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Report Name: Food Processing Ingredients Annual

Country: Philippines

Post: Manila

Report Category: Food Processing Ingredients

Prepared By: Marie Christine Del Castillo

Approved By: Michael Ward

Report Highlights:

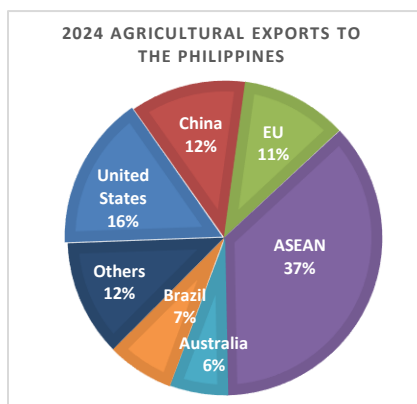
As inflation eases, Post forecasts food sales growth at five percent in 2025 driven by population growth and rising incomes. Food and beverage manufacturing is expanding, indicating solid growth in the sector, amid higher production costs, particularly for inputs. Manufacturers are developing new products to increase sales and rely on U.S. ingredients for quality and consistency. The United States remains the largest single-country exporter to the Philippines with 16 percent market share. The Philippine market presents strong opportunities for wheat, dairy products, poultry, pork, beef, starch products, fruits, vegetables, food preparations, and soybeans from the United States.

MARKET FACT SHEET: PHILIPPINES MARKET OUTLOOK

The Philippine economy is poised to grow at six percent in 2025 with higher consumption as incomes rise and the population continues to steadily grow. Amidst inflationary headwinds, the country grew at 5.6 percent in 2024. The service (6.7) and industry (5.6) sectors posted growth in 2024 while agriculture, forestry, and fishing (-1.2) sector declined.

AG EXPORTS TO THE PHILIPPINES

The Philippines ranked as the eleventh largest U.S. agricultural and related products export market in 2024, reaching **\$3.5 billion**. The United States remains the largest single-country exporter to the Philippines.



Source: Trade Data Monitor

FOOD PROCESSING SECTOR

Post forecasts food sales growth at five percent in 2025 with sustained demand supported by easing inflation. Food and beverage manufacturers sales grew five percent and 11 percent, respectively, in 2024 despite inflationary pressures.

RETAIL SECTOR

Post forecasts retail sales growth at seven percent in 2025 as the expansion of modern retail stores continues. Despite elevated retail prices, food and beverage retail sales grew six percent in 2024, a slower pace than in 2023.

FOODSERVICE SECTOR

Post sees a robust foodservice sector growth of 12 percent as restaurant chains drive sales through an increasing number of stores and restaurant concepts while maintaining online deliveries.

Philippines: Quick Facts C.Y. 2025

Demographics

- 120 million population
- 1.5% population annual growth
- 48% under 24 years old & median age of 25 years old
- 48% urbanization rate
- 13% reside in Metro Manila (capital city)
- 80% speak English & 96% literacy rate

Gross Domestic Product (GDP)

- GDP: \$508 billion (est)
- GDP per capita: \$4,440 (est)
- GDP growth rate: 6% (est)
- GDP PPP: \$1.3 trillion (est)

Agricultural & Related Trade (2024)

- Exports to PH: \$21.83 billion
- PH Exports: \$7.6 billion

Consumer-Oriented Agricultural Products:

- Pork, beef, poultry
- Dairy products
- Food preparations
- Sauces and condiments
- Fruits and vegetables
- Biscuits and baked products

Top Fast-Food Chains

[Jollibee](#), [Mc Donald's](#), [Chowking](#), [Shakey's](#), and [KFC](#)

Top Supermarkets

[SM](#), [Robinson's](#), [Puregold Price Club](#), [Metro](#), [Gaisano](#), and [Landmark](#)

Top Convenience Stores

[7-Eleven](#), [Alfamart](#), [Uncle John's](#), [All Day](#), and [Lawson](#)

Top Warehouse Clubs

[S&R](#) and [Landers](#)

Sources: [Euromonitor](#), [Global Agricultural Trade System](#), [International Monetary Fund](#), [The World Factbook](#), [U.S. Census Bureau](#), [Trade Data Monitor](#), [The Economist](#), [World Bank](#), [Philippine Statistics Office](#), [Department of Trade and Industry](#), [National Economic and Development Authority](#), [S&P Global-IHS Markit](#), and FAS Manila research

Strengths	Weaknesses
Strong preference for U.S. ingredients and perceived higher standard and quality.	Less competitive shipping costs and tariffs than ASEAN, China, and AU-NZ competitors.
Opportunities	Challenges
A young, growing working-age population that has a strong affinity to American brands.	Logistical challenges and high costs in distributing products across an archipelagic country.

Contact: USDA-FAS Manila, U.S. Embassy, Philippines

E-mail: AgManila@usda.gov

SECTION I. MARKET SUMMARY

Post forecasts food and beverage manufacturing sales growth at 5 percent in 2025 with sustained domestic demand supported by overseas remittances and 6 percent forecast economic growth. Manufacturers are exploring product diversification and novel healthy and nutritious food formats while tapping new consumers to increase sales as food inflation eases.

The Purchasing Managers’ Index reached the highest growth in December 2024 since November 2017 indicating solid growth in the sector. Although inflationary pressures started easing, manufacturers continue to face higher production costs (see table Producer Price Index) including raw materials and electricity, resulting to higher retail prices (see Figure 6. Consumer Price Index).

Despite inflationary headwinds, food and beverage consumption grew 3 percent in 2024 and still forms majority (36 %) of household spending in the Philippines. The majority of the consumers adopted thrifter spending practices shifting preferences toward smaller packaging sizes or private label brands while overall food sales are forecast to continue growing.

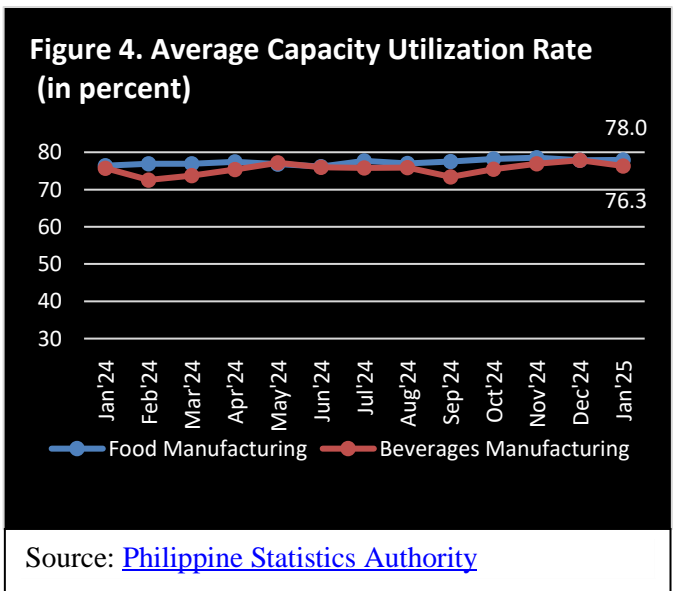
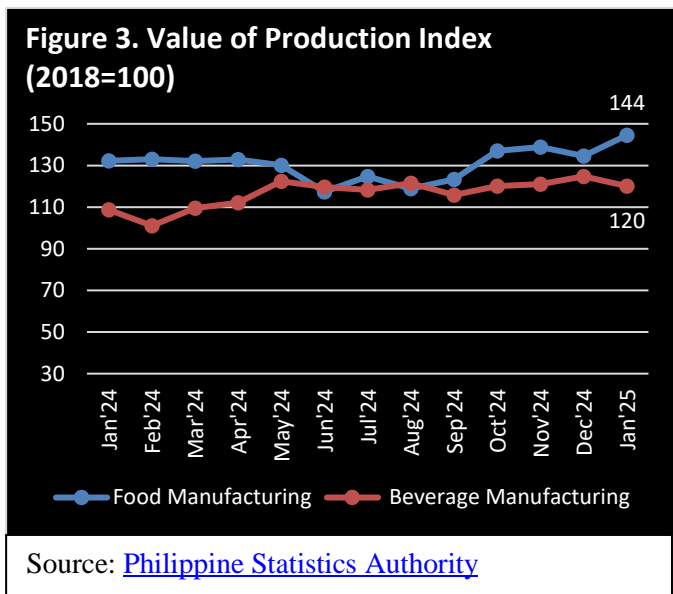
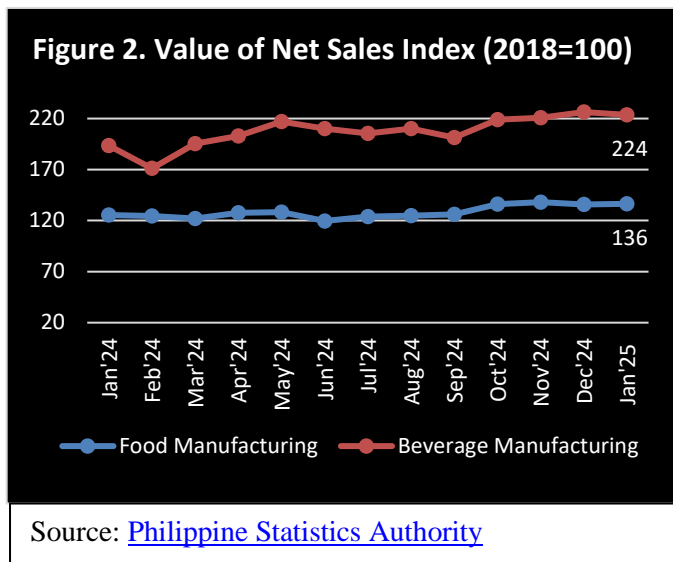
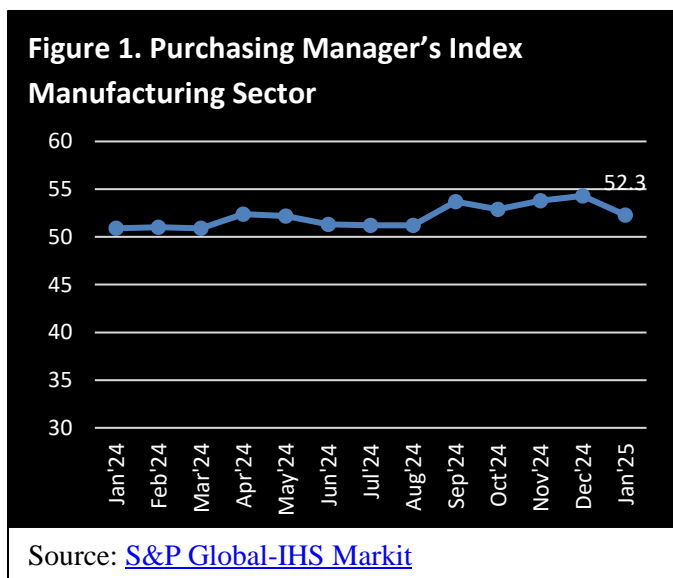
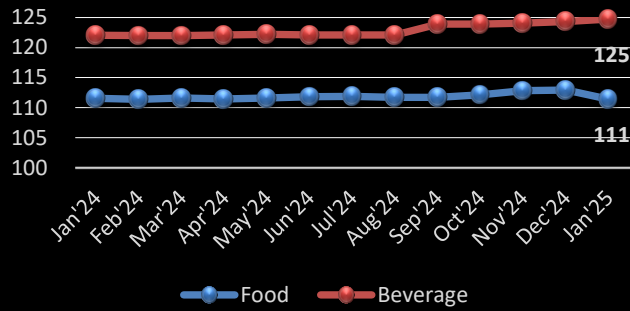
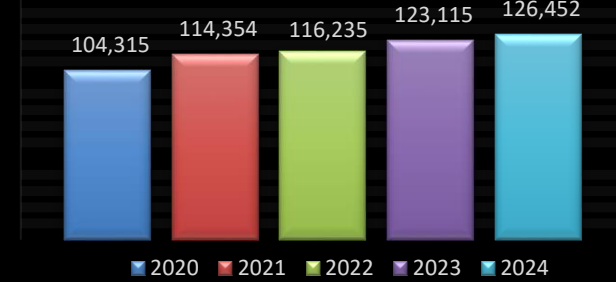


Figure 5. Producer Price Index (2018=100)



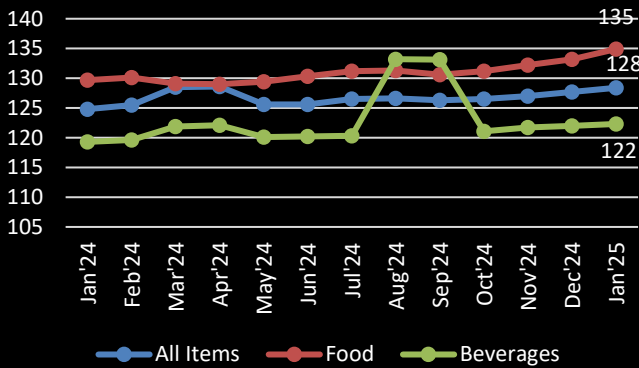
Source: [Philippine Statistics Authority](#)

Figure 7. Household Final Consumption Expenditure on Food and Non-alcoholic Beverages (in million dollars - current prices)



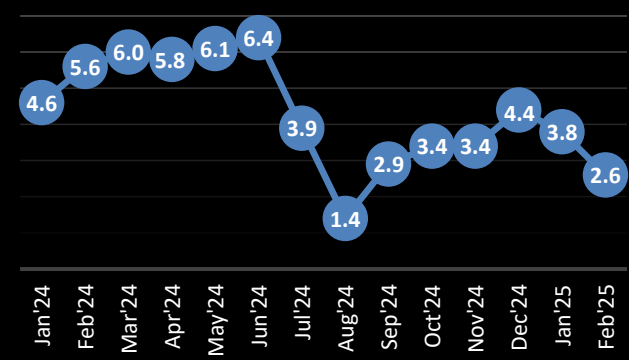
Source: [Philippine Statistics Authority](#)

Figure 6. Consumer Price Index (2018=100)



Source: [Philippine Statistics Authority](#)

Figure 8. Food and Non-Alcoholic Beverages Inflation Rate (in percentage)



Source: [Philippine Statistics Authority](#)

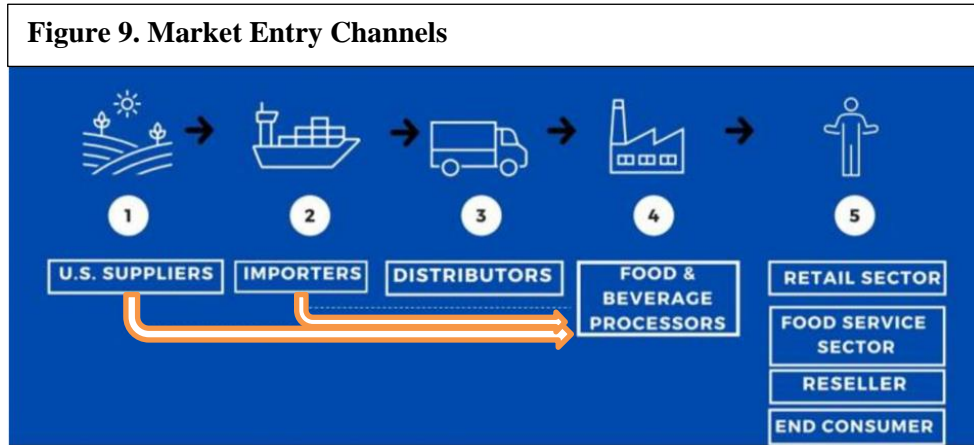
ADVANTAGES	CHALLENGES
- Philippine food and beverage manufacturers rely on U.S. ingredients for quality and consistency supporting production yield and product specification conformance.	- U.S. exporters remain at a competitive disadvantage vis-à-vis Asia due to logistics and transportation lead time and cost.
- Premiumization and healthier trends provide opportunities for U.S. exporters.	- U.S. exporters face trade barriers such as higher tariffs (Most-Favored Nation) compared to Asian countries with preferential trade agreements.
- U.S. trade associations , State Regional Trade Groups , State Departments of Agriculture , and USDA Foreign Agricultural Service provide technical seminars, trade servicing, and buying missions to Philippine buyers.	- Rising input costs lead some Philippine manufacturers to source from multiple suppliers and substitute some processing ingredients to increase margins.
- In December 2024, raw materials and intermediate goods imports accounted for the largest share of Philippines' total imports , which included food and beverage ingredients.	

SECTION II. ROAD MAP FOR MARKET ENTRY

ENTRY STRATEGY, DISTRIBUTION CHANNELS AND MARKET STRUCTURE

New to market exporters should coordinate with [USDA-FAS](#) and U.S. agricultural trade organizations for market information and assistance. U.S. exporters should directly ship to manufacturers with large volume orders and tap importers to consolidate and distribute smaller volume orders. Access the following reports to read more on distribution channels and market structure in different sectors:

- [Philippines: Exporter Guide Annual](#)
- [Connecting Port to Plate amid Evolving Food Preferences](#)
- [Philippines: Retail Foods Annual](#)
- [Philippines: Food Service - Hotel Restaurant Institutional Annual](#)



U.S. exporters should participate in local and regional trade shows and trade missions of [U.S. trade associations](#) and [State Regional Trade Groups](#) to meet Philippine buyers. Assigning a Philippine representative will help launch the product and establish a wider distribution network especially in an archipelagic country. Trade servicing and technical seminars add value to U.S. food processing ingredients offered by U.S. exporters and trade associations. Access the following Philippine Market Brief reports at [USDA FAS Manila](#) for more information:

Table 1. Market Brief Reports

2021	2022	2023	2024
<ul style="list-style-type: none"> • Fresh Fruits • Plant-based Food Products • Shelf-Stable and Frozen Ready Meals • Wood Products 	<ul style="list-style-type: none"> • Brewing Ingredients and Beer • Distilled Spirits • Seafood Products • Wine • Non-Alcoholic Beverages • Deli Shops 	<ul style="list-style-type: none"> • Baking Ingredients • B2C Cross-border E-commerce • Pet Food • Processed Vegetables • Pulses • Distribution: Connecting Port to Plate 	<ul style="list-style-type: none"> • Snack Foods • Confectionery and Ice Cream • Private Label Products

IMPORT PROCEDURES

Read the following reports for details on import regulations:

- [Philippines: FAIRS Annual Country Report](#)
- [Philippines: FAIRS Export Certificate Report Annual](#)
- [Tariffs](#) and [Foreign Trade Agreements](#)

Table 2. Top Manufacturing Companies by Ingredient

Rank	Company	2023 Revenue Million \$	% Change	Red Meat	Poultry and Eggs	Seafood	Dairy	Fruit Prod	Veg Prod	Wheat Prod	Starch Prod	Potato Prod	Corn Prod	Soy Prod	Sauce/Season	Cocoa	Pulses	Nuts	Oils	Sweeteners	Bev Ing
1	Nestle Philippines, Inc.	2,772	4		x		x	x		x	x		x	x	x	x			x	x	x
2	San Miguel Brewery, Inc.	2,457	7					x	x				x							x	x
3	Universal Robina Corp.	2,378	0	x		x	x	x	x	x			x	x		x	x	x		x	x
4	San Miguel Foods and Beverage	2,087	-3	x	x		x			x	x										x
5	Coca-Cola Beverages Phil., Inc.	1,937	9					x								x				x	x
6	Zenith Foods Corp.	1,733	12	x	x	x	x	x	x	x	x	x		x	x	x				x	x
7	Monde Nissin Corp.	1,198	9			x				x				x	x	x			x	x	
8	Century Pacific Food, Inc.	1,017	3	x	x	x	x		x					x	x	x	x		x	x	
9	Ginebra San Miguel, Inc.	1,004	14					x			x				x					x	
10	Pepsi-cola Products Phil., Inc.	724	1					x												x	x
12	Purefoods-Hormel Co., Inc.	630	-1	x	x	x			x					x	x					x	
13	Foodsphere, Inc.	563	3	x	x	x	x		x					x							
14	Pilmico Foods Corp.	509	-9	x	x					x	x			x			x			x	
15	Emperador Distillers, Inc.	497	-2																	x	x
16	Bounty Fresh Food, Inc.	434	15	x	x																
17	Nutri-Asia, Inc.	433	4	x		x		x	x		x				x		x		x	x	
18	Mondelez International, Inc.	426	12		x		x				x				x	x		x	x	x	x
19	Alaska Milk, Inc.	375	6				x				x		x		x	x			x	x	
20	Oleo-Fats, Inc.	361	-32	x			x	x			x		x	x	x	x			x	x	x
21	San Miguel Mills, Inc.	352	10							x										x	
22	Wyeth Philippines	316	13				x														
23	San Miguel Food and Beverage	300	17	x	x		x			x	x									x	x
24	RFM Corp.	269	3				x	x	x	x					x					x	
25	Magnolia, Inc.	269	3		x		x	x	x		x			x	x	x			x	x	
26	General Milling Corp.	242	17							x			x								x
27	Unilever RFM Ice Cream, Inc.	239	-1				x	x			x					x			x	x	
28	Mead Johnson Nutrition (Ph), Inc.	235	32				x									x				x	
29	Phil. Foremost Milling Corp.	225	-5							x											x
30	Monde M.Y. San Corp.	219	2			x	x			x	x			x	x	x			x	x	
31	Ajinomoto Philippines Corp.	216	9		x	x			x	x	x			x	x					x	
32	C-joy Poultry Meats Production	199	32		x																
33	General Tuna Corp.	198	-1			x								x	x				x	x	
34	Lopez Sugar Corp.	196	32																	x	
35	Gardenia Bakeries (Phil.), Inc.	193	7				x	x		x						x				x	
36	Nissin - Universal Robina Corp.	186	27			x			x	x				x	x				x	x	

Source: BusinessWorld Top 1000 Corporations in the Philippines Volume 38 and FAS Research

SECTOR TRENDS

- Leveraging a U.S. quality seal (if applicable) adding value to the finished product.
- Functional beverages including high-protein milk and energy drinks to support active lifestyles.
- Healthier snacks and beverages for different age groups.
- Ingredients addressing dietary choices (i.e., low-sugar, vegan, plant-based, and non-dairy products).
- Price volatility in certain food processing ingredients (e.g., wheat, soybean, corn).
- Alternative sourcing of ingredients to lower cost of mainstream brands or price sensitive products.
- Some Philippine retail chains have started outsourcing private label products from abroad.
- Expansion of industrial size format for large households, restaurants, hotels, and catering services.

SECTION III. COMPETITION

The United States remains the top single-country exporter to the Philippines despite preferential market access and proximity of China, India, New Zealand, Australia, and ASEAN countries. Canada and Europe compete in the premium product market but face similar constraints as the United States.

The United States remains as the one of top exporters of soybean meal, soybeans, wheat, poultry, processed vegetables, dairy, beef, condiments and sauces, processed fruit, and pork.

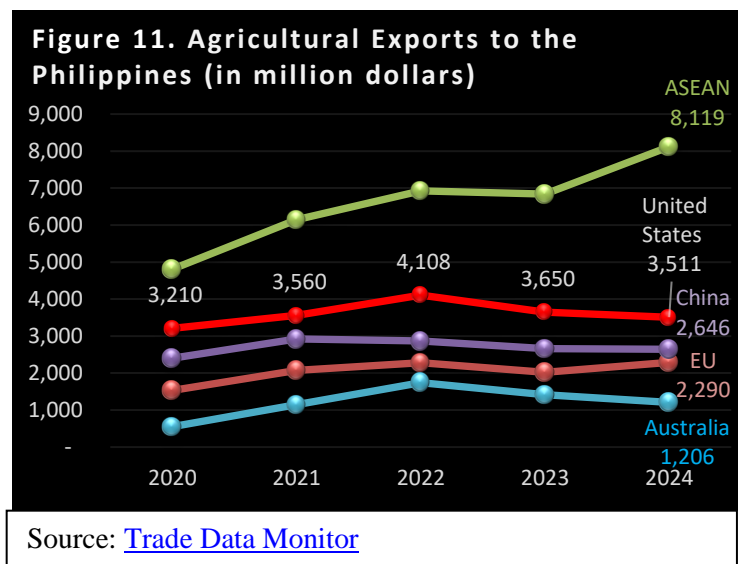


TABLE 2. TOP U.S. AGRICULTURAL EXPORTS TO THE PHILIPPINES (in dollars)




PRODUCT	RANK 1	RANK 2	RANK 3	RANK 4
SOYBEAN MEAL	1,011,697,530	50,628,027	20,584,027	10,505,679
WHEAT	735,705,318	669,528,908	194,098,524	104,351,826
SOYBEANS	56,893,494	9,669,866	636,817	16,386
POULTRY	203,226,176	180,027,390	32,480,103	21,989,621
PROC. VEG	244,314,769	118,584,637	84,948,709	81,895,378
DAIRY	412,202,348	387,340,284	365,051,489	137,739,842
BEEF	335,318,971	141,493,511	131,665,470	110,798,292
SAUCES	70,354,655	56,422,218	25,842,303	23,257,024
PROC. FRUIT	81,610,568	26,919,542	24,377,132	8,904,082
PORK	681,818,752	544,955,147	199,788,910	118,221,190

Legend:								
	US	Argentina	India	Brazil	Australia	Canada	EU	Malaysia
	China	Thailand	Singapore	Indonesia	Korea			

Source: [Trade Data Monitor](#)

SECTION IV. BEST PRODUCT PROSPECTS CATEGORIES

Table 3. Best Products Categories

PRODUCTS PRESENT IN THE MARKET WHICH HAVE GOOD SALES POTENTIAL 	PRODUCTS NOT PRESENT IN SIGNIFICANT QUANTITIES BUT WHICH HAVE GOOD SALES POTENTIAL 	PRODUCTS NOT PRESENT BECAUSE THEY FACE SIGNIFICANT BARRIERS 
<ul style="list-style-type: none"> - wheat - dairy products - poultry meat and products - fruit & vegetables including fresh and frozen potatoes - pork and pork products - food preparations - beef & beef products - soybeans - condiments & sauces - dextrins, peptones, & proteins - tree nuts 	<ul style="list-style-type: none"> - pulses - corn - fresh fruit & vegetables - fruit & vegetable juices - sugar confectionary - milled grains and products - coffee, roasted, extracts - tea - spices - animal fats - peanuts 	<ul style="list-style-type: none"> - fish - onions

Source: [Trade Data Monitor](#), [Global Agricultural Trade System](#), and USDA-FAS Research

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

[USDA FAS Manila](#) provides assistance to U.S. exporters to the Philippines. See below key contacts and tradeshows in the Philippines including USDA endorsed trade shows in the region.

KEY CONTACTS

USDA FAS Manila AgManila@usda.gov Tel: (632) 5301-2000	Foreign Commercial Service businessphilippines@trade.gov Tel: (632) 5301-4249	USDA APHIS IS Manila IS.Manila.Philippines@usda.gov Tel: (632) 5301-2000
Department of Trade and Industry	Philippine Chamber of Commerce	American Chamber of Commerce of the Philippines
Philippine Chamber of Food Manufacturers Inc.	Philippine Food Processors and Exporters	Filipino-Chinese Bakery Association, Inc.
Federation of Philippine Industries	Cold Chain Association of the Philippines, Inc.	Philippine Association of Meat Processors Inc.

EVENTS

<p><u>WOFEX Drinks+Bakes</u> World Trade Center, Manila, Philippines March 27-29, 2025</p>	<p><u>Food and Hotel Asia - Food and Beverage</u> * Singapore Expo, Singapore, Singapore April 8-11, 2025</p>	<p><u>HOFEX</u>* Hong Kong Convention & Exhibition Centre, Hong Kong, China May 14-16, 2025</p>
<p><u>International Food Exhibition Philippines Next Food Asia</u> World Trade Center, Manila, Philippines May 22-24, 2025</p>	<p><u>Thaifex Anuga Asia</u>* Impact Muang Thong Thani, Bangkok, Thailand May 27-31, 2025</p>	<p><u>Manila Food and Beverage Expo</u> World Trade Center, Manila June 10-11, 2025</p>
<p><u>Seoul Food & Hotel</u>* KINTEX, Seoul, Korea June 10-13, 2025</p>	<p><u>World Food Expo (WOFEX)</u> SMX Convention Center, Manila August 6-9, 2025</p>	<p><u>Asia Fruit Logistica</u>* Asia World-Expo September 3-5, 2025</p>
<p><u>Seafood Expo Asia</u> Sands Expo and Convention Centre September 10-12, 2025</p>	<p><u>FOODEX Japan</u>* Tokyo Big Sight, Tokyo, Japan March 10-13, 2026</p>	<p><u>Food Ingredients Asia</u>* Jakarta International Expo, Jakarta, Indonesia September 16-18, 2026</p>

*[USDA Endorsed Trade Shows](#)

Attachments:

No Attachments