

## Philippine Stock Exchange index (PSEi)

6,525.16 ▼ 149.22 PTS. ▼ 2.23%

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BusinessWorld

## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P695.50 -P16.50 -2.32%	<b>ACEN</b> ACEN Corp. P7.45 -P0.16 -2.10%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P53.80 -P1.65 -2.98%	<b>AGI</b> Alliance Global Group, Inc. P10.00 +P0.01 +0.10%	<b>ALI</b> Ayala Land, Inc. P29.00 -P0.90 -3.01%	<b>AP</b> Aboitiz Power Corp. P34.20 -P0.40 -1.16%	<b>BDO</b> BDO Unibank, Inc. P129.00 -P2.60 -1.98%	<b>BPI</b> Bank of the Philippine Islands P99.00 -P3.80 -3.70%	<b>CNVRG</b> Converge ICT Solutions, Inc. P16.00 —	<b>EMI</b> Emperador, Inc. P20.20 +P0.05 +0.25%
<b>GLO</b> Globe Telecom, Inc. P2,182.00 -P20.00 -0.91%	<b>GTCAP</b> GT Capital Holdings, Inc. P443.00 -P7.60 -1.69%	<b>ICT</b> International Container Terminal Services, Inc. P190.00 +P1.60 +0.85%	<b>JFC</b> Jollibee Foods Corp. P237.00 -P9.60 -3.89%	<b>JGS</b> JG Summit Holdings, Inc. P46.15 -P0.85 -1.81%	<b>LTG</b> LT Group, Inc. P8.90 -P0.01 -0.11%	<b>MBT</b> Metropolitan Bank & Trust Co. P55.00 -P0.60 -1.08%	<b>MEG</b> Megaworld Corp. P2.28 +P0.04 +1.79%	<b>MER</b> Manila Electric Co. P282.20 -P4.80 -1.67%	<b>MONDE</b> Monde Nissin Corp. P11.38 -P0.20 -1.73%
<b>MPI</b> Metro Pacific Investments Corp. P3.48 -P0.05 -1.42%	<b>PGOLD</b> Puregold Price Club, Inc. P32.20 +P0.20 +0.63%	<b>RLC</b> Robinsons Land Corp. P16.30 +P0.12 +0.74%	<b>SCC</b> Semirara Mining and Power Corp. P33.60 +P0.10 +0.30%	<b>SM</b> SM Investments Corp. P910.00 -P33.00 -3.50%	<b>SMC</b> San Miguel Corp. P93.00 -P2.30 -2.41%	<b>SMPH</b> SM Prime Holdings, Inc. P34.70 -P1.70 -4.67%	<b>TEL</b> PLDT, Inc. P1,700.00 +P31.00 +1.86%	<b>URC</b> Universal Robina Corp. P134.40 -P3.60 -2.61%	<b>WLCON</b> Wilcon Depot, Inc. P30.90 +P0.25 +0.82%

## DoTr turns to ADB support for airport partnership

THE Department of Transportation (DoTr) is engaging the Asian Development Bank (ADB) for technical support in opening up the Ninoy Aquino International Airport (NAIA) to private companies seeking long-term contracts, an official said.

"We are engaging the Asian Development Bank to support us for the NAIA PPP (public-private partnership)," DoTr Assistant Secretary for Planning and Project Development Leonel Cray P. De Velez told *BusinessWorld* in an interview on Tuesday.

"They will provide technical support," he noted, adding that the Transportation department is looking at solicited proposals for the rehabilitation and operation of the country's main international airport.

According to its website, ADB provides PPP support in terms of developing "PPP frameworks and enabling policies to facilitate increased private sector investment and participation in the development and operations of infrastructure assets."

It also provides transaction advisory services to both public and private sector clients.

Earlier, Megawide Construction Corp. said that it was ready to revive its proposal to rehabilitate NAIA. The company has turned its focus to railways and local government unit projects after the Manila International Airport Authority board rejected its appeal in 2021 to overturn the revocation of its original proponent status (OPS) for the airport project.

DoTr Secretary Jaime J. Bautista has said that the govern-

ment hopes to modernize various airports in the country through PPPs, including Bohol-Panglao International Airport, Laguindingan International Airport, and Bicol International Airport, among others.

Aboitiz InfraCapital, Inc. holds OPS for the Bohol, Laguindingan, and Bicol airport projects.

"We are updating our submissions, as instructed by the DoTr, for those airport projects," Aboitiz InfraCapital President and Chief Executive Officer Cosette V. Canilao said in a recent interview.

She said the Aboitiz group is also open to taking on more airport projects. "We can ... if there are other airports that the government wants to improve via PPP."

Aboitiz InfraCapital is set to acquire the Mactan Cebu International Airport concession for P25 billion.

In his first State of the Nation Address in July, President Ferdinand R. Marcos, Jr. said his administration will "create more international airports to help decongest the bottleneck at the Manila airport."

The Cavite province has been pushing for the development of the Sangley airport as an alternative to NAIA as demand for air transport is expected to increase in the next 30 to 40 years.

Meanwhile, land development work at the San Miguel group's P735-billion New Manila International Airport in Bulacan province was 42% complete as of November, according to the DoTr. "Target full completion of land development is December 2024," the department said in a statement. — **Arjay L. Balinbin**

## SEC revokes registration of 2 investment-taking entities

THE Securities and Exchange Commission (SEC) has revoked the corporate registrations of Koen Solutions OPC and Phil Maritime and Ocean Institute of Technology, Inc. (PMOIT) for illegally soliciting investments from the public.

In a press release on Thursday, the SEC said Koen Solutions violated Section 44 of the Revised Corporation Code and Sections 8, 26 and 28 of the Securities Regulation Code.

The SEC's Enforcement and Investor Protection Department (EIPD) found out that Koen Solutions had been inviting the public to invest in its application for a guaranteed 2.5% to 3% daily income or 75% to 90% monthly income.

Interested individuals must put in money on "financial trading robots" which supposedly search for and trade cryptocurrencies that bring profits to investors.

On Sep. 9, the regulator issued an advisory against Koen Solutions that also directed it to stop soliciting investments until it has secured the license to do so.

Koen Solutions continued to sell investments, the SEC said, adding that the entity claimed to have applied for a secondary license.

"Considering that nowhere is it stated in its primary purpose that Koen Solutions is authorized to engage in the selling or offering for sale of securities to the public, the activity of Koen Solu-

tions of selling, or offering for sale of investments is considered an ultra vires act," the SEC order read.

Meanwhile, Phil Maritime was found to be enticing the public to invest P350,000 for a 40% share in the school's annual income, translating into a P206,000 share or a quarterly income of at least P51,000.

The promised return on investment supposedly comes from the school's revenues, earnings from its training center, dormitory revenues, and earnings from the school's commercial center.

"This scheme is unsustainable, as it must rely on a continuous inflow of new investors in order to make payouts to earlier investors, all the more

made glaring considering that it has no actual operations yet to speak of," the EIPD said.

On Sep. 13, the SEC issued an advisory against PMOIT and advised the public not to invest in the group.

The regulator said the investment schemes of PMOIT and Koen Solutions involve the sale and offer of securities to the public in the form of investment contracts that are required to be registered with the commission.

"The certificates of incorporation of Koen Solutions OPC and PMOIT have thus been revoked, with such status caused to be reflected on the online database of the SEC," the regulator said. — **Justine Irish D. Tabile**

## SM's NEO seeks resiliency certification for its buildings

SM INVESTMENTS Corp.'s NEO group is planning to get all of its buildings resiliency-certified by global development institution International Finance Corp. (IFC) early next year.

"There's a rating now called the Building Resilience Index by the IFC. We're doing that for all of our buildings. So, by next year, we'll have a resiliency rating for every single NEO building," NEO Chief Executive Officer Raymond D. Rufino told *BusinessWorld*.

The rating aims to provide the building sector with a web-hazard mapping and resiliency assessment framework. It measures how buildings can withstand earthquakes, typhoons, and other risks present in their location, Mr. Rufino said.

"It's under process now so *baka malamang* first quarter next year '*yun lalabas, 'yung rating namin* (I think the result of the ratings will come out by first quarter next year)," he said.

Meanwhile, Mr. Rufino said that the company is planning to release its first sustainability report in the coming weeks.

"It was very challenging but we're very excited. We're gonna release that in the coming weeks," he said.

"I'm very proud of that report. I think it's a very good quality report for a private company. I think it's gonna be a great first effort and I look forward to doing that every year," he added.

Mr. Rufino said doing the report was not that hard for the group as it has pushed early on for sustainability initiatives.

"Since *talagang nandoon na kami* (Since we're already there), we've always been pushing for energy reduction [and the like], it was not hard for us *kasi madami na kaming nagawa* (we already did so many) from before," he said.

"I guess if you're starting from zero [it would be more] challenging," Mr. Rufino said about getting a sustainability report done.

At present, all seven buildings of NEO have certifications from Building for Ecologically Responsive Design Excellence, Excellence in Design for Greater Efficiencies, WELL Building Standard, and Advancing Net Zero Philippines.

The seven buildings — One/NEO, Two/NEO, Three/NEO, Four/NEO, Five/NEO, Six/NEO, and Seven/NEO — are all at Bonifacio Global City in Taguig City. — **Justine Irish D. Tabile**

## Meralco eyes US grant to look into small nuclear reactors

POWER distributor Manila Electric Co. (Meralco) is applying for a grant from the United States to do a feasibility study on introducing nuclear energy in the Philippines, its top official said.

"We are applying [for] a grant from UST-DA (United States Trade and Development Agency) to do a feasibility study for SMRs (small modular reactors). We're looking into nuclear," Ray C. Espinosa, Meralco president and chief executive officer, told reporters.

Mr. Espinosa said the company is looking at nuclear energy after the pronouncement of President Ferdinand R. Marcos, Jr. to look into its inclusion in the country's energy mix for energy security.

Earlier, the Department of Energy (DoE) estimated a timeline of 10 years before the country can incorporate nuclear into the mix. It is considering adopting nuclear as a reliable and stable source of energy that will address the Philippines' energy supply issues.

This week alone, the National Grid Corp. of the Philippines (NGCP) placed the Luzon and Visayas electricity grids under yellow and red alerts as power reserves thinned when several power plants went into forced outages.

For Meralco, the country's largest electricity distributor, the search for alternative sources of energy has become crucial as the dry season usually results in a surge in power demand.

Jose Ronald V. Valles, Meralco's first vice-president and head of its regulatory management, gave an assurance that supply is enough for next year's summer months.

"The Meralco franchise area is safe during summer months. The question of whether the franchise area is safe or not depends on whether there is enough capacity [for] the grid. In Meralco, we

have enough supply," he said on Monday.

Supply sufficiency is possible for as long transmission lines and power plants are available, Mr. Espinosa said.

"The only problem is if outside our franchise area one of the power plants trips, then supply will fall short then the system operator would direct us to [do] manual load dropping (MLD) usually our share of MLD is 70%," he said.

MLD or rotating power interruptions are implemented to distribute the limited power supply.

NGCP, the system operator, declares yellow alerts when the power supply available to the grid falls below a designated safety threshold. If the supply-demand balance deteriorates further, a red alert is declared, warning consumers of rolling brownouts.

When a red alert is declared, NGCP instructs Meralco to implement MLD.

"Power supply is still tight for next year, but [at] Meralco, we are going to enter into [a] contract for summer months, at least five months covered to make sure that our franchise area has sufficient power," Mr. Espinosa said.

For now, Meralco is trying to secure two emergency power supply agreements or EPSAs to cover the expected demand in the dry months.

"We have a separate EPSAs that we are trying to procure for 180 megawatts (MW) peaking and 300 MW baseload, but these two EPSAs are still pending for DoE's approval," Mr. Valles said.

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.

— **Ashley Erika O. Jose**

## Yamaha Motor remains keen on bringing in e-bikes, e-scooters

MOTORCYCLE brand Yamaha Motor Philippines, Inc. is still considering a plan to introduce its electric bikes and electronic scooters to the country as a proposal for zero tariffs on select imported electric vehicles or EVs remains pending.

Hiroshi Koike, Yamaha Motor Philippines president, said in an interview on the sidelines of the company's recent solar roof launch in Batangas that the company was still studying whether to bring in its e-bikes and e-scooters.

Mr. Koike said that the proposed zero-tariff policy on EVs, including e-bikes and e-scooters, would help in the decision, but said that it is not enough.

"It (zero-tariff) is better than nothing. But I don't think it is enough. Simply speaking, if we were to come up with e-bike that has a similar performance as the current internal combustion engine, the price would be double. A few percent would not offset those," Mr. Koike said.

"We need to think about it (e-bike) but we already mass produce e-bikes in Vietnam. These are exported to Europe. We already have the products, [but] it is sold elsewhere. We need to think a lot before bringing these in because we need to think how to have battery stations," he added.

On Nov. 24, the National Economic and Development Authority (NEDA) Board endorsed an executive order (EO) lowering the most favored nation tariff rates on completely built-up units of EVs to zero percent for five years. The current tariff rates for EVs range from 5% to 30%.

The proposed EO covers electric passenger cars, buses, mini-buses, vans, trucks, motorcycles, tricycles, scooters, and bicycles. However, the proposed EO excludes hybrid EVs.

Mr. Koike said that there are still a lot of improvements needed in terms of price, infrastructure, and sustainability before coming up with a decision.

"As a manufacturer, we need to think about how to collect the battery because when we talk about saving the environment, which is supposed to be the objective of EVs, there is no point if people start throwing out the batteries everywhere. It is not good for the environment," Mr. Koike said.

"EV is only one of the options when we talk about reducing carbon dioxide. We are also looking at hydrogen engine and biofuel. There are different options and I think we should be open-minded and think what is best for the society and customer as well," he added.

Meanwhile, Mr. Koike said that the country still faces a lot of challenges in accelerating the adoption of EVs.

"We need to invest in infrastructure. There are so many obstacles that need to be done in order to realize (EV adoption)," Mr. Koike said.

"It cannot happen overnight. There's a region like Europe that is already doing it (EVs). If we can learn from what they've done and try to not make the same mistakes, I think we can do it in less work and shorter amount of time," he added. — **Revin Mikhael D. Ochave**