

Maharlika's Consing outlines fund's proposed structure

By **Luisa Maria Jacinta C. Jacson** Reporter

THE Maharlika Investment Corp. (MIC) is hoping to organize itself along the lines of a unit investment trust fund to steer the sovereign wealth fund towards a "sectoral and tactical" approach in investing.

"I'm going to be proposing a structure where it's going to be a unitized fund. What I've presented at least to the advisory board is a sectoral approach and a tactical approach," MIC President and Chief Executive Officer Rafael Jose D. Consing, Jr. said in an appearance on ANC late Wednesday.

"In the tactical approach,... you can create an MIF for infrastructure, an MIF for energy. So

(co-investors) that have very specific objectives can then invest in those," he added.

Mr. Consing has said that he targets a doubling in the MIC's seed capital to P250 billion over the next two years.

Under the law creating the Maharlika Investment Fund (MIF), the P125-billion initial funding will be provided by the Land Bank of the Philippines and Development Bank of the Philippines, which will supply P50 billion and P25 billion, respectively. The National Government is also being counted on for P50 billion.

The MIC has an authorized capital stock of P500 billion.

Mr. Consing said he plans to tap domestic and overseas funding to raise the MIC's capital.

"You've got both institutional and retail investors, so they're coming in at the same price. This

is not going to be like an initial public offering (IPO), because they're not actually buying shares, they're buying participation in unit trust funds," he said.

He cited the need to address energy issues to attract more investors.

"Of the pain points investors have identified... Number one is the cost of energy; and number two is the need for their products to be acceptable in more developed economies (through the greater use of) mostly renewable power," he said.

"One of the things we want to do is distributive generation, meaning create renewable energy for ecozones directly," he added.

Mr. Consing has also floated proposals for agro-forestry industrial urbanism projects.

"What it is is creating clusters making use of idle government

land, turning them into clusters to (create) a 'mega ecozone,'" he said.

"Within that, develop agricultural facilities where you basically put together the farmers and those that process their products to reduce their logistics cost and similarly reduce the need for middlemen. The benefits of that are improved climate, cleaner air and the generation of carbon credits we can sell; from there we can generate additional capital to reinvest," he added.

Mr. Consing also said townships within the mega ecozones will allow people to live where they work.

The MIC is focusing its investments on tourism infrastructure, agro-urbanism, energy security, and digital infrastructure.

It is expected to be operational before year's end.

Solar seen filling shortfall in hydro output during El Niño

By **Sheldeen Joy Talavera** Reporter

THE Department of Energy (DoE) said power supply shortfalls resulting from El Niño's impact on hydropower are expected to be filled by new solar power plants.

"Our challenge here in El Niño is the need to run all our sources of power that are available to us during this period," Energy Secretary Raphael P.M. Lotilla said in a briefing on Thursday.

"We are not depending on hydropower plants precisely because there has been an advisory from PAGASA to prepare for the El Niño. That is why we are not using the Angat power plant for now," he said.

PAGASA (Philippine Atmospheric, Geophysical and Astronomical Services Administration), the government weather service, forecasts a moderate El Niño, possibly intensifying in the coming months.

The Angat hydroelectric power plant in Bulacan was shut down on Nov. 6 and is due to return to service on Jan. 6. It is undergoing major repairs and rehabilitation of its penstock.

Irma C. Exconde, director of the Electric Power Industry Management Bureau, said the bureau is assuming hydroelectric power plants will be derated 70% during the dry spell, equivalent to 300 megawatts (MW) of dependable capacity.

"We have been monitoring hydropower plants because of the preparations for El Niño and we have assumed a 70% deration, particularly the large

ones in Luzon and Mindanao," she said.

Ms. Exconde said the bureau does not expect red or yellow alerts "because of the power plants coming in 2024."

Yellow alerts are issued when reserves fall below a designated safety margin. Red alerts are raised when the supply-demand balance deteriorates further, signaling the possibility of rotational brownouts.

"The assumption (is that) forced outages (will be within acceptable limits) with no red and yellow alerts for next year. This also assumes an El Niño lasting until the second quarter of 2024," she said.

Solar power plants entering operations next year will be "favorable under an El Niño scenario," according to Ms. Exconde.

This includes solar power projects in Pangasinan, Subic, Batangas, and Pampanga which have a combined capacity of 702 MW.

The DoE has reported that wind, natural gas, and solar dominate the pipeline of indicative projects, or those currently in the pre-development stage, as of August. These indicative projects have capacities of 34,080.50 MW, 7,987.60 MW, and 7,811.86 MW, respectively.

Despite the low risk of power interruptions, Mr. Lotilla said coal-fired power plants sometimes do not work well in hot temperatures.

"That's why we cannot assume that there will be no interruptions. But we should try to minimize the interruptions by making sure that there are alternative plants that can come in," he said.

Spot power prices fall in early Dec.

THE average electricity spot market price dropped in early December, the Independent Electricity Market Operator of the Philippines (IEMOP) said, adding that the downtrend is expected to continue next month.

"Our average price for December is P3.90. Last month, it was P4.12 per kilowatt hour. In October, it was around P6.60, so the trend is downward," IEMOP head of trading operations Isidro E. Cacho, Jr. said in a briefing on Thursday.

The December price will be more or less the price until January, he added.

As of Dec. 10, the average supply system-wide fell 0.73% to 18,712 MW while demand increased 0.65% to 13,032 MW.

The IEMOP said average price at the Wholesale Electricity Spot Market (WESM) on Luzon fell to P3.89 per kilowatt hour (kWh) in the first two weeks of October, from P4 per kWh in November.

Supply was 12,912 MW, down 2.03%, while demand climbed by 0.74% to 9,286 MW.

In the Visayas, the average electricity spot market price dropped to P4.62 per kWh during the period, from P5.14 per kWh in November.

IEMOP reported that supply was at 2,413 MW, up 3.61%. Demand was 1,865 MW, up 0.76%.

The WESM price in Mindanao declined to P3.17 per kWh, from P3.67 per kWh a month prior.

Supply increased 1.32% to 3,386 MW while demand rose 0.16% to 1,881 MW.

The spot market serves as the venue where energy companies can buy power when their long-term contracted power supply is insufficient for their customers' needs. — **Sheldeen Joy Talavera**

British chamber backs law vs agri smuggling, 5-year EO 10 effectivity

THE British Chamber of Commerce of the Philippines (BCCP) said it supports the passage of the proposed Anti-Agricultural Smuggling Act and the extension of Executive Order (EO) No. 10's validity until 2028.

At a briefing on Thursday, BCCP Executive Director Chris Nelson presented the foreign chamber's wish list for the Philippines next year.

EO 10, which reduced the Most Favored Nation tariff rates on pork, corn, rice, and coal as an anti-inflation measure, was due to expire at the end of the year. The Palace on Thursday announced the extension of the EO's validity for a further year beyond Dec. 31.

"Obviously, we would have preferred it to be extended for the period of his (President Ferdinand R. Marcos, Jr.) presidency because it is an EO. But realistically, we understand that it's going to be extended for (just) one year," Mr. Nelson said.

"What we have tried to emphasize is that we as a chamber and the companies we bring in, try to make this a long-term relationship ... so I think we would like it for a longer period. But... we understand that it may only be for another year," he said.

The President had signed the EO on Dec. 10. Under the EO, tariff rates for imports of pork were kept at 15% for shipments within the minimum access volume (MAV) quota and 25% for those exceeding the quota.

Meanwhile, the corresponding rates for corn remained at 5% for shipments within the MAV quota and 15% for those exceeding the quota. The rice tariff was set at a uniform 35% for all grain regardless of source. The previous 35% rate had applied originally to Southeast Asian rice. The EO retained the zero rate on imports of coal.

Mr. Nelson said that the importance of agriculture has been a key focus worldwide.

"One of the major impacts of the Russia-Ukraine conflict is on grain. Ukraine is one of the largest producers of grain in Europe. (The war) obviously had an impact and caused distortions in supply," he said.

"I raise this point as if you look at agriculture, costs have a key impact on the consumer sector... I think what we can do is to supply pork, which will help in terms of the supply side, and then the security and inflation are going to be very important factors," he added.

He said that it is the reason behind BCCP support for the proposed Anti-Agricultural Smuggling Act.

"Significant progress has been made. The House has passed its version, and the Senate has just passed (its measure) on third reading. As you will know, under your system, those two bills must be reconciled in bicameral session," Mr. Nelson said.

He said that the chamber has consistently supported the passage of the measure to help with inflation, food security, food supply, the resiliency of Philippine agriculture, and the promotion of fair trade practices. — **Justine Irish D. Tabile**



Go Negosyo founder **Joey Concepcion** personally mentors Senior High students from the **Rajah Soliman Science and Technology High School** during the Youthpreneur event at the school's campus in San Nicolas, Manila last December 13, 2023. With him is **Go Negosyo Senior Adviser Engr. Merly Cruz**.

Go Negosyo pilots youth entrepreneurship mentoring in Manila public school

Senior High School students from a public school in Manila became the first to benefit from the pilot run of Youthpreneur, Go Negosyo's joint project with the Department of Education to teach entrepreneurship among young Filipinos.

More than 450 students from the Rajah Soliman Science and Technology High School participated in the half-day program last December 13, 2023 at its campus in San Nicolas, Manila. The students are under the Academic and the TVM [Technical-Vocational-Livelihood] tracks of the DepEd's K to 12 Basic Education Program. The event was facilitated by the DepEd's Bureau of Curriculum Development, and is designed to promote an entrepreneurial mindset among the youth and build skills that complement the entrepreneurial aspect of the Senior High School curriculum.

"We want to help the students in these schools succeed in life," said Go Negosyo founder **Joey Concepcion**. In his message to the students, Concepcion said that having an entrepreneurial mindset is possible both as an employee and an employer. "Negosyo is one way, but it is not the only way," he said.

He encouraged the students to do their best in school and learn the basics by first becoming employees before trying their hands at business. "Learn from your employer and then eventually find that idea that matches your skill; then you can start your own business," he said.

"For those who are not able to reach college, it is not the end of your journey," he told the students. "Strive for what you want to be. Determine if you have the skill to fulfill that dream, and make sure that your training will lead you to it," he told the students.

For ABM student **Cedrix Justin Tan**, attending Youthpreneur opened his mind to the "possibilities and outcomes of real world." As students, he said, their lack of experience and exposure may lead them to believe that putting up a business is easy. "As we get exposed to people na merong

experiences knowledge and credibility, mas na-o-open ang perception naming sa reality ng mundo," he said.

For his part, Rajah Soliman school principal **Raffy Caballes** thanked the DepEd and Go Negosyo, saying that the Youthpreneur program aligns with the vision of the Senior High School program and equips the students to transform their lives through the inspiration and mentoring of the speakers who were brought to the school by Go Negosyo.

The first half of the Youthpreneur program was a plenary session, starting with a talk by author and entrepreneurship consultant **Henry Tenedero** on how to have an entrepreneurship mindset. Also on hand to speak to the students was **Shawarma Shack CEO Walthier Buenavista**, on how he founded and grew the successful food business.

Later, entrepreneurs and content creators **Ariella Diaz** and **Christine Jacob** shared how they use social media for business. They also related how their academic backgrounds did not determine their future success as entrepreneurs, and how they instead capitalized on their skills to find their own niche markets.

In the second half of the program, Concepcion led entrepreneurship mentors and successful businessmen in directly mentoring the students. Volunteering their time to speak to the students were entrepreneurs **Arnold De Guzman** and **Jordan Patente**, franchise guru **Butz Bartolome**, **Yovel East** President **James Amparo**, and veteran entrepreneurship mentor **Renea Tan**.

This is the first in-school Youthpreneur event of Go Negosyo, following the success of its free mall-based mentoring event for students at the SM City Fairview in Quezon City. Youthpreneur is part of Go Negosyo's Memorandum of Agreement with the DepEd, which was signed last November to promote entrepreneurship, build skills through mentorship, increase financial literacy, raise agricultural awareness, cultivate entrepreneurial skills in agriculture, and facilitate industry connections for mentorship.

Lumify signs on to upskill, certify IT-BPM employees

THE IT and Business Process Association of the Philippines (IBPAP) has entered into a tie-up with Lumify Work Ph to upskill and certify the industry's workers, Lumify said.

In a statement on Thursday, Lumify — a joint venture between the Aboitiz group and Australia's Edventure Co. — said it will provide training services with internationally recognized learning tools to professionals in the information and technology and business process management (IT-BPM) industry.

Lumify Country General Manager **Gilbert Cadiang** said he hopes the partnership will elevate the value of the IT-BPM industry.

"Employees today and in the future need to be upskilled and re-skilled to remain relevant and adapt to the speed of technological change," said Mr. Cadiang.

"I am looking forward to working as IBPAP's Talent Development Partner and to establish our role as the premiere training provider in the IT-BPM industry," he added.

IBPAP President and Chief Executive Officer **Jack Madrid** said he hopes that the partnership will help the industry pivot to high-value services, raise its global competitiveness, and create a sustainable learning ecosystem.

"In the era of evolving talent needs in an artificial intelligence (AI)-driven landscape, it is imperative to enhance and empower the workforce for the skills of the future," said Mr. Madrid.

"This partnership with Lumify echoes our commitment to enable and equip the labor force with higher-value tasks as we drive the industry ahead in the era of innovation and AI," he added.

IBPAP members will enjoy discounts on Lumify's digital learning assets, customized webinars and digital workshops, access to Lumify facilities and instructors, and joint training needs analysis with clients.

Lumify's training courses include IT service management, cloud computing, data analytics and AI, professional development, cyber security, project and program management, business analysis, business applications, agile and scrum tools, end-user applications, application and web development, and IT infrastructure and networks.

Lumify will also bring in expertise from partner vendors like Microsoft, AWS, Cisco, ISC2, and ISACA.

Aboitiz group, Lumify's joint venture partner, said that the partnership helps the group provide professionals with agile and accessible high-quality IT training.

"The world is changing quickly, and education needs to adapt. We need a modern way of training the workforce. These skills have never been more relevant and this style of teaching has never been more appropriate," Aboitiz Impact Ventures President **Jokin Aboitiz** said. — **Justine Irish D. Tabile**

DA to pursue more private sector collaboration

THE Department of Agriculture (DA) will seek out more opportunities to collaborate with the private sector in the area of formulating policy and programs.

In a statement on Thursday, Agriculture Secretary **Francisco Tiu Laurel, Jr.** said the end goal

is to effectively modernize agriculture.

"We've been stressing... the need to modernize the agriculture sector, not only to feed 118 million Filipinos but to ensure food security," he said, speaking to the Philippine Council for Agriculture and Fisheries (PCAF).

Mr. Laurel added that such collaboration creates options for improving the agri-fisheries sector.

He said that private sector partners can assist the government in policy and project monitoring to "maximize the benefits derived from these interventions." — **Adrian H. Halili**