

## BPOs set up AI council, see new tech 'revolutionizing' customer experience

THE IT and Business Process Association of the Philippines (IBPAP) said it has organized an artificial intelligence (AI) to help the industry harness generative AI (GenAI), which it said has the potential to sharply raise the industry's productivity.

IBPAP President and Chief Executive Officer Jack Madrid said in a statement that leveraging GenAI will "revolutionize customer experience and usher in a new era of productivity and efficiency" for the industry, which is also known as the business process outsourcing (BPO) industry.

Citing a report from the Massachusetts Institute of Technology's Sloan School of Management, Mr. Madrid said that the full-scale implementation of GenAI stands to boost customer service productivity by up to 50%.

"The Philippine IT-BPM (information technology and business process management) industry acknowledges the challenge and opportunity presented by GenAI," he said.

"A study by MIT Sloan attests to the transformative potential of GenAI, revealing a 14% boost in productivity for contact center agents using conversational AI assistants, with a significant impact on newer or less-skilled workers," he added.

"IBPAP aims to maintain the competitiveness of the Philippines in the BPO industry and that of its labor force

amidst the challenges and opportunities presented by an AI-driven world," he said.

He said the council is intended to address the significant disruption that GenAI may bring.

"As such, the sector is actively addressing the challenges and opportunities posed by GenAI through the establishment of an AI Council," he said.

He said that the council intends to collaborate with academic institutions and industry associations such as the Analytics and Artificial Intelligence Association of the Philippines.

"Together, they aim to enhance the workforce's skills in programming, data science, data analytics, and AI ethics, with the overarching goal to empower professionals with advanced capabilities, enabling them to take on higher-value tasks," Mr. Madrid added.

He said GenAI will help the industry achieve sustainable growth and retain or expand its global position.

"By synergizing human potential with AI advances, the Philippine IT-BPM industry is not merely adapting to change but leading it," he said.

"The industry envisions a landscape where GenAI propels the Philippines further to unprecedented heights of excellence, reinforcing our position as a global leader in the IT-BPM sector," he added.  
— **Justine Irish D. Tabile**

# PPA profit nears P10 billion after rise in cargo volumes

THE Philippine Ports Authority (PPA) said its net profit in the first 10 months was P9.76 billion, exceeding the year-earlier total by P1.30 billion, due to increased cargo volumes and vessel port calls.

In a statement, the PPA said revenue was P21.06 billion in the period, up 30.19% from a year ear-

lier and approaching the revenue target for the full year.

"We believe this is a good sign and a great shift in gears during this rebound of the economy from the effects of the pandemic. The PPA has been very consistent in increasing our figures and completing quality projects," PPA General Manager Jay Daniel R.

Santiago said in the statement on Thursday.

In the first 10 months, service and business fees generated P8.70 billion worth of revenue.

Expenses rose 46.39% to P3.60 billion as the PPA ramped up project spending.

Currently, the PPA is implementing about 74 projects — 36 in

Luzon, 19 in the Visayas and 19 in Mindanao.

For 2023 the PPA has a revenue target of P21.6 billion after posting a record P20.4 billion in 2022 with the lifting of pandemic restrictions.

Passengers were also approaching pre-pandemic levels, rising 19.01% to 9.19 million, the PPA said.  
— **Ashley Erika O. Jose**

## Pasay sees long-term reclamation revenue at P2.5T

THE Pasay City government expects to generate P2.54 trillion in taxes from Manila Bay reclamation projects over the next 35 years, city officials said at a House of Representatives hearing on Wednesday.

The hearing was seeking to gauge the potential economic impact of Manila Bay reclamation, following a Presidential order to halt such projects due to environmental concerns.

Pasay City Administrator Peter Manzano told the Ways and Means committee that the estimated share of the National Government from such taxes is about P1.39 trillion in income and value-added taxes over the long term. The city is expected to earn P1.15 trillion from real property and business taxes.

"The projects are projected to create economic multipliers and generate millions of jobs and billions of revenues," he said.

The city government is proposing to establish Pasay Eco City Coastal Development Projects, to be known as Pasay 360 and Pasay 265, which will "feature eco-friendly and modern commercial

institutional and residential spaces highlighted by blue and green infrastructure, such as green parks, mini forests and mangrove corridors," according to Mr. Manzano.

Pasay 360 is a 360-hectare (ha) reclamation project conducted via a joint venture (JV) with SM Smart City Infrastructure and Development Corp., a subsidiary of SM Prime Holdings, Inc.

The 265-ha Pasay 265 is a JV with the Pasay Harbor City Consortium.

Mr. Manzano noted that the Pasay eco city projects "do not pose a threat to the environment," having gone through the environmental compliance certificate (ECCs) process.

The projects are also monitored by various agencies like Pasay City, the Philippine Reclamation Authority, the Philippine Coast Guard, the Department of Environment and Natural Resources, and the Bureau of Fisheries and Aquatic Resources (BFAR).

"The Pasay eco city reclaimed lands will have a minimum elevation of four meters, (which

will serve as... coastal defense against flooding, sea level rise, storm surges and tsunamis," Mr. Manzano added.

The city will also allocate 25% of revenues to environmental projects like urban forests.

"It is a stark reality that while human population increases, land area does not," Veronica N. Lladoc, legal officer for the City of Manila, told the panel. "We need more space to accommodate more businesses and more people."

The Horizon Manila reclamation project will create 33.5 ha of public parks and "green space," and a developable share of commercial land valued at P352 billion, according to Ms. Lladoc.

Ms. Lladoc said the Manila Solar City will generate P3.2 billion worth of income taxes for the National Government, as well as local taxes like P7 billion in real property tax and P246 million in business tax.

Ricky L. Ricardo, vice-president for finance at the Waterfront Manila Premier Development, Inc. (Waterfront Manila), said the Ma-

nila Waterfront City Reclamation Project is expected to generate P74.40 billion worth of VAT and P16 billion in real property taxes.

The 318-ha reclamation project seeks to establish a "central business district" for the City of Manila. It will be built as a joint venture between the city government and Waterfront Manila.

Ma. Julieta C. Santos, Waterfront Manila legal counsel, said the project was also issued an ECC and cleared by the BFAR, Philippine Ports Authority, Department of Health, and the Philippine Competition Commission.

"The Philippines faces the potential loss of billions in revenue if these projects remain in suspension," the committee's chairman, Albay Rep. Jose Ma. Clemente S. Salceda said.

"We emphasize the importance of land reclamation in the development of large metropolitan cities situated along coastlines, as demonstrated by the notable success stories of Tokyo Bay, Singapore, and Hong Kong," he added. — **Beatriz Marie D. Cruz**



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