



## NSCR O&M auction projected to attract strong bidding interest

DOMESTIC and foreign bidders are expected to turn out in force for the operations and maintenance (O&M) contract of the North-South Commuter Railway (NSCR) project, transport analysts said.

"Roads or highways with high expected traffic will most likely be financially viable. NSCR will most likely be very attractive," Nigel Paul C. Villarete, senior adviser on PPPs at Libra Konsult, Inc. said via Viber over the weekend.

Last week, the Department of Transportation (DoTr) officially opened the NSCR O&M contract for bidding.

According to the instructions to prospective bidders, the draft concession agreement is expected to be released on Nov. 7 while the final O&M concession agreement will be released on April 30, 2026.

Bids will be accepted on or before May 29, 2026 at 11 a.m., according to the Public-Private Partnership (PPP) Center.

Earlier this month, Transportation Acting Secretary Giovanni Z. Lopez said around five compa-

nies, including foreign ones, have expressed interest in the O&M contract.

To qualify for the project, the bidder must have a minimum net worth of P114.65 billion or its equivalent in foreign currency as of the 2024 financial year.

For consortia, the lead member of the group must have an equity interest of at least 34% of both voting and non-voting shares of the O&M concessionaire, the DoTr said.

Bidders including consortium members or affiliates must include at least one entity with 10 years of experience in rail operations, specifically in managing a rail line that handles at least 45,000 passengers per hour per direction.

Further, at least one entity must have eight years of experience in maintaining railway infrastructure and systems, including the use of a computerized maintenance management system, and another with eight years of experience in track and civil infrastructure maintenance.

"Procurement through public bidding is always anchored on getting interest from prospective investors by enticing them with a profitable rate of return coupled with minimal risk. In cases where a project has very high economic benefits but is not financially attractive (such as rail), the government may opt to subsidize," Mr. Villarete said.

Rene S. Santiago, an international consultant on transport development and former president of the Transportation Science Society of the Philippines, expects the project requirements to be difficult to hurdle.

"The bidding is stacked against Filipino firms. Also, it would require railway O&M experience no local firm can comply with," he said.

Philippine-based companies are capable of operating and managing the NSCR, but foreign firms may have the advantage when it comes to achieving profitability, Mr. Santiago has said.

Meanwhile, the imposition of a massive net worth qualification

is expected to bring in capable bidders, Mr. Villarete said.

"Net worth is one of the qualifications for bidding. It is a measure of a company's capability to undertake projects of that size. Construction works are paid for on a stage billing process, which means the contractor should have sufficient money to proceed with the works," he said.

The NSCR O&M deal will cover 15 years from the signing date of the contract, the DoTr said.

The 147-kilometer NSCR will connect Malolos, Bulacan with Clark International Airport, and Tutuban, Manila with Calamba, Laguna. The P873-billion project is co-financed by the Japan International Cooperation Agency and the ADB. It will have 35 stations and three depots.

Full operations are expected by January 2032; partial operations on the Malolos to Valenzuela segment are projected by December 2027; operations on the Clark to West Valenzuela segment are expected by October 2028. — **Ashley Erika O. Jose**

## Projects in green-lane pipeline valued at P5.951T

THE Board of Investments (BoI) said it certified 219 projects as of Oct. 20 for green-lane expedited-permit treatment and endorsed them to the One-Stop Action Center for Strategic Investments.

The value of the projects conferred green-lane status P5.951 trillion, the BoI said.

Foreign investments accounted for P1.684 trillion, or 28.29% of the total.

Some 169 of the projects deal with renewable energy, accounting for P5.097 trillion of the total project cost, reflecting the industry's opening up to full foreign ownership from the previous foreign ownership cap of 40%.

Meanwhile, projects in the pipeline also include eight digital infrastructure projects, which have a total project cost of P352.13 billion.

Some 31 food security projects worth P18.7 billion were also certified, along with six manufacturing projects worth P66.96 billion, the BoI said.

Four private-public partnership, infrastructure, and water projects worth P415.87 billion and one pharmaceutical project worth P45 million were certified.

As of Sept. 30, 87 projects are registered with the Board of Investments, while one project is registered in the Philippine Economic Zone Authority.

Some 15 projects are operational, while 47 projects are under construction, four in pre-development.

Established through Executive Order No. 18 in February 2023, the green lane scheme aims to accelerate and simplify the permit and licensing processes for strategic investments. — **Justine Irish D. Tabile**

## P20/kilo rice launched in Davao City

THE P20 per kilogram subsidized-rice program has been launched in Davao City, Agriculture Secretary Francisco P. Tiu Laurel, Jr. said.

In a statement, Mr. Laurel said the government's flagship food-security program combines social protection for consumers from vulnerable segments of society with support for producers.

Speaking at the Bureau of Plant Industry (BPI) compound in Bago Oshiro, Mr. Laurel said the subsidized rice supports senior citizens, solo parents, persons with disabilities, minimum wage earners, farmers, fisherfolk, and transport workers.

The subsidized-rice program is now available in over 376 sites

in partnership with local government units, national agencies, and private sector groups.

In the Davao Region, P20 rice is now sold in Hagonoy, Digos, Bansalan, Mati, Panabo, Tagum, and key NFA and DA offices.

The program releases inventory from National Food Authority warehouses and frees up space for the grains agency to buy more of the domestic rice crop at far more than the price being offered by private traders.

The NFA buys clean and dry palay (unmilled rice) for P23-30 per kilo depending on the grade of the grain and on location, as opposed to offer prices as low as the single digits from rice traders.

## Maharlika wraps up first full year of operations with earnings of nearly P2.7B

MAHARLIKA Investment Corp. (MIC) posted earnings of P2.682-billion last year, up from P154.3 million a year earlier, enabling a dividend declaration to the government of 75% of earnings.

In its 2024 annual report released on Friday, MIC said it remained conservative on spending while earning interest income on its startup capital.

"The healthy interest earnings, coupled with a conservative

spending approach, resulted in a total income of P2.68 billion in 2024," the MIC said. "This income enabled the Corporation to subsequently declare P1.45 billion in dividends in 2025, representing 75% of the distributable earnings, further highlighting the Corporation's commitment to deliver returns to the government."

In May, the sovereign wealth fund remitted 75% P1.447 billion to the Treasury.

2024 marked its first full year of operations since its establishment on July 18, 2023.

Interest income grew to P2.77 billion in 2024 from P154.3 million in 2023.

In 2024, the MIC had P127.254 billion worth of assets, up 1.7% from a year earlier.

The cash balance was P76.801 billion last year, up 2.4%.

Liabilities declined 46.6% to P668.1 million in 2024.

The MIC said the result reflects "a robust balance sheet and strong liquidity base to support its future investment initiatives and strategy."

According to its annual report, the MIC has made three investments in Synergy Grid & Development Philippines, Inc., CP Group Partnership and Interim Financing for Makilala Mining Co., Inc.

Until 2026, MIC said it is prioritizing energy transition and

security projects, physical infrastructure and innovation, food and agriculture modernization, social infrastructure enhancement, sustainable mining and resource development as well as climate change mitigation and adaptation.

"We believe targeted investment in these priority areas will yield significant, broad-based benefits across the archipelago," MIC President and Chief Executive Officer Rafael D. Consing, Jr. said.

The MIC has said it also seeks to invest in five Bases Conversion and Development Authority projects including the Clark International Airport expansion; a New Clark City affordable housing project; the Clark Integrated Public Transport System; the Poro Point Seaport Modernization Program; and the Clark Central Business District. — **Katherine K. Chan**

### OPINION

## Leading with sustainability in mining

### SUITS THE C-SUITE

KATRINA F. FRANCISCO

**While there is still much work to be done as the Philippine mining industry continues to adopt the TSM Protocols, the initiative is clearly facilitating transformation within the sector.**

Management, Climate Change, Water Stewardship, Biodiversity Conservation Management, Tailings Management, Preventing Child and Forced Labor and Crisis Management and Communications Planning. Each protocol addresses specific issues, yet they are interdependent, highlighting the need for a holistic approach to sustainability.

The interconnection between operational resilience and the eight TSM protocols is crucial for the long-term sustainability of the mining industry. They collectively form a comprehensive framework that enhances a company's ability to adapt and thrive in a complex environment. For instance, effective Water Stewardship not only ensures the responsible use of water resources but also mitigates risks associated with climate change, which can impact water availability and quality, both of which are crucial for mining operations.

Similarly, strong Safety and Health practices contribute to a more engaged and productive workforce, directly influencing operational efficiency. When companies recognize that these protocols are not standalone issues but rather interconnected elements of a larger system, they can develop strate-

gies that address multiple challenges simultaneously. This holistic approach fosters greater resilience, enabling mining operations to navigate uncertainties while meeting stakeholder expectations and regulatory requirements. Ultimately, embracing this interconnectedness is essential for building a sustainable future in the mining sector.

Recent evaluations of the TSM protocols, as I presented in the session on "Benchmarking Mining Sustainability: Validated TSM Results and Potential ESG Policy Implications" at Mining Philippines 2025, reveal a mixed performance landscape. The verification of the various mining companies were conducted by their respective TSM verifiers, the reports of which are posted in the Chamber of Mines of the Philippines website.

Notably, the protocols on Safety and Health and Community Outreach and Social Development Management received the highest verifier ratings. This success can be attributed to stringent regulations and recognition through various awards, which have incentivized companies to prioritize these areas. However, the same cannot be said for Climate Change and Water Stewardship, which have consistently ranked as the lowest-rated protocols for two consecutive years.

The Climate Change protocol, in particular, has seen minimal progress, with many companies only recently beginning to embrace both concepts of climate change mitigation and adaptation. The upcoming adoption of the IFRS Sustainability Reporting Standards for publicly listed companies and large companies (of a certain revenue threshold) may prove to be a significant

driver for the changes that can be seen in the future for this protocol. Similarly, the Water Stewardship protocol suffers from low ratings, primarily due to insufficient information on watershed management for some mining companies, as the Philippines adopts a ridge-to-reef approach to sustainably manage its natural resources.

Another area of concern is the Tailings Management Protocol, where companies that align with international standards, such as the Global Industry Standard on Tailings Management (GISTM), tend to perform better. The GISTM not only provides guidance on managing tailings facilities but also addresses critical stakeholder issues, including human rights, environmental protection, governance and public disclosure and transparency aimed at building trust with local communities and regulators. As such, the adoption of standards, such as the GISTM, becomes more critical as it would help to address previous failures that have hounded the industry.

### OPPORTUNITY FOR ENHANCED COLLABORATION

It should be noted that there remains a significant variability in the scores among mining companies. While some excel in the TSM protocols, others find some protocols to be a continued struggle. This disparity presents a valuable opportunity for enhanced collaboration within the Chamber of Mines of the Philippines (Chamber), where companies can thrive by sharing leading practices and supporting one another in their pursuit of higher ratings.

Unfortunately, external stakeholders often generalize the industry's prac-

ties based on the shortcomings of a few, undermining the efforts of those committed to sustainable mining. As such, collaboration is even more crucial for the Chamber and its member mining companies.

Understanding the critical role of stakeholders, value chains, and transparency is essential for fostering a sustainable mining ecosystem. The TSM initiative serves as a guiding light, encouraging companies to engage with their communities and stakeholders openly.

### DRIVING CHANGE IN THE MINING INDUSTRY

In conclusion, while there is still much work to be done as the Philippine mining industry continues to adopt the TSM Protocols, the initiative is clearly facilitating transformation within the sector.

Adapting the TSM Initiative's tagline, the Philippine Mining Industry is changing, and TSM is helping to drive change. By embracing this transformative journey, the industry can enhance its sustainability commitments and secure a more resilient future.

*This article is for general information only and is not a substitute for professional advice where the facts and circumstances warrant. The views and opinions expressed above are those of the author and do not necessarily represent the views of SGV & Co.*



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### IN BRIEF:

- The Towards Sustainable Mining (TSM) initiative is a crucial framework for the Philippine mining sector, linking operational resilience to eight interdependent sustainability protocols that address various challenges.

- Recent evaluations show mixed performance among the TSM protocols, with high ratings in Safety and Health but low ratings in Climate Change and Water Stewardship, highlighting the need for improved implementation and collaboration.

- The initiative encourages mining companies to engage with stakeholders and share leading practices, driving change and fostering a more sustainable mining ecosystem in the Philippines.

**A**s the mining and metals industry grapples with operational complexities, the need for sustainable practices has never been more pressing. The Towards Sustainable Mining (TSM) initiative emerges as a vital framework for the Philippine mining sector, emphasizing that the operational resilience of mining companies is closely linked to the eight protocols it encompasses. This article delves into the TSM initiative, examining its impact on sustainability commitments and the challenges that lie ahead.

### OPERATIONAL RESILIENCE AND TSM PROTOCOLS

The TSM initiative is designed to guide mining companies in their sustainability efforts, focusing on critical areas such as Safety and Health, Community Outreach and Social Development