MPIC unit opens 3.5-hectare Bulacan greenhouse complex

MPAV

METRO PACIFIC Agro Ventures (MPAV), a unit of Metro Pacific Investments Corp. (MPIC), opened a 3.5-hectare vegetable greenhouse complex on Tuesday in San Rafael, Bulacan.

Metro Pacific Fresh Farms (MPFF) is planned for eventual expansion to seven hectares, MPAV CEO and President Jovy I. Hernandez told reporters.

The first phase of MPFF, consisting of six greenhouses, promises yields equivalent to five times those of traditional farms, promising up to 500 metric tons of fresh vegetables annually.

The farm can produce around 60,000 heads of lettuce each month.

Aside from leafy vegetables, the greenhouses also produce melons and tomatoes, among others, which will be sold under the brand name More Veggies Please.

"The vision behind these investments is an agriculturally independent Philippines," MPIC Chairman, President, and CEO Manuel V. Pangilinan said.

"We want to help build a nation that's capable of feeding all of its people."

The greenhouse is equipped with technology developed by the LR Group, an Israeli agribusiness company.

The technology includes a nutrient film technique for leafy greens and drip irrigation systems for other types of vegetable, enabling efficient growing with less resources than in conventional agriculture.

This allows vegetables to be grown using 90% less water and land, it said.

The greenhouses are designed to withstand typhoons as strong as Signal No. 4 in the Philippine storm warning classification, indicating winds exceeding 185 kph.

The MPFF facilities require less chemical pesticides and fertilizer, cutting exposure to contaminants by 90-99%.

Mr. Hernandez said MPFF removes middlemen from the value chain, with the produce — harvested every 27 days — directly delivered to its clients such as hypermarkets, hotels, restaurants, and food processors right after packaging.

Businesses can partner with MPFF in customizing their supply based on demand trends and customer preferences.

The company seeks to put up 10 satellite sites across the country in 10 years, according to Mr. Hernandez.

The Board of Investments granted the vegetable farm project green lane status in 2023 in recognition of its status as a strategic investment. — **Kyle Aristophere T. Atienza**

Israeli firms working on at least two PHL agricultural projects

By Kyle Aristophere T. Atienza *Reporter*

ISRAELI companies are working on poultry and cacao projects in the Philippines, Israel's ambassador to Manila Ilan Fluss told *BusinessWorld* on the sidelines of a greenhouse launch in Bulacan province.

He said Israeli companies are also exploring investments in healthcare, software, and telecommunications.

Israeli investors need to branch out overseas because of the small domestic market, Mr. Fluss said.

"The mindset of an Israeli businessman is international because the domestic market is not so big," he said. "So, we always look at the international market when we need to grow," he added.

"Israeli companies realize that the Philippines is a major market, and it's a country where there are so many opportunities," he added.

Mr. Fluss said one of the major challenges for Israeli companies seeking to do business in the Philippines is identifying a "solid" partner.

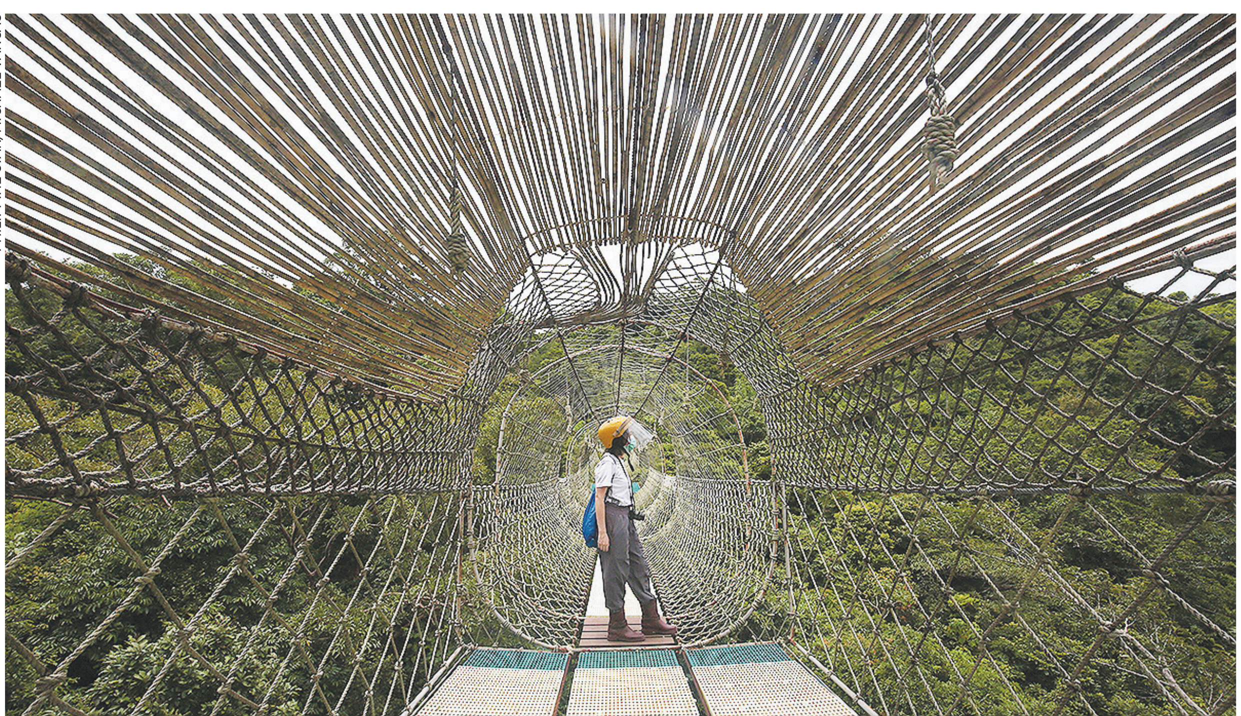
Seven Israeli business delegations visited the Philippines in 2024, representing the agriculture, water, cosmetics, and wine industries, as well as companies specializing in cybersecurity and disaster preparedness, he noted.

Israeli Foreign Minister Eli Cohen in 2023 told President Ferdinand R. Marcos, Jr. that the Philippines and Israel can collaborate in water management, given Israel's expertise.

"We would like to do more sharing of best practices (via) government-to-government (negotiations)," Mr. Fluss said.

The two countries' bilateral trade hit $532 million in 2023, against $534 million a year earlier.

Israeli exports to the Philippines in 2023 were valued at $349 million and included integrated circuits, vessels, and armored vehicles.



PHILIPPINE STAR/MICHAEL VARCAS

Masungi developer appeals DENR eviction order

MASUNGI GEORESERVE operator Blue Star Construction & Development Corp. urged the Department of Environment and Natural Resources (DENR) on Tuesday to reconsider its eviction order and resolve matters via dialogue, asserting that its 2002 contract with the government complies with procurement law.

In a statement, Blue Star added that it is not responsible for failing to build 5,000 housing units, citing an unresolved squatter problem.

"To date, the contractual project timeline has not commenced due to the DENR's inability to clear the site of illegal occupants and claimants," it said.

The DENR on March 7 canceled its 2002 supplemental agreement with Blue Star, citing the company's alleged failure to execute the housing project and calling the deal illegal. It also ordered the company to vacate its 300-hectare site within the georeserve.

Blue Star said it formally received the notice of cancellation and eviction on March 17.

Blue Star said the 2002 contract explicitly states that the project will begin 15 days from DENR's delivery of land free from encumbrances and adverse claims, "conditions essential for peaceful, safe and lawful project implementation."

"These safeguards were specifically designed to prevent the setbacks encountered in the previous, similarly encumbered site."

Blue Star signed a joint venture agreement with the DENR in 1997 for the survey, design construction, development and marketing of a project called "Garden Cottages" on a 130-hectare government property in Tanay, Rizal, according to a DENR statement.

The DENR said Blue Star obtained a supplemental agreement in 2002 that increased its project area by an additional 300 hectares "despite no substantial housing units built on the original 130 hectares awarded."

Blue Star reiterated that its Supplemental Joint Venture Agreement with the DENR in 2002 adhered to applicable government procurement laws.

"Public bidding is not required for repeat orders or supplemental agreements within the original contract cost, as provided under Presidential Decree 1594, which governed procurement rules at the time," it said.

"The reference to an expansion area of 300 hectares — compared to the original 130 hectares — is largely due to the presence of unbuildable karst terrain," it added. "The contract value, not the land area, is the relevant benchmark."

DENR Assistant Secretary for Legal Affairs Norlito Eneran has said the 2002 supplemental agreement is "now without basis" since the original joint venture agreement for the housing project was "never executed, and no bidding process occurred despite the five-year timeline."

Blue Star said the 2002 deal is valid and enforceable, and "does not require the prior issuance of a Presidential Proclamation alienating Lot 10 at the time of contract execution."

"The agreement reflects DENR's express undertaking to enable such alienation. Any absence of such proclamation is not attributable to Blue Star but rather falls under the DENR's purview," the company said.

In 2008, Blue Star negotiated to exchange the unbuilt 5,000 housing units in the 130-hectare project site for only 145 housing units in a 1.5-hectare site in Dasmariñas, Cavite.

The Masungi Georeserve Foundation recently said the eviction order threatens not only years of forest restoration, wildlife protection, and geotourism but also the livelihoods of up to 100 rangers and their families. — **Kyle Aristophere T. Atienza**

BoI targets Japan industrial estate, tourism developers

THE Board of Investments (BoI) said it is targeting Japanese developers for industrial and tourism-related land development activities in the Philippines.

"We told them, and as validated by (consultancy) Colliers, development of industrial areas will be a good segment to consider," BoI Industry Development Services Executive Director Ma. Corazon Halili-Dichosa said via Viber.

"As we get investment queries requiring large areas for manufacturing plants, power generation, or data centers, land development for industrial purposes is a good opportunity," she added.

She said Japanese developers were also invited to look into tourism-related activities.

The BoI held exploratory discussions on potential opportunities in real estate in the Philippines with Japan's Ministry of Land, Infrastructure, and Transport and Tourism (MLIT).

"They will bring home the information to their private sector groups and meet with us again," said Ms. Halili-Dichosa.

She said that the next meeting has no set date, but noted that the MLIT requested copies of the presentations.

According to BoI, the Philippines is an emerging destination for Japanese developers, featuring increasing demand for residential and commercial property.

"The BoI remains steadfast in its commitment to promoting real estate investment, striving to create a more business-friendly environment for investors," Ms. Halili-Dichosa said.

The MLIT, through its Joint Network for Overseas Real Estate Business program, "is exploring ways to facilitate the expansion of Japanese firms by collaborating with local governments and addressing institutional issues related to the overseas real estate industry."

Asked to comment, Colliers Research Director Joey Roi H. Bondoc said demand is growing for industrial space in South and Central Luzon as more heavy industry investments come in.

"Previously, industrial locators in Central Luzon were in light to medium manufacturing," he said.

He said that the more the country attracts high-value investment, the greater the demand for industrial land development.

"Since they are labor and capital-intensive, they will be requiring bigger parcels of industrial parks, not just industrial land but even industrial facilities, like the warehouses, for example," he added. — **Justine Irish D. Tabile**

Bataan shipmaker Herma sees new tanker servicing growing petroleum logistics demand

HERMA SHIPYARD, INC. (HSI) said it launched a petroleum tanker with capacity of 18 mega barrels (MB) from its Bataan facility, saying it is well-positioned to service growing demand for modern petroleum transport.

In a statement on Tuesday, Herma said the tanker Malawig is set to be operated by Herma Shipping and Transport Corp.

Herma Shipyard is also set to launch another 18-MB tanker in July.

Herma Shipyard and Herma Shipping are part of the Herma Group, established in 1985. Its businesses also include petroleum supply chain services, environmental management services, agribusiness, shared corporate services, and property development. — **Ashley Erika O. Jose**

Ongoing spending capped at P3.864T in 2026

THE Department of Budget and Management (DBM) said it set a ceiling of P3.864 trillion for ongoing spending in 2026, as the deadline looms for agencies to prepare funding proposals for more discretionary items, which are subject to available fiscal space.

According to National Budget Memorandum No. 154 issued on Tuesday, the DBM said the deadline for filing proposals to fund items subject to available space, which it calls Tier-2 spending, is April 30.

The budget ceiling for ongoing spending, or Tier-1, was set at P3.760 trillion in 2027. The DBM's forward estimate for departments' and agencies' Tier-1 spending is P3.646 trillion for 2028.

Budget Secretary Amenah F. Pangandaman said on March 13 that the DBM is finalizing the Tier-1 budget.

The Tier-1 submissions notify the DBM of agencies' spending requirements in ongoing activities in the next three fiscal years.

In the memorandum, the DBM said Tier-2 spending approvals will conform to the priorities identified by the Philippine Development Report 2024.

"These include flagship infrastructure programs, human capital development initiatives, food and water security measures, and digitalization efforts, among others," the DBM said.

In 2026, the overall National Expenditure Program will hit a record P6.793 trillion, up 7.38% from the P6.326-trillion budget signed in 2025. — **Aubrey Rose A. Inosante**

NAIA T3 lease payment rises to P489M

THE Bases Conversion and Development Authority (BCDA) has signed a new memorandum of agreement (MoA) featuring higher annual lease payment for the Ninoy Aquino International Airport (NAIA) Terminal 3 (T3) site.

The BCDA signed the new agreement with the Manila International Airport Authority (MIAA) on Tuesday.

"This new agreement follows the expiration of the 25-year lease in 2023," the BCDA said in a Facebook post late Tuesday.

"Under the revised terms, BCDA secured a higher annual lease payment of P489 million, a significant increase from the previous P180 million," it added.

According to BCDA, the MoA also grants MIAA a three-year option to either purchase the property for P48.89 billion, which is the property's zonal value, or continue leasing from the BCDA.

"Acquiring the property would enable MIAA to gain full ownership of the land and infrastructure, allowing for substantial investments in the airport's development, modernization, and expansion," the BCDA said.

"This would ultimately enhance its capacity to accommodate the growing demands of both domestic and international air travel," it added.

The MIAA in January said that NAIA posted passenger throughput of 50.26 million in 2024, up 10.9%.

This year, the MIAA is targeting a 20-30% increase in passenger numbers.

The signing ceremony, which took place at the MIAA office, was attended by BCDA Chairperson Hilario B. Paredes, BCDA President and Chief Executive Officer Joshua M. Bingcang, and MIAA General Manager Eric Jose Castro Ines.

Earlier this year, the BCDA reported a 3% increase in revenue to P11.3 billion in 2024, boosted by a joint venture deal for a mixed-use development in Taguig City.

It also cited a 39% increase in toll and airport concession revenue to P3.2 billion and a 48% increase in dividends from affiliates to P1 billion.

In April 2024, the BCDA said that it remitted P1.1 billion in dividends to the Bureau of the Treasury in 2023, which is double the P527 million it remitted in 2022. — **Justine Irish D. Tabile**