Ceiling prices set for 4th green energy auction

THE Energy Regulatory Commission (ERC) has issued its proposed ceiling prices for the fourth round of the green energy auction (GEA-4) which will be held this year, with the auction focused on integrated renewable energy and energy storage systems (IRESS).

In a notice, the ERC proposed a preliminary price of P4.1480 per kilowatt-hour (kWh) for ground-mounted solar, P5.9515 per kWh for floating solar, and P4.7679 per kWh for rooftop solar.

For other technologies, the ERC is looking to set a ceiling of P6.5134 per kWh for onshore wind and P5.2835 per kWh for solar systems equipped with energy storage.

GEA-4 will offer 10,478 megawatts (MW) of RE capacity, which include some that will be paired with battery energy storage systems, the Department of Energy (DoE) said last month.

This covers 3,940 MW of ground-mounted solar, 3,000 MW of floating solar, 48 MW of roof-mounted solar, and 2,390 MW of onshore wind.

The ERC determines the green energy auction reserve (GEAR) price, or the maximum price in pesos per kilowatt-hour that will serve as the ceiling price for the auction.

The ERC is scheduled to conduct public consultations on the proposed preliminary GEAR prices for GEA-4 next week.

The GEA program aims to promote RE as a primary source of energy through competitive selection. RE developers compete for incentivized fixed power rates by offering their lowest price for a certain capacity.

As a flagship government initiative, the program is expected to contribute to the government's goal of 35% RE in the power generation mix by 2030.

Winning RE projects will be awarded a 20-year supply contract starting from the commercial operation date of the plant.

"By providing energy developers with opportunities to secure long-term contracts, GEA fosters sustainable energy production while ensuring a more stable, reliable, and greener power supply for the nation," the DoE said. — **Sheldeen Joy Talavera**

PHILIPPINE STAR/MIGUEL DE GUZMAN

NFA to auction rice to free up warehouse space

THE National Food Authority (NFA) said it will auction its older rice stocks by early May to facilitate more rice procurement, following weak take-up from local government units (LGUs) during the food security emergency.

NFA Administrator Larry del Rosario Lacson said the auction is authorized by the Department of Agriculture's (DA) emergency order, which allows for the disposal of NFA inventory to boost supply and stabilize prices.

"I will launch an auction under the law," he told reporters. "We will be targeting the regions whose warehouses are full so that we can free them up, then we can buy."

Mr. Lacson said the NFA has yet to determine the floor price for the auction but noted that it is weighing a price that will be attractive relative to the P30-P34 per kilogram price traders pay for imported rice.

"You can set it at P38 but if they can buy imported rice at P30 to P34, who will bid?"

Mr. Lacson said farmer cooperatives and the private sector will also be allowed to participate in the auction.

The DA on Feb. 3 declared a rice emergency, allowing the NFA — which is barred by law from selling rice directly to the public — to release inventory to government agencies, LGUs, and government-backed markets.

However, the NFA said the volume of rice it had released since the emergency declaration was only 20,000 bags — well below the monthly target of 500,000 bags.

The NFA's rice inventory as of April 11 was equivalent to 7.17 million bags, including 9 million bags of palay (unmilled rice) and 1.2 million bags of rice.

Rice imports fell 46% year on year to 641,000 metric tons in the year to date ending March 13. A US Department of Agriculture report in March said Philippine rice imports will likely decline 1.9% to this year due to an expected increase in domestic production.

The farmgate price of palay continues to decline by a reported 24.4% year on year in March to an average of P18.57 per kilogram.

The NFA, which is required by law to buy palay from farmers to maintain a minimum rice inventory, pays P23 to P30 per kilo for clean and dry palay, and P17 to P23 per kilo for fresh/wet palay.

Raul Q. Montemayor, national manager of the Federation of Free Farmers, said the average farmgate price of P18.57 per kilo for dry palay would be equivalent to around P15-16/kilo for wet/freshly harvested palay.

But some farmers were citing farmgate prices of P13-14 per kilo for freshly harvested palay, he said via Viber.

"Imports in January-February appear to have slackened but picked up in March. There was also probably a lot of leftover stock from last year that spilled over to 2025 which, together with incoming harvests, led to higher total supply," he noted.

Mr. Montemayor said international prices continue to fall, "so palay traders are probably hedging against low market prices in the coming months and therefore buying from farmers at a low price." — **Kyle Aristophere T. Atienza**

NFA bats for P8 billion in extra funding for rice procurement

THE National Food Authority (NFA) said on Tuesday it will require P8 billion more in funding to achieve its rice inventory goals, which are equivalent to 15 days' demand, adding that current stock levels are at more than half of the 550,000 metric ton (MT) target.

"To fill up the 15-day buffer stock, we need an additional P8 billion," NFA Administrator Larry R. Lacson said at a Palace briefing. "However, since our pricing is flexible, we can adjust palay (unmilled rice) prices and purchase more when the cost is lower."

"My priority is to unload existing stock, which will generate funds to purchase more palay," he added.

In the first quarter, the government procured about 2.2 million bags of palay for P2.6 billion, he said, and indicated plans to actively buy more.

The official rice reserve is about 358,000 MT or 7.16 million bags of rice, equivalent to about 9.36 days of demand, Mr. Lacson said.

"We are on track and we are continuously increasing our buffer stock for rice. As we all know, rice is the main gauge of food security," he said.

Agriculture Secretary Francisco P. Tiu Laurel, Jr. last month urged the government to allow the NFA to buy about 20% of the harvest to move the needle on rice prices and to give the government more influence on the market.

The Department of Agriculture (DA) in February declared a food security emergency focused on rice to lower the cost of the grain.

The emergency authorizes the DA to release reserves held by the NFA to stabilize prices and ensure that rice remains accessible to consumers.

"We are hopeful of achieving the (15-day reserve level) before the end of the year, or at least by the wet season harvest," Mr. Lacson said. — **John Victor D. Ordoñez**

High court rejects legal challenge to fast-tracked approval of energy projects

THE Supreme Court (SC) upheld a 2017 executive order (EO) on Tuesday that fast-tracks approvals for energy projects deemed nationally significant, dismissing a legal challenge filed by environmental advocates.

The SC, sitting en banc, rejected a petition seeking to block EO No. 30, which streamlines the permit process for Energy Projects of National Significance (EPNS) by establishing the Energy Investment Coordinating Council (EICC).

The ruling, written by Justice Maria Filomena D. Singh, said the EO falls within the president's power to reorganize the bureaucracy and expedite government processes.

The petitioners, Quezon for Environment, claimed that EO 30 exceeds the President's authority, violated their right to a healthy environment, bypassed key environmental requirements like the Environmental Compliance Certificate, and set unrealistic deadlines for complex energy projects.

The tribunal dismissed these claims, ruling the EO is aligned with the Electric Power Industry Reform Act of 2001 and the Department of Energy (DoE) Act of 1992.

It said an Environmental Protection Order was not applicable as the petition raised legal, not factual, questions of environment law violations.

"The SC upheld the guidelines under EO 30, which only sets minimum standards to help guide agencies — these can be adjusted to follow specific laws or protect the public," it said in a separate statement.

"It clarified that the presumption of prior approval means permits can be processed at the same time, not skipped altogether," it added.

The 30-day timeframe, on the other hand, is even more flexible than the deadline under other laws like the DoE Act and the Ease of Doing Business Act.

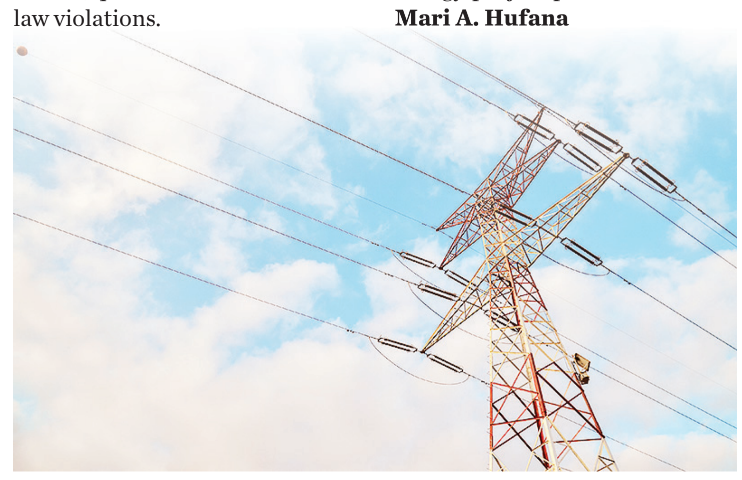
Senior Associate Justice Marvic M.V.F Leonen dissented, calling the EO illegal.

He called the 30-day rule arbitrary and noted that some permits require more time due to complexity or the need to assess environmental impact.

He also said rapid electrification should be consistent with environmental protection.

In a separate concurring opinion, Justice Alfredo Benjamin S. Caguioa said the EO cuts red tape without compromising legal protections.

The respondents in the case were former Executive Secretary Salvador C. Medialdea, the DoE, and other implementing agencies involved in the processing of energy project permits. — **Chloe Mari A. Hufana**


FREEPIK

Batangas gas-fired plant operator hopes to obtain certification by end of May

EXCELLENT Energy Resources, Inc. (EERI) said it hopes the certification it needs to operate Unit 3 of its Batangas gas-fired project will be issued by the end of May.

The 425-megawatt (MW) Unit 3 of EERI's 1,275-MW combined cycle power plant complex in Ilijan, Batangas has recently undergone testing and commissioning, it said, and is awaiting a final certificate of approval to connect the plant to the grid.

"The target is to address and resolve these concerns by 30 May 2025," Yari A. Miralao, EERI president and chief executive officer, said in a statement late Monday.

"We remain committed to ensuring that the facility can reach full operational capacity at the earliest possible opportunity," he said.

EERI is jointly owned by subsidiaries of Manila Electric Co. (Meralco), Aboitiz Power Corp. and San Miguel Global Holdings Corp.

Mr. Miralao said Units 1 and 2 are fully operational at their combined capacity of 850 MW.

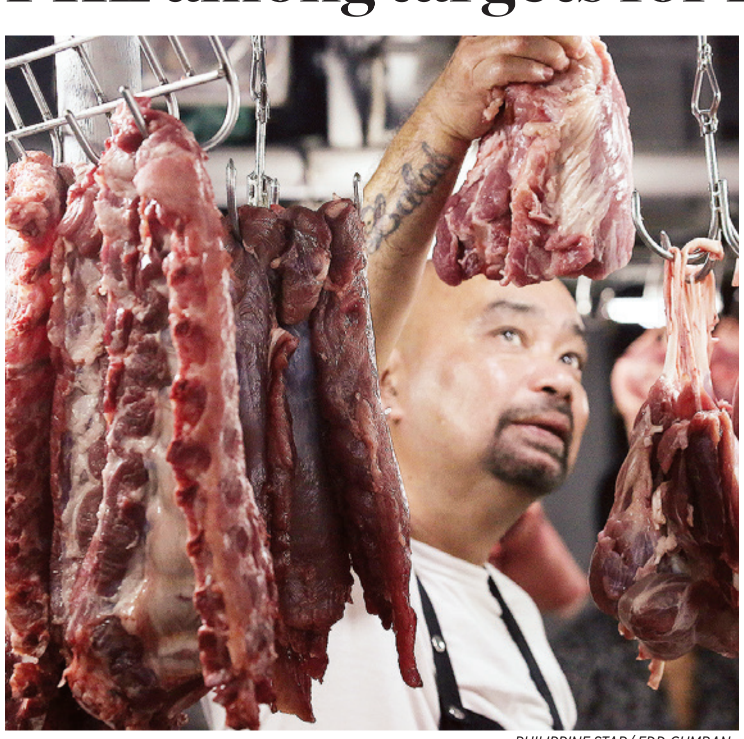
On Monday, the Department of Energy flagged EERI and Meralco for not hitting full capacity according to the terms of their power supply agreement (PSA).

The PSA was entered into after a competitive selection process last year. The power generator offered 1,200 MW out of the required contract capacity of 1,800 MW.

"Our concern is without the fulfilment of the power supply agreement of Meralco and EERI, then there is a gap. Instead of having a fully contracted capacity, then these capacities that are lacking under the PSA will have to be sourced from other generating facilities," Mr. Marasigan said.

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. — **Sheldeen Joy Talavera**

PHL among targets for Brazilian pork exports as China demand weakens


PHILIPPINE STAR/ EDD GUMBAN

PHILIPPINE PORK imports from Brazil hit record levels in 2024 as Brazilian producers sought alternative markets in the face of weak Chinese demand, the US Department of Agriculture (USDA) reported.

Brazilian pork shipments to the Philippines rose 101% year on year in 2024, the USDA said in a report on the global pork trade.

It said the China market, which accounted for 55% of Brazilian pork exports in 2020, "steadily" declined to 18% in 2024 — "driven by weaker China import demand, stemming from China's slowdown in economic growth and rebound in domestic pork production."

Brazil became heavily committed to the China market in 2020 and 2021 as Chinese production suffered from outbreaks of African Swine Fever (ASF).

"Brazil more than offset those losses with higher shipments to the Philippines, Chile, and Japan," the report said.

Among Brazil's top five export markets, the Philippine shipment growth was second only to that of Japan at 133%.

Chinese pork imports from Brazil fell 40% while those of Hong Kong declined 17%.

Brazil is expected to gain market share in price-sensitive markets as tariffs and animal health issues shift market dynamics in 2025, according to the report.

It cited ASF outbreaks that continue to affect swine production in the Philippines, Vietnam, and South Korea.

"This year, China has imposed retaliatory tariffs on both Canada and the US, which are expected to decrease demand for pork from both countries," it added.

The growth in Brazilian meat exports is largely due to its ability to switch markets quickly as a result of new market access and its position as a low-cost pork supplier, the report said.

In 2024, Brazil gained access to 17 new pork export markets and exported pork to over 100 different countries.

"Despite increasing pork export prices through much of 2024, Brazil pork remains at a significant discount compared to other major exporters," the USDA said.

"This price competitiveness will boost sales to several markets, including Japan, which is forecast to be the second-largest importer globally in 2025, behind Mexico," it added.

Philippine meat imports hit 99.681 million kilograms (kg) in February from 137.999 million in January.

Global pork production is forecast to increase 2% in 2025 to 105.8 million MT on gains by all major producers, including the US, the European Union, Brazil, Turkey, and China.

Meanwhile, the USDA said firm demand from key markets such as the Philippines, the US, and Chile is likely to drive Brazil's beef and veal exports to record levels in 2025.

It said Philippine beef and veal imports rose to 276,000 metric tons (MT) in 2024 from 197,000 MT in 2023, and may increase to 285,000 MT in April 2025.

Philippine beef imports in February rose to 12.490 million kg from 10,824 million a year earlier, according to government data. — **Kyle Aristophere T. Atienza**