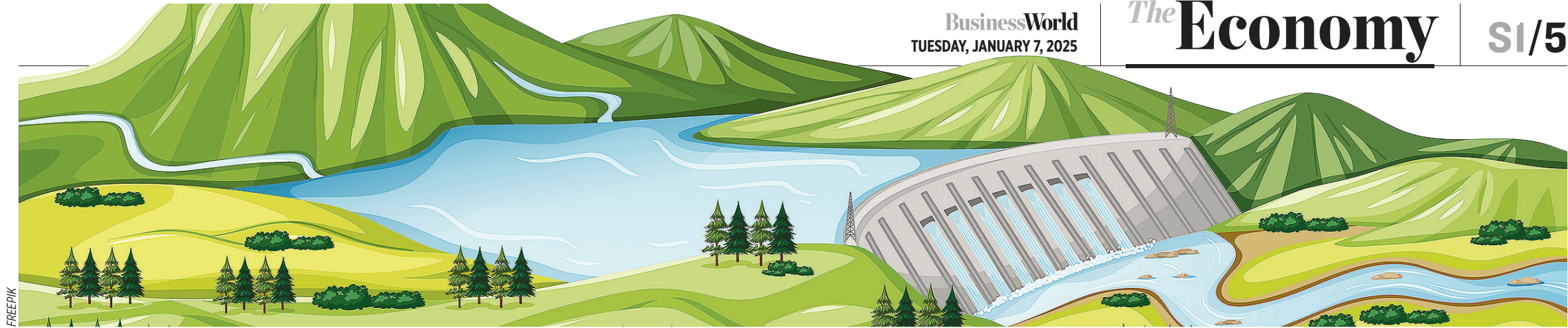




Run-of-river hydro excluded from 3rd green energy round

THE Department of Energy (DoE) said it has dropped run-of-river hydro from the third round of the green energy auction (GEA-3), which will be delayed to next month.

“The DoE will exclude the run-of-river (RoR) hydro from GEA-3 in view of the ongoing Feed-In-Tariff (FIT) System for RoR Hydro, which to date remain undersubscribed,” the department said in a statement at the weekend.

Consequently, the Energy Regulatory Commission (ERC) will no longer release the green energy auction reserve price, or the ceiling price used in the auction, for RoR.

Run-of-river, a technology initially offered in the GEA, is also eligible for FIT.

GEA and FIT programs are both designed to promote renewable energy. GEA conducts competitive bidding to determine prices, whereas FIT offers fixed rates set by the government.

Both programs are aimed at increasing the share of renewable energy in the power generation mix.

“The DoE will continue supporting and providing appropriate market mechanisms for RoR Hydro and other emerging RE technologies,” it said.

With the exclusion of RoR, the DoE is set to offer non-FIT eligible technologies such as geothermal, impounding hydro, and pumped-storage hydro with a total capacity of 4,650 megawatts (MW).

The government will auction 100 MW worth of geothermal capacity, 300 MW of impounding hydro, and 4,250 MW of pumped-storage hydro.

The auction proper for GEA-3 is scheduled on Feb. 11.

ERC Chairperson and Chief Executive Officer Monalisa C. Dimalanta confirmed the exclusion of RoR, saying that the commission had to defer a

resolution on the GEA price of RoR due to the issue of “parallel implementation” of the FIT and GEA.

“We were asking if it’s possible to actually to parallel programs because (RoR) has FIT... Then the DoE decided to retain it under FIT so we will now sit down and discuss a revision to the FIT rate,” Ms. Dimalanta said at a briefing on Monday.

The government held the first GEA in 2022, auctioning off 1,996.93 MW worth of renewables, while the second round was concluded in 2023, auctioning off 3,440.756 MW. — **Shelden Joy Talavera**

Asia-Pacific exports to rise up to 3.5% — ESCAP

MERCHANDISE exports in the Asia-Pacific region are expected to grow by up to 3.5% in 2025 despite a slower recovery in major economies and potential trade tensions, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) reported.

“Significant uncertainties, including slower-than-expected recovery in major economies and potential trade tensions, dampen growth prospects in 2025 compared to 2024 levels,” ESCAP said on Monday.

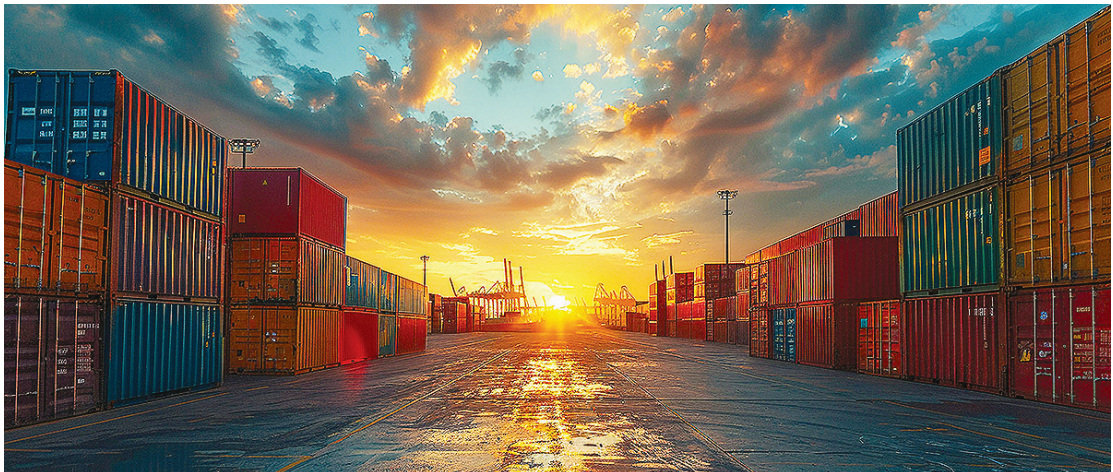
“Given these risks, ESCAP projects real merchandise exports in the region to grow between 2.7% and 3.5% in 2025, with developing economies experiencing more modest growth than developed economies,” it added.

In 2024, real exports in the Asia-Pacific region grew 3.4% in 2025, outperforming the global export growth rate of 1.8%.

Meanwhile, the region’s real imports also grew 3.6%, outpacing the 2.2% global growth rate.

“Asia and the Pacific outperformed global trade averages in 2024, revealing the region’s resilience and leadership in global trade and investment amidst significant economic uncertainties,” it said.

According to ESCAP, the stronger trade growth in the region



could be attributed to regional economic recovery and less subdued consumer spending.

In 2024, intra-regional trade accounted for 60% of the region’s total exports, which ESCAP said reflects the adjustments of the regional supply chain to geopolitics and structural changes.

Meanwhile, ESCAP projects commercial services exports and imports in the region to grow 8% and 10.9% this year, respectively, amid expansion in the travel and digital sectors.

“Developed economies are anticipated to outperform others in the region. While more resilient, commercial services trade may face indirect downward pressures from disrupted merchandise trade and policy uncertainty,” it said.

In 2024, Asia-Pacific commercial services exports and imports grew 8.6% and 6.2%, respectively, outperforming global growth.

“This was primarily driven by the recovery of travel services, accounting for 20.5% of the region’s exports, alongside significant growth in construction, goods-related services, and digitally deliverable services,” ESCAP said.

ESCAP said that the region remained a top foreign direct investment (FDI) destination in 2024, due to its domestic market growth and proximity to consumers.

The communications industry posted growth of 69% to \$40 billion. It was the second-largest industry after renewable energy (RE) at \$58 billion.

However, the region saw a 14% decline in greenfield FDI inflows

despite growing investment in climate projects.

ESCAP said that India was the region’s top FDI destination last year after attracting \$76 billion worth of investment, mainly in semiconductor and RE.

Meanwhile, the region continued to be the largest contributor to the build-up of preferential trade agreements (PTAs). It accounted for nearly 60% or 374 of global PTAs.

“New agreements signed this year indicate a continuing trend towards diversifying trade partners with economies outside the region as well as the growing inclusion of sustainable development and digital trade provisions,” ESCAP said. — **Justine Irish D. Tabile**

Rice,
from SI/1

Earlier, the DA said that it would remove labels for imported rice, which allegedly misled consumers and justified higher prices.

The department also banned the use of marketing terms like “premium” and “special” in the imported rice trade, which it said were pretexts for charging more.

Mr. De Mesa added that imported rice would now be labeled with the country of origin, type, and amount of broken rice content.

“One thing is clear, people are very brand conscious. The problem is in the label, but they are all the same; they are not premium or special,” Mr. Tiu Laurel added.

According to the DA’s price monitoring of Metro Manila markets, as of Jan. 4, a kilogram of imported special rice sells for between P54 and P65 lower compared with the P58 and P65 per kilo a year ago. On the other hand, imported premium rice was seen between P52 and P60 per kilo as of Jan. 4 from P54 and P62 per kilo in 2024.

“The P60 per kilo price for imported rice seen in the market is already profiteering, in my opinion,” Mr. Tiu Laurel said.

The agency is also set to meet with the departments of Trade



A MAN unloads sacks of rice at a store along Dagupan St., Manila.

and Industry, and Interior and Local Government, the Bureau of Internal Revenue, and the Philippine National Police to finalize the guidelines of the MSRP and address the profiteering of rice traders.

“We need to sort out our remedies, on how it would be labeled as profiteering, we will use that, and hopefully people will follow,” he added.

Sought for comment, former Agriculture Undersecretary Fermin D. Adriano said in a Viber message that implementing price controls would not work “if DA does not go after big-time wholesalers and importers.”

In a Viber message, Federation of Free Farmers National Manager Raul Q. Montemayor warned that imported rice may be rebranded as local rice to avoid price controls.

“They must have a firm basis for setting the maximum prices,” Mr. Montemayor said, adding that various types, brands, and shipping costs should be taken into account when pricing imported rice.

He added that the DA should also determine if profiteering is being done by importers, wholesalers, and retailers.

“Right now, all the effort seems to be directed at retailers, but we also need to look at the margins

of importers and wholesalers and check if these are not excessive,” he said.

In a Viber message, Samahang Industriya ng Agrikultura (SIN-AG) Executive Director Jayson H. Cainglet said the group had previously suggested the imposition of a price cap on rice, using Republic Act No. 12022 or the Anti-Agricultural Economic Sabotage Act as the basis.

Under the law, agricultural smuggling, hoarding, profiteering, and its financing are considered as economic sabotage.

The law also imposes fines equivalent to five times the value of any smuggled or hoarded agricultural products, with violators also facing the prospect of life imprisonment.

Mr. Cainglet said the government has not yet determined if there are cartels responsible for hoarding and manipulating rice supply and prices.

He noted imported rice should be priced between P38 and P40 per kilo after tariffs were lowered.

As of Jan. 4, imported well-milled rice was seen between P40 and P54 per kilo in Metro Manila markets, while a kilo of regular-milled rice fetched for P40 to P48 per kilo.



INVITATION TO BID
FOR THE SALE OF PORTIONS OF PSALM'S MAIBARARA PROPERTY
2nd Round of Bidding
(Project Reference No. PBAC-REA-PB-MPA-2024-004-02)

The Power Sector Assets and Liabilities Management Corporation (PSALM) through its Privatization Bids and Awards Committee (PBAC) invites Interested Parties to participate in and bid for the sale, through public bidding on an “As-Is, Where-Is” basis, portions of its Maibarara Properties with the following details:

1. Subject of the Bid (the “Properties”)

Project Reference Number	Property/Asset	Location	No. of Lots	Indicative Total Land Area (sq. m.)
PBAC-REA-PB-MPA-2024-004-02	Portions of Maibarara comprising of the following Lots: 1. Lot No. 5255-B 2. Lot No. 5253-A 3. Lot No. 4256-A	San Rafael, Sto. Tomas City, Batangas and Calamba City, Laguna	3	58,911

2. Minimum Bid Price.

The Minimum Bid Price for the sale of the Properties is **Four Hundred Seventy-Three Million One Hundred Sixty-Eight Thousand One Hundred Pesos (PHP473,168,100)**. Bids received below the Minimum Bid Price shall be automatically rejected at bid opening.

3. Bid Security.

The Bid Security shall be in an amount equivalent to at least ten percent (10%) of the Minimum Bid Price and shall be in cash, cashier's/manager's check or Stand-By Letter of Credit (SBLC) issued by any commercial or universal bank licensed to do business and operating in the Philippines.

Bidders who opt to submit the Bid Security in the form of cash shall deposit the same through telegraphic transfer at the following PSALM LBP account subject to presentation/submission of proof of fund transfer:

Name of Bank	:	Land Bank of the Philippines
Branch	:	Paseo de Roxas Branch
Account Name	:	Power Sector Assets and Liabilities Management Corporation (PSALM)
Account Number	:	1802-1019-68

A Bid Security in the form of manager's/cashier's check or SBLC shall be submitted as part of the bid envelope.

4. Terms of Payment.

Within ten (10) Business Days from receipt by the Winning Bidder of the Notice of Award, the Winning Bidder shall make a **one-time full payment** of the Purchase Price in accordance with the payment instruction to be issued by PSALM.

5. Other Terms and Conditions

a. The sale is on an “As Is, Where Is” basis.

b. Bidding is open to individuals/sole proprietorships, cooperatives, corporations, or partnerships duly registered and organized under the laws of the Philippines and at least 60% Filipino-owned, joint ventures or consortiums, government corporation/entities, and Local Government Units (LGUs) authorized by law to acquire, own, hold, or develop real properties in the Philippines.

c. Interested Parties may download the **Bidding Package** at the PSALM website (<https://www.psal.gov.ph>) from 2 January 2025 until two (2) Business Days prior to Bid Submission Deadline. Alternatively, an electronic copy of the Bidding Package may be sent by PSALM through electronic mail to Interested Parties. The Bidding Package shall include the Bidding Procedures and the Property Profile.

In order for an Interested Party to be allowed further participation in the bidding process, it shall pay a non-refundable fee in the amount of **One Hundred Thousand Pesos (PHP100,000.00)** (the “**Participation Fee**”). Only Interested Parties that have secured and accepted the Bidding Package and paid the Participation Fee by at least two (2) Business Days prior to Bid Submission Deadline will be allowed to further participate in the bidding process.

d. The Participation Fee can be deposited through the PSALM LBP Account with the details mentioned in Item No. 3 above, subject to presentation/submission of proof of fund transfer.

e. The Winning Bidder shall pay for all applicable taxes, licenses, fees, and charges due on the sale transaction and all unpaid taxes, fees, and/or expenses, such as, but not limited to, capital gains tax or creditable withholding tax, whichever is applicable, documentary stamp tax, registration and transfer fees, and all other expenses and charges, as applicable, to cause the transfer of the title to the Winning Bidder.

f. The Winning Bidder, if not a Party to the LLA, shall respect and protect the leasehold rights of MGI over the Properties pursuant to the Land Lease Agreement (LLA) executed among the National Power Corporation, PSALM and Maibarara Geothermal, Inc. (MGI) on 2 May 2012 and LLA between PSALM and MGI executed on 12 July 2024.

g. The Winning Bidder shall devote the Properties for the exploration, development and utilization of geothermal resources pursuant to Proclamation No. 1111, s. 1973 and Geothermal Renewable Energy Service Contract (GRES) No. 2010-02-012 awarded by the DOE to MGI, as maybe amended or renewed.

6. Schedule of Bidding Activities

The Schedule of Bidding Activities is as follows:

Due Diligence Period	:	2 January 2025 until two (2) Business Days prior to the Bid Submission Deadline
Pre-Bid Conference	:	15 January 2025, 2:00 PM
Bid Submission Deadline	:	30 January 2025, 2:00 PM

The opening and evaluation of bids shall be conducted at the PSALM Office, 10th Floor Vertis North Corporate Center 1, Astra corner Lux Drives, North Avenue, Brgy. Bagong Pag-as, 1105 Quezon City.

Should there be a failure of Bidding in case of participation of one interested party, PSALM may negotiate with the lone Bidder/entity who submitted its Bid during the Bid Submission Deadline and the lone Bidder's Bid shall be considered an offer to buy the Properties for the purpose of a Negotiated Sale on cash basis. Provided that the Bidder's Financial Bid is not less than the MBP. The negotiated sale shall be done in accordance with the Negotiation Procedures which is an integral part of the Bidding Procedures.

The PBAC reserves the right to accept or reject any Interested Party/Bidder or proposals/bids therefrom, or any part thereof, and/or to waive any defects contained therein, and accept the offer most advantageous to the Government, without offering any reason whatsoever. The PBAC does not assume any obligation to compensate or indemnify parties for any expense or loss that they may incur as a result of their participation in the bidding process, nor does it guarantee that an award will be made.

Bidders shall be notified of any modifications or changes in the Bidding Procedures through the issuance of a Supplemental Bid Bulletin.

For further information, please refer to:

THE CHAIRPERSON
Privatization Bids and Awards Committee
Power Sector Assets and Liabilities Management Corporation
10th Floor Vertis North Corporate Center 1
Astra corner Lux Drives North Avenue, Brgy. Bagong Pag-as
1105 Quezon City
e-mail address: pbacsecretariat@psalm.gov.ph
Telephone No.: (02) 8248 4800
Website: <https://www.psal.gov.ph>

DENNIS EDWARD A. DELA SERNA
Chairperson
PSALM Privatization Bids and Awards Committee

This Invitation to Bid advertisement should have been published on January 2, 3, and 4, 2025, in BusinessWorld.