

BRIEFS



Ayala Malls eyes more EV charging and transport systems

AYALA MALLS is planning to launch more electric vehicle (EV) charging and transport systems in its malls in Metro Manila.

The company, in partnership with AC Industrials' Integrated Micro-Electronics, Inc. and Global Electric Transportation (GET Philip-

pines), launched the first integrated EV charging and transport system at Ayala Malls The 30th and Ayala Malls Circuit in December.

GET Philippines manufactures electric shuttle buses called COMET, which ply multiple zones within Metro Manila.

"More EV charging and transport systems will be installed within January 2022, including Ayala Malls Manila Bay and TriNoma," it said.

"Ayala Land is delighted to be part of this pioneering initiative through Ayala Malls. We are certainly pleased that we are able to provide an efficient and modern-day access for the public for them to get to their different points of interest through more sustainable means. This further underscores our desire to achieve a healthier and cleaner environment for everyone, especially our patrons," Ayala Land President and CEO Bobby Dy said.

Aguilar takes helm of Bria Homes

BRIA HOMES welcomed the new year with a new president and chief operating officer, Eduardo T. Aguilar.

"We look forward to a brighter new year, not just for Bria but also for our present and future homeowners. COVID-19 (coronavirus disease 2019) did not deter us from expanding and building more projects and providing better lives to Filipino individuals and families," Mr. Aguilar said in a statement.

Bria Homes is expected to ramp up its online and offline marketing activities this year. The developer will bolster its online presence to make it easier for young Filipinos and overseas Filipinos to look for Bria Homes projects.

"Pandemic or no pandemic, Bria has always rendered the best services to Filipinos. In 2022, we will continue to do this," Mr. Aguilar said.

Bria Homes is a subsidiary of listed Golden MV Holdings, Inc.

Brick-and-mortar shops to stay relevant despite shift to digital

By Keren Concepcion G. Valmonte Reporter

BRICK-AND-MORTAR stores are expected to remain relevant to the consumers' shopping experience despite the ongoing digital shift brought about by the pandemic, property services firms said.

"Despite the emerging e-commerce industry, mall-goers were observed to still shop in brick-and-mortar stores," Santos Knight Frank Head of Research Jan Paul D. Custodio said in an e-mail to *BusinessWorld* on Dec. 15.

"Seeing the actual product may have become a factor brick-and-mortar stores to remain relevant nowadays," he added.

Leech Property Consultants President and Chief Executive Officer David T. Leechiu noted that across the globe, brick-and-mortar stores remain king.

"Even in the entire world combined, the total online retail is less than 20% or 30% of total shopping in the world and that's despite all the advances that we've made in the online experience," Mr. Leechiu said in a virtual call on Dec. 15.

However, VR (virtual reality), hologram technology, and the metaverse may change the way people shop in the future.

"Those virtual platforms will change the retail experience without leaving your home, and I think that is the bigger issue with shopping malls," Mr. Leechiu said. "This whole transition into digital space is going to be outdated very soon as the metaverse steps in."

For now, retailers are expected to continue investing in their digital platforms to complement their physical stores, KMC Savills Co-founder and Managing Partner Michael McCullough said.

It is expected that retail space take-up in malls may not recover to the pre-pandemic highs.

"The tenant mix will evolve, incorporating a diverse set of essential goods and services, which are more proximal to the communities," Mr. McCullough said in a separate e-mail on Dec. 15.

JLL Philippines noted that the tenant mix of malls has already shifted since the pandemic began.

"We also saw more participation from (stores offering) gadgets and technology, as well as healthcare facilities in the pipeline for upcoming stores, which mirrors the increasing demand from these categories brought about by the pandemic," JLL Philippines Research Manager Karisse N. Garcia said in an e-mail on Dec. 7.

Meanwhile, food and beverage (F&B) stores took up less space, JLL Philippines said, making up 26.7% of the mall's tenant mix versus 40% prior to the pandemic.

Ms. Garcia said they are expecting F&B outlets to rebound

and once again lead the tenant mix of shopping malls.

However, Santos Knight Frank's Mr. Custodio said they did not see "significant changes" in the shopping malls' tenant mix amid the pandemic.

"Mall operators are more open in accommodating potential tenants to fill in the abundant vacant spaces inside malls," Mr. Custodio said.

In its Dec. 20 report, Colliers Philippines said it expects retail space vacancy to rise up to 17% in 2022, with the addition of 523,700 square meters in new space.

Colliers also recommended that mall operators be flexible with space usage by converting some areas for pop-up stores and turning activity centers into COVID-19 (coronavirus disease 2019) vaccination areas. It also suggested that malls increase al fresco dining areas and introduce park-and-dine services.

Italian gov't urged to block sale of \$533-M villa with Caravaggio mural

ITALY'S government is under pressure to block the sale of a 16th century Roman villa that comes complete with a Caravaggio.

The Casino dell'Aurora is scheduled to be auctioned on Jan. 18, with its value estimated about €471 million (\$533 million).

It's a hefty price-tag even for a 2,800 square meter villa on a 6,000 square meter lot close to the Via Veneto, and reflects a unique feature: the only known ceiling mural by the Italian master, estimated to be worth at least €300 million alone.

Italian politicians, academics and regular citizens have appealed to Prime Minister Mario Draghi to scrap the auction. An online petition urging the government to use European funds

to protect "what belongs to Italy" reached more than 32,000 signatures within days.

Under Italian law, the government has a 60-day window to exercise its right of first refusal after a sale agreement to private investors.

Italy's culture ministry has written to Draghi and Finance Minister Daniele Franco to inquire about the potential availability of funds for a state bid, according to a person familiar with the matter.

Also known as the Casino di Villa Boncompagni Ludovisi, the estate was built in 1570, initially as a hunting lodge, and has been in the Ludovisi family since the early 1600s. Among the visitors over the years was author Henry James, who described the villa and

its sweeping views in his 1909 memoir, "Italian Hours."

After the 2018 death of Prince Nicolo Boncompagni Ludovisi, the property became the subject of an inheritance fight between Ludovisi's three sons from his first marriage and his third wife, Texan-born Rita Jenrette Boncompagni Ludovisi.

Ludovisi's widow was previously married to John Jenrette, a US congressman jailed in the 1980s as part of the bribery scandal known as Abscam.

An Italian court recently ordered that the villa, with its private gardens, roof terraces and artistic treasures, be put up for auction. Any buyer will need to spend another €11 million or so for restoration.

"The astronomical asking price doesn't reflect the fact that this property is bound

by the state, and will need to be open to visitors," art historian and academic Tomaso Montanari wrote in the magazine *Emergenza Cultura*. "The government should come up with a fairer evaluation, pay [off] the heirs, and keep the property in public hands."

Limited public access has been available to the villa under current ownership.

Giacomo di Thiene, president of the Italian Historic Houses Association, said there should be "guarantees about the future use of property" to make sure it stays "culturally relevant, connected with the rest of the community."

The pending sale reflects a lack of interest by Italy's local administrations and central government in support of cultural assets, Mr. Di Thiene said in an interview.

"If we manage to help the automotive industry, we should also find a way to introduce some fiscal relief to allow private owners to maintain and restore their historic properties, which sometimes keep entire areas alive," he said.

In addition to the 2.75-meter wide oil-on-plaster Caravaggio, called "Jupiter, Neptune and Pluto," the six-level property features works ranging from marble Roman sarcophagi to rare frescoes, including one in the main reception hall by Italian baroque painter Guercino of the Roman goddess Aurora, which gives the villa its name.

The real estate publication *Real Deal* estimates the price could rival the 2015 sale of Hong Kong's Ho Tung Gardens for HK\$5.1 billion (\$654 million), believed to be the priciest residential property sale in history. — *Bloomberg*

FDI, from SI/1

For the first 10 months, FDI net inflows hit \$8.1 billion, up by 48.1% from \$5.5 billion in the previous year.

"Cumulative FDI net inflows rose on the back of the 78.6% increase in nonresidents' net investments in debt instruments to \$5.9 billion from \$3.3 billion in the same period in 2020," the BSP said.

John Paolo R. Rivera, an economist at the Asian Institute of Management, said FDI increased after the country's pandemic situation in the latter part of 2021 improved.

"We were seeing significant improvements in our pandemic situation since September continuing to October until December relative to other ASEAN countries," he said in a Viber message.

Watchdog, from SI/1

The PCC will continue to focus on enforcement efforts on priority sectors such as e-commerce, health and pharmaceuticals, food and agriculture, energy and electricity, insurance, construction, water and telecommunications.

"There is no doubt that healthy competition — one that leads to better prices, more choices, greater quality, and the emergence of innovative solutions to economic challenges — must be an integral component of our development strategy moving forward," Mr. Balisacan said.

The PCC's Competition Enforcement Office is currently conducting one preliminary inquiry and 18 full administrative investigations, but did not give details.

In 2021, the office opened 10 full administrative investigations regarding complaints involving companies in telecommunications, water, energy, and health sectors. — **R.M.D.Ochave**

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link bit.ly/Watchdog011122

Coal ban, from SI/1

Foreign Affairs Assistant Secretary Eduardo R. Meñez said the letter would be forwarded to the Indonesian government.

"It will be a sovereign decision of Indonesia, perhaps appeals from different countries can change the policy," he said in a text message.

Other countries such as Japan, South Korea, China and India have also asked Indonesia to lift the ban.

This is a sign for the country to pursue energy independence, energy experts said.

Climate Financing Financial Futures Center Founder Sara Jane D. Ahmed said the issue surrounding Indonesia's coal export ban reflects lock-in risks for fossil fuel-importing countries like the Philippines.

"Global prices in theory would increase as a result of the halting of Indonesian coal exports, which may be passed onto Filipino consumers and the industry. It's time to focus attention on energy security and price stability through domestic renewables, storage and grid upgrades," she said in a Facebook Messenger chat.

Earlier, Philippine companies operating coal-fired power plants said they have sufficient coal supply for at least 30 days. They are also tapping other suppliers; in case the ban extends beyond January.

"In the immediate short-term our coal supply should be safe. However, coal from other countries is likely to be expensive, and will also continue to increase in price as other major coal importers in Asia such as Japan, Korea, and Taiwan, will also need to look for other suppliers," Verne Energy Solutions Chief Executive Johnny A. Altomonte told *BusinessWorld* in a Messenger chat.

Mr. Altomonte said the government should start preparing contingency measures.

"They should be looking for additional suppliers, perhaps implement demand-side management measures as well like incentive-based or time-based demand response programs," he said.

The DoE said its Electric Power Industry Management and Energy Resource Development Bureaus were set to meet with coal power plant generators on Tuesday "to discuss potential strategies and the way forward."

Meralco, from SI/1

DEMAND TO PEAK IN MAY

There is no guarantee the downward trend in power rates would continue, especially since the summer season is approaching, said Mr. Zalzarriaga.

Meralco Vice-President and Head of Utility Economics Larry S. Fernandez said the company is preparing because demand is expected to peak in the last week of May or early June.

In December, the company proceeded with its emergency procurement of 170-megawatt (MW) power supply in preparation for the summer months and the national elections.

The supply, which is still open for bid submission until Feb. 2, will cover Feb. 26 and July 25.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT, Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **M.C.Lucenio**

BusinessWorld
bworldonline.com

Please be advised that BusinessWorld will be migrating to a new trunkline number effective **January 16, 2022.**

You may call:

NEW TRUNKLINE NUMBER
8527-7777

LOCALS:

Editorial - 2626
Advertising - 2619 • 2613 • 2202
Subscription - 2583 • 2650 • 2654