

International visitor arrivals hit 5.45M in 2023

THE PHILIPPINES logged 5.45 million international visitors in 2023, beating the 4.8 million target, the Department of Tourism (DoT) said on Tuesday.

"From Jan. 1 to Dec. 31, 2023... 91.8% or the bulk of international arrivals recorded at 5,003,475 were foreigners. The remaining 8.2% or 447,082 are overseas Filipinos," the DoT said in a statement.

The 2023 total more than doubled the 2.6 million reported a year prior.

South Korea remained the top source of foreign arrivals during the year, accounting for 1.44 million tourists or 26.41% of the total.

Also in the top five were the US with 903,299 tourists (16.57%), Japan 305,580 (5.61%), Australia

266,551 (4.89%), and China 263,836 (4.84%).

"Other foreigners who visited the country from other top source markets after China were from Canada, Taiwan, the UK, Singapore, and Malaysia," it added.

The DoT said that total international tourism receipts for the year amounted to P482.54 bil-

lion. This was more than double the P214.58 billion from a year earlier.

It added that the Philippines was at about 66% of the pre-pandemic arrivals record posted in 2019.

International arrivals in 2019 amounted to 8.26 million, generating P482.15 billion in receipts, according to the DoT.

"We have set our goals for the industry not only in terms of international visitor arrivals but most importantly, the number of Filipinos, including their families, who will benefit from the opportunities generated by our efforts to make the industry prosper," Tourism Secretary Maria Esperanza Christina G. Frasco said.

"We are poised for a thriving tourism landscape, evident in surpassing our targets in international and domestic arrivals and receipts, fostering economic prosperity and further job creation for our people," she said.

The DoT is targeting 7.7 million international visitors for 2024. — **Adrian H. Halili**

Panay power plant outages raise yellow alert in Visayas

THE Visayas power grid was placed on yellow alert on Tuesday after major power plants on Panay Island stopped operating, reducing the safety margin for available power, the National Grid Corp. of the Philippines (NGCP) said.

In a statement, the NGCP said it issued a yellow alert over the Visayas grid for between 4 p.m. and 10 p.m.

"Restoration of affected plants is ongoing. While NGCP did not implement manual load dropping, distribution utilities may implement load drops due to voltage-sensitive loads or manual disconnection to secure voltage levels," the NGCP said.

According to the grid operator, multiple plants tripped starting with the power plant unit 1 of the Panay Energy Development Corp. (PEDC) as of 12:06 p.m.

This outage was followed by PEDC Unit 2, the tripping of the power plant of Palm Concepcion Power Corp., and "other plants" in Panay Island.

About 302 megawatts (MW) was lost to the power grid, in addition to 150 MW from the planned

maintenance shutdown of PEDC Unit 3.

"In total, 452 MW is unavailable. Currently, none of the power plants in Panay Island is generating power," the NGCP said.

It has yet to disclose the cause of the power plant outages.

"NGCP is focusing its efforts on stabilizing voltage, and has extended feedback power to Il-oilo and PEDC," the grid operator said. "Load restoration will be done conservatively, by matching loads to restored generation, to prevent repeated voltage failure."

The Negros-Panay interconnection was restored at 3:24 p.m. after a brief trip at 3:07 p.m.

Meanwhile, the Department of Energy (DoE) said in a statement that it is closely coordinating with the NGCP and all affected generation plants and distribution utilities.

"We assure the public that power restoration is a priority," the DoE said.

The Energy Regulatory Commission is investigating the incident, according to the Energy department. — **Sheldeen Joy Talavera**



DoE blames metering problems for low lifeline rate registration

THE Department of Energy (DoE) said registration for the lifeline rate program has been hindered by the practice of several households sharing power meters, making consumption by eligible users difficult to track.

Luningning G. Baltazar, director of the DoE's Electric Power Industry Management Bureau, said users who would otherwise qualify for the lifeline rate cannot register because their homes did not have a dedicated meter.

"We will look into how we can address this issue," Ms. Baltazar told government television network on Tuesday.

She added that registering as a group of households would bring many poor users above the lifeline consumption threshold,

making them ineligible for subsidized power rates.

"We still encourage them to register since we are still studying the question of what would be the appropriate threshold," she said.

The lifeline rate applies to users with a monthly power consumption of 100 kilowatt-hours or less. Under the revised rules, customers living in condominiums, subdivisions, and those with net-metering services do not qualify for the lifeline rate even if their consumption falls below the threshold.

Also, eligible for lifeline rates are beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps) and qualified marginalized end-user applicants who are not 4Ps beneficiaries

but belong to a household of at least five members in which the combined monthly income is no more than P12,030.

Citing ERC data, Ms. Baltazar said that about 191,399 4Ps members were registered for the program as of Dec. 15. However, she said that the full list of 4Ps members is about 4.2 million, according to the Department of Social Welfare and Development.

The ERC said in an advisory last week that the full implementation of the program starts on Jan. 1.

"We will continue to do the lifeline caravan, information campaign so that many will be aware of the program," Ms. Baltazar said. — **Sheldeen Joy Talavera**

Bol planning push to encourage more biofertilizer use in rice, corn farming

THE Board of Investments (BoI) said on Tuesday that it will support a bio-fertilizer company in its capacity expansion by helping to promote the expanded use of its products and encouraging investment to develop the industry.

"Encouraging potential technology adaptors to invest in this industry, the BoI and other stakeholders aim to strengthen the information dissemination and education campaign for farmers to facilitate the shift from traditional fertilizer to biofertilizer," the BoI said in a statement.

The BoI added that it will support the commercialization of the Bio-N fertilizer product which promises to raise crop yields by 11%.

The BoI said the campaign will be undertaken in collaboration with Laguna-based AgriSpecialist, Inc. (ASI), a Laguna company.

"Both BoI and AgriSpecialist agreed (on the importance of) having an industrialization partner from the beginning of the research and development process," it added.

ASI President Mario Labadan, Jr. said farmers should be made aware of the advantages of using biofertilizer, which will be a domestically produced product.

According to the BoI, about five to six 200-gram sachets of the biofertilizer product can replace two 50-kilogram bags of urea per hectare planted to rice. The product has the potential to save producers about P10,000 per hectare.

ASI said that it aims to become the first commercial-scale manufacturer of biofertilizer.

Expansion plans for its Laguna plant will result in sufficient capacity to supply "100% of the country's biofertilizer requirement for the lands planted to rice and corn." — **Adrian H. Halili**

Biodiesel manufacturer sees higher coconut content improving mileage

INCREASING the coconut content of the biodiesel blend will have a minimal impact on price but may also improve vehicle mileage, producing net savings, a coco biodiesel producer said.

"More significant will be the mileage improvement expected with B3. Because mileage can improve by 5-15% the net savings can be rather significant in peso terms," Jun Lao, president of Chemrez Technologies, Inc., told *BusinessWorld* in a Viber message. B3 refers to biofuel with 3% coconut content.

On its website, Chemrez — a subsidiary of publicly listed D&L Industries, Inc.

— operates the country's first continuous-process biodiesel plant.

In a draft circular, the Department of Energy is proposing to implement an increase in the coconut methyl ester (CME) blend to 3% (B3) starting July 1, from the current B2.

It also proposed to raise the biodiesel blend to 4%, effective July 1, 2025, and to 5% on July 1, 2026.

The Biofuels Act of 2006 requires that all liquid fuels contain domestically sourced biofuel components.

"If the price of CME is lower than diesel, the blend will make the pump price lower.

Depending on the prevailing prices prior to the effectivity of B3, it can also go the other way. Either way the price difference of B2 and B3 will be minimal," Mr. Lao said.

A combustion engine operating at a given efficiency and fuel quality can produce incomplete combustion, he said, with inefficient engines producing black smoke from the exhaust system.

"You can improve combustion by overhauling the engine and using better quality fuel. CME does the latter," Mr. Lao said.

"CME improves the fuel quality, so it burns more completely. There is

more power and less black smoke. That means the car engine will perform better by delivering better mileage," he added.

He said a car performing at 10 kilometers per liter (kms/liter) will soon achieve 11 kms/liter when B3 takes effect, effectively bringing down the cost of fuel by 10%, Mr. Lao said.

"So I expect the cost of transport to drop with B3 implementation. Along with that is the cleaner emission from cars. Then a massive reduction in CO2 (carbon dioxide) from land transport," he said. — **Sheldeen Joy Talavera**

YEARENDER

Miners expect 'green transition' minerals to drive industry growth

By **Adrian H. Halili**
Reporter

MINERS are expected to perform well in 2024 due to increased demand for transition minerals used by the renewable energy industry, mining officials said.

"The government is pushing for local mineral processing of energy transition metals such as nickel and copper and the Philippine metallic mining industry would like to participate and take advantage of opportunities presented by this development," Michael T. Toledo, chairman of the Chamber of Mines of the Philippines (CoMP), said in a Viber message.

Environment Secretary Maria Antonia Yulo-Loyzaga has said that the Department of Environment and Natural Resources (DENR) will encourage exploration for critical minerals this year, with the Mines and Geosciences Bureau (MGB) instructed to gear up for enabling projects undertaken with foreign mining partners.

Nickel, cobalt, and copper are deemed essential for the production of electric vehicles (EVs), the large-scale batteries which power them, and also wind and solar farms.

"A lot still needs to be done but we believe the signposts show we are on a course that is likely to result in success," Mr. Toledo added.

The Philippine Nickel Industry Association (PNIA) said the industry is pushing for the government to fast-track the approval of mining permits by establishing a "one-stop shop" application process.

According to the PNIA, the streamlining of approvals will attract more investment in mining.

About 470 applications are currently awaiting approval. They are proposing to explore for copper, chromite, nickel, and cobalt, according to the MGB.

Phase 1 of the MGB's priority list consists of metallic mines, with about 12 projects expected to start operations in the next six months.

"If realized, this (encourages) upbeat expectations for the production and export of more of these goods, given the high level of global demand," the MGB said in its metallic production report.

These operations are a magnetite sand (Iron) site in Region 2, nickel laterite in Region 3, gold in Region 5, four nickel, copper and gold sites in Region II, and five nickel, copper and gold sites in Caraga.

CoMP said metals prices would mainly depend on the recovery of China's economy, a major user of Philippine minerals.

"Traders are cautious of the incoming year, considering the weaker Chinese economy and significantly cheaper nickel pig iron (NPI) from Indonesia," Mr. Toledo said.



A FILIPINO MINER watches chunks of rocks containing mineral ores as they are carried by a conveyor at the milling plant of Philex Mines in Benguet.

He added that the mining industry expects Indonesia to keep up its NPI output.

NPI is low-grade ferronickel, which serves as a cheaper alternative to higher-grade nickel used in stainless steel production.

"We don't know when China's economy will improve. Most developed countries are challenged at this time," he said.

PNIA has said that nickel production this year will likely remain flat due to the limited capacity in ore-supplying regions.

The MGB said however that due to domestic nickel supply concerns in Indonesia, Chinese demand for nickel ore from the Philippines will rise.

It added that Indonesia has become a new export market for nickel ore. The Philippines

has exported about 102,100.72 dry metric tons of nickel ore to Indonesia amounting to P171.37 million during the nine months to September.

Mr. Toledo said that the industry is optimistic that the Philippines can service global copper demand.

However, he said that in the absence of new copper mining operations in the next five years, "there could be a supply deficit that would drive prices upward."

"In the next few years, we believe the Philippine copper sector can keep up with the demand for this metal as an input for renewable energy technologies," he said.

"As the global demand for critical minerals for the energy transition intensifies, however, there are concerns on whether copper

from Philippine mines can keep up," he added.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the demand for raw materials from the renewable energy industry is expected to grow in the coming years.

"There will still be a large shift towards renewable and towards electric vehicles for the coming years amid the need for more sustainable source of energy and the need to reduce carbon emissions," Mr. Ricafort said in a Viber message.

Mr. Ricafort added that a decline in global interest rates could also drive more investment towards minerals.

"Lower borrowing costs will encourage more investment and business activity, as well as the demand for minerals," he said.

The Federal Reserve maintained its target rate in the 5.25%-5.5% range for a third straight meeting on Dec. 12-13.

The Bangko Sentral ng Pilipinas kept its key borrowing rate unchanged at 6.5% during its Dec. 15 meeting.

Regina Capital Development Corp. Head of Sales Luis A. Limlingan said metal prices will largely be influenced by the strength of the Chinese economy and its adoption of EVs.

"The Philippines will be able to take advantage, should responsible mining practices be put in place to allow further export of our precious minerals," Mr. Limlingan said in a Viber message.

Prices for nickel ore declined to \$10.39 per pound from \$11.97 per pound the previous year.

"For nickel, attributing factors to growth during the period are the improvement of nickel ore prices and better loading conditions on account of good weather, particularly in the southern part of the country," Mr. Toledo said.

The price of gold increased to \$1,932.07 per troy ounce, while copper prices fell to \$3.9 per pound from \$4.12 a year earlier. Silver prices rose 7.32% to \$23.55 per troy ounce.

"The low copper prices were offset also by good weather, which resulted in less production interruptions, as well as by the strong dollar-to-peso exchange rate," he added.