

Logistics startup adapts to EV wave in Philippines

By Miguel Hanz L. Antivola
Reporter

THE logistics landscape is rapidly evolving, with sustainability and eco-friendly solutions becoming paramount, according to an industry player.

Amid this shift, entrepreneur Dennis O. Ng, who had already marked his presence by establishing an on-demand delivery and logistics services business, sought further avenues for growth.

Late 2021 marked a shift for Mober Technology Pte., Inc., Mr. Ng's six-year-strong startup at that time, when he was tapped and challenged to provide electric vehicles (EVs) for a foreign client's delivery.

It became inevitable for the company to pioneer a new sub-market and re-fleet toward EVs as the demand for green logistics among multinational companies also started to grow, Mr. Ng, founder and chief executive officer of Mober, said in an interview with *BusinessWorld*.

"I was able to find two EVs at that time. That's where we all started," Mr. Ng said on IKEA Philippines contacting Mober to start the Scandinavian furniture chain's EV delivery.



MOBER FACEBOOK PAGE

Georg Platzer, IKEA Philippines store manager, reached out to Mober in May 2017 after seeing the company at an event by the Philippine Retailers Association, Mr. Ng said.

Starting with just two, Mober later doubled down on EV operations by continuously expanding its fleet, which now consists of 60 EV vans and trucks, Mr. Ng noted.

"Multinational companies are really gearing toward transitioning to EVs because they have a corporate mandate that they need to be net zero by 2030, 2040, or 2050," he said on servicing Nestlé, Unilever, SM Appliance, Nespresso, and IKEA Philippines.

Chinese automotive group Dongfeng Motors launched in the Philippines on Monday, following a partnership with Legado Motors, Inc. to distribute EVs in the country.

The country needs to reduce its greenhouse gas emissions by 75% by 2030, Philippine President Ferdinand R. Marcos, Jr. said during the launch event.

Mr. Marcos in January issued an order temporarily lifting tariff rates on certain electric vehicles such as passenger cars, buses, minibuses, vans, trucks, motorcycles, tricycles, scooters and bicycles for a five-year period.

He also cut tariffs on certain EV parts and components to 1% from 3%.

Terry L. Ridon, convener of InfracorePH, said the main challenge now of lobbying for EV is encouraging US, European, and Chinese EV manufacturers to set up manufacturing hubs in the Philippines to serve the Asia-Pacific market, *BusinessWorld* reported in May.

According to the Energy department's roadmap for the EV industry, the Philippines aims to electrify 10% of its total fleet across all sectors by 2040.

ACQUISITION, OPERATION

Mr. Ng noted that customer benefits gained from a shift to EV delivery include zero carbon emissions. "The current EV now is still two times more expensive than a vehicle with an internal combustion engine that uses gas or diesel," he said on a diesel-run delivery van worth P800,000 being equivalent to P1.9M if electric.

"There's a big difference in acquisition cost. There's an upfront cost," he said. "However, on the operations and maintenance, it's very cheap."

Mr. Ng said that the company only spent P3,000 for the maintenance of one EV.

"Hopefully, enterprises will realize sustainability has a cost also," he added on contributing to the decrease of carbon emissions.

CHALLENGES

Mr. Ng noted that the biggest challenge he encounters now in terms of pushing the EV logistics market is the lack of commercial banks willing to finance commercial EVs.

"We're talking to the Development Bank of the Philippines and the Land Bank of the Philippines now. We have an application with them," Mr. Ng said.

While Mr. Ng is thankful for government regulations granting traffic leniency for Mober's EV vans and trucks, he said that the biggest support the company gets is coding exemption.

"We can travel seven days a week. That one day extra revenue for us is quite significant," he said.

"I'm still lobbying with the government if they can also remove the truck ban," he added, citing that traffic enforcement of local government units fine the company's six-wheeler EVs a one-day pass worth P600.

"The load of our EV is a lot lighter than a diesel six-wheeler," he said. "There is also no noise and air pollution."

"I hope LGUs and their special operating units can understand and help us be exempted."

OUTLOOK

Mr. Ng has plans on building charging points in Cavite and Bulacan, aiming to electrify the 1,000-kilometer logistic route from Manila to Tacloban and further overcome range anxiety, he said.

"Logistics or commercial EV will come first before personal," he noted on the future of EV in the country.

"I hope that our government also has the same mindset as China, US, and Europe, whose governments started funding and building charging stations first before they encourage us Filipinos to buy an EV."

In terms of increased adoption of green logistics, he said that the Philippines is catching up, amid faster strides from countries in the region.

"I think Thailand is a little bit faster than us, but we're there," he said. "Thailand has the supply chain for the automotive industry since most of the Chinese manufacturers are going there."

"I am hoping that the government can give us more concessions and exemptions."

IDC spotlights PHL enterprises for digital transformation

THE International Data Corp. (IDC), a global market intelligence company, has recognized various enterprises in the Philippines for their digitalization efforts.

"In this transformative journey, forward-thinking businesses assumed leadership roles and swiftly understood that the roadmap to becoming a future-ready enterprise demanded an elevated level of digital capabilities," James Sivalingam, senior program manager at the IDC Asia Pacific, said on the company's 2023 Future Enterprise Awards in a press statement on Monday.

"These capabilities encompass intelligence-driven, data-centric, and AI-powered strategies, all aimed at en-

hancing customer service and satisfaction," he added on the strategies employed by enterprises.

Mr. Sivalingam noted that Southeast Asia has experienced inflationary pressure, economic deceleration, and supply chain disruptions due to the pandemic, prompting businesses to adapt.

FULL STORY



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"As a response, the organizations in the Philippines recognized the imperative to adopt a digital-first approach to conducting business," he said.

Future Enterprise of the Year was given to GCash or G-Xchange, Inc. for its 'Finance for All' vision, democratizing access to financial services through digital technology, especially underserved and unbanked Filipinos, the IDC noted. — **Miguel Hanz L. Antivola**

Smart opens affiliate links for small businesses, social media content creators

SMART Communications, Inc., the wireless arm of PLDT Inc., introduced on Monday its new affiliate marketing program for small business owners and social media content creators to earn extra income.

The "Power Partner" program of Smart allows social media-native enterprises and individuals to receive up to 30% commission on each sale of Smart products and services made through their online channels, the company said in an e-mailed press release to reporters.

"Ultimately, the more sales that 'Power Partners' make, the more income they can earn from the program," Smart said, alongside offering other incentives and rewards.

Smart opened its affiliate marketing program to all small business owners, influencers, freelancers, bloggers, media outlets, online publishers, and content creators with social media accounts on Facebook, Twitter, YouTube, Instagram, and TikTok.

Approved partners may create or have their own unique affiliate links to promote on their online channels, Smart said.

Businesses and creators may apply for the affiliate marketing program through smart.com.ph/partners.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Miguel Hanz L. Antivola**

Raslag in talks with Hong Kong firm for potential energy tie-up

RASLAG CORP. is in talks with a Hong Kong-based company for a potential partnership, the Nepomuceno-led renewable energy firm said on Tuesday.

In a disclosure to the stock exchange, the listed solar energy developer said it is in a preliminary discussion with the foreign company to explore a partnership in the energy sector.

Raslag did not provide more details on the partnership and the venture they are planning to enter into.

"Appropriate disclosures shall be made as soon as the details thereof are firmed up and/or definitive agreements are entered into," the company said.

Asked to comment, Mark V. Santarina, a senior trader at Globalinks Securities and Stocks, Inc., said that the shares in the company have been trading with a low volume.

"Raslag's stock has experienced a prolonged period of thin trading volume. Despite today's increase in stock's value, the accompanying trading volume has remained relatively subdued," Mr. Santarina said in a Viber message.

He said that despite the "undoubtedly" positive development of the potential part-

nership, the discussion is still in the early stages.

In April, the company's board approved plans to obtain a loan from the Bank of the Philippine Islands amounting to P1.2 billion to fund the construction and development of the 35.159-megawatt Raslag-4 solar plant in Magalang, Pampanga.

The company was also given a go-signal to borrow P250 million from the bank to bridge the partial financing of the land and acquisition for the Raslag 6 solar farm.

"While Raslag's focus on renewable energy holds potential, investors may be awaiting more substantial progress or milestones before fully committing to the stock, given the evolving dynamics in the market," Mr. Santarina said.

To date, the company has installed 41.198 megawatt-peak (MWp) of commercially operating plants. About 36.646 MWp are under construction, apart from proposed projects with a capacity of around 103 MWp.

At the local bourse on Tuesday, shares in the company went up by 10 centavos or 7.75% to close at P1.39 apiece. — **Sheldeen Joy Talavera**

Local aviation body taps foreign group to boost safety, services

THE Philippines through the Civil Aviation Authority of the Philippines (CAAP) has entered a management service agreement with the International Civil Aviation Organization (ICAO) to establish a framework for aviation safety and environmental protection.

"It is both an honor and privilege for CAAP to partner with the premier governmental organization for civil aviation that is the ICAO. Our mutual commitment to improvement of aviation service, and safety provides unyielding confidence in this partnership," CAAP Director General Manuel Antonio L. Tamayo said in a media release.

CAAP said that through the partnership with ICAO, it will receive assistance to achieve "higher strategic and compliance outcomes for aviation safety, capac-

ity and efficiency, security and facilitation, environmental protection, and economic development."

It said the agreement will help advance the country's aviation sector.

"Through the agreement, the Philippines can take advantage of the products, resources, and services of the ICAO, which employs subject matter experts and fully trained instructors and practitioners that can help the country build its pool of aviation professionals, manage projects, and monitor financial resources that ensure results," CAAP said.

ICAO is a specialized agency of the United Nations that handles concerns in the development of global air transportation and the harmonization of principles in air navigation. — **Ashley Erika O. Jose**

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