ADB willing to fund Mindanao Railway Project

THE ASIAN Development Bank (ADB) said it is ready to finance the Mindanao Railway Project, with the long-delayed rail line still needing a source of funding after China withdrew support.

"We would be willing to fund it, if we were asked," ADB Country Director for the Philippines Andrew Jeffries told *BusinessWorld* on Wednesday.

Earlier this month, Transportation Undersecretary for Railways Timothy John R. Batan said the Department of Transportation (DoTr) is still looking for funding for the railway.

The ADB said it is willing to assist the government to ensure the completion of the Mindanao Railway Project, one of the big-ticket DoTr projects.

He said, however, that government efforts to rein in debt levels will be a consideration in determining the ADB's ultimate involvement.

"Given our engagement with the government and their concern on maintaining and reducing government debt levels over time, I think they would want to explore as much private funding as they can," Mr. Jeffries said.

The ADB is ready to provide official development assistance (ODA) loans, or provide public-private partnership (PPP) advisory services to help bring in investments, he said.

"The private sector could even fund some of that project like they did in the Mactan-Cebu Airport and the like. I guess we could also support it without touching ODA or public debt. That is one of the strategic pillars of what ADB is also trying to do region-wide," Mr. Jeffries said.

In 2023, the Philippines withdrew its loan request for ODA from China for the Mindanao Railway Project phase 1, and two more railway projects — the South Long-Haul railway, and the Subic-Clark railway, due to lack of progress towards a financing decision by Beijing.

The first phase of the Mindanao Railway Project is valued at P83 billion. It will run between Tagum, Davao del Norte and Digos City, Davao del Sur. It is expected to carry 122,000 passengers per day and cut travel time between Tagum and Digos from three hours to one.

Mr. Batan has said that the DoTr is exploring the possibility of PPPs structure for the Mindanao Railway Project.

For now, the DoTr remains uncertain when groundbreaking for the project can begin, as the government is still determining how to fund it.

Mr. Batan added that the DoTr does not expect any progress on the financing front within the year due to the need to update the feasibility study.

Last month, the PPP Center said that the pre-feasibility study for the P100.64-billion phase 3 of the Mindanao Railway Project was completed.

Phase 3, proposed as a solicited PPP, is a 61-kilometer passenger and cargo railway linking the industrial and commercial centers of Cagayan de Oro.

The DoTr will move to a comprehensive feasibility study to assess and refine the project's technical, financial, and economic viability, the PPP Center said. — **Ashley Erika O. Jose**

EVENING TAO/MAGNIFIC

Visayas grid hit with another yellow alert

THE VISAYAS GRID was again placed under yellow alert on Wednesday due to the shutdown of several power plants, with industry groups raising concerns that plant outages have exceeded allowable limits.

In an advisory on Wednesday, the National Grid Corp. of the Philippines (NGCP) said the Visayas grid was on yellow alert between 4 p.m. and 8 p.m.

A yellow alert is issued whenever power reserves are insufficient to meet the transmission grid's contingency requirement.

During the period, available capacity was at 2,692 megawatts (MW) against peak demand estimated at 2,503 MW.

A total of 847 MW was unavailable to the grid after forced outages at 18 power plants and derated operations at 15 more.

Consumer group Power for People Coalition (P4P) urged the government to conduct a full investigation after the recent series of grid alerts.

"A full investigation into the red and yellow alerts should also be pursued both by the energy agencies and Congress. Stronger penalties should be enforced for companies responsible for the rotating brownouts — whether on the generation or transmission side," P4P Convenor Gerry C. Arances said.

Climate and energy policy group Institute for Climate and Sustainable Cities (ICSC) said no baseload power plant should be non-operational between April and June, citing the NGCP's own Grid Operating and Maintenance Plan.

However, the ICSC said some power plants have already exceeded the annual outage allowance, a cap set by the Energy Regulatory Commission for baseload facilities.

"Until these power plants are brought back online, the capacity deficit will persist, and the yellow grid alert raised in Visayas will likely remain," the ICSC said.

The group underscored how dependence on a small number of large centralized baseload facilities can quickly degrade system reliability.

"Building resilience through distributed energy solutions is no longer just an environmental option, but an energy-security necessity," the ICSC said.

"A more decentralized and diversified approach strengthens local reliability and self-sufficiency while reducing the risk of supply disruptions caused by outages, disasters, and other physical shocks," it added.

So far, this year, the grid has declared three red alerts and 14 yellow alerts. — **Sheldeen Joy Talavera**

PHL's much-reduced GOCC lineup still enmeshed in strategic sectors — OECD

THE PHILIPPINES has seen a sharp decline in the number of its state-owned enterprises (SOEs) over the past decade, though remaining government firms continue to control strategic areas of the economy, according to a report by the Organisation for Economic Co-operation and Development (OECD).

"Between 2011 and 2024, the number of SOEs declined from 158 to 118 due to privatization, mergers, and closure of loss-making entities," the OECD said.

However, government-owned and -controlled corporations (GOCCs) remain active in key industries like hydrocarbons, energy, finance, transportation and utilities, it said.

"Under the GOCC Governance Act of 2011, they conduct both commercial and non-commercial activities and contribute to national development by providing essential public services and infrastructure," it said.

"SOEs may also be tasked with promoting social stability through employment creation," it added.

The OECD said the Philippines has yet to fully integrate sustainability into SOE target-setting and monitoring systems.

"In the Philippines, the Governance Commission for GOCCs (GCG) has a central monitoring role but it provides general governance and performance oversight rather than a dedicated SOE sustainability monitoring framework," it said.

The report noted that some sustainability-related key performance indicators have been incorporated into the performance evaluation system for GOCCs.

The Philippines revised its performance evaluation system in 2024 to include disaster risk reduction and management, as well as gender-equality, disability, and social inclusion measures.

Meanwhile, the OECD also highlighted the role of governments in influencing sustainability outcomes through procurement contracts.

Advanced economies such as China, India, Japan, and South Korea have overarching laws governing green public procurement (GPP), while countries like the Philippines promote GPP through broader sustainability and climate-related laws, strategic roadmaps, national plans, and eco-labeling and certification systems, it said. — **Justine Irish D. Tabile**

China bans PHL pork imports over swine fever

CHINA has banned imports of pigs, wild boars, and related products from the Philippines following reports of swine fever outbreaks received by the World Organization for Animal Health (WOAH).

China's General Administration of Customs and Ministry of Agriculture and Rural Affairs issued Announcement No. 66 on May 14, 2026, prohibiting direct or indirect imports from the Philippines, as well as the mailing or carrying of swine products into China.

The order also orders the destruction of any illegally smuggled items and supervised treatment of animal waste from transport originating from the Philippines.

The Department of Agriculture's Bureau of Animal Industry (BAI) responded on May 19, clarifying that the Philippines is managing two separate swine diseases.

Classical swine fever, an endemic condition, is controlled through vaccination, surveillance, and farm biosecurity protocols. African Swine Fever (ASF), first detected in 2019, remains an issue managed through movement controls, biosecurity measures, culling, and surveillance in affected areas.

Only eight barangays in the Philippines reported active cases of ASF in April, against 20 in the previous month and 65 a month earlier, the BAI reported.

Since 2019, the disease has been detected in 6,574 barangays.

The BAI said that the Philippines does not currently export live pigs or swine products to China, meaning the restrictions have no immediate trade impact.

The BAI said the two countries share a commitment to disease eradication and biosecurity, noting their adherence to WOAH standards. — **Pierce Oel A. Montalvo**