SRA lowers refined sugar output estimate for 2023 crop season

REFINED SUGAR output is now estimated to have dropped by 110,000 metric tons (MT) compared to production levels in the previous crop season to about 640,000 MT, with yields affected by early milling as well as unfavorable weather.

Sugar Regulatory Administration (SRA) Acting Administrator Pablo Luis S. Azcona said in a briefing that milling output will fall by a "significant amount."

"Since the raw sugar mills closed early, the refineries that rely on the raw mills for fuel also closed early, so that's where our significant drop came from. I estimate almost a 100,000 metric tons drop in refined production," he said.

Mr. Azcona said sugar refiners require bagasse — a byproduct of sugarcane crushing — to run their equipment. Bagasse was in short supply because the cane harvest was disrupted by bad weather.

"Every time a sugar mill restarts, *malaki ang nawawala* (much is lost). When they run out of sugarcane, there's nothing to mill and they have to stop. They (cannot keep) consuming fuel," he said.

Actual sugar production was 750,000 MT in the previous crop year.

Mr. Azcona said a decision to further import sugar will await validation of sugar inventory levels.

"We are thinking of new imports. However, as promised to the President, we will conduct all the necessary inventories first and find out if our computations are accurate," he said.

President Ferdinand R. Marcos, Jr., who is also the Secretary of Agriculture, has approved a recommendation by the SRA to import about 150,000 MT at most in response to forecasts of a supply shortfall.

Mr. Azcona said the supply of sugar is good until the end of August if no imports come in.

Separately, Mr. Azcona said he wants to impose a suggested retail price (SRP) for sugar, noting that some outlets are still retailing refined sugar for P110 per kilogram, beyond the SRA's target range of between P85 and P90.

"Personally, I've been suggesting an SRP. Even our superiors are saying that it should be P85," he said.

As of Tuesday, the prevailing price of refined sugar in Metro Manila was between P86 and P110 per kilo. Brown sugar was between P82 and P95, and washed sugar P78 and P90. — **Sheldeen Joy Talavera**

Community opposition cited as top hurdle to starting energy projects

ENERGY executives in the Philippines cited "community opposition" as a major hurdle to implementing energy projects and expressed concerns that such frictions could potentially hinder the country's transition to greener energy.

Research firm GHD, citing the results of a study, said 76% of Philippine energy industry leaders identified community opposition as among the "biggest barriers" in pursuing energy projects.

About 82% said energy security is their top concern, higher than the global average of about 75%, the study found.

The inability to initiate energy projects without encountering opposition at the project site may slow the transition to greener forms of energy, Lucas Blight, GHD's technical director and Future Energy coordination lead for Asia-Pacific, said in a statement.

"The Philippines is facing a rapid energy transition and is charting a course into new energy territories with changing energy blends. As a net importer of energy, the Philippines is vulnerable to supply shocks."

"Philippine leaders point to community opposition as being one of the biggest barriers to getting new energy projects that could help tackle the crisis approved and off the ground," the report said.

It said any disruption to the global energy supply would leave many countries with over two months' supply of fuel on average.

"There is a need for integrated solutions that provide energy security and reduce emissions at the same time as generating low-cost power to fuel continued economic growth. For example, many of the country's islands are dependent on diesel generators — which can be progressively replaced with renewable micro-grids," Mr. Blight said.

Recently, the National Power Corp. signed a partnership with the German-Philippine Chamber of Commerce and Industry to study the feasibility of green hydrogen and fuel cell technologies in off-grid areas.

The study also found that half of the world's energy industry executives consider their net-zero goals to have been delayed by about six years on average.

GHD said the study was based on a survey of 450 respondents who are senior energy industry decision-makers, with input from interviews of 10 industry thought leaders. — **Ashley Erika O. Jose**

DoE calls for fair treatment of poor countries in transition to green-energy technology

ENERGY Secretary Raphael P.M. Lotilla called on developed countries to ensure a "just" transition to green technology for poorer countries, citing the need for low-cost financing and technology transfers.

"We hope our development partners and countries like Sweden would assist us not only in making the private sector share technology and access to innovation, but also to assist the Philippines in terms of securing favorable financing that would allow us to build the necessary infrastructure," Mr. Lotilla said at an energy forum the Department of Energy (DoE) co-organized with the Embassy of Sweden.

Mr. Lotilla said technology is constantly developing, leaving the government the task of selecting which tech is most suitable for the Philippines' green energy transition.

"First of all, green transition for a developing country like the Philippines must be a just transition; it must be a fair transition and therefore we must avoid transferring the burden of climate transition to an already overburdened Philippine population," he said.

Mr. Lotilla said that aside from harnessing indigenous renewable energy resources, the Philippines must also turn to liquefied natural gas (LNG) as a transition fuel while evaluating the various forms of technology available.

"We have to take full advantage of all sources of energy that are currently in place and to use them in a wise manner. At the same time, we need to be able to transition to a cleaner environment. And this we address by making sure that the additional capacities that we need will be sourced from renewable and greener sources of energy," Mr. Lotilla said.

He said that the Philippines cannot as yet transition away from coal-fired power plants, though the government must prepare for coal-fired energy to be phased out eventually.

"There is no denying that we need them still. But we have placed them in a trajectory (in which), clearly, over time, they are going to be replaced.," Mr. Lotilla said. — **Ashley Erika O. Jose**

Energy dep't clarifies on-grid rollout procedures for renewables

THE Department of Energy (DoE) has issued new procedures to increase the share of renewable energy (RE) in on-grid facilities under the Renewable Portfolio Standards (RPS) scheme starting this year.

In separate department circulars, the DoE issued amendments to the RPS for both on-grid and off-grid areas, which were signed on May 23.

"This RPS, for on-grid, clarifies the implementation and then the enhancement... For off-grid, we totally revised the earlier version we issued in 2018," Mylene C. Capongcol, Energy assistant secretary, told reporters on the sidelines of an energy forum on Tuesday.

Last year, the Energy department said on-grid power suppliers must expand the share of RE in their output to 2.5% starting in 2023 from the current 1%.

The DoE also required off-grid participants to accelerate their green energy transitions by reducing their dependence on fossil fuels by hybridization or use of alternative technology.

For off-grid areas, Ms. Capongcol said the off-grid order covers Small Power Utilities Group (SPUG) facilities, new power providers, and qualified third parties.

"More than 90% (of off-grid facilities) are conventional diesel... by implementing the RE Act we will eventually reduce the subsidies from the universal charge for missionary electrification (UCME) and volatility in supply and prices," Ms. Capongcol said.

The National Power Corp. and the DoE have proposed raising the UCME to sustain off-grid services as diesel prices increase.

Republic Act No. 9136 or the Electric Power Industry Reform Act authorizes the collection of UCME to fund Napocor's operations, including those of its SPUG unit, which serves remote areas not connected to the grid.

Napocor said that to date SPUG currently operates 281 power plants which are mostly powered by diesel. — **Ashley Erika O. Jose**

Bain cites PHL potential as renewable leader given its rich resources

THE PHILIPPINES can become a leader in developing renewable energy (RE) due to the resources it has at its disposal, openness to foreign investment, and flexible grid network, consulting firm Bain & Co. said.

"We are seeing countries like Vietnam and the Philippines lead the way in deploying renewable energy and transforming their power generation systems in parallel," it said in its Southeast Asia's Green Economy 2023 report.

The report noted the Philippines' "abundance of natural resources" for solar, wind resources, and battery components like nickel.

"Countries like Indonesia, Vietnam, the Philippines, and Thailand all have high energy demand and acceptable offtaker quality compared to less-developed SEA countries where local offtaker risk is high due to poor credit history," Bain & Co. said.

The Philippines' open market structure will also work in its favor, Bain & Co. said.

Last year, the government allowed 100% foreign ownership in renewable energy projects.

Bain & Co. also noted the Philippine grid's flexibility in terms of accommodating renewable energy.

The report also noted that the Department of Energy is working on streamlining approvals for renewable energy permits, which would improve the ease of doing business.

On the other hand, Bain & Co. said that Southeast Asia remains "heavily dependent" on fossil fuels.

"Indonesia, Brunei, Malaysia, and the Philippines still subsidize some fossil fuel use," it added.

Archipelagoes like the Philippines also face "complicated interconnection challenges."

Bain & Co. estimated that under 3% of the Philippine and Indonesian populations still lack access to electricity.

The higher cost of capital will also make it difficult to bring in renewable energy projects, it said, noting that banks in the Philippines do not finance renewable energy projects from smaller developers.

Meanwhile, Bain & Co. said that the Philippines is "unlikely to be on track" to deliver its 2030 climate targets.

"(There is) some progress in decarbonization supported by the right incentives and regulatory frameworks," it said.

"Nationally determined contribution (NDC) commitments are modest, the government supports grid infrastructure development, but more needs to be done for electric vehicles and nature," it added.

It also noted the need for more inter-island grid connectivity and investment in renewables. — **Luisa Maria Jacinta C. Jocson**

UPMG gathers insights on getting messages across through creative branded content

STAR Photo by Walter Bollozos

In a market where consumers are in search of content that will be worth their click, tap, or press of a button, the timeless tool called storytelling remains the technique brands can use and refine to connect with their audience and retain them in the long run. The United Print and Multimedia Group (UPMG), the premier association of major publication companies in the country, tapped into the minds of creative thinkers and marketers from top brands and media agencies to discuss "How Creativity and Branded Content are Reshaping Brand Strategies" in the organization's General Membership Meeting held last May 31 at the Eastwood Richmonde Hotel in Quezon City. Photo shows (from L-R), UPMG President and Manila Bulletin External Affairs Manager **Barbie Atienza**, SM Supermalls Vice-President for Corporate Marketing **Grace Fornier Magno**, Megaworld Hotels & Resorts Managing Director **Cleofe Albiso**, Havas Media Ortega Executive Creative Director **Angie Tijam Tohid**, Ogilvy Philippines Content & Context Lead **Maan Delos Reyes**, and UPMG Vice-President and PhilSTAR Media Group Sales and Marketing Director **Jay R. Sarmiento**.

Philippines stays off European IP watch list

THE PHILIPPINES has stayed out of the European Commission's intellectual property rights (IPR) watch list since last being listed in 2019, with officials touting the achievement as a mark of the country's attractiveness as a potential investment destination.

"Our exclusion from the list from 2019 signifies that we remain an attractive investment destination to trade partners. We have come a long way in maintaining a safe IP climate in tune with global economic standards," Rowel S. Barba, director general of the Intellectual Property Office of the Philippines (IPOPHL), said.

The watch list is a biennial publication that identifies countries that pose a high level of concern to IP rights holders in the European Union.

Topping the list was China which was the sole country listed as "priority one" due to the "persistence of IP rights violations through piracy and counterfeiting, paired with inconsistent IPR law enforcement and application." — **Justine Irish D. Tabile**

Pandemic demand helped agri wages, employment recover, study concludes

EMPLOYMENT and real wages in agriculture recovered during the pandemic due to surging demand for produce, the Philippine Institute for Development Studies (PIDS) said.

"The experience of agriculture during the COVID-19 crisis had evidently been a unique one in the Philippines, with the sector's employment share increasing, temporarily interrupting a declining trend that had persisted over the last 15 years," it said in a study.

"Agriculture had been the only sector where both employment and wages were able to simultaneously rise eventually, indicating robust demand," it added.

The think tank said the industry was not impacted by employment or wage declines due to the nature of work in agriculture.

"Such resilience likely owes to agriculture's dual nature, by being both a low-contact and essential sector; to possible substitution effects from non-food to food consumption of households; and to hefty support it received from both government and private business," PIDS said.

It added that agriculture already practices social distancing by default, minimizing the impact of government restrictions on human contact.

"Economic activities that are deemed essential by the government — which include but are not limited to the activities that are related to health services and the production and transport of food and medicines — (observed) looser community quarantine measures, if any," it added.

The study found that employment in agriculture had recovered to pre-pandemic levels. — **Luisa Maria Jacinta C. Jocson**