

SC 76 prospector Ratio declares 2 possible finds in East Palawan

THE Department of Energy (DoE) said Israel's Ratio Petroleum Ltd. has identified two possible petroleum finds within its concession area, Service Contract (SC) 76.

"Ratio Petroleum's initial work program has resulted in the identification of numerous leads that emphasize the prospectiveness of the basin. Several leads show clear anomalies, which supports the concept of the basin being gas prone," Alessandro O. Sales, Energy undersecretary, said in a statement.

SC 76 is located to the north of a formation known as the East Palawan Basin in the Sulu Sea.

The DoE said the two prospects have over 20 leads which require further surveys and drilling. SC 76 covers an area of 648,000 hectares, with water depths ranging from 800 to 1,700 meters.

The DoE said that Ratio Petroleum's approved work program covers seven years of exploration to be carried out in three phases.

The first phase covers the acquisition of 2D seismic data which started on Oct. 17, 2018, while the second phase will cover the acquisition of 3D seismic data.

The 3D seismic data phase is expected to be completed in the next two years providing a

refined image of the area's subsurface geology.

The DoE said that the third phase will include the drilling of one exploration well.

"Further, data from wells within and near the basin show the presence of several organic-rich intervals, of both terrestrial and marine origins," the DoE said.

Ratio Petroleum expects to spend around \$34.35 million for studies, data gathering, and drilling activity during its seven-year contract period.

"It is timely that we reinvigorate our petroleum exploration activities. While it is capital-intensive

to carry out exploration programs, with the depletion of the Malampaya reservoir and the continuing volatility of fossil fuel prices in the past years, we need an aggressive push to explore for new oil and gas fields for the furtherance of our energy security," Mr. Sales added.

In 2018, the DoE awarded SC 76 to Ratio Petroleum through the Philippine Energy Contracting Round.

The Israeli company is credited with helping develop the Leviathan natural gas field off the Israeli coast — the largest such field in the Mediterranean. — **Ashley Erika O. Jose**

Japan investment pledges mostly from electronics companies

PRESIDENT Ferdinand R. Marcos, Jr. on Thursday obtained investment pledges from Japanese electronics companies, while also receiving assurances from shipping companies of more hiring of seafarers from the Philippines, the Palace said.

The Presidential Communications Office (PCO) said the pledges were worth "billions of pesos" from Japanese companies producing semiconductors and other electronic products with the potential for generating more than 10,000 jobs.

The final tally of investment commitments will be announced on Feb. 10 "during the signing of the letters of intent by the Japanese companies," the PCO said in a statement.

Mr. Marcos had a roundtable meeting with semiconductor and electronics companies looking to expand their operations in the Philippines.

Among those present at the meeting were representatives of Japan Aviation Electronics Industry, Ltd., Yazaki Corp., Yokowo Manufacturing of the Philippines, Sumitomo Electric Industries, Ltd., Brother Industries, Ltd., IBIDEN Co., Ltd., Seiko Epson Corp., NIDEC-SHIMPO Corp., and TDK Corp.

In his remarks, the President said the Philippines aspires to achieve the "status of a regional hub for printers, wiring harnesses, and other electronic goods."

"We consider your operations significant. You are a prime generator of jobs," he said. "You provide support for sectors critical to industrial development and you carry with you the promise to create value through innovation in global manufacturing around the world."

Mr. Marcos said Philippine advantages like the availability of engineers, an entrenched network of Japanese companies, and the thriving information technology services sector "offers promise for future expansion."

"With the automotive industry moving toward electric vehicles and autonomous driving and the printer industry facing challenges related to digitalization and automation, we hope to see you recruit our talented human resources in your research and development activities," he said.

In 2021, the Philippines was the fourth-largest exporter of wiring

harness in the world after Mexico, China, and Romania, according to the Palace. The Philippines was also one of the lowest-cost producers of wiring harnesses.

"This trend has been building over a 20-year period where wiring harness exports from 2001 to 2021 grew at a steady pace of 9% per year."

Mr. Marcos arrived in Japan on Wednesday for a five-day visit.

The President also met with Japanese shipping companies on Thursday, who assured that they will continue to hire Filipino seafarers, the Palace said in a separate statement.

"Filipino seafarers are essential to the Japanese shipping industry. And so, we sincerely and strongly hope that they will continue to be a steady supply of professional and well-trained Filipino seafarers to work alongside us," Junichiro Ikeda, president of the Japanese Shipowners' Association and chairman of the Mitsui OSK Lines, was quoted as saying to Mr. Marcos at the meeting.

"We also expect that quality standard of the Filipino seafarers to continue to improve, as the Philippine government continues to work hard to achieve this."

The shipowners sought Mr. Marcos' "help and assurance" in obtaining access to a steady supply of seafarers, the Palace said.

Mr. Marcos said the administration will continue to work closely with the shippers to ensure a ready pool of seafarers.

"The JSA has the assurance of the Philippine government that we will continue to work together as a team, as partners, in ensuring that your requirements for more seafarers shall be met because, clearly, you care for them very much and they are in good hands while under your employment."

The President noted the investments of Japanese shipowners in maritime training schools in Laguna and Bataan, which produce 1,200 cadets per school each year.

"About 75% of the crews of Japanese ocean-going vessels is composed of Filipino seafarers and an average of 6,600 Filipino seafarers per year is deployed to vessels with the Japanese Flag of Registry in the past 10 years," the Palace said. — **Kyle Aristophere T. Atienza**

DENR cancels quarrying permits in Upper Marikina watershed

THE Department of Environment and Natural Resources (DENR) ordered the cancellation of three mineral production sharing agreements (MPSAs) held by quarry operators in the Upper Marikina watershed towns of Baras and Tanay, Rizal province.

In separate orders dated Dec. 19, and made public this week, Environment Undersecretary Juan Miguel T. Cuna signed the orders revoking the MPSAs of Rapid City Realty and Development Corp., Quarry Rock Group, Inc. and Quimson Limestone, Inc.

MPSAs give concession holders exclusive rights to mine a defined area.

The revoked MPSAs cover 1,343 hectares within the barangays of Pinugay, Baras, and Cuyambay and Tandang Kutyo, Tanay.

Rapid City was found to have failed to file for an extension of its exploration period, which had lapsed for more than 22 years. It also failed to submit the corresponding work program as required by the MPSA.

Meanwhile, both Quarry Rock and Quimson were ruled to have violated their MPSAs by conducting non-quarrying operations; failing to submit and secure approval of development work programs; and failing to establish mine rehabilitation funds.

In a statement on Thursday, Upper Marikina Watershed Coalition said it obtained the copies of the orders it requested last month.

"After three years of campaigning, we look forward to seeing these cancellations enforced and reflected on the ground," the coalition said in a statement on Thursday.

The coalition brings together over 60 groups seeking to protect the Upper Marikina River Basin Protected Landscape (UMRBPL).

"Once more, we call on the DENR Secretary to directly dialogue with the Masungi Georeserve Foundation to settle mutual concerns on its joint reforestation project, which is located in the UMRBPL," the coalition said. — **Sheldeen Joy Talavera**

Employment numbers don't reflect job-market dropouts — think tank

By John Victor D. Ordoñez
Reporter

THE decline in the 2022 jobless rate masks the number of workers who have stopped seeking formal employment, IBON Foundation said.

"Reported unemployment doesn't count jobless Filipinos who may have dropped out of the labor force after a long time of seeking but not finding work," the think tank's Executive Director Jose Enrique A. Africa said in a Viber message.

"As it is, between November and December, the labor force actually declined by 661,000 and the labor force participation rate to 66.4%," he added, citing data from the Philippine Statistics Authority.

The unemployment rate in 2022 dropped to 5.4%, a three-year low. In December the rate had increased to 4.3% from 4.2% a month earlier.

Job quality improved in December, as the underemployment rate, which represents employed Filipinos looking for more work, fell to 12.6%.

Last year, the underemployment rate averaged 14.2%, the lowest since the 14% posted in 2019.

"Amid a discouraging labor market, the decline in reported underemployment may not reflect more Filipinos content with their current work and earnings but rather Filipinos stopping to look for better work that is nowhere to be found," Mr. Africa said.

He noted that Filipinos in openly informal work, or those employed in unregistered establishments, number 21.2 million, accounting for 43.2% of total employment.

Jose G. Matula, president of the Federation of Free Workers, welcomed the improved employment data but cited the need to sustain the development by helping micro, small, and medium enterprises (MSMEs).

"There is a need for sustained efforts to combat price pressures, particularly non-monetary government measures," he said in a Viber message.

"Congress should take action on laws that will provide subsidies for MSMEs and those that will establish a public employment program," Mr. Matula added.

Headline inflation hit a 14-year high of 8.7% in January.

The Monetary Board increased its benchmark rate by 350 bps to a 14-year high of 5.5% in 2022. Its next policy review meeting is on Feb. 16.

The Bangko Sentral ng Pilipinas has said inflation will likely average 4.5% this year before easing to 2.8% next year.

"Accelerating inflation is really eating into the purchasing power of poor and middle-class Filipinos who have the least ability to absorb rising prices," Mr. Africa said.

The International Labor Organization has said soaring inflation rates continue to diminish the purchasing power of low-paid workers.

Mr. Africa added that the government should implement policies that develop industry to create more high-paying jobs.

"Without bolder measures like a comprehensive national industrial and technology policy to build manufacturing, for instance, the economy will never be able to create enough formal, productive and high-paying jobs for its growing workforce and population," he said.

PEZA sets launch target of 1-3 ecozones a year

THE Philippine Economic Zone Authority (PEZA) said it has set an "aspirational" target of one to three new economic zone launches each year.

"We actually expect to operationalize one to three new ecozones (each year). That is our aspiration," PEZA Deputy Director General for Operations Vivian S. Santos said in an ABS-CBN News Channel television interview on Thursday.

"These ecozones, before they can be operationalized, have to be issued a proclamation by the Office of the President (OP)," she added.

According to Ms. Santos, there are 29 ecozones approved by the PEZA Board that are awaiting the Presidential proclamation.

She said the 29 consist of 13 information technology parks and centers, 12 manufacturing ecozones, two related to tourism, one agro-industrial, and one mixed-use manufacturing and tourism ecozone.

In January, PEZA said that the 29 pending ecozones will require combined investments of

P96.21 billion. Of the 29 projects, eight are to be located in the Calabarzon region.

"The largest investment among these projects is a mixed-used special economic zone for manufacturing and tourism to be located in Pangasinan, with a project cost of about P81.648 billion," PEZA said in an earlier statement.

Currently, PEZA oversees 421 ecozones hosting 4,346 locators. The ecozones have generated a total of 1.8 million direct jobs.

Ms. Santos said PEZA is confident it will achieve its 10% investment growth target for 2023.

PEZA approved P6.4 billion worth of investments in January, up 83.7% from a year earlier.

The approved projects consist of 19 new and expansion projects. These include 11 export manufacturing enterprises.

"This is just the first month of the year. We are confident that we will be able to reach our 10% increase of investment compared to that

P140 billion worth of investment recorded last year," Ms. Santos said.

"Hopefully, with our increased promotion... and possible ecozone development in the countryside opening doors for other types of ecozones the likes of agro-forestry ecozones, aquamarine parks, knowledge, innovation, science, and technology parks, halal and food production hubs, pharmaceutical ecozones, biotechnology parks, defense industrial complexes, renewable energy parks, and mineral processing zones, we hope to achieve the target investment," she added.

PEZA Officer-in-Charge Tereso O. Panga has said that more ecozones are expected to be approved following the addition of the ecozone development program in the Philippine Development Plan 2023-2028 launched last month.

"Ecozones can be shields (against) headwinds... ecozones can (also be) economic drivers to accelerate recovery and growth," Mr. Panga said. — **Revin Mikhael D. Ochave**

ADB touts potential of cloud for expanding countryside banking coverage

CLOUD-BASED services can help expand the reach of banks and financial institutions in remote areas, the Asian Development Bank (ADB) said.

"This is already being done in several countries. South Africa's TymeBank and the Philippines' Cantilan Bank, both first in their respective countries to operate fully off a secure cloud-based infrastructure network, have passed on cost savings to consumers and enhanced the customer experience," the ADB said in a blog post on Thursday.

"Without access to financial services, individuals and small businesses are unlikely to achieve

prosperity and upward mobility. To reach those who remain unbanked and underserved, financial solutions must be delivered at low cost and be scalable, sustainable, and responsible," it added.

The ADB said that cloud-based services can allow financial institutions to provide more affordable and accessible financial services.

"By adopting cloud computing solutions, they are now using shared computing and data storage resources, hosted and run on remote servers in the cloud instead of investing in their own on-premise servers. This provides flexibility to scale capacity

up or down to accommodate peak periods," it said.

Modern digital banking solutions make the processes of online banking, mobile apps, ATMs, and cash-accept machines more seamless.

"Features like these make cloud computing a scalable, elastic, and on-demand service providing access to servers, storage, networks, software, and analytics over the internet. This is particularly useful for new digital banks and fintech startups still testing their technology and business models and serving a large, diverse customer base, including underbanked and unbanked populations who may not

have access to physical branches," the bank added.

The ADB said that implementing cloud computing will require reliable internet access.

"This remains a challenge in some areas, particularly remote or rural locations, but improvements in digital connectivity have been rapid. Remote locations can benefit from off-grid energy and connectivity innovations, such as satellite connectivity and community networks," it added.

It also said that digitalizing banking operations introduces other risks that can be costly unless well managed.

"With data growing exponentially and customer data being one of the most critical assets, banks risk losing revenue, reputation, and business continuity if data is compromised. The IT system design and security protocols must ensure that they are robust and that cloud computing providers have solid security certification," the ADB said.

Cloud providers also have built-in disaster recovery and business continuity capabilities, which can help businesses avoid costly downtime during an outage.

"As data is stored in a secure, off-site location, it is not affected

by disasters that may occur on-premises," it added.

It cited Cantilan Bank, which was able to re-establish connections immediately after Typhoon Odette (international name: Rai) in Surigao del Sur and the rest of the Caraga region in 2021.

"Additionally, cloud data centers can help to decarbonize data processing if powered by renewable energy, can use energy more efficiently than dispersed on-premise servers, and may reduce e-waste by lowering the consumption of IT hardware," it added. — **Luisa Maria Jacinta C. Jocsion**