China urges EU to be 'objective and fair' on South China Sea issue

BEIJING — China urged the European Union (EU) to be "objective and fair" and careful with words and actions on issues in the South China Sea, after the bloc remarked on an incident that occurred over the weekend.

China said it was "strongly dissatisfied" with the European Union's "accusations" against it on the issue, a statement by the Chinese mission to the EU showed.

"The European Union is not a party to the South China Sea issue and has no right to point fingers on the issue," it said.

It also said the EU's repeated "hyping up" on the freedom of navigation issue "has no benefits to the EU's own interests and international credibility."

China and the Philippines exchanged accusations of intentionally ramming coast guard vessels in disputed waters of the South China Sea on Saturday, the latest in an escalating series of clashes.

The collision near the Sabina Shoal was their fifth maritime confrontation in a month in a longstanding rivalry over the vital waterway.

The EU said in a Sunday statement that it condemned the "dangerous actions by China Coast Guard vessels against lawful Philippine maritime operations" in the sea.

In the statement, the European Union External Action Service said the recent incidents between Chinese and Philippines authorities "endanger the safety of life at sea, and violate the right to freedom of navigation and overflight to which all nations are entitled under international law." — ***Reuters***

REUTERS

A MEMBER of Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) fire brigade works to extinguish a fire rising in Amazon rainforest in Apui, Amazonas state, Brazil, Aug. 8.

Brazil's Amazon rainforest fires reach 14-year high

SAO PAULO — The number of fires in Brazil's Amazon rainforest region for the month of August surged to the highest level since 2010, government data showed on Sunday, after a record drought that has been plaguing the biome.

Last year's rains came late and were weaker than usual because a weather pattern, known as El Niño, was supercharged by climate change, leaving the rainforest especially vulnerable to this year's fires.

Satellites detected 38,266 fire hotspots in the Amazon in August, more than double compared to the previous year and the largest number for that month since 2010, data from Brazil's National Institute for Space Research (INPE) showed.

The August data reaching a 14-year high comes after last month's fire hotspots in the region surged to a two-decade high.

While the data is the fastest indicator of the state of fires in the region, which often peak between August and September, it does not indicate the intensity.

Fires in the naturally wet and humid biome often start on cattle ranches where locals are converting the jungle into pastures for cattle ranching.

Warmer air and drier vegetation have created conditions where fires can spread more rapidly as well as burn more intensely and for longer. Deforestation has also reduced the rainforest's ability to produce rain and humidity.

Helga Correa, a conservation specialist at World Wildlife Fund-Brasil, said in an initial assessment of the August data last week that the fires were driven by a combination of weather, climate change and human actions.

"The region where we detected concentrated smoke in August coincides with the so-called Arch of Deforestation, which includes the north of Rondonia, the south of Amazonas and the southwest of Para," she said.

"This indicates that, in addition to climate change and El Niño, changes in land use produced by humans play a central role in the increase in fires," she said. — ***Reuters***

Germany's Scholz worried by far-right surge in regional polls

BERLIN — German Chancellor Olaf Scholz called the results of two regional elections that saw big wins for the far-right AfD and losses for his coalition "bitter" and urged mainstream parties to form governments without "right-wing extremists."

The Alternative for Germany (AfD) became the first far-right party to win a state legislature election in Germany since World War II with its result in weekend voting in Thuringia. It came a close second behind the conservatives in Saxony, projections late on Sunday showed.

But the AfD, deemed "right-wing extremist" by security officials in both of the east German states, is unlikely to be able to govern as other parties have so far refused to collaborate with it to form a majority.

Still, the nationalist, anti-migration and Russia-friendly party could end up with enough seats in both states to block decisions requiring a two-thirds majority such as the appointment of judges or top security officials, giving it unprecedented power.

"The results for the AfD in Saxony and Thuringia are worrying," Mr. Scholz said in a statement to Reuters. He clarified he was talking as a lawmaker for his center-left Social Democrats (SPD).

"Our country cannot and must not get used to this. The AfD is damaging Germany. It is weakening the economy, dividing society and ruining our country's reputation."

With a year to go until Germany's national election, the results on Sunday punished Mr. Scholz's fractious coalition, which could aggravate infighting.

All three ruling parties lost votes, with only his SPD comfortably clearing the 5% threshold needed to stay in the two states' parliaments.

Populist leftist newcomer, the Sahra Wagenknecht Alliance (BSW), founded by a former member of the East German Communist Party, did better than all of three coalition partners in its first state elections, coming in third place.

"Sunday's election results are bitter — for us too," Mr. Scholz said. But he noted that the more dire predictions, that the SPD might fall out of a state parliament for the first time, had not materialized.

Junior coalition partners the Greens and pro-business Free Democrats both fell out of the Thuringia state assembly.

Sunday's results could also pressure the government to be tougher on immigration and intensify the debate over support for Ukraine, issues that dominated the campaign. — ***Reuters***

New unproductive forces:
The Chinese youth owning their unemployment

BEIJING — After quitting the education industry last August due to China's crackdown on private tutoring, He Ajun has found an unlikely second life as an unemployment influencer.

The Guangzhou-based vlogger, 32, offers career advice to her 8,400 followers, charting her journey through long-term joblessness. "Unemployed at 31, not a single thing accomplished," she posted last December.

Ms. He is now making around 5,000 yuan ($700) per month through ads on her vlogs, content editing, private consultations and selling handicrafts at street stalls.

"I think in future freelancing will be normalized," said Ms. He. "Even if you stay in the workplace, you'll still need freelancing abilities. I believe it will become a backup skill, like driving."

China is under instruction to unleash "new productive forces," with government policies targeting narrow areas of science and technology including artificial intelligence (AI) and robotics.

But critics say that has meant weak demand in other sectors and risks leaving behind a generation of highly educated young people, who missed the last boom and graduated too late to retrain for emerging industries.

A record 11.79 million university graduates this year face unprecedented job scarcity amid widespread layoffs in white-collar sectors including finance, while Tesla, IBM and ByteDance have also cut jobs in recent months.

Urban youth unemployment for the roughly 100 million Chinese aged 16-24 spiked to 17.1% in July, a figure analysts say masks millions of rural unemployed.

China suspended releasing youth jobless data after it reached an all-time high of 21.3% in June 2023, later tweaking criteria to exclude current students.

Over 200 million people are currently working in the gig economy and even that once fast-growing sector has its own overcapacity issues. A dozen Chinese cities have warned of ride-hailing oversaturation this year.

Redundancies have even spread to government work, long considered an "iron rice bowl" of lifetime employment.

Last year Beijing announced a 5% headcount reduction and thousands have been laid off since, according to official announcements and news reports. Henan province trimmed 5,600 jobs earlier this year, while Shandong province has cut nearly 10,000 positions since 2022.

Meanwhile, analysts say China's 3.9 million vocational college graduates are mostly equipped for low-end manufacturing and service jobs, and reforms announced in 2022 will take years to fix underinvestment in training long regarded as inferior to universities. — ***Reuters***

FULL STORY

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Coco farmers call for bigger role in replanting program

THE Philippine Coconut Authority (PCA) needs to rope in more coconut farmers' groups and cooperatives in carrying out its tree replanting effort, an industry group said.

"They want the participation of the farmers... they have not been using established farmers' organizations. I think they are dealing with localized groups as they see fit," Confederation of Coconut Farmers' Organizations of the Philippines, Executive Director Charles R. Avila told *BusinessWorld*.

Last year, President Ferdinand R. Marcos, Jr. ordered the PCA to draft a plan to rehabilitate the coconut industry, including the planting of 100 million coconut trees by 2028.

"(Farmers' groups) have been waiting for more than a year now since it was first announced that they would be willing to work with the farmers' organizations. Specifically at the national level," Mr. Avila added.

The rehabilitation plan aims to address the advanced age of the nut-bearing trees. The PCA is seeking to replant about 8.5 million trees this year.

He said that a majority of the Philippines' fruit-bearing coconuts are now senile and have become candidates for monetization into coco lumber.

"If they can, for example, plant or replant this year, more than 5 to 8 million, that would be quite an achievement. But how far is that from the 100 million coconut trees that we need?," he said.

Last week, the President allocated an additional P1 billion to the PCA for the coconut replanting operation in 2025, while an additional P2.5 billion set aside for fertilization.

WIRESTOCK-FREEPIK

"It would be a big help if properly used... that is not a small amount. But at the same time, the objective need for replanting cannot be denied," Mr. Avila added.

Under the Philippine Coconut Industry Development Plan 2024-2034 the replanting project is expected to increase coconut production by 4.7 billion nuts, valued at P33.1 billion, by 2034.

By 2025, the PCA aims to replant 15.3 million, followed by 25.4 million annually between 2026 and 2028.

Mr. Avila also said that the government should allocate more funding towards creating integrated coconut processing plants.

"In that way of thinking, we can have a national structure for industrialization, which we don't have," he added.

As of the second quarter, the volume of coconut production rose 1.5% year on year to 3.41 million metric tons, according to the Philippine Statistics Authority. — **Adrian H. Halili**

PHL could carve out niche in cybersecurity — OSAPIEA

THE GOVERNMENT is pursuing upskilling and reskilling efforts in order to position the country as a cybersecurity hub, Secretary Frederick D. Go said.

Mr. Go, who heads the Office of the Special Assistant to the President for Investment and Economic Affairs (OSAPIEA), said: "We are looking at how we can create a niche for ourselves in the global market for cybersecurity."

"As you all know, we are already a leader in the business process outsourcing (BPO) industry; we have the second largest industry in the world," he told reporters on the sidelines of Franchise Asia Philippines 2024 on Monday.

"So, we are looking forward to what the next opportunity may be; we think it is in cybersecurity," he added.

In particular, he said that the government is looking to train up the workforce in artificial intelligence and cybersecurity.

"I think for us it's an opportunity and a threat at the same time. But obviously the government has to address, I think more importantly, the opportunity side, the training, reskilling, and upskilling of our people," he added.

He said that the government is also in discussions with education and the private sector in terms of preparing the workforce.

"There's a lot of discussion in the education sector about how to prepare our workforce for that opportunity," he said.

"There's also a lot of discussion with the private sector, about how the employers, like the BPOs, can assist the government in determining the needs and wants of the employers so that we can train our workforce to fit the requirements of the job providers," he added.

In 2023, the information technology and business process management industry tallied 1.7 million direct jobs and $35.5 billion in export revenue, with a projected headcount of 1.84 million and $40 billion in revenue in 2024.

FRANCHISING

Meanwhile, Mr. Go identified the franchising industry as a key driver of the development for micro-, small- and medium-sized enterprises.

"These enterprises provide crucial support to the economy and contribute significantly to our economy," he said.

He said the government seeks to continue creating favorable conditions for franchisees to thrive.

In particular, he said that the foreign trade desks of the Department of Trade and Industry (DTI) are helping promote the Philippine brand overseas.

"In all the important economies of the world, in our embassies, there is a foreign trade desk under the DTI, and one of their primary roles is really to promote Philippine products and services to the host country," he said.

"So that could be through selling Filipino products as well as trying to promote the franchising of Filipino brands in their host country," he added.

In terms of funding, he said that franchisees could also tap the DTI for assistance.

Acting Trade Secretary Cristina Aldeguer-Roque has said that the DTI will now offer franchise funding for selected brands.

"I'm working closely now with the Philippine Franchise Association for the top 20 franchises that will be given, those that are trending, and those that can really move quickly," Ms. Aldeguer-Roque said. — **Justine Irish D. Tabile**

NCR retail price growth picks up in July

RETAIL PRICE growth of general goods in Metro Manila inched up in July, the Philippine Statistics Authority (PSA) reported on Monday.

Citing preliminary data, the PSA said the general retail price index (GRPI) in the National Capital Region (NCR) grew 1.9% in July, accelerating from 1.8% in June, though weaker than the year-earlier reading of 3.9%.

In the year to date, GRPI growth averaged 2.1%.

"The primary contributor to the uptrend in the annual rate of GRPI in NCR was the higher annual increase observed in the index of mineral fuels, lubricants and related materials," the PSA said.

"The slight pickup is consistent with overall inflation that picked up to 4.4% in July 2024, the fastest in nine months, largely after the effects of Typhoon Carina that caused disruptions in hard-hit areas, especially in Metro Manila," Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp., said in an e-mail.

Price growth accelerated in mineral fuels, lubricants and related materials (7.4% from 5.7%), crude materials, inedible except fuels (1.1% from 0.8%), chemicals, including animal and vegetable oils and fats (2.2% from 2%), and manufactured goods classified chiefly by materials (1.2% from 1.1%).

On the other hand, commodity groups where price growth eased were beverages and tobacco (2.4% from 2.6%), and machinery and transport equipment (0.3% from 0.4%).

Growth of food and miscellaneous manufactured articles held steady at 2.4% and 1.5%, respectively. — **Karis Kasarinlan Paolo D. Mendoza**