

Market brief

Philippines

Financial year 2022/23

Global exports to Philippines

Rank #4 in the global dairy market (by volume)

Destination for over 651,000 tonnes of dairy product, worth US\$1,625 million (in 2022/23).

Exports to the Philippines have increased by 6% over five years (2018/19 – 2022/23).

The biggest volume growth (product categories exceeding US\$20 million) has been in:

- Ice Cream (411%)
- Yoghurt (73%)
- Buttermilk Powder (51%)

The biggest volume decline (products categories exceeding US\$20 million) has been in:

- WMP (-62%)
- Butter Oil (-33%)

Australian market share

Rank at #6 in the share of the Philippines' import volume.

Destination for 35,000 tonnes of Australian dairy product, worth over US\$75 million (in 2022/23).

Exports to the Philippines have increased by 9% over five years (2018/19 – 2022/23).

The biggest volume growth (product categories exceeding US\$1 million) has been in:

- Butter Oil (440%)
- Milk (28%)
- Cheese (24%)

The biggest volume decline (product categories exceeding US\$1 Million) has been in:

- Whey Powder (-73%)
- SMP (-45%)
- Buttermilk Powder (-44%)

Tariff environment

Australia and the Philippines are both party to the multilateral ASEAN, Australia, New Zealand, Free Trade Agreement (AANZFTA). The agreement came into force on 1 January 2010, with a reduction in tariffs for selected dairy products. Since 2020, these tariffs have now been removed. While this provides advantages for the Philippines to export products within the agreement, their focus on the domestic market and reliance on imports restricts potential exports. A schedule of Philippine tariffs can be found in Table 2.

Key international marketing programs and initiatives

Dairy Australia runs or is involved in a number of marketing programs and activities in the Philippines. These include the Southeast Asia Dairy Scholarship program aimed at familiarising dairy and food industry professionals from the region with aspects of the Australia dairy industry and the Southeast Asian Alumni Program for past scholars. Outside of COVID-19 travel restrictions, Dairy Australia aims to regularly visit the Philippines and present seminars to local industry players in key markets.

Figure 1 Dairy imports

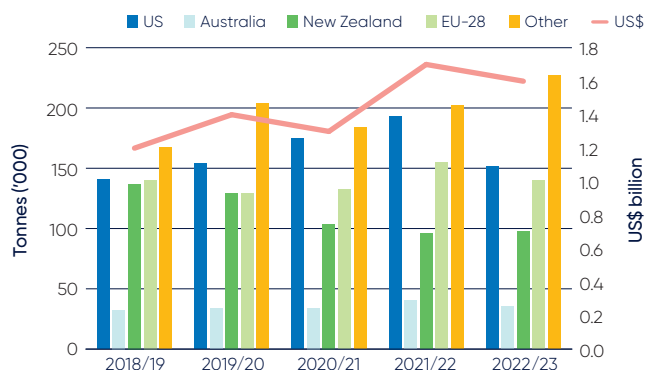


Figure 2 Top dairy exports to Philippines by volume

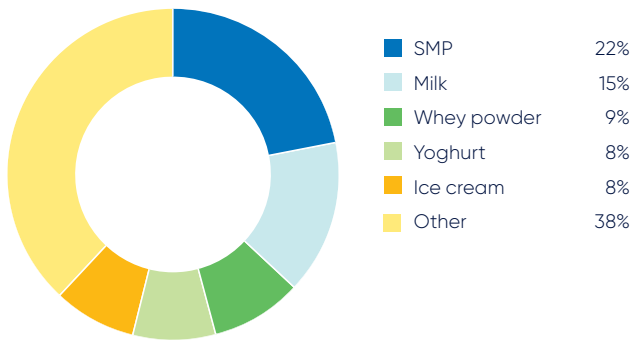


Figure 4 Top Australian dairy exports by volume

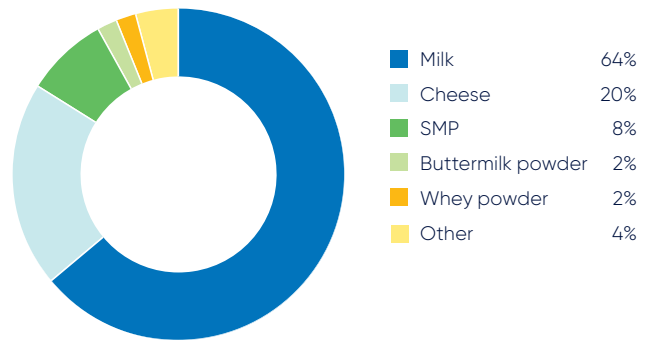


Figure 3 Top dairy exports to Philippines by US\$ value

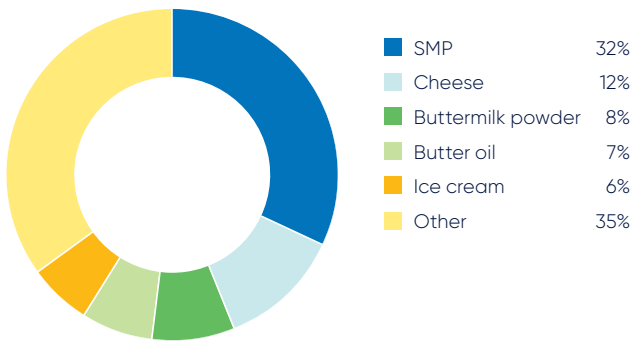


Figure 5 Top Australian dairy exports by US\$ value

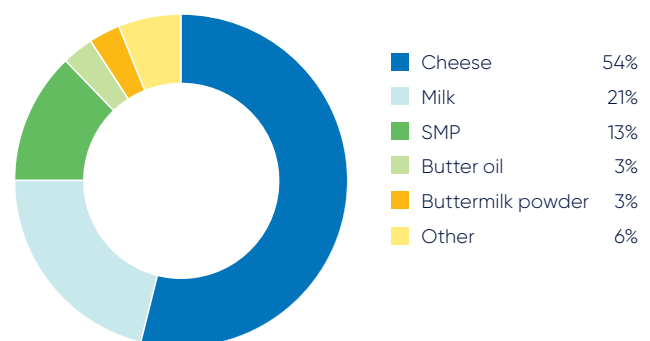


Table 1 Australia exports

Product group	Market share (US\$ %)		Volume ('000)		Value (million US\$)	
	2018/2019	2022/23	2018/2019	2022/23	2018/2019	2022/23
Milk	16.7	12.3	17.8	22.7	13.1	16.1
Cheese	16.6	17.1	5.7	7.0	25.5	40.5
SMP	2.2	1.6	5.0	2.8	10.2	10.2
Buttermilk Powder	2.5	1.1	1.2	0.7	2.5	2.2
Whey Powder	2.1	2.3	2.1	0.6	1.6	1.8
Total Imports	3.8	3.7	32.4	35.3	55.2	75.5

Table 2 Dairy tariffs

Tariff category	Product category	Applied tariff %
0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter	0.0
0402	Milk and cream, concentrated or containing added sugar or other sweetening matter	0.0
0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included	0.0
0406	Cheese and curd	0.0

Applied tariffs are drawn from Integration Point. Where Australia does not have a specific tariff agreement in place, the applied rate for qualifying product is the MFN rate. Where a specific tariff agreement exists, the applied rate for qualifying product is as per that agreement. The countries with specific agreements in place are: China (ChAFTA), Indonesia (AANZFTA), Japan (JAEPA), The Republic of Korea (KAFTA), Malaysia (MAFTA), Philippines (AANZFTA), Singapore (SAFTA), Philippines (TAFTA), and the USA (AUSFTA).

Further information

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