# Norway's Scatec plans 2.4 gigawatts of wind energy projects in PHL

NORWEGIAN renewables company Scatec ASA has lined up five wind energy projects in the Philippines with a combined capacity of 2.4 gigawatts (GW), its regional head said.

"We have a wind energy service contract of 2.4 GW. Five contracts we have, which in total gives you 2.4 GW," Torbjørn Elliot Kirkeby-Garstad, Scatec general manager for Southeast Asia, told reporters on the sidelines of the Norway-Philippines Maritime and Energy Conference on Friday.

"Four of them [are offshore]. Then we have [an] onshore [project] close to the offshore ones," he added.

Asked about the value of investments that Scatec is setting aside for the projects, he said: "We're talking of billions [of dollars] to develop and build those."

On its website, Scatec describes itself as "a leading integrated independent renewable power producer, delivering affordable, rapidly deployable and sustainable clean energy worldwide."

The company develops, builds, owns and operates solar, wind and hydropower plants and storage solutions.

It placed the capacity of its projects in operation at 3,355 megawatts (MW) and 1,266 MW under construction. It also said that it has 15.5 GW "in project backlog and pipeline."

"Our presence in the Philippines is together with Aboitiz, where we own SN Aboitiz Power (SNAP) — it's largely hydropower, it's Magat, Ambuklao," Mr. Kirkeby-Garstad said, referring to the joint venture with Aboitiz Power Corp.

"We're a partnership with them and we're also discussing growth opportunities with Aboitiz, also through SNAP," he added.

He said Scatec is doing the five projects with local partners, and that it will not insist on having a controlling stake.

"My approach to this is shoulder-to-shoulder," he said. "This can be structured in many ways. You could even have three partners in it."

"We will be doing these with [a] good local partner, and obviously Aboitiz is our partner," he said. — **VVS**

## OUTLIER

## Economic reopening boosts appetite for SM Prime stocks

SM PRIME HOLDINGS, Inc. was one of the most actively traded stocks in the local bourse last week as investors' appetite increased due to normalized stock prices following the further improvement of the economy.

SM Prime had the second highest value turnover last week, with ₱1.27 billion worth of 40.315 million shares exchanging hands from Oct. 8 to 14, data from the Philippine Stock Exchange show.

The share price of the Sy-led property firm closed at ₱31.80 apiece on Friday, up 1.3% from the previous day and 1.1% week on week. For the year, the stock has gone down 5.1%.

SM Prime's stock price fell 1% and 0.5% to ₱31.15 and ₱31 per share on the first two trading days last week, but the next three days saw its price rebound by 0.6%, 0.6%, and 1.3%, respectively.

"Investor appetite is focused on stocks that have normalized (back to pre-pandemic) like SM Prime's foot traffic, a strong indicator of recovering fundamentals," said Cristina S. Ulang, research head at First Metro Investment Corp.

Ms. Ulang added that the opening of SM City Tanza would add to the company's net asset value, revenue, and earnings per share growth outlook next year.

SM City Tanza opened its doors to the public last week, making it SM Prime's 80th mall. It is also the seventh "supermall" in Cavite after SM City Bacoor, SM City Dasmariñas, SM City Molino, SM City Rosario, SM City Trece Martires, and SM Center Imus. — **Lourdes O. Pilar**

**FULL STORY**

Read the full story by scanning the QR code with your smartphone or by typing the link <https://bit.ly/3g9kcQL>

# First Gen sees first imported LNG delivery after July 2023

LOPEZ-LED energy company First Gen Corp. said its unit's liquefied natural gas (LNG) terminal is on track for completion by the first quarter of 2023, with the possibility of making the first gas delivery after July, a company official said last week.

"I think the progress is good. It should actually be completed by the end of March or positively before," Jonathan C. Russell, executive vice president and chief commercial officer of First Gen, told reporters on Friday.

In a presentation during the Norway-Philippines Maritime and Energy Conference on Friday, he showed a video on the status of the project, which First Gen's subsidiary FGEN LNG Corp. intends to complete early next year.

"It's looking substantially complete now. We really need to get into the control systems, which were the things that were delayed because some of those were coming from China, which was affected by very severe lockdown," Mr. Russel said.

In its disclosure last month, First Gen said Norwegian firm BW LNG, which is a floating gas infrastructure developer, will provide LNG storage and regasification services to First Gen's existing and planned gas-fired power plants and third-party terminal users.

Last Friday, Mr. Russell has given his assurance that by 2023, the LNG unit will run and start its operations.

"For the first year of operations we will be looking probably to consume up to half a million tons of LNG," he said, "and possibly a million tons for the second year that could be adjusted up if the demand requires it."

Yngvil Asheim, chief executive officer of BW LNG, said the company does not expect any delay in its commitment.

"The vessel is essentially ready to go. She needs going for a few and final modifications for the terminal. That is already well-planned, but she is ready to go in whenever the terminal is ready," she said.

Mr. Russel said: "We're in discussions with gas or LNG suppliers right now. I can't say too much because those negotiations are ongoing."

"The first delivery of LNG won't happen until after July," he said, adding that the month is the schedule for bringing in the floating storage and regasification unit.

According to a report from the Department of Energy (DoE), FGEN LNG's terminal has a total capacity of 5.26 million tons per annum (MTPA) and an estimated construction cost of ₱13 billion.

Further, the DoE's Natural Gas Development Plan showed that LNG terminal projects in the country have an overall investment of ₱69.23 billion and a potential capacity that is projected to reach 24.6 MTPA by 2040.

The DoE said that 20% of the Philippines' total power requirements, together with 27% of the Luzon grid, is provided by the Malampaya gas field. However, the Malampaya concession will expire in 2024, with its supply expected to reduce starting this year.

LNG projects in the country are concentrated in Luzon, which has the highest demand for natural gas, the DoE said. — **Ashley Erika O. Jose**

**PEZA,**
*from S1/1*

"We remain bullish that we will be able to achieve our 6% to 7% investments target for the year taking into consideration the firm growth forecasts for 2022 of our winner ecozone sectors at 10% to 15% for IT & Business Process Association of the Philippines (IBPAP) and 10% for Semiconductor and Electronics Industries in the Philippines Foundation, Inc. (SEIPI)," Mr. Panga said.

"These bright outlooks are aligned with the calibrated year-end gross domestic product (GDP) growth for the Philippines at 6.5%-7.5%, which makes the country among the fastest-growing economies in the region," he added.

Mr. Panga said that the PEZA is looking into new types of ecozones to entice more investors.

These ecozones include knowledge, innovation, science and technology parks, mineral processing ecozones, renewable energy hubs, aquamarine ecozones, halal hubs, bio-tech centers, defense industrial complexes, and pharmaceutical parks.

"PEZA is eyeing to attract high-tech industries and emerging technologies in the fields of industrial manufacturing transport, technology media and telecommunications, health and life sciences including mineral processing of green metals," Mr. Panga said.

Also, Mr. Panga said the PEZA is awaiting the guidelines that will allow 100% work-from-home (WFH) arrangement for registered IT-BPO firms.

Last month, the Fiscal Incentives Review Board (FIRB) announced that registered IT-BPO firms can conduct a 100% WFH and still enjoy tax incentives if they conduct a "paper transfer" or shift their registration to the Board of Investments (BoI) from the PEZA.

"As long as we are kept whole with PEZA's exercise of its regulatory powers, investment facilitation and income-generating functions — together with the IT locators' enjoyment of flexiwork with incentives regardless of location — we are all for it," Mr. Panga said.

The PEZA previously sought for a law that will institutionalize hybrid work, especially for IT firms, so that they can have the same footing with BoI-registered business enterprises (RBEs).

"With the interim 'paper transfer' arrangement, we hope that it will allow as well for a reregistration mechanism for transferee RBEs in the IT Centers that may want to restore their PEZA status once the enabling law is in place," Mr. Panga said. — **Revin Mikhael D. Ochave**

**Biden,**
*from S1/1*

"It's predictable. I mean, I wasn't the only one that thought it was a mistake," Mr. Biden said in Portland. "I think that the idea of cutting taxes on the super wealthy at a time when — anyway, I just think — I disagreed with the policy," he added.

Ms. Truss' policies, including a controversial tax cut for the wealthy that she's since reversed, sparked a plunge in the pound and forced the Bank of England to step in to support gilts. The turmoil spilled over into global markets, as traders wary of further volatility sought refuge in havens, further boosting the dollar.

But beyond the UK, the strong dollar continues to weigh on the global economy, particularly poorer nations that rely on food imports. The destructive combination of the soaring greenback, high interest rates, and elevated commodity prices is eroding their power to pay for goods typically priced in the dollar and compounding a worsening global food crisis, among others.

Mr. Biden's remarks stand in contrast with his predecessor. During his administration, Donald Trump took swipes at the Fed, saying he doesn't want a strong dollar that hinders trade with other nations. Before that, previous US presidents in recent decades have generally refrained from commenting about the currency.

In response to the growing global complaints about the US currency, Treasury Secretary Janet Yellen told an international audience during the meetings in Washington this week that fighting inflation is the administration's top priority, even while acknowledging "spillovers from tightening monetary policy in advanced countries." She reiterated that "market-determined exchange rates are the best regime for the dollar."

Mr. Biden's latest messaging contrasted with his comment in a CNN interview on Tuesday that allowed for the possibility of a US recession, though he said: "If it is, it'll be a very slight recession." — ***Bloomberg***