

Voluntary Report – Voluntary - Public Distribution

Date: July 12, 2023

Report Number: RP2023-0043

Report Name: Baking Ingredients Market Brief

Country: Philippines

Post: Manila

Report Category: Food Processing Ingredients, Food Service - Hotel Restaurant Institutional, Retail Foods, Product Brief, SP1 - Expand International Marketing Opportunities

Prepared By: Ramona Singian

Approved By: Mark Hanzel

Report Highlights:

In 2022, the Philippine baking industry spent roughly \$1.5 billion on ingredients, with 77 percent (\$1.2 billion) imported. The United States supplied more than 55 percent or \$845 million worth of ingredients, mostly wheat. The baking industry is projected to grow at a compound annual growth rate of five percent and reach \$2.5 billion in retail sales by 2027. Traders believe the United States is well-positioned to increase its exports of baking ingredients to the Philippines in the coming years by leveraging the Filipino consumers' general preference for high-quality U.S.-origin products.

Philippine Market Brief

Baking Ingredients



In 2022, baked goods sold in the Philippines had an estimated retail value of \$1.9 billion, with \$1.5 billion spent on ingredients. More than 75 percent of these ingredients were imported. Driven by moderate inflation¹, population growth, and urbanization, the value is expected to grow at a compound annual growth rate (CAGR) of five percent, reaching \$2.5 billion by 2027. This presents an excellent opportunity for U.S. exporters of baking ingredients to enter the market, maximize promotions, and constantly introduce new products.

Figure 1. Retail Value of Philippine Baked Goods in 2022 and Forecast for 2027

2022	\$1.9 Billion	CAGR 5%
2027	\$2.5 Billion	

Sources: USDA-FAS Manila research and interviews.

This report highlights the opportunities for U.S. exports of both raw agricultural commodities and processed food products that are intended for oven-baked goods to be manufactured in-country. It does not account for steamed and fried versions of baked goods, and imported baked goods in their final forms. To aid exporters in developing a market entry and development strategy, the report provides insights into the competitive landscape, market share analysis, and growth prospects. To help exporters navigate the complex regulatory environment, the report includes an overview of the import regulations, lists the tariff rates, and identifies products that are subject to Value Added Tax.

Cost Contribution of Various Bakery Ingredients

Local bakers consider flour to be the most significant ingredient. For the staple salt bread, *pan de sal*, flour exceeds 70 percent of the cost. For other baked goods, flour accounts for up to 50 percent of the cost. Add-in ingredients, such as fruits, nuts, and chocolate, can contribute up to 15 percent of the cost, while dairy products, eggs, sugar, and sweeteners can each represent nine percent. Oils,

Table of Contents

Market Segments	3
Baking Ingredients	
Milling Wheat, Flours, Mixes and Doughs, and Baking Add-In Ingredients	4
Dairy Products and Egg Products	7
Sugar and Other Sweeteners, Oils and Shortenings, Leavening Agents, and Flavorings	8
Opportunities, Product Applications, and Trends	9
Import Regulations and Requirements	10
Tariff and Value Added Tax Assistance and Further Information	11
	12

Fast Facts: Philippine Market

- Young and growing population: 116 million (2023 est.), annual growth rate of 1.6 percent, 51 percent below 24 years old.
- Urban population: 48 percent; growing at two percent annually
- At least \$100,000 is earned annually by roughly seven million people, with an additional 26 million people earning at least \$25,000 each year.
- Strong consumer preference for U.S. food and beverage products
- Steady growth in retail, food service and food processing sectors.

Sources: The World Factbook and PSA [2020 Census of Population and Housing](#).

¹ The Philippine central bank estimates average inflation could return to within-target range at three percent by 2024.

shortening, yeast, baking powder, and flavorings can account for the remaining eight percent of the cost.

Market Segments

Types of Importers

Key importers specialize in baking ingredients and actively reach out to the baking industry. General traders offer a range of wholesale products to a broader customer base. Exclusive distributors act as agents of multinational corporations. Lastly, there are a few retailers, processors, and food service operators that import directly.

Types of Bakers

Artisanal baked goods are prepared by specialty bakeshops and home bakers. The term "artisanal" generally refers to baked goods that are made by hand, using traditional methods and high-quality ingredients, rather than being mass-produced. While most hotels, restaurants, and institutions (HRI) offer some artisanal products, they also produce a wide range of baked goods using commercial-grade equipment, which may not necessarily qualify as artisanal.

The baked goods of independent neighborhood bakeries are typically made by hand, and they use affordable ingredients. There is at least one bakery in each neighborhood or barangay, the country's smallest administrative unit, and there are more than 42,000 barangays in the Philippines.

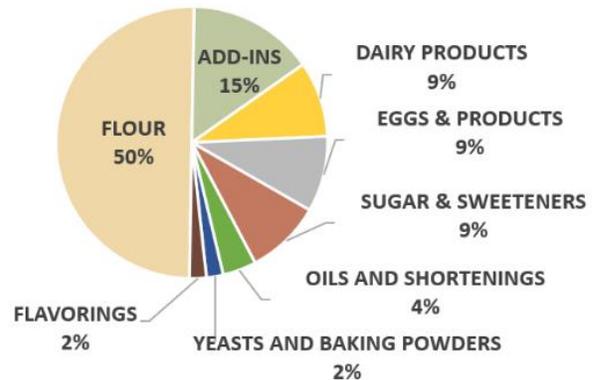
[Goldilocks](#) and [Red Ribbon](#) are two of the largest bakeshop chains in the Philippines that offer a wide range of delectable cakes, pastries, and other baked goods. [Julie's](#), on the other hand, specializes in breads. Other notable bakeshop chains in the country include [Bread Talk](#), [Fortune Bakeshop](#), [Max's Corner Bakery](#), [Pan De Manila](#), and [The French Baker](#).

Among the packaged baked goods sold mainly in supermarkets, the popular bread brands include [Gardenia](#), [Marby](#), [Monde](#), and [Pinoy](#). Among the brands that offer biscuits, cookies, crackers, and small cakes, [Lemon Square](#), [Jack 'n Jill](#), [Rebisco](#), [Regent](#), and [SkyFlakes](#) are commonly found on retail shelves.

Baked Product Categories

Breads like *pan de sal* and sliced, loaf bread (colloquially known as "tasty bread") dominate the baked product categories. Meanwhile, biscuits, cookies, and crackers are popular as convenient snacks. Pizza

Figure 2. Cost Contribution of Various Baking Ingredients



Sources: USDA-FAS Manila research and interviews.

Figure 3. Types of Bakers

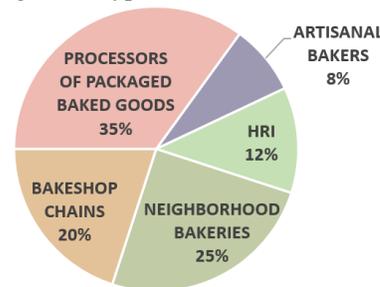
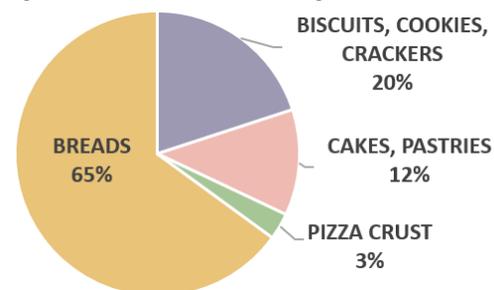


Figure 4. Baked Product Categories



Sources: USDA-FAS Manila interviews with U.S. Wheat Associates and the trade.

crusts, on the other hand, are typically made in-house by establishments or commercially produced for retail sale. Some large retailers import pizza dough, and offer ready-to-eat pizza to shoppers.

Baking Ingredients

Milling Wheat

The Philippines does not cultivate wheat, but wheat flour is an important part of its people’s diet, making the country a major importer of milling wheat. In the past five years, exports of milling wheat to the Philippines grew at a CAGR of 11 percent to almost \$1.3 billion in 2022. The United States held 78 percent of the market, equivalent to \$1 billion. Of this amount, an estimated \$760 million worth of U.S. wheat flowed through the baking industry. The Philippines was the largest importer of U.S. Hard Red Spring (HRS) wheat and Soft White (SW) wheat, and the second-largest importer of all U.S. wheat classes. HRS wheat is essential for achieving the desired texture and flavor of traditional Filipino baked goods, including *pan de sal*. Meanwhile, SW wheat is commonly used in soft, sugary breads, such as *ensaymada* and *mamon*, as well as a variety of cakes and pastries. For more information, see the GAIN report entitled “[Philippines: Grain and Feed Annual](#).”

Flours

The Philippines imported \$21 million worth of wheat flour, mainly from ASEAN and Turkey. U.S. exports accounted for less than one percent. The baking industry utilized 40 percent of imported wheat flour, amounting to \$8 million. In addition, other types of flours, including those made from almonds, cassava, corn, rice, and potatoes, with a total estimated value of \$10 million from both domestic and foreign sources, also flowed through the baking industry.

Mixes and Doughs

In 2022, the baking industry used \$11 million worth of imported mixes and doughs, including \$1 million worth of pizza dough. Almost 60 percent of imported mixes and doughs were purchased directly by food service operators and processors that might have specific requirements for these products. Despite facing a tariff disadvantage, the United States was the second-largest supplier of mixes and doughs.

Figure 5. Shares of Mixes and Doughs Importers

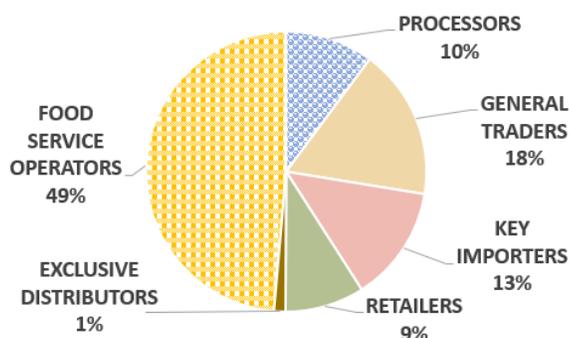
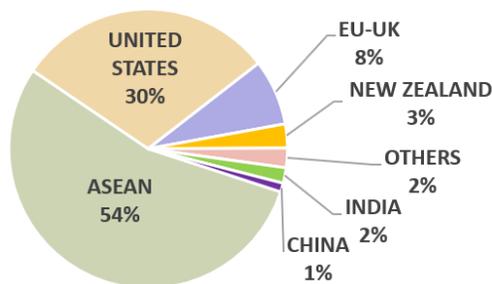


Figure 6. Sources of Imported Mixes and Doughs



Sources: USDA-FAS Manila research and interviews, and Philippine Bureau of Customs (P/BOC) data.

Baking Add-In Ingredients

To create different flavor profiles and textures, bakers incorporate add-in ingredients or “add-ins,” such as fruits, nuts, and chocolates. In 2022, the Philippine baking industry utilized \$32 million worth of imported add-ins, with 40 percent from the United States. Another \$20 million worth of add-ins were sourced locally, including bananas, cassava, coconuts, mangoes, mung beans, pineapples, and purple

yam. These local products face supply and quality challenges due to poor post-harvest capacity, lack of a robust cold chain infrastructure, and high transportation cost, presenting an opportunity for U.S. exporters to introduce and promote a wide variety of baking add-in ingredients.

Fresh and Frozen Fruits

Apple pie's popularity in the Philippines serves as a cultural symbol of the country's historical ties with the United States. In 2022, retailers and general traders imported \$560,000 worth of Granny Smith apples, with 99 percent used for apple pie, mostly by home bakers and specialty bakeshops. The United States accounted for almost 95 percent of imports. The rest were sourced from China and New Zealand.

Other imported fresh and frozen fruits worth under \$500,000, such as blueberries, grapes, raspberries, and strawberries, were used to garnish cakes and pastries. Although the Philippines produces nearly 3,000 metric tons of strawberries annually, artisanal bakers prefer imported strawberries for their consistent quality. Also, fresh blueberries from the United States are the only ones granted full market access; thus, U.S. exporters are positioned to take advantage of the opportunity to supply the market. When constrained by price and availability, bakers opt for frozen blueberries, which usually cost half as much as fresh and are available year-round.

Considering the market's size, aggressive promotional efforts may significantly increase the demand for fresh and frozen fruits in the baking industry. See the Philippine government's [list of allowable fresh fruits and vegetables](#). U.S. exporters may contact USDA-FAS Manila for assistance on market access.

Dried Fruits

Raisins are the most popular among imported dried fruits, representing 92 percent of imports in 2022. The baking industry utilized 40 percent of the total raisin imports, valued at \$6 million. Bakers that adhere to stringent quality standards choose California raisins. The United States was the leading supplier of raisins. The rest were sourced from India, China, and South Africa. Additionally, 30 percent of the Philippines' importation in 2022 of other dried fruits, specifically apricots, blueberries, cherries, cranberries, dates, figs, and prunes, valued at \$500,000, flowed through the baking industry. The United States was also the top supplier with 80 percent market share. The rest of the products were sourced from Turkey, South Korea, and other countries. The baking industry relied heavily on key importers to source dried fruits.

Figure 7. Types of Imported Dried Fruits Utilized by the Baking Industry

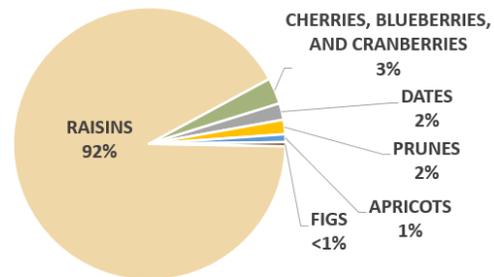


Figure 8. Shares of Raisins Importers

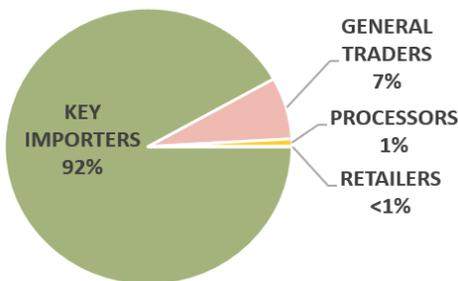
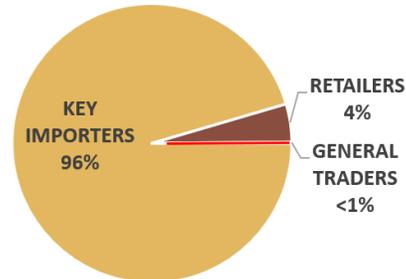


Figure 9. Shares of Other Dried Fruits Importers



Sources for Figures 7 to 9: USDA-FAS Manila research and interviews, and P/BOC data.

Preserved Fruits

In 2022, the baking industry used an estimated \$2.3 million worth of imported preserved fruits, including canned pie fillings. The United States was the largest supplier, with a 60 percent market share. China and other countries accounted for the remaining 40 percent of the market. Most of the products were imported by general traders.

Ground and Tree Nuts

Peanuts and cashews were once widely used in baking, as both are locally grown². While the demand remains strong, peanuts and cashews are more commonly found nowadays in budget-friendly baked goods. A growing number of bakers have been incorporating other nuts into their recipes to appeal to the ever-changing tastes of consumers. This presents an opportunity for U.S. exporters to promote a variety of nuts.

In 2022, locally sourced peanuts and cashews worth \$6 million were utilized by the baking industry, in addition to \$5 million worth of peanuts from China, India, and Argentina, and \$4.5 million worth of cashews from Vietnam. The baking industry also utilized imported, premium nuts worth \$4 million, including almonds, hazelnuts, macadamias, pecans, pistachios, and walnuts. Most of the products were sourced from the United States by key importers.

Table 1. Summary of the Philippine Baking Industry’s Utilization of Imported Nuts

Imported Nuts	Baking Industry’s Utilization	Percentage of Total Importation
Peanuts	\$5 million	11%
Cashews	\$4.5 million	38%
Other Nuts	\$4.1 million	45%

Sources: USDA-FAS Manila research and interviews, and P/BOC data.

Figure 10. Types of Imported Nuts Utilized by the Baking Industry

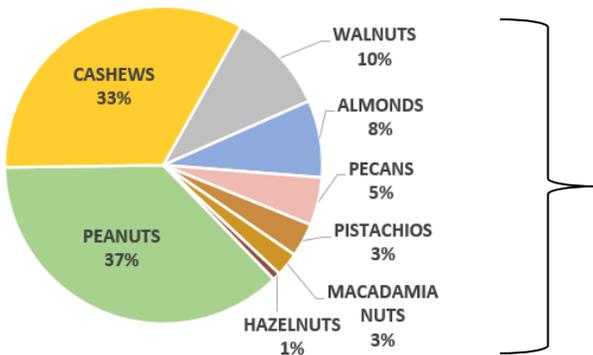
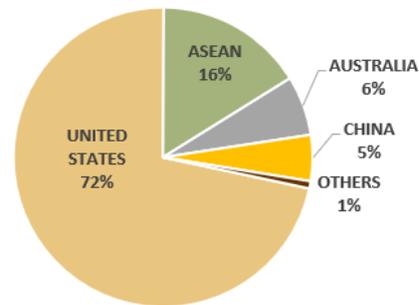


Figure 11. Sources of Imported Nuts (Excluding Peanuts and Cashews) Utilized by the Baking Industry



Sources: USDA-FAS Manila research and interviews, and P/BOC data.

Cocoa Powder and Chocolates

In 2022, the baking industry utilized about \$4 million worth of locally sourced cacao products, and \$8.5 million worth of imported cocoa powder and chocolates. The United States was the second-largest

² The local production of peanuts and cashew has been slowing down, prompting imports to fill the gap. From 2018 to 2022, the production of peanuts grew at a minimal CAGR of one percent, while cashew production CAGR was -12 percent. Meanwhile, importations of peanuts and cashews grew at a CAGR of two percent and 16 percent, respectively (Philippine Statistics Authority and Trade Data Monitor).

supplier of imported cocoa and chocolates. The imported products were predominantly sourced by key importers and general traders.

Figure 12. Sources of Imported Cocoa Products

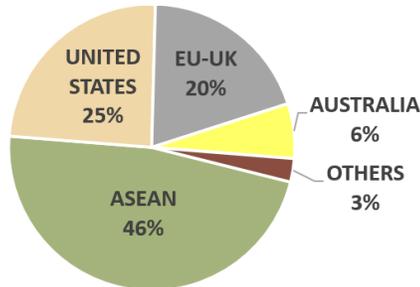
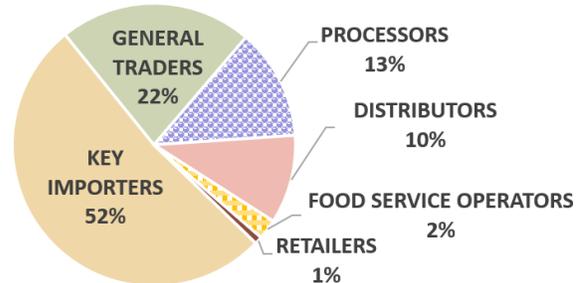


Figure 13. Shares of Cocoa Products Importers



Sources: USDA-FAS Manila research and interviews, and P/BOC data.

Dairy Products

The Philippines imported \$1.5 billion worth of dairy products, accounting for 99 percent of its dairy requirement in 2022. Of this, an estimated \$100 million worth of dairy products, or seven percent of total imports, flowed through the baking industry. Based on interviews with the trade, the types of dairy products that were commonly used by the baking industry included butter, buttermilk, cheeses (i.e., cream cheese, cottage cheese, mozzarella, and cheddar), cream, crème fraiche, milk (whole, skimmed, and concentrated), sour cream, and yogurt. The United States was the largest dairy supplier and held a 35 percent market share. For more information, see the USDA GAIN report entitled “[Philippines: Dairy and Products Annual](#).”

Egg Products

In 2022, the local production of eggs in the Philippines was valued at \$1.6 billion, according to the Philippine Statistics Authority (PSA). Of this amount, around \$130 million worth of eggs or eight percent of total production was used for baking. Additionally, the country imported \$9 million worth of dried and frozen eggs, mainly from EU and India, with half of it being utilized by the baking industry. Only three percent of imported egg products were sourced from the United States.

Egg prices remain high through the second quarter of 2023, which local egg producers attribute to the increased cost of poultry feed, labor, and transportation, and challenges in storing eggs for extended periods. Meanwhile, the local egg processing industry is still in its infancy - producing only up to two metric tons of powdered eggs annually. This scenario presents a compelling opportunity for the U.S. egg industry to promote the availability, quality, and applications of egg products to local bakers. By highlighting the benefits of using egg products, such as their long shelf life, lower wastage and labor cost, convenience, versatility, and food safety, the U.S. egg industry can tap into a growing market and increase its market share. Market penetration can be fast tracked by promoting a specific product application (e.g., “Sans Rival³ meringue powder”).

For more information on local egg production, see the USDA GAIN report entitled “[Philippines: Livestock and Poultry Update](#)” and PSA’s [Chicken Situation Report](#).

³ Sans Rival is a popular Filipino layered cake made with crispy meringue layers, butter cream frosting, and chopped nuts.

Sugar and Other Sweeteners

Despite being a major producer of sugar, the Philippines relies on imports to supplement local production. Imported sugar accounts for about 10 percent of overall consumption. For more information, see the USDA GAIN report entitled “[Philippines: Sugar Annual](#).”

In 2022, the baking industry used an estimated \$135 million worth sugar and sweeteners, both locally sourced and imported. Consumers are feeling the impact of an ongoing sugar crisis, as the current prices of baked goods have increased by at least six percent when compared to prices in June 2022. Low to middle income consumers have reduced their consumption of baked goods or have turned to cheaper alternatives.

The baking industry uses high fructose corn syrup (HFCS) for certain baked goods that require moisture retention, browning, and flavor stability. While HFCS can replace sugar in some baked goods, the high excise tax imposed on HFCS has made the product more expensive than sugar.

Artisanal bakers are responding to the needs of low-sugar dieters by using alternative sweeteners like coconut sugar, honey, maple syrup, molasses, and stevia. Dieters turn to blogs and social media to find these products. The popular [Walter brand of sugar-free bread](#) is among the options found in supermarkets nationwide.

Oils and Shortenings

Roughly \$60 million worth of oils and shortenings, both local and imported were utilized by the baking industry in 2022. For more information, see the USDA GAIN reports entitled “[Philippines: Oilseeds and Products Annual](#)” and “[Philippines: Livestock and Poultry Update](#).”

Leavening Agents

In 2022, the Philippines imported leavening agents, such as yeast and baking powder, worth \$49 million. Out of this amount, roughly 40 percent, equivalent to \$20 million, was utilized by the baking industry. Almost 90 percent of the products were brought into the country by key importers and exclusive distributors of certain brands. The rest were imported by general traders, retailers, and processors. The United States can potentially increase its market share by promoting well-known brands. In addition, \$10 million worth of locally produced yeasts and baking powders flowed through the baking industry.

Figure 14. Shares of Leavening Agents Importers

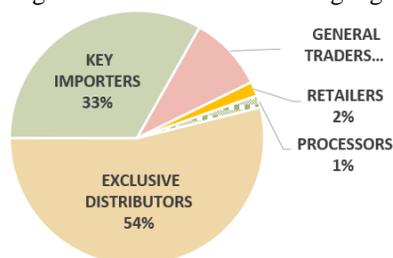
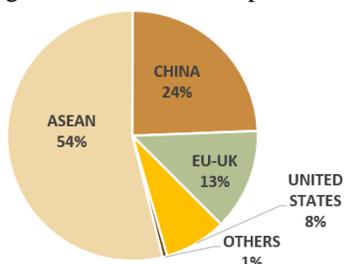


Figure 15. Sources of Imported Leavening Agents



Sources: USDA-FAS Manila research and interviews, and P/BOC data.

Flavorings

Bakers use many different types of flavorings, including salt, extracts, essences, spices, and flavored syrups. USDA-FAS Manila estimates that the Philippine baking industry utilized \$8 million worth of imported flavorings, and up to \$22 million worth of locally produced flavorings in 2022. U.S. exporters can take advantage of this demand by introducing new flavors.

Opportunities, Product Applications, and Trends

- **Food Safety:** The Philippine Food and Drug Administration (P/FDA) has been increasing its focus on food safety regulations. This presents an opportunity for U.S. exporters of baking ingredients to emphasize their adherence to strict food safety standards.
- **Health and Wellness:** As people prioritize their health, the desire for baked goods advertised as “healthy” or “better-for-you” rises. To meet this demand, bakers are utilizing alternative flours and sweeteners, certified organic ingredients, and functional additives like fiber and probiotics, and decreasing components such as fat and salt. P/FDA recently banned the sale of prepackaged, processed food products that contain partially hydrogenated oil, and industrially produced trans-fatty acids exceeding two grams for every 100 grams or milliliter. For more information, see P/FDA’s [“Updated Guidelines on Prepackaged Processed Food Products Containing Industrially Produced Trans-Fatty Acids.”](#)
- **High Quality:** [Liberty Food Mart](#), a bakeshop with a rich history, capitalized on the exceptional quality of U.S. wheat by featuring the American Quality Wheat seal on the packaging of its breads. This move was promoted by U.S. Wheat Associates on its Go Wheat Facebook [page](#). Other companies that leverage the American Quality Wheat seal include [RFM](#), [Cindy’s](#), [Tinapayan](#), and [Bagong Pag-asa Bakery](#). Gardenia proudly brands one of its loaf breads by using the term “California Raisin.” Similarly, raisin products from brands such as [SM Bonus](#), [Mother’s Best](#) and [RAM](#) use the word “California” or the California Raisins quality seal to promote their products on retail shelves.
- **Visually Stunning Cakes and Pastries:** Fueled by the popularity of social media, affluent consumers are constantly on the lookout for visually stunning desserts that not only taste delicious but are also 'Instagram-worthy'. This demand is driving skilled bakers to use high-quality ingredients and execute innovative designs.
- **Artisanal vs. Affordable Breads:** Artisanal bread is gaining popularity, with consumers willing to pay a premium for handcrafted bread made from high-quality ingredients that are also visually appealing. There is a surge in baking enthusiasts who are honing their skills and creating baked goods for personal consumption, or to sell to family and friends. In contrast, the Pinoy brand offers affordable sliced, loaf bread and *pan de sal*. The Pinoy brand is an ongoing project of the Philippine Department of Trade and Industry, P/FDA, and bakery associations, including the [Filipino-Chinese Bakery Association, Inc.](#) (FCBAI), Philippine Baking Industry Group, and Philippine Federation of Bakeries Association, Inc., along with large-scale bakeries, such as [Gardenia](#), [Liberty](#), [Marby](#), [MLM Fortune](#), [Sarimonde](#), [Sunmaru](#), [The French Baker](#), [Uncle George](#), and [Tinapayan](#) to meet the daily needs of most Filipinos. Each supermarket nationwide is supplied with Pinoy bread by assigned bakers. Although the packaging appears generic, the manufacturer's name is printed on the front and side panels. Pinoy breads are sold at 35 percent less than the other brands, and account for 20 percent of the bread market.
- **Convenience:** With busy lifestyles, consumers are looking for convenient and on-the-go options. Bakers are responding to this trend by offering packaged baked goods that are easy to grab and eat.
- **Bakery Fair 2025:** Organized by FCBAI once every two years, "[Bakery Fair](#)" is the largest bakery event in the Philippines. The fair features various exhibitors, workshops, and competitions. The next Bakery Fair is scheduled to be held in 2025 at the World Trade Center in Manila.



Import Regulations and Requirements

Import Requirements

Importer's Accreditation

Only importers that are accredited by Philippine government regulatory agencies may import food and agricultural products into the Philippines. For unprocessed and semi-processed plant products, whether fresh, dry, flour, chilled, or frozen, accreditation is obtained from the Philippine Bureau of Plant Industry (P/BPI). Note: In practice, if an unprocessed or semi-processed plant product will be offered for retail sale without undergoing further processing, the importer is required to obtain additional accreditation from P/FDA. For all processed products, including dairy and egg products, accreditation is obtained solely from P/FDA.

No documents are required from the U.S. exporter.

Import Clearance and/or Certificate of Product Registration

An importer must obtain import clearance from P/BPI prior to each and every importation of an unprocessed or semi-processed plant product. Note: In practice, if an unprocessed or semi-processed plant product will be offered for retail sale without undergoing further processing, the importer is also required to obtain a Certificate of Product Registration (CPR) from P/FDA.

For processed products, an importer must obtain a CPR prior to the initial importation. The importer must present the CPR at the port of entry when the product arrives. Based on [Administrative Order No. 2014-0029](#), initial CPRs are valid for a minimum of two years and a maximum of five years, and renewals are valid for five years.

U.S. Exporter Documentary Requirements

- For unprocessed or semi-processed plant products, a phytosanitary certificate issued by the U.S. competent authority must accompany all shipments entering the Philippines.
- For processed products, the importer will need to obtain one of the following documents from the U.S. supplier when applying for a CPR:
 - Foreign Agency Agreement/Certificate of Distributorship/Appointment Letter
 - Proforma Invoice
 - Memorandum of Agreement

One of the following documents is also required:

- Manufacturer's Certificate of Registration with Good Manufacturing Practices compliance or its equivalent
- ISO 22000 Certification or HACCP Certificate
- Phytosanitary Certificate/Health Certificate/Certificate of Free Sale issued by a U.S. government regulatory agency or health authority stating that the product is freely sold in the United States and/or fit for human consumption.

Notes:

1. The import clearance will state if there are pre-entry requirements that need to be fulfilled before the products are shipped out. If the pre-entry requirements are unreasonable, U.S. suppliers may contact USDA-FAS Manila for assistance.
2. For more information, see the USDA GAIN report entitled "[Philippines: Food and Agricultural Import Regulations and Standards \(FAIRS\) Report.](#)"

Tariff and Value Added Tax

Tariff Rates

The United States faces strong competition due to a tariff disadvantage, as the Philippines applies a Most Favored Nation (MFN) tariff rate on imported products that are not sourced from any of the country's [free trade agreement partners](#). However, despite the higher prices resulting from this disadvantage, Filipino bakers have a general preference for U.S. baking ingredients due to their superior quality and availability.

Import Value Added Tax

The Philippines has a Value Added Tax (VAT) system that applies to both local and imported goods. The standard VAT rate is 12 percent. For imported goods, VAT is calculated based on the total value of the imported product, customs duties, and other applicable taxes and fees. The importer is responsible for paying VAT to the Bureau of Internal Revenue.

All unprocessed products are VAT-exempt, including unprocessed fruits and vegetables that are whole, cut, sliced, broke, dried, fresh, chilled, frozen, shelled, skinned, or split. For more information, see the USDA GAIN report entitled "[Philippines: All Imported Fresh Fruits and Vegetables Now VAT Free.](#)" There are exemptions that apply to other products.

Table 2. Tariff Rates and Value Added Tax of Various Bakery Ingredients

HS Code	Product	MFN Tariff Rate	FTA Partners Tariff Rate	VAT
0401 to 0406	Dairy products	1% to 7%	0	Applicable
0408	Egg products	3%	0	Applicable
0802	Nuts			
	- Cashews	7%	0	Exempt
	- Other nuts (not including peanuts)	3%	0	Exempt
	Fruits			
	Fresh			
0804, 0808, 0809, 0810	- Strawberries	15%	0	Exempt
	- Other fruits	7%	0	Exempt
	Dried or frozen			
0806, 0811	- Raisins	3%	0	Exempt
	- Strawberries	15%	0	Exempt
	- Other fruits	7%	0	Exempt
1001	Wheat	7%	0	Exempt
1101	Wheat flour	7%	0	Applicable
1202	Peanuts	15%	0	Exempt
1514	Oils (for food use)*	3% to 10%	0	Applicable
1517	Shortening	15%	0	Applicable

1701	Sugar** - In-quota - Over-quota	50% 65%	5% 5%	Applicable Applicable
1805, 1806	Cocoa powder and chocolates	7%	0	Applicable
1901	Mixes and doughs	10%	0	Applicable
2008	Fruits, preserved (i.e., pie fillings) - Strawberries - Other fruits	15% 10%	0 0	Applicable Applicable
2102	Yeasts Prepared baking powders	3% 7%	0 0	Applicable Applicable
2106	Flavorings	1% to 7%	0	Applicable

Notes:

1. Sources: [Philippine Tariff Finder and P/BOC data](#).
2. *Palm oil can be imported for use as animal feed at zero tariff and with no VAT applied, which creates a loophole that smugglers can exploit to avoid paying VAT on imported palm oil for food use.
3. **The Philippines may raise the five percent tariff rate to the MFN level when imports from ASEAN sources reach a trigger level. For more information on Minimum Access volume (MAV) mechanism for sugar imports, see the USDA GAIN report entitled "[Sugar MAV Importation and the Philippine WTO Obligation.](#)"

Assistance and Further Information

USDA-FAS Manila can assist U.S. exporters in identifying potential importers in the Philippines.

Contact: USDA Foreign Agricultural Service
U.S. Embassy in Manila, Philippines
Phone: +632 5301-2000
Email: AgManila@usda.gov

Access the following GAIN reports through USDA-FAS Manila's [webpage](#):

- Philippines: Exporter Guide
- Philippines: Food Processing Ingredients
- Philippines: Food Service - Hotel Restaurant Institutional
- Philippines: Retail Foods

Attachments:

No Attachments.