

Philippine Stock Exchange index (PSEi)

6,208.40

▲ 59.22 PTS.

▲ 0.96%

THURSDAY, SEPTEMBER 14, 2023

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P627.00 +P6.00 +0.97%	ACEN ACEN Corp. P4.70 +P0.06 +1.29%	AEV Aboitiz Equity Ventures, Inc. P48.70 +P0.85 +1.78%	AGI Alliance Global Group, Inc. P12.68 +P0.38 +3.09%	ALI Ayala Land, Inc. P27.85 +P0.15 +0.54%	AP Aboitiz Power Corp. P33.20 +P0.20 +0.61%	BDO BDO Unibank, Inc. P129.60 -P0.40 -0.31%	BPI Bank of the Philippine Islands P109.60 +P1.80 +1.67%	CNVRG Converge ICT Solutions, Inc. P9.05 +P0.29 +3.31%	DMC DMCI Holdings, Inc. P10.36 +P0.06 +0.58%
EMI Emperador, Inc. P20.85 -P0.05 -0.24%	GLO Globe Telecom, Inc. P1,795.00 +P8.00 +0.45%	GTCAP GT Capital Holdings, Inc. P599.00 +P8.00 +1.35%	ICT International Container Terminal Services, Inc. P210.00 +P3.00 +1.45%	JFC Jollibee Foods Corp. P232.40 +P2.40 +1.04%	JGS JG Summit Holdings, Inc. P38.40 +P1.50 +4.07%	LTG LT Group, Inc. P8.98 +P0.03 +0.34%	MBT Metropolitan Bank & Trust Co. P54.45 -P0.55 -1%	MER Manila Electric Co. P358.60 -P2.40 -0.66%	MONDE Monde Nissin Corp. P8.40 +P0.02 +0.24%
MPI Metro Pacific Investments Corp. P05.15 -P0.01 -0.19%	PGOLD Puregold Price Club, Inc. P29.50 +P0.60 +2.08%	SCC Semirara Mining and Power Corp. P34.40 -P0.05 -0.15%	SM SM Investments Corp. P812.00 +P11.00 +1.37%	SMC San Miguel Corp. P105.00 -P0.50 -0.47%	SMPH SM Prime Holdings, Inc. P30.20 +P0.40 +1.34%	TEL PLDT Inc. P1,160.00 +P13.00 +1.13%	UBP Union Bank of the Philippines P69.00 +P0.20 +0.29%	URC Universal Robina Corp. P118.90 +P1.90 +1.62%	WLCON Wilcon Depot, Inc. P21.50 -P0.30 -1.38%

Aboitiz unit expects artificial intelligence to bring more jobs

ARTIFICIAL INTELLIGENCE (AI) is expected to boost the country's workforce, the top official of Aboitiz Data Innovation Pte. Ltd. (ADI) said over concerns that emerging technologies will potentially disrupt traditional jobs in the Philippines.

"Artificial intelligence will not replace people. We are critically important and in fact, I can guarantee that the outcome of AI is needing more people because AI is about knowledge and providing information," David R. Hardoon, chief executive officer of ADI, said in BusinessWorld One-on-One interview.

The interview with Mr. Hardoon will be streamed on *BusinessWorld* and *The Philippine Star's* Facebook pages, as well as the BusinessWorldTV YouTube page on Sept. 15.

Headquartered in Singapore, ADI is the data innovation unit

of the listed holding company of Aboitiz Equity Ventures, Inc.

One of the top concerns over the changing digital landscape is the emergence of artificial intelligence and how it can potentially replace traditional jobs.

Mr. Hardoon said data and technology would not replace jobs but would create more opportunities in unexplored areas.

"You are not going to wake up someday and no humans have to work on anything, no. We are critically important. The outcome of using AI is needing more people. I have yet to see an organization that needs less people when it has more information and knowledge," he added.

ADI has also been working towards technology transformation, Mr. Hardoon said, adding that it is integrating and utilizing artificial intelligence for the operations of the units under the Aboitiz group.

For Aboitiz Power Corp., which is the energy company under the Aboitiz group, ADI has tapped the capabilities

of AI to advance its operations, Mr. Hardoon said.

"One of the applications we have built and deployed in fact for our power plant is AI-powered asset inspection," he said, describing it as software that allows visual inspection.

He added that AI is also utilized for its financial units as

alternative data allow them to easily identify risks.

Further, Mr. Hardoon said ADI also targets to expand its presence in Asia.

"This is an exciting step, very openly as you know we were born as a company to serve our companies. In that process we are focusing on making AI real, operationalizing it. In that process, we realized that we are solving real problems in the industry. We are now at the stage where we are providing solutions to others. We want to support the industry," he said.

Mr. Hardoon said that ADI is looking to operationalize AI to support financial space, improving the capabilities of other organizations to accelerate their AI journeys and other industrial areas where advancing AI is deemed critically important.

— **Ashley Erika O. Jose**

BusinessWorld ONE-ON-ONE

Buskowitz eyes \$12-M ADB loan for solar rooftops

BUSKOWITZ Solar, Inc. is seeking a \$12-million loan from the Asian Development Bank (ADB) to develop solar rooftop systems in the Philippines.

The loan aims to "finance the development, construction, and operations of a portfolio of photovoltaic power systems on the rooftops of commercial and industrial buildings in the Philippines of up to 70 megawatts (MW)," according to a document on the ADB website.

"With ADB's assistance, the project will develop the nascent Philippine rooftop solar market with a current installed capacity of 191.8 MW which is highly fragmented with more than 40 participants," it added.

The project will support small- to medium-sized companies "with a market niche, which would increase installed capacity by 36% and promote rooftop solar coverage."

It will cover urban areas outside of Metro Manila, namely:

Pampanga, Bulacan, Laguna, Pangasinan, Bacolod, Zamboanga, and Misamis Oriental.

"The Philippines is highly susceptible to the effects of climate change affecting the socioeconomic development of the country. The poor are often the most vulnerable and are impacted by natural disasters through the loss of lives, livelihoods, assets, and well-being. Climate change mitigation through investing in renewable energy can help reduce poverty by reducing disaster risk losses," according to the document.

"The project supports the Government of the Philippines' efforts to reduce greenhouse gas emissions through the installation of rooftop solar power on commercial or industrial (C&I) buildings and will improve the quality of life of the poor," it added.

The solar project is also aligned with the government's goal to expand its renewables share to 35% by 2030 and 50% by 2040.



The loan is up for approval on Oct. 31.

Buskowitz Solar is a subsidiary of Buskowitz Energy, Inc., which has 40 MW peak in the pipeline this year for commercial and residential installations, the company said when asked to give details about the group.

The Buskowitz group has 300 solar rooftop projects across the country. It has installed solar photovoltaic systems and provided renewable energy for interna-

tional brands such as Coca-Cola and Shell, along with local companies Petron Corp., NLEX Corp., Amherst Laboratories, Inc., as well as SM and Robinsons malls.

Based on the ADB document, the company or borrower is Buskowitz Solar while the sponsor is Buskowitz Energy.

Sponsors are required to bear the costs of third-party legal, technical, and other experts required to complete ADB's due diligence. — **Luisa Maria Jacinta C. Jocoson**

SEC clarifies required comparative periods for companies filing their registration statements

COMPANIES registering their shares with the Securities and Exchange Commission (SEC) are required to submit two comparative periods for the past three fiscal years to show changes in their financial condition, the regulator said.

The commission issued the clarification amid mixed interpretations of a specific provision under the Securities Regulations Code (SRC).

In Memorandum Circular No. 13 signed by SEC Chairperson Emilio B. Aquino on Sept. 12, the securities regulator clarified Part III, paragraph A, subparagraph 2 (a) of Annex C of the SRC regarding the comparative periods required in the management's discussion and analysis in a company's prospectus.

Annex C of Rule 12 contains details for the non-financial disclosure requirements in the registration statements that should be filed with the SEC.

The circular clarified that a registrant should provide the following disclosure comprising two comparative periods for the last three fiscal years in the management's discussion and analysis portion of its prospectus.

"The foregoing portion of Annex C gave rise to conflicting views and varying interpretations as to the number of fiscal years required to be disclosed in the management's discussion and analysis portion of the prospectus," the circular said.

The SEC's markets and securities regulation department sought guidance from the commission en banc on the interpretation of the phrase "for each of the last three fiscal years" as provided in Annex C, which was subsequently clarified during an en banc meeting on Sept. 5.

According to the circular, the interpretation will apply prospectively to registrants required to file registration statements and other reportorial documents, which include disclosure of a management's discussion and analysis.

Sought for further comment, SEC Commissioner Kelvin Lester K. Lee said the circular aims

to allow easier ways to raise capital.

"The rationale is to make it easier to file registration statements and as a result make it easier to raise capital. This covers registration statements and/or other reportorial documents, which include a disclosure of a management's discussion and analysis," Mr. Lee told *BusinessWorld* in a Viber message.

"This is for those that intend to file registration statements," he added.

The SEC said the interpretation under the circular would take effect 15 days from its publication. — **Revin Mikhael D. Ochave**

AirAsia Philippines wants more airport slots to expand market

AIRASIA PHILIPPINES is aiming to expand its domestic market by 20% next year as the low-cost carrier targets more airport slots.

"Additional slots will allow AirAsia to flourish in Visayas and Mindanao especially since we also plan to grow our domestic market by 20% in 2024," Steve F. Dailisan, head for communications and public affairs at AirAsia Philippines, said in a media release.

More airport slots will also allow the company to revive flights to Zamboanga, Davao, and General Santos City, and increase flight frequency in Cagayan De Oro, Mr. Dailisan said.

"This, in turn, will give AirAsia the upper hand to continue to provide the best value airfares and best travel deals as we continue to democratize air travel for everyone," he said.

An airport slot is a permit issued to airlines by the airport's administration to allow them the use of takeoff and landing facilities.

Transportation Secretary Jaime J. Bautista said unutilized slots were a result of the pandemic, giving rise to flight limitations and prompting the transfer of slots to airlines that are willing to use them.

He added that the Transportation department would assess the availability of slots together with the Manila International Airport Authority and the Civil Aviation Authority of the Philippines before giving the available slots to AirAsia.

Speaking during the budget briefing of the Department

of Transportation, Senator Juan Miguel F. Zubiri said that "equal distribution" of unutilized slots must be given to airlines that can immediately operate them.

In a separate media release, Malaysian multinational company Capital A Berhad said it is targeting to fully reactivate the low-cost airline's 204 aircraft after a new agreement with its long-term partner and engine provider, CFM International.

"After over two years of COVID, we are seeing the light at the end of the tunnel. We have made enormous strides in bringing back our planes and restarting our operations, balancing a mismatch of the cost of 204 planes and the revenue of flying 143 planes on average this year," Capital A Chief Executive Officer Anthony Francis Fernandes said in a statement on Thursday.

Capital A is the parent firm of AirAsia Philippines.

It said CFM's continued efforts to enhance fleet stability have allowed the company to fully reinstate its full fleet across the group.

"We have brought back 175 planes. CFM's fleet stability support brings a vital catalyst for us to return to full activation," Mr. Fernandes said.

"We look forward to fourth-quarter results when we're going to see the real performance of AirAsia with the full fleet," he added.

The company said it would capitalize on the reinstatement of its fleets and expand to more than 300 aircraft in the next five years. — **Ashley Erika O. Jose**

Meralco plans to invest in electric cooperatives

MANILA Electric Co. (Meralco) is looking beyond its franchise areas for investment opportunities, its top official said, pointing to electric cooperatives.

"There is one last idea that I have encouraged Meralco to adopt, which is broadening these investments in electric cooperatives in the country," said Manuel V. Pangilinan, chairman and chief executive officer of Meralco.

"We might be efficient on the generation side of the business but Meralco's distribution footprint is limited to a franchise area," he said at a conference earlier this week.

Mr. Pangilinan said there are key areas in the country where electric cooperatives will need to "level up to the kind of standards and the kind of efficiency that Meralco as a distribution company has achieved."

Currently, Meralco's franchise area covers 9,685 square kilometers, which provides power to over 7.7 million customer accounts in 38 cities and 73 municipalities.

The company manages the electric distribution facilities of Pampanga Electric Cooperative II through Comstech Integration Alliance, Inc. under a 25-year investment management contract.

Michael L. Ricafort, chief economist at Rizal Banking Corp., said in a Viber message that Meralco's investment plan could lead to "some economies of scale through vertical integration."

"Its expertise and experience in the electricity distribution business would help and complement its existing electricity generation and distribution businesses," he said.

He added that the move "could lead to better operational efficiencies, economies of scale, supply chain management that could help translate to better finances and lower electricity prices for the households, businesses, industries, and other institutional customers. — **Sheldene Joy Talavera**"

FULL STORY



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