Preliminary waste-to-energy price proposed at P8.0167/kWh

THE Energy Regulatory Commission (ERC) has set a preliminary price of P8.0167 per kilowatt-hour (kWh) for waste-to-energy (WTE), which will serve as the ceiling price to guide participants in the sixth green energy auction round (GEA-6), which will also cater to prospective biomass providers.

In a notice, the ERC asked interested parties to comment on the proposed green energy auction reserve (GEAR) price prior to public consultations on Feb. 5 and 6.

The Department of Energy (DoE) has yet to issue the terms of reference for GEA-6, but it hopes to organize an auction by the second quarter.

A special auction round designed for WTE projects is targeted for this month. According to the terms of reference, the DoE has set an installation target of 230 megawatts (MW), with delivery targeted within the first quarter of 2028.

WTE is the process of converting non-recyclable waste materials into usable heat, electricity, or fuel using various technologies.

According to 2024 estimates from the National Solid Waste Management Commission, Metro Manila and highly urbanized cities areas generate an estimated 6.12 million metric tons of municipal solid waste, which can be converted to about 335 MW of baseload power.

The DoE is pushing WTE as a strategy to address solid waste management, mitigate floods, and provide additional clean energy.

"The integration of WTE projects into the GEA framework underscores the DoE's commitment to ensuring energy security, environmental protection, and private-sector participation in the transition to clean and sustainable energy," the DoE said.

The GEA program aims to promote renewable energy as a primary source of energy through competitive selection.

As a flagship government initiative, the program is expected to contribute to the national target of achieving a 35% renewable energy share in the power generation mix by 2030 and 50% by 2040. — **Sheldeen Joy Talavera**

Farm exports value addition seen key to maximizing FTAs

By Vonn Andrei E. Villamiel

PROPER TRAINING in sanitary procedures for farm exports training, increased productivity, and value addition are considered crucial for maximizing the benefits of free trade for the agriculture industry, analysts said.

"We need to properly train our agri exporters to comply with international sanitary and phytosanitary standards, particularly those of importing countries we are targeting," Former Agriculture Undersecretary Fermin D. Adriano told *BusinessWorld* via Viber.

He said this would require the Department of Agriculture (DA) to do more developmental work to help local producers gain the skills required for exporting.

Mr. Adriano also cited the need for investments in food packaging engineering to improve the packaging of food and processed food products to make them attractive to buyers in importing countries.

On Jan. 13, the Philippines signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE), its first free trade agreement (FTA) with a Middle Eastern country.

The agreement provides for the reduction or elimination of tariffs on key exports, including agricultural goods, electronics, and processed food products, improving market access to the UAE.

The Philippine Statistics Authority (PSA) reported that the UAE was the Philippines' 18th largest trading partner in 2024, with bilateral trade amounting to $1.83 billion.

The Department of Trade and Industry (DTI) said the pact is expected to boost agricultural exports, particularly fruit, seafood, and processed products.

The Presidential Communications Office said key products poised to benefit from the CEPA include bananas, pineapples, tuna, and tuna-based products.

The PSA said in the first 11 months of 2025, exports of fresh pineapple to the UAE amounted to $14.39 million, while banana shipments totaled $12.23 million. Exports of pineapple products were valued at $1.36 million, and tuna and tuna-based products $2.61 million.

For farmers and exporters of agricultural products to realize the potential of FTAs, investments must be poured into training, upskilling, and increasing productivity, former Agriculture Secretary William D. Dar told *BusinessWorld*.

"The government must partner with these agribusiness companies to continue developing new varieties and promote the best technologies to boost productivity and sustain quality and volume," he said via Viber.

Mr. Adriano said improving farm and agrifood processing productivity will also improve price competitiveness against rival exporters without compromising product quality.

Mr. Dar said exporters should also diversify markets for their products. "With diversified markets, the companies exporting such products can demand better prices," he said.

Jose Enrique A. Africa, executive director of think tank IBON Foundation, said the full benefits of any FTA lies in producing higher value-added products.

"As it is, our export profile remains concentrated in primary and low-processed goods, and there is, for instance, no national industrialization policy to move into higher value-added products," he told *BusinessWorld* via Viber.

Mr. Africa said priority should be given to value addition and product quality, which should be done sustainably and inclusively. "In particular, small rural producers should be supported to make export gains more broad-based among communities in the countryside," he said.

CARS funding seen as 'small step' in boosting investor confidence

THE RESTORATION of funding for the Comprehensive Automotive Resurgence Strategy (CARS) program can be the starting point for restoring investor confidence, industry groups said.

Philippine Chamber of Commerce and Industry (PCCI) President Ferdinand A. Ferrer called the restoration of the vetoed funding "a small step" among the "several tasks that need to be done to restore investor confidence in the country."

He said the return of the withdrawn funding for the CARS program "is a clear indication that the government will support critical industries and prior commitments."

The Philippine Parts Makers Association (PPMA) said funding for the programs, which serve as an incentive for automakers assembling cars in the Philippines, "would reaffirm the government's commitment to revitalizing domestic automotive manufacturing."

"PPMA notes that the P4.32-billion allocation for CARS is vital in supporting the continued operations and production plans of the program's participants, including vehicle manufacturers and the supplier base that supports them," it said.

"This resolution strengthens policy stability, protects jobs, and helps preserve the manufacturing ecosystem that the Philippines has worked hard to build over the years," it added.

The Federation of Philippine Industries (FPI) said reinstating the funding "is a vital step toward rebuilding investor confidence and honoring commitments to manufacturers."

"Policy consistency is the true cornerstone of competitiveness, and we call on government agencies to turn bold pronouncements into timely, transparent action," FPI Chair Elizabeth H. Lee said via Viber.

"Only by sustaining industrial programs with credibility can the Philippines position itself as a trusted destination for long-term manufacturing investments," she added.

President Ferdinand R. Marcos, Jr.'s veto of unprogrammed funds included P4.32 billion in fiscal support for the CARS program and P250 million for the Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) program. — **Justine Irish D. Tabile**

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