

Retailers in US and China post lackluster sales on Cyber Week and Singles Day

NEW YORK/SHANGHAI — Online shopping fatigue set in across the United States and China as retailers in both countries posted mostly lackluster results during both Cyber Week and Singles Day, two of the world's biggest promotional events, according to the latest data.

US shoppers spent \$35.27 billion online overall during Cyber Week, the period from Thanksgiving through Cyber Monday. That's a ho-hum 4% gain over last year at a time when US inflation is running more than 7%.

But the modest pickup trounced the paltry 2.9% increase in sales during China's Singles Day, an 11-day shopping festival ending November 11, hosted by Alibaba and other Chinese e-commerce firms.

From 2014 through last year, Singles Day posted growth rates of about 34% annually on average, versus Cyber Week's 17% average gain, according to data from consultancy Bain and from Adobe Analytics. Adobe Analytics measures e-commerce performance by analyzing purchases at 85% of the top 100 internet retailers in the United States.

Deborah Weinswig, founder and CEO of Coresight Research, said the US results were a "Christmas miracle" given that many retailers began to dangle early holiday discounts way back in October. Amazon held a major Prime Day promotion in October.

Meanwhile, less travel among Chinese has dramatically changed what and how much they spend, Ms. Weinswig said.

Chinese shoppers bought vitamins, supplements and products for their pets' health, spending 934 billion yuan (\$130.51 billion) during Singles Day, according to consultancy Syntun. Sales for Alibaba, China's biggest e-commerce player, were flat, while newer, short-video e-commerce platforms, such as Douyin and Kuaishou, showed some sales growth, according to Citi analysts.

In the United States, deep discounts gave nearly 197 million

shoppers reason to open their pocketbooks to purchase Pokemon toys, TVs, footwear and air fryers, spending money both online and in stores this year during the key Black Friday and Cyber Monday shopping periods. That figure includes 130.2 million online shoppers, which rose by 2% over last year, but at a slower pace, the National Retail Federation said on Tuesday.

Retailers focused their promos and discounts on consumer electronics and clothing, Ms. Weinswig said.

Jane Hali, CEO of retail research firm Jane Hali & Associates, said she expects flat sales overall for the US holidays, after adjusting for the impact of inflation.

Cyber Week includes Black Friday, historically a social event with families getting out of the house together search for deals on holiday gifts. Many people will buy something on Black Friday to mail it to relatives before Christmas, said Alexander Chernev, a professor of marketing at the Kellogg School of Management. Singles Day, in contrast, is focused on instant delivery of items purchased online, Mr. Chernev added.

Originally, Singles Day was an unofficial Chinese holiday on Nov. 11 (11/11) to celebrate people who were not in relationships. However, e-commerce giant Alibaba co-opted the day in 2009 to win over online shoppers with discounts and promotions.

These days, brands use Singles Day to clear inventory and experiment with new products. It has become far less important to Alibaba's bottom line.

With the COVID-19 pandemic still raging in China, it won't be fair to compare Singles Day with Cyber Week, Mr. Chernev said, as Americans are shopping with fewer restrictions.

Cyber Week is only part of the US holiday season, representing about 10% of overall sales in the fourth quarter of the year, Jane Hali & Associates estimates. Twenty-five days remain until Christmas, Dec. 25. — Reuters

Apple supply chain data show receding exposure to China as risks mount

SHANGHAI — Apple, Inc.'s wide exposure to Chinese manufacturing, notable both for its low costs and rising risks, has receded since the COVID-19 pandemic began, company supply chain data showed.

With the world's biggest iPhone factory — operated in central China by Foxconn — battling production shortfalls and labor unrest spurred largely by Beijing's harsh virus containment policies, analysts expect the risks — and Apple's retreat — to accelerate.

A Reuters analysis of Apple's supply chain data showed China's prominence in the company's global manufacturing is declining: In the five years to 2019, China was the primary location of 44% to 47% of its suppliers' production sites, but that fell to 41% in 2020, and 36% in 2021.

Apple did not reply to a request for comment.

The data showed how a diversification drive by Apple and its suppliers, with investments in India and Vietnam and increased procurement from Taiwan, the United States and elsewhere, is reshaping the global supply structure, although analysts and academics said it would remain heavily exposed to China for many years to come.

"The China supply chain is not going to evaporate overnight," said Eli Fried-

man, an associate professor at Cornell University who studies labor in China.

"Decoupling is just not realistic for these companies for the time being," he said, although he expected diversification to accelerate.

The concentration of suppliers in China, the site of most production by Foxconn which accounts for 70% of iPhones made globally, has been a key feature for Apple, the world's most profitable smartphone vendor.

But the strategy is shifting, driven not just by China's COVID-related lockdowns and restrictions, but by rising trade and geopolitical tensions between Beijing and Washington that pose potential long-term risks.

Foxconn is stepping up its expansion in India, with a plan to quadruple the workforce at its iPhone factory over two years, government officials with knowledge of the matter told Reuters earlier this month.

JP Morgan expects Apple to move about 5% of iPhone 14 production to India from late this year and to make one in four iPhones in India by 2025, and estimates that about 25% of all Apple products, including Mac PCs, iPads, Apple Watches and AirPods, will be manufactured outside China by 2025 versus 5% now. — Reuters

Twitter ends ban on COVID misinformation amid China virus spike

TWITTER, Inc. has rolled back a policy that was aimed at tackling misinformation related to COVID-19 on the social media platform, lending itself to the risk of a potential surge in false claims even as cases rise in China and some parts of the world.

The move also comes amid concerns of Twitter's ability to fight misinformation

after it let go about half of its staff, including those involved in content moderation, under new boss Elon Musk.

"Effective Nov. 23, 2022, Twitter is no longer enforcing the COVID-19 misleading information policy," according to an update on its blog page. The update was first reported by CNN on Tuesday.

The specific measures that Twitter will drop were not immediately clear, and the company did not immediately respond to a request to share more information.

At the onset of COVID in 2020, Twitter instated a number of measures including labels and warning messages on tweets

with disputed information about the health crisis and a framework to have users remove tweets that advanced harmfully false claims related to vaccines.

Meta Platforms, Inc.-owned Facebook and Alphabet, Inc.'s YouTube services employed similar measures, which are currently in place. — Reuters



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. *DC2022-11-0035*

EXPANDING THE COVERAGE OF THE PHILIPPINE ENERGY LABELING PROGRAM (PELP) FOR THE COMPLIANCE OF IMPORTERS, MANUFACTURERS, DISTRIBUTORS, DEALERS AND RETAILERS OF ENERGY CONSUMING PRODUCTS (ECPs)

WHEREAS, Section 2 of Republic Act (RA) No. 7638 or the "Department of Energy (DOE) Act of 1992" states that it is the policy of the State to ensure a continuous, adequate, reliable, and economic supply of energy through, among others, judicious conservation, renewal, and efficient utilization of energy, to keep pace with the country's growth and economic development;

WHEREAS, RA No. 11285 or the "Energy Efficiency and Conservation Act" (EEC Act) declares the policy direction of the government in terms of energy efficiency, conservation, sufficiency and sustainability in the country;

WHEREAS, pursuant to the EEC Act, the DOE, in consultation with concerned government agencies and entities, local government units, commercial, industrial, and transport sectors and other relevant stakeholders, issued, adopted, and promulgated Department Circular No. (DC) DC2019-11-0014 or the Energy Efficiency and Conservation Act – Implementing Rules and Regulations (EEC-IRR);

WHEREAS, Section 5 of the EEC Act provides that the DOE shall be the lead agency in the implementation of the Act with the responsibility for the planning, formulation, development, implementation, enforcement, and monitoring of energy management policies and other related energy efficiency and conservation plans and programs;

WHEREAS, Rule XII, Energy Efficiency Rating and Labeling Requirements of EEC-IRR, mandates the following:

- Section 58. Energy Efficiency Rating and Labeling System
- Section 59. Energy Efficiency Rating and Labeling for Products and Equipment
- Section 61. Examination, Testing and Verification

WHEREAS, Rule XVII of EEC-IRR enumerated the prohibited acts and enforcement methods, administrative and criminal liabilities;

WHEREAS, DC2020-06-0015 or the PELP Guidelines provides the guiding principles for the labeling of ECPs, which initially covers air conditioners, refrigerating appliances, television sets and lighting products;

WHEREAS, Section 5 of the PELP Guidelines provides that additional ECPs shall be included in the coverage of the PELP upon recommendation of the Energy Utilization Management Bureau (EUMB);

WHEREAS, Section 9 of the PELP Guidelines states that the DOE shall issue the PELP Implementing Guidelines on a per ECP basis, which will include, among others, administrative, application procedures, general, technical and particular product requirements (PPR) as well as the procedure for monitoring, verification and enforcement of the PELP;

WHEREAS, conservation and efficient utilization of energy are among the major strategies of the Government to realize energy self-sufficiency and reduce environmental impacts of energy generation and utilization as instituted in the Philippine Energy Plan (PEP) and the National Energy Efficiency and Conservation Program (NEECP);

WHEREAS, the DOE conducted public consultations attended by various stakeholders on 02 and 30 September 2022 to present the draft Department Circular and to consolidate inputs from stakeholders in Luzon, Visayas, and Mindanao; and

WHEREAS, the mandatory implementation of the PELP will lead to, among others, the empowerment of consumers in choosing energy efficient products at the point of sale, realization of energy savings and reduction of energy consumption / bills through the use of energy efficient products, elimination of energy inefficient products in the market and reduction of greenhouse gas emissions.

NOW, THEREFORE, for and in consideration of the foregoing premises and pursuant to its mandate under the EEC Act, EEC-IRR and PELP Guidelines, the DOE hereby orders the following:

Section 1. Amendments to the PELP Guidelines. The following provisions are hereby amended as follows:

- 1.1 Under Section 3 are as follows:
 - m. Importer refers to an entity engaged in bringing various products into the Philippines from another country or economy
 - n. Institutionally-manufactured or sold products refer to products locally manufactured or imported and directly sold by the supplier to the end-user and where the products are put into service

xxx xxx xxx xxx xxx

- 1.2 Section 5 is hereby amended to read:

xxx xxx xxx xxx xxx

Under this Department Circular, the PELP will cover ECPs used for cleaning and laundry, cooking and food processing, cooling, heating and ventilating, grooming and personal care, information and communication technology (ICT) equipment, and lighting: *Provided, That* additional ECPs shall be included within the coverage of the PELP upon the recommendation of the EUMB.

PELP-covered ECPs with or without a prescribed Minimum Energy Performance for Products (MEPP) requirement shall bear the energy label that specifies the energy efficiency rating of the product model, as prescribed under the PELP Implementing Guidelines. The matrix of covered ECPs attached as Annex B in this Department Circular shall be regularly reviewed and updated in the PELP Implementing Guidelines.

xxx xxx xxx xxx xxx

- 1.3 Section 6.4 is amended to read:

xxx xxx xxx xxx xxx

Have the labels printed and affixed on the prescribed location on the ECP under the PELP Implementing Guidelines.

xxx xxx xxx xxx xxx

- 1.4 Section 10 is amended to read:

xxx xxx xxx xxx xxx

The membership and composition of the TWG is determined according to the specific technical issues for the ECPs such as test methods, technical requirements, MEPP coverage, etc. As a token of appreciation for their expertise contribution in the development of the PPRs, compensation in the form of honorarium may be given to the members of the TWG (i.e. primary and alternate), who are present on the day of the meeting: *Provided That*, the maximum amount is fixed at Five Hundred Pesos (PhP500.00) per meeting or a maximum of One Thousand Pesos (PhP1,000.00) per month regardless of the frequency of the meeting in a month: *Provided Further That*, the honorarium may be charged against the regular budget of the EUMB subject to existing government accounting and auditing laws, rules and regulations.

xxx xxx xxx xxx xxx

- 1.5 Section 14 is amended to read:

xxx xxx xxx xxx xxx

Upon the determination that any person or entity has committed any of the prohibited acts in Section 8 of this Department Circular, the DOE may issue an order for the imposition of the administrative fines and penalties in accordance with Annex C, Schedule of Penalties and Fines. The imposition of administrative fines and penalties is without prejudice to the institution of criminal liabilities for violations under the EEC Act, EEC-IRR, and this Department Circular.

xxx xxx xxx xxx xxx

Section 2. Repealing Clause. The provisions of other circulars, orders, issuances, rules, and regulations, which are inconsistent with the provisions of this Department Circular are hereby repealed, amended, modified, or superseded accordingly.

Section 3. Separability Clause. If for any reason, any section or provision of this Department Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 4. Effectivity. This Department Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of this Department Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Registrar.

Issued this *November 1, 2022* at the DOE, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City, Metro Manila.

Raphael P. M. Lotilla
Secretary

**ANNEX B
Matrix of Covered ECPs**

Pursuant to Section 5, the following are the covered ECPs under this Department Circular:

- Cleaning and Laundry Appliances shall include ECPs that are used for the removal of dust, dirt, stains, or other impurities, as well as pressing or removal of unwanted creases. Examples of these are as follows:
 1. Vacuum
 2. Pressure washer
 3. Flat iron
 4. Garment steamer
 5. Washer
 6. Dryer
 7. Water extractor/spin dryer
 8. Tumbler dryer
- Cooking and Food Processing Appliances shall include ECPs used for food preparation and cooking. Examples of these are as follows:
 1. Rice cooker
 2. Steamer
 3. Electric griller
 4. Oven
 5. Blender
 6. Oven toaster
 7. Convection oven
 8. Conventional oven
 9. Air fryer
 10. Turbo broiler
 11. Induction cooker
 12. Electric stove
- Cooling, Heating and Ventilating Appliances shall include ECPs used for controlling, adjusting, or regulating the temperature of any item or space based on user's preference, as well as ECPs used to move air around a space to maintain a desired environmental quality. Examples of these are as follows:
 1. Air conditioner
 2. Air cooler
 3. Mobile ducted/portable Air conditioner
 4. Multi-split Air conditioners
 5. Electric fan
 6. Air purifier
 7. Refrigerator
 8. Freezer
 9. Chiller
 10. Water dispenser
 11. Water heater
 12. Water boiler
- Grooming and Personal Care Equipment shall include ECPs that are used for attending to one's appearance, personal hygiene, or personal health. Examples of these are as follows:
 1. Hair dryer
 2. Hair blower
 3. Hair curler
 4. Nail dryer
 5. Foot spa machine
- Information and Communication Technology (ICT) Equipment shall include ECPs that are used for instructing, communicating with, storing data in, retrieving data from, or otherwise making use of any resources of a computer system or communication network. A computer system or communication network shall include an electronic, magnetic, optical, electrochemical, or other data processing or communications device, or grouping of such devices, capable of performing logical, arithmetic, routing, or storage functions and which includes any storage facility or equipment, or communications facility or equipment directly related to or operating in conjunction with such device. It also covers any type of computer device, including devices with data processing capabilities like mobile phones, smart phones, computer networks and other devices connected to the internet. Examples of these are as follows:
 1. Computer
 2. Laptop
 3. Printer
 4. Scanner
 5. Fax machine
 6. Television set
 7. Display monitor
 8. Audio and/or video player
 9. Mobile phone
 10. Digital camera
 11. Electronic storage media
 12. Other radio devices
 13. Sound bar
 14. Set top box
 15. Amplifier
- Lighting Products shall include ECPs that provide artificial lighting or illumination. Examples of these are as follows:
 1. Fluorescent lamp
 2. Light emitting diode (LED) lamp
 3. Streetlights
 4. Color changing LED (tricolor)
 5. Decorative LED lamps
- Renewable Energy (RE) Products and other related products. Examples of these are as follows:
 1. Solar PV module
 2. Solar PV system
 3. Solar-aided products

**ANNEX C
Schedule of Penalties and Fines**

Pursuant to Section 14 of the PELP Department Circular, the following are the impossible penalties and fines:

Violation	Penalties and Fines (in PhP)		
	10,000 – 200,000	201,000 – 500,000	501,000 – 1,000,000
Selling of non-registered product			1 st Offense
Removal, defacing, altering, absence of Correct Energy Label of registered product	1 st Offense	2 nd Offense	3 rd Offense
Failing to provide accurate information or the provision of false or misleading energy information as required			1 st Offense
Refusal to submit to on-site inspection	1 st Offense		2 nd Offense
Refusal to cooperate (drawing of product samples) during verification testing			1 st Offense
Non-submission of annual reportorial requirements		1 st Offense	2 nd Offense

*The imposition of the administrative fines and penalties stated above shall be on a "per product model" basis.