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New strengths. New challenges. New president. What lies ahead?

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“Now that we have a draft of the road map, who will have the political will, resources and support to make the vision a reality?”
We look at 2016 and beyond from page 14

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WHAT LIES AHEAD

With elections for a new president on the horizon, we look ahead to future plans and policies which could impact Philippine supply chain—and make some suggestions on what our next leader must focus on

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KNOWLEDGE CENTER

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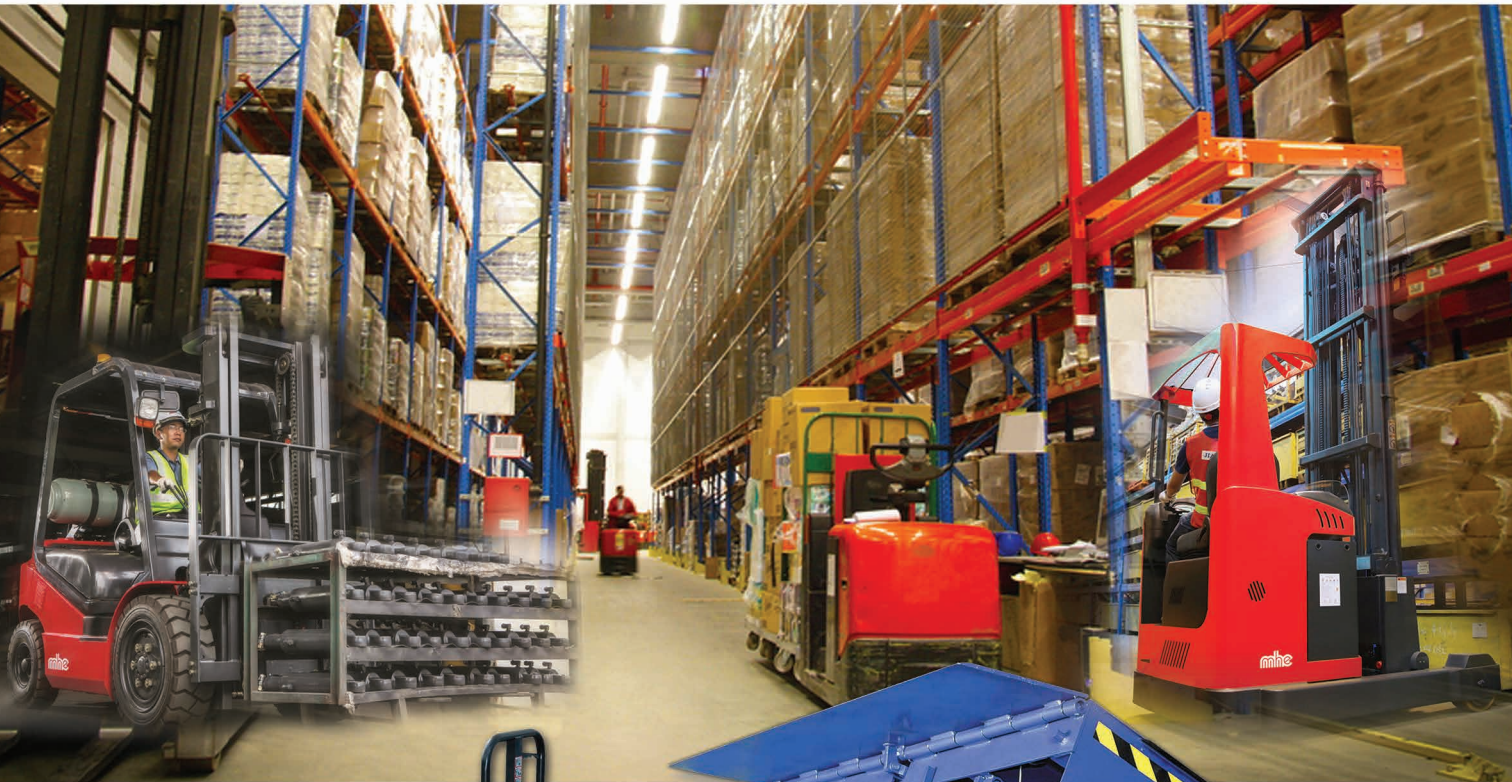
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CORAZON CURAY PRESIDENT'S MESSAGE



Last year SCMAP set for itself a new challenge: “Go World Class!”—to make the Philippine supply chain industry more than ready to take on the world.

We have made significant steps towards that goal over the past year. SCMAP is slowly being recognized by organizations, both in the public and private sectors, as the premiere supply chain institution in the country. Our partnership with REID Foundation continues to grow strong, and the work towards the establishment of SCMAP’s Center for Research and Policy is fully underway.

Our collaboration with the Technical Education and Skills Development Authority (TESDA) is also in full swing. We have developed a curriculum for a national certification program for warehouse personnel, and are currently working on another one for logistics administration. The two parties are also part of the APEC Transport and Logistics Project, led by the Australian government, which sets to identify standard skills for supply chain across the region.

We have also recently begun working with GoNegosyo to bring basic supply chain education to the many MSMEs in the country today. Through their MentorMe program, SCMAP will be presenting short modules on supply chain management to entrepreneurs looking to grow their business. We are also working with the University of the Philippines’ National Engineering Center for a series of short courses on supply chain management as part of their continuing education program.

Of course, SCMAP continues to engage with stakeholders in government, industry and academe in ensuring that policy reforms affecting the supply chain industry will be of benefit to everyone. And, as the organization expands its scope and reach, we have

also taken efforts to strengthen the secretariat, to allow it to better serve the membership and support the work of the organization.

With all of this on our plate, it is important to ensure that these efforts will continue in the years to come. This is why we have amended the by-laws to create the position of a president-elect. This person would be involved in the planning of SCMAP’s programs and activities, in preparation for becoming president in the following year. Every two years, therefore, the elected board of directors will choose a president-elect.

This year, Nestor Felicio of United Laboratories has taken on the position of president-elect, and his input towards this year’s plans is much appreciated. Together with our equally capable directors, committee chairs and secretariat, I believe we can make more leaps towards the challenge we set for ourselves: to go world class.

But there is one more element that is important to the mix: the support and participation from you, the SCMAP member. This organization will not be where it is now without the time, effort and expertise of its members. I would like to invite you to join us, whether by attending our GMMs, becoming a delegate or sponsor to our conferences across the country, or joining our committees.

I would especially like to invite you to be part of our pool of resource speakers, especially as part of GoNegosyo’s MentorMe program, or through our very own Supply Chain Mornings. Your expertise as a supply chain manager will go a long way in making our industry truly globally competitive.

Thank you once again for your support over the past year, and I personally look forward to your support again in the years ahead.

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HENRIK BATALLONES CHAIN REACTION



“Politics and governance are two different things,” I tell myself lately. This much I learned in the past six years, a period where I transitioned from first-time voter—one filled with idealism and a, um, passionate take on things—to someone who has had a deeper, but by no means comprehensive, understanding of how things work.

I now understand that, once you get past the political arena—a place that thrives on sound bites, press releases and rhetoric—you have people working in government who are just doing their best to get things done. It may not add up to much, but they’re still working to do their job.

I have met many people who work in government, and people who work with government. I have realized that the change we all yearn to see, whatever that means, does not happen in an instant. I have realized that what looks like a big effort by whoever’s in charge is actually a series of small efforts done by many people underneath him: those for whom the adage “*tigilan muna ang pulitika*” is not an occasional plea but rather an ethos to live by.

But then again, we’re in the middle of the campaign season.

I’m writing this on the night of the second presidential debate, one promised to be more feisty and more substantial. Yes, it was a venue for four of the candidates to communicate their beliefs (and undermine their opponents), but ultimately it really was just four people attacking each other with playground taunts. They did promise it will be feisty.

Add to that a riled-up populace, or at least those watching the debate and also armed with their phones, posting their reactions—sometimes insightful, but mostly frustrated, mostly angry—on social media. The result is an echo chamber of capital letters and jokes presented as facts. And you wonder why you got hopeful.

Politics is ultimately a marketing exercise. To get power, you play the game. To play the game, you make yourself

look worthy, and the rest look otherwise. This gets so noisy that everything else—all the things that have actually been done, by those hardworking people I mentioned earlier—are buried by threats that the Philippines will continue its ever-downward spiral, or will make a U-turn back to the dark, or will sputter like a vehicle out of gas, unless you vote for whoever come May 9.

If there’s one more thing I learned in the six years since I filed my first ever vote, it’s that, yes, we do have a voice. It’s unfortunate that not everybody realizes this, more so that not everybody is being given a chance to speak out—stifled either actively via bureaucracy, or passively via cynicism—but we do have a voice. To cite an example close to home, SCMAP’s efforts over the past years to advocate for reforms leading to a more competitive supply chain industry in the country has born fruit. But it took voices being used to speak out, to point out what’s wrong, to make suggestions, and maybe get angry too, when the situation calls for it.

On this issue of *Supply Chain Philippines*, we look ahead to 2016 and beyond. We dive into the country’s performance during the current (soon past) administration, and look ahead to plans to continue improving our supply chain capabilities. We also have a few suggestions of our own. It may not be much, but we recognize that the direction our next leader takes could spell the difference between the Philippines being an important link in the global value chain, and being a laggard. Every little helps, as they say.

We hoped to hear from the candidates themselves, but unfortunately none of them replied to our emails. I guess it’s the campaign season wreaking havoc on our timing. Still, we have a voice, and we aim to use it more: make it louder, make it clearer. We have seen, again and again, that we can get things done if we just keep our heads in it, rather than just attacking whoever’s on the other side of the aisle, just so you look better.

KNOWLEDGE CENTER

Should we come in?

The Philippines has expressed interest in joining the Trans-Pacific Partnership, but what's in store for us? And can we handle being part of the world's biggest free trade deal?

Henrik Batallones
takes a look

At the end of last year's APEC Economic Leaders' Meeting in Manila, members of the Philippine government expressed the country's interest in being part of the Trans-Pacific Partnership, a wide-reaching trade deal involving twelve nations comprising 40% of the global economy. President Noynoy Aquino has gone as far as seeking the support of the United States in its bid to enter the deal, through his meeting with US President Barack Obama.

Clearly, the Philippine government sees the TPP as a massive opportunity for the country's economy. Once ratified, it gives the Philippines access to what is poised to be the world's largest free trade area, which includes countries such as Australia, Canada, Japan and the United States, as well as neighbors like Singapore and Vietnam. While we already have trade deals with some of these countries, the TPP promises even greater access to these economies, allowing import and export of more products to and from more markets, and ultimately benefitting the economy of member states.

"Joining the TPP is a significant component of our international trade strategy which we have been implementing over the past four years," Adrian Cristobal, then undersecretary of the Department of Trade and Industry, said in October, adding that consultations have been made with member countries in past years.

The TPP began as an expansion of the Trans-Pacific Strategic Economic Partnership Agreement, a trade deal between Brunei, Chile, New Zealand and Singapore that went into effect in 2006. By 2008, eight more countries have expressed interest in joining: Australia, Canada, Japan, Malaysia, Mexico, Peru, the United States and Vietnam. (Incidentally, all twelve member countries are also part of the APEC.) Negotiations were only concluded in October 2015, as provisions on intellectual property, agriculture and investment proved to be contentious. During this time, the TPP received criticism from some corners because of the secrecy surrounding its negotiations; its scope, which reaches beyond trade; it supposedly benefiting the rich more than the poor; and leaked provisions that could affect cost of goods and freedom of expression.

While the deal is portrayed as one that will contribute to the development of countries in the Asia Pacific region, some have called it a pivot by the United States to address the increasing economic might of China in recent years.

With negotiations over, the ball is now on the member countries' governments to ratify the deal, before it could take effect. The TPP's full text was released in November, with the most important points as follows:

- Tariff and non-tariff barriers across virtually all goods and services—including agricultural products—will be eliminated, most of which will occur immediately after ratification. For particular products, such as those that originate from a particular member country, barriers will be

How much is at stake?

The Philippines has long been trading with TPP members. Here's the breakdown



AUSTRALIA

Existing FTA
Yes, via ASEAN
Imports
USD 843.3M
Exports
USD 824.9M



BRUNEI

Existing FTA
Yes, via ASEAN
Imports
USD 76.9M
Exports
USD 9.5M



CANADA

Existing FTA
No
Imports
USD 336.1M
Exports
USD 597.6M



CHILE

Existing FTA
No
Imports
USD 30.2M
Exports
USD 45.1M



JAPAN

Existing FTA
Yes
Imports
USD 5.5B
Exports
USD 13.9B



MALAYSIA

Existing FTA
Yes, via ASEAN
Imports
USD 3.2B
Exports
USD 1.2B



MEXICO

Existing FTA
No
Imports
USD 76.1M
Exports
USD 410.8M



NEW ZEALAND

Existing FTA
Yes, via ASEAN
Imports
USD 43.2M
Exports
USD 12.1M

eliminated over a longer time period. The deal also allows for liberalization of trade in services, with a special emphasis placed on financial services, across the member countries.

- Member countries have vowed to increase transparency around customs rules and regulations and integrity in customs administration, to allow for more predictable trade facilitation.

- Recognizing the impact of e-commerce, especially on small- and medium-sized businesses, the TPP requires its signatories to adopt consumer protection laws, especially with regards to personal information protection and cybersecurity. It also encourages member countries to implement paperless trading, such as the use of electronic forms and online authentication.

- The deal also has provisions for the enforcement of intellectual property rights, specifically on copyright coverage and patents. These provisions have received a big share of criticisms aimed at the TPP: Internet freedom activists expressed concern that copyright provisions could clamp down on freedom of expression online, while other advocates fear patent provisions could increase the cost of medicines, especially in more impoverished countries.

- The TPP calls for the establishment of a mechanism allowing for arbitration between concerned parties in case of disputes. There are concerns that these provisions would allow multinational companies to sue foreign governments if it sees that its profits will be affected by particular regulations, similar to actions taken by tobacco companies in response to cigarette plain packaging laws.

- The TPP calls on its member countries to enforce transparency on government processes, especially with regards to procurement. The deal's signatories agree to adopt and maintain anti-corruption laws and measures to ensure fairness and transparency among their officials. A criticism of the treaty centers on how the TPP dictates that its member countries conform their laws to the provisions of the agreement.

As a member of APEC, the Philippines has an easier route to the TPP, although the process will definitely include a series of negotiations and the process of ratification. Other countries have also expressed interest in taking part, such as Indonesia, South Korea, Taiwan and Thailand. It is not yet known when the next series of talks, if ever, will take

place—although, as the twelve founding members are still in the process of ratification, new entrants are not expected to be entertained soon.



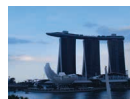


It should be pointed out, however, that the Philippines already has trade deals with most of the countries that are part of the TPP. We already have free trade deals with our ASEAN neighbors, as well as with Australia, Japan and New Zealand. According to Dr. George Manzano, vice dean of the Schools of Economics of the University of Asia and the Pacific, 33.7% of the country's exports in 2014 are with these countries; trade to Japan alone amounts for 22.5% of our exports.

The country has also explored FTAs with the United States and Canada; discussions with the latter were only put on hold last year as Canadians elected Justin Trudeau as their new prime minister. 14.1% of our exports are to the United States, while 1% goes to Canada.

Despite these previous agreements, joining the TPP would open the door to new markets, such as Latin American countries. In an interview with Rappler, Murray Hiebert, of the US-based think tank Center for Strategic and International Studies, likens membership to a "best housekeeping seal of approval" which would attract more foreign investment into the country. A working paper headed by Caesar Cororaton and David Orden, faculty members of Virginia Polytechnic Institute and State University, posit that TPP membership will lead to increased production output, especially in the services and electronics sectors. This, they say, would lead to higher wages.

There are other hurdles before the Philippines can make the most of a possible TPP membership. For one, the improved economic performance of the country has highlighted its limited infrastructure; questions around it were raised further as ASEAN economic integration went into full swing at the end of 2015. While spending on infrastructure has seen a steady rise in recent years—and the country's decision to join the Asian Infrastructure Investment Bank, a global financial institution led by China, reaffirmed this focus—it will take a while before we see the impact of these improvements on the economy.

Another hurdle is posed by the limitation on foreign ownership imposed by the Philippine constitution. Several experts and business groups have called for the amendment of the constitution's economic provisions—notably foreign

				
NEW ZEALAND	PERU	SINGAPORE	UNITED STATES	VIETNAM
Existing FTA Yes, via ASEAN	Existing FTA No	Existing FTA Yes, via ASEAN	Existing FTA No	Existing FTA Yes, via ASEAN
Imports USD 9.2M	Imports USD 51.0M	Imports USD 4.7B	Imports USD 6.0B	Imports USD 1.3B
Exports USD 7.1M	Exports USD 20.8M	Exports USD 4.5B	Exports USD 8.7B	Exports USD 374.7M

As for our other major trading partners...

CHINA	EU	SAUDI ARABIA	SOUTH KOREA
Existing FTA Yes, via ASEAN	Existing FTA No	Existing FTA No	Existing FTA No
Imports USD 10.3B	Imports USD 7.9B	Imports USD 3.3B	Imports USD 5.2B
Exports USD 8.0B	Exports USD 6.7B	Exports USD 90.9M	Exports USD 2.5B

All figures as of 2014. Data from ITC Trade Map (www.trademap.org)

ownership limits on public utilities and land—ostensibly to allow more foreign investment into the country. Earlier efforts to draft such amendments were blocked by President Aquino, who believes these restrictions do not pose a barrier. (It's also worth mentioning the long-standing anxiety that amendments to the constitution's political provisions may be tacked on to any such move.)

Finally, Manzano points to the increased standards set by the TPP. Apart from the aforementioned trade provisions, the deal also outlines new standards on transparency, labor rights and environmental protection, with trade sanctions awaiting those who fall short of those. In the past few years there have been efforts, from both the public and private

sectors, to elevate these standards, but these actions will, of course, take time. Manzano believes the Philippine government must assess whether it can comply with these provisions before it could commit. In the meantime, he says, the government can focus on gaining “incremental” access to TPP markets, especially since we already have trade deals with several of these countries.

On their part, the DTI vowed to fully scrutinize the TPP's provisions before deciding whether it is in the country's best interests to join or not. Ultimately, whatever the decision may be—whether we join the TPP or not—efforts must be taken to ensure the country's economic growth reaches and benefits every citizen, no matter his class or location. •



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Ever-changing, ever-connected —yet all the same

Henrik Batallones returns to the Asian Logistics and Maritime Conference in Hong Kong, where he finds that no matter where you are, supply chain operations face the same challenges



In 2015 the Supply Chain Management Association of the Philippines partnered again with the Hong Kong Trade Development Council, furthering links between the two organizations and allowing its members to understand supply chain developments in both countries. As part of this, SCMAP members were given the chance to attend that year's Asian Logistics and Maritime Conference.

Once again I attended the two-day event, alongside SCMAP executive director Norman Adriano, and several other attendees among the organization's members. We got an opportunity to listen to key players in logistics and supply chain in Hong Kong and beyond, learning about the challenges they face and the opportunities they believe are coming in a changing world.

Like in the previous year's ALMC, the event focused on the emerging opportunities from China's Belt and Road Initiative, connecting the emerging superpower with other its neighbors in Asia and Europe, both through land (with the Silk Road Economic Belt) and sea (with the Maritime Silk Road). The plan includes the development of new and existing coastal cities to open more entry points into China.

The panel—which included Kerry Logistics chairman George Yeo, Hutchinson Port Holdings group managing director Eric Yip and Sinotrans chairman Zhao Huxiang—believed that the initiatives provide massive opportunities for the logistics sector, with the expansion of shipping routes

and an increased demand for goods and services that the sector could help provide. This is despite, as Zhao noted, the inevitable cultural and political differences that such a massive undertaking, involving multiple countries, would entail.

The conference's second plenary session looked into the emergence of big data, and how it can shape one's strategy in logistics and other aspects of supply chain. Major companies have already taken advantage of big data: Dr. Gu Haijie, head of Alibaba's data science team, cites how the e-commerce giant foresaw rising demand and anticipated customer preferences by analyzing the data they have gathered. They have also helped merchants and logistics partners improve their services using the insights gleaned by big data—something best illustrated by the RMB 91 billion sales they generated during Singles Day, a store-wide sale held during November 11 every year.

The challenge, then, is to extract value from the gathered data. Teradata Corporation's Shaun Connolly admitted that understanding what the data is and what can be gleaned from it is a challenge, and while it takes some time, effectively analyzing it can help a company predict what's ahead, and adapt accordingly. But it is worth remembering that big data is not a new thing: Microsoft's Louise Wong cites her company's experience with big data in developing software and solutions.

The ALMC also tackled the explosion of e-commerce,



The 2015 Asian Logistics and Maritime Conference saw over 2,000 attendees from 30 countries, listening to almost a hundred speakers and panelists.

made possible by the wider reach of the Internet. China alone is a highly-competitive market when it comes to e-commerce, although it is more reliant on platform (sites like Alibaba) than brand. However, Lazada COO Pierre Poignant admitted that there are still challenges, such as poor infrastructure networks that can prolong delivery time of the product. What remains important, the panel agreed, is that consumers find the e-commerce experience enjoyable and convenient. “Anticipating needs and making the delivery as convenient as possible meant finding access points which were as close to their consumers’ homes as possible,” UPS north Asia head KK Leung said.

The importance of speed and quality was also underscored in the panel on food supply chain—especially since this involves delivering perishable products that is a basic need for everyone involved. Ensuring that quality is maintained in the supply chain is a joint effort: citing the Chinese example, a government push for higher standards has led to improvements in logistics, but the supply chain practitioner still plays a part, ensuring proper sanitation, effective traceability, transparency in processes and discipline among workers.

Finally we also attended a panel on electronics supply chains, which tackled the challenges of significantly shorter product life cycles. Logitech’s Andreas Dannenberg stressed that, in the electronics industry, you have to be early in the

shelves to enjoy sales from early adopters and see higher volume in the long run. This entails working with all your partners—electronics manufacturers, suppliers and logistics specialists—to ensure this would happen. Mitsui-Soko Supply Chain president Seiichi Kawasaki also stressed the need to manage inventory, as this could mean a huge percentage of the cost in the electronics industry.

I remarked in my essay on last year’s ALMC about the role the Philippines could play in the new (and ever-changing) global supply chain, pointing out that we have not taken advantage of our geographical position and that we still have a long way to go. I am glad to say that we have, indeed, made moves to become more competitive, with continuing reforms in our ports, increased investment in infrastructure and expanded focus on supply chain capabilities from the government.

It’s also worth mentioning that, despite the obvious differences between Hong Kong and the Philippines, the supply chain challenges both face are one and the same. The forms may be different, but they’re essentially the same, as the ends of supply chain—to deliver quality products to customers at the best time possible—have not changed. We can still find our place and grow. •

Learn more about the Asian Logistics and Maritime Conference online at www.almc.hk. Many thanks to Megan Fung and Sunny Chau of the Hong Kong Trade Development Council for the invitation.

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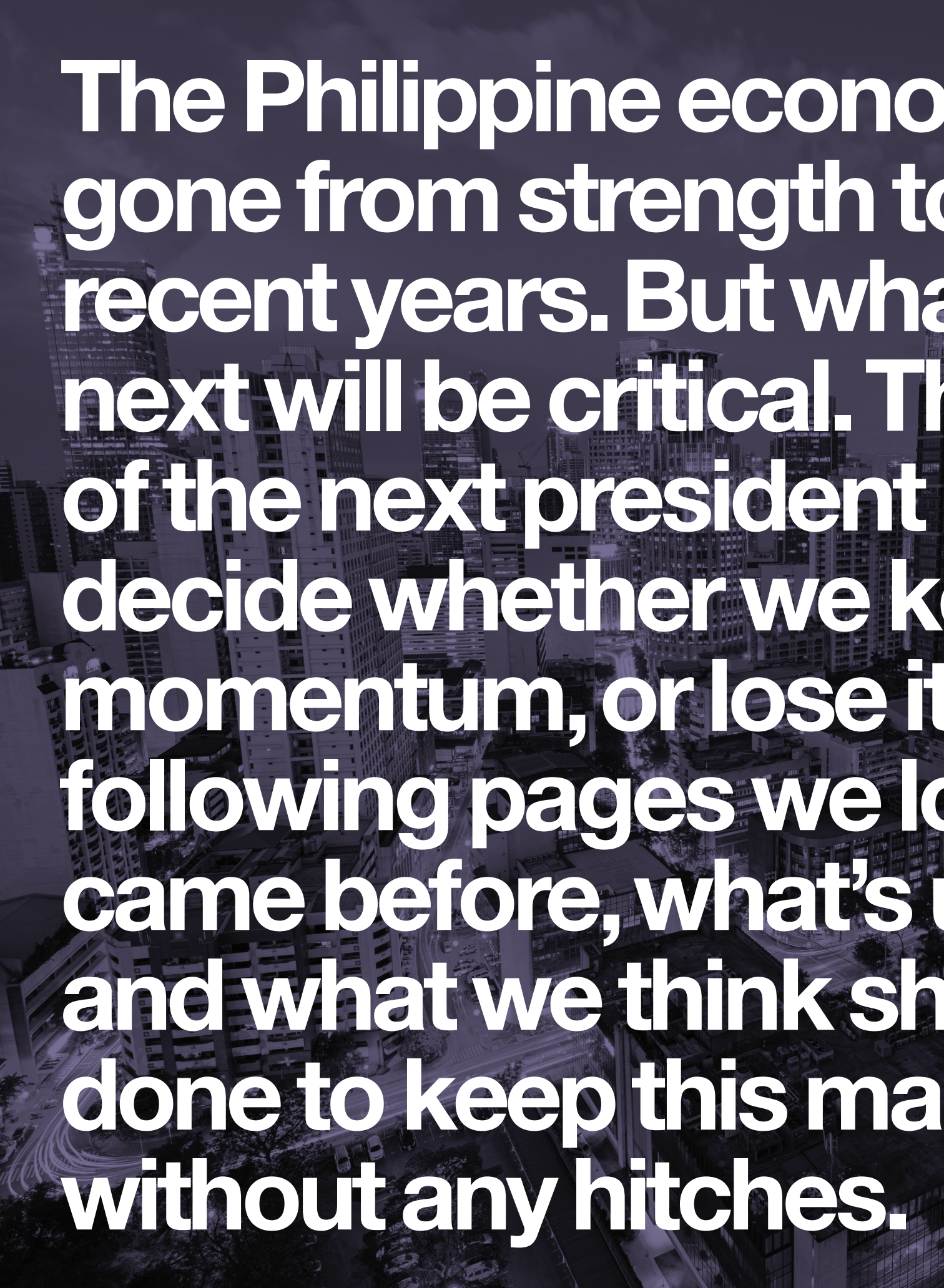
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**The Philippine economy
gone from strength to
recent years. But what
next will be critical. The
of the next president
decide whether we keep
momentum, or lose it.
following pages we look
came before, what's next
and what we think should
done to keep this market
without any hitches.**



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What lies ahead

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The rankings

A look at where the Philippines stands in global rankings

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Highlights from the National Logistics Master Plan

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The 2016 Philippine budget through the prism of supply chain management

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Norman Adriano makes the case for the hiring of a supply chain czar

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The blueprint

Henrik Batallones on the importance of urban planning in supply chain

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The wishlist

What the next president should prioritize on the supply chain front

What
lies
ahead

Where do we stand six years later?

Since its founding in 2006, the National Competitiveness Council—a group led by both members of government and the private sector—has worked to ensure the country remains competitive, especially in an increasingly globalized economy. Working with chambers of commerce, industry groups and the business community, the NCC's areas of focus include infrastructure development, logistics enhancement and anti-corruption measures.

Part of the group's work is monitoring the Philippines' performance in international rankings, from organizations such as the World Economic Forum and the World Bank. These reports paint a picture of how competitive a country is compared with the rest of the world, measuring factors such as perceived corruption, logistics capabilities and ease of doing business.

By all means, the Philippines has been moving up in the years since Noynoy Aquino assumed the presidency. His administration's efforts to institute reforms in government, alongside building on the modest economic gains of his predecessor, has put the country in 52nd in the latest WEF Global Competitiveness Report.

But there is still space for improvement. The country has been gaining slowly on adoption and proliferation of technology, and has been wobbly in WIPO's Global Innovation Index. Most notably, we have dropped steadily in the World Bank's Logistics Performance Index, mostly due to inadequate infrastructure and heavy traffic in Manila, the country's main trading hub. •

All data is the latest as of press time, as provided by the National Competitiveness Council's website (www.competitive.org.ph).

WEF Global Competitiveness Report

The World Economic Forum index measures indicators such as economic performance, infrastructure, labor market, and strength of public institutions.

The Philippines is the most improved country in the index, going up 33 notches since 2010. Singapore remains top among ASEAN nations; we are fifth in the region, behind Malaysia, Thailand and Indonesia.

2011	2012
75/142	65/144
2013	2014
59/148	52/144

IFC Ease of Doing Business Report

The World Bank index takes into account the ease with which a business undertakes typical processes in its life cycle, such as starting a business, getting credit, and enforcing contracts.

The Philippines has gained 53 spots in the report since 2011, the best among ASEAN countries. Singapore leads the world; we are fifth regionally, behind Malaysia, Thailand and Vietnam.

2014	2015
108/189	95/189

TI Corruption Perceptions Index

Transparency International's survey on corruption collates views from organizations such as World Bank, Freedom House and Bertelsmann Foundation.

The Philippines has continued to improve its ranking over the past years. Singapore leads the ASEAN in this index, but has dropped from the top spot globally in 2010, to seventh in 2014. We rank third in the region, behind Malaysia.

2011	2012
129/183	105/176
2013	2014
94/177	85/175

WB Logistics Performance Index

The World Bank index looks at a country's logistics capabilities through factors like customs performance, infrastructure and logistics services.

The Philippines has fallen in past years, slumping to 75th (from 62nd) in infrastructure quality, 61st (from 39th) in logistics quality, and 90th (from 69th) in timeliness. Most ASEAN neighbors have gone up; Singapore still leads in fifth.

2012	2013
44/155	52/155
2014	
57/160	

WEF Global Information Technology Report

The World Economic Forum index looks at a country's openness to new technologies, as well as its penetration and government support.

The Philippines has been stagnant in this index since 2011, only improving to 78th in 2014. We are sixth in the ASEAN region, ahead of Vietnam, Cambodia, Laos and Myanmar; Singapore ranks second in the world.

2011	2012
86/138	86/142
2013	2014
86/144	78/148

WIPO Global Innovation Index

The World Intellectual Property Organization index ranks countries with regards to its support for innovation, as well as its output.

The Philippines is the most improved country in the index, going up 33 notches since 2010. Singapore remains top among ASEAN nations; we are fifth in the region, behind Malaysia, Thailand and Indonesia.

2011	2012
91/125	95/141
2013	2014
90/142	100/143

What's the plan for the logistics sector?

As the Philippine economy grew in past years, the country's supply chain sector tried its best to keep up—but limited infrastructure and regulatory questions have hindered it from going full blast. Issues such as the congestion of Manila's ports, the worsening traffic in the capital and capacity problems in the country's major airports have put a spotlight on the need to improve the country's logistics capabilities. The Philippines' slow drop in the World Bank's annual Logistics Performance Index—despite the growth of the economy—has also served as a warning call.

Now, after a year of consultations with stakeholders, the government has unveiled the draft National Logistics Master Plan. The effort, spearheaded by the Department of Trade and Industry's Supply Chain Management and Logistics Division, with help from USAID's Advancing Philippine Competitiveness project, outlines the reforms that must be taken in the next six years to improve the Philippines' standing in supply chain and logistics.

The draft, which was presented to stakeholders last April 7, consolidates different studies, development plans and industry roadmaps formulated by the Philippine government, non-profit organizations and industry groups. While a significant portion of the plan tackles infrastructure development, it also identifies reforms to regulatory and policy environment, and needed capacity-building programs. The goal is to strengthen the country's production and distribution networks, especially in rural areas, and to promote the growth of the logistics sector through sound policies and regulations.

Among the main proposals of the NLMP is the establishment of an inter-agency task force on logistics, led



1: The NAIA Expressway is currently under construction

2: The Tarlac-Pangasinan-La Union Expressway

3: President Aquino leads groundbreaking of the Mactan-Cebu International Airport expansion

by the DTI and reporting directly to the Philippine president. Comprised of agencies in charge of infrastructure planning, trade development and transport regulation, it will be tasked with overseeing the key points of the plan. The private sector will also play a role through the Public-Private Partnership (PPP) program.

A major thrust of the plan is developing new and existing infrastructure. While identifying that some road projects, like the NAIA Expressway and the Metro Manila Skyway, are underway, the NLMP calls for the fast-tracking of PPP projects such as the Tarlac-Panga-

sinan-La Union Expressway (TPLEX) and the extension of the South Luzon Expressway to Lucena, Quezon. It also proposes a collaboration between the Department of Public Works and Highways and the Department of the Interior and Local Government in identifying local roads that remain unpaved due to limited resources.

With the increased number of commercial flights—and the growth of air cargo being dependent on commercial traffic—the NLMP calls for the prioritization of expansion projects in NAIA, as well as airports in Clark, Cebu, Davao and General Santos. Clark, in particular, should be developed as a secondary gateway to Manila, in accordance with the Dual Airport Policy. Smaller airports must also be given the capability to allow night flights to relieve congestion in major airports.

While seaports in Manila have been modernized in recent years, the NLMP calls for the modernization and expansion of international ports in Cebu, Cagayan de Oro and General Santos, alongside the ongoing expansion of Davao's port. It also calls for the transformation of domestic ports in Cebu, Iloilo, Davao and Zamboanga to regional hubs, and for development in Batangas and Subic ports as alternatives to Manila.

The NLMP's strategies on policy formulation are designed to encourage investment in logistics and infrastructure, and enhance connectivity with our neighboring countries. A major recommendation is the crafting of a National Transport Policy, which would promote intermodal transport systems, protects the country's physical assets and encourages development of infrastructure connecting industrial, agricultural, and tourist zones.

It also calls for the enactment into law of key transport policies such as the Omnibus Maritime Code, the Dual Airport Policy and the PPP program; the amendment of the Public Service Act and the economic provisions of the Constitution to encourage investment in infrastructure systems; the development of logistics corridors, such as the Subic-Clark-Batangas corridor that



How much will making supply chain stronger cost?

In 2016, the Philippine government enacted a PHP 3.001 trillion budget, aiming to support a 7-8% growth in the economy, while decreasing poverty incidence. Here we focus on the budget's provisions relating to important elements of supply chain, based on the data provided by the Department of Budget and Management.

Reviving the manufacturing sector

PHP 780M

Providing innovation assistance for businesses through DOST

PHP 394M

Providing support to MSMEs through DTI's Negosyo Centers

PHP 2.2B

Providing skills training for new graduates through TESDA

Linking agriculture to industry

PHP 7.1B

Intensifying research into rice, leading to increased production

PHP 2.9B

Assisting in growing high-value crops like bananas, coffee and rubber

PHP 13.2B

Building farm-to-market roads totalling 1,318 kilometers

PHP 813M

Building 271 fish landings

Improving ease of doing business

PHP 164M

Processing of applications to DTI for permits and registrations

PHP 133M

Processing of applications to DOF for licenses and registrations

Expanding transportation systems

PHP 264B

Repairing and building roads and bridges

PHP 9.3B

Improving airports. Clark, Panglao and Naga get a combined PHP 5.2B

PHP 10.2B

Improving railways. An additional PHP 3.6B is pegged as MRT3 subsidy

PHP 2.6B

Building and improving ports and wharves, and ensuring maritime safety

Attracting tourists

PHP 2.7B

Funding DOT's branding and product development programs

PHP 24B

Repairing and building roads leading to tourist destinations

PHP 112M

Developing seaports for tourist use

Improving risk resiliency

PHP 59B

Building and maintaining flood control structures through DPWH

PHP 504M

Building and maintaining flood control structures in NCR through MMDA

PHP 38.9B

Facilitating activities related to disaster response and recovery

PHP 397M

Training LGUs to better analyze hazard data and respond to calamities

SCMAP has helped promote in recent years. The NLMP also aims to address the conflicting mandates of regulatory agencies such as the Philippine Ports Authority and the Civil Aviation Authority of the Philippines.

Recognizing the role of regulation in enhancing quality and promoting efficiency in logistics and transport services, the NLMP calls for the harmonization of national and local regulations, notably the truck ban in Metro Manila and the removal of pass through fees imposed by LGUs. Measures designed to preserve and improve existing infrastructure, such as the Anti-Overloading Law, must also be implemented.

The ultimate goal is for the NLMP to be approved and implemented from September 2016. The DTI will be holding consultations with stakeholders in the intervening months—and, in fact, the first consultation meeting already raised issues such as the promotion of the manufacturing sector, the role of telecommunications, and the planned Customs Modernization and Tariffs Act which is designed to shorten clearance processes, among others. Once finalized, the NLMP would contain a more concrete set of actions and proposals, plus a timeline for implementation within the next six years. •

Why should we name a supply chain czar?

One, if not the only, good thing that came out of the chaos wrought by the port congestion from 2014 to early 2015

is that both the private sector and the government began closely collaborating to ensure it doesn't happen again.

Typical of us Pinoy. We are not planners. We are better reactors. Our

Norman Adriano is the executive director of SCMAP, and a former president of its predecessor, DMAP.

All data is provided by the Department of Budget and Management, through their People's Budget initiative, which can be found at www.budgetngbayan.com.

reactions to the typhoons that visit us every year is much better than how we prepare for them. We are a prayerful lot and we pray (or wish) that we will always be spared. Until Ondoy, that is.

Ondoy taught us a lot of things. Better and institutionalized preparation was one of them.

The said port congestion is another major disaster we were not prepared for. It took just one local government unit executive's road traffic management mandate for the whole Philippine economy to suffer tremendously. That Manila truck ban delivered the straw that broke the camel's back, so to speak. It fused the separate deleterious effects of road congestion, lack of infrastructure, lack of discipline, lack of planning and all the other logistics challenges that the commuters and the business community face every day.

As a nation, we suddenly became aware of the critical importance of creating a national logistics master plan that will provide short-, mid- and long-term action plans to finally solve our national logistics issues. One trade group initiated the creation of a multi-modal logistics roadmap. The Department of Trade and Industry's Supply Chain Management and Logistics Division, a relatively new unit, was tasked to create the National Logistics Master Plan.

All these efforts are well and good. Now that we have a draft of the road map, the next important step is implementation. Who will have the political will, resources and support to make the vision a reality?

SCMAP has always battled for a Supply Chain Czar who will have the responsibility of coordinating the supply chain related efforts of the private and government sectors. This person should be someone capable to see both the forest and the trees. A gargantuan task, we know, but someone has to do it.

We first thought of a cabinet-level autocrat, but that wouldn't work as all political appointees are co-terminus with the appointing authority—in this case, the President of the Philippines. We do not think that our logistics prob-



The Manila city government introduced a daytime truck ban to improve traffic, but resulted in the congestion of ports and had a deep impact on the economy.

lems will be solved in six years.

Thus, we are strongly recommending the creation of a Commission on Logistics and Supply Chain Management (CLSCM). This commission will ensure that the National Logistics Master Plan is implemented, and that both the private sector and government agencies are involved. It should be headed by a capable and experienced supply chain management practitioner.

We acknowledge that creating a commission will take time and has to pass through Congress. If given a presidential stamp of urgency, the law creating this commission can be passed quickly. Political will.

In the meantime, we can live with a multi-sectoral task force who can jumpstart the NLMP's implementation and carry on until the handover to the CLSCM. •

What's urban planning got to do with supply chain?

When you think of urban planning, you're likely thinking of sleek buildings, manicured sidewalks, enough spaces to sit on, or ride bikes... something idyllic. And you're not wrong. What the major real estate companies do to their flagship developments is one aspect of urban planning.

Henrik Batallones is the editor-in-chief of *Supply Chain Philippines*, and a former SCMAP director.

But let's zoom out and consider what urban planning is. It is a process that involves more than pleasant sidewalks. It involves the design of transportation and communication networks. It involves the proper use and allocation of land. It involves ensuring the protection of the environment. It involves ensuring the safety of a city's residents through resilient structures and mindful design.

The draft National Logistics Master Plan outlined earlier recommended the fasttracking of infrastructure projects designed to connect production hubs to trade and transport hubs. The highways leading out of Metro Manila is designed not just to connect the capital to the provinces north and south of it, but also to shorten travel time and encourage investment in those regions. Inclusive growth, as the Aquino administration always says.

That's the macro view. Zoom in closer, and urban planning still has a role to play. In encouraging development, we must keep in mind the needs of the communities and considerations when it comes to transport and the environment. It is ensuring that production and agricultural facilities are not just easily accessible, but also amply protected from natural and manmade risks. It is ensuring that those traveling to and from these places—from farm

What lies ahead



The creation of a transport policy would provide businesses and commuters with options to get from point to point—a vital component of urban planning.

to factory, from factory to port or store, from store to home—get to do so at the best possible time, at the best cost possible.

Of course, urban planning has a profound impact on citizens, too. Better transport systems and schemes mean they have freedom of movement, giving them a wider range of products and services within their reach. Wouldn't it be great if you don't have to deliver mangoes for five hundred kilometers to bring them closer to the customer? Wouldn't it be great if the customer could easily go to a store closer to the farm, getting themselves better quality produce at a cheaper price?

Urban planning, when done right, has a profound impact on supply chain. Our industry isn't just about delivering items from point to point. Ultimately our role is to improve the lives of people, by making the most of the connections we make—from farmer, to manufacturer, to seller, to customer, and back again.

Now, I'm not saying that the government has not done urban planning.

Every local government has one—you just have to ask for the specifics. But we've seen these plans easily overridden for political or financial considerations: just think of the brouhaha towards the Torre de Manila condominium violating line-of-sight restrictions. Unchecked development results in residential areas sprouting near high-risk areas, like the informal settlers near Manila's ports. It also puts a strain on existing infrastructure: think of the many condominium buildings going up, and the traffic it would cause.

But, as the impact of the Manila truck ban has demonstrated, the lack of coordination between the national government and its local counterparts has led to a hodge-podge of policies, allowing for inconsistencies and inefficiencies. The truck ban was to solve local traffic; it had a big impact on the national economy. Also think of the pass-through rates truckers have to deal with when making long-haul deliveries.

Urban planning is, ultimately, about coordination and compromise. I hope to see the national government have more input in these matters, especially when its impact is wide-reaching. While I understand local governments will want to assert themselves, I hope they wouldn't be as hard-headed and would yield if it is for the greater good. Yes, I will admit that this isn't reliant on who becomes president, and this process will go beyond a six-year term: it's an ongoing process.

I also hope that aspects of urban planning be also considered in the formulation of policies and regulations affecting supply chain—and vice versa, too. From designing transportation networks, to zoning regulations, to ensuring proper risk response, supply chain plays a huge, if not immediately explicit, role in these things. Again, this would take a while—the mindset of supply chain being more than an industry, but a way of approaching things, is something we have to learn.

The bottom line is, when everything is in its right place, everything flows smoothly. Everything works properly. Everybody wins. •

What should the next president focus on?

We asked SCMAP's board of directors and committee chairs about what they want the next president of the Philippines to prioritize.

Nestor Felicio, United

Laboratories: I hope the next president would not slow down or stop the ongoing infrastructure projects, particularly those related to logistics and transportation. We have a lot to catch up on the backlog.

I also would like to suggest that beyond ongoing projects, we also address all the bottlenecks in the country's logistics infrastructure. It should be a holistic approach. For instance, roads leading to ports would not be useful if the port capacity could not handle the volume of traffic; and vice-versa—upgrading ports would be useless if roads leading to and out of the ports could not handle the flow and become bottlenecks themselves.

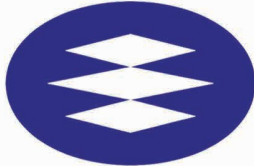
Specifically on airports: regardless of runway and terminal improvements in the provinces, everything just slows down at the Manila airport because it is already congested. We can either drastically improve the capacity of Manila airport—add runways, for example—or make a strong move to develop and utilize the other airports such as Clark and Subic to handle more of the traffic. Then, as stated in my earlier point, roads and other transport modes such as rail to and from these airports should be developed to ensure we have a balanced capacity across our logistics flow.

Christine Pardiñas, Rustan

Supercenters, Inc.: One of the major issues that our next President should look into should be the ease of doing business in the country. This covers simplification of processes and elimination of corruption in our government offices, stabilizing the utilities supply, and most importantly, prioritizing the completion of planned road and transportation networks in and out of Metro Manila.

Anghelita Santor, Nestlé

Philippines: One of the key challenges that any supply chain company in the Philippines is facing are the issues we have both in our roads and port infrastructure. Catering the whole archipelago is quite a challenge—but how we can serve our consumers better? Making products and services available on time when needed is the goal of each industry. Thus, we wish that the president appoints supply chain practitioners as one of his arm holding positions in any related logistics department under government jurisdiction.



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AROUND SCMAP

SCMAP goes world class in annual conference

Key figures from government, industry and the academe gather to discuss tomorrow's supply chain

During their strategic planning in 2015, the SCMAP board decided to adopt a six-year plan with the vision of making the organization truly world class, and with it, the Philippine supply chain industry. With that in mind, that year's SCMAP Supply Chain Conference carried the theme "Go World Class!"—a theme that will be built and expanded on for succeeding conferences until 2020.

The 2015 SCMAP Supply Chain Conference, therefore, served as a declaration of the organization's mission in the coming years: to serve as a venue for furthering the country's competitiveness by improving their supply chain processes and functions. Like in previous years, the confer-



Florencio Abad, secretary of the Department of Budget and Management, was the keynote speaker



Middle row, from left: Lighthouse Leadership Institute's Jonathan Baldo, DTI's Dr. Rafaelita Aldaba, Zalora Philippines' Constantin Robertz, Mead Johnson's Antonio Rivera, University of the Philippines' Dr. Nestor Rañeses, and Cathay Pacific's Alan Lui.



Bottom row, from left: Del Monte Philippines' Amante Aguilar, Philippine Batteries' Rolando Lazo, REID Foundation's Ma. Cherry Lyn Rodolfo, PHIVOLCS' Dr. Renato Solidum, Johnson & Johnson Philippines' Clarissa Castillo, and Fast Logistics' Enrique Castillo.



1: The 2015 SCMAP Supply Chain Conference was well attended

2: DTI assistant secretary Rafaelita Aldaba opened the event

3: DBM secretary Florencio Abad gets a personal tour from SCMAP president Cora Curay and REID Foundation's Ronilo Balbieran

4: Networking, games and giveaways at the exhibitors' booths

5: Hong Kong Trade Development Council's Megan Fung

6: Fountainhead Technologies' Jose Salvador

7: SSI Schaefer's Henry Bataillon

8: 2GO Group's Bimsy Mapa

9: Attentively listening to the speakers





ence acted as an exchange of knowledge and insight, not just into supply chain fundamentals and challenges, but also into its role in growing the economy and building the nation.

Held on September 17 and 18 at the EDSA Shangri-la Manila, the conference—which carried the subtheme “Paving the road to tomorrow’s supply chain”—featured two keynote speeches. The first was from Dr. Rafaelita Aldaba, assistant secretary of the Department of Trade and Industry, who discussed efforts to revive the manufacturing sector to improve the country’s competitiveness. Florencio Abad, secretary of the Department of Budget and Management, later talked about the role good governance plays in improving logistics infrastructure.

The conference’s roster of speakers was a who’s who in business, government and supply chain, both in the Philippines and around the region. The first day’s speakers include Jonathan Baldo, director of the Lighthouse Leadership Institute; Alan Lui, Philippine country manager of Cathay Pacific; Nestor Rañeses, director of the UP Institute for Small Scale Industries; Antonio Rivera, SVP of supply chain of Mead Johnson Nutrition; and Constantín Robertz, head of Zalora Philippines.

The second day’s speakers in-

clude Amante Aguilar, supply chain group head of Del Monte Philippines; Clarissa Castillo, associate director of One Johnson & Johnson Philippines; Enrique Castillo, president of Fast Logistics; Rolando Lazo, vice president for procurement of Philippine Batteries; Ma. Cherry Lyn Rodolfo, president of the REID Foundation; and Dr. Renato Solidum, director of the Philippine Institute of Volcanology and Seismology.

As always, the conference was also accompanied by an exhibition which featured supply chain service providers and suppliers. Staying true to the “world class”, some visible changes were implemented to make the conference experience better for delegates and sponsors, including the use of an LED wall at the plenary area, and a paging system for announcements at the exhibit area. The two-day event was capped off with thanksgiving cocktails—a night of food, drink and entertainment for sponsors and speakers.

SCMAP will build on the “Go World Class” theme in succeeding conferences, the next of which will be held on September 15 and 16 this year, also at the EDSA Shangri-la. For now, we would like to thank the sponsors, delegates, speakers and friends who have made the 2015 conference a resounding success. •

Malou Santos, former DMAP president, passes away

Ma. Lourdes Santos, a former president of the Distribution Management Association of the Philippines—the predecessor to SCMAP—died on January 23 after a lingering illness. She was 63.

Santos, then working for Johnson & Johnson Philippines, was one of the pioneers of DMAP, acting as the secretary of its founding board in 1990. She was elected as president in 1992.

As president, she oversaw the first Shipping Immersion Course; this would evolve into the Logistics Immersion Course, and now Supply Chain Immersion, become one of SCMAP's flagship events.

Under her leadership DMAP fought for a reduction of freight rates and took part in hearings held by the PPA and MARINA. The organization also expanded its reach through the recruitment of new members, holding of fora and workshops, and the forming of a public relations committee.

Santos departed the board in 1993, when she was sent by J&J to Australia, but remained active with SCMAP until her death, most recently hosting the SCMAP Supply Chain Conference in 2013, while also acting as a mentor to successive SCMAP boards.

Santos was born on February 7, 1953. Despite being encouraged to pursue a teaching career, she began working in supply chain at 21. She was with Johnson & Johnson for 29 years; in that time she led the rationalization of the company's depots in the Philippines, as well as the implementation of SAP. Upon her retirement in 2003, she continued acting as a consultant. •



1: Hosting the 2013 SCMAP Supply Chain Conference

2: On holiday

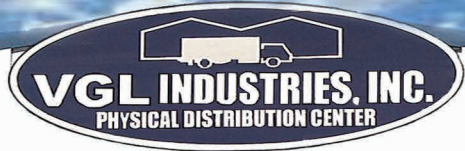
3: At the first Shipping Immersion Course in 1992

4: With her family



“Let us continue to learn, unlearn, relearn the business of supply chain, now that our customers demand more in service.”

—Malou Santos, on her interview with Supply Chain Philippines in 2013



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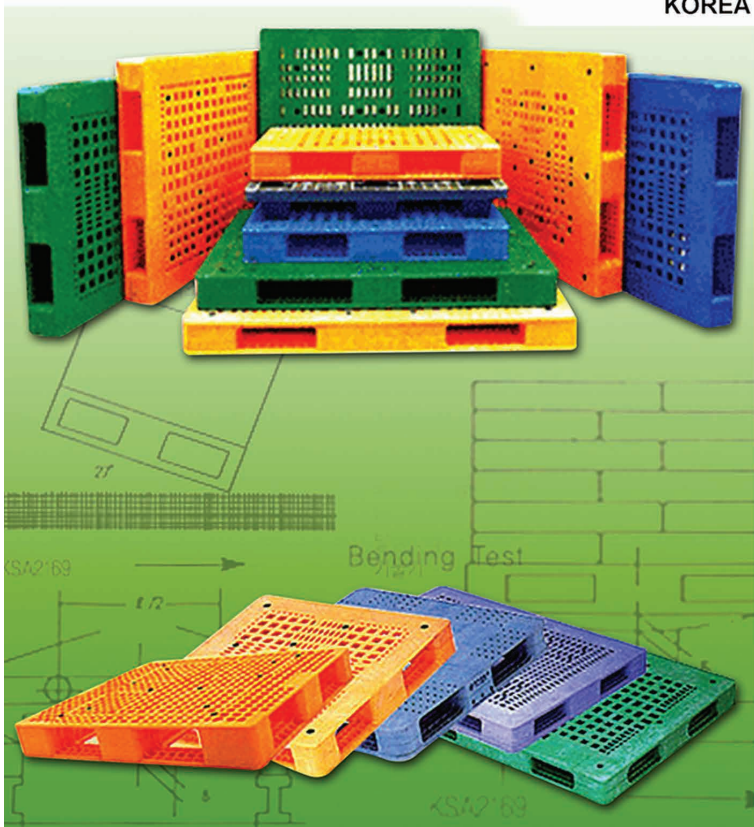
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BOC head Bert Lina leads Supply Chain Outlook

SCMAP's kick off to 2016, Supply Chain Outlook, saw three esteemed industry leaders and experts discuss the year ahead for the supply chain industry.

Leading the roster is Bureau of Customs commissioner Alberto Lina, who brought with him decades of experience in the logistics and supply chain sectors. He discussed plans to reform the BOC, especially with the implementation of the Customs and Tariff Modernization Act.

Lina also inducted the board of directors and committee chairs of the SCMAP national chapter, led by its president, XVC Logistics' Cora Curay.

Also among the speakers were Jesse Francis Rebutillo, president of the People Management Association of the Philippines, who spoke about preparing one's organization for globalization; and Ronilo Balbieran of the REID Foundation, who looked at the economy in the years ahead, especially with presidential elections underway.

Later in the event Curay also spoke, discussing SCMAP's plans for the coming year, including the push towards Cagayan de Oro with this year's Supply Chain Immersion. She also reaffirmed the organization's vow to make the country's supply chain industry globally competitive.

The well-attended event saw representatives from SCMAP's member companies, as well as partners from the public and private sectors, take part. •



1: A group photo at the end of SCMAP's Supply Chain Outlook

2: REID Foundation's Ronilo Balbieran

3: People Management Association of the Philippines president Jesse Francis Rebutillo

4: Bureau of Customs commissioner Alberto Lina

5: Lina swears in the 2016 SCMAP board

6: SCMAP president Cora Curay outlines her vision for the year



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 - Corazon Curay, XVC Logistics
- President-elect**
 - Nestor Felicio, United Laboratories
- Secretary**
 - Christine Pardifias, Rustan Supercenters
- Treasurer**
 - Manuel Onrejas Jr., Fast Logistics
- Auditor**
 - German Martizano, Unilever Philippines
- Directors**
 - Dario Arive Jr., URC Flour
 - Clarissa Castillo, Johnson & Johnson Philippines
 - Mark Philip Comandante, Zuellig Pharma
 - Dina Pilapil, LF Philippines
 - George Yumul, ABM Global Solutions



New-look Supply Chain Immersion heads to CDO

Call it Supply Chain Immersion.

One of SCMAP's flagship events—formerly known as the Logistics Immersion Course—now sports a new name to reflect the shift towards supply chain as a field of expertise.

This year's event sees participants board MV St. John Paul II, bound for Cagayan de Oro, on the evening of May 18, where they will be welcomed with cocktails and a short fellowship event. The first day of seminars will be held on the vessel on May 19.

Delegates also get to take part in the first ever Mindanao Supply Chain Conference, which will be held at the Limketkai Luxe Hotel on May 20, before flying back to Manila the next day.

SCMAP has long aimed to return to Cagayan de Oro, known as the gateway to northern Mindanao and home to major food manufacturers and logistics operations. The region is also poised for growth after the construction of new infrastructure projects in recent years.

In fact, it has begun moves to start a new chapter there, starting with its first General Membership Meeting in the city in 2014.

Both events promise a roster of speakers from the supply chain industry, as well as from other stakeholders such as government and the academe, as well as the opportunity to network and learn more about a budding logistics hub in the country.

You can contact the SCMAP Secretariat through (+632) 696.1041 or secretariat@scmap.org for inquiries and registration. •

Visayas chapter mounts SCM forum on economy, tech

The SCMAP Visayas chapter began 2016 with a supply chain management forum tackling issues in the industry, particularly the national economy and technology's role. It was held last January 15 at the Sarrosa International Suites in Cebu City.

The afternoon affair kicked off with REID Foundation's Ronilo Balbieran, who once again looked at the country's economic prospects for 2016, especially with presidential elections in the offing.

He was followed by Smart Communications' Alfredo Callet, who discussed technology bridging the digital divide, as well as tool provided by PLDT and Smart for businesses.

There was also a spirited discussion on these topics, ably handled by SCMAP Visayas president Gilbert Cabatana and academe chair Capt. Rodien Paca, who hosted the affair. Cabatana was also at hand to preview the upcoming year for the Visayas chapter. •



1: A good turnout for SCMAP Visayas' Supply Chain Management Forum

2: Smart Communication's Alfredo Callet

3: SCMAP Visayas president Gilbert Cabatana

4: REID Foundation's Ronilo Balbieran with Cabatana and academe chair Capt. Rodien Paca

- 1:** PNP Highway Patrol Group spokesperson PSupt Fortunato Goerrero speaking at the SCMAP General Membership Meeting
- 2:** Fun and games at the SCMAP Christmas fellowship
- 3:** The SCMAP board strike a pose during their annual planning
- 4:** Attendees making a plan during Supply Chain Mornings
- 5:** SCMAP executive director Norman Adriano hosts the first General Membership Meeting of 2016



Lite Xpress hosts October GMM

SCMAP's fifth general membership meeting for 2015 was held at the headquarters of Lite Xpress International in Quezon City last October 22.

Police Superintendent Fortunato Guerrero, spokesperson of the Philippine National Police's Highway Patrol Group, spoke about their efforts to improve traffic along EDSA, and took questions from the delegates.

Lite Xpress' Eric Asuncion discussed the benefits of outsourcing in a supply chain operation, and also led delegates to a tour of their facilities.

Cemex's Alex Festejo talked about ensuring safety on the road, including how they screen and monitor their trucks.

SC Mornings tackles cold chain

The last Supply Chain Mornings seminar for 2015 was held last November 26 at the Linden Suites in Ortigas, Pasig. Reynold John Madamba of Icebox Logistics spoke about cold chain logistics, including its applications in the domestic setting and trends within the industry.

Better transport for tourists, ships

Improving transportation access was the major topic in SCMAP's final general membership meeting for 2015, held last November 26 at the Linden Suites in Ortigas, Pasig.

REID Foundation's Ronilo Balbieran discussed improving infrastructure for tourism, and also tackled efforts from the Department of Tourism and the Department of Public Works and Highways in that regard.

Richard Barclay of Manila North Harbour Port Inc. once again graced the GMM, this time to discuss their implementation of the new Navis N4 port terminal system.

The November GMM also saw elections for the 2016 board. For the first time, online voting was implemented for members who cannot physically be at the GMM, although some votes were also cast during the event itself.

SCMAP fellowship gets global flavor

Keeping with the "Go World Class" theme, SCMAP's Christmas fellowship went international with an event carrying the theme "Christmas Around the World".

Held on December 4 at the Makati Sports Club, the attendees—or at least some of them—went in full international attire. But there were prizes and giveaways regardless of outfit. Among the many prizes given away were an Android tablet and an LED television, given away through games and raffles.

And, as is standard with any SCMAP event, there were lots of singing and dancing, and gift packs for all.

Board plans for 2016 in Tagaytay

The SCMAP board and committee vice-chairs returned to the Smart Staff House in Tagaytay for their annual strategic planning held last January 16-17.

There they expanded on the vision set last year. Apart from planning the year's events, the board discussed plans for the SCMAP Center for Research and Policy, and continuing collaborations with agencies such as Technical Education and Skills Development Authority.



SCMAP, PortCalls forge partnership

SCMAP and *PortCalls* have entered into a partnership that will allow for a wider reach in events and communications.

PortCalls, a weekly newspaper serving cargo, transport and logistics professionals, will act as a media partner for SCMAP events. SCMAP has also resumed its fortnightly column with the publication. The previous column, “SCMAP Perspective”, was written by the organization’s former executive director, Ed Sanchez, until June 2014.

Mornings dives into SCM strategy

A new year of Supply Chain Mornings seminars was kicked off on February 24 at the Astoria Plaza Hotel in Pasig City. Nestor Felicio, SCMAP president-elect and United Laboratories vice president for planning and logistics, led the workshop on supply chain planning and strategy.

Upcoming Supply Chain Mornings seminars for the year will tackle inventory management, transportation planning, and the role of technology in supply chain management.

Fuel prices take spotlight on GMM

SCMAP’s first General Membership Meeting of 2016 square in on the issue of fuel prices—why they go up and down they way they do, and how a supply chain manager can effectively deal with these changes.

The event, held on February 24 at the Astoria Plaza Hotel, featured a talk Anselmo Adriano, of the Department of Trade and Industry’s Customer Protection and Advocacy Bureau. He discussed how commodity prices are affected by fuel prices, and why they remain the same despite the recent drop in the latter.

Later, Johnson & Johnson Philippines’ Clarisse Castillo—who also serves on the SCMAP board—talked about how a supply chain manager would deal with the fluctuations in fuel price as it affects the cost of transport and, ultimately, the products being shipped and sold.

The GMM also saw a talk from SCMAP director Dario Arive Jr. on employee engagement, and the usual updates on the organization’s activities and advocacies.

Adriano talks to UST students

SCMAP executive director Norman Adriano delivered a talk to students of the University of Santo Tomas on February 11. He discussed career opportunities in supply chain management to an audience composed mostly of industrial engineering majors.

And coming up next...

SCMAP will hold its annual **Supply Chain Immersion** (yes, it’s a new name) on May 18-21, onboard 2GO’s MV St. John Paul II bound for Cagayan de Oro ... also in CDO, the first **Mindanao Supply Chain Conference** at the Limketkai Luxe Hotel on May 20 ... the **SCMAP Supply Chain Conference** at the EDSA Shangri-la in Pasig on September 15-16 ... and **General Membership Meetings** are slated for April 28, June 16 and August 18.

More details will be revealed in the coming weeks, through our website, Facebook page and the *Supply Chain Philippines On Time* email newsletter.

Advertise with *Supply Chain Philippines* and reach supply chain movers and shakers! Our magazine is distributed to SCMAP members—which include the country’s top manufacturers, retailers and service providers—across the country. *Supply Chain Philippines* is a platform for you to promote your products and services to the biggest players in the country’s supply chain industry.

Our ad rates are as follows:

Outside back cover: PHP 15,000

Inside front cover: PHP 15,000

Inside back cover: PHP 15,000

Whole inside page: PHP 10,000

Half inside page: PHP 5,500

Deadline for all submissions for our next issue, which will be out in September, is on 19 August.

Ad rates are subject to change without prior notice. To get updated rates, and to become an advertiser, please email the SCMAP Secretariat through secretariat@scmap.org.

Be a contributor: We’d love to hear your ideas on what should be on the magazine! Whether it’s a piece on improving supply chain practices, or a spotlight on technologies that could change the way we work, we’d love to hear about it.

Email secretariat@scmap.org with the subject line “SCP Contributor” and give us a synopsis of your article idea. Writers who get published will get freebies and perks.



We are a community that moves the global competitiveness of the Philippine supply chain industry.

The Supply Chain Management Association of the Philippines is the premiere supply chain organization in the country. Founded in 1989 as the Distribution Management Association of the Philippines (DMAP), SCMAP is now composed of over 100 member companies committed to improving their supply chain processes and professionalizing their supply chain practitioners.

SCMAP’s members are spread across three chapters: the national chapter, based in Manila, and two regional chapters based in Cebu and Cagayan de Oro, respectively.

The organization is led by a ten-member Board of Directors, elected annually by the general membership every November. The Board later elects, among its members, the officers. The Board works alongside the Executive Director, who oversees the Secretariat and represents SCMAP in events and activities.

SCMAP’s three pillars help position the country’s supply chain industry towards competitiveness and nation building.

Advocate: SCMAP works with government agencies, industry groups and other parties to push for policy reforms that strength and improve supply chain processes. SCMAP has advocated for efficient port operations, fair transport costs, development of RORO routes and the promotion of Clark as a secondary gateway to Greater Manila.

Communicate: Through regular events, fora and publications such as *Supply Chain Philippines*, SCMAP updates its memberships on trends, innovations, challenges and practices affecting the supply chain industry.

Educate: In collaboration with different academic organizations and government agencies, SCMAP organizes workshops and programs that make supply chain practitioners more competitive and gear them towards nation building.

Being an SCMAP member brings a wide range of benefits.

SCMAP members have greatly benefited from the organization’s efforts in promoting its advocacies. It has helped effectively reduce, contain and postpone increases in logistics costs, and prevent disadvantageous regulations and impositions such as a total truck ban in major expressways and unfair deregulation provisions.

Through their SCMAP membership, companies also get opportunities for exchange of information and developments through various programs and activities. They also get opportunities for training, and representation in formulation of government policies through participation in surveys, benchmarking projects and the like. Members also gain an avenue for networking with their peers within and outside the supply chain industry.

Membership is open for both companies and individuals. For information, email the SCMAP Secretariat through secretariat@scmap.org.

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What have you been up to?

SCMAP – Supply Chain Management Association of the Philippines
Posted by Niko Batallones [?] · November 19

...orning once again from Hong Kong! Today is the start of the Logistics and Maritime Conference.

**SCMAP GO
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CLASS!**

500 Likes

SCMAP's official magazine, Supply Chain Philippines, is now available at various media exhibitors. If you're around, drop by our stall and...



Efficient Warehouse Systems

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