

The Philippines' Potential



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Facts about the Philippines

- The Philippine archipelago is made up of 7,107 islands
- Favorably located in relation to many of Southeast Asia's main water bodies: the South China Sea, Philippine Sea, Sulu Sea, Celebes Sea, and Luzon Strait
- Annual GDP Growth rate of 7% to 8%
- Rising Middle Class Segment
- Estimated 1.1 Million Retail Point of Sale
- Estimated 41 Million Internet Users
- **Population:** 100,998,376 (July 2015 est.). 18% are from Metro Manila
- **Natural Resources:** timber, petroleum, nickel, cobalt, silver, gold, salt, copper

Facts about the Philippines

■ Agricultural Products

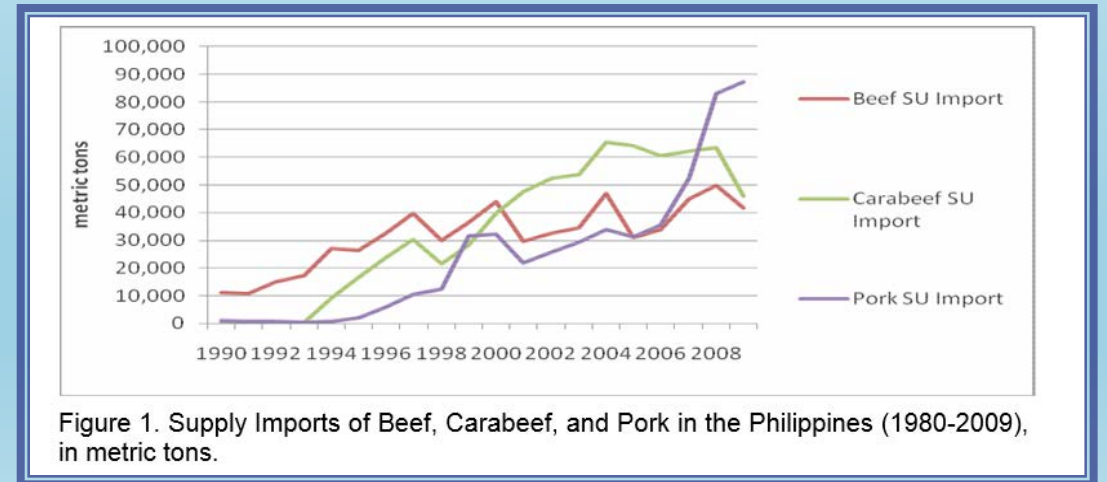
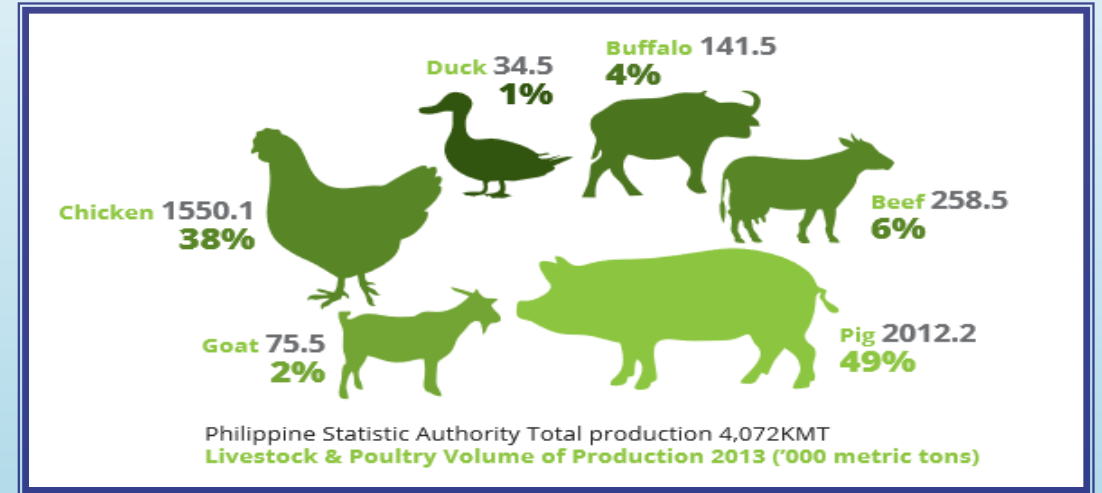
- **Rice** - The Philippines is the 8th largest rice producer in the world, accounting for 2.8% of global rice production
- **Sugar** - There are at least 19 provinces and 11 regions that produce sugarcane in the Philippines. A range from 360,000 to 390,000 hectares are devoted to sugarcane production.
- **Coconuts** - There are 3.5 million hectares dedicated to coconut production in the Philippines, which accounts for 25 per cent of total agricultural land in the country.
- **Corn** - The second most important crop in the Philippines. 600,000 farm households are employed in different businesses in the corn value chain. As of 2012, around 2.594 Million ha of land is under corn cultivation and the total production is 7.408 million metric ton(MMT)
- **Fruits** - The Philippines is the world's 3rd largest producer of fruits
- **Rubber** - There are an estimated 38,000 families dependent upon the cultivation of rubber trees



Facts about the Philippines

■ Poultry and Livestock

- In 2013 the Livestock and Poultry sub-sectors out-performed the overall Philippine Agriculture Market in terms of Production Value, registering an increase of 1.75% and 4.20%, respectively.
- Livestock accounts for 16.2% while Poultry follows at 14.8% of the total Agricultural Production. The Fisheries sub-sector which recovered from 2012's (-0.25%) setback, registered an increase of 1.25% in 2013. Fisheries sub-sector contributes 18.0% of total agricultural output.
- The Philippines livestock sector will continue to post healthy growth rates. The forecast for pork production growth to 2016/17 to increase 13.3% to 1.5million tonnes. Growth will be driven by an increase in commercial farming, as well as rising domestic consumption.
- The Philippine Government has passed the Agriculture and Fisheries Modernization Act (AFMA), aimed at strengthening the agriculture and fishery sectors. One of the main development goals is to transform the local livestock industry from a resource-based to technology-based industry; and enhance the market competitiveness of the local livestock and poultry sub-sector.

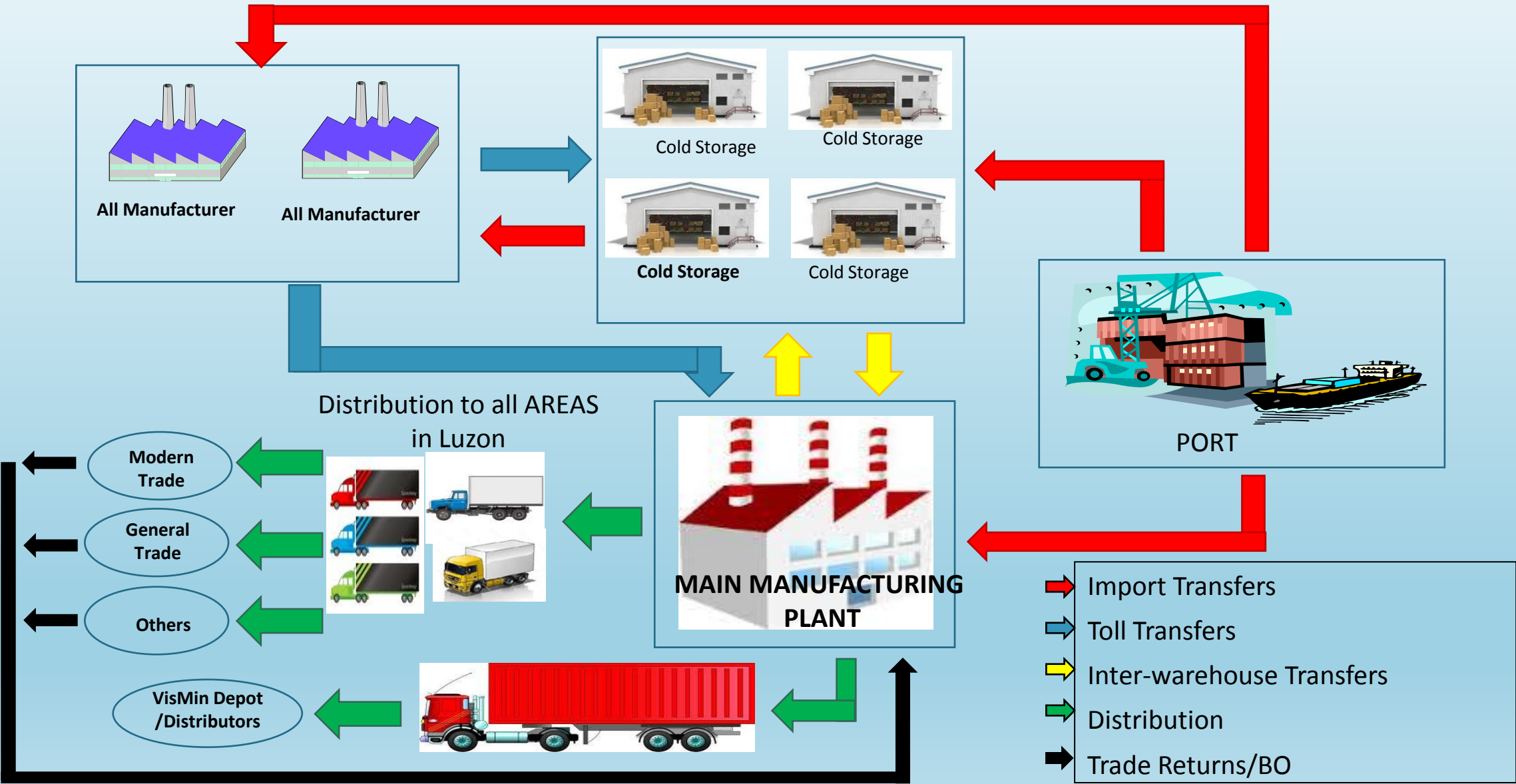


E-Commerce Business in PH

- \$150 Million Annual Business at the end of 2014
- 300% Growth in the past 2 years - \$500 Million Projection by 2018
- 5 Million E-Commerce Shoppers in the Philippines – Projected to Reach 10 Million in 2018
- Major Categories: Fashion, Bags, Shoes, Sports Apparel, Food, Electronics, Home & Décor, Beauty, Lifestyle Activities & Travel
- Flash Sales & Discount Online Retail Business Model



Logistics Chain



Major Distribution Channels

1. General Trade

- ✓ Wholesalers
- ✓ Distributors

2. Modern Trade

- ✓ Retail
- ✓ Food Services
- ✓ Supermarkets
- ✓ Pharmacies



Major Challenges

- Port Congestion (Imports)
- SPS Requirements (FDA, NMIS, BAI, BPI, MAV)
- High Cost of Distribution
- Lack of Infrastructure

The Philippine Ports

LUZON	Manila (MIP/POM), Subic Bay (Subic Bay, Zambales), Abra de Ilog (Abra de Ilog), Batangas (Batangas City), Balanacan (Mogpog, Marinduque), Calapan (Calapan), Cawit (Boac, Marinduque), Laoag ('Laoag), Legazpi (Legazpi City), Lucena (Lucena), Poctoy (Tablas Is., Romblon), Puerto Princesa (Puerto Princesa), Caminawit (San Jose, Occ. Mindoro), Sual (Sual, Pangasinan)
VISAYAS	Caticlan (Malay, Aklan), Dumaguít (New Washington, Aklan), Bacolod (Bacolod), Banate (Banate, Iloilo), Cebu (Cebu City), Iloilo (Iloilo City), Port of Catbalogan (Catbalogan, Samar), Ormoc (Ormoc), Santander (Santander, Cebu)
MINDANAO	Davao (Davao City), Zamboanga (Zamboanga City), CDO (Cagayan de Oro), Iligan (Iligan), Ozamiz (Ozamiz), General Santos City



Port of **General Santos**, the southernmost port of the island of Mindanao



Port of **Cebu**, the busiest seaport in the Philippines in terms of annual passengers.



Port of **Subic**, the former US Navy base and now a major cruise and transshipment hub.

The Philippine Ports

SUMMARY ON PORT PERFORMANCE

Philippine Ports Authority

January-December 2014

PARTICULARS	TOTAL	PORT DISTRICT OFFICE				
		MANILA/ N. LUZON	SOUTHERN LUZON	VISAYAS	NORTHERN MINDANAO	SOUTHERN MINDANAO
1. Shipcalls	357,480	17,138	97,763	138,726	53,776	50,077
Domestic	347,841	12,960	96,005	138,125	52,663	48,088
Foreign	9,639	4,178	1,758	601	1,113	1,989
2. Cargo Throughput (m.t.)	210,552,565	76,793,769	37,873,836	26,291,533	51,447,589	18,145,838
Domestic	76,061,090	24,170,036	12,511,117	18,158,173	11,712,474	9,509,290
Inward	39,967,037	9,545,820	6,380,623	11,483,649	6,029,607	6,527,338
Outward	36,094,053	14,624,216	6,130,494	6,674,524	5,682,867	2,981,952
Foreign	134,491,475	52,623,733	25,362,719	8,133,360	39,735,115	8,636,548
Import	66,108,587	40,992,280	16,938,681	1,833,257	2,921,139	3,423,230
Export	68,382,888	11,631,453	8,424,038	6,300,103	36,813,976	5,213,318
3. Container Traffic (in TEU)	5,293,762	3,648,472	182,266	277,436	317,473	868,117
Domestic	2,050,678	988,218	84,542	277,436	317,473	383,011
Inward	1,042,658	486,465	45,211	143,407	160,642	206,934
Outward	1,008,020	501,753	39,331	134,029	156,831	176,077
Foreign	3,243,084	2,660,254	97,724	0	0	485,106
Import	1,660,329	1,371,894	52,731	0	0	235,704
Export	1,582,755	1,288,360	44,993	0	0	249,402
4. Passenger Traffic	54,971,148	1,076,378	18,155,282	19,070,311	9,816,279	6,852,898
Disembarked	28,222,037	532,356	9,331,856	9,956,397	4,985,648	3,415,780
Embarked	26,749,111	544,022	8,823,426	9,113,914	4,830,631	3,437,118

SUMMARY ON PORT PERFORMANCE

Philippine Ports Authority

April - June 2015

TOTAL	PORT DISTRICT OFFICE		
	MANILA/ N. LUZON	VISAYAS REGION	MINDANAO REGION
96,755	35,563	39,927	21,265
94,371	34,178	39,798	20,395
2,384	1,385	129	870
40,724,508	20,406,280	6,505,687	13,812,541
15,468,965	6,997,351	5,281,950	3,189,664
8,319,202	2,939,424	3,632,555	1,747,223
7,149,763	4,057,927	1,649,395	1,442,441
25,255,543	13,408,929	1,223,737	10,622,877
12,335,318	10,973,618	429,411	932,289
12,920,225	2,435,311	794,326	9,690,588
1,431,665	958,356	117,884	355,426
620,315	310,688	117,884	191,744
303,908	152,560	47,956	103,392
316,408	158,128	69,928	88,353
811,350	647,668	0	163,682
407,778	326,881	0	80,897
403,572	320,787	0	82,785
17,480,373	5,664,714	6,990,211	4,825,448
9,011,129	2,954,334	3,611,168	2,445,627
8,469,244	2,710,380	3,379,043	2,379,821

Trade Organization

Cold Chain Association of the Philippines (CAAP)

- Ameresco Commercial & industrial Co., Inc.
- Argo International Forwarders, Inc.
- Big Blue Logistics, Inc.
- Benguet Cold Chain Project
- Bry-Air (Asia) Pvt. Ltd.
- Cebu Subzero Logistics Inc.
- Cold Chain Care Professional Reefer Services Co
- Common Goal Real Properties Inc.
- Container Bridge Philippines, Inc.
- CPGC Logistics Philippines, Inc.
- Crystal Cold Storage
- Danfoss, Inc.
- D.B. international Sales & Services Inc.
- DC System Insulation A/S
- Del Monte Fresh Produce (Phils.) inc.
- Desla Chemicals & Multi-Products, Inc.
- Devex Incorporated
- Dizon Farm Produce, Inc.
- Dole Fresh - Philippines
- DYD Refrigeration Systems, Inc.
- ECA Cold Storage Plus
- Emerson Elec. Asia Ltd.
- Energetix ICL India Consortium, Inc.
- Everest Cold Storage
- ERSI Group of Companies
- Frabelle Cold Storage Corp.
- GenOsi, Inc
- Glacier Refrigerated Services Corp
- GEA Refrigeration Philippines Inc.
- GMV Coldkeepers, Inc.
- Handling Innovation, Inc.
- HAVI Logistics Philippines, Inc.
- High Performance Solutions, Inc.
- Icebox Logistics Services, Inc.
- Igloo Storage Complex Corp.
- Igloo Supply Chain Philippines, Inc
- Inpolchem Trading
- Isocab Thyssenkrupp
- Isteel, Inc.
- Jentex Storage, Inc.
- JM processing and Freezing Services, Inc.
- Jollibee Foods Corp.
- Kalinisan Chemical Corp.
- KASANME SMKB, Inc.
- Kenwod Cold Storage
- KFC Philippines
- King Richard Shop Systems, Inc.
- Koldstor Center Phils, Inc.
- LF (Philippines), Inc.
- LTS Supermarkets, Inc.
- Mayekawa Philipphines Corp
- Metro Combined Logistics Solutions, Inc.
- Mets Logistics, Inc.
- MHE Demag, Inc.
- Mida Food Distributors, Inc.
- Mindanao Coolers Corp.
- Monde Nissin Corp.
- Multi-N Food Corp.
- Narratek Corp.
- Nestle-Philippines , Inc.
- Onesource Logistics Asia, Inc.
- Paktol Public Company Limited
- Philstorage Corp.
- Ploar Bear Freezing & Storage Corp
- Prime Sales, Inc.
- PTC Commercial Corp
- RDEX Food International Phils., Inc.
- Robinsons Supermarket
- Royal Cargo, Inc.
- Royale Cold Storage, Inc.
- Rustan's Supercenter (Shopwise)
- San Andres Fishing Industry, Inc.
- San Miguel Yamamura Packaging Corp.
- Santienz Philippines, Inc.
- Sowreap Corp
- Special Containers & Value Added Services, Inc.
- SSI Schaefer Systems, Philippines, Inc.
- Subzero Ice and Cold Storage, Inc.
- Technofreeze, Inc.
- Tractor hub Logistics Corp.
- Ulvac Singapore Pte., Ltd
- Union Galvasteel Corporation
- Unity Marketing Corp.
- Victorian Freight Express Corp.
- W. Jheredebs Development Corp.
- Weal Builders, Inc.
- Weathertech Refrigeration and Aircon Co.
- Yantai Moon Co., Ltd. Overseas Div.
- ZI-Techasia (pilipinas), Inc.

Trade Organization

Philippine Association of Meat Processors, Inc. (PAMPI)

- A. Tung Chingco Mfg. Corp.
- ALFA All Food Asia, Inc.
- Alternative Foods Corp.
- Angel Farmers Gourmet Food Corp.
- Belcris Foods
- Burger Machine Holdings Corp
- CDO Foodsphere, Inc.
- Century Pacific Foods, Inc.
- Connell Bros. Co. Pilipinas, Inc.
- CSP International Commodities Corp.
- Dealco Farms Inc.
- Del Monte Philippines, Inc.
- Enzed Trade
- Euro Swiss Food, Inc.
- Frabelle Corp.
- GenOsi, Inc.
- Glacier North Refrigeration Services Corp.
- Gold Ribbon Food, Inc.
- iSteel, Inc.
- Jaka Food Processing Corp.
- Jentec Storage, Inc.
- Jesters Food Corp.
- Jollibee Foods Corp.
- Judphilan Foods Corp.
- King Sue Han & Sausages Co., Inc.
- King's Quality Foods
- KJA Summit Food Corp.
- Lami Food Products Corp.
- Mets Logistics, Inc.
- Moto Industrial Traders Corp.
- MLM Foods, Inc.
- Newly Weds Foods (Philippines)
- Nian's Trading
- Oriental Tin Can & Metal Sheet Manufacturing Company, Inc.
- Pampanga's Best, Inc.
- R. Lapid's Chicharon
- R& E Handelsvertretung Export-Import
- Reno Foods, Inc.
- Royal Cargo, Inc.
- Southern Processing Corp.
- SunPride Foods, Inc.
- The Purefoods Hormel Company, Inc.
- Trenton Marketing Corp.
- Velfram Foods Corp.
- Virginia Food, Inc.
- Viskase Asia Pacific Corp.
- WB Prime Choice Corp.
- Westpac Meat Processing Corp.
- Wills international Sales Corp.

Thank you.