

## Former Samsung executive accused of stealing designs for semiconductor plant in China

A FORMER Samsung Electronics Co. executive allegedly stole blueprints and designs to try and replicate an entire semiconductor plant in China, Korean prosecutors said in outlining an unusual attempt to establish world-class chip-making capabilities in the world's No. 2 economy.

Prosecutors said in a statement Monday they arrested a person accused

of stealing trade secrets from 2018 to 2019 to reproduce a chip plant in the northern city of Xi'an, backed by capital from a Taiwanese company they didn't identify. They didn't name the company the accused stole from, except to call it the world's biggest memory chipmaker.

The case has the potential to spark tensions between Korea and Taiwan,

two of the most important centers for chipmaking and US allies supportive of Washington's efforts to contain China's chipmaking ambitions. Taipei and Seoul are very sensitive to attempts by China to poach chip talent and designs from an industry central to both economies' prosperity.

Representatives for Samsung, which dominates the global market for the mem-

ory used in smartphones and computers, declined to comment when contacted by Bloomberg News.

"It's so serious that it's difficult to compare it in terms of the scale of the crime and the degree of damage with previous individual semiconductor technology leakage cases," the Suwon District Prosecutors Office in South Korea said in its statement.—**Bloomberg**

# UBS completes takeover of rival Credit Suisse to make bank titan

UBS Group AG completed the acquisition of former rival Credit Suisse Group AG, sealing the biggest merger in banking since the 2008 financial crisis and creating a global wealth-management titan.

The Swiss bank announced the closing of the deal in an open letter in local and international newspapers on Monday. The takeover of Credit Suisse ends the lender's 167-year independent existence.

The announcement caps more than two months of uncertainty for employees after UBS finalized negotiations with the Swiss government over a 9 billion Swiss franc (\$10 billion) guarantee against potential losses on Credit Suisse assets. The deal sets UBS up for a windfall gain in the tens of billions of dollars and begins a period of complex integration likely to involve thousands of job cuts.

UBS agreed to take over Credit Suisse in March in an emergency sale brokered by the government after a confidence crisis and a torrent of client outflows sent it hurtling toward bankruptcy. At the helm of the combined bank, UBS Chief Executive Officer Sergio Ermotti now faces the task of fusing two companies with significant overlap and deciding which activities to jettison.

An accord was signed on Friday in which the government agreed to cover losses on a specific portfolio of Credit Suisse assets, corresponding to about 3% of the merged banks' combined assets after an initial 5 billion is borne by the bank. While Mr. Ermotti has said it's "exceptionally unlikely" that the guarantee will be needed, securing the state backing helps UBS maintain market confidence while it undergoes the transition.

The Swiss government backstop was necessary because UBS had little time to do due diligence and Credit Suisse has hard-to-value assets on its books that UBS plans to wind down. Now, UBS will have full access to Credit Suisse's business, including clients and loan exposures, giving it the ability to make decisions on what else it plans to put in the wind-down unit.

Regulators are still determining what adjustments to liquidity and

capital requirements and risk-weighted asset measures the combined entity will need to make.

UBS has said it plans to cut risk at the investment bank and take control of the business Credit Suisse employees do with clients. In particular, UBS will be able to impose its own, much tighter risk tolerance and restrictions for specific types of loans and clients in tricky jurisdictions.

Mr. Ermotti has said that due to differences in risk appetite UBS may not take on all of Credit Suisse's clients. Chairman Colm Kelleher has also said that employees will be viewed through a "culture filter" to ensure they fit with UBS.

"We will never compromise on UBS's strong culture, conservative risk approach or quality service," the bank said in the open letter, signed by Messrs. Kelleher and Ermotti. "Many are counting on us to make this acquisition work."

UBS also has yet to make a decision on the future of the Swiss domestic business it acquired from Credit Suisse, a part of the lender that had been consistently profitable amid the turmoil elsewhere and had played a leading role in financing Swiss companies and households.

Originally, UBS planned to fully integrate the local unit but later backtracked, with Mr. Ermotti saying that all options were on the table, including sale or spinoff. UBS said it would make a decision in the third quarter of this year.

UBS has said it also plans to have detailed integration plans for each of the business units, as well as a defined plan for specific activities it will wind down in a non-core unit by the fourth quarter. Credit Suisse's demise was sealed in March after years of losses and management failures that ranged from a spying scandal under former CEO Tidjane Thiam to the multi-billion-dollar hit from the collapse of Arcehos Capital Management in 2021. Two successive attempts to reorient the lender ultimately came to nothing, as clients accelerated withdrawals of their funds late in 2022, and again early this year in the wake of the failure of Silicon Valley Bank.—**Bloomberg**

## Glencore offers to buy coal business of Teck

GLENCORE PLC is in talks with Teck Resources Ltd. after making an offer to buy the Canadian miner's coal business for cash, in the latest twist in the \$23-billion takeover saga.

Glencore has so far been thwarted in its attempts to buy all of Teck, with the Canadian miner refusing to engage. Glencore had proposed merging the two companies' metal businesses and creating a new coal-mining unit in a \$23-billion deal. Glencore said Monday it hasn't given up on its plans to buy all of Teck.

Teck and its controlling shareholder have repeatedly rejected Glencore, which launched a successful lobbying campaign against Teck's plan to split its business. Teck in turn has sought to come up with a new plan to separate its

coal business and said last week that it had received several proposals for deals involving its coal operations.

While Glencore says it still wants to buy all of Teck, the coal offer would help Teck address one of its greatest challenges. Teck's shareholders have told the company they want a clean break from coal, but it needs money from the business to fund its long list of copper growth projects.

Teck said that while it's engaging with Glencore, there's no guarantee a deal will be done. The Canadian miner also said it's talking to other parties. Glencore's previous offer valued Teck's coal business at \$8.2 billion. It did not give a valuation for its current offer.—**Bloomberg**



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR NO. DC2023-05-0018

**ADOPTION OF THE NATIONAL ENERGY EFFICIENCY AND CONSERVATION PLAN (NEECP) AND ROADMAP 2023-2050**

**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, 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**, Sections 4 and 5 of the DOE Act of 1992, as amended, mandates for the formulation of policies for the planning and implementation of a comprehensive program for the efficient supply and economical use of energy, consistent with the approved national economic plan, and the provision for a mechanism for the integration, rationalization and coordination of the various energy programs of the Government with a preferential bias for environment-friendly, indigenous, and low-cost sources of energy;

**WHEREAS**, Section 3 of RA 11285 or the Energy Efficiency and Conservation Act (EEC Act) provides for the establishment of a framework for introducing and institutionalizing fundamental policies on energy efficiency and conservation (EEC), including the promotion of efficient and judicious utilization of energy, increase in the utilization of energy efficiency and renewable energy (RE) technologies, and the delineation of responsibilities among various government agencies and private entities;

**WHEREAS**, Section 4(z) of the EEC Act provides for the definition of the National EEC Plan (NEECP), which refers to the national comprehensive framework, governance structure, and programs for EEC with defined national targets, feasible strategies, and regular monitoring and evaluation: *Provided, That* it shall be aligned with the EEC Act and shall be a result of a collaborative and multi-stakeholder consultative process: *Provided further That*, it shall be regularly reviewed and revised as determined by the DOE;

**WHEREAS**, in accordance with the provision of Section 4(z) of the EEC Act, a series of collaborative and multi-stakeholder consultative process were conducted where inputs were duly taken and considered on the proposed "NEECP and Roadmap 2023-2050" such as, 1) Call for Comments, which was posted on the DOE Website from 30 January 2023 until 10 February 2023; and 2) Virtual Public Consultation held nationwide on 17 April 2023;

**WHEREAS**, Section 5 of the EEC Act mandates the DOE to take a lead as the Implementing Agency, and also provides for DOE's additional power and functions, which includes, among others, the following: a) Spearhead the creation and update the development of the NEECP in coordination with pertinent government agencies, Local Government Units (LGUs), and private corporations and organizations; and b) Develop a system of monitoring the implementation of the NEECP, including the targets that are established therein;

**WHEREAS**, Section 5(m) of the EEC Act mandates the DOE to develop and undertake a national awareness and advocacy campaign on EEC in partnership with business, academe, nongovernment organizations, and other sectors;

**WHEREAS**, Section 85 of the Implementing Rules and Regulations of the EEC Act (EEC-IRR) mandates the DOE, in coordination with various government agencies, to conduct the Information, Education, and Communication (IEC) campaigns to effectively implement the EEC Act and to develop and undertake a national awareness and advocacy program on EEC, and the development and utilization of RE technologies and systems;

**WHEREAS**, the adoption of the NEECP and Roadmap is intended to define and outline all EEC programs to be implemented, their objectives, and the associated emission reduction targets over various time horizons;

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

**Section 1. Title.** This Department Circular (DC) shall be known as the "NEECP and Roadmap 2023-2050". Attached is the NEECP and Roadmap 2023-2050.

**Section 2. Continuous Improvement.** Pursuant to Section 4(z) of the EEC Act, which mandates the DOE to regularly review and revise as determined, and while recognizing the continuous advancements in EEC technologies, systems, and practices, the Energy Utilization Management Bureau (EUMB) of the DOE shall lead the updating of the NEECP and Roadmap through revisions and/or updates within three (3) years unless sooner required: *Provided That*, any revision and/or update shall be indicated by the year of its effectivity.

Moreover, the EUMB shall spearhead, coordinate, and facilitate all activities related to the updating of the NEECP and Roadmap.

**Section 3. Information, Education and Communication Activities.** Pursuant to Section 85 of the EEC IRR, the EUMB, in partnership with relevant stakeholders, shall develop and undertake a national awareness and advocacy program on EEC.

**Section 4. Repealing Clause.** The provisions of other circulars, orders, issuances, rules and regulations, which are inconsistent with the provisions of this DC are hereby repealed, amended, modified or superseded accordingly.

**Section 5. Separability Clause.** If, for any reason, any section or provision of this DC is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

**Section 6. Effectivity.** This DC shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. A copy of this DC shall be filed with the University of the Philippines Law Center-Office of the National Administrative Register.

Issued on \_\_\_ May 2023 at the DOE, Energy Center, Rizal Drive cor. 34<sup>th</sup> Street, Bonifacio Global City, Taguig City.

RAPHAEL P. M. LOTILLA  
Secretary



MAY 25 2023

### Attachment of Department Circular (DC) No. 2023-05-0018 Adoption of the National Energy Efficiency and Conservation Plan (NEECP) and Roadmap 2030-2050