



DOING BUSINESS IN THE PHILIPPINES

WRITTEN BY



ABOUT THE GUIDE

The Entrepreneur's Guide, written by the French Chamber of Commerce and Industry in the Philippines, is intended to assist you in entering the Philippine market or in setting up your business in the country. It also aims to provide you with initial information regarding the various top industries in the Philippine market today.

Inside this guide, you will find key economic and geographical information about the country. Short analyses of emerging markets such as agriculture, construction and real estate, energy, manufacturing, pharmaceuticals and tourism can also be found in this guide. You will also be able to discover emerging sectors and their current evolution and developments.

Last but not least, you will get information on the administrative part of settling in or establishing yourself in the country as well as doing business in the Philippines.

THIS GUIDE IS BROUGHT TO YOU BY



SPECIAL THANKS TO



WRITTEN BY

Marie Maylis Charlat
Managing Director
CCI France Philippines

Eunice Tiongson
Head of Business Development - TFE
CCI France Philippines

LETTER FROM THE PRESIDENT



The publication of this Guide for Entrepreneurs is a milestone for the Chamber, as it champions the first layer of doing business in the Philippines. This Guide contributes greatly to our mission of promoting and strengthening the bilateral relations between France and the Philippines. It also signifies the long-standing collaboration between key personalities and decision-makers between both countries, in the public and private sectors alike.

We envision this Guide for Entrepreneurs to be a useful, effective, and active tool in doing business in the Philippines. We aim to boost foreign direct investment by providing a platform to discover the excellence of various leading industries. Through our strong link and collaboration with government institutions, other Chambers of Commerce and associations in the Philippines, and globally, we hope to connect both foreign investors and local businesses through information and social events. Not only is this initiative geared towards supporting investors, but also for those who are already present in the Philippine market.

It is our pleasure to accompany you in navigating the Philippine market, and cultural landscape through the efforts of the whole CCI France Philippines team, our esteemed board of directors, and dear members.

Mabuhay Ang Pilipinas, Vive la France!



Jacques-Christophe Branellec
*President of CCIFP,
Executive Vice President
and CEO at Jewelmer*

LETTER FROM THE AMBASSADOR

The Embassy of France in the Philippines would like to extend its congratulations to the French Chamber of Commerce and Industry in the Philippines for the publication of this *guide des entrepreneurs* which reaffirms its commitment to strengthening Franco-Philippine economic ties by providing potential investors with a comprehensive guide to starting a business in the country.



The Philippines recorded strong economic growth in the first half of 2022 (+7.8% of GDP), it is one of the most dynamic economies in the region.

Furthermore, the economic priorities of the Philippines represent new opportunities for French expertise, particularly in the low-carbon energy and agri-food sectors which are also priority areas for France. In addition, the reduction of corporate taxation, the lowering of investment thresholds for the creation of SMEs and in the field of retail, as well as the opening of certain public services to 100% foreign ownership are recent reforms which are welcomed by the private sector and would help attract new investors and generate fruitful partnerships.

It is in this new favorable business environment that the first edition of the *guide des entrepreneurs* sheds very useful light. An absolute must-read!

Thank you and mabuhay!

A handwritten signature in black ink, appearing to read 'M. Boccoz', with a long horizontal flourish extending to the right.

Michèle Boccoz
Ambassadeur de France

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Welcoming Kit





Chapter I

WELCOMING KIT



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ABOUT US

CCI FRANCE PHILIPPINES

Our mission is to boost and advance high quality business, social and cultural relations, and knowledge exchange bilaterally, between French and Filipino companies, institutions, and individuals through our unique network of local and international experts, companies, and thought leaders.

To achieve our objective, we support French and/or Filipino companies, individuals, or NGOs who wish to implement each others' market by delivering prospecting missions, market studies, or setting up corporations throughout our international network.

We animate the business community in the Philippines through our network of over 160 members and different activities and events such as sectorial conferences, networking events, galas, committee meetings, and more.

We aspire to be the most valued partner of the French and Philippine corporations, institutions, and individuals in growing their businesses in the Philippines and in France.

CCI France Philippines stands for result-driven, impact, diversity and inclusiveness, network solidarity, French excellence, valorization, and entrepreneurship.

OUR TEAM



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BOARD OF DIRECTORS



Jacques-Christophe Branellec
President

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*Vice President, Desk Head for
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at Banco de Oro Unibank, Inc.*



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**Second Vice President and
VP Team France Export**

General Manager at OCEA S.A



Gilles Collin
Treasurer

Director at Dulmar HK



Louella Caridad
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*General Manager at ENGIE
Services Philippines*



Philip Mareschal
VP Team France Export

*Head of Property and Management
at Jones Lang LaSalle Philippines*



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VP Memberships

*General Manager at
Sofitel Philippines*



Joanna Burger
VP Memberships

*CEO at Atalian Global
Services Philippines*



Mathieu Guillaume
VP CCI Visayas

CEO at Vienovo



Jos Ortega
VP Communication
*CEO and Chairman at
Havas Media Ortigas*



Yannick Raynaud
VP Events
*Country Managing Director
at L'Oreal Philippines*





MEMBERSHIP PERKS

Why become a member?
 - To enhance the visibility of your brand and get the opportunity to network with other French and Filipino businesses by joining the CCI France Philippines network.
 - Free access to CCI France Philippines' directory
 - Access to business development services such as market study, client prospection, trade delegations, and B2B arrangements.

PATRON

Per invitation only. **PHP150,000 + VAT**

| | | | |
|--|---------------------------------|--|--|
| | SECTORAL COMMITTEES CHAIRPERSON | | SPEAKING SLOT & CO-PRESENTER |
| | STRONGEST VISIBILITY | | 15 PRIVILEGE CARDS |
| | COMPLIMENTARY TICKETS | | PREFERENTIAL RATE FOR BUSINESS SERVICE |
| | PRIORITY TO SPONSOR EVENTS | | CSR SPONSORSHIP OPPORTUNITIES |
| | PARTNERS PROGRAM | | B2B AND B2C INTRODUCTION |

CORPORATE

>50 MEMBERS **PHP70,000 + VAT**

| | | | |
|--|-------------------------------|--|--|
| | SECTORAL COMMITTEES | | ACCESS TO ONLINE DIRECTORY |
| | PARTICIPATION IN EVENTS | | PREFERENTIAL RATE FOR BUSINESS SERVICE |
| | COMMUNICATION & VISIBILITY | | 12 PRIVILEGE CARDS |
| | OPPORTUNITY TO SPONSOR EVENTS | | PARTNERS PROGRAM |
| | CSR SPONSORSHIP OPPORTUNITIES | | |

SME

<50 MEMBERS **PHP30,000 + VAT**

| | | | |
|--|-------------------------------|--|-------------------------------|
| | SECTORAL COMMITTEES | | CSR SPONSORSHIP OPPORTUNITIES |
| | COMMUNICATION & VISIBILITY | | SPEAKING SLOT & CO-PRESENTER |
| | PARTICIPATION IN EVENTS | | 7 PRIVILEGE CARDS |
| | OPPORTUNITY TO SPONSOR EVENTS | | REFERRALS & B2B INTRODUCTION |
| | PARTNERS PROGRAM | | |

START-UP

<2 YEARS **PHP16,000 + VAT**

| | | | |
|--|-------------------------------|--|----------------------------|
| | ACCESS TO ONLINE DIRECTORY | | MENTORING |
| | VIRTUAL & PHYSICAL DESK | | COMMUNICATION & VISIBILITY |
| | 5 PRIVILEGE CARDS | | PARTICIPATION IN EVENTS |
| | SUPPORT TO SET UP CORPORATION | | NETWORKING |

NGO INSTITUTION

PHP12,000 + VAT

| | | | |
|--|-----------------------------|--|----------------------------|
| | SPEAKING SLOT OPPORTUNITY | | POSTAL DOMICILIATION |
| | INTRODUCTION TO CORPORATION | | ACCESS TO ONLINE DIRECTORY |
| | MENTORING | | 5 PRIVILEGE CARDS |
| | PARTICIPATION IN EVENTS | | |

INDIVIDUAL-YOUNG PROFESSIONALS

>35 YEARS OLD **PHP 8,000 + VAT**
 <35 YEARS OLD **PHP 5,000 + VAT**

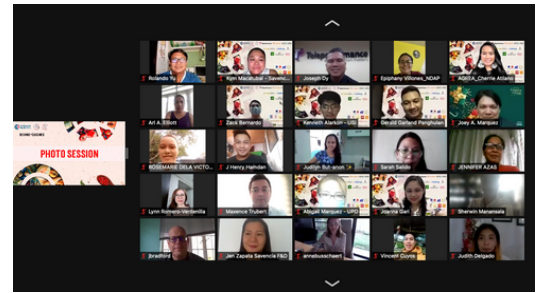
| | | | |
|--|-------------------------|--|----------------------------|
| | VIRTUAL & PHYSICAL DESK | | SUPPORT FOR JOB SEEKERS |
| | NETWORKING | | 1 PRIVILEGE CARD |
| | PARTICIPATION IN EVENTS | | ACCESS TO ONLINE DIRECTORY |

EVENTS

INFRASTRUCTURE & CONSTRUCTION COMMITTEE MEETING



BEHIND THE CUISINES



2022 ANNUAL GENERAL MEETING



DEI COMMITTEE LAUNCH



ANNUAL GALA DINNER



TEAM FRANCE EXPORT

Team France Export is the gathering of all the public solutions proposed by the Regions, State services, Business France, Chambers of Commerce and Industry and Bpifrance that support French companies in exporting. The CCI's Team France Export team helps French companies to set up in the Philippines by offering various services.



TEAM FRANCE EXPORT SERVICES

Test Sur Offre (TSO)

Our business analysts frequently provide advise on bA Test Sur Offre mission allows for product testing. Through this type of mission, information is collected to be used in analyzing and confirming the interest of the local market.

Prospecting Mission

A prospecting mission is a business meeting program that enables the client to meet with qualified prospects from the Philippines, who are interested in exploring business synergies with the client. The commercial offer of the client will be presented to prospective clients that are previously or actively selected and contacted by CCIFP.

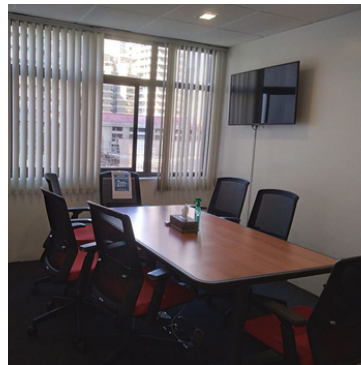
Prospecting Mission with TSO

A prospecting mission with TSO starts with the execution of product testing with interested prospects and is followed by the organization of business meetings to establish potential partners.

Market Study

The creation of a market study is based on specifications drawn up by CCIFP and the client. Its elements include the overview of the Philippine market, expectations of distributors, consumers, quantitative monitoring of the market, and statistics.

We offer **portage services** to assist your company in hiring and creating payroll for your employees. For more details, see page 19



For inquiries regarding our Business Center and Domiciliation Services, kindly contact info@ccifrance-philippines.org or eunice.tiongson@ccifrance-philippines.org



Domiciliation

- **Office domiciliation**
Rent office space at the CCIFP business center in Ayala Avenue, Makati City
- **Virtual Desk - Postal domiciliation**
Allows the use of the CCIFP business center and office address for your local postal needs

OUR PATRON MEMBERS



OFFICIAL AIRLINE PARTNER: AIRFRANCE

USEFUL CONTACTS



**AMBASSADE
DE FRANCE
AUX PHILIPPINES
ET EN MICRONÉSIE**

*Liberté
Égalité
Fraternité*

The Embassy of France in Manila

16th Floor Pacific Star Building, Sen. Gil Puyat Extension
corner Makati Avenue, 1200 Makati City, Philippines

Contact No.: +63288576900

Email: admin-francais.manille-amba@diplomatie.gouv.fr

Working Hours:

M-Th: 8:00 am to 5:30pm, F: 8:00am to 12:30 nn



Alliance Française
Manille - Philippines

Learn French with us!

Alliance-Francaise Manille - Philippines

209 Nicanor Garcia, 2, Makati, 1209 Metro Manila

Contact No.: +63288957585 | info@alliance.ph

Working Hours:

M-F: 8:00 am to 6:30pm, Sat: 8:00 am to 4:30 pm

Contact: Mr. Xavier Leroux, Director

xleroux@alliance.ph



Lycée Français de Manille

75 Swaziland Street Better Living Subdivision, Parañaque,
1711 Metro Manila

Contact No.: +63 2 87761000 | contact@lfmanille.ph

Working Hours:

M-F: 7:35 am to 4:30 pm

Contact: Eliette Baud, Headmaster

eliette.baud@lfmanille.ph



Les Conseillers Du Commerce Extérieur de la France

Website: <https://philippines.cnccef.org/>

For a full list of contacts, click [here](#).



France Philippines United Action

Unit 2901, 88 Corporate Center, Valero St corner Sedeno
St. Makati, Metro Manila, 1227 Philippines

Contact No.: (02) 831 6374 | info@fpua.ph

Contact: Danielle Abad

daniellea.fpua@gmail.com



VFS Global Philippines Private, Inc.

2305, Ecoplaza Building, Mezzanine Floor, Don Chino
Roces Ave, Ext, Makati, 1231 Metro Manila

Contact No.: (02) 8528 2503 | info.czph@vfshelpline.com

Working Hours:

M-Th: 7:00 am to 4:00 pm

NAVIGATING THE CITY

ACCOMMODATIONS: LONG-TERM STAY IN THE METRO



The accommodation options and explanation of the local transportation system, provided in this section, will be concentrated within Metro Manila, specifically Makati City, as the area is where most of the country's commercial and business operations are located.

Makati City, Taguig City, and Muntinlupa City are usually foreign visitors' top choices for long-term accommodations in Metro Manila. Several neighborhoods in these cities are known for offering accessibility, security, convenience, and comfort—qualities that are sure to appeal to any entrepreneur looking for a new home on new territory.

Makati City has an abundant selection of gated villages for foreign professionals looking to settle within the country's commercial center. The most luxurious option is Forbes Park, where house rent usually falls between Php 300,000 to Php 500,000 per month. Other gated villages are Urdaneta, Bel-Air, Legazpi, Salcedo, Magallanes, San Antonio, and San Miguel; where house rent ranges from around Php 100,000 to Php 300,000 per month. Condominiums may also be a welcome option; for this, it is recommended that you check out Rockwell Centre and One Roxas Triangle, where several condominiums are located.

Bonifacio Global City (BGC), meanwhile, is popular among foreign visitors for habitation in Taguig City. House rent in the area is around Php 100,000 to Php 350,000 per month. BGC also has its own share of condominiums you can check out. Many units in BGC are priced between Php 30,000 to Php 150,000 per month.

Muntinlupa City is another location that offers comfortable living conditions in a similar environment to that of Makati and Taguig, especially in Ayala Alabang Village and Filinvest City. Monthly house rent in these places is around Php 100,000 to Php 300,000, while condominiums charge around Php 20,000 to Php 100,000.

If you need a broker to assist you, you may get in touch with **JLL Philippines, Inc.**, a global real estate services firm that specializes in commercial property and investment management. Their services include lease administration, consulting, asset management, and valuation. JLL Philippines' head of property and management is Mr. Philip Mareschal at philip.mareschal@ap.jll.com



NAVIGATING THE CITY

ACCOMMODATIONS: FOR A SHORTER STAY

For short-term stays, on the other hand, Makati City and other neighboring cities house some of the countries' most luxurious hotels. These hotels are situated in strategic locations, making going around and accessing key places in the Metro convenient: as well as enabling guests to make more productive use of their time.

Below are some of the best hotels in and around Makati. Visit their respective websites for more details on room or suite availability, pricing, and amenities.



Accor Hotel offers premium accommodations for your stay in the Metro. They own hotels such as Sofitel, Fairmont Makati, and Novotel



Sofitel Manila

CCP Complex, Roxas Boulevard,
Pasay City 1300 Metro Manila
+63 2 8573 5555 |
H6308@sofitel.com
Check-in time: 2:00 PM
Check-out time: 12 NN



Raffles and Fairmont Makati

1 Raffles Drive, Makati Avenue,
Makati City 1224 Metro Manila
+63 2 7795 1888 |
makati@fairmont.com
Check-in time: 3:00 PM
Check-out time: 11:00 AM



Novotel Manila Araneta City

General Aguinaldo Avenue,
Araneta City 0810 Quezon City
+63 2 8990 7888 |
H7090@accor.com
Check-in time: 2:00 PM
Check-out time: 12 NN



Element Boutique Hotel

Guerrero St. Brgy., Makati City
1210 Metro Manila
+63 2 805 1360 |
info@elementboutiquehotelmakati.com
Check-in time: 2:00 PM
Check-out time: 11:00 AM



NAVIGATING THE CITY: Transportation

Metro Manila has several modes of transportation you can choose from depending on the area you want to visit, your budget, and how fast you want to get to your destination. This section will discuss where to find and how to take the most common of these modes of transportation, the mode of payment, fares, pros and cons, and tips.

As a general note, bear in mind that it can be difficult to take public transportation during rush hours (starting around 6 am in the morning and around 6 pm in the evening).

PUBLIC TRANSPORTATION

Taxis

Taxis are a convenient way to travel around, especially when you do not know the area. The fare starts at 40 pesos and increases according to the time it takes to get you from Point A to Point B. This can be disadvantageous if traffic is bad; the meter will not stop running just because the car is not moving. Taxis can also be difficult to get in some areas. They tend to be easier to hail around large, public spaces (e.g., malls, hotels). For a more secured option, you may opt for a Grab taxi. See below for details.

Grab is a mobile technology company that offers transportation services. All you have to do is download the app to book a car ride. The brands and models of the cars used for Grab's transportation services vary, so make sure you double check the information of the ride you booked on the app.

Angkas allows you to book motorcycle rides through their app. It is the perfect option for when you need to reach a destination quickly and are worried about bad traffic.

The pricing system for both services depends on distance and demand at the time of booking. Payment can be given directly to the driver or paid in advance through the apps.

Avis is a car rental company that operates all over Metro Manila. They also have chauffeur-driven rental services, which is optimal to travel all over the city without worrying about getting lost



PRIVATE CAR RENTALS

Some car rental agencies in the Metro are listed below. Please click the company name to be redirected.

Avis

+632 8462-2881 to 83 | 0977-3520129
customercare@avis.com.ph

Car Rental Manila PH

+63 977 817 1690 | 8843 8561
booking@carrentalmanila.ph

Anis Transport

+63 917 626 4022 | 8519 8186
booking@anistransport.com

Reserve Car Rentals

8893 6135 | contact@reservecarrentals.com

Buses

Buses are either P2P or not-P2P buses travel from one point to the next without stops in between and are therefore faster than the general bus. For P2P buses, it is important to know where the main loading points are. Fare payments in buses can either be done via beep card or cash. If there is no card reader in the bus, someone inside (called the konduktor) will be asking for the passengers' fare.

Jeepneys

Jeepneys are located almost everywhere in the Metro and are the most common mode of transportation. The base fare for jeepneys is currently at 9 pesos. The fare increases according to distance traveled and the route taken (e.g., jeepneys passing through expressways charge higher).

Trains - Metro

As it is not vulnerable to heavy traffic, taking a train is one of the quickest ways to move around the Metro. There are currently three railway lines in Metro Manila—LRT-1, LRT-2, and MRT-3. Payment is done through a beep card.



THE FOOD HUNT

Finding a good place to eat in Makati and nearby areas is quite an easy thing to do, with many excellent restaurants situated so close to each other. Nevertheless, the list provided, while not exhaustive, should be able to give you an idea on where to start exploring.



LATIN AMERICAN CUISINES

Samba
Peruvian cuisine
30th Street Corner 5th Avenue, Shangri-La The Fort, Manila, Taguig City

La Cabrera Manila
Argentinian cuisine
6750, Ayala Ave., 1226 Makati City

OTHER EUROPEAN CUISINES

Blackbird at Nielson Tower
European and other cuisines
6752 1229 Makati Ave, Makati City 1229 Metro Manila

Sala Restaurant
LV Locsin Building, Podium Level, 6752 Ayala Ave, Makati City, 1223

FRENCH CUISINE

Malongo

Malongo
3rd Avenue, Lower Ground, One Bonifacio High Street, Taguig, Metro Manila

Dr. Wine Rooftop Restaurant
5921 Algier Street, Brgy. Poblacion, 1209 Makati City

Metronome
Bolanos Street The Grand Midori Makati, Legazpi Village, Makati City

Brasserie Sagana
Ground Floor One/NEO 3rd Avenue, corner 26th St, Taguig, 1634 Metro Manila

The Bistro by Element
4950 Guerrero Street, Brgy Poblacion, Makati, Philippines

Society Lounge
G/F Atrium Building, Makati Avenue corner Paseo De Roxas, Makati City., Metro Manila, Makati, 1225 Metro Manila

Duck & Buvette
Unit 206, Main Wing Shangri-La Plaza, EDSA, Corner Shaw Blvd, Ortigas Center, Mandaluyong City

Chef Jessie Rockwell Club
Amorsolo Dr., Makati City

FILIPINO CUISINES

Manam
C/F Greenbelt 2, Esperanza St. cor. Greenbelt Dr, Esperanza St, Ayala Center, Makati City

Sentro 1771
36th Street corner 9th Avenue, Bonifacio Global City

Livestock
2F, Uptown Parade., Taguig, Metro Manila

Abe Serendra
C/F Serendra, 26th St, Serendra, Fort Bonifacio, Taguig, Metro Manila

Eat Pinoy
Food on Four, SM Aura Premier, cor. 1630, McKinley Pkwy, Taguig, Metro Manila

GROCERIES

If you wish to go grocery shopping, you may try SM Supermarkets and Hypermarkets in SM branches | S&R Circuit Makati | The Landmark Supermarket | MetroMart (online) | LazMart (online) | Rustan's Marketplace | Market! Market! | Santis





EXPLORING THE COUNTRY

BEACHES TO VISIT

With more than 7,600 islands, there are certainly a lot of options for travelers to choose from if they wish to take a break from the hustle and bustle of the city. The following listed below are good locations to start with (arranged in no particular order), with some nearer to Manila than others.

CORON, PALAWAN



EL NIDO, PALAWAN



SIARGAO ISLAND



BORACAY ISLAND



OTHER TOURIST DESTINATIONS

With more than 7,600 islands, there are certainly a lot of options for travelers to choose from if they wish to take a break from the hustle and bustle of the city. The following listed below are good locations to start with (arranged in no particular order), with some nearer to Manila than others.



A FEW TRAVEL TIPS

- The late and early months of the year (around November to February) are perhaps the best for exploring. This is past rainy season and the heat is more tolerable as well.
- English is a widely used language in the country. Nevertheless, use more basic words and phrases when asking around. This will make you easier to understand for Filipinos who are not used to English, especially in more rural areas.
- Filipinos are a welcoming and hospitable people, but be cautious nonetheless and do not leave your things unattended.



BOOK YOUR TRIP WITH US

ASIAVENTURE
TOURS AND TRAVEL

Established in 1990, Asiaventure is your French-Filipino fully-licensed travel inbound and outbound operator specialized mostly in tailor-made holidays for European operators or agencies, and European expatriates based in Asia, designing itineraries for all kinds of niche specialties: high-end luxury, honeymooners and families, special interest, group tourism, meeting and incentive events, adventure and ecotourism tours, scuba diving tours...

English, French, Spanish, and Tagalog speaking. Department of Tourism (Philippines) accredited and a member of the Philippines Tourism Board.

A DESTINATION MANAGEMENT COMPANY

We service tourism professionals, foreign tour operators and travel agencies who want to send their clients to the Philippines. They have been trusting us for many years, making Asiaventure the number one DMC on the French tourism professional market today. We offer that same expertise to the expatriates in Manila.

TAILOR-MADE TRAVEL

All clients are special! Families, couples, honeymooners, group of friends—tell us exactly what you want, and we shall find the perfect holidays for you to fit your needs and budget.

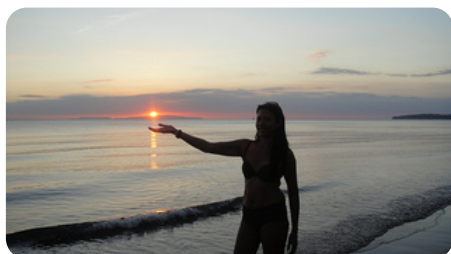
The Philippines have so much to offer, and such diversity! In this labyrinth of wonders, from North Luzon to Palawan, Boracay or the Visayas islands, let's find the perfect match for you.

- **Luxury:** We have competitive contracted rates with the best hotels in the country. Let's book the right room category to fit your needs.
- **Adventure and ecotourism:** The Philippines is the perfect land for tropical adventure.
 - Mountain trekking along the rice terraces, jungle hiking through tropical rainforests, climbing volcanoes
 - Others might prefer the ocean—*island-hopping* makes pretty much sense in the archipelago: cruising, kayaking, snorkeling, just do it your way!
- **Scuba diving and other sports:** Surfing, windsurfing, kitesurfing, kayaking—we know the best spots!
- **Special interests:** Birdwatching, wellness, religious pilgrimage—just name it, we might have it!

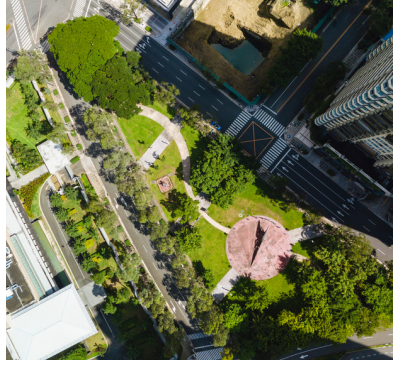


GROUP AND INCENTIVE TRAVEL

Companies, associations, clubs, wedding groups—we have a long experience of group travel in the Philippines to cater your needs. With our selection of reliable and creative local partners, we can build the unforgettable and successful event you are looking for.



Address: Unit 17-S, 17th Floor, 8 Adriatico Tower, Padre Faura corner J Bocobo Streets, Ermita 1000 Manila, Metro Manila, Philippines
 Telephone: +63 2 8526 6929 / 8523 7007
 Email: info@asiaventureservices.com
<https://www.asiaventureservices.com>



SHOPPING IN THE METRO

Shopping is perhaps one of the easiest things to do in Metro Manila, with so many malls, markets, and shopping centers located in highly accessible places. In every place are shops that cater to basically anything you can want and need, as well as many activities you can try during your free time. The following are some of the more well-known shopping destinations in the Metro.

Greenbelt

Esperanza St., Makati City

Glorietta

Ayala Center, Makati City, 1226

Power Plant Mall

Rockwell Information Ctr., Rockwell Drive Cor Estrella St.
Rockwell Center, Makati City

Rustan's

Ayala Center, Ayala Avenue, Makati City 1226

Shangri-La Plaza

EDSA corner, Epifanio de los Santos Avenue, Shaw Blvd.,
Ortigas Center, Mandaluyong City 1552

SM Mall of Asia

Seaside Boulevard, Pasay City

Legazpi Sunday Market

Herrera St. cor Legazpi and Salcedo, V.A. Rufino St., Legazpi Village, Makati City

Stalls are erected by different sellers who attract the crowd with cooked or baked food, arts and crafts, locally made goods, and various unique items. As the name of the market implies, this gathering of stalls is held only on Sundays.

Bonifacio Global City (BGC), Taguig City

BGC offers a ton of options for fun activities, shopping included. The place houses malls like the Venice Grand Canal Mall, Uptown Mall, and SM Aura Premier. Of course, there are also numerous shops located along the streets if you do decide to stop by.

Poblacion, Makati City

Poblacion is also a rather good place for shopping (just spending, in general), considering the area's restaurants, bars, and eateries; various stores that sell fashion pieces, vintage items, and more; personal care shops such as salons and spas; and establishments that offer diverse, fun activities.

FILIPINO CULTURAL TIPS

1. Respect

- Try to insert "po" and "opo" in your sentences to sound more respectful. "Opo" is the more respectful Filipino counterpart of "yes," while "po" can be naturally inserted at the end of English sentences.
- Use titles for both respect and familiarity. The informal "ate" and "kuya" are used to address a woman and man, respectively, whom you do not know.

2. Hospitality and close ties

- The family—extended family included—is a top priority for many Filipinos.
- English is one of the two official languages of the Philippines, so it is quite easy to find someone who can comfortably converse with you using the language, especially in urban areas.
- Filipinos love to bond over food. Join in when you can and get to know the people around you better.

3. Religiosity

- Many Filipinos are religious, with 86% of the population being Roman Catholics. Keep this in mind if ever anything related to religion comes up in conversation.

4. Other Filipino values

- Filipinos appreciate an individual's efforts to get along with the group.
- Many Filipinos remember favors that have been given them so that they can pay back in some way in the future. You may also want to return a favor if they have given you any.
- Sense of shame hinders many Filipinos from being too forward or assertive, as well as drives them to meet expectations just so they do not offend or cause inconvenience.

5. Other things to keep in mind

- Many Filipinos run on Filipino time (run late, basically), especially for more casual engagements.
- Commute will probably take longer than expected due to congested traffic. Delays are also not uncommon in the Philippines' transportation system.



There are several visa options you can consider depending on your qualifications, the length of your stay, and the nature of your plans in the Philippines. Listed on this page are the different visas currently being offered to foreign nationals intending to enter the country.

You may click on the name of the visa to be redirected to a website or document containing more details about the requirements of the visa.

Information updated as of June 2022

GETTING A VISA

EXPLORING YOUR OPTIONS FOR BUSINESS IN THE PH

Pre-Arranged Employment or 9(g) Visa

This visa may be availed by a foreign national who will be occupying an executive, technical, or managerial position in a local company for wage or any other form of compensation.

The pre-arranged employment visa will last as long as the applicant's alien employment permit (AEP). The AEP is granted for a period discretionary to the DOLE, usually based on the duration of the foreign national's appointment in his/her position. However, the the Bureau of Immigration (BI) may shorten the validity period of the 9(g) visa to one year.



PEZA Visa

The implementing rules and regulations (IRR) of the PEZA Visa have been recently approved. While similar to the 47(a)2 visa, this new version is expected to make doing business in the Philippines easier by making the visa approval process more convenient for foreign business professionals.

The PEZA visa may be issued to foreign investors, non-resident foreign employees of PEZA-registered ecozones and enterprises, and the foreign applicant's qualified dependents. The PEZA visa shall be valid within and outside registered economic zones in the Philippines with two years of validity.

The requirements are the same needed for a 47(a)2 visa. Upon approval, however, the 47(a)2 visa will be called PEZA visa.

Special Investor's Resident Visa (SIRV)

Any foreigner who is at least 21 years of age may apply for this visa if he/she will invest at least US \$75,000 in the Philippines. The SIRV allows a foreign national to stay in the Philippines indefinitely as long as he/she maintains his/her investment(s) in the Philippines at a minimum of US \$75,000 at all times.

Special Visa for Employment Generation (SVEG)

The SVEG is can be issued to a qualified foreign national who will employ at least 10 Filipinos in a lawful and sustainable enterprise, trade, or industry. Those who are qualified for the SVEG will be granted multiple-entry privileges and conditional extended stay.

OPENING A LOCAL BANK ACCOUNT WITH BDO UNIBANK

ABOUT BDO UNIBANK, INC.

BDO is a full-service universal bank in the Philippines that provides a complete array of industry-leading financial solutions. Through its local subsidiaries, the Bank offers Investment Banking, Private Banking, Leasing and Finance, Rural Banking, Life Insurance, Insurance Brokerage, and Online and Non-Online Brokerage services.

BDO is the only bank in the Philippines with organized and complete International Desks. These are led by professional and competent officers attuned to the unique banking needs of foreign companies and foreign individuals.

In terms of distribution network, BDO has the largest network with over 1,400 branches and more than 4,400 ATMs all over the Philippines. It also has 16 offices in Asia, Europe, North America, and Middle East, including branches in Hong Kong and Singapore.

BDO also offers digital banking solutions to make banking easier, faster, and more secure for its clients.

BDO'S SERVICES

- Cash Management Solutions
- Consumer Banking
- Corporate Financing
- Trade Services
- Treasury Services
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- Investment Banking
- Insurance
- Leasing and Finance
- Trust and Investments

Visit www.bdo.com.ph



OPENING A BANK ACCOUNT

List of required documents to open a local bank account (for foreign business professionals)

Personal Savings or Checking Account:

- Valid Identification
- Accomplished bank forms

Corporate Account:

- SEC Registration, Articles of Incorporate and By Laws (or equivalent document)
- General Information Sheet
- Secretary's Certificate
- Valid Identification
- Accomplished bank forms

Available currencies: Philippine Peso, US Dollar, Euro, British Pound

Foreign Corporate Account:

- Articles of Association and By Laws or its equivalent
- Board Resolution / Secretary's Certificate or its equivalent
- Certification issued by the "Companies Register"
- Valid Identification

Note: All documents executed outside of the Philippines will be consularized or apostilled.

Valid ID's:

- State / National ID
- Passport
- Driver's license
- Alien Certificate of Registration Identity Cards (ACR I-Card)
- Immigrant Certificate of Registration (ICR)
- Special Investors Resident Visa (SIRV)
- Special Resident Retiree's Visa (SRRV)
- Alien Employment Permit (AEP)



To learn more, email us at:

- Europe and North America Desks / euna@bdo.com.ph
- Marie Mariano / mariano.marie@bdo.com.ph
VP & Head, Europe & North America Desk



With most tax and compliance obligations being applied on a monthly, quarterly, and annual basis, availing accounting services would be helpful to ensure that a business runs smoothly.

BENEFITS

- Get assistance from professionals well-acquainted with the financial and compliance frameworks of the country
- Be updated with the latest financial and taxation legislations
- Be in touch with accountants that are well-versed with specific compliances and regulations in various sectors

ACCOUNTING SERVICES

for general accounting services, there are several accounting outsource providers that can lend their professional expertise and assistance for your company

SOME CCI MEMBERS IN THE SECTOR

 cloudcfo

 PROSESO
consulting

 Deloitte.

 CONSTANTIN

 **SGV**
Building a better
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CLOUD ACCOUNTING, TAX COMPLIANCE AND PAYROLL SERVICES FOR PH BUSINESSES WITH



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CloudCfo Customers

Our growing team of 100 dynamic and professional finance and accounting experts currently services 200+ companies across a range of industries in the Philippines, including technology, e-commerce, finance and lending, restaurants, hotels, manufacturing, distribution, retail and various other forms of business services. From startup to SME, to larger corporates, our Team has significant experience working with companies of all sizes and business models.

CloudCfo Services

CloudCfo offers the full suite of outsourced finance services including bookkeeping, accounting, tax compliance, financial reporting, AP and AR management and Virtual CFO services. Our specialist Payroll Team also offers an end-to-end payroll solution that combines an expert payroll processing service with our fully integrated in-house developed payroll system.

Process Focused, Tech-Empowered

CloudCfo leverages cloud accounting and finance technology to offer a truly process-driven, output-focused and tech-empowered approach to outsourced accounting services for the Philippines. The CloudCfo Web App, our in-house developed proprietary process management system, enables all CloudCfo customers to benefit from a 100% transparent service for managing their business finances. We offer full visibility across all of our team's deliverables and KPIs.

This is the future of outsourced accounting and finance services. This is Accounting 2.0!

ABOUT CLOUDCFO

CloudCfo is a leading provider of cloud accounting, tax and payroll services for businesses across the Philippines.

With a team of highly experienced accountants, bookkeepers and finance specialists, CloudCfo supports businesses in the Philippines to achieve sustainable growth by providing the highest levels of professionalism, transparency and innovation in outsourced accounting and finance services. We help companies to navigate the often complex regulatory and compliance framework in the Philippines in order to understand the true financial position of their business.



Find us at

2F, Paragon Plaza, 162 EDSA corner Reliance Street, Mandaluyong, 1550 Metro Manila, Philippines
02 7746 1995 | www.cloudcfo.ph





**BUILDING A BUSINESS
PRESENCE IN THE PH**



Finding the most suitable business setup

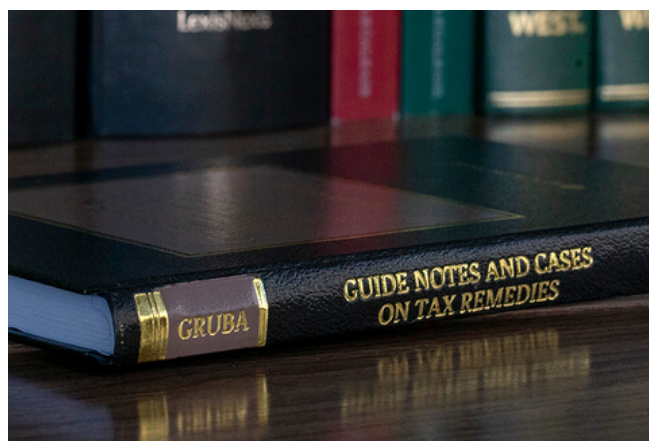
Our corporate lawyers frequently provide advise on business entity formation and its related areas such as foreign investment. We assist clients in setting up business in the country, whether through a branch, a representative office, a regional area headquarters, a regional operating headquarters or wholly-owned subsidiary. In selecting the best ownership structure, we take into account the industry of the client, the products manufactured or services provided, the organizational and reporting structure, as well as the labor and tax environment. We have linkages with foreign attorneys with whom we liaise to provide cross-border tax planning and restructuring.

Making operations easy

After the establishment of the companies and legal entities, our Firm provides businesses with continuing legal services arising from their business operations. These areas include labor and employment law, immigration law, intellectual property issues, foreign exchange and capital repatriation and other operational matters.

INTRODUCING ZGLAW

With the rapid growth of Philippine economy resulting in foreign investment interest, ZAMBRANO GRUBA CAGANDA & ADVINCULA (ZGLaw) is a full service law firm highly regarded for its expertise/specialist foreign investment practice that regularly advises on investment registration with the Philippine Securities and Exchange Commission (SEC), Central Bank (BSP) as well as investment incentives by the Board of Investments (BOI) and the Philippine Economic Zone Authority (PEZA). ZGLaw assisted foreign businesses and companies in setting up their investments in the Philippines.



Address:
27/F 88 Corporate Center, 141 Sedeño St., Salcedo Village,
Makati City 1227, Metro Manila, Philippines
8889-6060 | www.zglaw.com

OUR SERVICES

Growing your business hassle-free

We act as counsel in corporate acquisitions, conducting due diligence reviews and audits pursuant to an acquisition. Pursuant to a merger, we secure government consents and clearances to the tax effects of the dissolution of the merged company. Acting as directors in the boards of several companies, including banks and financial institutions, allows our lawyers a significant insight and understanding into various governance and corporate issues.

Connect with us.

We have a diverse range of clients to whom we give legal advise on corporate and commercial matters. We have clients engaged in water distribution, power generation and supply, as well as clients that are banks and financial institutions, restaurants, retailers, manufacturers, colleges and educational institutions, trade associations, cooperatives, religious institutions, export enterprises and individuals.



iScale Solutions has been established in the Philippines since 2014. We provide outsourcing services for customers in 15 countries. We specialize in IT services and software development, but we also provide non-IT personnel for sales, SEO, customer support and other roles. We have a solid knowledge of the local talent pool and how to run operations in the Philippines.

STAFF AUGMENTATION

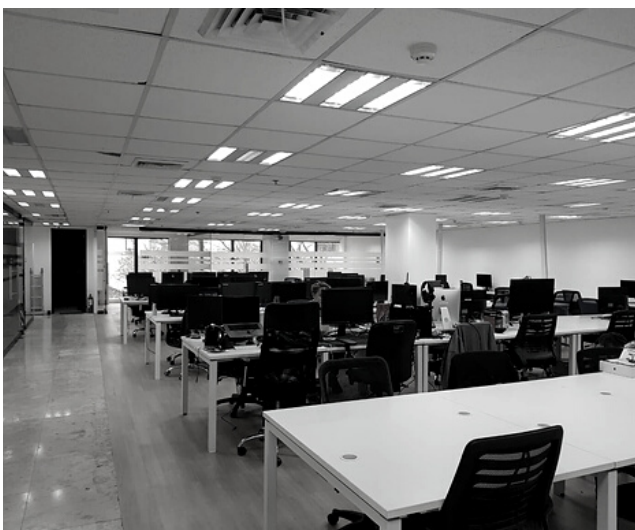
We provide staff augmentation services to help customers build and operate their teams in the Philippines while using iScale Solutions as a platform to operate legally. Staff augmentation allows customers to directly manage their teams, while having full transparency on salary and benefits. Our dedicated recruiters source for local candidates and organize interviews, allowing customers to make hiring decisions and choose amongst the best available candidates. Customers focus on operational tasks with their teams, while iScale Solutions focuses on HR, payroll, taxes and facilities management. Staff augmentation is a great way to set up a team in the Philippines and to remain focused on the core business, while iScale Solutions handles all administrative aspects.

OUTSOURCING

For customers externalizing operations with a third party, we provide fully outsourced software development and BPO services. In this model, iScale Solutions brings its own personnel and management to perform software development or BPO services, under strict Service Level Agreements and quality standards. Many customers around the world have outsourced services to us, either for small one-time projects or for larger recurring engagements.

EMPLOYER OF RECORD

Employer Of Record (also known in French as "Portage Salarial") allows companies without a local presence in the Philippines to hire employees legally through an Employer of Record (EOR) provider. iScale Solutions provides EOR services for Filipino or foreign nationals, and handles all compliance aspects for Philippines employment. We provide employment visas for foreign nationals, along with all mandatory contributions, deductions, and insurance requirements.



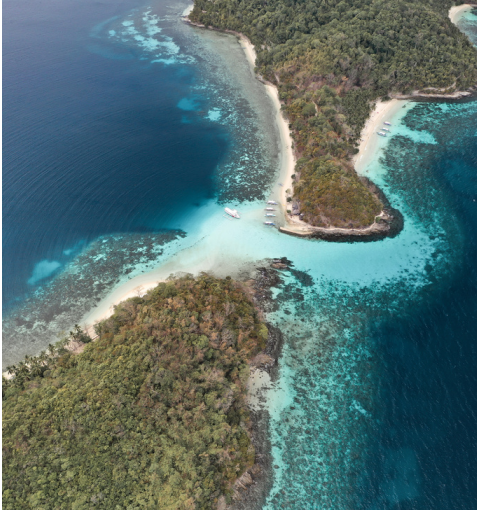
Address:
3rd Floor, Corinthian Plaza, 121 Paseo De Roxas, Makati
City, 1200, Philippines | www.iscale-solutions.com

CHAPTER II

An Overview of the Philippines



GEOGRAPHIC OVERVIEW OF THE PHILIPPINES



LOCATION

The Philippines is located in the western Pacific Ocean, which consists of 7,107 islands. The capital known as Manila is the second largest city in the country and home to most of the country's educational and political institutions. The Philippines is located close to the equator on the so-called Pacific Ring of Fire - or typhoon belt - a large Pacific region where many volcanic eruptions and earthquakes occur.



POPULATION

It has a large population of 111 million inhabitants. The country has a growing population, which helps the country's GDP of outsourcing human labor. Based on research, the young (under 25 years old) constitute 37.37% of the population.



COMMUNICATION

Due to the high population present in the country, there are more than 170 different languages spoken across the Philippines, the most popular being Tagalog (Filipino), followed by English. Majority are fluent in English, as a result of the nation's colonial past with the United States. Furthermore, it has a literacy rate of 98.18%.

ECONOMIC OVERVIEW OF THE PHILIPPINES



ECONOMIC GROWTH

The Philippines is one of the most dynamic economies in the East Asia and Pacific region and continues to show strong growth as the 5th largest economy in ASEAN. This is due to the expanding urbanization, developing working class, and an enormous growing population present in the economy. The country's GDP grew by 5.6% in 2021, proving the country's resilience and recovery after the height of the pandemic in 2020.



OPEN MARKETS

The Philippines has established diplomatic relations with numerous nations including its main trading partners: United States, Japan and China. Next is the European Union, the 4th largest exporter to the Philippines. The increase of foreign investments result in higher economic growth and open markets.



BUSINESS FREEDOM

The domestic market requires foreign investors to fund a specific amount before acquiring sole ownership of a business. A foreign individual can have up to 40% ownership of a corporation in the Philippines.

CHAPTER III

Emerging Sectors in the Philippines





Chapter III

EMERGING SECTORS IN THE PHILIPPINES



A. AGRICULTURE

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- LIVESTOCK
- CROPS
- FISHERIES/SEAFOOD
- DAIRY



B. CONSTRUCTION & REAL ESTATE

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- RESIDENTIAL
- COMMERCIAL
- INFRASTRUCTURE



C. ENERGY

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- RENEWABLE ENERGY



D. MANUFACTURING

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- FOOD AND BEVERAGE
- INDUSTRIAL GOODS



E. PHARMACEUTICAL

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F. TOURISM

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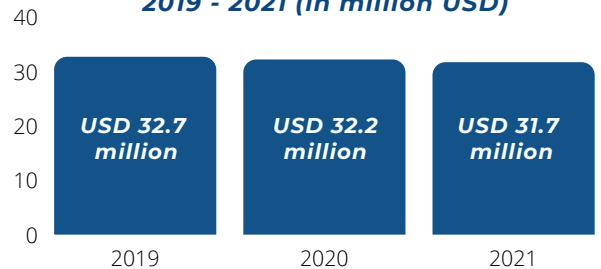
- HOTEL
- FOOD SERVICE
- LUXURY



AGRICULTURE SECTOR

EMERGING SECTORS

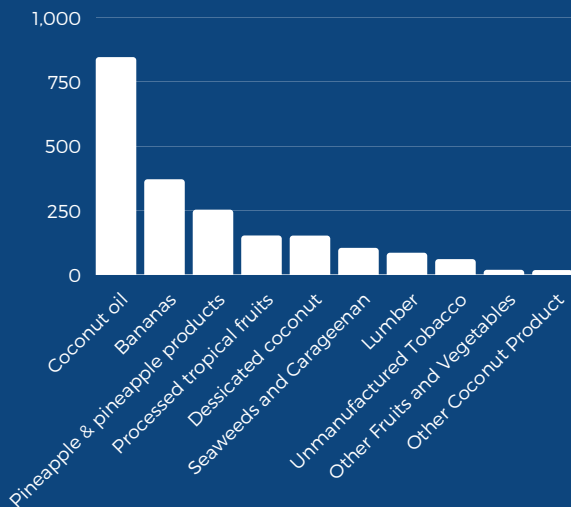
Local Agricultural Production
2019 - 2021 (in million USD)



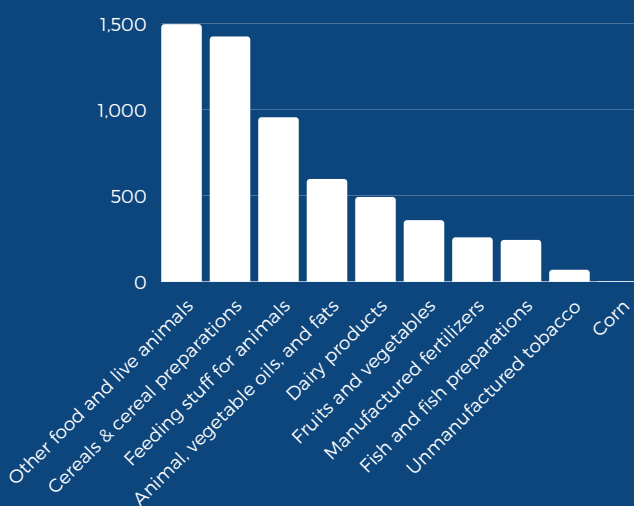
The agricultural sector is an important sector in the Philippines. It accounts for 9.6% of GDP (in 2021) and 23.6% of the country's employment (April 2022).

The agricultural sector decreased by 1.7 percent in 2021. Its overall contribution to the GDP also declined by 0.3 percent as the sector also faced challenges like African swine flu and super typhoons.

Most Exported Agricultural Products (in USD Millions) for January - April 2022



Most Imported Agricultural Products (in USD Millions) for January - April 2022



- The Department of Agriculture's (DA) strategy shifts away from focusing on specific crops towards improving the overall resilience, competitiveness, and sustainability of the rural sector.
- The DA's pipeline projects for the local industry include farm consolidation (including cooperative farming schemes for instance), better extension services, e-commerce, and investments in agribusiness start-ups to advance modernization of Philippine agriculture.
- The DA's Plant Plant Plant Program aims to increase domestic food and local feeds production, improve food mobilization, and allot budget for fertilizers subsidies to help producers lessen their expenses

COVID-19 IMPACT

- The pandemic caused the agriculture sector's output to contract by 1.2% in 2020
- Production has decreased in the Agricultural sector due to Decrease in Agricultural Labor Force :
 - Volume of Production (2020) = 97.011 million tons
 - Drop in Volume (From 2018-2020) = 2.972 tons
 - % Change in Volume (From 2018-2020) = -2.97%
- Due to mobility restrictions at the onset of the pandemic, food supply chains were gravely affected. This resulted to food price inflation, further increasing hunger and poverty

SOME CCI MEMBERS IN THE SECTOR

Check out other members at this [link](#)

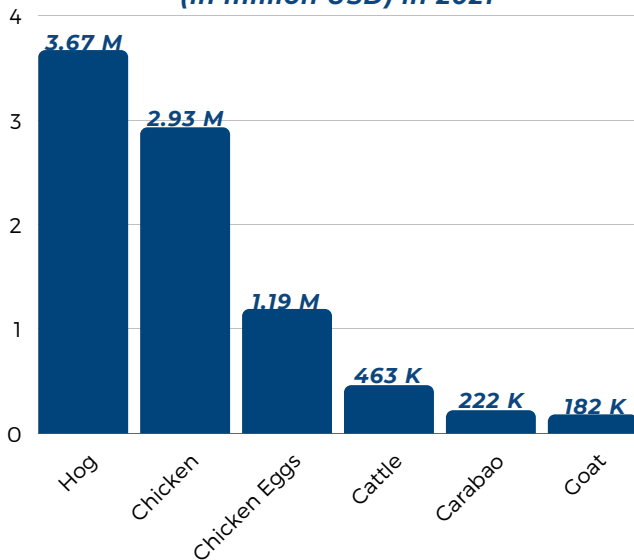
Relevant Public Actors:



MARKET TRENDS IN THE LIVESTOCK SUB-SECTOR

- Livestock and poultry are two of the most important sub sectors within the agricultural sector in the Philippines. Both supply and demand keep increasing over the years. Chicken and pork are the two most eaten meats in the country.
- The major domestic players are San Miguel, Universal Robina, Bounty Fresh, Foster Foods, Cargill Philippines, Pilmico, Foremost and La Filipina Uy Congo.
- There are more than 500 feed manufacturing companies in the Philippines. About 10% of the companies account for 60% of the total production, while the rest of the companies are mostly small producers. The top five companies in the market are: Sunjin Philippines, CJ Philippines, Bounty Agri-Ventures, Premium Feeds and Green Era Biotech.
- The top six processors in the processed meat market are Purefoods-Hormel, CDO Foodsphere, Century Pacific Food, Pacific Meat, A Tung Chingco Trading and King Sue Ham and Sausage.

**Value of Livestock Production
(in million USD) in 2021**



CHALLENGES IN THE MARKET

- In 2019, the country had to face the African swine flu fever. This disease spread across the country which led to a low production during this particular year. This remained to be a problem even until 2022.
- The local productivity must be improved as the demand keeps rising. Backyard farms (very small-scale farms) represent 84% of the country's farms.
- Technology is a real opportunity for the development of the Philippine livestock market. Indeed, from animal feed to slaughtering and storage solutions, technologies will have a real impact on local productivity.

LIVESTOCK

SUB-SECTOR OF AGRICULTURE

The Philippines produces the following livestock the most: swine, chicken, cattle, carabao, goat, duck, and fisheries.

The livestock sector, which accounted for 13.8% of the country's local agricultural products, declined by 17% in 2021. The decline is attributed to both the COVID-19 pandemic and the African Swine Fever

Tuna was the exported livestock by the Philippines which totaled to USD 115 million from January to April 2022. In terms of imports, other food and live animals imported into the country amounted to USD 1.49 million from January to April 2022.

In 2022, President Duterte signed Executive Order 171, which extended the lowered tariffs on pork products to bring down prices and stabilize the pork supply in the country. The order brought down the pork tariff rate to 15%-25%. The tariff rate will revert to 30%-40% in 2023.

IMPORTANT LAWS AND REGULATIONS

- An importer is required to fulfill the import requirements and to direct the product to wholesalers, mass retailers or meat processing plants.
- As a general rule, for any product or service in the Philippines (due to market peculiarities and protectionist measures), you will need to work with local partners to launch your product in the Philippines.
- Most of the major players in the meat market (processing, slaughter, imports, distribution, logistics) are members of the 83-member Philippine Association of Meat Processors, Inc.
- Companies importing into the Philippines must provide the following documents upon arrival of the goods or animal products: packing list; commercial invoice; bill of lading (for ocean freight) or air waybill (air freight); import permit; customs import declaration and certificate of origin.
- Philippine Customs applies a 12% value added tax (VAT) on imported goods. Philippine Customs does not impose any tariff or tax for goods valued below 10,000 pesos (about 200 USD) but for higher values, customs duties vary from 30 to 50%.

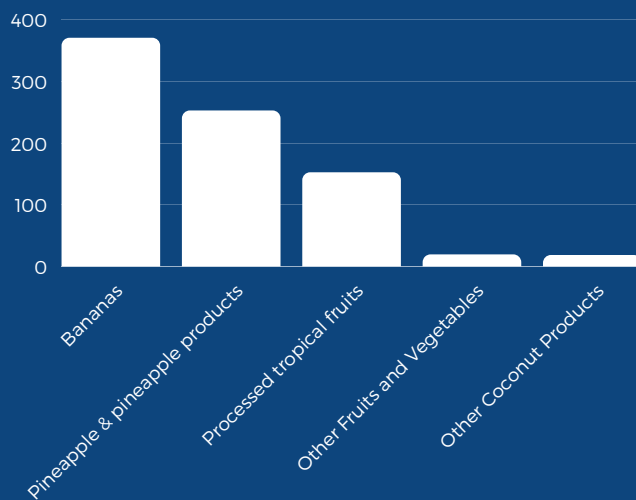
CROPS

SUB-SECTOR OF AGRICULTURE

Crops accounted for 59.1% of the total value of production in the agricultural sector. The value of crop production reached PHP 1 billion in 2021 at constant 2018 prices. The sector reported a 2.3% growth in 2021

The most produced crops are palay (40%), banana (15%), corn (11%), and coconut (9%). Those crops can be produced thanks to the tropical climate of the country.

Most Exported Agricultural Products (in USD Millions) for January - April 2022



TRENDS AND CHALLENGES

Trends

- Rice is one of the most eaten products in the country. It is eaten at every meal. Corn is also eaten a lot. Those products are affordable for everyone which makes them very popular.
- The country is a big importer of rice. The country is rather protectionist, which makes the price of imported crops rely on the taxation regulation. The market is easily affected by price change as it depends on the suppliers from other countries.

Challenges

- The Philippines must invest and produce in a more sustainable way of production in order to be able to respond to climate change, which has a significant impact on the country's production.
- The country must have enough stocks to be able to guarantee food security.
- Not many of the student population in the country consider venturing into agriculture for their future occupation. This presents a threat to farmer productivity.

IMPORTANT LAWS AND REGULATIONS

- What are some of the important documents for this specific product/service?
 - Name of the food;
 - List of ingredients used in the product including additives, flavorings and preservatives used;
 - Net contents and drained weight;
 - Name and address of manufacturer/packer or distributor, including country of origin for imported products and name and the address of Philippine importer/distributor;
 - Lot identification.
- The two main agencies tasked with developing and enforcing food safety standards in the Philippines are the Bureau of Food and Drugs (BFAD) and the Bureau of Agriculture and Fisheries Product Standards (BAFPS).
- All food and agricultural products, including plant products that enter the Philippines, are required to pass through procedures to check that they are not contaminated with any pest and that they are fit for their intended use.

FISHERIES/ SEAFOOD

SUB-SECTOR OF AGRICULTURE

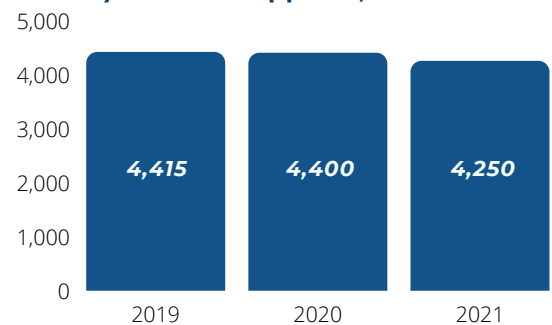
Being composed of more than 7,000 islands, the Philippines has an abundance of maritime resources. Fish is the second most eaten product in the country. Each Filipino eats more than 40 kilograms of fish every year (about 100 grams a day).

According to the Philippine Statistics Authority, export of fresh and preserved fish, shrimps and prawns, and tuna grew by 44.9% in 2021, totaling USD 318 million. Seaweeds and carageenan are also valuable products, its exports came in at USD 318 million in 2021, 12.2% higher than the previous year.

IMPORTANT LAWS AND REGULATIONS

- The Philippine Fisheries Code of 1998 encourages and enforces fisheries to prevent, deter, and eliminate illegal, unreported, and unregulated fishing.
- The Bureau of Fisheries and Aquatic Resources (BFAR) is the government agency that handles the processing of the requirements for importation into the country.
- The following standards and requirements for the importation of fishery/aquatic products: (1) International Health Certificate from the country of origin, (2) special health control requirements, (3) packaging and labeling requirements, (4) proper storage and transport protocol, (5) permit to import, and (6) inspection requirements.
- Kindly visit the BFAR website for more information.

Volume of Fisheries Production (in '000 mt) in the Philippines, 2019-2021



TRENDS AND CHALLENGES

Trends

- In 2021, there was a decrease in production in commercial and marine municipal fisheries, and aquaculture. Only inland fisheries registered a production growth in 2021
- The Aquaculture subsector generated the biggest share of 52.8 percent in the total fisheries production in 2021

Challenges

- It is estimated that the Philippines loses 3.6 million kg of fish in 2 weeks due to the Chinese vessels present in the West Philippines Sea. It is estimated that 7% of the Philippine's fishery comes from this sea.
- Overfishing is a huge issue in the country. 75% of Philippine fishing areas are overfished.
- According to the report "Aquatic Pollutants in Oceans and Fisheries," chemical pollution is the main reason why fishery production is declining.

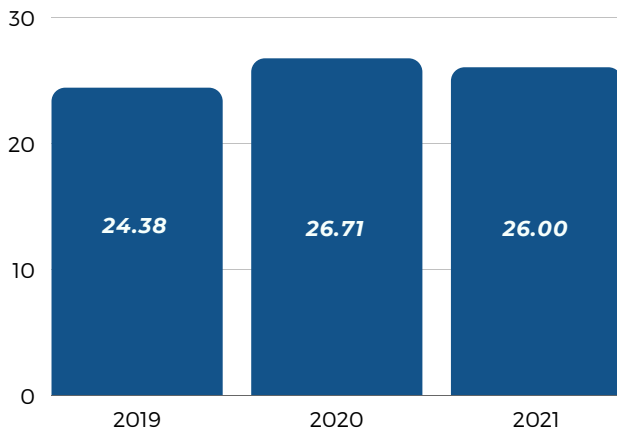
DAIRY

SUB-SECTOR OF AGRICULTURE

The value of the dairy sub-sector increased by 18% between 2019 and 2020. In 2021, the country is estimated to have produced 26 million liters of milk, which is a slight decrease from the previous year.

The leading milk-producing provinces are Davao, Laguna, Bulacan, Bukidnon, and Batangas

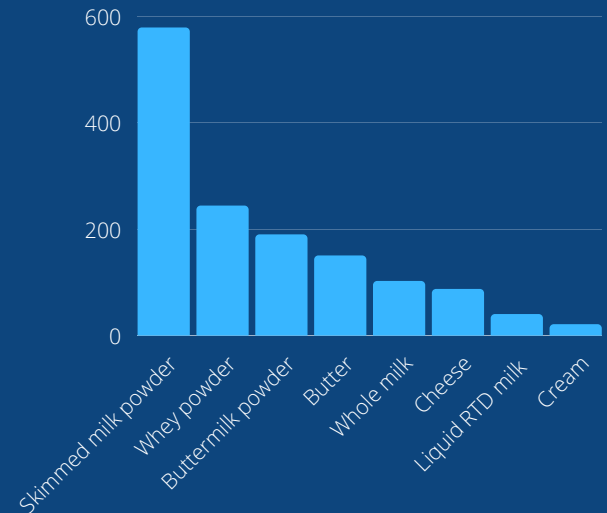
**Philippine Milk Production
(in LME), 2019-2021**



IMPORTANT LAWS AND REGULATIONS

- The Bureau of Animal Industry (BAI) is charged with preventing, controlling, containing and eradicating communicable animal disease by regulating the flow of animals and animal products in the country.
- Only goods with a Certificate of Product Registration from the Food and Drug Administration (FDA) will be allowed for sale in the Philippines.
- For powdered baby milk : Containers and/or labels must contain the following messages in Filipino and English:
 - The phrase "Important Notice" or "Government Warning" or other equivalent
 - Statement on the superiority of breastfeeding
 - Statement that there is no substitute for breast milk
 - Statement that the product should only be used on the advice of a health care practitioner
 - Health risks associated with the inappropriate use of infant formula
- Powdered baby milk : The 2006 revision of the Philippines Milk Code Order No. 51 states that advertising, promotions, sponsorships, or other marketing materials for breastmilk substitutes for children 0-24 months of age are not permitted.

Most of the Philippines' annual dairy requirement is supplied by importers, especially for milk powder. The total milk/dairy imports from January to June 2021 reached 1.469 billion liters. Here are some quantities the country imports in million liters:



The United States is the top importer of dairy in the Philippines (38%). New Zealand is the second one with 23%. In 2021, dairy products is the third largest agricultural exports of the US to the Philippines.

The Philippines' most exported dairy products are cream, skim-milk powder, and ice cream.

TRENDS AND CHALLENGES

Trends

- The industry players are cooperatives, private farms, government farms and milk traders.
- The market is slowly expanding.
- The long-term growth of the industry is thanks to the improvement of the cold chain capacity, increasing number of supermarkets and the blossoming of the food industry.
- In 2022, the Philippines signed an agreement with France to strengthen the dairy industry through technical and economic partnerships. Part of its plans include linking dairy producers to agri-food companies and distributors of the two countries to facilitate commercial collaborations.

Challenges

- Philippine milk production per animal is low mainly due to poor feeding and lack of infrastructure. To address this, the herd build-up program was established to ensure and accelerate the increase both local dairy stocks and local milk production.

CONSTRUCTION SECTOR

EMERGING SECTORS

Local construction players expressed optimism that the industry will play a key role in accelerating Philippine economic growth after a challenging 2020.

The Philippine construction industry registered an average annual growth rate of 10.6% in 2021. Industry growth is supported by the country's development plan 2017-2022, as well as population growth, urbanization, and favorable government policies with regards to public-private partnerships (PPPs).

- Investment in energy projects under the Philippines Energy Plan 2012-2030 also contributed to growth during the review period. Industry became one of the fastest growing sectors, and this is mainly attributed to the Construction sector.
- The government's plan to bridge the gap between the demand and supply of affordable houses in the country is expected to support the growth of the residential construction market
- Infrastructure growth in recent years is financed by multilateral development partners such as the Asian Development Bank (ADB), and partners including Japan, China, and South Korea. Transport and water projects are the most attractive projects for investors

COVID-19 IMPACT



The sector reported significant contractions in 2020 due to the pandemic. Construction firms became extra cautious with keeping the workplace COVID-free as a single case could disrupt the entire operation.

IMPORTANT LAWS AND REGULATIONS

- The Construction Industry Association of the Philippines (CIAP) is the main regulating body of the construction sector in the Philippines. It implements its policies through the agencies under its authority:
 - Philippine Construction Accreditation Board (PCAB)
 - Philippine Overseas Construction Board
 - Philippine Domestic Construction Board
 - Construction Manpower Development Foundation
- Within their territories, local government units also implement minimum building safety standards under the National Building Code
- All entities, foreign and local, should secure a license from the Philippine Construction Accreditation Board (PCAB) to engage in the construction sector.
- A Special License is issued to a consortium, joint venture, or a foreign contractor engaging in the construction of a single project. This is usually given to foreign contractors if the project is foreign-financed or is internationally-funded out of an international bidding, or is an undertaking implemented through RA 7718, the Philippine Build-Operate-Transfer (BOT) Law.

SOME CCI MEMBERS IN THE SECTOR



FREYSSINET

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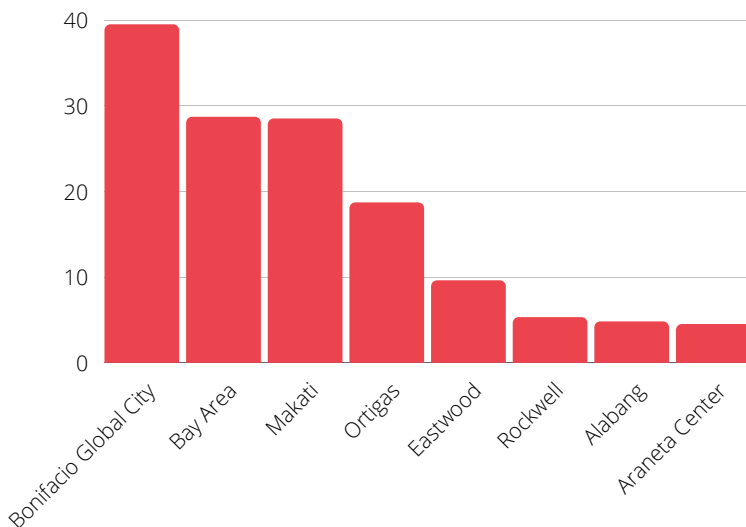
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MARKET TRENDS IN THE RESIDENTIAL SECTOR

- The Philippine housing industry intends to dispense with the lodging excess continuously 2030.
- In the post-pandemic era, residents prioritize proximity to all essential establishments for convenience. There is also a growing preference for greenery and proper ventilation
- The lodging overabundance is 3.9 million families. Expecting that creation of lodging units would have a consistent average of 200,000 units from 2012 to 2030, the overabundance would be 6.5 million families by 2030.
- Developers are compelled to look for available land in non-core locations such as Makati and Ortigas to build business hubs and residential districts.
- Residential prices grew at a faster rate in the beginning of 2020. This is attributed to increasing prices of condominium units outweighing the decline in prices of attached houses, duplexes and townhouses. Makati and Taguig recorded the highest rates at Php1,800 and Php1,900 per square per month due to leasing demands in Makati CBD and BGC.
- In 2021, the supply of condominium units in Metro Manila did not falter despite the lower demand. The 140,000 stock of condo units are spread across the following areas:



RESIDENTIAL

SUB-SECTOR OF CONSTRUCTION

The Philippine residential area has enormous potential for development, as interest for living spaces keep on expanding.

Demand for residential properties, especially in the condominium rental market in Metro Manila's business districts, will heighten as borders are reopened. The higher vaccination rate will also spur return-to-office programs.

Prices for condominium units also increased. It rose by 13.6 percent in the third quarter of 2021, finally returning to positive rates after four consecutive quarters of decline.

Through a few industry-driven initiatives, the area desires to support its powerful development and advancement at a reasonable cost for Filipino families.

CHALLENGES IN THE SECTOR

- The rapid increase in population of the metropolitan area had led to a mushrooming of substandard housing and squatting, sometimes in danger areas such as waterways and transport lanes. In a tropical context of heavy monsoon rains and frequent typhoons, riverside slums impeding the flow of water appear as one of the reasons.
- There is a possibility that rising prices and interest prices could dampen low to mid-income demand. With rising inflation, this may also affect consumer spending in terms of purchasing residential spaces.

RECENT PROJECTS IN MANILA

The up and coming and popular residential projects by diverse developers are the following:

- One Sierra PIK
- By Alveo Land
 - Park Cascades
 - Hillside Ridge
 - Parkford Suites Legazpi
 - Portico
 - Orea Place
 - Ardia Vermosa
 - Palatine Solinea
 - Patio Suites
 - Mergent Residences
- By DMCI
 - Accolade Place
 - Alder Residences
 - Alea Residences
 - Allegra Garden Place
 - Arista Place
 - Asteria Residences



COMMERCIAL

SUB-SECTOR OF CONSTRUCTION

Philippine commercial spaces are usually found in residential areas. There are different types of commercial offerings, such as real estate, convenience stores, shopping malls, service stations and restaurants.

With the emergence of different core business places aside from Makati CBD and BGC, the commercial building construction market is expected to grow up to 19.1% from 2015-2024.

MARKET TRENDS IN THE COMMERCIAL SECTOR

- The commercial real estate is facing an influx of demands, as commercial and residential estates are directly proportional to one another. The increase of commercial properties are caused by the less strict restrictions of mobility in business operations. This is due to businesses reopening and relocating in areas such as Quezon City, Makati, Pasig, Taguig and Muntinlupa.
- Within the office market, it was estimated that 647,400 square meters of new office space would be completed on annual basis from 2022 to 2024.
- The IT-BPM industry remains as the key driver of the office space market as the industry has a 62.5% take-up of office spaces versus the 36.6% take-up of corporate occupiers
- There has also been a significant demand for commercial properties in cities or areas with technoparks. This is partly due to the government's project to convince businesses and companies to decongest the capital region and the lower price of commercial properties in provinces and in the fringes of Metro Manila when compared to business districts in the capital.

CHALLENGES IN THE SECTOR

Directives such as halting applications to various commercial structures in the country, like the Philippine Economic Zone Authority (PEZA) may hinder the expansion of outsourcing firms. This may lead to a dip in the occupants of commercial spaces, such as PEZA locators.

To avoid this, developers may instead target traditional tenants, push for the speedy approval of different business applications, and monitor proposed legislation allowing more foreign companies to occupy space in the country. On the other hand, outsourcing tenants can also consider more locations outside Manila, while offshore gaming firms can consider new spaces outside Bay City.

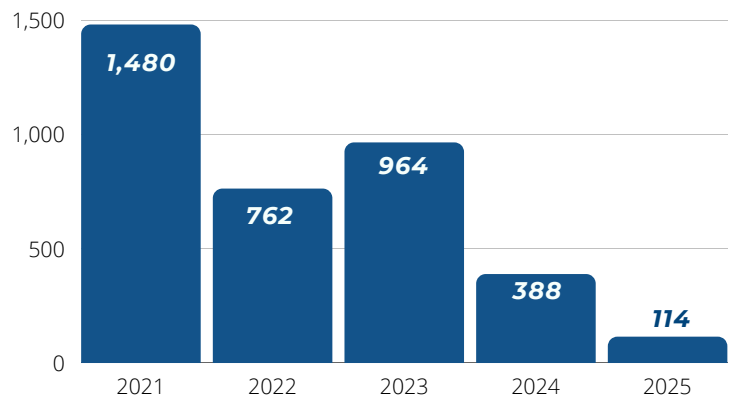
COVID-19 IMPACT



The restrictions of the pandemic pushed the labor force to work from home, leading to a decrease in office rental.

Once the country began recovering from the effects of the pandemic, firms began a hybrid form of working. This resulted in a slower office move out rate in the fourth quarter of 2021, and a more stable market performance.

Philippine Office Supply in 2021, with forecasts for 2022-2025 (in 1,000 square meters)



RECENT PROJECTS IN MANILA

The most popular and recent commercial spaces are Metro Manila found in the following:

- Tryne Enterprise Plaza
- Corvia Alviera
- By Ayala Land
- Offices at The Galleon
- The Glaston Tower
- Centuria Medical Makati
- Century Spire Office

TOP FLAGSHIP PROJECTS

| | | |
|-----------------------------|---|------------|
| Rail & Urban Transport Rail | PNR North 2 | 628,420.00 |
| | PNR South Commuter Line | |
| | PNR Long Haul | 175,318.00 |
| | Mindanao Rail Project Phase 1 | 81,686.00 |
| Bus Rapid Transit | Metro Manila BRT | 5,463.00 |
| | Cebu BRT | 16,309.00 |
| Air Transport | Clark International Airport Terminal Building | 14,972.00 |
| | Iloilo Airport | 4,593.00 |
| | Bacolod Airport | 19,240.00 |
| | New Bohol Airport | 3,791.00 |
| | Laguindingnan Airport | 45,751.00 |
| | Davao Airport | 39,524.00 |
| Roads and Bridges | BGC to Ortigas Center Road Link | 5,720.00 |
| | Estrella - Pantaleon Bridge | 5,947.00 |
| | Binondo - Intramuros Bridge | 5,947.00 |
| | Panguil Bay Bridge | 7,375.00 |
| Port | New Cebu International Container Port | 9,961.00 |
| Irrigation | Malitubog - Maridagao Irrigation Phase II | 5,445.00 |
| | Chico River Pump Irrigation | 4,373.00 |
| Water Transportation | New Centennial Water Source | 12,189.00 |
| Flood Management | Cavite Industrial Area Flood Management | 9,890.00 |

INFRASTRUCTURE

SUB-SECTOR OF CONSTRUCTION

In terms of infrastructure development, the Duterte administration created the “Build! Build! Build!” program that focuses on establishing a “Golden Era in Infrastructure”, emphasizes on enhancing constructions, developing establishments and expanding development projects. The program resulted in the inception of many new infrastructure development projects that will benefit the economy.

FLAGSHIP PROJECTS BY THE NUMBERS

- The 119 flagship projects (as of January 2022) aim to build and improve infrastructure. USD 2.9 billion from the 2022 National Budget would be allotted for the Build Build Build program.
- 112 of these flagship projects have accumulated a total of USD 94.5 billion in investments
- These are primarily financed by an increase in tax collection as mandated by TRAIN Law, and long-tenor financing from institutions such as ADB and partner countries Japan, China, and South Korea.

STATUS OF THE 119 FLAGSHIP PROJECTS (AS OF JANUARY 2022)

15
Completed

77
Under Construction

27
In the pipeline

MARKET TRENDS IN THE COMMERCIAL SECTOR

- The Build Build Program will result in the high demand of new infrastructure development projects which will increase the country's consumption for steel
- Prices of construction materials increased in 2019 due to demand from both public and private construction. With this, the government advises the use of construction materials made locally for Build Build Build projects.
- Transport, water, and social infrastructure remain to be the top infrastructure projects in terms of spending. Power and healthcare are only at 2.70% and 1.76% respectively.
- Infrastructure is set to recover with an estimated average annual growth of 11.8% for 2021-2024 that is supported by investments in many diverse aspects from infrastructure, healthcare, education, to renewable energy projects.

CHALLENGES IN THE MARKET

- Insufficient infrastructure has been a major constraint to economic growth and poverty reduction in the Philippines. It has led to:
- Numerous Barriers to Investment - the Duterte administration has opened PPPs to allow for unsolicited proposals. This has turned respective agencies and ministries to lack adequate staff to review the complex proposals.
- Project Development Delays - the Philippines is currently in community quarantine. This has led to business operations in the construction industry to be at a standstill.
- Foreign companies are also not allowed to take full ownership of any infrastructure project in the Philippines. The 6:3 local-foreign ownership ratio should always be observed. Without backing from Philippine partners, it will be hard for foreign businesses to enter the market. However, foreign companies have the technical capability to handle complex projects, which local companies also seek assistance from.



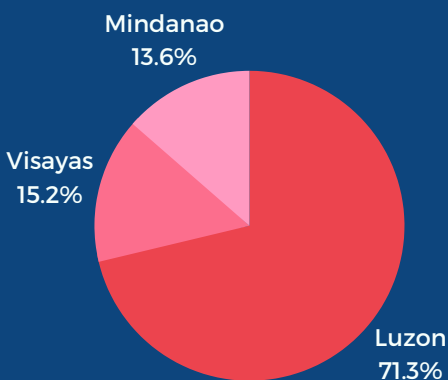
ENERGY SECTOR

EMERGING SECTORS

The Philippine energy market offers opportunities in LNG, power generation, transmission, distribution and off-grid islands.

Energy demand growth and economic growth in the Philippines, particularly in Luzon, is driven by growth in the industrial, commercial, and domestic sectors of each island. In addition, electrification continues; households in areas that are currently not fully grid-connected, such as parts of Mindanao and Mindoro, are likely to gain better access to electricity supply in the coming years with a target to reach 100% electrification across the Philippines by 2022.

POWER GENERATION IN THE PHILIPPINES , 2020

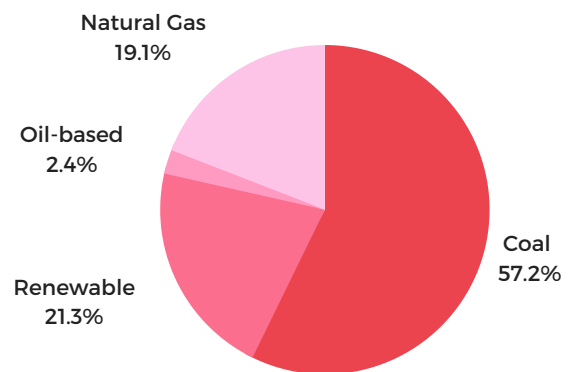


COVID-19 IMPACT



The downturn in the economy during the pandemic slowed coal-fired power generation from 56% to 48%. Despite the 6% decrease in natural gas-based energy production, its share of the energy mix increased from 23% to 27%. Solar and biomass energy production increased slightly.

POWER GENERATION IN THE PHILIPPINES BY SOURCE (IN GWH), 2020



CHALLENGES

Energy self-sufficiency is becoming ever more challenging as the country's main domestic natural gas field, the Malampaya field, depletes. Gas from Malampaya is primarily used in domestic power generation, and the Philippines is at a pivotal moment for determining its future energy mix beyond its availability.

SOME CCI MEMBERS IN THE SECTOR

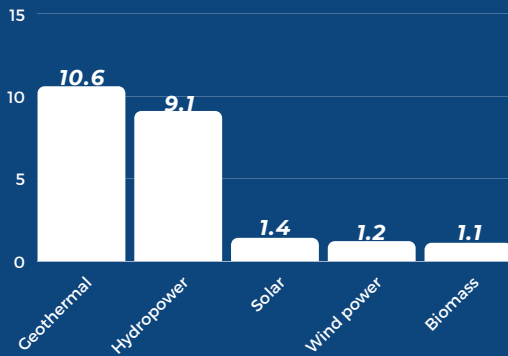


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RENEWABLE ENERGY

SUB-SECTOR OF ENERGY

In 2021, renewable energy production accounted for 23,771 GWh of the 106,115 GWh total energy production of the Philippines



RENEWABLE ENERGY PRODUCED IN THE PHILIPPINES

| ENERGY TYPE/REGION | LUZON | VISAYAS | MINDANAO |
|--------------------|--------|---------|----------|
| Geothermal power | 35.40% | 57.69% | 6.91% |
| Hydropower | 62.71% | 0.9% | 36.39% |
| Biomass power | 61.85% | 29.64% | 8.51% |
| Solar power | 42.84% | 49.27% | 7.89% |
| Wind power | 83.35% | 16.65% | 1% |

MARKET TRENDS IN THE RENEWABLE ENERGY SECTOR

- Power generation engineering, procurement, and construction (EPC) market is expected to register a CAGR of over 5% in the forecast period (2020-2025).
- The Philippine government has planned to phase out its coal usage by 2040 and focus more on natural gas and renewable energy production. This is expected to create several opportunities for the power generation EPC companies in the near future.
- Multiple big energy companies in the Philippines like the Manila Electric Company (MERALCO) and Aboitiz Power have big solar power projects that are being built with some already undergoing test runs.

CHALLENGES IN THE MARKET

Energy consumption is increasing very rapidly. While renewable energies production is also increasing, but at a slower rate. It is difficult to keep up with the growing demand. It is therefore always necessary to compensate with fossil fuels, either domestically produced or imported, until the demand stabilizes.

IMPORTANT LAWS AND REGULATIONS

NATIONAL RENEWABLE ENERGY PROGRAM (NREP)

The Philippines has committed itself to the National Renewable Energy Program (NREP) which aims to set the country's renewable energy capacity level to 15,304 MW by 2030 which is 61% of the expected energy demand for the year 2030.

GREEN ENERGY AUCTION

The Department of Energy decided to create a program called Green Energy Auction, aimin to start in 2021. This program will allow private companies to supply a specific amount of energy produced by their facilities to eligible clients at a lower price than the market one.





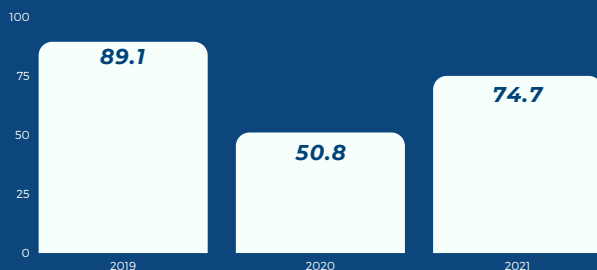
MANUFACTURING SECTOR

EMERGING SECTORS

The Philippine government emphasizes the importance of the global value chain, the adoption of Industry 4.0 in innovation and R&D, and industrial development in rural areas.

Manufacturing comprises more than half of the Philippines' industrial sector and accounts for almost a quarter of the country's Gross Domestic Product (GDP). The industry has higher employment, income and output multipliers relative to the agriculture and services sectors.

Philippine Manufacturing Production Value, 2019-2021



The growth in the manufacturing sector was supported by the surge in the country's foreign direct investment (FDI) net inflows of USD 10.51 billion, 54.2% higher than the amount in 2020.

The Department of Trade and Industry created an 'Iron and Steel Industry Roadmap' which aims to develop the manufacturing sector of the steel industries.

The vision is to domestically supply 70% of the steel consumption to achieve sustainable development through an increase in employment opportunities, which can then enhance the standard of living.

TECHNOLOGIES USED IN THE SECTOR

The main technological innovations used in the sector include IoT, Robotics, Drones, AR, cognitive cloud, and 3D Printing. These are all prioritized by the government in the electrical and electronics sector. However, know-how and technologies from abroad are essential to develop capabilities in the domains mentioned. As such, it is up to the foreign investors to enter the market and build the capacity in the said areas.

MAIN OPPORTUNITIES IN THE SECTOR

- Public Utility Vehicle (PUV) Modernization - aims to replace outdated PUVs such as jeepneys
- Incentive Program for the Production of Electric Vehicles
- Development of battery technologies

COVID-19 IMPACT



The manufacturing industry's production value was at its lowest at the peak of the pandemic, contracting by 9.8% in 2020. It made no sales immediately after the start of the lockdown.

SOME CCI MEMBERS IN THE SECTOR



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CHALLENGES IN THE MANUFACTURING INDUSTRY

The Philippine manufacturing industry lacks technological development and global competitiveness. This stunts the growth of the local steel manufacturing industry as the companies face problems such as high cost of manufacturing and the government policies. This affects the supply chain of the steel industry as they incur higher cost to manufacture due to high energy cost and delays at the port. There are 4 main barriers that hinder growth in the manufacturing sector.

| CATEGORY OF BARRIERS | DESCRIPTION |
|--|---|
| Technological Barriers | - hindrances to communication and productivity - lack of technological innovation in resource utilization, lack of technological access to relevant software & hardware, & lacking the facilities to conduct research |
| Economical & Financial Barriers | - hindrances to collaboration - lack of access to available resources caused by high costs in manufacturing and production. - Factors: lack of funds, high-cost investments, high risks leading to uncertainty in investment |
| Regulatory and Institutional Barriers | - barrier has the potential to positively affect the firms in the industry by providing incentives such as tax reduction, providing loans with little to no interest rates, and subsidized technological assistance. |
| Organizational Barriers | - hindrances in the internal and external barriers that prevent firms towards achieving their main objectives - lack of performance measurement that makes it difficult to gauge productivity - incentivization encourages employees to work towards a seizable reward. |

DO'S AND DONT'S OF THOSE WHO WANT TO MANUFACTURE IN THE PHILIPPINES

- The role of human resources is crucial. The workplace is a second family. Employees are loyal as long as there are development opportunities and people are taken care of.
- Logistics and supply chain have to be carefully considered for site selection - there are plenty of industrial parks as available locations to choose from, but how does that fit into the big picture of where the clients are, where the raw materials come from, and where to find staff.
- Most locators choose to establish operations in industrial parks, which have sufficient infrastructure, services, and security in place. Industrial parks accredited with the Philippine Economic Zone Authority provide the highest standard of operations.
- The government grants incentives for manufacturing investors, make sure to talk to the Board of Investments as well as the Philippine Economic Zone Authority early on.

IMPORTANT LAW IN THE MANUFACTURING SECTOR

SMART PROGRAM BY THE DEPARTMENT OF TRADE AND INDUSTRY

In late 2019, the Department of Trade and Industry launched a USD 500M program for securing manufacturing revitalization and transformation (SMART program), which is expected to support the adoption of new technologies, new processes, products, services, and the development of new business models. It is expected to spur the growth of the manufacturing sector, in conjunction with the administration's Inclusive Innovation Industrial Strategy (i3S). The i3S highlights the growth and development of 15 major industries, while priority activities are in the following sectors:

- Electrical and electronics
- Automotive
- Metal products, machinery, and equipment
- Aerospace parts and Maintenance, Repair, and Overhaul (MRO)





F&B SECTOR

SUB-SECTOR OF MANUFACTURING

The Philippines, being one Asia's largest producers of food, has a rapidly growing Food and Beverage industry.

The food processing industry is the most dominant one in the country, with accounts reaching more than USD 2 billion and a CAGR of 7-8%.



MARKET OPPORTUNITIES IN THE F&B SECTOR

01 FILIPINOS HAVE A STRONG PREFERENCE TOWARDS IMPORTED PRODUCTS

Although there is a strong campaign to buy locally made products for the Philippines, the general trend in the industry is the growing sophistication among consumers. This has led to the increase of demand for gourmet and healthy foods, frozen foodstuff, ready-to-cook food, processed grocery items, and other food ingredients for home meal replacement is increasing.

02 PRODUCTS WITH STRONG IMPORTATION POTENTIAL IN THE PHILIPPINE MARKET

GROWTH FACTORS IN THE F&B SECTOR

Consumption growth is underscored by the country's expanding economy and population growth. The sector's growth is also attributed to the following factors:

- The increasing number of dual income families among the upper and middle class, the rising remittances from Filipino overseas workers, and the growth of the Business Processing Outsourcing (BPO) sector
- The young and fast growing, highly urbanized population that have growing access to supermarkets and fast changing lifestyles.
- The proliferation of retail and shopping centers. The sector's rapid modernization and expansion led to the increase of upscale supermarket chains throughout the country and the improvement of the distribution systems to enable better cold chain and storage options for imported products.

| PRODUCTS | DESCRIPTION |
|-----------------------------------|---|
| BAKING INGREDIENTS | Traders report a growth in baking ingredients due to the rise of small bakeries that sell premium-quality artisanal goods in the high-end locations. Ingredients imported are cocoa products, pre-mixes, jams and jellies and flavorings. |
| FUNCTIONAL FOOD | The number of shelves accommodating healthy, natural, and organic products are increasing due to the rise of disposable income and consumer trend towards health, wellness, and beauty. |
| FROZEN PRODUCTS | Frozen products including meat, dairy, and processed vegetables and fruits are high in demand as they are used as standard products in the booming fast food service sector. |
| GOURMET PRODUCTS | Most retailers provide a wider range of gourmet products such as meat, seafood, fruits & vegetables, specialty cheeses, sauces & condiments, herbs & spices, wines, craft beers and other beverages, dried fruits & nuts, specialty biscuits, snack foods and chocolate & confectionery. These are usually found in high-end locations. |
| RAW MATERIALS | Ingredients and materials specifically used for meat processing. |
| INSTANT OR CONVENIENT FOOD | There is a strong demand for products that are classified as convenient food including snacks, meal replacements, and ready-to-drink beverages due to the rise of operating Business Processing Outsourcing (BPOs) firms in the country. The Philippines is a large market for chips, chocolates, sweet biscuits, and confectionery. |

SOME CCI MEMBERS IN THE SECTOR



Check out other members at this [link](#)



TIPS ON THE IMPORTATION AND DISTRIBUTION OF FOOD IN THE PHILIPPINES

01 HIGHER VOLUME OF ORDERS DURING THE CHRISTMAS SEASON

Importers must expect a higher volume of order in the months of September to October because of higher consumer spending during this period.

02 PHILIPPINE IMPORTERS VALUE CLOSE RELATIONSHIPS WITH THEIR FOREIGN PARTNERS

It is important to maintain close contact with your Philippine importers. Initiate support efforts by participating in seminars, product demonstrations, and local trade shows. Regular market visits are also highly valued by Philippine importers.

03 EXCLUSIVE DISTRIBUTORSHIP AGREEMENTS

Filipino importers prefer exclusive distributorship agreements. However, importers can work with several importers provided that the market coverage of each importer is properly identified.

04 LOCATION OF DISTRIBUTORS/IMPORTERS IN THE PHILIPPINES

Most if not all importers are based in Metro Manila while they appoint independent distributors in key provincial areas.

IMPORTANT LAW IN THE F&B SECTOR

REPUBLIC ACT (RA) 10963: TAX REFORM FOR ACCELERATION AND INCLUSION (TRAIN)

Sweetened Beverages [Section 150B of the Tax Code] imposes a tax per liter of volume capacity on sweetened beverages effective 01 January 2018. Sweetened Beverages (SBs): refer to non-alcoholic beverages of any constitution (liquid, powder or concentrates), that are pre-packaged and sealed in accordance with the Food and Drug Administration (FDA) standards, that contain High Fructose Corn Syrup (HFCS) and other caloric and/or non-caloric sweeteners added by the manufacturers.

TRAIN LAW FOR BEVERAGES

| | |
|--|---|
| Using purely caloric sweetener, purely non-caloric sweetener or a mixture of both | EUR 0.10 /liter |
| Using purely high-fructose corn syrup or in combination with any caloric or non-caloric sweetener | EUR 0.21 /liter |
| Using purely coconut sap sugar /purely steviol glycosides | Exempt |
| Subject to Excise Tax <ul style="list-style-type: none"> o Sweetened juice drinks; o Sweetened tea; o All carbonated beverages; o Flavored water; o Energy and sports drinks; o Other powdered drinks not classified as milk, juice, tea and coffee; o Cereal and grain beverages; o Other non-alcoholic beverages that contain added sugar | Note: The persons liable for the excised taxes are manufacturers, owner or possessor of untaxed products Importer |
| The following products are not considered excisable products under this provision: <ul style="list-style-type: none"> • All milk products including infant & formula milk, soymilk, flavored milk, etc. • 100% natural fruit juices without added sugar/caloric sweetener • 100% natural vegetable juices without added sugar/caloric sweetener • Meal replacement and medically indicated beverages for oral nutritional therapy • Ground, instant soluble and pre-packaged powdered coffee products | |

INDUSTRIAL GOODS

SUB-SECTOR OF MANUFACTURING

Industrial goods are dominantly used for business and mass production of products sold to consumers. The manufacturing sector plays the most essential role in the creation of industrial goods. Furthermore, the manufacturing sector helps boost the Philippines' economic power. It involves building metal components used for the construction of establishments, power generation, distribution, transportation facilities and vehicles. The production of manufacturing machinery and equipment is regarded as a powerful driver for national progress and development because it supplies necessary inputs for infrastructure development and outputs utilized in the industrial enterprise and commercial perspective to manufacture goods such as technological equipment, construction and shipbuilding. These fall under the industrial goods sector.

MARKET OPPORTUNITIES IN THE INDUSTRIAL GOODS SECTOR

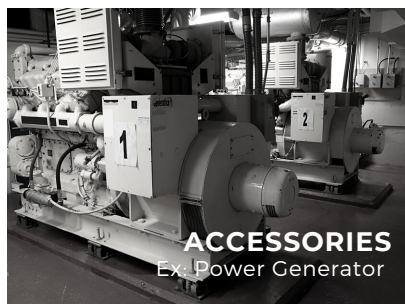
01 INCREASE IN FOREIGN RELATIONS

The Philippine manufacturing industry needs to open international relations to increase technology, knowledge, efficiency and exportation.

02 COLLABORATE WITH FIRMS WITHIN SIMILAR INDUSTRIES

The presence of collaboration has the mutual advantage of gaining higher profits, improved performance in management and better joint decision making processes. In example, the failure of Philippine steel manufacturers to collaborate in the industry has led to the heavy reliance on the importation of steel which resulted in the country being the 17th largest steel importer in the world. Despite the abundance of natural mineral resources, the nation failed to utilize their rich endowments for industrialization.

MAIN CATEGORIES OF THE INDUSTRIAL GOODS SECTOR



CHALLENGES IN THE INDUSTRIAL GOODS SECTOR

Technological Development

- The manufacturing industry lacks technological development and global competitiveness. There is a need for sufficient equipment for the growing demand in the local industry. However, the Philippines mainly relies on imported manufactured products due to the lack of specialized equipment to process the raw materials and the high operation costs, like power and logistics costs.

Higher costs

- The country's input costs are experiencing the fastest rise since 2018. Firms are setting higher prices for clients, which can drive demands downwards
- Higher manufacturing and energy costs, as well as delays in ports pose problems as these stunt the growth of the local steel manufacturing industry.



PHARMACEUTICAL SECTOR

EMERGING SECTORS

Among its neighboring countries in the Asia-Pacific region, the Philippines is the 11th most attractive pharmaceutical market; while it is the third-largest pharmaceutical market in the ASEAN region.

It is one of the fastest growing industries in the country and also a significant source of value input including research based pharmaceutical and generic companies. Given the double-digit growth in health expenditure, the pharmaceutical industry is expected to grow up to PHP 216 billion by 2024.

Both the local and foreign pharmaceutical companies contribute to this fast growth rate. In fact, 14 out of the Top 20 pharmaceutical companies in the world have manufacturing facilities in the Philippines. Other than multinational companies, the players in the market also include Filipino-owned companies and Toll manufacturers.

MARKET TRENDS IN THE PHARMACEUTICAL SECTOR

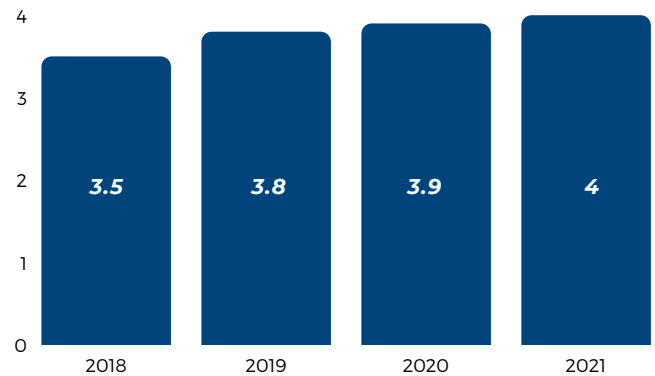
01 THE INDUSTRY STILL REMAINS IMPORT-DEPENDENT

This implies that there is an increasing demand in the Filipino market that local manufacturers cannot meet. The top 5 countries where the Philippines sources its pharmaceutical products are **Singapore, Netherlands, Spain, Germany, and Thailand.**

02 THE EXPORTATION OF DRUGS AND MEDICINES HAS INCREASED OVER THE YEARS IN THE INDUSTRY.

The top 5 countries that the Philippines exports its products to are Japan, Hong Kong, Mexico, Italy, and Indonesia.

SALES OF THE PHILIPPINE PHARMACEUTICAL MARKET (IN BILLION USD), 2018-2021



03 R&D AND SUPPLY CHAIN DEVELOPMENT OF HERBAL PLANTS

The Philippines is making significant progress in developing nature-based products. Herbal drugs for COVID-19 and dengue are being developed, while active pharmaceutical ingredients in herbal drug products are already being produced locally.

COVID-19 IMPACT

High demand for medicine and other healthcare supplies, but low supplies due to the recent surge of cases. Remaining supplies being used in hospitals are donations from the World Health Organization (WHO)

SOME CCI MEMBERS IN THE SECTOR



Check out other members at this [link](#)

MARKET OPPORTUNITIES IN THE PHARMACEUTICAL SECTOR

01 THE PHILIPPINES PHARMACEUTICAL MARKET HAS SEEN GROWING DEMAND FOR AFFORDABLE AND EFFECTIVE MEDICINES.

Spending on pharmaceutical products makes up the largest share of health care expenditures for Filipino households. It is thus important that the pharmaceutical industry produces and distributes good quality, safe, and effective drugs.

02 THE GENERICS SEGMENT IS INCREASINGLY IMPORTANT IN THE PHILIPPINES.

In addition to local manufacturers, many foreign manufacturers are entering the market. To compete with these generic and off-brand products, many multinational companies are reducing the prices of some brand name drugs by as much as 50 percent. Drug pricing levels are higher in the Philippines than in almost any other Asian country. Poor purchasing practices by Filipino hospitals, high retail markups and the prohibitive cost of importing pharmaceutical ingredients are just a few reasons for this. Other reasons include low rates of health insurance and low rates of coverage for outpatient drugs.

03 AVAILABILITY AND ACCESS TO LOW-PRICED QUALITY ESSENTIAL MEDICINES TO ALL FILIPINOS

The Duterte Administration created health programs which aim to enhance availability and access to low-priced quality essential medicines to all Filipinos, especially the poor. The government has plans on achieving the following:

- Invest in human capital development, including health and education systems, and match skills and training to meet the demand of businesses and the private sector
- Improve social protection programs, including the government's Conditional Cash Transfer program to protect the poor against instability and economic shocks.
- Strengthen implementation of the Responsible Parenthood and Reproductive Health Law to enable especially poor couples to make informed choices on financial and family planning Government budget for health is significantly increasing.

IMPORTANT LAWS IN THE TOURISM SECTOR

PARALLEL DRUG IMPORTATION PROGRAM

In 2000, the DOH has initiated this program as an innovative strategy to reduce the costs of essential medicines and to ensure that affordable, high quality, safe and effective drugs and medicines are always available, especially to the poor.

THE GENERIC ACT OF 1988 OR RA 6675

Issued to promote, require and ensure the production of an adequate supply, distribution, use and acceptance of drugs and medicines identified by their generic names. Policies were also crafted and implemented by the DOH, in cooperation with then BFAD, now FDA, that intend to break the trends of imperfect market practices and monopolies/ oligopolies in the pharmaceutical sector.

RA 9502 OR THE "UNIVERSALLY ACCESSIBLE CHEAPER AND QUALITY MEDICINES ACT OF 2008"

It was intended to achieve two correlated goals:

- Reduce the cost of medicines, especially those that are commonly bought by the poor, to 50% of their 2001 prices and make these available nationwide; and
- Require and ensure the production of adequate supply, distribution, use and acceptance of medicines identified by their generic names, which are priced much lower than patented drugs mainly produced by multinational corporations.



TOURISM SECTOR

EMERGING SECTORS

*It's more fun in the Philippines!
The archipelago is a regionally competitive destination with an abundance of rich biodiversity and cultural traditions.*

The tourism sector has been severely affected by the pandemic. However, it is poised for recovery in the upcoming years as travel bans are slowly being lifted.

Action programs are being implemented for the sector to recover. These include:

- Upskilling of human resources
- Ensuring safe access to tourism opportunities
- Acceleration of green travel infrastructures

Over the years, the number of foreign travelers increased due to the growth of technology, which has made traveling easier and more accessible. Traveling expenses are relatively cheaper in the country which makes it more attractive to tourists.

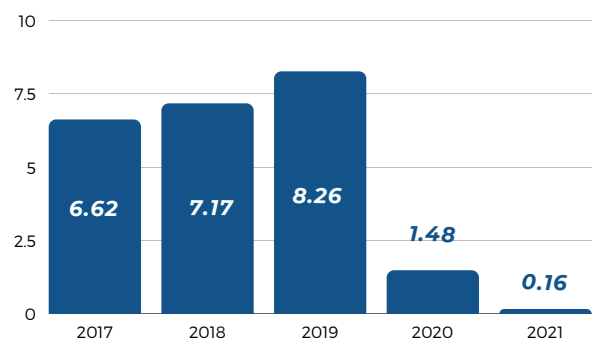
COVID-19 IMPACT

Travel restrictions caused tourism revenues to drop by 83% in 2020. Hotels repurposed their establishments into quarantine hotels or isolation facilities to generate sales despite the lower number of tourists coming in.

| ECONOMIC INDICATORS | 2020 | 2021 |
|--|---------------|---------------|
| CONTRIBUTION TO GDP | 5.1% | 5.2% |
| TOURISM DIRECT GROSS VALUE ADDED (TDGVA) | USD16 billion | USD18 billion |
| EMPLOYMENT | 4.68 million | 4.90 million |

Source: Philippine Statistics Authority (PSA)

International visitor arrivals to the Philippines (in millions), 2017-2021



SOME CCI MEMBERS IN THE SECTOR

ACCOR JEWELMER

Go West Tours

AIRFRANCE KLM GROUP

ASIAVENTURE PHILIPPINES

Check out other members at [this link](#)

MARKET OPPORTUNITIES IN THE TOURISM SECTOR

01 THE DEVELOPMENT AND POTENTIAL OF YACHT CATERING IN PHILIPPINE TOURISM

The Philippines is made up of 7,107 islands and each offers biodiversity as its main tourist attraction including beaches, mountains, rainforests, islands and diving spots. There is an increasing investment for island resorts and among its popular locations are Boracay, Cebu, Palawan, and Siargao. The only way to get to many islands in the archipelago is through sea hence, there has been a growing demand of sailing enthusiasts and yachting experience.

The main ports in the country are Puerto Galera, Boracay, Coron, Puerto Princesa, and Cebu. On the other hand, the priority destinations of yachting and sailing are Boracay, Puerto Galera, Palawan, Subic Bay, Cebu and Bohol, with other destinations becoming popular. However, it is important to note that yacht chartering in the country is only in its early stages because service is mostly provided by privately owned boats. The Philippines is also among the countries in Asia with the highest potential yacht growth due to the existing yacht clubs and strong expat community who have a history and support for yachting.

02 THE PHILIPPINES IS BECOMING ONE OF ASIA'S TOP INTERNATIONAL CRUISE DESTINATIONS

Cruise tourism is among the nine products identified in the National Tourism Development Plan that aims to enhance the competitiveness of the industry. In 2017, the Department of Tourism established a National Cruise Tourism Plan and made it one of their top priorities. The plan includes the building of more ports that will be more attractive and meet the standards of international cruise ships. The construction of the cruise terminal is said to cater to host international cruise liners carrying over 3,000 passengers. Overall, the plan is targeting to build at least 300 ports all over the country. At present, Philippine ports have hosted cruise ships from Royal Caribbean Cruise Ltd (RCCL) and Star Cruises amongst other smaller expedition cruise companies. Manila, Puerto Princesa in Palawan, Boracay, and Davao City in Mindanao, have been identified as cruise ship destinations.

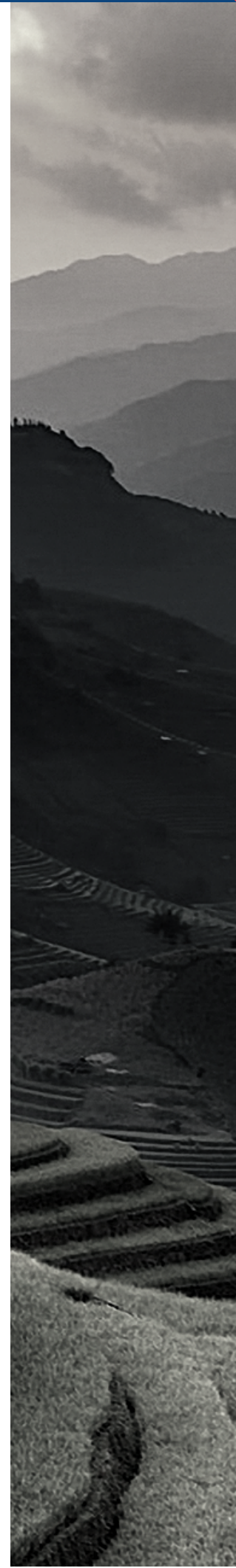
IMPORTANT LAWS IN THE TOURISM SECTOR

THE NATIONAL TOURISM DEVELOPMENT PLAN (NTDP) 2016-2022 BY DOT

In 2016, the comprehensive development framework and policy was created to promote the industry's development towards a more sustainable and socially responsible tourism. The government took further steps to promote sustainable tourism when the Department of Tourism called for regional tourism councils and local government units to accredit tourism agencies and accommodation providers with licenses and permits to operate. These accreditations certifies the tourism sector to comply with minimum standards of ensuring compliance with environmental regulations.

TOURISM ENTERPRISE ZONES (TEZ) BY TIEZA

TEZs are designed to attract private and public investment through fiscal and non-fiscal initiatives. In order to register, a TEZ must have an area of at least five (5) hectares designated for tourism-related development, with (brownfield) or without (greenfield) any existing infrastructure or development. Facilities established must be for the purpose of tourism-related activity that would attract visitors in the Philippines. In the case of an existing accommodation establishment that shall undertake expansion or upgrade not located within a TEZ, it will only be entitled to claim incentives if the cost of expansion or upgrade of its physical assets is 50% of its original investment.



MARKET TRENDS OF HOTELS

01 SHIFTS IN THE CONSUMER'S PREFERENCES IN THE INDUSTRY SHIFTED.

One of the recent trends of hotel rooms in terms of design is the incorporation of locally-designed materials on furniture (e.g. chairs, bedrooms, tables, and etc.) and facilities. Along with the local-themed atmosphere, food also plays a major role in promoting the culture and heritage of the location.

02 INSTAGRAM AS AN EFFECTIVE MARKETING TOOL IN THE INDUSTRY

Hotels are recently experiencing an upscale trend of transforming accommodation packages into instagram-worthy spaces. In today's technology driven market, Instagram is used as one of the effective marketing tools that could potentially increase brand awareness. Hotels in the Philippines incorporate quirky and playful design concepts to become instagram-worthy.

03 THE INCREASE IN DEMAND FOR BUSINESS AND PLEASURE TRAVEL

Tourists who mix business and leisure in their travel activities are among the major markets of the Philippines. To encourage this blended itinerary, hotels integrate function halls near leisure facilities such as swimming pools or indoor sports. Furthermore, hotels provide guests with services such as easy access to fast internet, in-room workstations, and conference rooms.

HOTEL INDUSTRY

SUB-SECTOR OF TOURISM

The growth in tourism has led to an increase of investment in recent years, especially in the upper end of the market, leading to excessive supply, promoting the establishment of the hotel industry in the Philippines. In the anticipation of the growing demand of the market, the hotel segment is experiencing expansion towards an improvement of infrastructure, diversification of function, and development of hotels to sustain healthy occupancy rates.

CHALLENGES IN THE MARKET

Filipino market in the hotel industry is becoming more economically reasonable. Consumer behavior has changed dramatically because of the easily available information on the internet. People are shown more economical options thus, making Filipinos more discerning in their choices regarding the hotel properties they book and how much it would cost.

Even though Filipinos are becoming more confident with traveling due to the lessened travel restrictions, hotels need to adapt to the new normal and ensure the continuous flow of revenue. **Hotels are called to redirect their marketing efforts to capture leisure and capitalize on the meetings, incentives, conferences, and exhibitions (MICE) market.** This market has a strong potential as MICE visitors in the Philippines spend six times more than leisure travelers.



MARKET TRENDS OF FOOD SERVICE

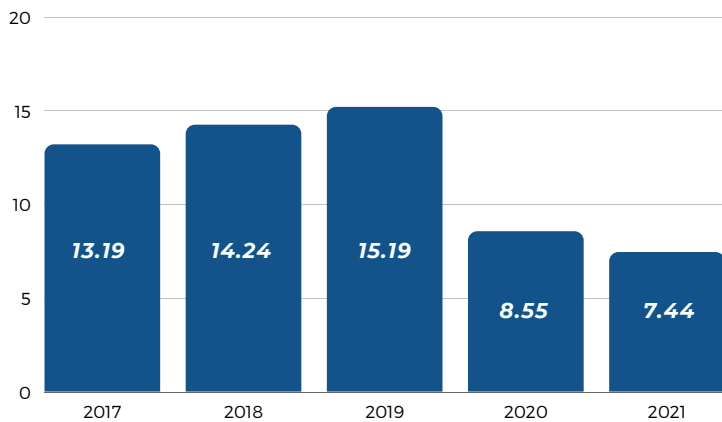
01 INCREASE IN NUMBER OF FOOD SERVICE ESTABLISHMENTS

A growing number of upscale hotel properties also increased the number of food service establishments. Such establishments typically involve higher quality of food and beverage products for its cafe’s, bars, restaurants, and in-room dining service.

02 FOOD SERVICE IN CONVENIENCE STORES

Convenience stores expanded their dining spaces and offered ready-to-eat meals by independent food commissaries. This provided opportunities for low-priced and consistent quality food service products. An example of this would be 7-eleven, with over 2,700 stores in the country.

Revenue of the Philippine Food Service Sector (in billion USD), 2017-2021



FOOD SERVICE

SUB-SECTOR OF TOURISM

The pandemic changed the approach of the food service sector. In 2020, it was noted that consumption was mostly driven by takeouts (37%) and home deliveries (33%). Dine-ins (23%) are still common, which is why the sector has innovated its approach to maintain its workforce. Within the sector, food chains attract the most investments through aggressively opening new stores to boost profit.

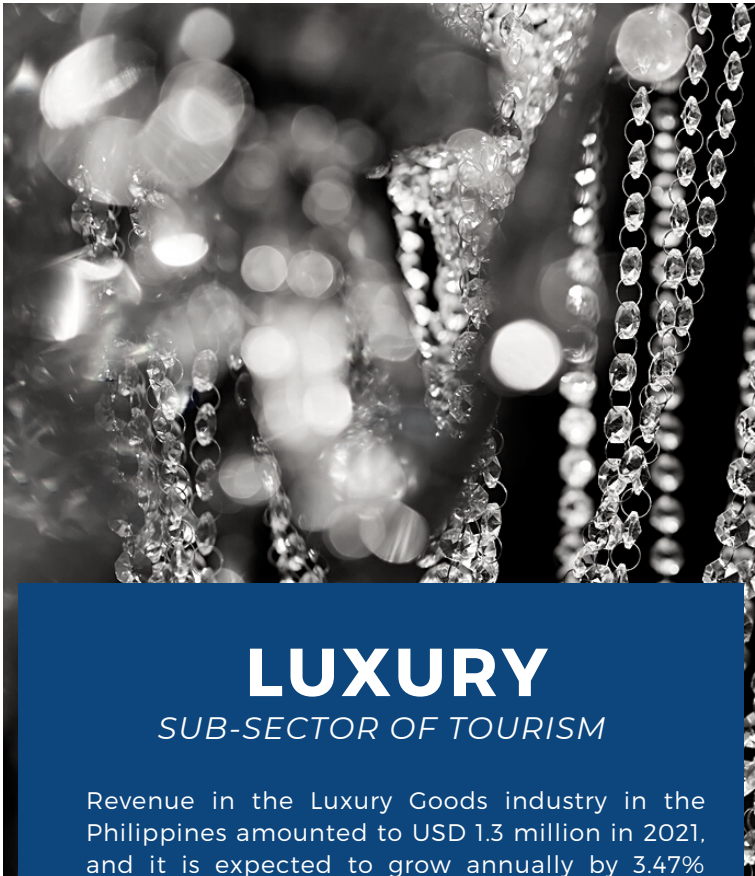
COVID-19 IMPACT

Though travel and social restrictions were gradually lifted, consumers remain hesitant to dine in restaurants. This is due to the uncertainty over constantly changing health protocols. Abrupt implementation of different regulations and requirements pose logistical issues and causes low foot traffic

SOME CCI MEMBERS IN THE SECTOR

Check out other members at this [link](#)





LUXURY

SUB-SECTOR OF TOURISM

Revenue in the Luxury Goods industry in the Philippines amounted to USD 1.3 million in 2021, and it is expected to grow annually by 3.47% (CAGR 2022-2027). The industry's largest segment is Prestige Cosmetics and Fragrances. Personal Luxury, which comprises 48.5% of the total retail value sales in 2021.

SOME CCI MEMBERS IN THE SECTOR

JEWELMER

LVMH
MOËT HENNESSY • LOUIS VUITTON

 AIRBUS
HELICOPTERS

Check out other members at this [link](#)

TRENDS AND CHALLENGES

Trends

- Distance learning supported the demand for luxury spectacles. People do not only want to look stylish, specs, but also durable products that will last for a long time
- Luxury wearables are projected to go through strong development due to the heightened health consciousness among Filipinos.
- Personal luxury goods will continue to market based on durability and timelessness to recover from pandemic losses. The segment would also emphasize sustainability and ethical practices to entice consumers.
- Luxury brands are looking into building sales amongst younger consumers. The focus on this segment created new opportunities in premium masculine care

Challenges

- Luxury hotels will grow again as travel restrictions are lifted. However, hotels need to revamp themselves to cater to incoming tourists. Mixing both leisure and business facilities is seen as a strong market potential for hotels to tap into.
- Most luxury brands are store-based retailers as this allows customers to closely inspect their products and to ensure authenticity. Eventually, luxury brands need to transition to the development of digital capabilities and strategies to adapt to the new shopping behavior of the post-pandemic era.

COVID-19 IMPACT

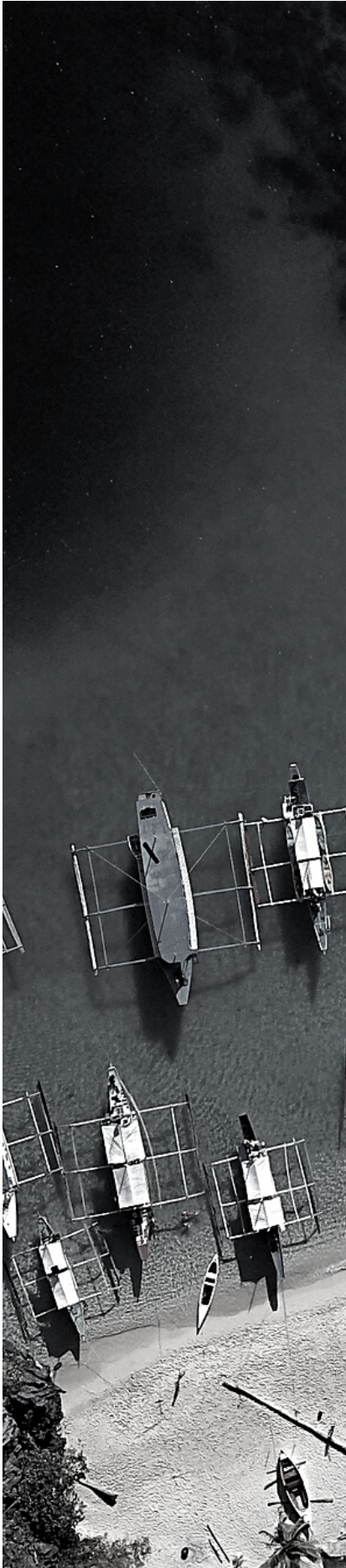
Wealthier individuals have shattered confidence with purchases as many .many businesses were forced to shut down during the onslaught of the pandemic.

The financial impact of the pandemic forced consumers to delay luxurious purchases or opt for cheaper alternatives given the hits their incomes have taken.






CHAPTER IV

Evolution of New Sectors





Chapter IV EVOLUTION OF NEW SECTORS

| | |
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|  | <p>B. LOGISTICS p. 53</p> |
|  | <p>C. COLD CHAIN p. 54</p> |
|  | <p>D. SUSTAINABILITY p. 55</p> <ul style="list-style-type: none"> • SUSTAINABLE DEVELOPMENT GOALS FOR THE PHILIPPINES |
|  | <p>E. TECHNOLOGY AND INNOVATION p. 57</p> |

E-COMMERCE BY THE NUMBERS, 2021

The Philippines registered a 24% CAGR in the forecast period (2021-2025), and is estimated to have a Gross Merchandise Value (GMV) of USD 40 billion by 2025.

The country's e-commerce industry experienced a 132% year-on-year growth

Philippine merchants are 9 times more eager to join e-commerce

The country saw one of the biggest surge in e-wallet payments in the Southeast Asian region, growing 12 times more in 2021.

CHALLENGES IN THE MARKET

01 INFRASTRUCTURE GAP
(I.E., INTERNET INFRASTRUCTURE)

According to OOKLA's Speedtest Global Index, the Philippines' fixed broadband internet speed is 60.09 Mbps in May 2022 and ranked 58th out of 182. Mobile broadband speed is 19.26 Mbps in May 2022 and ranked 91st of 141 countries.

02 LOGISTICS AND DISTRIBUTION

A lack of cold chain storage limits food products that can be transported for long distances. Traffic and an inefficient delivery network also make delivery extremely unreliable in many areas.

03 LOW BROADBAND PENETRATION

Many Filipinos access the web from mobile, home, internet cafés and their workplace, hence there is a need for better internet connection and services.

04 SECURITY CONCERNS

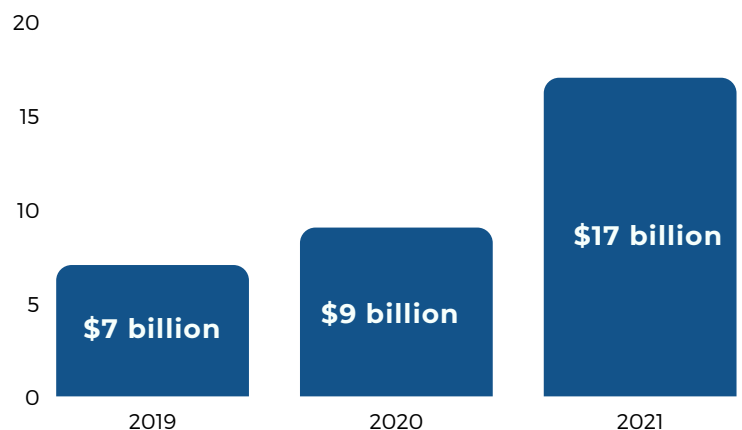
Hacking and weak cybersecurity still plague the country. Filipino consumers require further education on security measures that can protect online transactions. This will establish confidence in online banking, purchasing, and selling.

E-COMMERCE

EVOLUTION OF NEW SECTORS

The Philippines has a consumer-oriented economy. In fact, about 70% of the country's economy comes from the private consumption of consumers. However, since the beginning of the health crisis, retailers are only making 15% of their previous sales. The advantage of the country is that it has one of the highest internet penetration in the region and the population is active on social media.

Philippine Internet Economy GMV
(in billion USD), 2019-2021



The Philippines is the leading Southeast Asian country that saw double-digit growth in the e-commerce industry in 2021.

Estimates by the International Trade Administration (ITA) show that there are 76 million active social media users from the Philippines (almost 70% of all the population). Of this number, 75 million are on Facebook; 12 million on Twitter, and 4 million are LinkedIn users

LEADING PLATFORMS



Facebook Marketplace or WhatsApp Business are also being used in the country. Viber groups is used for business and Instagram for digital marketing and SME platforms.

Logistics is connecting firms to domestic and international markets, thus driving the competitiveness of the country's economy

TRENDS & OPPORTUNITIES

- The demand for both logistics and warehousing are driven by the thriving Philippine e-commerce
- The measures taken to mitigate supply chain disruption during the pandemic, combined with the strong demand in E-Commerce logistics, has caused an increased need for warehousing.
- The warehousing industry should innovate to provide more value-added services for their clients. It is expected that automation and robotics would be commonplace within the industry in the near future.
- Under the Build, Build, Build Program, the government is constructing transport systems to further support the growth of the logistics sector.

CHALLENGES

Poor physical and digital infrastructure hinder the sector from completely expanding to its full potential. Traffic in the country, disorderly regulatory frameworks, and high logistic costs are also barriers from making the Philippines a major logistics hub in the region.



LOGISTICS SECTOR
EVOLUTION OF NEW SECTORS

The Philippines' logistics and warehousing market is a thriving sector. In 2021, it was estimated to be valued at USD 15.6 million. It has a CAGR of 7.23% during the forecast period (2022-2027).

The Philippine logistics and warehousing market's role as a service provider has become recognized as a vital and indispensable function considering that the COVID-19 pandemic has necessitated the implementation of new economic and social protocols.

SOME CCI MEMBERS IN THE SECTOR

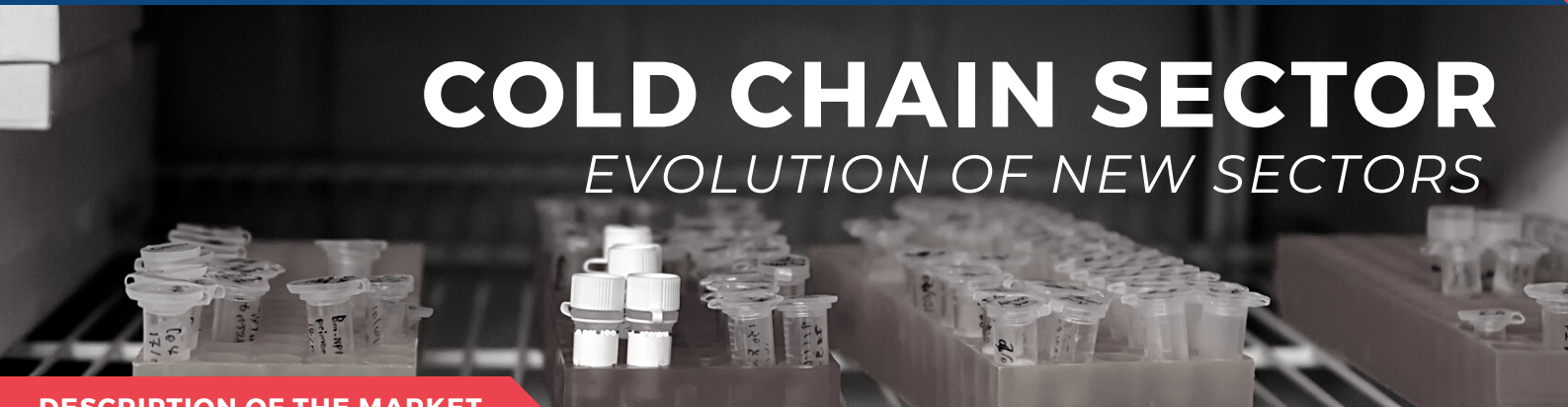
BOLLORÉ LOGISTICS **CMA CGM**

AGS FOUR WINDS INTERNATIONAL MOVERS

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COLD CHAIN SECTOR

EVOLUTION OF NEW SECTORS



DESCRIPTION OF THE MARKET

The growing preference for online shopping has been propelling the demand for warehouses and cold-storage facilities, specifically for perishable food items and other essential products. With the ongoing COVID-19 vaccination program, demand for specialized cold-storage facilities for vaccines and other pharmaceuticals is also likely to rise.

The sector is expected to continue grow 8 to 10 % per annum over the next 5 years



COLD STORAGE DEMAND FOR MAJOR COMMODITIES

| Location | Commodity | Market Share |
|----------|-----------------------|--------------|
| NCR | Meat | 40% |
| | Fruits and vegetables | 20% |
| | Marine | 30% |
| | Others | 10% |
| Luzon | Meat | 40% |
| | Fruits and vegetables | 20% |
| | Marine | 30% |
| | Others | 10% |
| Visayas | Meat | 40% |
| | Local chicken | 30% |
| | Marine | 20% |
| | Dairy | 5% |
| | Others | 5% |
| Mindanao | Meat | 30% - 40% |
| | Local chicken | 30% |
| | Marine | 15% |
| | Dairy | 25% |

IMPLEMENTATION

01 THE SHIFT OF CONSUMER PREFERENCES TOWARDS FROZEN FOOD AS A RESULT OF FOOD SAFETY.

Although the wet market continues to be a social fixture in Philippine culture, there is an ongoing shift in consumer habits to buy fresh and frozen products from supermarkets instead. However, after the enactment of the National Food Safety Act, even wet markets have started to migrate to selling products in chilled format. The goal of the government is for wet markets to evolve into a retail distribution network fully equipped with cold chain technology and equipment.

02 THE NEED FOR ADDITIONAL COLD CHAIN INFRASTRUCTURE TO REDUCE POST-HARVEST FOOD LOSS.

The growth of cold chain capacity should be associated with the effort to develop the agribusiness production sector in the country. Demand is driven by the increase in the overall agricultural exports of the country.

GOVERNMENT ACTIONS

- In 2022, the MOU for Development of a Cold Chain Integrated Supply Chain Solution for Evidence-based Policy Making and Investment Programming Project was signed.
 - This will generate data on present and future cold chain service gaps for agriculture and fishery producers, retailers, and logistics/delivery service providers as the basis for policy formulation and investment promotion.

CHALLENGES

In a tropical country like the Philippines, handling perishable goods requires temperature-controlled environments and uninterrupted handling of all processes in the value chain to meet food safety standards and customer demands. Managing the cold chain therefore has its risks and challenges. The industry will continue to be confronted with challenges like high operating costs, particularly power because the Philippines has some of the highest electricity prices in Asia. This threatens the cold chain industry as the country takes steps to limit green-house gas emissions. The industry also experiences constitutional limitations on foreign investments, which restrict prospective industry growth and access to strategic partnerships; and occasional conflicts in national policies versus local government regulations.





SUSTAINABILITY

EVOLUTION OF NEW SECTORS

CHALLENGES

From 2010 to 2015, the Philippine economy has been recovering from its reputation as the “laggard of East Asia.” Though it is working towards sustainable development, it is still plagued by issues such as:

- Poverty
 - In 2021, 23.7% of the Philippine population were found to be living below the poverty line.
- Hunger
 - In 2020, moderate or severe prevalence of food insecurity in the Philippines stood at 62.1%. This is more than double the global rate of 25.5%
- Climate Change Hazards
 - The country ranked 2nd out of 135 countries in the 2020 Global Climate Risk Index. This means the country is the second most affected by climate change impacts.
- Food Waste
 - It is estimated that 308,000 tons of rice are wasted every year. Moreover, in the Manila area, nearly 3,000 tons of food ends up in the trash on a daily basis

CORPORATE INITIATIVES

83% of the CEOs in the Philippines say that they are doing sustainable practices in their business. However, only 44% are measuring and reporting on the financial impact of their sustainable practices and only 33% have a full plan for a circular business model.

It is estimated that 80% of the CEOs of the Philippines want to include sustainability in their business plan for the next 5 years.

In several islands of the country such as Palawan, Coron or Alaminos’ Hundred Islands, as a tourist, it is compulsory to pay an “environmental tax” in order to stay there.

The Philippines ranked 103 out of 165 countries in the 2021 Sustainability Development Report by the United Nations. It scored 64.51, excelling in responsible consumption and production. It also did fairly well in climate action, decent work and economic growth, alleviating poverty, and feeding the hungry.

IMPORTANT REGULATIONS

The Securities and Exchange Commission will require publicly listed companies to submit sustainability reports by 2023. Other corporations will eventually be asked to follow this mandate in the future.

In 2020, the House of Representative approved of the Corporate Social Responsibility (CSR) bill. Activities under CSR include charitable programs, scientific research, environmental sustainability, and employee welfare.

- To encourage companies, the Department of Trade and Industry shall recognize and reward organizations for innovative CSR-related services

The Philippine Development Plan was updated to be consistent with the UN's Sustainable Development Goals. Upgrades in the plan focus on:

- sustaining ecosystem services
- mitigating biodiversity and habitat loss
- improving environmental quality
- increasing resilience of communities



THE SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



Public Actors:

The investment of several public associations in the Philippines is proof of the country's willingness to adopt a sustainable and environmentally friendly approach. Among them, we can find :

- The Philippine Council for Industry, Energy, and Emerging Technology Research and Development (DOST - PCIEERD)
- Department of Energy
- Asian Development Bank
- Department of Environment and Natural Resources
- National Mapping and Resource Authorities
- National Water Resources Board (NWRB)
- Palawan Council for Sustainable Development (PCSD)
- Philippines Mining Development Corporation (PMDC)

Other Actors in the Country:

The presence of the United Nations and other huge associations is also very important in the country:

- United Nations Country Team
- Food and Agriculture Organization (FAO)
- International Fund for Agricultural Development (IFAD)
- International Labour Organization (ILO)
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- United Nations Children's Fund (UNICEF)
- UN Women
- UN Department of Safety and Security
- Greenpeace
- World Wide Fund for Nature (WWF)

TECH AND INNOVATION

EVOLUTION OF NEW SECTORS

DESCRIPTION OF THE MARKET

The Philippines ranked 53rd out of 132 countries in the 2021 Global Innovation Index (GII). The country's top strengths in innovation are:

- Science and engineering graduates
- Energy use
- Firms offering training to upskill the labor force

Findings indicate that innovation occurs more in the ICT industry, with 57% of firms appearing to be innovation-active. In addition, large firms are more innovation-active than MSMEs.

MARKET OPPORTUNITIES

COVID-19 shutdowns have greased the digital runway, this evolution will divide the companies and customers into those who have digital resources or aptitude, and those who don't. To respond to the COVID-19 situation, despite a low R&D budget, MSMEs have considerably innovated their processes. Taking into account the significant total number of Philippine MSMEs compared to large enterprises, the MSME sector's absolute influence on overall innovation remains substantial.

With the new post-pandemic landscape, Philippine businesses are urged to innovate and digitalize to stay competitive. This will allow businesses to better respond and adapt to the demands and challenges of the new global economy.

KEY ACTORS



SOME CCI MEMBERS IN THE SECTOR

iSCALE
SOLUTIONS

DATAWORDS
Pioneering e-Multiculturalism

d DataOne Asia
Enterprise Technology Services

T Teleperformance

Check out other members at this [link](#)

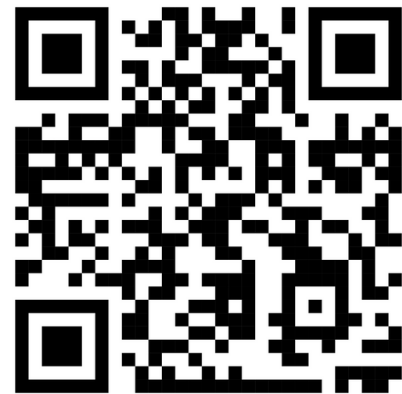


BECOME A MEMBER

BENEFITS:

depending on membership type

- Membership
- Involvement in sectoral committees
- Participation in events
- Sponsorship in events
- Communication and visibility
- Access to Business Center at discounted rates
- Preferential rates for business services
- Access to other networks
- Members privileges program - Carte privilège
- CSR sponsorship opportunities through FPUA: Foundation of the Chamber
- Consultation with partners of the Trusted Partners program: Legal bank, real estate (one consultation per sector)



Access the CCI France Philippines Membership brochure [here](#).

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