



Philippines – Brazil Trade Opportunities

The Philippines at glance



- ▶ Vibrant consumer base of over 101 million people.
- ▶ A youthful population (median age **of 22.7 years**).
- ▶ A workforce of around 40 million, with a large proportion of skilled, English-proficient workers.
- ▶ Gateway to access 616 million ASEAN market



Philippine Economic Progress

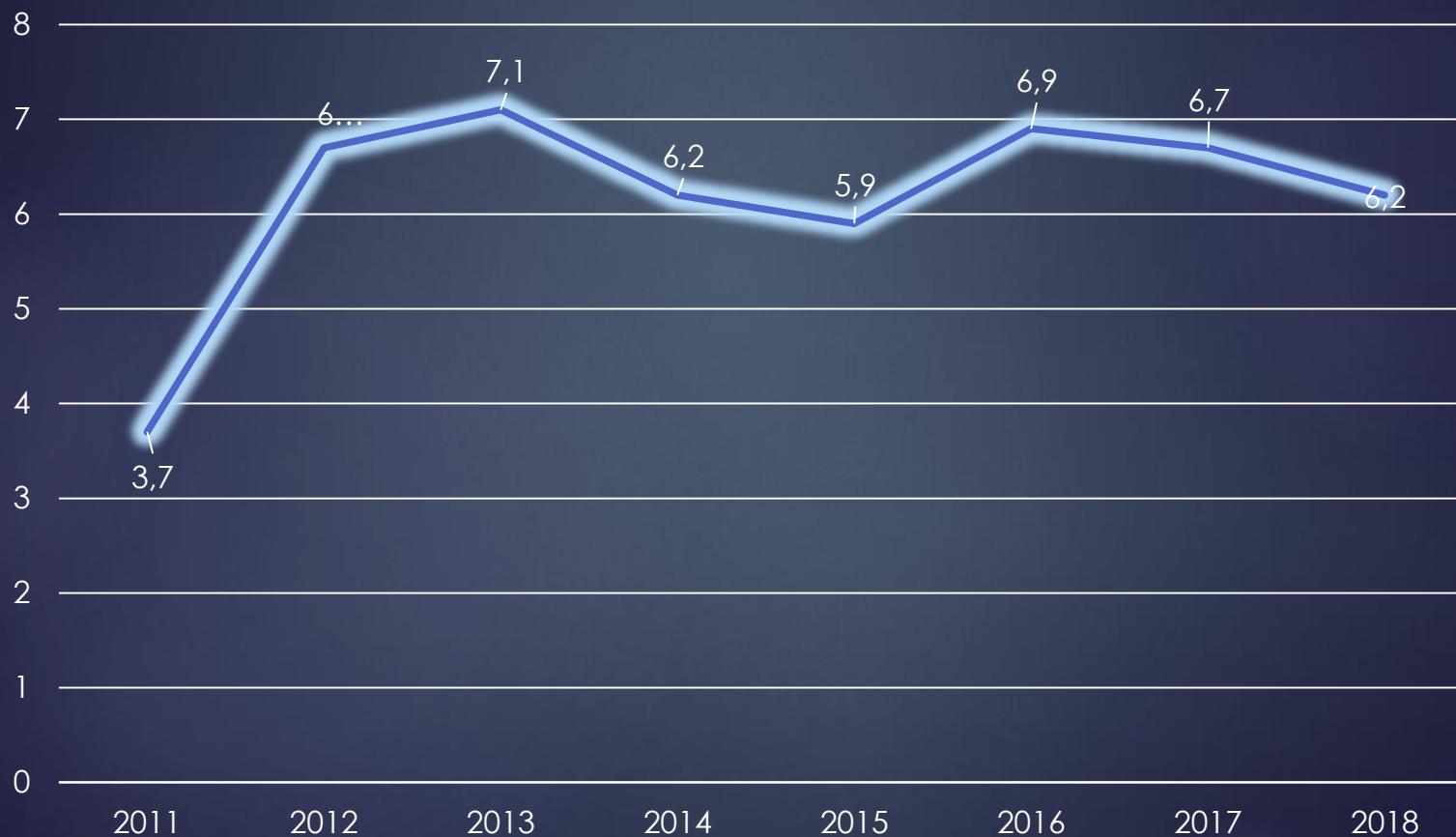
- ▶ High GDP growth: 5.8% in 2015, 6.9% in 2016, 6.7% in 2017, 6.2% in 2018.
- ▶ It will continue as one of the fastest growing economies in Asia-Pacific for 2015-2020 (World Bank), and is currently the 40th economy.
- ▶ By 2050 the Philippines is projected to become:
 - ▶ The 16th economy in the world.
 - ▶ The 5th economy in Asia.



ADVANTAGES



GDP GROWTH % 2011-2018





**The Philippines is now a
Preferred Investment Destination**

INCENTIVES FOR INVESTMENT

INCENTIVE	CONDITIONS
INCOME TAX HOLIDAY (ITH)	UP TO 8 YEARS
5% TAX ON GROSS PROFIT	NONE
IMPORTATION OF CAPITAL ASSETS	0% DUTY
EXPORT TAXES	0%
SIMPLIFICATION OF CUSTOMS PROCEDURES	AVAILABLE
EMPLOYMENT OF NATIONALS IN THE INVESTOR COUNTRY	Foreign nationals may be employed in supervisory, technical or advisory positions within 5 years from a project's registration, extendible for limited periods.
SUBSIDY FOR NATIONAL SALES	Domestic sales allowance of up to 30% of total sales.

2017 Investment Priorities Plan

8

A. Preferred Activities

1. ALL QUALIFIED MANUFACTURING ACTIVITIES INCLUDING AGRO-PROCESSING
2. AGRICULTURE, FISHERY AND FORESTRY
3. STRATEGIC SERVICES
 - a. IC Design
 - b. Creative Industries/Knowledge-Based Services
 - c. Maintenance, Repair, and Overhaul (MRO) of aircraft
 - d. Charging/Refueling Stations for Alternative Energy Vehicles
 - e. Industrial Waste Treatment
 - f. Telecommunications
 - g. State-of-the-art Engineering, Procurement and Construction
4. HEALTHCARE SERVICES INCLUDING DRUG REHABILITATION CENTERS
5. MASS HOUSING
6. INFRASTRUCTURE & LOGISTICS INCLUDING LGU-PPPs
7. INNOVATION DRIVERS
8. INCLUSIVE BUSINESS MODELS
9. ENVIRONMENT OR CLIMATE CHANGE-RELATED PROJECTS
10. ENERGY



2017 Investment Priorities Plan

B. Export Activities

- Manufacture of export products
- Services exports
- Activities in support of exporters

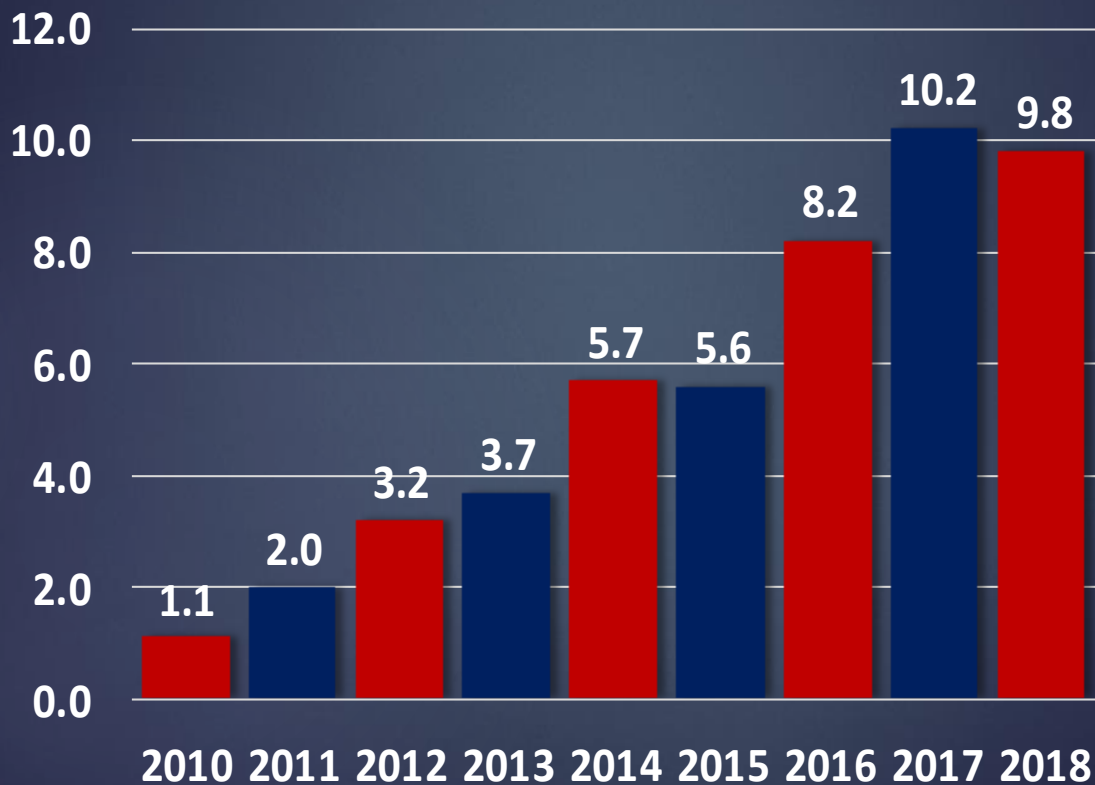
C. Special Laws

- Industrial Tree Plantation (PD 705)
- Mining (RA 7942) (limited to capital equipment incentive)
- Publication or Printing of Books/Textbooks (RA 8047)
- Refining, Storage, Marketing and Distribution of Petroleum Products (RA 8479)
- Rehabilitation, Self-Development and Self-Reliance of Persons with Disability (RA 7277)
- Renewable Energy (RA 9513)
- Tourism (RA 9593)



Favorable Investment Climate

Robust Inward FDI



22.29%
*Ave. annual
growth rate
(2016-2018)*

MARKET ACCESS



The country's location is a **critical entry point** to over 600 million people in the ASEAN Market and a natural gateway to the East-Asian economies.

The country is likewise placed at the **crossroads of international shipping and airlines.**

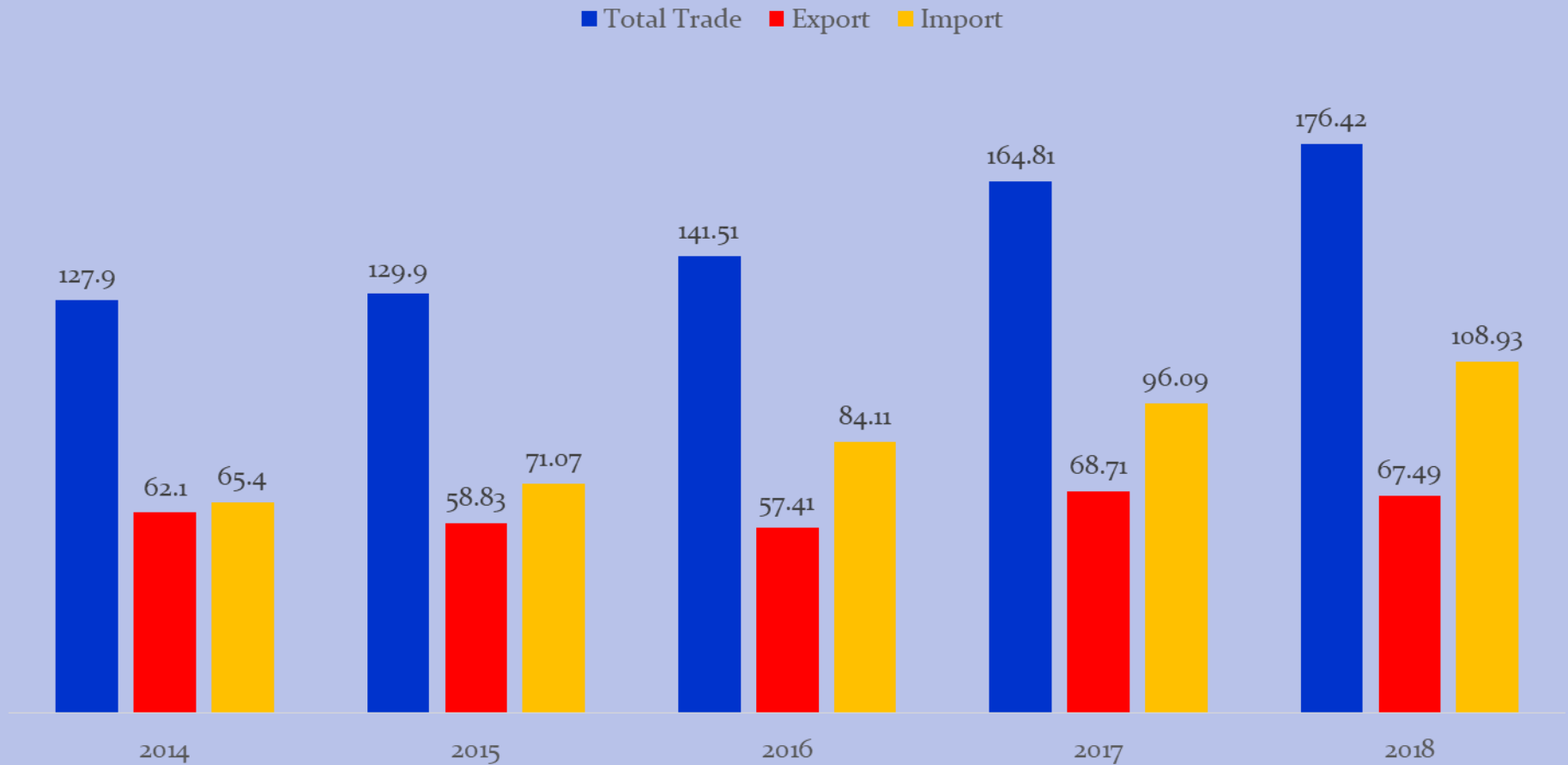
Within Asia, the Philippines is reachable **within 3 to 4 hours by plane.**



Trade and Investment Opportunities

PH MERCHANDISE EXPORT PERFORMANCE

Value in US\$ Billion



5-year Growth Rate

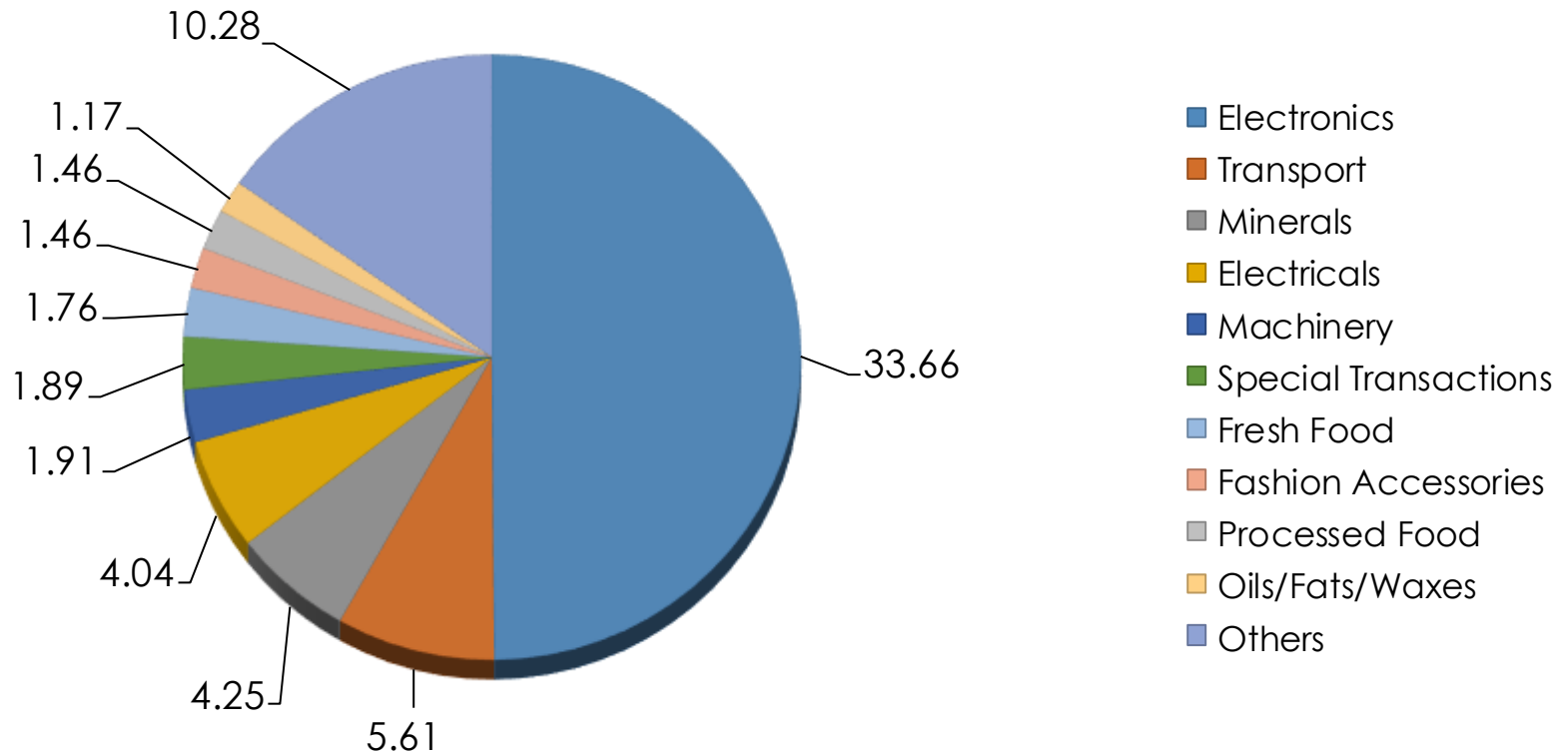
Total Trade: 8.37%

Exports: 2.10%

Imports: 13.60%

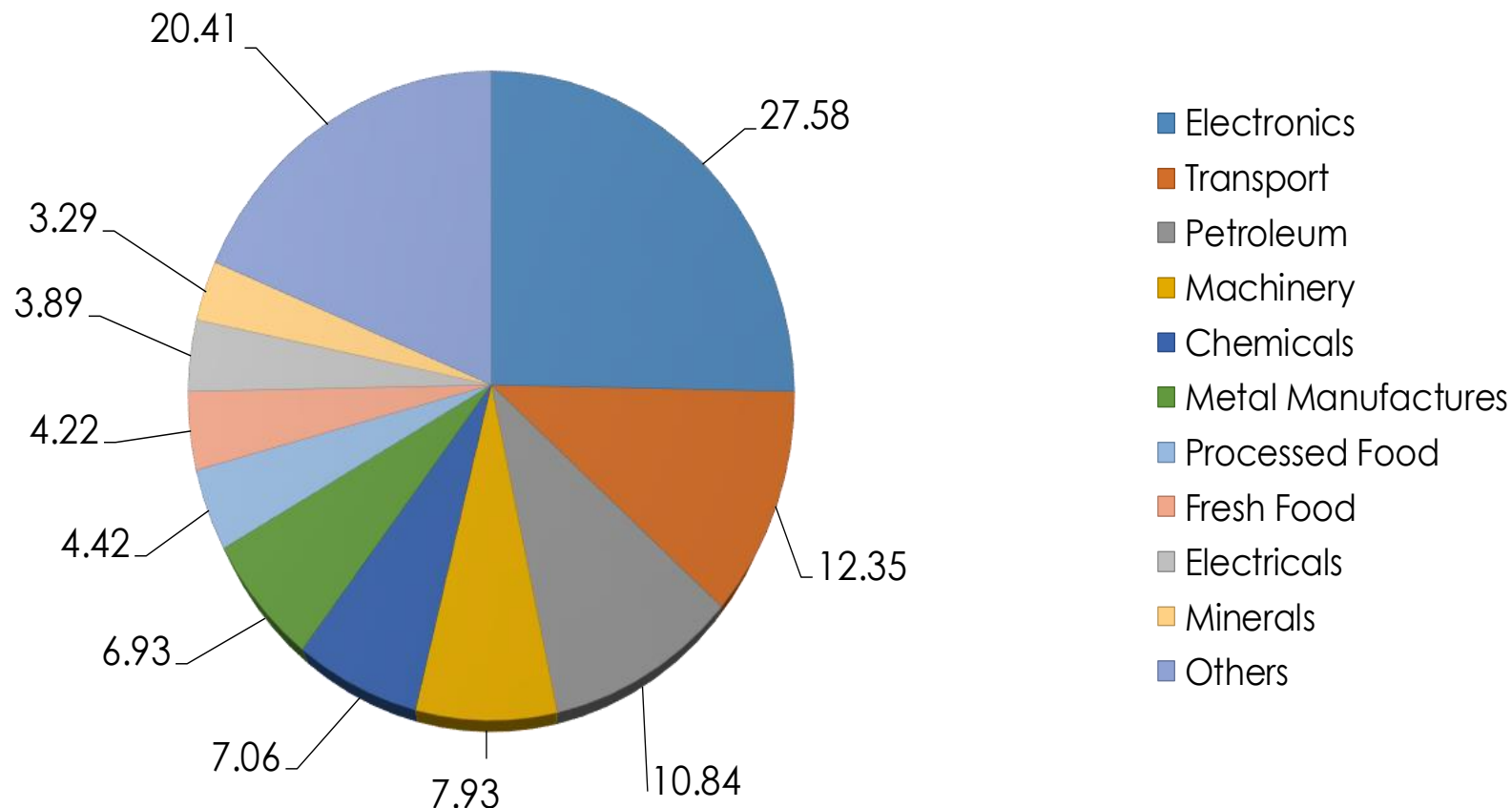
2018 TOP 10 MERCHANDISE EXPORTS TO THE WORLD

US\$ 67.49 Billion



2018 TOP 10 MERCHANDISE IMPORTS FROM THE WORLD

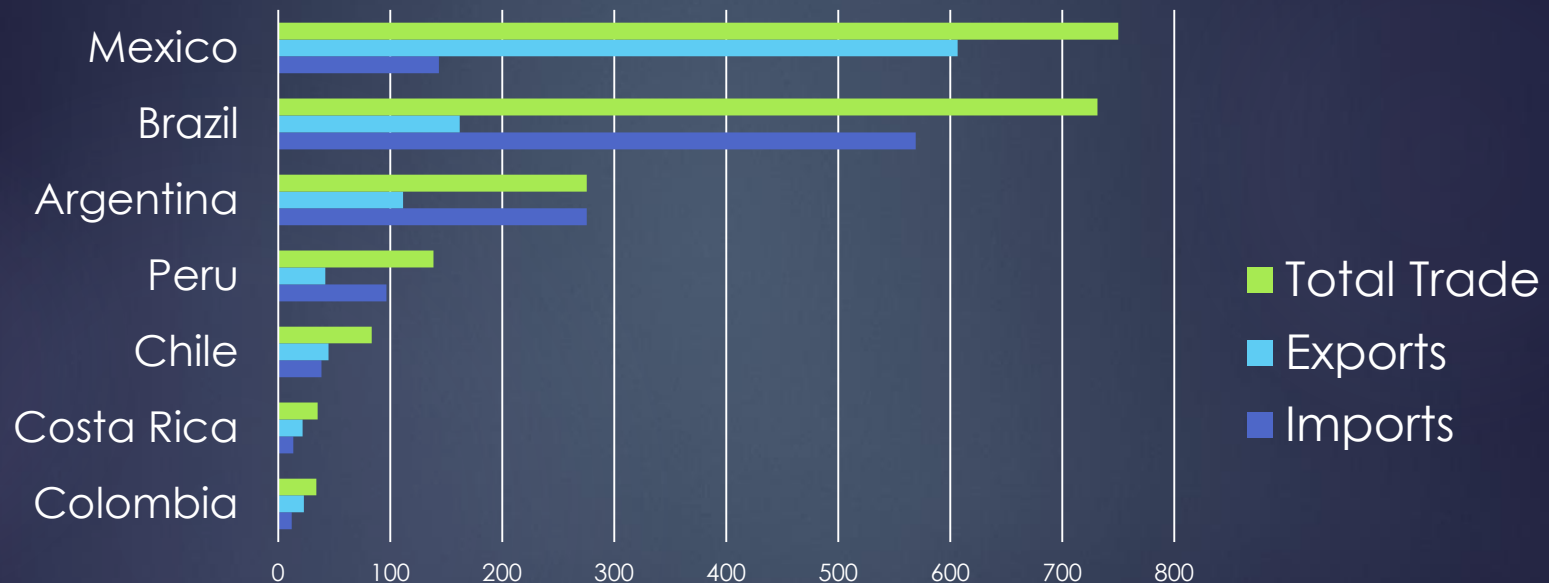
US\$ 108.93 Billion



PH TRADE WITH LATIN AMERICA

Value in US\$ Million

2018



	Colombi a	Costa Rica	Chile	Peru	Argentin a	Brazil	Mexico
Total Trade	34,04	35,18	83,46	138,72	275,55	731,53	750,22
Exports	22,84	21,74	44,82	42,11	111,45	162,2	606,69
Imports	12,2	13,44	38,64	96,61	275,55	569,33	143,54

EXPORTS TO BRAZIL 2018

Value in \$US Million

Description	2018	Share
Total PHL Exports to Brazil	162.2	%
Top 5	73.44	45.28
Other printing machinery.	22.61	13.94
Input or output units, whether or not containing storage units in the same housing	15.24	9.40
Parts and accessories of machines of Heading No.84.71	14.64	9.03
Parts and accessories of machines of Heading No.84.72	10.91	6.73
Other waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, NOT including fruit or vegetable juices	10.04	6.19

IMPORTS FROM BRAZIL 2018

Value in \$US Million

Description	2018	Share
Total PHL Imports From BR	569.33	%
Top 5	423.04	74.30
Iron Ores and concentrates, other than roasted iron pyrites, non-agglomerated	236.63	41.56
Copper ores and concentrates	66.41	11.66
Meat of bovine animals, boneless, frozen	61.57	10.81
Cuts and offals of fowls of the species Gallus domesticus, frozen	34.36	6.04
Tobacco, partly or wholly stemmed/stripped	24.07	4.23

Doing Business in The Philippines

- ✓ The Philippines is a ready market.
- ✓ Global acceptance of the Philippines as an investment destination
- ✓ The Philippines is gaining competitiveness.
- ✓ Filipinos are dependable, hardworking, resilient.

TRADESHOWS

IFEX PHILIPPINES 2019

NEXT FOOD

IFEX PHILIPPINES
NXTF D
ASIA

<http://www.ifexphilippines.com/en>



**THE
NEXT D**
BIG THING.

The IFEX Philippines Very Important Buyer (VIB) Program

The VIB Program is an institutionalized package of services and benefits for foreign buyers of IFEX Philippines. It is designed to provide a meaningful and rewarding sourcing experience at the show.

The following product categories are covered:

- ▶ Alcoholic and Non-alcoholic Beverages
- ▶ Coffee, Herbal Teas and Cocoa
- ▶ Food Processing Equipment, Packaging, Refrigeration and Storage
- ▶ Fresh and Processed Seafood
- ▶ Fruits and Vegetables
- ▶ Grains, Cereals and Commodities
- ▶ Herbs and Spices
- ▶ Meat and Poultry
- ▶ Natural, Healthy and Organic Products
- ▶ Seafood and Marine Products
- ▶ Specialty, Ethnic and Gourmet Products

VIB Categories and Package Incentives

VIB CATEGORIES	INCENTIVE PARTICULARS		
	BUYER CARE AND SERVICES	AIRFARE* SUBSIDY	HOTEL ACCOMMODATION
TOP-GROCER Decision makers, purchasing managers and importer/distributor dealing with major food retail chain operators, such as supermarkets, hypermarkets, convenience stores and wholesale clubs. Top-Grocers must have an annual sales of USD 10M and above if their product line category is under Fast Moving Consumer Goods (FMCG) Retail, or USD 5M and above if their product line category is under Contract or Hospitality markets.	✓	✓	✓ Two (2) nights/stay
GUEST LUMINARY Industry authorities and notables, as well as heads of relevant business associations that influence industry or public opinion. Examples are resource speakers, celebrity chefs, journalists and heads of retail or importer associations. A Guest Luminary must commit to play an active role or be in attendance in any or all IFEX Philippines special events or activities.	✓	✓	✓ Two (2) nights/stay
HEAD OF DELEGATION Primary organizers/companies or coordinators of overseas buying missions composed of, at least, 10 buyers including independent retailers and wholesalers. The delegation may also include marketing agents, officials of the Philippine Trade and Investment Center (PTIC) and Philippine Embassies abroad.	✓	✓	✓ Two (2) nights/stay
NOMINATED VIBS Trade buyers that have retained an annual sales between \$1M and \$10M if their product line category is under FMCG Retail or between \$300,000 and \$5M if their product line category is under the Contract or Hospitality markets.	✓	✗	✓ Two (2) nights/stay

* with airfare cap

MANILA FAME 2019



MANILA FAME

VENUE

WORLD TRADE
CENTER
METRO MANILA
PHILIPPINES

DATE

17-19
OCTOBER
2019

TIME

09:00 am
—
07:00 pm

CRAFTED FOR THE
WORLD



<http://www.manilafame.com/>



Thank you.

Philippine Trade & Investment Center

Mexico City

mexico@dti.gov.ph

+52 55 52 80 37 66

+52 55 52 80 3671