

# Market! Market! site being readied for redevelopment

THE Bases Conversion and Development Authority (BCDA) said the Market! Market! site in Bonifacio Global City (BGC) is set for disposal and redevelopment once its lease ends in 2027.

“The Market! Market! land will be redeveloped, and it will be mixed-use,” BCDA President and Chief Executive Officer Joshua M. Bingcang said at the One Clark Forum organized by the BCDA and the Economic Journalists Association of the Philippines.

“It is our single last big property in BGC, and we want to make sure that once we redevelop it, we’ll get the maximum value for the property,” Mr. Bingcang added of the 10-hectare semi-open air retail site managed by Ayala Land, Inc.

The BCDA plans to redevelop the site under a public-private partnership.

“Right now, it’s (the lease is) with Ayala, and of course Ayala can still participate in the redevelopment,” he said.

Meanwhile, the BCDA is also set to release the invitation to bid for the six-hectare mixed-use development in front of the Senate headquarters in Taguig after receiving approval from its board.

“We will publish the terms. But the proposal we got is that the

## Clark public transport system could be bid out by end-2024 or early 2025

THE Bases Conversion and Development Authority (BCDA) is hoping to bring the Clark Integrated Public Transport System project to auction by the end of the year, pending the release of a feasibility study by the World Bank.

“We already had an agreement with the World Bank, and we just sent the contract to our external lawyer to study. But the agreement is for them to submit the report after six months, or in October,” BCDA President and Chief Executive Officer Joshua M. Bingcang told reporters.

“We can launch (the bidding) by the last quarter of 2024 or the first quarter of next year. The project cost, including the real estate, is around P3 billion to P5 billion,” said Mr. Bingcang.

investment should be at least P30 billion,” he said.

Located in front of the New Senate Building, Mr. Bingcang said that the area is a prime lo-

The planned public-private partnership (PPP) needs to settle the division of labor on the project, including issues like who will build the infrastructure if necessary to mitigate risk for the private partner.

“Since it will be a PPP project, we will share in the risk. If the risk is too much for the private sector to bear, we can shoulder some of the costs, especially on the building of the stations, and then the private sector will just operate it,” he said.

Spanning approximately 60 kilometers, the bus rapid transit system will facilitate seamless travel from the airport to the city’s main gates and onward to the Clark Freeport Zone and to New Clark City. It will make use of electric vehicles and conventionally

powered units compliant with the Euro 5 emissions standard.

“The target is to invite an operator that will provide services not just for New Clark City but also for the Clark Airport and the Clark Freeport Zone, and we will couple it with transport-oriented development,” Mr. Bingcang said.

He said such a business model will make the project more attractive to the private sector, as transport hub operators sometimes do not earn money from passenger fees.

“If you look at Tokyo, their stations are like malls. So, our model is transport-oriented development, and we will partner with real estate (companies) to make it viable,” he said. — **Justine Irish D. Tabile**

“This is very prime. But right now, it is being occupied by the Navy. So, we will clear out the navy first,” he said. — **Justine Irish D. Tabile**

## DENR probing Surigao del Norte mine’s failure to contain tailings

THE Department of Environment and Natural Resources (DENR) said it has launched an investigation into Greenstone Resources Corp. after the reported failure of its tailings storage facility (TSF).

In a statement on Sunday, the DENR said it had dispatched a team to investigate the cause of the TSF failure and assess the extent of the damage.

“The (Mines and Geosciences Bureau) is also working closely with Greenstone Resources, local authorities and community leaders to ensure the safety and well-being of residents in the affected areas,” Environment Secretary Maria Antonia Yulo-Loyzaga said.

Greenstone Resources operates the Siana gold mine in Surigao del Norte.

Separately, the company said that cracks were discovered on the embankment of its tailing storage facility, caused by an earthquake and rains in Mindanao.

“The company voluntarily suspends its mining operations in order to expedite its emergency response activities, to closely examine what has

transpired, and to ensure the absolute safety of its beneficiary communities,” it said.

The DENR said that it will investigate the factors that led to the incident, as well as the integrity of the facility and safety systems and procedures in place.

“Infrastructure failures highlight the urgent need for monitoring, regulation and oversight in the mining industry to de-risk operations and prevent incidents in the future,” Ms. Yulo-Loyzaga said.

“This is urgently needed especially because of the seismicity of our country and the impacts of climate change,” she added.

The DENR is currently reviewing the environmental and social impact of mining operation in the country.

“While we understand the important contribution to national development of the mining industry in Surigao del Norte and elsewhere in the country, risk management is a continuous dynamic and proactive process,” she said.

Greenstone Resources said that it will rebuild any homes damaged by the incident. — **Adrian H. Halili**

# Electricity spot prices rise in early April as hot weather spurs demand

ELECTRICITY spot prices rose in early April due to the increase in demand, the Independent Electricity Market Operator of the Philippines (IEMOP) said.

The IEMOP said the average price at the Wholesale Electricity Spot Market (WESM) system-wide rose 33% to P6.90 per kilowatt hour (kWh).

Supply rose 2.1% to 19,210 megawatts (MW) while the demand was up 9.2% at 14,375 MW.

“Demand continues to rise across all regions as the summer season progresses and the heat index increases,” the IEMOP said.

The average WESM price in Luzon rose 31.6% month on month to P6.63 per kWh.

Supply grew 4.5% to 13,308 MW. Demand, meanwhile, jumped 10.1% to 10,310 MW.

In the Visayas, the spot price increased 39.5% from a month earlier to P8.73 per kWh.

For early April, supply fell 2.3% month on month to 2,349 MW while demand hit 2,002 MW, up 7.4%.

The spot price in Mindanao rose 40.9% from a month earlier to P6.43 per kWh.

Mindanao’s supply dropped 3.5% to 3,553 MW while demand increased 6.6% to 2,063 MW.

The IEMOP said that 19.68% of the trading intervals for April were subjected to the secondary price cap (SPC) com-

pared to the previous month’s 7.04%.

The SPC is imposed when the rolling average of the generator weighted average price exceeds P9 per kWh, the market operator said.

“Congestion manifested for the month (7,501 intervals) is more than the March 2024 billing month (3,695 intervals) wherein

during this scenario, high-priced plants cleared to meet the demand (such as oil-based),” the IEMOP said.

IEMOP operates the WESM, where energy companies purchase power when their long-term contracted power supply is insufficient to meet customer needs. — **Sheldeen Joy Talavera**

### OPINION

## Climate resilience: Innovation in Philippine business

(Second of two parts)  
IN BRIEF:

• Philippine businesses must incorporate resilience in their strategies to navigate climate-related risk and leverage emerging opportunities.

• Leading organizations have ramped up efforts in the past years to improve their market positions, drive long-term value, and advance sustainability development in the country.

Due to escalating climate challenges, Philippine businesses must redefine resilience by navigating risks and capitalizing on emerging opportunities. The previous article explored the foundational principles of climate resilience, emphasizing the imperative for Philippine businesses to adapt and thrive amid climate threats. The discussion highlighted how understanding and managing both physical and transition risks are crucial, alongside strategic shifts towards sustainability that bolster growth and help secure a competitive advantage.

This article explores how leading companies are leveraging their proactive strategies to improve their market position and drive long-term value, as shared by these companies at the recently held SGV Knowledge Institute event, Climate Convergence: Actions Toward a Resilient Future.

### ENERGY DEVELOPMENT CORP.: PROACTIVE RISK MANAGEMENT

EDC’s risk management strategies, born from firsthand experiences with climate-related disasters, illustrate the importance of preparedness and adaptive operations. Their structured approach not only safeguards against immediate risk but also builds a foundation for resilience, showcasing how businesses can thrive amid environmental uncertainty.

When Super Typhoon Yolanda hit EDC’s geothermal power plants in Leyte, it took the company four months to restore generation capacity. In response, the company invested over P350 million in resilience measures to typhoon-proof its Leyte plants. Concur-

### SUITS THE C-SUITE BONAR A. LAURETO

Visionary leadership and an innovative culture can transform today’s challenges into engines for growth and resilience.

rently, EDC reinforced its dedication to climate change mitigation by committing never to build, develop, or invest in coal-fired power plants. In addition, EDC launched the Net Zero Carbon Alliance framework that aims to help its partners achieve carbon neutrality.

### JG SUMMIT HOLDINGS: SYSTEMATIC CLIMATE HAZARD MITIGATION

JG Summit Holdings, Inc.’s strategy to assess and enhance resilience against projected climate hazards showcases its approach to safeguarding assets. Specifically, it initiated a pragmatic strategy to progressively enhance resilience across its portfolio.

The conglomerate has also launched initiatives to integrate climate risk intelligence into its strategic business processes. Using a data-driven approach, it leverages the latest climate science and granular Philippine-specific data to thoroughly assess its facilities’ exposure to climate hazards.

Concurrently, the conglomerate conducts vulnerability assessments on selected business-critical facilities to evaluate its ability to withstand extreme weather events, shaping retrofitting strategies, refining maintenance protocols and emergency response plans, and establishing necessary backups and redundancies applicable across their portfolio. Central to these efforts is capability building, with significant investments in training risk managers to interpret and utilize climate data at scale.

### STEELASIA MANUFACTURING CORP.: PIONEERING GREEN STEEL PRODUCTION

SteelAsia’s journey toward a net-zero future by 2050 demonstrates a transformative approach to decarbonization and managing transition risks. By integrat-

ing advanced technology and prioritizing the use of recycled materials, SteelAsia is reducing its carbon footprint and aligning itself with global demands for sustainable building materials.

These solutions include using recycled scrap steel and electric arc furnace (EAF) technology powered by renewable energy, allowing SteelAsia to reduce its emissions intensity (ton of CO<sub>2</sub> produced per ton of steel) by 87% compared to the industry-standard Blast Furnace-Basic Oxygen Furnace method. By adopting the cleanest technologies and learning from global advances, SteelAsia has emerged as a global leader in green steel production, achieving one of the lowest emission rates in a traditionally hard-to-abate sector.

In addition to direct emissions reductions, avoiding the cycle of exporting scrap only to import finished products enables SteelAsia to significantly cut emissions along the entire supply chain and deliver steel to its customers more quickly and efficiently. Compared to global competitors, SteelAsia offers dual benefits: its locally produced green steel reduces customers’ embodied emissions and ensures shorter wait times.

### NICKEL ASIA CORP.: REIMAGINING MINING WITH SUSTAINABILITY

NAC is actively enhancing its environmental protocols by adopting sustainable mining practices, such as obtaining Science Based Targets initiative (SBTi) certification and implementing comprehensive emission management strategies. These initiatives demonstrate NAC’s commitment to reducing its ecological footprint while maintaining profitability, setting a benchmark for sustainable practices in the mining sector.

It tackled one of mining’s main emissions source — fuel used in operations and mineral transport — by investing in low-emission technologies like hybrid excavators that improve fuel efficiency and cut fuel costs. These efforts will have reduced an estimated 35,000 tCO<sub>2</sub>e in Scope 1 and 2 emissions by 2025, merging sustainability with operational efficiency.

### BDO UNIBANK: LEADING WITH SUSTAINABLE FINANCE

Through its Sustainable Finance Framework, BDO supports projects that offer environmental and social benefits, aligning investment with sustainable growth. This proactive approach addresses the financial aspects of climate resilience and emphasizes the financial sector’s role in fostering a sustainable future. Since 2010, its Sustainable Finance Desk under the Institutional Banking Group has financed projects that pursue energy efficiency, pollution prevention and control, and sustainable management of natural resources and land use.

In particular, BDO has directed a significant portion of its business lending — 34% — toward environmental and social projects. Its ASEAN sustainability bond program, the largest of its kind in the Philippines, raised P52.7 billion for 39 projects encompassing renewable energy, roads & basic infrastructure, affordable housing, food security, and other green and social initiatives. Additionally, BDO has issued \$150 million worth of green bonds that finance seven renewable energy projects across wind, biomass, and hydro. More recently, BDO introduced a \$100-million blue bond program, the first of its kind in the country, dedicated to financing projects that enhance bulk water supply and improve wastewater management.

### SGV & CO.: WALKING THE TALK

SGV is at the forefront of managing its climate risks and spearheading solutions that empower its clients to enhance their management of climate risks and opportunities. The firm has taken decisive action to reduce its emissions, with a particular focus on power consumption, the primary source of its emissions.

By transitioning to renewable energy sources under the Department of Energy’s Green Energy Option Program (GEOP), the firm has made significant strides in cutting down emissions related to electricity. This program enables consumers to switch from conventional energy supplies to renewable sources.

The firm’s portfolio of initiatives includes producing thought leadership reports and articles on sustainability and relevant regulations surrounding it, as well as crafting the annual SGV Sustainability Report and Beyond the Bottom Line publications.

SGV has further strengthened its capability to confront climate-related challenges by establishing a robust climate risk advisory team composed of climate science, geology, and engineering professionals. This strategic development equips the firm to analyze projected climate hazards, develop localized climate hazard information, and perform in-depth vulnerability assessments across assets and portfolios — overcoming a major hurdle in crafting effective climate resilience strategies for its clientele.

### ADVANCING THE PHILIPPINE SUSTAINABILITY JOURNEY

Today, Philippine companies are not only safeguarding their future — they are actively shaping the narrative of sustainable development. As we can see from the above examples, businesses, in close cooperation with government, are pivotal in steering the country toward a resilient, sustainable trajectory.

In a rapidly evolving business landscape, further shaped by the pressing imperatives of climate dynamics, trailblazing entities can offer blueprints for action. Through innovative approaches to the intertwined risks and opportunities of climate change, companies can find new ways to gain a competitive edge in an economy increasingly defined by sustainability.

*This article is for general information only and is not a substitute for professional advice where the facts and circumstances warrant. The views and opinions expressed above are those of the author and do not necessarily represent the views of SGV & Co.*

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