

Fulfillment services:

Empowering MSMEs in the age of e-commerce

By Miguel Hanz L. Antivola
Reporter

A COMPLETE network of partners and tools is a growing necessity for micro-, small- and medium-sized enterprises (MSMEs) to leverage the steady rise of e-commerce, according to entrepreneur Jacqueline Y. Chua.

Just when the pandemic hit, Ms. Chua, along with her colleague, saw an opportunity. Drawing from their experience in setting up e-commerce ventures for a conglomerate, they embarked on a new venture dedicated to serving MSMEs.

Ms. Chua, as the co-founder and chief executive officer of We Empower Ecommerce Solutions, Inc. (FullFill), took the initiative to convert her business partner's facility into their startup's headquarters.

With just a single year in full operation, FullFill grew to become a one-stop e-commerce support hub with micro-warehouses, co-working spaces, photo studios, and other services, Ms. Chua said.

"We are a startup, small business owners as well, so we understand the challenges faced by each MSME," she said. "We

wanted to create an end-to-end solution for them."

"Our main advocacy is to help as many MSMEs as possible like us so they will have an easier time scaling and finding partners to grow their businesses," she added.

The Philippine e-commerce market reached P500.9 billion in revenues with a growth rate of 31.3% last year, according to GlobalData analytics.

It is expected to grow by 22.9% to reach P615.7 billion this year, it added.

While Ms. Chua recognized the high growth trajectory of the e-commerce industry, she noted that online-native MSMEs eventually integrate into brick-and-mortar businesses after gaining critical mass. This integration

also prompted FullFill to expand its services.

"For things that we cannot do ourselves, we work with collaborator partners," she said on partnering with other businesses and service providers for MSMEs.

"FullFill was originally intended for e-commerce players," she said. "But over the course of the past year that we've been operating, we have actually expanded to include B2B or business-to-business channel fulfillment services as well."

Ms. Chua also noted that most MSMEs born in the e-commerce space, typically pandemic-born partnerships, struggle with manpower and finding a trusted service provider that suits their needs.

"If I am the owner myself. I do not have time to run the actual operations, picking and packing orders, or creating social media content," she said.

"It's very important for you to have a partner or outsource these services to those who are experts in that particular field," she said on FullFill's collaborator partners for other resources.

"In terms of output, content, and the efficiency of fulfillment, your KPIs [key performance indicators] will all be better instead of you doing all the work by yourself," she added.



"What we strive to do is create an ecosystem where these MSMEs would know who to talk to."

EXPANSION

While FullFill is still in its first year of operations, Ms. Chua said it is focused on ensuring its business concept is acceptable to the 40 clients it is serving.

"Once we actually tick that box, we will move on to expanding to about 10 more locations in five years," she said.

Currently headquartered in Pasig, Ms. Chua noted the com-

pany's convenient and strategic location in the metropolitan area.

"We are very near C5 and near Makati, Bonifacio Global City, and Quezon City," she said. "In general, if you look at the radius, we are a maximum of 20 kilometers away from every location within Metro Manila."

"But the intent is really to expand outside the metro already," she added on the company's plans to build hubs in provincial metropolitan areas such as Davao and Cebu.

Ms. Chua noted that some of FullFill's clients are based in the

provinces and are eyeing expansion in Metro Manila.

"They don't have the bandwidth to create another team here because it's not efficient anymore," she said. "So they actually outsource the fulfillment and even the content creation to us already. We're like their business partner in Manila."

"It's really the maturity of the MSMEs right now," she said on the main industry driver. "At this point, it is very important that we listen to them as their business partners."



Agri sciences company introduces augmented reality game for promoting product stewardship among Filipino farmers

AGRICULTURAL sciences company FMC Corp. on Tuesday said it is the first in the Philippine agricultural industry to introduce an augmented reality (AR) game designed to promote product stewardship among farmers.

"The FMC AR game is a new addition to FMC Philippines' FMC on Wheels initiative, a multi-purpose vehicle that brings training and crop advisory services right to the

doorsteps of farmers," FMC said in an e-mailed statement.

The game allows players to take on the persona of a farmer, allowing them to choose the appropriate personal protective equipment for a range of FMC products while offering guidance on how to use them correctly and the recommended dosage.

"The gamer can also learn about harmful insects and combat the pests in a game to win small prizes," FMC said.

Veronica Tiburcio, FMC Philippines country manager, said FMC on Wheels is a unique learning platform that reaches farmers for crop protection solutions treated with the company's technology.

"The addition of the AR game is a differentiated value-add that not only allows us to deepen our engagement with farmers, but to share product knowledge while encouraging good agricultural practices," she added.

FMC said the project travels to rural areas, where it gathers farmers for a mini crop exhibition showcasing both untreated and FMC-treated crops.

It also provides educational talks on agricultural practices and showcases FMC products, all in a single vehicle, the company noted.

Since the project's launch in 2022, it has reached over 15,000 Filipino farmers, according to FMC. — Miguel Hanz L. Antivola

Inflation,
from SI/1

Transport inflation also slowed to 1% in October from 1.2% a month ago despite the P1 jeepney fare increase. This was due to the lower pump prices during the month.

In October, oil companies slashed pump prices for gasoline by P3.1 per liter, diesel by P0.45 per liter, and kerosene by P4.40 per liter, data from the Energy department showed.

Other commodity groups that reported slower annual increases in October include alcoholic beverages and tobacco (9.3% from 9.8% in September) and furnishings, household equipment and routine household maintenance (5.3% from 5.4%).

Faster inflation was seen in clothing and footwear (4.8% from 4.7%); and housing, water, electricity, gas and other fuels (2.6% from 2.4%).

Meanwhile, inflation in the National Capital Region (NCR) slowed to 4.9% in October from 6.1% in September, while inflation in areas outside Metro Manila eased to 4.9% from 6% in the prior month.

All regions outside NCR also recorded slower inflation rates, except for Region VII (Central Visayas), which posted a higher annual increase of 4.1% in October from 3.8% a month prior.

Meanwhile, the October inflation rate for the bottom 30% of income households slowed to 5.3% from 6.9% in September and 8.9% last year. The 10-month average stood at 7.1%.

THREATS AND RISKS

For PSA's Mr. Mapa, headline inflation will continue to go down in the coming months barring any supply shocks.

Mr. Balisacan said that even though inflation eased in October, it is still crucial to monitor commodity prices, especially food, transportation, and energy, amid global challenges such as geopolitical uncertainties and the El Niño weather event.

"Moreover, it is important to ensure that the most vulnerable sectors of society are protected and provided assistance, especially while food prices remain high and we expect El Niño to affect local and global food production," he said.

On the sidelines of the Philippine Economic Society Annual Meeting, Mr. Balisacan said



PHILIPPINE STAR/MIGUEL DE GUZMAN

INFLATION slowed to 4.9% in October, significantly lower than the 5.7% median estimate in a BusinessWorld poll last week.

November, December, and January are good months for the agriculture sector, as there are fewer typhoons.

However, demand would be high during the Christmas season, and this may contribute to upward pressures on inflation.

"(Inflation) can probably go (to 2-4%) early next year," he said. "We are now at 4.9%. If we can get another 1.2-percentage-point reduction, that's now within the 2-4% band. But still, we want to see progress in the reduction," Mr. Balisacan said.

In a statement, the Department of Finance (DoF) said the government will continue to implement measures to ensure rice and vegetable inflation will go down for the rest of 2023. This includes the utilization of the Rice Competitiveness Enhancement Fund programs, as well as measures to control nonfood inflation such as demand and supply management for energy and water, careful review of wage and transport fare hikes, and monitoring the suspension of pass-through fees for delivery trucks.

"This ensures the protection of the purchasing power of the most vulnerable families and the continued delivery of essential services such as public transportation and agricultural activities," Finance Secretary Benjamin E. Diokno said.

BSP PAUSE?

HSBC ASEAN economist Aris Dacanay said inflation will continue to slow in the coming months due to base effects and easing global rice prices.

"Barring any new and unexpected supply shock, we expect the BSP to keep interest rates steady at 6.5% in the upcoming Monetary Board meeting but remain hawkish in tone," he said in a note.

Last week, the BSP hiked borrowing costs by 25 basis points (bps) in an off-cycle move, bringing the key rate to a fresh 16-year high of 6.5%. The BSP has raised policy rates by 450 bps since May 2022.

The BSP's next policy-setting meeting is scheduled for Nov. 16.

However, even if inflation returns to the 2-4% target range, headline CPI may rise again, Mr. Dacanay said.

"Our baseline scenario is for inflation to average above 4% in the second quarter of 2024. Triggering the inflation flare up will be the expiration of Executive Order No. 10, an order that temporarily reduces the tariff rates for rice, corn, coal, and pork," he said.

"We estimate its expiration to add 1.4 ppts to the inflation outlook. Since this is expected, this will likely lead the BSP to keep policy rates high for a prolonged period. We only expect rate cuts to begin in the third quarter of 2024," he added.

Pantheon Macroeconomics Chief Emerging Asia Economist Miguel Chanco in a note said achieving the 2-4% inflation target band is still doable by the end of the year.

"Not surprisingly from our perspective, today's report shows a big U-turn in food inflation," he said. "We expect this U-turn to continue until early next year, particularly with base effects remaining quite favorable."

Mr. Chanco said the BSP may start cutting policy rates in the first quarter of 2024, with a total of 100-bp worth of easing next year.

The BSP projects the full-year inflation to hit 5.8% for 2023, before slowing to 3.5% in 2024 and 3.4% in 2025. But officials have said they will likely revise their inflation forecasts on Nov. 16. — with inputs from Luisa Maria Jacinta C. Jocson



INVITATION TO BID

For the Sale of Unserviceable Structures and Equipment of the Malaya Gas Turbine Units Located Inside Malaya Thermal Power Plant Complex in Piilla, Rizal

The Power Sector Assets and Liabilities Management Corporation (PSALM), through its Disposal Committee, invites interested parties to participate in and bid for the Assets listed below. Bids received below the Minimum Bid Price shall be automatically rejected on bid opening. Bids shall be inclusive of 12% VAT.

1. Subject of the Bid

Assets	Location	Qty.	Minimum Bid Price (MBP in PhP, inclusive of 12% VAT)
Unserviceable Structures and Equipment of the Malaya Gas Turbine Units (see attached Annex A)	Located inside Malaya Thermal Power Plant in Barangay Malaya, Piilla, Rizal	1 Lot	28,000,000.00

2. The Assets are being disposed on an "As-Is, Where-Is", "Take-All" basis.

3. The bidding will be conducted through an open competitive bidding using a non-discretionary "pass/fail" criterion.

The Bidding Documents will be available starting on **08 November 2023 until one (1) Business Day** prior to Bid Submission Deadline. Interested Parties may download the Bidding Documents from the PSALM website (<https://www.psalm.gov.ph>). Alternatively, Interested Parties may request for PSALM to send via email an electronic copy of the Bidding Package. An Interested Party must pay a non-refundable fee (the "Participation Fee") of Twenty-Five Thousand Pesos (PHP25,000.00) to be allowed further participation in the bidding process.

The Participation Fee may be paid at PSALM's Cashier's Office or deposited to PSALM Land Bank of the Philippines (LBP) Account:

Account Name : Power Sector Assets and Liabilities Management Corporation (PSALM)
Account Number : 1802-1019-68*
Name of Bank : Land Bank of the Philippines
Branch : Paseo de Roxas
LBP Swift Code : TLBPPHMM

* Subject to presentation/submission of proof of fund transfer or deposit.

The Participation Fee may be paid in cash, manager's check or cashier's check provided that all bank charges, if any, shall be for the account of the Interested Party. Only those that have paid the Participation Fee shall be considered eligible and allowed further participation in the Bidding Process.

4. Interested parties with an unsettled issue, unpaid account arising from contractual obligations with PSALM, and/or those who have submitted fraudulent documents in previous PSALM Biddings are disqualified from participating in this bidding.

5. PSALM will hold a Pre-Bid Conference to discuss the Bidding Documents and other possible questions and/or clarifications from Bidders on **20 November 2023, 2:00 P.M.**, through hybrid set-up which will be communicated to prospective bidders. Prospective bidder/s may manifest their intent to join the said Pre-Bid Conference by sending an email to the Disposal Committee Secretariat at email address Disposal_Sec_2022@psalm.gov.ph. Thereafter, the Meeting ID will be sent out to the prospective bidder/s prior to the schedule of the Pre-Bid Conference.

6. Site due diligence and ocular inspection shall be conducted on **28 November 2023, Tuesday, from 09:00 A.M. to 04:00 P.M.**

7. Sealed Bids shall be accepted from Bidders on or before **10:00 A.M. of 12 December 2023** at the PSALM Office, 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City 1105, Metro Manila, Philippines. Late Bids shall not be accepted.

Bidders may also submit their Bids through courier service and these must be received by PSALM on or before the Bid Submission Deadline. Bidders who opt to submit their Bids through courier service shall execute a waiver (Form No. 7 – Waiver of Liability) which shall be submitted together with their Bids. Failure to submit said duly executed Waiver shall be ground for disqualification of Bidders.

All Bids must be accompanied by a Bid Security in any of the acceptable forms and in the amount stated in **Instruction To Bidders (ITB) Clause 13**.

8. The opening and evaluation of bids shall be conducted at the PSALM Office, 24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Quezon City, immediately after the deadline for submission of Bids.

Bidders' representative/s who opt to attend and witness the opening and evaluation of bids shall at all times, comply with COVID19-related health and safety standards being implemented at PSALM.

PSALM reserves the right to accept or reject any bid, to annul the bidding process at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders.

9. For further information, please refer to:

Disposal Committee Chairperson
c/o The Disposal Committee Secretariat
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center 1
Astra corner Lux Drives, North Avenue, Quezon City 1105
Metro Manila, Philippines

Landline: (02) 7902-9078 / (02) 7902-9015

Email: Disposal_Committee_2022@psalm.gov.ph
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[SGD.] ROMMEL G. REGACHO
Disposal Committee Chairperson