

## ArcelorMittal JV, others commit \$86B ahead of investment summit

AHMEDABAD, India — India's Gujarat state on Wednesday said it has signed initial investment agreements worth \$86 billion with 58 companies including steelmaker ArcelorMittal's joint venture (JV) and others operating in sectors such as energy, oil and gas, and chemicals.

Gujarat, the home state of Prime Minister Narendra Modi, has been signing these agreements ahead of its biennial Vibrant Gujarat Global Summit which is scheduled to take place in state capital Gandhinagar from Jan. 10 to Jan. 12.

The summit is expected to draw a record number of foreign and domestic investors to the western state this month in what is being seen as Mr. Modi's big push to promote investment in the South Asian nation just months ahead of its national election, where he will seek a third term.

The companies that signed the pacts included ArcelorMittal Nippon Steel India, which signed a 1.14 trillion rupees (\$13.68 billion) pledge for a green hydrogen project, an integrated steel plant and expansion of its existing steel manufacturing capacity in the

state, according to a state government document.

NTPC Renewable Energy Limited proposed an investment of 900 billion rupees (\$10.80 billion) to create 15 gigawatt (GW) renewable energy parks and projects to meet the agricultural sector's power needs, a senior Industries Department official said.

NTPC also proposed a further investment of \$8.40 billion for fuel cell electric vehicle mobility, hydrogen blending with natural gas, production of green chemicals such as ammonia and methanol, the official added.

Torrent Power similarly signed an agreement to invest 474 billion Indian rupees (\$5.69 billion) to create solar power projects with 3,450 MW and 7,000 MW capacity, green hydrogen and ammonia manufacturing plants, and distribution networks in cities including Ahmedabad and Surat.

NTPC, Torrent and ArcelorMittal did not immediately respond to requests for comment.

The state government had signed similar investment agreements totaling \$18.75 billion last month. — **Reuters**

## Ocean freight rates climb after Red Sea ship missile attacks

LOS ANGELES — Ocean freight rates are surging after a missile attack and attempted hijacking of a Maersk ship this weekend prompted carriers to suspend plans to restart transits through the Red Sea, a key artery to the vital Suez Canal trade route.

Yemen-based Houthi militants have been attacking high-value cargo vessels in the Red Sea since November in a show of support for Palestinian Islamist group Hamas fighting Israel in Gaza. It has forced ships to reroute around the southern tip of Africa, driving up the cost for vessels for the longer voyage, though rates are still far below pandemic levels reached in 2021.

Egypt's Suez Canal connects the Red Sea to the Mediterranean Sea and is the fastest way to ship fuel, food and consumer goods from Asia and the Middle East to Europe. Shippers use the route to ferry as much as one-third of all global container cargo, including toys, tennis shoes, furniture and frozen food.

The attacks are already delaying delivery of products destined for numerous companies, as the Suez route is used by the likes of IKEA, Walmart and Amazon.

Asia-to-North Europe rates more than doubled to above \$4,000 per 40-foot container this week, with Asia-to-Mediterranean prices climbing to \$5,175, according to Freightos, a booking and payments platform for international freight.

Some carriers have announced rates above \$6,000 per 40-foot container for Mediterranean shipments starting mid-month, and surcharges of \$500 to as

much as \$2,700 per container could make all-in prices even higher, Judah Levine, Freightos' head of research, said in an email.

As of Wednesday, hundreds of container ships and other vessels have been rerouted around Africa's southern Cape of Good Hope to avoid the attacks — adding anywhere from 7 to 20 days to their voyages.

Those so-called, one-time "spot" rates are roughly double the rates for freight that moves on the contract market, logistics executives said.

"People desperate to get space (on ships), are going to pay," said Christian Sur, executive vice president for ocean freight at Unique Logistics.

Rates to less-affected North American ports also are moving higher.

Up to 30% of cargo that arrives at the US East Coast travels through the Suez Canal. Logistics executives expect some of those imports to be diverted to the US West Coast — which is a straight shot across the Pacific Ocean from China and other Asian exporters.

Rates for shipments from Asia to North America's East Coast climbed 55% to \$3,900 per 40-foot container. West Coast prices jumped 63% to more than \$2,700 ahead of expected cargo diversions to avoid Red Sea-related issues, Levine said.

While rates have spiked, they remain far below 2021's pandemic-fueled record highs of \$14,000 per 40-foot container for Asia to North Europe and the Mediterranean and \$22,000 for Asia to North America's East Coast. — **Reuters**

## Telefonica to spend €1.3B in Q1 layoff plan in Spain

MADRID — Spanish telecoms group Telefonica said on Wednesday it had reached a deal with unions to lay off up to 3,421 employees in Spain in a plan it estimates will cost around €1.3 billion before taxes as it seeks to reduce costs.

In a statement to the stock regulator, Telefonica said the departures are expected to take place during the first quarter of (Q1) 2024 after weeks of negotiations with unions.

Employees turning 56 years or older in 2024 and with seniority of more than 15 years can participate in the agreement, the company said.

Telefonica said it estimates average annual savings from direct expenses of around €285 million from 2025 due to the layoffs and

said the impact on cash generation will be positive from 2024.

The announcement came as Telefonica said it had reached a new collective bargaining agreement with unions, running until 2026 and which could be extended for another year, with "the aim of moving towards a more digital, flexible and prepared company for future challenges in a highly competitive context."

Telefonica, Spain's largest telecom, employs about 21,000 people in its home country, while the global workforce exceeds 103,000.

The layoffs are part of the company's three-year strategic plan to boost profitability by reducing capital expenditure, raising revenue and cutting costs. — **Reuters**

## Cirtek gets PEZA nod to set up e-motorcycle assembly

CIRTEK Holdings Philippines Corp. on Thursday said the Philippine Economic Zone Authority (PEZA) has approved the application of its unit to set up an electric motorcycle assembly.

In a stock exchange filing, the company said the PEZA board on Dec. 19 approved unit Cirtek Advanced Technologies and Solutions, Inc.'s (CATSI) application for registration as a domestic market enterprise.

Cirtek shares gained 1.85% or three centavos to close at P1.65 each.

CATSI will make and assemble two-wheel and three-wheel electric motorcycles and lithium-ion battery packs, the listed company said. "With a steadfast commitment to providing affordable and reliable mobility solutions, CATSI is set to transform the landscape of transportation in the region," it added.

Cirtek said it is partnering with electric motorcycle and lithium

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battery manufacturers in China as it aims to bring clean and technology innovation to the electric mobility sector.

"This collaboration brings together the expertise and resources of two industry leaders, guaranteeing that our electric motorcycles meet the highest standards of performance, safety and innovation," it said. — **Ashley Erika O. Jose**

# Philippine energy companies bullish, eye 2024 demand surge

By Sheldeen Joy Talavera  
Reporter

SOME listed Philippine energy companies are bent on diversifying their energy portfolio amid an expected surge in demand and a pipeline of projects.

"We are currently diversifying our power portfolio by developing several renewable energy facilities, with numerous others in the pipeline," Antonio Miguel B. Alcantara, deputy chief executive officer at Alsons Power Group, said in a Viber message last week.

He said the company is optimistic for 2024 year with the operation of its 14.5-megawatt (MW) Siguil hydropower plant in Maasim, Sarangani province.

"We are committed to expanding our footprint and diversifying our power portfolio," Mr. Alcantara said. "This year signifies a major milestone in our journey as we enter the Visayas market with the groundbreaking of our 95.2-megawatt baseload backup power plant in Ubay, Bohol."

The project will serve as a dependable source of backup electricity for consumers in Bohol.

The energy company is also working on two additional renewable power facilities — the 37.8-MW Siayan hydropower project in Zamboanga del Norte and the 42-MW Bago hydropower plant in Negros Occidental.

Meanwhile, Emmanuel V. Rubio, president and chief executive officer at Aboitiz Power Corp.

(AboitizPower), said the company is confident about this year despite tight market conditions.

"As electricity demand continues to grow, we will strive to generate more megawatt-hours in 2024 through higher plant availability and new capacities, especially as we expect coal prices to decline," he said.

Power consumption is projected to increase by 6.6% this year, requiring 600-700 MW of power reserves, he said.

"This substantial increase in electricity demand underscores the pivotal role of power generation, transmission and distribution companies in meeting this need," Mr. Rubio said.

He said the expected increase requires significant infrastructure development, including the construction of new power plants and the expansion of the power grid to ensure that electricity reaches demand centers.

AboitizPower has allotted P50 billion in capital expenditure this year, mostly for the expansion and construction of its renewable energy (RE) projects.

It targets to energize its 17-MW binary geothermal power project in Tiwi, Albay this year, as well as its 173-megawatt peak (MWp) solar power project in Calatrava, Negros Occidental.

It also expects several projects to come online this year and in 2025, including its 44-MWp solar plant in Armenia, Tarlac; the 85-MWp solar plant in San Manuel, Pangasinan; and the 206-MW wind project in San Isidro, Northern Samar in partnership with Singapore-based Vena Energy and Vivant Energy Corp.

The company has set a target net attributable capacity of 9,200 MW and 50:50 balance between RE and thermal portfolios by the end of the decade.

To date, it has renewable energy projects with a combined capacity of close to 1,000 MW that are in the pipeline.

Meanwhile, Manila Electric Co. (Meralco) said it would ensure stable and reliable electricity for its 7.8 million customers.

"We maintain a high level of power reliability because the company has been allocating a substantial amount of capital expenditures every year to ensure service quality," Meralco spokesman and Vice-President for corporate communications Joe R. Zaldarriaga said in a Viber message. "We put up new substations and replaced facilities that needed to be upgraded."

The distribution utility has launched its two competitive selection processes for a total of 3,000 MW. Meralco has just announced it is seeking bidders for 660-MW supply for the summer.

"There will be challenges for sure like the El Niño phenomenon, which we are closely monitoring especially during the summer months," Mr. Zaldarriaga said.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls.

## Zoho: More Philippine firms to use AI for growth

ZOHO Corp. expects more companies in the Philippines to use artificial intelligence (AI)-powered customer service to streamline their operations.

"Generative AI can be used to streamline customer journeys via automation," Gibu Mathew, Zoho vice-president for Asia-Pacific, said in a Viber message. "It can analyze large amounts of customer data, identify patterns and generate insights to improve service quality, identify potential issues and anticipate customer needs."


The technology company, which is based in India, said Philippine companies could leverage generative AI to drive growth by increasing productivity through task automation and process optimization.

AI could also be used in so-called hyper-personalization because it could deliver more impactful customer recommendations and purchase history data, allowing businesses to tailor-fit product offerings or services aligned with customers' preferences, Mr. Mathew said. — **Ashley Erika O. Jose**

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## Power Maintenance Updates

by **MERALCO ADVISORY**

The following are scheduled power interruptions necessary for the regular maintenance and upgrade of our power distribution facilities, to ensure the delivery of safe and reliable electricity to your areas. Rest assured that Meralco is doing everything to quickly restore your electricity according to schedule.

**WEDNESDAY TO THURSDAY,  
JANUARY 10 - 11, 2024**

### QUEZON CITY (BAGO BANTAY)

BETWEEN 11:00PM (WED., 01/10/24) AND 6:00AM (THU., 01/11/24) – PORTION OF CIRCUIT BALINTAWAK 405E

Portion of Corregidor, Bukidnon and Ilocos Sur Sts. from

Register now to receive FREE texts about our Power Maintenance Schedules!

Text MERALCO <space> ON <space> your Service ID Number (which can be found in your bill) to:

Smart/Talk 'n Text 717-16211  
Sun 0925-77-16211  
Globe/TM 0917-55-16211

For more updates, follow us on Facebook and Twitter.

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For emergencies, call: 16211

Epifanio Delos Santos Ave. (EDSA) to and including Iloilo, Pangasinan, Fort Santiago, Samar, Albay, Antique, Ilocos Sur, Abra and Nueva Ecija Sts.; EDSA Grand Residences, Hotel Harts, Geely North EDSA, Jollibee, Green Valley Apartment, Purified Tube Ice, JP Sioson General Hospital & Colleges, Sto. Niño Parish Church and Sto. Niño Parochial School in Bgy. Ramon Magsaysay.

Portion of Cotabato St. from Abra St. to and including Fort Santiago, Davao, Balayan, Ilocos Norte, Bukidnon, Antique and Cagayan Sts.; and Bago Bantay Elementary School in Bgy. Ramon Magsaysay.

**REASON: Replacement of poles and line reconductoring work along Corregidor, Abra, Cavite and Bukidnon Sts. in Bgy. Ramon Magsaysay, Bago Bantay, Quezon City.**

