Deutsch-Philippinische Industrie- und Handelskammer
German-Philippine Chamber of Commerce and Industry

2026

The Philippines: A Landscape of Opportunities

YOUR PARTNER IN BUSINESS, YOUR PARTNER IN PROGRESS

BAGONG PILIPINAS

THE SOUTHERN GATEWAY:

STRATEGICALLY POSITIONED, LOGISTICALLY EMPOWERED.

THE RIGHT PLACE TO BE—
PHIVIDEC INDUSTRIAL AUTHORITY.

EVERYTHING YOUR BUSINESS NEEDS

—UNDER ONE ROOF:

INFRASTRUCTURE.
AMENITIES.
MANAGEMENT.
WORKFORCE.

THE NEXT INDUSTRIAL CHAPTER BEGINS IN MINDANAO

ADMINISTRATION BUILDING, PHIVIDEC IA COMPLEX 9001
TAGOLOAN, PHILIPPINES
www.piamo.gov.ph
business@piamo.gov.ph

ONGOING KEY PROJECTS:

- Expansion of MCT's berth by 300 meters
- Bulk water supply system (up to 120 million liters/day)
- Internal road network development
- 5,000-unit Housing under the Pambansang Pabahay Program
- Waste management system


BDO Unibank
50 YEARS
OF FINDING WAYS
BDO
50 Years
bdo.com.ph
50 Years
We find ways
BDO Unibank is regulated by the Bangko Sentral ng Pilipinas (https://www.bsp.gov.ph). For concerns, please visit any BDO branch near you or reach us through any of the channels listed in the Consumer Assistance page of our website: https://www.bdo.com.ph/consumer-assistance. Deposits are insured by PDIC up to P1 Million per depositor. The BDO, BDO Unibank and other BDO-related trademarks are owned by BDO Unibank, Inc. All Rights Reserved.

Content

Foreword

Germany and the Philippines share growing economic ties, supported by solid trade and ongoing investment. Bilateral trade has remained at around 4 billion euros, reflecting the Philippines’ role as an important partner in Southeast Asia and its integration into global value chains.

Current negotiations on a Free Trade Agreement (FTA) between the European Union and the Philippines mark an important step forward. Since the resumption of talks in 2024, both sides have made tangible progress and aim for a timely conclusion, which would further improve market access, strengthen investment conditions and support sustainable growth.

Key sectors for German companies include manufacturing, electronics, renewable energy, infrastructure, and vocational training – areas that offer significant potential for investment and long-term engagement.

As part of the global AHK network, the German Philippine Chamber of Commerce and Industry (GPCCI) plays a key role in facilitating market entry, building partnerships, and strengthening economic ties between Germany and the Philippines. The DIHK highly appreciates GPCCI’s role as a strong bridge builder and its excellent work in supporting German companies on the ground.

GPCCI’s Philippine Brochure provides valuable insights into the market environment and emerging opportunities, serving as a useful guide for German companies looking to engage in the Philippines.

Volker Treier
Chief Executive of Foreign Trade and Member of the Executive Board
German Chamber of Commerce and Industry (DIHK)

THE PHILIPPINES

The Republic of the Philippines

Area	300,000 km²
Capital	Manila
Population	112,729,484
Median Age	27.7
Official Languages	Filipino, English
Form of Government	Democratic Presidential Republic
Religions	Roman Catholic 78.8%, Islam 6.4%, Other 14.8%
Basic Literacy Rate	93.1%
Level of Urbanization	54%
Currency	Philippine Peso 1 EUR = 70 PHP (as of July 2026)

The Philippines serves as a **strategic gateway to ASEAN**, supported by a large and growing domestic market of over **112.7 million people**, a young, skilled, and English-proficient workforce, and a strong foundation for business expansion.

Ongoing economic reforms continue to enhance the country's investment environment, including the **liberalization of key sectors**, **digital transformation initiatives**, **infrastructure development**, and the **transition toward renewable energy.**

With its strategic location, expanding regional partnerships, and investor-friendly policies, the Philippines continues to strengthen its position as a **competitive hub** for **manufacturing, services, innovation,** and **supply chain integration** in Asia.

Why the Philippines

1

RAPID ECONOMIC GROWTH

The Philippine economy grew by 4.4% in 2025, maintaining steady expansion despite global headwinds. With a large domestic market, growing services sector, and continued investment, the country remains an attractive base for long-term growth in ASEAN.

2

YOUNG AND SKILLED WORKFORCE

With 66.7% of the population aged 15–64 and a median age of 27.7 years, the Philippines offers a large working-age talent pool. More than 825,000 higher-education graduates entered the workforce in AY 2023–24, supporting demand for skilled talent across industries.

3

GOVERNMENT SUPPORT

Investment promotion agencies such as the Board of Investments (BOI) and Philippine Economic Zone Authority (PEZA) provide investors with incentives, streamlined processes, and access to economic zones. In January–July 2026, PEZA approved PHP 151.9 billion in investments, up 67% year-on-year.

4

ROBUST CONSUMER MARKET

With a population of 112.7 million, the Philippines offers one of Southeast Asia's largest consumer markets. Rising incomes, urbanization, digital adoption, and a growing middle class continue to drive demand for consumer goods, services, housing, healthcare, and technology.

5

CULTURAL AFFINITY

The Philippines' widespread use of English, strong cultural ties with Western markets, and large overseas Filipino community support international business relationships and global service delivery. The country also remains a leading global source of maritime and healthcare professionals.

6

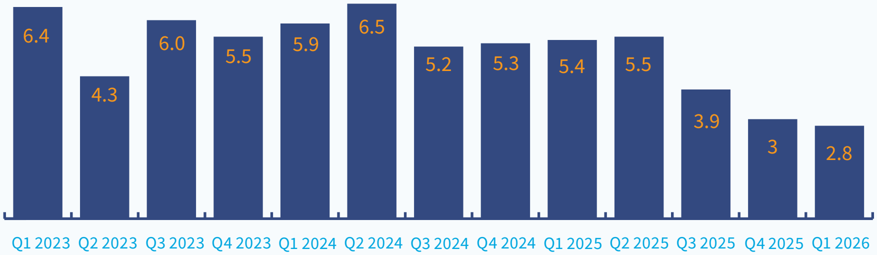
OPEN ECONOMY

Recent reforms have expanded foreign participation in sectors including renewable energy, telecommunications, transport, retail, and other services. With continued liberalization and its strategic position within ASEAN and RCEP, the Philippines offers growing opportunities for international companies seeking a regional base.

Economic Indicators

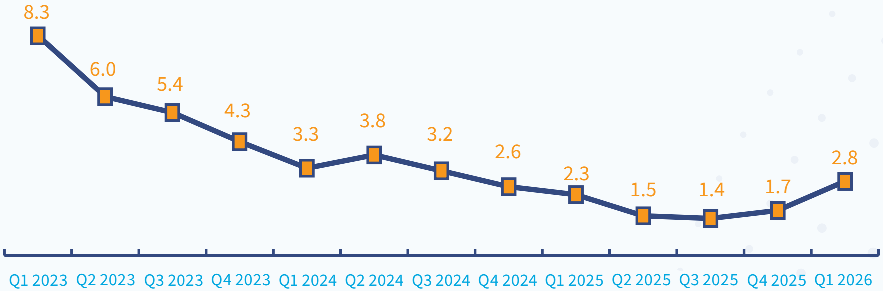
GROSS DOMESTIC PRODUCT, YOY% CHANGE

Q1 2023 - Q1 2026



INFLATION RATES, YOY% CHANGE

Q1 2023 - Q1 2026



In 2025, the Philippine economy expanded by **4.4%**, driven by the resilient **services sector,** which accounted for nearly **64% of GDP**. Key contributors included wholesale and retail trade, financial services, transport, tourism, and the IT-BPM industry.

Inflation averaged **1.7%** in 2025, remaining below the BSP's 2-4% target, the **lowest annual rate since 2016**. While inflationary pressures increased in the second quarter of 2026 due to higher global energy prices and geopolitical developments, the BSP continues to safeguard price stability.

SOURCE: Department of Trade and Industry, Philippines (DTI)


SGV
Shape the future with confidence
What tomorrow will you create as a shaper of the future?
With our spectrum of services, skills and ecosystems, SGV teams help create new value across sectors.
sgv.ph
The better the question.
The better the answer.
The better the world works.
In everything we do, we nurture leaders and enable businesses for a better Philippines.
#SGVforABetterPhilippines
© 2026 SyCip Gorres Velayo & Co. All Rights Reserved.

Investment-Grade Credit Ratings

Allianz | Allianz Trade

B1

LOW

FitchRatings

BBB

NEGATIVE

MOODY'S

Baa2

STABLE

STANDARD &POOR'S

BBB+

STABLE

The Philippines continues to hold investment-grade sovereign credit ratings from S&P Global Ratings (BBB+), Moody's (Baa2), and Fitch Ratings (BBB). Allianz Trade also classifies the country as Low Risk for Enterprise, reflecting its **resilient economic fundamentals** and **sound macroeconomic policies.**

These ratings reinforce **investor confidence**, support continued access to international capital markets at **competitive financing costs**, and emphasizes the Philippines' position as a **stable and attractive destination** for long-term investment.

SOURCE: Allianz Trade, Fitch Ratings, Moody's, Standard & Poor's

An Open Economy for Investment and Growth

The Philippines continues to strengthen its position as one of Southeast Asia's most open and competitive investment destinations through a series of structural reforms that promote transparency, competitiveness, and ease of doing business.

Building on the **Comprehensive Tax Reform Program**, landmark legislation such as the TRAIN and CREATE Acts has reduced corporate and personal income tax rates while modernizing the country's investment incentives framework. The **CREATE MORE Act**, which took effect in 2024, further enhances these incentives by providing greater flexibility, improving the fiscal regime for strategic investments, and reinforcing the Philippines' competitiveness in attracting high-value industries.

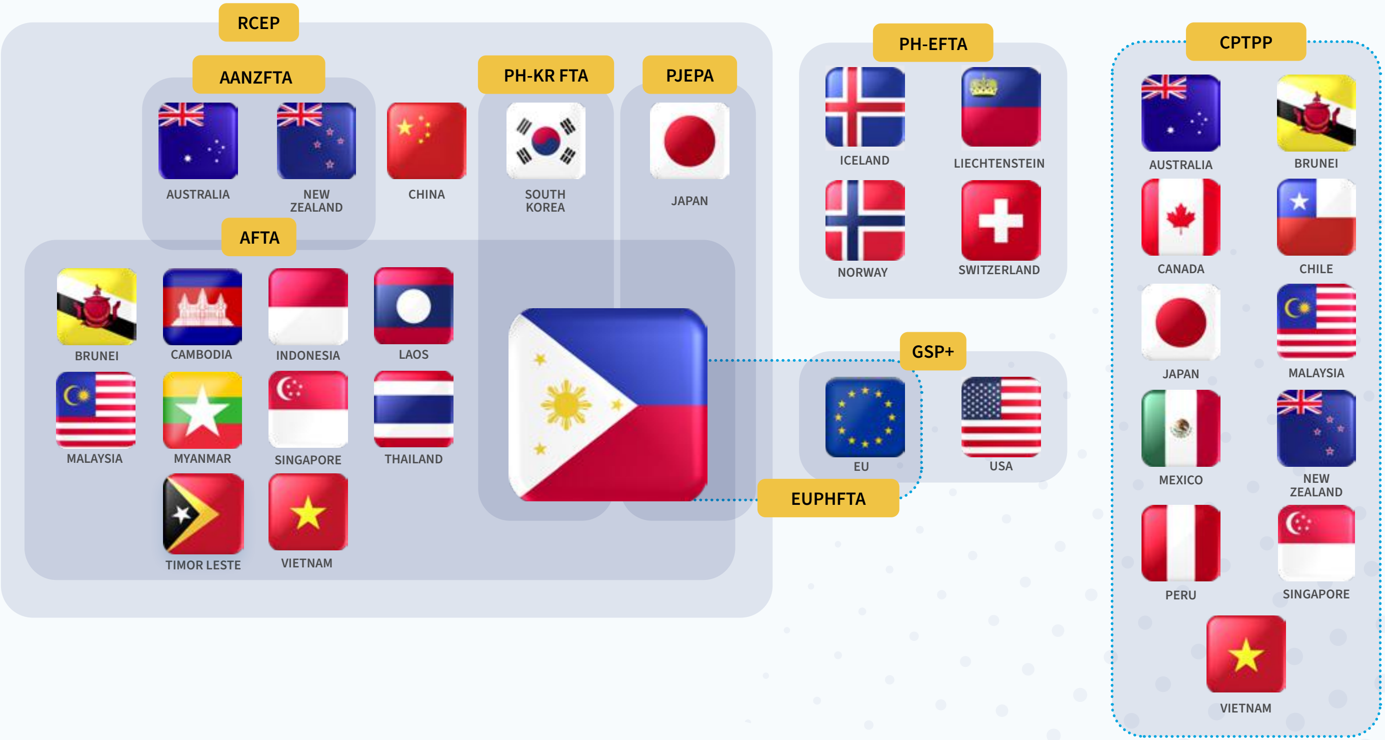
The government has also accelerated tax administration reforms through the **Ease of Paying Taxes** (EOPT) Act, streamlining compliance requirements, expanding digital tax services, and simplifying procedures for both domestic and foreign businesses.

On the investment front, the Philippines has **significantly liberalized foreign participation in key sectors**. Amendments to the Public Service Act, Retail Trade Liberalization Act, and Foreign Investments Act have expanded opportunities for **100% foreign ownership in many industries**, while reforms in the renewable energy sector now allow **full foreign ownership of renewable energy projects**, supporting the country's transition to a more sustainable economy.

Complementing these reforms are continued **efforts to improve the business environment** through the Revised Corporation Code, the Ease of Doing Business Act, and the work of the Anti-Red Tape Authority (ARTA), which continues to **digitize government services, simplify business registration, and promote regulatory transparency**.

Together, these reforms reinforce the Philippines' commitment to an open, rules-based economy and provide foreign investors with a more predictable, competitive, and business-friendly environment for long-term growth.

Philippine Trade Agreements



SOURCE: Department of Trade and Industry, Philippines (DTI), ASEAN, European Commission

The Philippines continues to expand its global trade network through strategic regional and bilateral agreements. As a member of ASEAN, the country benefits from regional frameworks including the **ASEAN Free Trade Area** (AFTA), the **ASEAN-Australia-New Zealand Free Trade Area** (AANZFTA), and the **Regional Comprehensive Economic Partnership** (RCEP), providing access to one of the world's **largest economic regions**.

Recent developments have further strengthened the Philippines' trade integration. The **Philippines–Korea Free Trade Agreement** entered into force in December 2024, adding to existing agreements with **Japan** (PJEPA) and **EFTA** member states. The Philippines is also exploring further integration into global trade networks, including potential accession to the **Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).**

For European investors, **the Philippines** offers a unique advantage in ASEAN: it is currently the region's **only beneficiary of the EU's GSP+ scheme**, providing preferential access to the European market. At the same time, negotiations for a **Philippines–EU Free Trade Agreement (FTA) are underway,** with the potential to further expand market access, strengthen supply chains, and deepen economic ties between the Philippines and Europe.

STRENGTHENING GERMAN–PHILIPPINE TIES

MANILA, 26 JUNE - German delegates led by Mr. Florian Hahn, Minister of State of the German Federal Foreign Office and Head of Business Delegation

German Federal President Frank-Walter Steinmeier visited the Philippines in June 2026, marking another milestone in bilateral relations.

As part of the State Visit, AHK Philippinen and the German Embassy hosted a Business Roundtable connecting German business leaders with Philippine government and industry representatives to explore opportunities in trade, investment, skills development, and strategic industries.

The visit highlighted the Philippines' growing role as a partner for German companies in ASEAN and the potential for deeper cooperation across key sectors.

INTERNATIONAL TRADE

Foreign Trade of the Philippines in 2025

By Country		Total	Exports	Imports
1	People's Republic of China	**€41.5 bn**	€8.1 bn	€33.4 bn
2	Japan	**€19.3 bn**	€10.1 bn	€9.2 bn
3	United States of America	**€18.8 bn**	€11.7 bn	€7.1 bn
4	Hong Kong	**€12.4 bn**	€10.7 bn	€1.6 bn
5	Republic of Korea	**€12.1 bn**	€2.9 bn	€9.2 bn
6	Indonesia	**€9.7 bn**	€0.8 bn	€8.9 bn
7	Thailand	**€9.1 bn**	€2.5 bn	€6.6 bn
8	Singapore	**€8.1 bn**	€3.1 bn	€5.0 bn
9	Malaysia	**€7.2 bn**	€2.3 bn	€4.9 bn
10	Republic of China (Taiwan)	**€7.0 bn**	€2.9 bn	€4.1 bn
11	Vietnam	**€6.2 bn**	€1.3 bn	€4.9 bn
12	Germany	**€4.8 bn**	€2.9 bn	€1.9 bn

The Philippines remains a highly integrated economy in global trade, with total external trade reaching **€ 192.41 billion** in 2025, the **highest level recorded since 1991.**

Exports amounted to **€ 74.33 billion**, while **imports** reached **€ 118.08 billion**, reflecting continued demand for capital goods, intermediate inputs, and electronic components.

Total Trade: € 192.41 bn

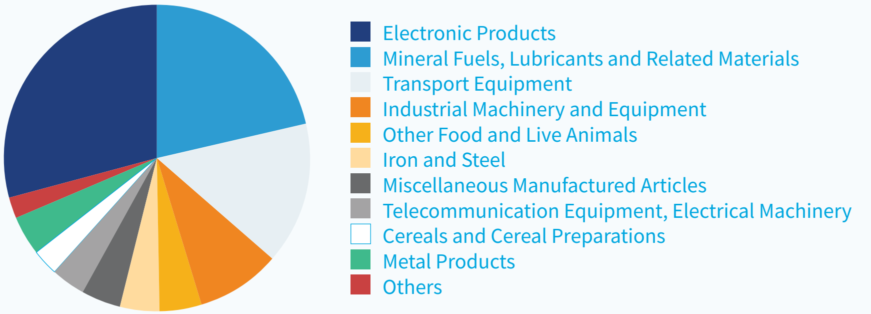
Total Exports: € 74.33 bn

Total Imports: € 118.08 bn

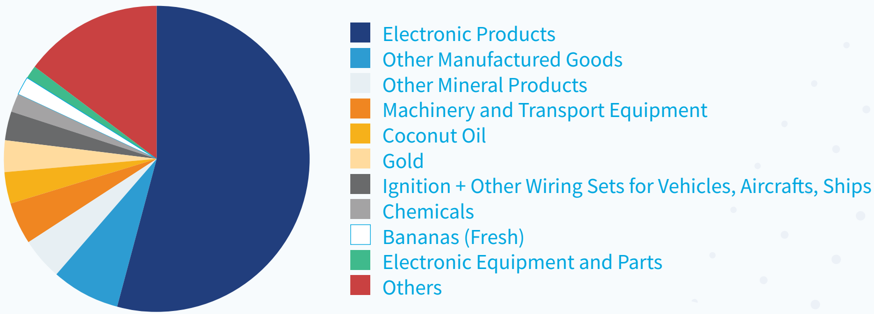
SOURCE: Philippine Statistics Authority (PSA)

Export and Import of the Philippines in 2025

PHILIPPINE IMPORTS BY COMMODITY GROUP



PHILIPPINE EXPORTS BY COMMODITY GROUP



Electronic products continued to dominate **Philippine exports** in 2025, representing **nearly 53% of total exports**, followed by machinery and transport equipment, other manufactured goods, coconut oil, and mineral products.

Imports were led by electronic products, mineral fuels, transport equipment, industrial machinery, and iron and steel.

SOURCE: Philippine Statistics Authority (PSA)

Top EU Trading Partners in 2025

By Country		Total Trade	Exports	Imports
	EUROPEAN UNION	€15.7 bn	€8.5 bn	€7.3 bn
1	Germany	**€4.8 bn**	€2.9 bn	€1.9 bn
2	Netherlands	**€3.6 bn**	€3.1 bn	€432m
3	France	**€1.6 bn**	€282m	€1.4 bn
4	Belgium	**€418m**	€138m	€280m
5	Italy	**€1.2 bn**	€314m	€932m
6	Ireland	**€541m**	€255m	€286m
7	Spain	**€941m**	€302m	€639m
8	Finland	**€141m**	€12m	€129m
9	Sweden	**€207m**	€39m	€168m
10	Hungary	**€153m**	€94m	€59m

The **European Union** (EU) is the Philippines' **fourth-largest trading partner**, with bilateral trade in goods reaching **EUR 15.7 billion** in 2025.

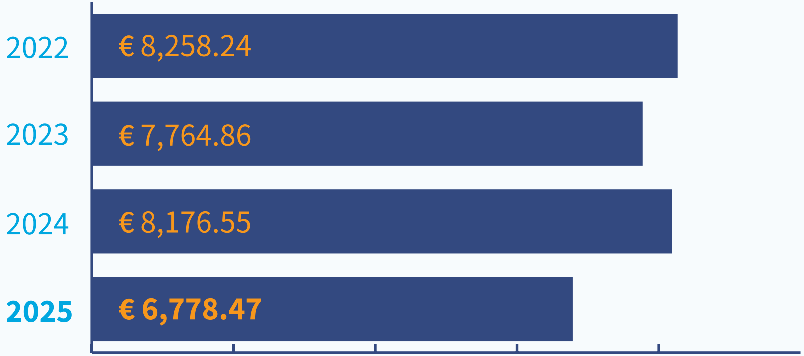
The Philippines continues to benefit from preferential market access under the **EU Generalised Scheme of Preferences Plus** (GSP+), while negotiations for a comprehensive **EU–Philippines Free Trade Agreement** (FTA) continue to advance.

In 2026, the EU and the Philippines also elevated their relationship to an **Enhanced Partnership**, reaffirming their shared commitment to closer collaboration in trade, investment, sustainability, digital transformation, and regional security.

SOURCE: Philippine Statistics Authority (PSA), EU European External Action Service

Foreign Direct Investments

NET FOREIGN DIRECT INVESTMENT FLOWS IN MIO EUR



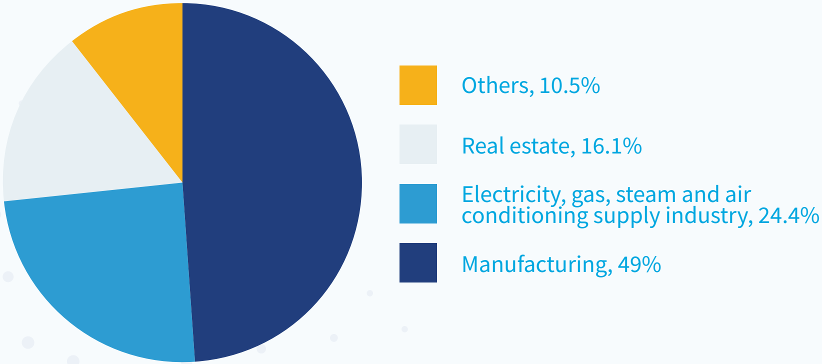
TOP SOURCES OF FOREIGN DIRECT INVESTMENTS

SOURCE: Bangko Sentral ng Pilipinas (BSP)

The Philippines continues to attract **foreign direct investment**, supported by sound macroeconomic fundamentals, an expanding consumer market, and a more open investment environment. Despite global economic uncertainty, the country remains an attractive destination for long-term capital.

FDI is primarily directed toward **manufacturing, financial and insurance activities, information and communication, real estate, and renewable energy,** with major investments coming from **Japan, Singapore, the United States, and South Korea**. Continued reforms, including the CREATE MORE Act and greater foreign investment liberalization, further strengthen the country's competitiveness.

Foreign Direct Investments by Sectors



Foreign investment in the Philippines continues to be driven by manufacturing, renewable energy, information and communication technology, financial services, logistics, and real estate.

Manufacturing remains a major destination for export-oriented investment, particularly in electronics, semiconductors, automotive components, and food processing. Meanwhile, the **liberalization of the renewable energy** sector has opened new opportunities for foreign investors in solar, wind, and other clean energy projects.

Growing **demand for digital services, e-commerce, and supply chain diversification** is further supporting investment opportunities in technology, logistics, and infrastructure-related sectors.

SOURCE: Philippine Statistics Authority (PSA)

The ASEAN Region

The Philippines is a **founding member** of the Association of Southeast Asian Nations (ASEAN), one of the world's fast-est-growing regional economic communi-ties. Through the ASEAN Free Trade Area (AFTA) and other ASEAN-led initiatives, the country enjoys **preferential access** to a regional market of more than **690 million people** and a combined economy valued at over **USD 4 trillion**.

In 2025, ASEAN welcomed **Timor-Leste** as its 11th Member State, reinforcing the bloc's commitment to regional integra-tion and cooperation. At the same time, ASEAN continues to advance the **ASEAN Digital Economy Framework Agree-ment (DEFA)**, which aims to strengthen digital trade, cross-border data flows, and e-commerce across the region.

PHILIPPINE TRADE WITH ASEAN
IN 2025

By Country		Total Trade	Exports	Imports
1	Singapore	**€8.1 bn**	€3.1 bn	€5.0 bn
2	Thailand	**€9.1 bn**	€2.5 bn	€6.6 bn
3	Malaysia	**€7.2 bn**	€2.3 bn	€4.9 bn
4	Indonesia	**€9.7 bn**	€840m	€8.9 bn
5	Vietnam	**€6.2 bn**	€1.3 bn	€4.9 bn
6	Brunei Darussalam	**€416m**	€96m	€320m
7	Myanmar, Union of (Burma)	**€185m**	€51m	€134m
8	Cambodia	**€87m**	€22m	€65m
9	Laos	**€16m**	€3m	€13m
10	Timor-Leste (East Timor)	**€0.4m**	€0.4m	<€0.0m

ASEAN remains **one of the Philippines' most important trading partners**, accounting for a significant share of the country's merchandise trade. Key regional partners include Singapore, Vietnam, Thailand, Malaysia, and Indonesia, with trade centered on **electronic products**, **petroleum**, **chemicals**, **machinery and transport equipment**, and **agricultural commodities**.

Complementing AFTA, the Regional Comprehensive Economic Partnership (RCEP) further enhances market access by **reducing trade barriers** and **harmonizing trade rules** across ASEAN and its Asia-Pacific partners, strengthening the Philippines' role in regional supply chains.

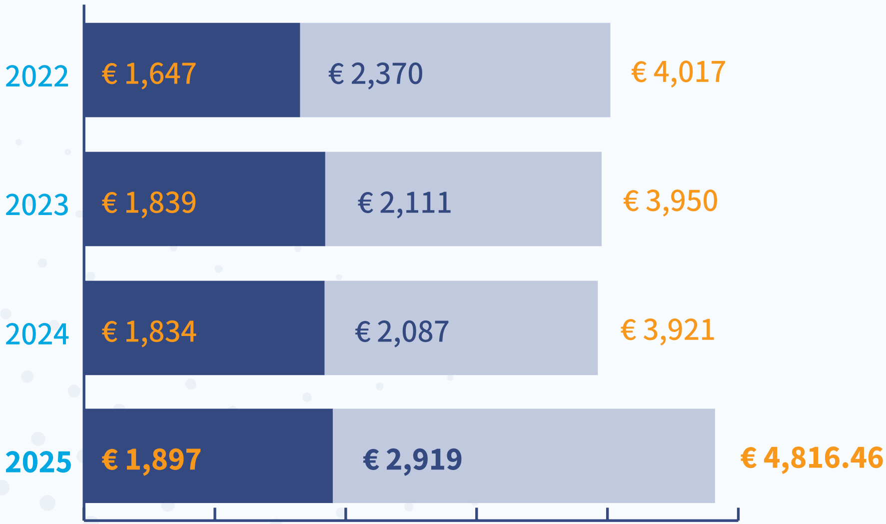
SOURCE: ASEAN Secretariat, Department of Trade and Industry, Philippines (DTI)

German-Philippine Trade

German-Philippine Trade

TOTAL TRADE OF GERMANY WITH THE PHILIPPINES

2022-2025, IN MIO EUR



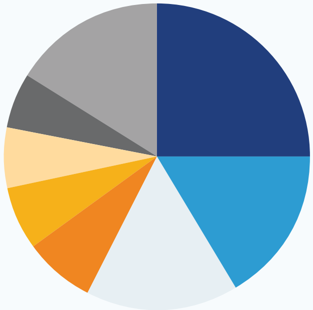
Bilateral merchandise trade between the Philippines and Germany recorded strong growth in 2025, reaching its **highest level in the past four years**. Following relatively stable trade from 2022 to 2024, both exports and imports increased significantly, highlighting the continued strength of economic ties between the two countries.

Germany remains the Philippines' largest trading partner within the European Union, with trade supported by longstanding business relationships, strong manufacturing linkages, and sustained investment.

SOURCE: Philippine Statistics Authority (PSA)

German-Philippine Trade

GERMAN EXPORTS TO THE PHILIPPINES



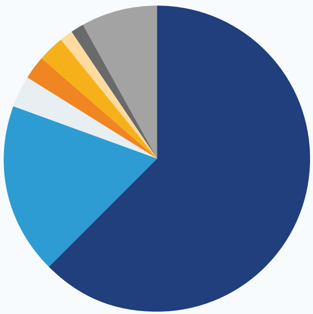
- Electronics: 25.0%
- Chemicals: 16.5%
- Machinery: 16.2%
- Electrotechnology: 7.3%
- Foodstuffs: 6.7%
- Measurement and control technology: 6.5%
- Air, water, and rail vehicles:5.8%
- Other: 16.0%

RANKING IN GERMAN EXPORTS

61 OUT OF 238

1= best rating

GERMAN IMPORTS FROM THE PHILIPPINES



- Electronics: 62.7%
- Electrical engineering: 18.0%
- Natural oils, fats, waxes: 3.2%
- Machinery: 2.7%
- Foodstuffs: 2.6%
- Chemical products: 1.6%
- Measuring and control technology: 1.4%
- Other: 7.8%

RANKING IN GERMAN IMPORTS

43 OUT OF 238

1= best rating

Philippine exports to Germany are led by **electronic products** and other **manufactured goods**, alongside **coconut oil** and **other agro-based products**.

Imports from Germany are concentrated in **electronic products**, **pharmaceuticals**, **transport equipment**, and **industrial machinery**, reflecting Germany's role as a supplier of high-value technology and industrial goods.

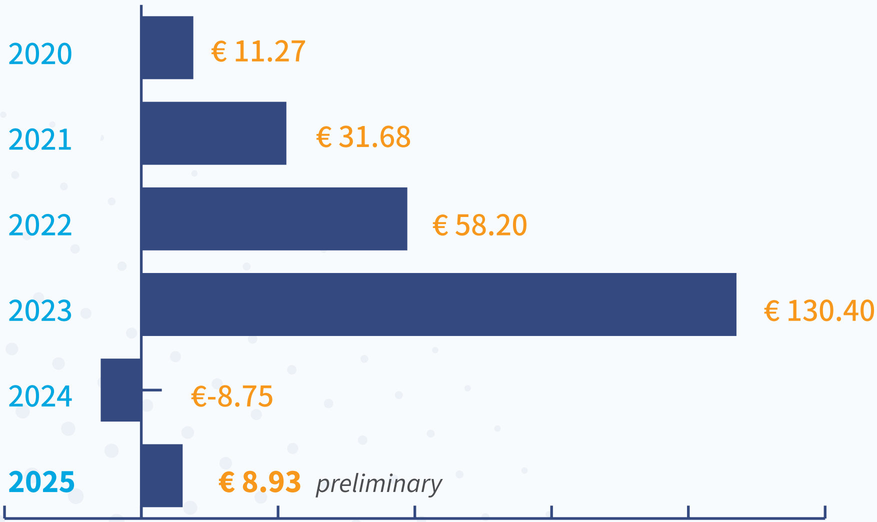
This complementary trade structure connects Philippine manufacturing and agricultural production with German technology, equipment, and industrial expertise, creating opportunities for deeper supply-chain integration and bilateral business cooperation.

SOURCE: Germany Trade and Invest

German Foreign Direct Investments

GERMAN FOREIGN DIRECT INVESTMENT FLOWS TO THE PHILIPPINES

IN MIO EUR



SOURCE: Bangko Sentral ng Pilipinas (BSP)

Germany remains an important European investor in the Philippines, with German companies maintaining long-term operations across manufacturing, automotive and electronics, aviation, logistics, healthcare, IT, and financial services.

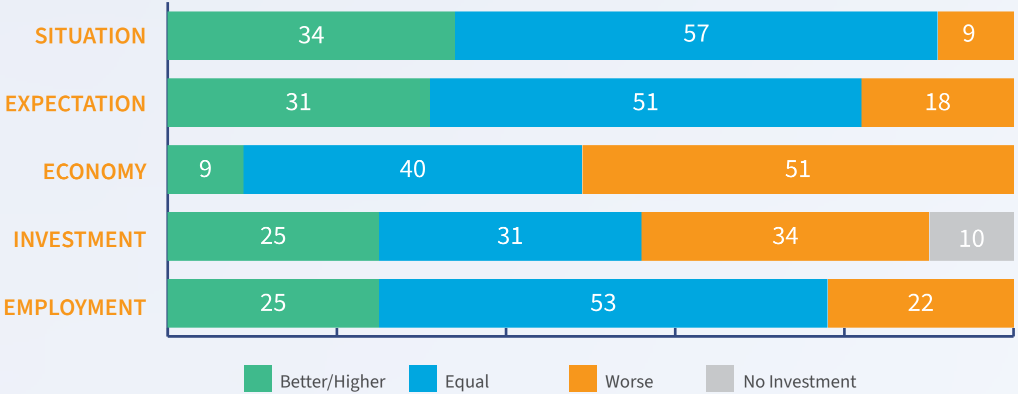
Established companies including **Aumovio (formerly Continental), Lufthansa Technik, Bosch, DHL, and Deutsche Bank** reflect the breadth and long-term commitment of German business in the country. Growing opportunities in **renewable energy, digitalization, advanced manufacturing, and skills development** are creating new avenues for German investment and cooperation.

The Philippines' expanding investment liberalization and strategic role in ASEAN further strengthen its appeal as a base for German companies seeking growth and supply-chain opportunities in Southeast Asia.

AHK World Business Outlook Survey

SUMMARY OF AHK WORLD BUSINESS OUTLOOK SURVEY PHILIPPINE RESULTS

SPRING 2026



TOP 3 RISKS OF COMPANIES

1 PRICES OF ENERGY

65%

2 SUPPLY CHAIN DISTRIBUTION

49%

3 PRICES OF RAW MATERIALS

47%

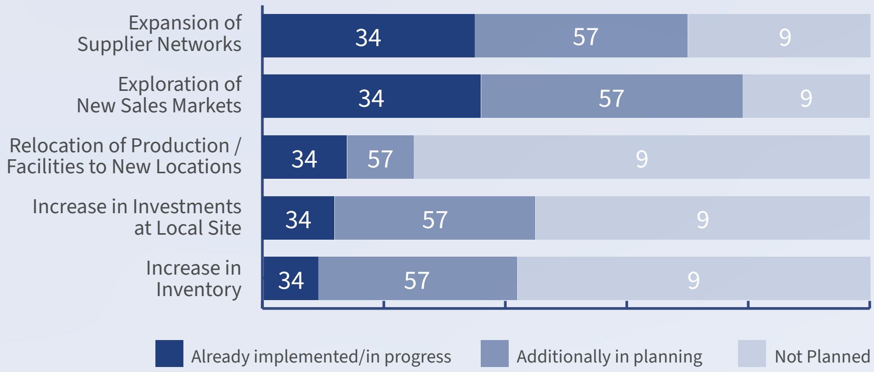
German-Philippine companies continue to report **stable operations, but their outlook has become more cautious** amid rising global and domestic uncertainties. While 51% expect business conditions to remain unchanged over the next 12 months, only 31% anticipate improvement, while 18% expect conditions to worsen.

Rising energy prices, supply chain disruptions, and raw material costs are the leading concerns for businesses. At the same time, companies are **adapting by diversifying supplier networks** and **exploring new markets**, while taking a more measured approach to investment and hiring.

Despite these challenges, the survey highlights the resilience and long-term commitment of German businesses in the Philippines, with companies continuing to see opportunities while calling for greater policy predictability and a responsive business environment.

SOURCE: AHK World Business Outlook Spring 2026

WHAT OTHER MEASURES HAVE YOU TAKEN DUE TO GEOPOLITICS?



ABOUT THE SURVEY

The AHK World Business Outlook is based on a regular DIHK survey of the member companies of the German Chambers of Commerce Abroad, delegations and representative offices (AHKs).

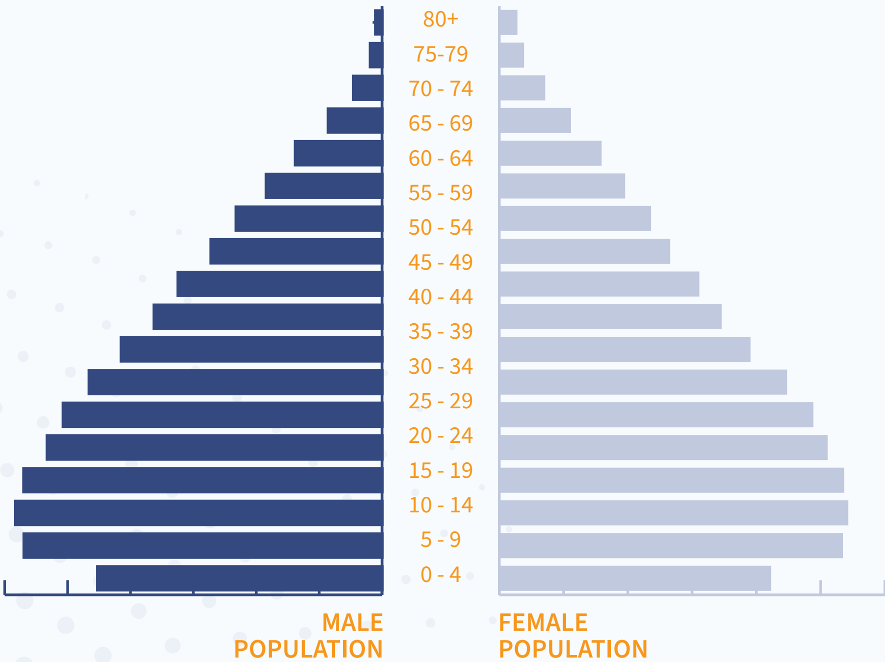
The Spring 2026 Survey was conducted from 16 March to 10 April 2026. It collects feedback from almost 3,500 German companies (68 from the Philippines in Spring 2026), branches and subsidiaries worldwide, as well as companies with close ties to Germany.

SCAN TO ACCESS THE COMPLETE SURVEY RESULTS

Labor Force

A Strong Demographic Advantage

POPULATION TREE OF THE PHILIPPINES
2025



SOURCE: Philippine Statistics Authority (PSA)

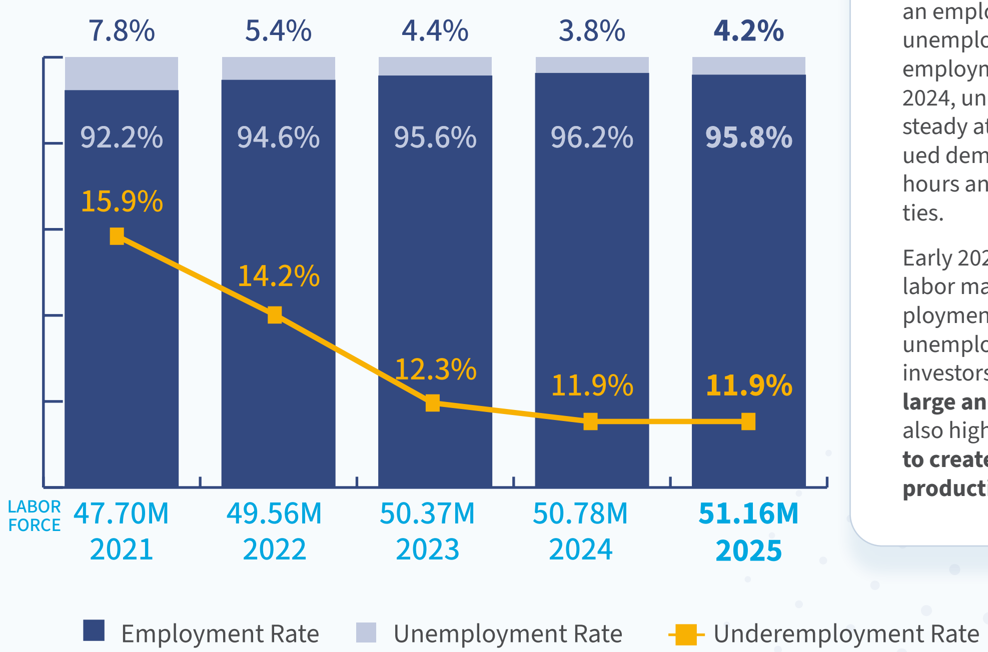
With **66.7%** of its **population aged 15–64**, the Philippines offers a substantial working-age population of nearly 75 million people.

The country's **median age is 27.7 years**, reflecting a gradual demographic shift while remaining relatively young by international standards. The dependency ratio has also declined to 50 dependents per 100 working-age people, strengthening the country's demographic advantage.

For investors, this large pool of working-age talent supports **manufacturing, IT-BPM, logistics, healthcare, and other human-capital-intensive industries**, while a young consumer base continues to support long-term domestic demand.

A Resilient Labor Market

EMPLOYMENT RATES



The **Philippine labor market remained resilient in 2025**, with an employment rate of 95.8% and unemployment at 4.2%. While unemployment edged up from 3.8% in 2024, underemployment remained steady at 11.9%, indicating continued demand for additional working hours and employment opportunities.

Early 2026 data show a still-strong labor market, with underemployment at 12.2% in May, while unemployment stood at 4.8%. For investors, the **figures point to a large and active workforce**, while also highlighting **opportunities to create higher-value and more productive employment.**

SOURCE: Philippine Statistics Authority (PSA)

Evolving Wage Standards

<table>
<tr><th rowspan="3">Sectors/ Industry</th><th rowspan="3">Current Min. Wage Rates</th><th>Amount of Increase</th><th>New Minimum Wage</th><th>Amount of Increase</th><th>New Minimum Wage</th></tr>
<tr><th colspan="2">1st Tranche</th><th colspan="2">2nd Tranche</th></tr>
<tr><th colspan="2">Upon Effectivity</th><th colspan="2">January 20, 2027</th></tr>
<tr><td>Non- Agriculture</td><td>PHP 695.00</td><td>PHP 60</td><td>PHP 755</td><td>PHP 25</td><td>PHP 780</td></tr>
<tr><td>Agriculture (Plantation and Non-Plantation)</td><td rowspan="3">PHP 658.00</td><td rowspan="3">PHP 60</td><td rowspan="3">PHP 718</td><td rowspan="3">PHP 25</td><td rowspan="3">PHP 743</td></tr>
<tr><td>Service/Retail Establishments employing 15 workers or less</td></tr>
<tr><td>Manufacturing regularly employing less than 10 workers</td></tr>
</table>

SOURCE: National Wages and Productivity Commission, Philippines (NWPC)

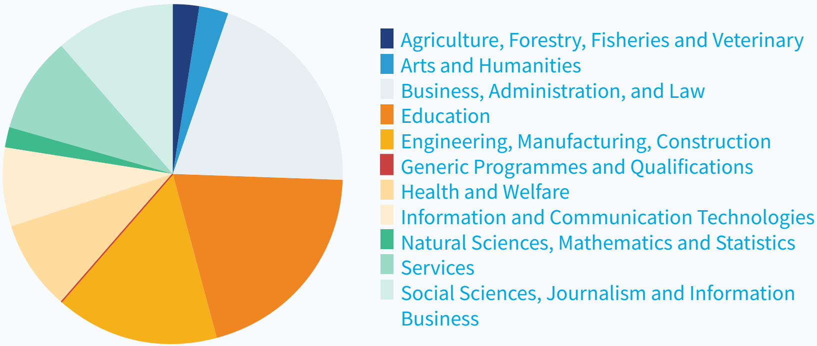
Minimum wages in the Philippines are set regionally, reflecting differences in local economic conditions and cost of living. 2025–2026 saw further wage adjustments across several regions, supporting household purchasing power while taking employers' capacity to pay into account.

In Metro Manila, the latest wage order increased the daily minimum wage by PHP 60, bringing rates to PHP 755 upon effectivity, with a further PHP 25 increase to PHP 780 from January 2027. The adjustment applies across non-agricultural, agricultural, and smaller service and retail establishments at their respective rates.

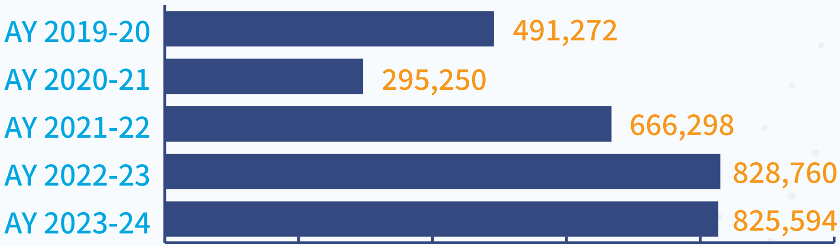
For businesses, the regional wage-setting system provides a **framework for adjusting wages according to local economic conditions** while **maintaining competitiveness across the country**.

A Growing Pipeline of Skilled Talent

GRADUATES BY DISCIPLINE GROUP



GRADUATES BY ACADEMIC YEAR



The Philippines **produces a large and diverse pool of higher-education graduates**, with 825,594 graduates in AY 2023–2024. Major fields include **business, education, engineering and manufacturing, services, health, and information and communication technologies**.

This **broad talent pipeline supports industries** with high demand for skilled professionals, particularly engineering, IT, manufacturing, healthcare, and business services. Combined with the **country's strong English proficiency**, it remains an important advantage for international companies operating in the Philippines.

SOURCE: Commission on Higher Education (CHED), Philippines

Skills Built for Industry

	Women	Men
Most Commonly Enrolled Program among Sectors of Technical Vocational Education and Training (TVET)	Tourism (Hotel and Restaurant)	Automotive and Land Transportation
Number of Certified Persons of TVET	615,287	703,538
Number of TVET graduates	688,220	678,934

TOP CERTIFIED SECTORS IN 2025

Agriculture, Forestry and Fishery	132,744
Automotive and Land Transportation	122,009
Electrical and Electronics	165,281
Social, Community Development and Other Services	127,237
Tourism (Hotel and Restaurant)	411,844

The Philippines has a **large and increasingly industry-oriented** Technical and Vocational Education and Training (TVET) system. In 2025, 1.37 million TVET graduates were recorded, while 1.32 million individuals received skills certification, highlighting a substantial pipeline of job-ready talent.

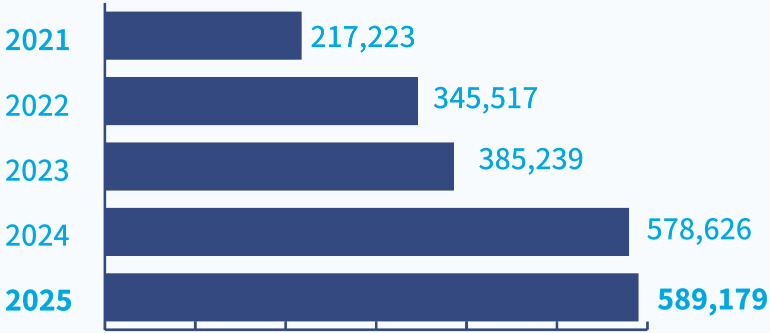
Training reflects industry needs, with tourism and hospitality among the most popular fields for women and automotive and land transport among men.

The country is also **strengthening enterprise-based and dual training,** bringing training institutions and employers closer together. **AHK Philippinen and TESDA's cooperation**, including their Memorandum of Understanding, supports industry-relevant skills development and closer collaboration with German companies.

SOURCE: Commission on Higher Education (CHED) Philippines, Technical Education and Skills Development Authority (TESDA) Philippines

Powering the Global Maritime Workforce

TOTAL NUMBER OF DEPLOYED FILIPINO SEAFARERS



FIVE LARGEST SEAFARER SUPPLY COUNTRIES 2026

All Seafarers	Officers	Ratings
1 The Philippines	203,179	256,968
2 India	140,718	171,218
3 China	110,893	199,107
4 Russian Federation	85,816	153,541
5 Indonesia	72,304	110,940

SOURCE: Baltic and International Maritime Council, International Chamber of Shipping

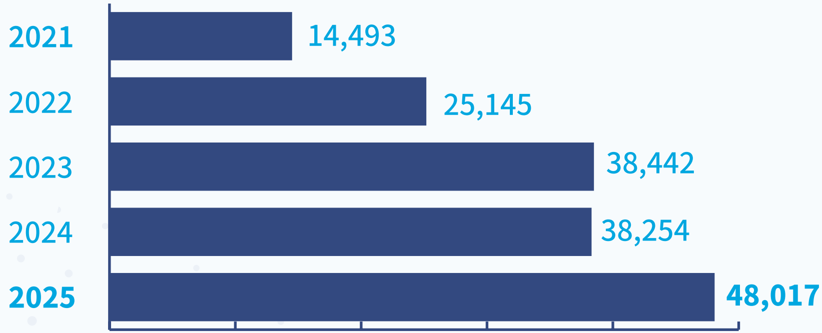
The Philippines remains the **world's largest supplier of seafarers,** accounting for approximately **15% of the global maritime workforce**. Together with India, China, Indonesia, and the Russian Federation, these five countries supply over 56% of the world's seafarers.

In 2025, **589,179 Filipino seafarers** were deployed worldwide, supported by a maritime education and training system aligned with STCW standards.

Recognized for their **professionalism**, **English proficiency**, and **adaptability,** Filipino seafarers remain essential to the global shipping and cruise industries.

A Trusted Global Healthcare Workforce

NURSE LICENSURE EXAM PASSERS



REGISTERED FILIPINO NURSES AS OF JANUARY 2026

1,049,737

REGISTERED NURSES WHO HAVE MIGRATED

350,000

SOURCE: Philippine Statistics Authority (PSA)

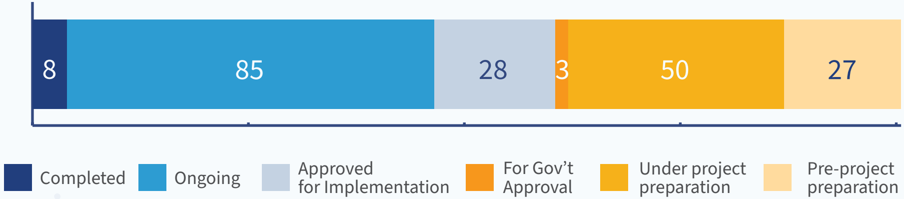
The Philippines is a **major global source of healthcare professionals**, particularly nurses, supported by a large and continually replenished talent pool. The country's nursing workforce combines **strong clinical training with English proficiency** and international experience, making Filipino healthcare professionals highly sought after worldwide.

The continued pipeline of newly licensed nurses—alongside established pathways for overseas deployment—supports healthcare systems facing workforce shortages, particularly in **Europe, the Middle East, and Asia-Pacific**. In 2025, the Philippines also continued to strengthen international healthcare workforce cooperation, including partnerships supporting the deployment and training of Filipino professionals abroad.

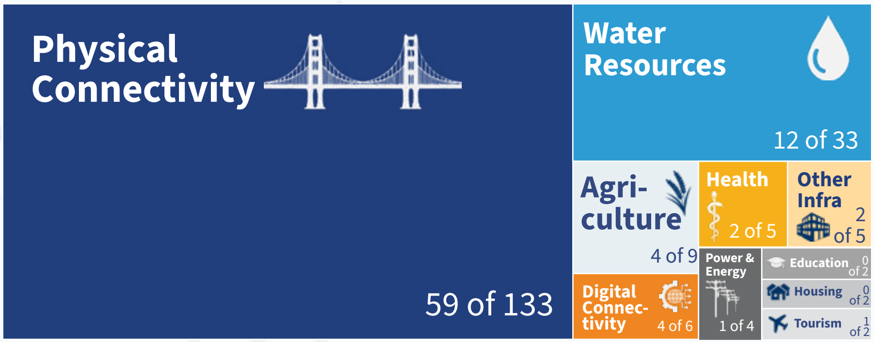
Infrastructure

Infrastructure Flagship Projects

DISTRIBUTION OF PROJECTS BY STATUS
AS OF JULY 2026



ONGOING INFRASTRUCTURE FLAGSHIP PROJECTS
AS OF JULY 2026

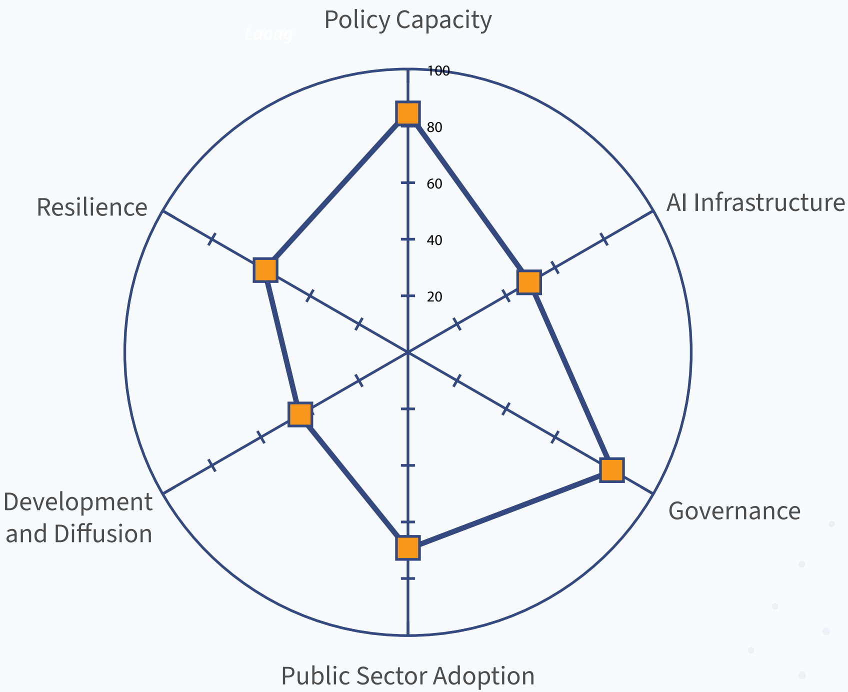


SOURCE: Department of Economy, Planning, and Development (DEPDev), Philippines

Under its **Build Better More** program, the Philippines is implementing **201 Infrastructure Flagship Projects** with a combined investment value of approximately **EUR 149 billion**. The projects span transport, energy, water, digital connectivity, health, education, and agriculture, strengthening the country's long-term competitiveness.

As of 2026, **85 flagship projects are under construction**, while others are in various stages of procurement and development. Expanded **public-private partnership (PPP)** opportunities and streamlined implementation continue to accelerate infrastructure delivery and create new opportunities for foreign investors.

AI Readiness



The Philippines is **strengthening its position as an emerging AI and digital services hub**, supported by strong policy capacity and governance. High scores in Policy Capacity (84.50) and Governance (83.34) indicate a supportive institutional environment for responsible AI adoption.

For companies, opportunities extend across AI-enabled manufacturing, digital services, cybersecurity, and industrial automation. While public-sector adoption (69.17) and resilience (58.17) show progress, gaps in AI infrastructure (49.50) and development and diffusion (43.96) highlight opportunities for investment, technology transfer, and industry partnerships.

Strengthening digital infrastructure, R&D, and industry–academia cooperation can further position the Philippines as a competitive partner for companies pursuing digital transformation in ASEAN.

SOURCE: Department of Information and Communications Technology (DICT), Philippines

Philippine Economic Zones

PEZA JAN-JUL 2026 INVESTMENT APPROVALS

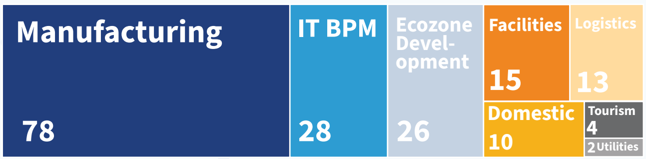
€2.14bn
Approved Investments

€5.1bn
Projected exports
(+194.82% growth vs $2B export in July 2025)

174 projects
Newly approved as new and expansion

26,047
Projected jobs

BREAKDOWN OF APPROVED PROJECTS



TOP INVESTORS BY NATIONALITY

NETHERLANDS S. KOREA SINGAPORE INDONESIA GERMANY

SOURCE: Philippine Economic Zone Authority (PEZA)

The Philippine Economic Zone Authority (PEZA) oversees designated economic zones offering **investment incentives, streamlined processes, and ready infrastructure for export-oriented businesses.**

From January–July 2026, PEZA approved 174 new and expansion projects worth EUR 2.14 billion, up 67% year-on-year. These are expected to generate EUR 5.1 billion in exports and 26,047 jobs.

Manufacturing led with 76 projects, followed by IT-BPM (28), ecozone development (26), facilities (15), and logistics (13).

Germany ranked among the top five investment sources, highlighting opportunities for German companies in export-oriented manufacturing, technology, and services.

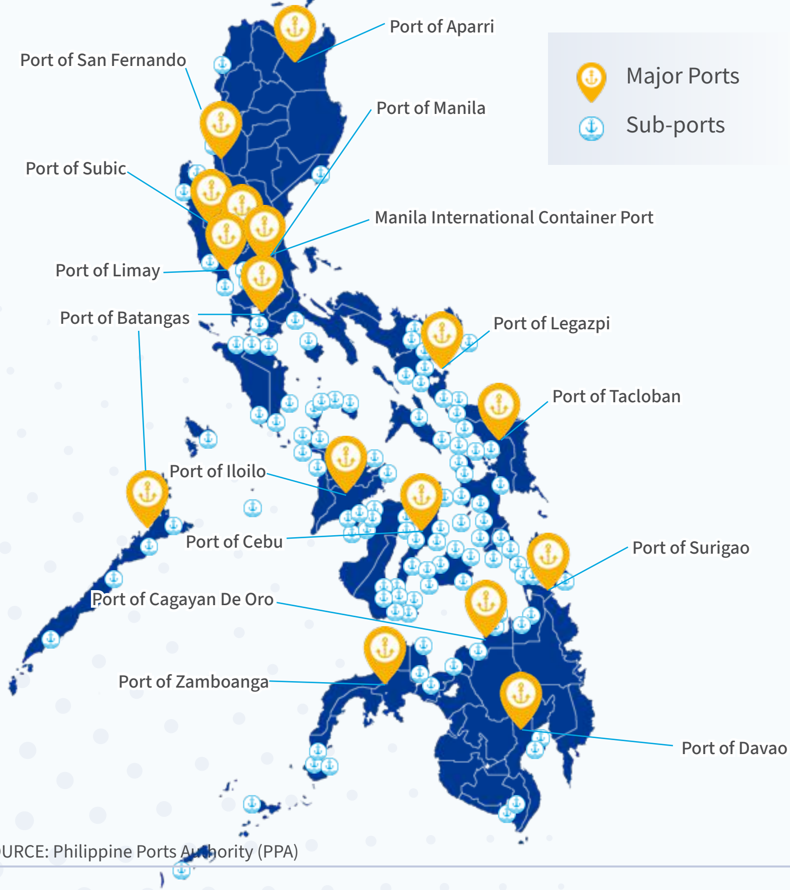
Airports in the Philippines

The Philippines has more than **80 commercial airports**, including international gateways such as **Ninoy Aquino International Airport (NAIA)**, **Clark**, and **Mactan-Cebu**, providing vital connectivity to regional and global markets.

The country's aviation sector continues to undergo significant modernization. Following the **privatization of NAIA in 2024**, major rehabilitation works are underway to improve passenger experience and increase airport capacity. Meanwhile, the **New Manila International Airport (Bulacan)** remains one of the country's largest infrastructure projects and is expected to further strengthen the Philippines as a regional aviation and logistics hub upon completion.

SOURCE: Civil Aviation Authority of the Philippines (CPAP)

Seaports in the Philippines



SOURCE: Philippine Ports Authority (PPA)

As an archipelagic nation, the Philippines relies on an extensive maritime network of over **100 commercial ports**, with the **Port of Manila, Batangas**, and **Subic Bay** serving as the country's principal international gateways for cargo and container traffic.

Under the **Build Better More** program and the **Maritime Industry Development Plan (MIDP) 2028**, the government continues to modernize port infrastructure, expand capacity, and accelerate the digitalization of port and logistics operations to improve supply chain efficiency.

Enhanced port connectivity supports the country's **manufacturing, agriculture, and export industries,** reinforcing the Philippines' role as a strategic logistics and trade hub in Southeast Asia.

Road Network in the Philippines

The Philippines has an extensive road network spanning **over 230,000 km**, including more than **38,000 km of national roads** connecting major cities, ports, airports, and economic zones.

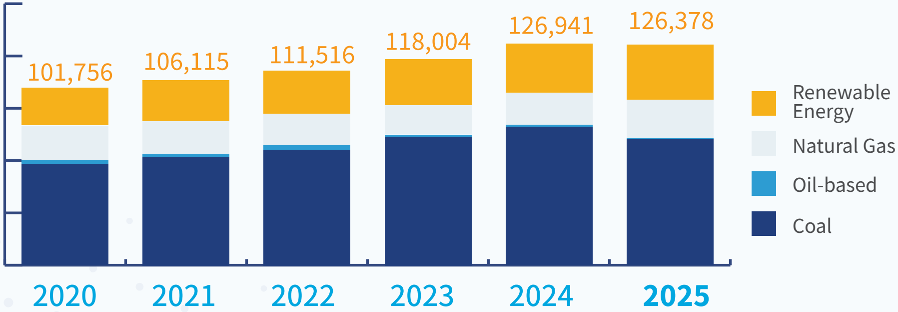
The country's expressway network continues to expand through projects such as **NLEX, SLEX, SCTEX, TPLEX, CALAX**, and **CAVITEX**, improving connectivity across Metro Manila, Central Luzon, and CALABARZON while reducing travel times and enhancing logistics efficiency.

Complementing road infrastructure, major railway projects - including the **North–South Commuter Railway** and the **Metro Manila Subway** - are progressing under the Build Better More program, supporting integrated and sustainable transport across the country.

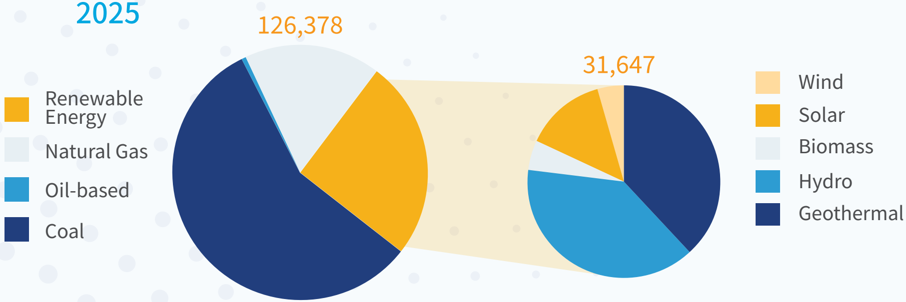
SOURCE: Department of Public Works and Highways (DPWH)

Energy in the Philippines

GROSS POWER GENERATION BY PLANT TYPE IN GWH
2020-2025



POWER GENERATION MIX & RENEWABLE ENERGY SHARE
2025



SOURCE: Department of Energy (DOE), Philippines

The Philippines' electricity demand continues to grow alongside its expanding economy. While **coal remains the primary source of power**, 2025 marked the first decline in coal's share of electricity generation in over a decade, as **renewable energy continued to gain momentum**.

Renewables - including geothermal, hydropower, solar, and wind - **now account for nearly one-fourth of the country's power generation**. Supported by the Green Energy Auction Program and reforms allowing **100% foreign ownership** of renewable energy projects, the sector continues to attract significant investment.

The government aims to **increase renewable energy's share to 35% by 2030** and **50% by 2040**, strengthening the country's long-term energy security and sustainability.

AHK Philippinen

2025-2026
GPCCI in Numbers

SINCE
2008

AROUND
280
MEMBERS

OVER
50
EVENTS

OVER
600
INQUIRIES

100
MEDIA MENTIONS

300
B2B MEETINGS

63,932
WEBSITE VISITORS

25,000
MABUHAY GERMANY FAIRGOERS

Who We Are

Deutsch-Philippinische Industrie- und Handelskammer
German-Philippine Chamber of Commerce and Industry

As one of the fastest-growing economies in Asia, the Philippines offers vast opportunities for global business. The German-Philippine Chamber of Commerce and Industry Inc. (GPCCI)/AHK Philippinen is proud to play a vital role in strengthening German-Philippine economic relations, fostering partnerships, and driving growth.

Since our establishment in 2008, we have remained committed to supporting our members and customers through professional, intercultural, and knowledgeable services.

Whether facilitating market entry, supporting business expansion, or representing Germany as the strongest European economic partner, GPCCI provides invaluable expertise and resources.

At GPCCI, we don‘t just build bridges between markets—we create lasting partnerships and opportunities that shape the future of German-Philippine trade.

AHK: Well Connected Worldwide

In 150 locations in 93 countries around the world, the members of the German Chamber Network (AHKs) offer their experience, connections and services to German and foreign companies. AHKs are located in all countries which are of special interest for German companies.

The Three Functions of an AHK

OFFICIAL REPRESENTATION OF GERMAN COMPANIES

We represent German business interest in the country and are the first point of contact for German foreign trade promotion.

MEMBER ORGANIZATION

We provide a membership platform for effective interaction with politics, business, and administration.

SERVICE PROVIDERS TO COMPANIES

We support German business activities under the, DEinternational‘ brand with regard to market entry and expansion.

Become a member

Interested to elevate your brand and unlock a multitude of business opportunities? As a GPCCI Member, you enjoy direct access to this large, influential business network in the Philippines and benefit from our services and events. At GPCCI, your success is our success!

YOUR BENEFITS OF BECOMING A MEMBER:

- Networking and Educational Events
- Visa Support
- Translation & Interpretation
- Marketing Opportunities & Services
- Member4Member Program
- Event Consultancy
- General Inquiries & Contact
- Government and Chamber Relations
- Trainings & HR Consultancy
- Trade Fair Participant
- Corporate Social Responsibility (CSR)

SCAN THE QR CODE FOR MORE IN-DEPTH INFORMATION

Interested in becoming a member?
Email Ms. Kat Rodriguez Reyes at kat.rodriguez@gpcci.org.

Operate Locally—Without Setting Up Immediately!

In order to promote activities towards the Philippine market and to be consistently present, there is often the need to employ personnel on-site. However, the opening of a representative office is financially and administratively costly: from room rental, employee recruitment to necessary registrations. Moreover, finding and monitoring qualified staff is also a challenge.

With the "Office-in-Office" concept we offer your company a cost-effective and risk-free alternative for the establishment of a representative office. As part of this service, you can also use a part-time or full-time AHK project manager to manage your activities in the Philippines.

YOUR ADVANTAGES:

- Minimized risk through the lowest financial commitment
- Immediate start of activities without licensing procedures
- No own staff and financial accounting
- Use of AHK's modern infrastructure and office including conference rooms
- Supervision and support of your employees even if you are not on-site
- Use of contacts and networks of the AHK Philippinen
- Quick contact with customers and suppliers
- Low communication barriers through our multilingual staff

Interested? Email Ms. Charlotte Bandelow at charlotte.bandelow@gpcci.org.

Directory


Asian Development Bank
GIZ
German Embassy
Goethe Institut
AHK Philippinen
German Club
German European School Manila
MAKATI
SAN ANDRES BUKID
Vito Cruz
Dela Rosa
Buendia
Pasay Road
Ayala
Pablo Ocp. Street
Kamagong Street
Chino Roces Avenue
Zapote Street
South Avenue
Kalayaan Avenue
Nicanor T. Garcia Street
J.P. Rizal Street
Antipolo Street
S. Osmeña Street
Coronado Street
Makati Avenue
P. Burgos Street
Metropolitan
Bagtikan Street
Sampaloc Street
Mayapis Street
Filmore Street
Arellano Street
Dian Street
Bautista Street
Yakal Street
Malugay Street
Senator Gil J. Puyat Avenue
H. V. de la Costa Street
L. P. Leviste Street
Jupiter Street
Ps. de Roxas
Valero Street
Ayala Avenue
Osmeña Highway
De la Rosa Street
Amorsolo Street
Salcedo Street
Legazpi Street
Gamboa Street
Faraday Street
Edison Street
Rockefeller Street
A. Arnaiz Avenue
North Street
Palm Drive
East Street
EDSA
Zobel Roxas Street
Rubi Street

GERMAN INSTITUTIONS IN THE PHILIPPINES

AHK Philippinen | German-Philippine Chamber of Commerce and Industry

8F Doehle Haus Manila, 30-38 Sen. Gil Puyat Ave., Brgy. San Isidro, 1234 Makati, Metro Manila

+63 (2) 8519 8110

philippinen.ahk.de

German Embassy Manila

25F Tower 2, RCBC Plaza, 6819 Ayala Ave, 1261 Makati City, Metro Manila

+63 (2) 8702 3000

manila.diplo.de

Honorary Consul of the Federal Republic of Germany – Cebu

Unit 304 B, PDI Building, Gov. M. Cuenco Avenue, Corner J. Panis Street, Kasambagan, 6000 Cebu City, Central Visayas

+63 908 883 9146

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

9th Floor, Bank of Makati Building, Ayala Avenue Extension near corner Metropolitan Avenue, 1209 Makati City, Metro Manila

+63 (2) 6651 5100

www.giz.de

German Club Manila

Penthouse, Eurovilla II Building, 118 V.A. Rufino Street, 1200 Makati City, Metro Manila

+63 (2) 817 3552

www.germanclub.ph

Goethe-Institut Philippinen

G/4-5/F Adamson Centre, 121 Leviste St., Salcedo Village, 1227 Makati City, Metro Manila

+63 (2) 840 5723

www.goethe.de/ins/ph/en/

German European School Manila European International School

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

+63 (2) 8776 1000

www.gesm.org

REGIONAL & INTERNATIONAL INSTITUTIONS

Asian Development Bank Headquarters

6 ADB Avenue, 1550 Mandaluyong City, Metro Manila

+63 (2) 8632 4444

www.adb.org

World Bank Group – Philippines

26F, One Global Place, 5th Ave. cor. 25th Street, BGC, Taguig City, 1634 Metro Manila

+63 (2) 8465 2500

worldbank.org

PHILIPPINE INVESTMENT & BUSINESS INSTITUTIONS

Board of Investments (BOI)
Department of Trade and Industry
Industry and Investments Building, 385 Sen. Gil Puyat Ave., Makati City, Metro Manila 1200
+63 (2) 8897 6682
boi.gov.ph

Philippine Economic Zone Authority (PEZA)
PEZA Investment and Corporate Center, Roxas Boulevard corner San Luis Street, Pasay City 1300
+63 (2) 8551 345, 8551 3487
peza.gov.ph

PHIVIDEC Industrial Authority
Administration Building, PHIVIDEC Industrial Authority Complex, Tagoloan, Misamis Oriental, 9001
+63 (88) 567 0315
phividec.gov.ph

Anti-Red Tape Authority (ARTA)
4/F, Building I, UP-Ayala TechnoHub, Commonwealth Avenue, Quezon City
+63 (2) 8246 7940 / 1-ARTA (12782)
arta.gov.ph

PHILIPPINE DIPLOMATIC MISSIONS IN GERMANY

The Philippine Embassy in Berlin
Luisenstrasse 16, 10117 Berlin
+49 (0) 30 864 95 00
philippine-embassy.de

Philippine Consulate in Baden-Württemberg
Königstraße 28, 70173 Stuttgart
+49 (711) 16445 268

Philippine Consulate in Bavaria
Habenschadenstrasse 16 in 82049 Pullach/Munich
+49 89 72444850-80

Philippine Consulate in Frankfurt
Grüneburgweg 16-18, 1OG
60322, Frankfurt am Main
+49 69 870066900

Our Services

SCAN THE QR CODE FOR MORE IN-DEPTH INFORMATION

Market Entry and Business Development

We provide comprehensive support for businesses aiming to enter the Philippine market.

Access ADB Opportunities

Gain insights into projects and tenders, receive guidance through the bidding process, and connect with key stakeholders at the bank.

Training and Development

We offer customized training programs tailored to the needs of your company.

Office-in-Office

An AHK employee manages your business activities in the Philippines.

Skilled Labor Migration

We assist German companies in navigating the process of hiring Filipino workers.

Government Affairs

The Government Affairs Department advocates for German businesses and connects them with Philippine government agencies.

Keep up with us!

SOCIAL MEDIA

/gpcci

/GPCCI.org

@ahkphilippinen

WEBSITE

MAILERS SUBSCRIPTION

INQUIRY FORM


OB KARAOKE ODER BUSINESS TALK: MIT UNS TREFFEN SIE IMMER DEN RICHTIGEN TON.
Auf zu neuen Märkten. Mit den AHKs.
Erfolgreich auf die Philippinen zu expandieren
war noch nie so leicht:
Jetzt kostenfreie Erstberatung buchen.
AHK

Imprint

PUBLISHER

AHK Philippinen | German-Philippine Chamber of Commerce and Industry
8F Döhle Haus Manila, 30-38 Sen. Gil Puyat Ave.,
Brgy. San Isidro,1234 Makati City, Philippines
Tel. +63 (2) 8519 8110
Fax: +63 (2) 5310 3656

LAYOUT AND EDITING

Elenee Ventura

STATUS

July 2026

LEGAL INFORMATION

PEZA

Eco-zoning the Philippines Towards Inclusive and Sustainable Development

31 YEARS

1,839,543 DIRECT JOBS CREATED | **PhP 260.89 B** APPROVED INVESTMENTS | **US$64.483 B** ACTUAL EXPORTS

(1995 TO 2025)

PHILIPPINES YOUR PREFERRED INVESTMENT DESTINATION!

PHILIPPINE ECONOMIC ZONE AUTHORITY

Created by virtue of Republic Act No. 7916, the Philippine Economic Zone Authority (PEZA) is a pioneer in ecozone development in the Philippines and a huge contributor to the country's economy. It supervises economic zones (public or privately developed) nationwide that are proclaimed under its mandate. PEZA also attract the strategic investments into the country needed to advance the country's socio-economic progress.

- *Spur Countryside Development*
- *Promote Investments*
- *Create Employment*
- *Generate Exports*

PEZA BRAND OF SERVICE: NO RED TAPE, ONLY RED CARPET TREATMENT

- **Internationally-benchmarked**, strategically-located and SDG-driven industrial & IT parks in strategic locations
- **24/7 one-stop service** from registration to operations to expansion
- Most generous fiscal incentives in ASEAN through **the CREATE MORE law**
- Fully digitized and streamlined registration and permitting system; **cashless and paperless transactions**

WANT TO KNOW MORE ABOUT THE BENEFITS OF INVESTING IN PEZA?

Scan the QR code for more details or visit www.peza.gov.ph

RECOGNIZED FOR EASE OF DOING BUSINESS

QMS ISO 9001:2015 certified for the last 18 years

- HIGH LABOR PRODUCTIVITY
- QUALITY FACILITIES FOR INVESTORS & THEIR FAMILY
- GROWING DOMESTIC MARKET
- ABUNDANT NATURAL RESOURCES
- BILATERAL TRADE AGREEMENTS
- POLITICAL STABILITY & INDUSTRIAL PEACE
- STABLE GOVERNMENT & ECONOMIC OUTLOOK
- STRATEGIC LOCATION

Come and be part of our 4000+ locator ecosystem spread over 400 ecozones nationwide.

MAKE IT HAPPEN IN THE PHILIPPINES

#PartnerInThePhilippines

The Philippines is a growing economy with the talent, connectivity, and ambition to support the next generation of global business.

Driven by a young workforce, investment reforms, and expanding opportunities across key industries, the country offers a competitive platform for companies seeking growth in Asia.

Discover the Philippines — a gateway to opportunity and a partner for the future.

philippinen.ahk.de

Supported by:

Federal Ministry for Economic Affairs and Energy

on the basis of a decision by the German Bundestag