014.

Bac-man Geothermal, Inc.'s 140-MW geothermal plant in Sorogon province that started its commercial run on Feb. 5, 2015.

Helios Solar Energy Corp. followed with its 132.5-MW solar farm in Cadiz City, Negros Occidental, which began operating on March 14, 2016.

SN Aboitiz Power-Benguet, Inc. is the fourth biggest power plant that is eligible for the RPS program with its 104.55-MW hydro power plant in Ambuklao, Benguet whose three units all started operating in 2011.

Solar Philippines Tarlac Corp. with its 100.613-MW solar farm in Concepcion, Tarlac is the only project that opened recently — on Sept. 12, 2019.

The RPS program is among the RE initiatives introduced by the DoE after it discontinued granting guaranteed and subsidized rates under the feed-in tariff system when the target capacity was reached.

On Nov. 3, 2021, the department issued revised guidelines for the green energy auction program, or GEAP, which calls for a transparent and competitive selection of RE facilities in assisting electric utilities in complying with their RPS requirements.

The updated GEAP guidelines adopted certain mechanisms un-

der the feed-in-tariff system, such as a "central dispatch" that gives priority to RE when selling power through the wholesale electricity spot market.

The RE initiatives are seen by the DoE to spur greater private sector participation in the power generation sector through renewables, as the government aims to attain a 35% RE share in the mix by 2030.

As of 2020, the country had an installed power generating capacity of 26,286 MW, which is dominated by coal-fired power plants with a share of 42% or 10,944 MW. Renewables, oil-based and gas-fired power facilities had a share of 29%, 16% and 13%, respectively. — **VVS**

DTI, PhilDev launch programs to support startups

THE Department of Trade and Industry (DTI) and PhilDev Foundation recently launched two programs that seek to support the growth of startups in the country.

On Jan. 12, the DTI and PhilDev introduced the Incubation, Development, and Entrepreneurial Assistance (IDEA) and Accelerating Development, Valuation, and Corporate Entrepreneurship (ADVANCE) programs to help local startups.

According to the DTI, the two programs will provide customized support such as coaching, mentoring, training, and workshops to address issues faced by local startups.

"Along with micro, small, and medium enterprises (MSMEs), startups are the bedrock of the economy. Hence, supporting startups would be crucial to create a huge pipeline of quality startups," Trade Undersecretary Rafaelita M. Aldaba said.

The DTI said the IDEA program is for early-stage tech startups. The said program encourages collaboration among startups, mentors, investors, and the government to produce market-ready innovative science and technology products and services.

In contrast, the ADVANCE program is targeted at growth-stage

tech startups. The program seeks to help the expansion of business operations and allow startups to deliver products and services that aim to solve societal needs.

"These programs are designed to nurture, develop startups, and ensure that they will become economic assets, as competitive job-generating platforms. In these programs, startups will access tailored workshops and mentorship from global talent, market readiness assessment, legal and financial support services, and many more," PhilDev Foundation Executive Vice-Chairman Eric Tomacruz said.

The DTI said startups that are interested in the program can send their applications to PhilDev's website until Jan. 17.

"Let us all work together towards increasing business ideas and creating committed founding teams with an aligned vision and high innovation potential. I also look forward to our strong collaboration with PhilDev and other partners towards the successful implementation of these programs and supporting our startups in their business venture journey," Ms. Aldaba said. — **Revin Mikhael D. Ochave**

OUTLIER

BDO rises as November bad debt ratio improves

IMPROVING asset quality of the Philippine banking system drove traders to stock up on shares in Sy-led BDO Unibank, Inc. last week.

A total of 9.54 million BDO shares worth P1.21 billion were traded from Jan. 10 to 14, data from the Philippine Stock Exchange (PSE) showed, making it the sixth most actively traded stock in the market.

BDO's share price grew by 5.3% on a week-on-week basis to P129.50 apiece on Friday. Since the first trading day of the year, the stock's price climbed by 7.9%.

"The movement in BDO's price is mainly because of the steady improvement in the banking industry, both in terms of asset quality and expansion in the total loan portfolio," Regina Capital Development Corp. Head of Research Luis A. Limlingan said in a Viber message.

Bad debts held by the Philippine banking system as a share of its total loan portfolio eased in November as the nonperforming loan (NPL) ratio reached an eight-month low of 4.35%, preliminary data from the Bangko Sentral ng Pilipinas (BSP) showed.

This was lower compared with October's 4.42% but remained elevated from the 3.81% recorded in November 2020.

NPLs include credit left unpaid at least 30 days beyond the due date. They are considered risky assets and have a high risk of default, which could spell losses for the banks.

After rising to a 13-year high of 4.51% in July and August, the lenders' NPL ratio has fallen as pandemic-related restrictions were relaxed, allowing businesses to expand operational capacity.

Sourced loans held by the industry rose by 19% annually to P481.88 billion in end-November. Meanwhile, total loans disbursed grew by 4.3% year on year to P11.08 trillion as of November.

The central bank earlier said the NPL ratio could reach 5-6% by end-2021 before peaking at 8.2% by 2022.

BDO, for its part, recorded a 3.1% NPL ratio in the nine months to September.

Mr. Limlingan said the improvement in the bank's NPL is likely to be stalled in the short term due to the spike in the coronavirus disease 2019 cases.

"However, this should only be temporary," he said. "As business activities start to pick up again, hopefully in [the second half of 2022], the bank will likely go back to its path to recovery."

Unicapital Securities, Inc. Equity Trader Christopher Adrian T. San Pedro attributed BDO's movement last week to "bullish January effect" on index heavyweights including financial issues, "fueled by the prospects of strong fourth quarter 2021 gross domestic product (GDP) report and earnings season."

"The hawkish [Federal Reserve] on interest rates and strong US dollar might also prompt the BSP to recalibrate its monetary policy in the short term which could also benefit the banks in the country," he said in a Viber message.

The Fed said in December that it would end its monthly \$120-billion bond-buying program, aimed to shield the US economy from the economic fallout brought by the pandemic, starting this March. It also signaled that it could raise its near-zero policy rates three times this year.

Meanwhile, BSP Governor Benjamin E. Diokno said the local central bank is unlikely to raise its policy settings in the first semester as it waits for the economy to recover.

Currently, the country's key rate — the overnight reverse repurchase rate — stands at a record low of 2%. Overnight lending and deposit rates are at 1.5% and 2.5%, respectively.

Mr. Diokno expects the economy to grow within the 7-9% government forecast this year. He also sees inflation settling near the midpoint of the 2-4% central bank target band for 2022. — **Ana Olivia A. Tirona**



GLOBE.COM.PH

Data of Globe customers can be donated to Odette victims

CUSTOMERS of Globe Telecom, Inc. can now convert their unused data into rewards points that can be donated to victims of Typhoon Odette.

The telecommunications company said that starting Jan. 15, its customers can go to the rewards section of the GlobeOne app and convert data from the account of their choice to help typhoon victims via donations.

"Data conversion is as follows: 1 gigabyte (GB) = P10; 5GB = P50; (and) 10GB = P100," Globe said in a statement.

"Mobile customers both prepaid and postpaid, as well as home broadband customers both prepaid and volume-based postpaid, can convert their points into donations via the new GlobeOne app," the company added.

According to Globe, the donations will be used in the relief efforts of Ayala Foundation, GMA Kapuso Foundation, Rise Against Hunger Philippines, Tzu Chi Foundation, ABS-CBN Foundation, and PGH Foundation in areas affected by Typhoon Odette.

The telecommunications firm added that donations via Globe rewards and GCash are still open for interested individuals.

"Our aim is to arm our customers with as many options as possible to help and reach our kababayans (compatriots) affected by Typhoon Odette — all from the safety of their homes. This first-in-the-industry Data-As-Currency offer gives our customers means not only to maximize their data subscriptions, but also extend a helping hand," Globe Chief Commercial Officer Issa Guevarra-Cabreira said. — **Revin Mikhael D. Ochave**

Philippine Business Bank taps PLDT Enterprise for telecommunication needs

PLDT Enterprise has partnered with Philippine Business Bank (PBB) to support the latter's operations amid the coronavirus disease 2019 (COVID-19) pandemic.

In a statement, PLDT Enterprise said it is supporting the telecommunication needs of PBB, allowing the bank to continue its services despite the pandemic.

"One of the things that we have, I think, did properly was to partner with PLDT Enterprise. That partnership has ensured us as to the continuity, the connectivity, and most of all, the reliability in being able to comply with our Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP)," PBB President and Chief Executive Officer Rolando R. Avante said.

"During this pivotal change, what is important is that the connectivity is being supplied to us on a higher percentage. From our experience, it has risen to as high as 95-97% and this is important for all our branches for the processing of the transactions. It enables our clients to avail the products and services of the bank

on a regular basis," Mr. Avante said.

PLDT Enterprise recently launched its Unbreakable Commitment campaign, which highlights its partnerships with various institutions across the Philippines.

The said campaign is also part of PLDT Enterprises' commitment in enabling organizations via digital transformation and technologies.

"PLDT Enterprise has been empowering industries to make them more resilient and agile in adapting to the challenges of the next normal. With our digital solutions and innovative technologies, we are delighted to support our partners in making their unbreakable commitment of serving their stakeholders across different business conditions," PLDT and Smart Enterprise Head Joseph Ian G. Gendrano said.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Revin Mikhael D. Ochave**