

AG&P now focusing on Philippine expansion

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JOSEPH M. SIGELMAN AG&P Chief Executive Officer — COMPANY HANDOUT

By **Victor V. Saulon**, *Sub-Editor*

AFTER ITS overseas foray, Filipino firm Atlantic Gulf and Pacific Co. (AG&P) is once again looking at the Philippines as an attractive site to provide its services as it plans to take part in local industrial projects with its skilled workers from its plants in Batangas.

"We wanted to take advantage of our decades of experience working for international projects and bring those to bear domestically and also to refocus AG&P domestically again," said AG&P Chief Executive Officer Joseph M. Sigelman in an interview last Feb. 28.

"So we're very excited. We're working at big projects now in petrochemical, refining, power and now we're also getting into infrastructure — transport infrastructure — so airports, roads and so on as we move forward," he added.

Through its manufacturing plants in Batangas, AG&P has provided modular business solutions for international projects in industries such as construction, mining, oil and gas, including a liquefied natural gas (LNG) import terminal in India.

"We're not historically a civil works company. We generally deal with steel and electrical and so on, but where we have gaps we're partnering with companies and approaching this collaboratively to bring a holistic solution to things," Mr. Sigelman said.

AG&P, which has been operating for 119 years, has two manufacturing yards in Batangas: a 100-hectare facility with designated areas for assembly and shops for fabrication, and a 50-hectare leased waterfront property within the Philippine Ports Authority site. The two sites are 8.7 kilometers apart by land, and 6.8 kilometers by sea.

In 2016, AG&P invested P1.5 billion in advanced technologies, equipment and highly advanced automation. The upgrade allowed the company to offer capacity of up to 60,000 metric tons of structural fabrication, 600,000 dia-inch of piping fabrication and up to 125,000 MT of assembly, making the yards one of the largest facilities in the region.

AG&P is now hiring 5,000 skilled workers in addition to its more than 2,000-strong work force, to support its re-entry into the domestic heavy industry construction market. It is looking for engineers, welders, painters, cutters, fitters, electrical and instrumentation experts among others, to execute a broad range of services.

About 4,000 of the new workers are being hired for work on a petrochemical plant in Batangas. It is one of the largest employers in the province, having hired at least 3,800 workers between 2016 and 2018.

Mr. Sigelman said although the company has existed for more than a century primarily as a construction company, it has evolved through the years. It has retained its construction business, while growing its gas logistics business.

“On the construction side first, the modularization became a key element of our business. Since 2010, we sold and executed about over \$1 billion worth of contracts with respect to modularization,” he said.

“With construction, one of the key drivers for us had been international growth — petrochemicals, refining and so on, oil and gas, mining, internationally. But then, even though AG&P for decades and decades had been the largest construction company in the Philippines, for the prior decade or so we had largely spent our time focusing internationally albeit using our yards south of Manila to build the modulars and send them abroad,” he added.

AG&P projects in countries such as Australia and United States used components built in the Philippines, where economic growth has been growing, Mr. Sigelman said.

Among the overseas projects is an LNG import terminal in Karaikal Port, Puducherry, India that will provide industries and communities access to cleaner, cheaper fuel. AG&P has a major investment in GAS Entec Co. Ltd., a specialist Korean gas engineering company focused on small- and mid-scale LNG infrastructure.

“We’re proudly Filipino, and from our perspective, this is probably the most exciting time for infrastructure. The country is going through a renaissance. It’s going through a transformation not just in terms of modernizing but expanding and also fundamentally changing the nature of industry, all at the same time. And so we’re absolutely privileged to be playing a part of that,” Mr. Sigelman said.