

Philippine Stock Exchange index (PSEi)

7,085.52 ▼ 5.88 PTS. ▼ 0.08%

THURSDAY, JANUARY 6, 2022  
BusinessWorld

PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P848.00 +P4.50 +0.53%	<b>ACEN</b> AC Energy Corp. P9.65 -P0.45 -4.46%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P56.70 +P1.30 +2.35%	<b>AGI</b> Alliance Global Group, Inc. P11.50 -P0.08 -0.69%	<b>ALI</b> Ayala Land, Inc. P34.90 +P1.15 +3.41%	<b>AP</b> Aboitiz Power Corp. P29.75 -P0.75 -2.46%	<b>BDO</b> BDO Unibank, Inc. P123.00 -P0.50 -0.40%	<b>BLOOM</b> Bloomberg Resorts Corp. P6.06 +P0.06 +1.00%	<b>BPI</b> Bank of the Philippine Islands P92.80 -P0.10 -0.11%	<b>CNVRG</b> Converge ICT Solutions, Inc. P31.20 -P0.20 -0.64%
<b>GLO</b> Globe Telecom, Inc. P3,260.00 -P50.00 -1.51%	<b>GTCAP</b> GT Capital Holdings, Inc. P536.00 -P12.00 -2.19%	<b>ICT</b> International Container Terminal Services, Inc. P193.50 -P4.50 -2.27%	<b>JFC</b> Jollibee Foods Corp. P216.80 -P1.60 -0.73%	<b>JGS</b> JG Summit Holdings, Inc. P56.30 -P0.20 -0.35%	<b>LTG</b> LT Group, Inc. P9.78 +P0.02 +0.20%	<b>MBT</b> Metropolitan Bank & Trust Co. P53.50 -P0.50 -0.93%	<b>MEG</b> Megaworld Corp. P3.11 +P0.02 +0.65%	<b>MER</b> Manila Electric Co. P305.00 +P2.00 +0.66%	<b>MPI</b> Metro Pacific Investments Corp. P3.85 +P0.01 +0.26%
<b>PGOLD</b> Puregold Price Club, Inc. P38.35 -P0.40 -1.03%	<b>RLC</b> Robinsons Land Corp. P17.98 -P0.02 -0.11%	<b>RRHI</b> Robinsons Retail Holdings, Inc. P58.00 -P1.80 -3.01%	<b>SECB</b> Security Bank Corp. P109.00 -P4.00 -3.54%	<b>SM</b> SM Investments Corp. P947.00 +P17.50 +1.88%	<b>SMC</b> San Miguel Corp. P112.80 -P0.10 -0.09%	<b>SMPH</b> SM Prime Holdings, Inc. P33.50 -P0.85 -2.47%	<b>TEL</b> PLDT, Inc. P1,876.00 -P9.00 -0.48%	<b>URC</b> Universal Robina Corp. P129.00 +P0.10 +0.08%	<b>WLCON</b> Wilcon Depot, Inc. P30.20 -P0.05 -0.17%

# Firms eye coal suppliers amid Indonesia export ban

By Marielle C. Lucenio

PHILIPPINE companies with coal-fired power plants are looking at tapping other sources of the fossil fuel as they brace for the impact of Indonesia's ban on coal exports.

"In the period of the ban, scenario mapping shows no major disruptions taking place in our AboitizPower coal plants," Aboitiz Power Corp. President and Chief Executive Emmanuel V. Rubio told *BusinessWorld* on Thursday via e-mail, adding that the energy company's supply on-hand can stand above 30-day coal demand.

AboitizPower is currently tapping coal suppliers from Australia and Russia as these are the top three and four countries with most coal reserves aside from China, and have enough inventory to meet the company's requirements.

Meralco PowerGen Corp. (MGen) unit Global Business Power Corp. (GBP) has assured that existing supply is able to cover coal requirements for January and February.

"Nonetheless, we are looking at other sources should the ban extend beyond January," a representative of MGen-GBP told *BusinessWorld* in a Viber message on Thursday.

GBP imports its coal supply from Indonesia and sources locally from Semirara Mining and Power Corp. in Mindoro. The company has not provided specific figures on its existing supply by the deadline.

Meanwhile, San Miguel Corp. President Ramon S. Ang told *BusinessWorld* in a text message that he thinks the Indonesian Coal Exporters Association (ICMA) has a solution to the possible effects of the restriction globally, but didn't comment further.

Indonesia has said it plans to pause exports in January to secure coal supplies for domestic power plants, and President Joko Widodo on Monday warned

miners would face sanctions if they fail to supply to local buyers, Bloomberg reported. However, there's still debate within the government over the proposal as producers want to access high-priced foreign markets, the report added.

Back home, coal accounts for more than half of the power generated in the Philippines in 2020, with imported coal having an 86% share of thermal energy used in the country. Of the coal imports, 96.88% are supplied by Indonesia, data from Department of Energy (DoE) for 2020 show.

Meanwhile, the Philippines in 2020 sourced a total of 42.476 metric tons of coal, of which

69.51% were imported, while 30.49% were locally sourced.

Despite their heavy dependence on Indonesia's coal, local energy companies have stayed optimistic.

"We remain optimistic on the lifting of the export ban. There is news that state-owned Indonesian utility Perusahaan Listrik Negara (PLN) has already secured an inventory of up to 7.5 million tons as of Jan. 5 and that The Ministry of Energy and Mineral Resources of the Republic of Indonesia (ESDM) and coal miners are discussing how to alleviate their domestic fuel obligations and work on long term strategies," AboitizPower's Mr. Rubio said.

Senator Sherwin T. Gatchalian, who chairs the Senate energy committee, called on the DoE to ready contingency measure to ensure sufficient coal supply and avoid possible coal price hike and blackouts.

"Part of the contingency measures should be to ensure the adherence of coal-fired power plants to the 30-day minimum inventory requirement (MIR)," he said in a statement on Thursday.

Mr. Gatchalian added that the government should already look into getting other suppliers in anticipation of the possible decline in stockpiles from Indonesia. — **with Bloomberg**

## Antiviral drug vs COVID-19 on Globe's HealthNow

GLOBE Telecom, Inc. on Thursday said the molnupiravir, an investigational drug used to prevent the spread of the coronavirus disease 2019 (COVID-19), is now available on its HealthNow app.

HealthNow is a health app developed by Ayala Healthcare Holdings, Inc. (AC Health) and Globe's 917Ventures. It gives users access to healthcare providers for teleconsultation and medicine deliveries.

"COVID-19 positive patients interested in molnupiravir may

consult with a doctor on the HealthNow app to check eligibility," the company said in an e-mailed statement.

Citing reports, Globe said that molnupiravir "helped cut the rate of hospitalization and death by half in a trial of mild-to-moderately ill patients who had at least one risk factor for the disease."

The Philippine Food and Drug Administration (FDA) recently approved the use of the antiviral

pill molnupiravir for at-risk adult coronavirus patients.

FDA Director General Rolando Enrique D. Domingo said in a news briefing in December that the emergency use authorization was granted to the COVID-19 treatment pill under the brand name MOLNARZ<sup>®</sup> by a licensee of biopharmaceutical firm MSD, or known as Merck in the United States and Canada.

He said several other MSD licensees have pending emergency use applications, some of which

are already being dispensed in hospitals under a Compassionate Special Permit.

Molnupiravir, used for the treatment of mild to moderate COVID-19 cases, may only be given to patients 18 years old and above with "risk factors for developing severe illness" such as senior citizens and those with comorbidities, the FDA official said.

Globe also said that HealthNow will soon offer home-service diagnostics. — **Arjay L. Balinbin**

## PMFTC pledges P10B in agriculture, BPO investments

PMFTC, Inc. said it would invest P10 billion into agriculture and outsourcing development in the Philippines.

"In 2022 and 2021, we have pledged to invest P10 billion into creating about 1,000 jobs in the economy, on top of what we pay in excise taxes," PMFTC President Denis Gorkun told ABS-CBN News Channel on Thursday.

"This will go directly to supporting agriculture improvements. We invest in the BPO (business process outsourcing) sector as well as giving direct help to small and medium enterprises here in the Philippines."

The Philippine affiliate of Philip Morris International has not yet responded to a request for details on the investments. Excise taxes on cigarettes this year went up by P5 to P55 per pack compared to 2021.

President Rodrigo R. Duterte in 2019 signed Republic Act No. 11346, which gradually raises cigarette excise

tax to P60 per pack by 2023, and then by 5% every year thereafter.

Smuggling and illegal manufacturing of cigarettes have been increasing as excise taxes rise.

Mr. Gorkun said there should be a balance between increasing the government's revenue stream and stopping illicit cigarette trade.

"The key is, in 2024 — when this excise tax law-prescribed increases that are there come to an end — of course is to craft a new road map with gradual, well balanced tax increases that provide a predictable revenue stream yet avoid some of the bigger pitfalls of increasing smuggled goods."

He said the pandemic-related lockdowns and job losses affected industry sales as consumers flock to cheaper products.

"The illicit sector, of course, is benefiting from that because those products don't pay tax. That's why they are significantly cheaper."

The Department of Finance has said that it estimates illicit cigarettes account for up to 10% of the market, quoting industry figures.

Finance Secretary Carlos G. Dominguez III said most illicit cigarette sellers are caught by the Bureau of Customs and the Bureau of Internal Revenue, reducing the number of illicit cigarettes sold in the country.

Excise tax collections on cigarettes rose 31% to P83 billion as of July in 2021 as tax rates increase and sales figures recovered.

PMFTC contributed to half of the total, or P42.04 billion in excise tax payments in the seven-month period. — **Jenina P. Ibañez**

## Converge CEO receives Global Excellence Award

CONVERGE ICT Solutions, Inc. announced on Thursday that its chief executive officer and co-founder, Dennis Anthony H. Uy, was recently awarded the Global Excellence Award by the International Chamber of Commerce Philippines for leading the "fiber revolution" in the country.

"We belong to an industry that has become a lifeline for Filipinos everywhere. Internet connectivity has become as essential today as food and medicine. For us, at Converge, internet access is not just a necessity but a right of every Filipino," Mr. Uy was quoted as saying in an e-mailed statement.

Converge said Mr. Uy foresaw the "superiority" of fiber broadband technology as early as the 1990s.

"Starting with customers from special economic zones in Pampanga to the wider community in Central Luzon, and finally making it in Metro Manila, Mr. Uy has brought Converge to the homes of more and more Filipinos over three decades," it noted. — **Arjay L. Balinbin**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <a href="https://bit.ly/3Zuz0Kl">https://bit.ly/3Zuz0Kl</a>

## Shakey's partners with Darwinbox for human resources management

SHAKEY's Pizza Asia Ventures, Inc. announced its plan to partner with Darwinbox, a human resources management system (HRMS), to optimize human resources technology for over 1,000 employees.

"We have a lot to look forward to in the first phase of this partnership. With a one-stop-shop for feedback, advanced analytics, company-wide engagement surveys, amongst other things, Shakey's will find it easier to run smoother HR operations to yield momentous outcomes," Jayant Paleti, Darwinbox co-founder, said in a statement.

Darwinbox's human capital management system will run Shakey's human resources with technology infrastructure that can manage an entire employee lifecycle to "bring in operational efficiency and improve business productivity," the statement read.

The system will keep record of its employees and provide quick feedback, among other features.

"By providing [Shakey's] with a digital platform for all their HR needs, we are

enabling an uninterrupted and frictionless experiences for employees across its multiple stores, and for the company, it means improved efficiency and productivity," Mr. Paleti added.

Performance management, leave and attendance management, recruitment, analytics and reporting are some of the key areas that Shakey's plans to adopt in the coming months.

"[Shakey's] is ultimately a guest-centric business where people are front and center. When our people are well-cared for, it flows through to our guests. Guest-centricity begins at home, thus, investing in our people is a key pillar in delivering sustainable growth. Our partnership with Darwinbox is a validation to this commitment," said Shakey's President and Chief Executive Officer Vicente L. Gregorio.

In the stock exchange on Thursday, Shakey's shares dropped 0.23 centavos or 2.26% to P9.95 each. — **Luisa Maria Jacinta C. Jocson**

## Paulino named ACE Enexor president as Reyes resigns

AYALA-LED ACE Enexor, Inc. has named Rolando J. Paulino, Jr. as its new director and president effective Jan. 1 after Raymundo A. Reyes, Jr. stepped down.

In a disclosure to the exchange on Thursday, Ayala group's gas and oil exploration arm said its board of directors had accepted the resignation of Mr. Reyes on Dec. 10, 2021, and elected Mr. Paulino to the post.

Mr. Paulino is the president of the Philippine Energy Independence Council and also the president of the Petroleum Association of the Philippines. He is a fellow of the ASEAN Academy for Engineering and Technology and a part-time faculty at the University of Santo Tomas Graduate School and the De La Salle University.

ACE Enexor cited Mr. Paulino's previous work affiliation such as serving as the vice-president for the Philippine upstream and managing

director of Shell Philippines Exploration B.V.

"He has also been part of various boards including Pilipinas Shell Petroleum Corporation, Tabangao Realty, Inc., Malampaya Foundation, Inc., and Pilipinas Shell Foundation, Inc.," the company said.

ACE Enexor also said that its new president has 27 years of leadership experience in various offices in the United Kingdom, Australia, Malaysia, and the Philippines.

"He led large production and manufacturing facilities including those that supply more than 25% of energy of a country needs with passion, integrity, and care for people," the company added.

On Monday, the Philippine Stocks Exchange suspended the stocks trading of ACE Enexor until further disclosure on its assets-for-shares deal with Ayala energy arm AC Energy Corp. — **Marielle C. Lucenio**

## PCCI elects new president

THE PHILIPPINE Chamber of Commerce and Industry (PCCI) has elected George T. Barcelon as its new president.

PCCI said in a statement released on Thursday that Mr. Barcelon was elected by the group's board of directors during the annual meeting held on Dec. 3 last year.

Mr. Barcelon asked for unity in the country's largest business organization as the Philippines faces a "not so auspicious 2022."

"Many southern regions are still reeling from the catastrophic Typhoon Odette. The Omicron variant of the coronavirus disease 2019 (COVID-19) is upon us and cases surged at the beginning of the year. Philippine businesses, especially the micro, small, and medium enterprises (MSMEs), again face the crucible of the pandemic," Mr. Barcelon said.

"We look forward to a new administration and PCCI stands ready to help collaborate on an economic agenda that will be conducive to immediate business recovery," he added.

Mr. Barcelon is a returning president who served PCCI back in 2015. He represents the private sector in the Industry Development Council and National Competitive Council.

Newly elected directors include William S. Co, chairman of William and Co. Philippines, Inc.; Eunina V. Mangio, president, Maxwell Chemical Corp.; Felino Palafox, Jr., principal architect, Palafox and Associates, Inc.; Ferdinand A. Ferrer, EMS Components Assembly, Inc.; Sergio Ortiz-Luis, Jr., president, Philippine Exporters Confederation, Inc.; Francis Chua, president, CLMC Group/BA Securities Corp.; Jeffrey T. Ng, president, Cathay Land, Inc.; Alfredo M. Yao, chairman, Zesto Corp.; Apolinar Aure, director, AEA International, Inc.; Samie Lim, president, BLIMS Lifestyle Group, Inc.; Edgar J. Sia II, president, Double Dragon Properties Corp.; Roberto C. Amores, president, Hilas Marketing Corp.; Michael Chen, chairman, Minavida de Mindanao Corp.; Tess S. Ngan Tian, area vice-president for NCR; Gregoria Simbulan, area vice-president for North Luzon; Sallie Lacson, area vice-president for South Luzon; Frank Carbon, area vice-president for Visayas, and Arturo Milan, area vice-president for Mindanao.

Also inducted into office are the following ex-officio officers: Sergio Ortiz Luis as treasurer; Ivan Uy, as corporate secretary; and Ruben J. Pascual as secretary-general. — **Revin Mikhael D. Ochave**