

ACEN set to triple investments in Australia's energy transition

ACEN Corp. is on track in its renewable energy expansion in Australia and is poised to triple its investments in the country's energy transition, the Ayala-led company's top official said.

"ACEN fully supports Australia's energy transition, and the company is gearing up to triple its Australia investments in the next three years," ACEN President and Chief Executive Officer Eric T. Francia said in an e-mailed media release on Sunday.

Mr. Francia made the statement as President Ferdinand R. Marcos, Jr. and Australian Prime Minister Anthony Albanese signed a strategic partnership agreement on Friday to boost the two countries' bilateral ties.

The partnership was concluded during the visit to the Philippines of Mr. Albanese, the first Australian leader to do so in 20 years.

The move is part of Australia's launch of "Southeast Asia Economic Strategy to 2040,"



WALDEMAR-UNSPLASH

which includes seeking mutual trade and investment opportunities in key sectors in the Philippines such as agriculture and food, education and skills, resources, and the clean energy transition.

ACEN quoted Mr. Albanese as saying that he met with Mr. Francia and that the renewable energy company currently has 2 billion Australian dollars (AUD) of investments in the foreign country.

"They have a large presence in New England region, in Tasmania, as well as investment coming in Western Australia in

the Pilbara," Mr. Albanese was said to have commented in an interview.

"They expect that investment to increase to 6 billion AUD in three years — a substantial investment in Australian renewables, putting online something like three gigawatts of additional capacity in the Australian energy market," he said, describing ACEN as a "significant company which is making a difference and wants to make more of a difference."

After a brief meeting with Mr. Albania on the partnership signing in Malacañang, Mr. Fran-

cia renewed the company's commitment to expand in Australia.

The Australian government is currently rolling out a 20-billion AUD program called "Rewiring the Nation" to upgrade and modernize the country's electricity grid and infrastructure.

"ACEN appreciates the government's efforts to augment the much-needed transmission capacity to enable the growth of renewables. Our projects are particularly reliant on the Central West Orana renewable energy zone and the Marinus link transmission projects, among others," Mr. Francia said.

To date, ACEN has around 4,200 megawatts of attributable capacity spread across the Philippines, Vietnam, Indonesia, India, and Australia. The energy company is targeting to expand its renewable energy portfolio to 20 gigawatts by 2030.

On Friday, shares in the company went up by two centavos or 0.4% to P5.01 apiece. — **Sheldeen Joy Talavera**

OUTLIER

GSIS acquisition of more shares moves MPIC stock

METRO PACIFIC Investments Corp. (MPIC) was the most actively traded stock last week after a state pension fund disclosed its acquisition of more shares in the listed tollways and infrastructure conglomerate.

From Sept. 4-8, a total of P9084 billion worth of 1.747 million MPIC shares were traded, making it the most actively traded stock in the local market last week, data from the Philippine Stock Exchange (PSE) showed.

The Pangilinan-led company closed at P5.16 per share on Friday, surging 6.39% from the previous day. But week on week, it declined by 0.2% from P5.17 a share. Year to date, the stock jumped by 50.9%.

Mark V. Santarina, head of electronics trading at Globalinks Securities and Stocks, Inc., said the company's tender offer of P5.20 per share caught the attention of market investors.

"However, GSIS entering the scene with an intention to get a board seat in MPIC has led some sellers to sell quickly on the open market instead of waiting for the offer to end," Mr. Santarina said in a Viber message.

In a letter to MPIC last week, state pension fund Government Service Insurance System (GSIS) said that it had acquired 2.5 billion shares, bringing its aggregate stake to 3.4 billion or 12% of the company's total issued and outstanding shares.

The GSIS also said its stake in the company is now considered nonpublic in accordance with the PSE rule on minimum public ownership, which pegs the threshold for such shareholding at 10% or greater of a listed firm's total issued and outstanding shares.

"I believe this pushes the chance

of MPIC's delisting to push through as GSIS initially was one of the major obstacles in MPIC's delisting plans as the latter did not opt to tender," Regina Capital Development Corp. Equity Analyst Manuel Antonio M. Castro said in an e-mail.

"At this point, it is more of playing around the tender. It would be interesting to know how the turnout would be after the end of the tender offer," he added.

Meanwhile, MPIC extended the tender offer period in order to give ample time to minority shareholders who are willing to participate ahead of MPIC's delisting plan.

Mr. Castro said the extension lifted the firm's share price on Friday after slumping the whole week.

Last month, majority shareholders — or the consortium consisting of Metro Pacific Holdings, Inc., GT Capital Holdings, Inc., Mit-Pacific Infrastructure Holdings, Inc., and MIG Holdings, Inc. — agreed to voluntarily delist the company from the stock exchange. The major shareholders increased their tender offer to P5.20 per share, up by 12.3% from the initial P4.63 apiece.

The company needs to acquire 95% of its shares from minority shareholders to comply with PSE rules.

In the April-to-June period, MPIC's revenues grew by 15.7% year on year to P15.23 billion from P13.16 billion a year ago. Net income attributable to its parent firm rose by 36.6% to P5.22 billion in the second quarter from P13.16 billion last year.

Mr. Santarina expects MPIC's net income to reach P16.63 billion this year. — **Mariadel Irish U. Catilogo**

FULL STORY



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Bigger gains seen for carriers as volumes rise

LOCAL airline companies are expected to post higher second-semester earnings, an analyst said, pointing to the expected recovery of domestic and international passenger and cargo volumes.

"The main catalyst would be the further recovery of domestic and international passenger and cargo volume as the economy reopened towards greater normalcy," said Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort in a Viber message.

He said the airlines are on the right recovery path towards "pre-pandemic levels or eventually higher."

For the April-to-June period, PAL Holdings, Inc., the listed operator of flag carrier Philippine Airlines, posted an attributable net income of P6.23 billion, more

than double the P2.47 billion in the same period last year, driven by higher revenues.

The company's gross revenues for the second quarter expanded by 34.1% to P45.24 billion from P33.74 billion in the same period last year.

Cebu Air, Inc., the listed operator of budget carrier Cebu Pacific, reported a profit of P2.67 billion in the second quarter, turning around from the P1.89-billion net loss incurred in the same period last year, after a significant boost in passenger revenues.

From April to June, the company reported P22.67 billion in gross revenues, marking a 62.3% increase from last year's P13.97 billion.

Passenger revenues, totaling P15.84 billion, constituted the majority of Cebu Air's second-

quarter top line, reflecting an 86.3% increase compared with last year's P8.51 billion.

Meanwhile, the company recorded a 49.7% decline in cargo revenues, which amounted to P866.9 million, down from P1.72 billion in the same period last year.

Throughout the quarter, the company transported 5.46 million passengers, 29% higher compared with the previous year.

"Offsetting risk factors would include higher fuel prices with global crude oil prices near 10-month highs recently after oil production cuts by Saudi Arabia and Russia, among the world's largest oil producers, since fuel accounts for a large share of the cost of airlines," Mr. Ricafort said.

In a report last month, the Civil Aeronautics Board (CAB)

said that it had raised the passenger and cargo fuel surcharge rate for this month, after keeping it at level 4 for three consecutive months or from June to August.

CAB announced that the applicable fuel surcharge for domestic and international flights was raised by two levels or to Level 6.

"Higher inflation that is added to operating cost and eats into profit margins, also added to cost of imported capital and inputs such as aircraft, parts, maintenance, fuel, among others," he said.

In August, headline inflation rate quickened to 5.3% from 4.7% in July, but slower than the 6.3% clip a year ago. Last month's rate is still within the Bangko Sentral ng Pilipinas' 4.8-5.6% forecast range for the month. — **Ashley Erika O. Jose**

OPINION

How can we harness digital public goods?

The digitalization of public services will radically change the way governments interact with the people they serve and help meet their growing expectations of online access to government services. Digital Public Goods (DPGs) have the power to meet citizen expectations and accelerate digital transformation around the world. They can create long-term value and a more efficient, equitable, and prosperous future for society, businesses, and governments.

DPGs, as defined by the Digital Public Goods Alliance (DPGA), are "open-source software, open data, open artificial intelligence models, open standards, and open content" that should respect privacy and other relevant laws and best practices, do no harm, and help realize the United Nations' Sustainable Development Goals (UN SDGs). This definition is actualized through the DPG Standard, a set of nine indicators used to determine whether or not a public solution is a digital public good.

Given their open-source nature, DPGs are created by communities or organizations for public use and are readily available for all governments and other entities to use, customize, and adapt for their digital public infrastructures (DPIs). The potential of DPGs is far-reaching and can move beyond the digitalization of public services, making it a significant economic and societal opportunity. Nevertheless, collaboration between governments, the private sector, and other entities is crucial in order to truly capitalize on DPG-related opportunities.

The benefits of DPGs are manifold, including but not limited to the following:

- Scalability. Once established, they can be easily deployed across nations.

- Flexibility. They are agile and swift to adapt and deploy.

- Applicability. They can support governments of different income levels, from the most developed to the least.

- Cost-effectiveness. They are economical. The total cost for large countries or populations exceeding 50 million can fall between \$0.24 and \$0.74 per individual.

DPGs DEPLOYED/DEVELOPED GLOBALLY

Between February 2022 and March 2023, the number of registered DPGs on the DPGA's DPG register increased from 87 to 142. The figure could grow even faster, given the momentum of DPG adoption. Several factors contributed to the

growth: governments realize the cost-effectiveness and efficiency of progressing digital transformation, observe the positive effects of DPGs for themselves and others, and utilize DPGs to advance the UN SDGs.

EXAMPLES OF DPGs

Entities can augment DPGs to enhance service delivery across areas in the public sector, such as health and social services. The DPGs listed below are a few examples that illustrate their abilities and how they can facilitate change, improving people's lives worldwide.

DHIS2

This open-source platform is the world's largest health management information system (HMIS), utilized by 76 low and middle-income countries and capable of supporting 3.2 billion people. DHIS2 software development is a global collaboration developed and managed by the HISP Centre at the University of Oslo (UiO).

MOJALOOP

This open-source software enables digital financial service providers (DFSPs) to connect to each other, aiming to address the digital financial needs of 1.7 billion unbanked people globally in a profitable and straightforward manner. Mojaloop is ready to use in Tanzania and Uganda, with pilots being launched in other countries. It was first established in 2017 by the Bill & Melinda Gates Foundation to support its financial inclusion work. It is funded by the Foundation and has more than 400 developers collaborating on the software.

SINGPASS

This digital identity authentication system is utilized in Singapore to give citizens access to several online government services, creating opportunities for innovation and economic growth. For example, users can use the platform to file taxes, renew their passports, and apply for housing grants. The platform's ease of use and convenience help Singapore establish its national digital identity. Managed by the Government Technology Agency of Singapore (GovTech), Singpass is one of Singapore's Smart Nation projects, with a vision to improve the lives of citizens, create opportunities for businesses, and transform the capabilities of government agencies.

MOSIP

India's Modular Open-Source Identification Platform (MOSIP) DPG, as part of the government's Aadhaar biometric identification program, supplied 1.3 billion people with a digital ID. Consequently, this allowed many unbanked individuals to open bank accounts. According to a 2019 Bank of International Settlements report, it would have taken 47 years for 80% of adults to open a bank account had India relied on traditional processes.

MOSIP was first initiated by the International Institute of Information Technology-Bangalore (IIIT-B) with the vision of developing a non-proprietary platform on which foundational ID systems could be built. It became a global project five years later, funded by The Bill & Melinda Gates Foundation, Tata Trust, Omidyar Network, NORAD, and the Pratiksha Trust.

COMMERCIAL OPPORTUNITIES FOR DPGs

The DPG market is in its nascent stage, and EY teams researched to evaluate and understand the commercial opportunity it poses for the private sector. EY estimates that the annual DPG market will be \$100 billion by 2030, potentially growing further. The forecast shows a considerable and lucrative market for many players — spanning roles across the creation, implementation, and integration of DPGs.

THE LOCAL DPG LANDSCAPE

Based on a study done by the DPGA in March 2023 for six test countries, the Philippines ranked 4th in the number of deployed DPGs. With support from the DPGA, the United Nations Children's Fund (UNICEF) Philippines is working to foster awareness in the Philippine technology sector about DPGs and identify promising solutions that could reach DPG status. Currently, the country has one registered DPG — Project AEDES.

Project AEDES is a dengue data modeling portal by CirroLytx, a social impact tech company based in the Philippines, working with the support of the Department of Science and Technology. It is used to monitor dengue cases and is being implemented in select pilot cities and other countries with high cases of dengue and similar data challenges. The AEDES prototype is an information portal that forecasts dengue hotspots using correlations from dengue cases

and deaths, real-time climate data, and satellite maps. The portal is also the first local tech solution assessed by the DPGA as a digital public good.

Another related example is PhilSys, the country's national identification system. PhilSys is not a DPG but an implementation of the DPG MOSIP, customized to become part of the country's DPI.

THE FUTURE OF DPGs

DPGs provide countries with opportunities to build accessible, inclusive, and secure digital public infrastructure and to achieve the UN SDGs. DPGs could transform business, deliver significant economic and social value, and create a dynamic public-private sector. While there are implementation challenges that include limited financing, limited manpower, and concerns around market incentives and data security, the benefits of DPG applications are significant.

Collaboration, information sharing, and education are vital for future DPG growth, but this will require coordination among diverse entities, including private-sector tech firms, experts, government agencies, and civil society organizations. Governments, the private sector, and relevant communities must work together to capitalize on DPGs' abilities to address issues, innovate solutions, and improve lives.

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