

MAP urges House to renew Meralco franchise

THE MANAGEMENT Association of the Philippines (MAP) on Thursday urged congressmen to approve the franchise renewal application of Manila Electric Co. (Meralco) to ensure reliable electricity for people and companies.

"We urge the House of Representatives committee on legislative franchises to favorably consider Meralco's positive impact and approve its franchise renewal, thereby ensuring stability in

the power sector and ultimately serving the best interests of the Filipino people and the Philippine economy," the business group said in a statement.

MAP President Rene D. Almendras and MAP Energy Committee Chairperson Ruth Y. Owen, signed the statement.

Albay Rep. Jose Maria Clemente "Joey" S. Salceda earlier filed a bill that seeks to extend the power distributor's franchise,

which will expire in 2028. House Bill No. 9793 also aims to expand Meralco's franchise area.

"MAP recognizes Meralco's commitment to green energy as it actively champions the government's renewable energy (RE) goals by supporting programs under the RE Act of 2008," the group said.

"Its franchise area boasts a remarkable 64% share of the Green Energy Option Program's total

energy consumption," it added. "It prioritizes operational efficiency and resiliency, meeting or even exceeding standards set by the Energy Regulatory Commission."

Meralco's electricity rates are "reasonable" and when adjusted to inflation, the average has fallen since the power industry was deregulated in 2001, the business group said, citing a report from Independent Energy Consultants (IEC).

"This focus on efficiency translates to cost savings for consumers."

MAP said that the power distributor has "consistently improved its system loss, achieving a rate below the mandated cap and ranking among the lowest nationwide."

Meralco also achieved almost 100% electrification within its franchise area, the business group said.

Meralco is the main power distributor for Metro Manila and

nearby areas covering 39 cities and 72 municipalities.

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. — Sheldon Joy Talavera

South China Sea,
from SI/1

The Philippines has also been reporting increasing Chinese presence in features near Reed Bank, a large tablemount in the waterway that according to the US Energy Information Administration could hold up to 5.4 billion barrels of oil and 55.1 trillion cubic feet of natural gas.

As the country deals with the potential depletion of its sole indigenous source of natural gas — the Malampaya gas field, there's been growing focus on the waterway's economic importance.

Two Philippine tycoons recently backed the government's efforts to defend the country's claims in the waterway, with San Miguel Corp. Chief Executive Officer (CEO) and President Ramon S. Ang citing its vast energy potential.

"We have a big reserve in the West Philippine Sea," he said at a government economic briefing earlier this week, referring to parts of the South China Sea that fall within the Philippine EEZ.

Manny V. Pangilinan, chairman and CEO of Manila Electric Co. (Meralco), said Mr. Marcos "has been making the right decisions" amid tensions with China.

"We fully support what he's been doing," he said last month.

PXP Energy Corp., which is chaired by Mr. Pangilinan, has struggled conducting drilling and exploration activities for its Reed Bank concession or Service Contract 72.

VITAL TO TRADE

Joshua Bernard B. Espena, vice-president at Manila-based International Development and Security Cooperation, said the Philippines is on the right track of "internationalizing" the dispute with China since the South China Sea is vital to international trade.

He said China keeps on insisting that disputes in the waterway should only involve claimants, but the Marcos government has "resisted" and kept doing what it needed to do — "unilateral and unilateral approaches to contain Chinese excessive moves so that the Philippines might stand to gain amid geopolitical shifts."

"This is vital given the limitations on the Philippines' capability to protect its fishers and deny Chinese arrests," he said in a Facebook Messenger chat.

On the other hand, Ateneo de Manila University economics professor Leonardo A. Lanzona said the Marcos administration's South China Sea policy may be "frightening investment out of the Philippines."

"The exodus of firms from China because of these geopolitical issues is unlikely to benefit the country since the government has put the Philippines at the center of this tension," he said via Messenger chat.

"Southeast Asian countries even closer to China, such as Thailand and Vietnam, are taking advantage of this situation as the firms exiting China are moving into their borders," he said, noting that these countries are unlikely to get involved in the issue.

Mr. Lanzona said Manila should maintain stable diplomatic ties with China even as it defends its sovereignty and "most importantly focus on making our industry more attractive to investors."

The Philippines has gained strong international support after it launched a transparency campaign last year that seeks to expose China's aggressive acts within the Philippine EEZ such as the use of water cannons and dangerous maneuvers.

Mr. Marcos is set to deliver a keynote message for the IISS Shangri-La Dialogue in Singapore on May 31.

Beijing recently announced a four-month fishing ban in the entire waterway, just weeks after it adopted a policy authorizing its coast guard to detain foreigners it

suspects of violating its exit-entry rules "in the waters under the jurisdiction of China" for up to 30 days — and in some cases for as long as 60 days — without a trial.

The Philippine military on Thursday said it had prepared contingency plans amid China's fishing ban and new coast guard policy, which it said will be handled by law enforcement agencies such as the Philippine Coast Guard.

"We have contingency plans in place," Armed Forces of the Philippines spokesperson Colonel Francel Margaret Padilla told ABS-CBN's Teleradyo Sibisyo, noting that Manila regularly conducts patrols within the Philippine EEZ.

"We also have additional resources that are available and on standby."

A group of fishermen from Zambales, Pangasinan, Bataan and Palawan provinces said their fishing rights are continuously threatened by harassment and intimidation from China's coast guard and maritime militia who are keeping Filipinos away from the rich waters."

While the Philippine Coast Guard and the Bureau of Fisheries and Aquatic Resources provide them effective protection, the government needs to step up efforts to provide "economic support services" to affected fishers "who are mostly neglected and left on their own with little state benefits," they said in a statement.

John Paolo R. Rivera, president and chief economist at Oikonomia Advisory & Research, Inc., said the South China Sea "will be an economic issue if the situation poses economic impacts to countries involved."

Over \$3 trillion worth of trade passes annually through the South China Sea.

Meanwhile, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said Manila is well-positioned to forge more economic partnerships with friendly nations amid increasing tensions with China.

China is the Philippines' largest source of imports and second-largest export market. On the other hand, the United States, a major defense ally that has backed Manila amid Beijing's intrusions at sea, is the largest destination of Philippine products and the fifth-largest source of imports.

A recent report from Nomura Global Markets Research said geopolitical concerns from the South China Sea dispute "could be an impediment to Chinese companies looking to diversify supply chains into the Philippines."

Philip Arnold "Randy" P. Tuazon, dean of the Ateneo School of Government, said via Messenger chat the expected establishment of an economic corridor on the main island of Luzon will help Manila in its efforts to diversify the country's trade ties away from China.

Philippine Ambassador to the US Jose Manuel Romualdez earlier said Washington and Tokyo, which has also been backing Manila in the South China Sea dispute, are expected to marshall \$100 billion worth of investments for the country in the next 5 to 10 years.

Ginebra San Miguel Q1 net income drops 25%

GINEBRA San Miguel, Inc.'s net income fell by a quarter to P1.9 billion in the first quarter (Q1) due to a one-time gain a year earlier, even as sales jumped.

Consolidated revenue rose by 17% to P15.1 billion as sales volume improved by 8%. Income from operations rose by 40% to

P2.3 billion, it said in a stock exchange filing on Thursday.

Ginebra's net income would have risen 38% excluding the one-time gain, it said. Earnings rose by 66% to a record P7 billion last year, while revenue climbed by 13% to P53.6 billion due to a bigger sales volume and higher prices.

"The one-time gain from the sale of Don Papa Rum rights further boosted the company's performance," the company said.

Ginebra is the hard liquor unit of San Miguel Corp. (SMC). The company is celebrating its 190th year.

Ginebra produces brands such as Ginebra San Miguel,

GSM Blue, Ginebra San Miguel Premium Gin, 1834 Premium Distilled Gin, Antonov Vodka, Añejo Gold Rum, G&T Ultralight Spirit Drink, Primera Light Brandy and Vino Kulafu.

Its shares fell by 2.15% or P4.60 to close at P209 each. — Revin Mikhael D. Ochave

EastWest Ageas says new products to drive revenue growth in 2024

EASTWEST Ageas Insurance expects its revenue to grow faster this year after it expanded by 30% in the first quarter, driven by new products to be sold in the second half, its top official said.

"The growth is actually going quite fast," Sjoerd Smeets, president and chief executive officer at EastWest Ageas, told a news briefing on Thursday. "The real growth is now kicking in."

The life insurance company, which started in 2015 is a joint venture of East West Banking Corp. and Ageas Insurance International.

Mr. Smeets said sales growth last quarter was driven by the growth in policyholders and more product launches.

He said the company expects information technology investments made by the company in

2023 to boost operations and the recruitment of more agents.

"Last year was loss-making but this year, I can say in general, the company is very positive," he said, adding that they plan to add life insurance products by August.

EastWest Ageas serves at least 13 countries in Europe and Asia, with about 47 million customers, 250,000 of which are from the Philippines.

It expects to its policyholders in the Philippines to increase because more Filipinos want to get insured, the company said, citing its own survey.

The insurance industry is not affected too much by economic headwinds such as high inflation and interest rates, Rowena Jongco-Empalmado, EastWest Ageas chief operating officer, told the same briefing. — Ashley Erika O. Jose

Power Maintenance Updates
by **MERALCO ADVISORY**

TUESDAY, JUNE 4, 2024

BATANGAS PROVINCE (BATANGAS CITY)

BETWEEN 10:00AM AND 1:00PM – PORTION OF CIRCUIT PALLOCAN WEST 312PAL

Portion of Dumulay Road from near Dumulay Day Care Center to and including Sitio 5, Sitio Cadilim, Sitio Maulab, Sitio Dumulay South and Purok 1 – 7; Brgys. Conde Itaas, Conde Labak, Dumulay, Santo Domingo, Talahib Pandayan and Talahib Papaya.

REASON: Relocation of poles affected by DPWH road widening project along Dumulay Road in Brgy. Dumulay, Batangas City, Batangas Province.

WEDNESDAY, JUNE 5, 2024

CALOOCAN CITY (BAGUMBONG AND CAMARIN)

BETWEEN 2:00AM AND 2:30AM AND THEN BETWEEN 7:30AM AND 8:00AM – PORTION OF CIRCUIT CAMARIN 430TC

Portion of Banana St. from near Zabarte Road to Avocado St. in Fransville II Subd. in Camarin.

Portion of Avocado St. from Banana St. to and including Balintawak Subd., Brixtonville Subd., Capitol Homes Site Subd., Congressional Model Subd., Doha Ana Subd., National Housing Authority - Camarin Medium Housing Project Subd., National Housing Authority - Camarin Residences 2 & 3 Subds., North Haven Condominium, Pag-asa Homesite Subd., Samaka Nisco Village and Sampaguita Subd. in Camarin.

Portion of Israel St. from Brazil St. to Denmark St. including Palmera Springs Phase 3 Subd. in Bagumbong; Mentors Village Subd. and Palmera Springs Phase 4 Subd. in Camarin.

BETWEEN 2:00AM AND 8:00AM – PORTION OF CIRCUIT CAMARIN 430TC

Portion of Russia Ave. from Germany Ave. to Israel Ave. in Palmera Springs Subd. Phase 3 in Camarin and Bagumbong.

Portion of Denmark Ave. from Israel Ave. to USA Ave. and including Recomville 5 Subd. in Bagumbong; El Paseo Subd. and Palmera Spring Subd. Phase 3-A in Camarin.

REASON: Replacement and installation of poles, and line reconductoring work in Palmera Springs Subd. Phase 3, Camarin, Caloocan City.

THURSDAY, JUNE 6, 2024

CALOOCAN CITY (BAGONG SILANG – KALIWA)

BETWEEN 12:30AM AND 5:30AM - PORTION OF CIRCUIT CAMARIN 433TC

Portion of Langit Road and Supremo Road from Silang Market Road to Babiyera St. in Phase 4 Package 5.

REASON: Line reconductoring work and replacement of poles along Langit Road in Bagong Silang – Kaliwa, Caloocan City.

NAVOTAS CITY (TANZA)

BETWEEN 10:00AM AND 3:00PM - PORTION OF CIRCUIT MALABON 414YD

Navotas Socialized Housing Project.

REASON: Relocation of facilities along Sampaguita St. in Navotas Socialized Housing Project, Brgy. Tanza, Navotas City.

THURSDAY TO FRIDAY, JUNE 6 – 7, 2024

CAVITE (CARMONA CITY)

BETWEEN 11:30PM (THU., 06/06/24) AND 4:30AM (FRI., 06/07/24) - PORTION OF CIRCUIT GMA 41XF

Portion of Governor's Drive from Congressional Road to and including Southwoods Industrial Park in Brgy. Mabuhay.

Portion of San Lazaro Road from Governor's Drive to and including Kuok Road; Canyon Ranch Subd. Phases 1, 2 & 3, Sitio Ulong Tubig; and Manila Jockey Club in Brgys. Mabuhay and Lantik.

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SATURDAY TO SUNDAY, JUNE 8 – 9, 2024

BATANGAS PROVINCE (BATANGAS CITY)

BETWEEN 11:00PM (SAT., 06/08/24) AND 3:00AM (SUN., 06/09/24) – PORTION OF CIRCUITS MERALCO – BOLBCO 33ZV AND 34ZV

Portion of P. Burgos St. from Vergara St. to and including M. H. Del Pilar, J. Pastor, Noble, D. Silang, C. Tirona, Evangelista and P. Panganiban Sts.; Nucit Central Mall, Inocencia Romero Byldg., Dayton Hotel, Chinabank BDO, Jollibee, Max's Restaurant, Herco Marketing, BPI, PNB, KFC, Bank of Commerce, Antonio A. Pastor Blvd., Metrobank, Batangas City Hall, St. Patrick's Hospital and Plaza Mabini in Batangas City proper.

Portion of DJPMM Access Road and Rizal Ave. from Batangas Port Access Road to P. Burgos St. including P. Gomez and P. Zamora Sts.; and Citimart Batangas in Batangas City Proper.

Portion of C. Tirona St. from D. Silang St. to and including P. Herrera, P. Prieto, Lt. Col. Danilo S. Atienza, P. Dandan, P. Canlapan and P. Zamora Sts.; Meaco Royal Hotel, Golden Gate Colleges and Bay City Mall in Batangas City Proper.

Portion of M. H. Del Pilar St. from P. Burgos St. to Lt. Col. Danilo S. Atienza St. including Mountview Park Subd.; University of Batangas, St. Bridget College and Minor Basilica – Parish of the Immaculate Conception of Mary in Batangas City Proper.

Portion of P. Herrera St. from Natividad St. to and including Lyceum of the Phils. University – Batangas Campus, Batangas City Engineer's Office and TESDA in Batangas City Proper.

REASON: Line reconstruction work along C. Tirona St. in Batangas City Proper, Batangas City, Batangas Province.

