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Australian Government

Australian Trade and Investment Commission

Philippine Wine Market

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An aerial night view of a city skyline, likely Manila, Philippines. The image shows a dense cluster of skyscrapers and high-rise buildings, many of which are illuminated with lights. The sky is dark with some clouds, and the city lights create a vibrant glow. A dark green banner is overlaid in the top right corner, containing the text "THE PHILIPPINES" in white, bold, uppercase letters.

THE PHILIPPINES

Market overview



Population

- 112.9 million*; 140 million by 2045
- World's 13th largest population
- Young population: 59% under 25



Employed workforce

95.7% (2023)

- Services (58.8%)
- Agriculture (24.3%)
- Industry (16.9%)



Digital Data

- 74% of the population use the internet
- 84.45 million are social media users
- Digital economy valued at USD 20B (USD 100B in 2030)
- Fastest growing e-commerce market globally
- #1 globally – time spent using mobile internet



Economy

- 5.6% GDP Growth in 2023
- Ave GDP growth rate: 5.8% (2013 – 2023)
- 6% growth forecast (2024)



Business Environment

#95/190 globally in EODB (2020)



Trade Relationship

- Australia's 17th largest trading partner (2022)
- Philippines is Australia's #3 agrifood market in ASEAN



FTAs

- AANZFTA since 2010
 - 95% of goods tariff-free, including wine
- RCEP

Philippine Wine Market



Imports (2023)

- USD 53.893 million (A\$82.36 million)
- 77.2% of imports were from the top 5 suppliers:



23.9%



19.6%



19.3%



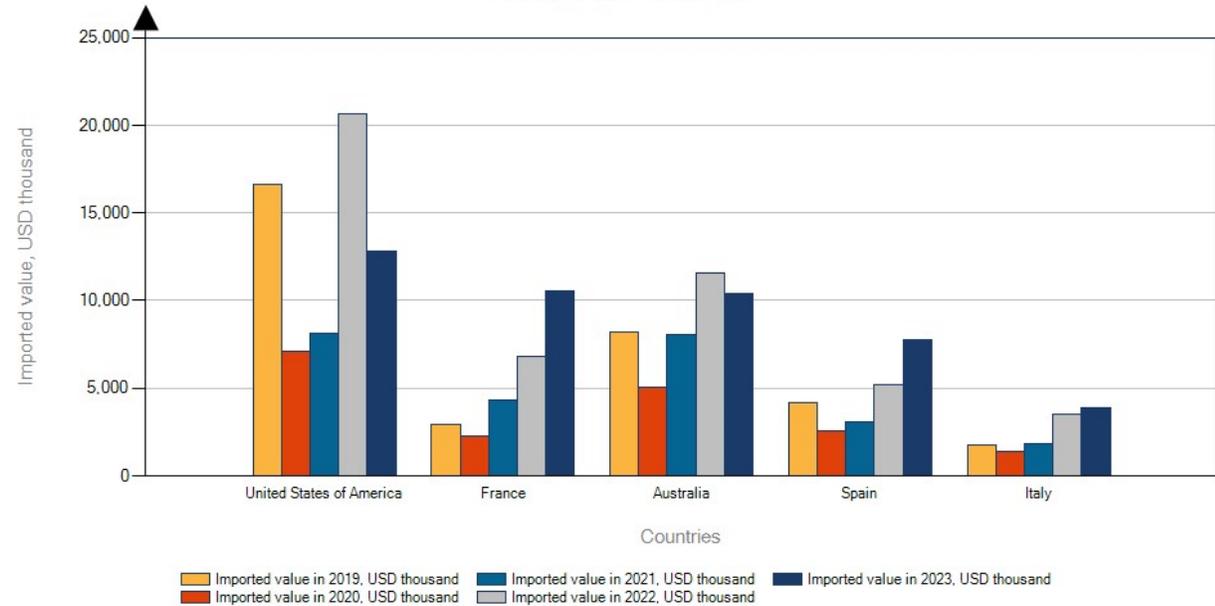
14.4%



7.2%

In Southeast Asia, the Philippines is ranked #5 by import value

List of supplying markets for a product imported by Philippines
Product: 2204 Wine of fresh grapes, incl. fortified wines; grape must, partly fermented and of an actual alcoholic strength of > 0,5% vol or grape must with added alcohol of an actual alcoholic strength of > 0,5% vol



Sources: Euromonitor, Fitch Solutions, Trade Map

Philippine wine sector – trade snapshot

Trade

- Around 20-30 wine importers/ distributors
- Retailers doing direct importation

Opportunities

- Entry level wine
- Wines from different regions in Australia
- Retail – direct importers
- Dessert wines

Challenges

- competition from beer category (still the most consumed alcoholic drink), and now also spirits
- Established importers have full AU portfolio

Sales of Wine (2023)	By volume (in million litres)	By value (in AUD million)
Off-trade	22.3 (82.3%)	336.53 (59.1%)
On-trade	4.8 (17.7%)	233.88 (40.9%)
Total	27.1	569.36

Classification	Retail price per 750 ml (Php)	Retail price per 750 ml (AUD)
Entry level (Budget)	Below 600	15.65
Mid-range	700 to 1,500	18.26 to 39.13
Sub-premium	1,600 to 3,000	41.74 to 78.26
Premium	3,000 up	79.00

Wine consumption in the Philippines

Market size (2018-2023)

	2018	2019	2020	2021	2022	2023
By volume (M litres)	22.1	24.1	22.7	23.8	25.4	27.1
By value AUD million	383.45	427.60	397.79	438.99	499.57	569.36

Forecast

	2024	2025	2026	2027	2028
By volume Million litres	28.6	30.1	31.4	32.3	32.9
By value AUD million	614.57	661.68	711.65	762.99	814.02



Who drinks?

- Wines are still considered a drink of the higher-income consumer
- Beer still dominates but wine consumption growing
- Per capita wine consumption:
 - 0.4 litres per capita (2024-25)
 - 0.5 litres per capita (2025 onwards)
- Philippines' urban middle and upper classes –those upscaling their lifestyle choices
- Tourists and foreigners
- Males account for most purchases
- Female market and new wine drinkers



Marketing:

- Growing niche markets who are aspirational
- Targeting female consumers and young professionals



Preferences:

- 60% red
- Sweet palate (fruity); drier wines for more mature drinkers

Australia's wine exports to the Philippines

2023

- Total value: \$14.7 million (↓ 7.9%)
- Total volume: \$2.5 million litres (↓ 7.4%)
- Estimate: over 500 available Australian labels in PH

Wine Style	Selected Year value	Prior Year value
Still Red	\$ 9.44M	\$ 10.44M
Sparkling/Carbonated	\$ 2.97M	\$ 3.81M
Still White	\$ 2.13M	\$ 1.64M
Still Rosé	\$ 159K	\$ 78.84K
Other	\$ 5.4K	\$ 1.77K

Label Variety	Selected Year
Cabernet Sauvignon	\$ 3.48M
Moscato	\$ 3.37M
Shiraz	\$ 2.71M
Merlot	\$ 1.22M
Shiraz Blend	\$ 983K
Chardonnay	\$ 888K
No Label Claim	\$ 635K
Cabernet Blend	\$ 489K
Sauvignon Blanc	\$ 175K
Cabernet Sauvignon Blend	\$ 129K
Riesling	\$ 81.88K
Chardonnay Blend	\$ 77.44K
Pinot Noir	\$ 66.27K
Pinot Gris	\$ 36.92K
Pinot Grigio	\$ 36.28K
Grenache	\$ 25.88K
Semillon Blend	\$ 21.88K
Semillon	\$ 18.69K
Grenache Blend	\$ 14.69K
Montepulciano	\$ 2.89K

Source: Australian Wine Export Market Snapshot –Philippines- year ended December 2023

Path to market and Philippine regulations



Distributor requirement

- Find an importer/distributor
- Expectation of exclusivity and marketing support (which may include listing fees)
- Distributor accreditation with hotels and food service accounts



Duties and Taxes

- AANZFTA and RCEP
- 12% VAT
- Excise tax: Php 63.12/ litre (2024) (6% increase every year)



Trade Agreements

- AANZFTA: 0% tariff for wines in 2015 vs MFN 5%-7%
- Upgraded AANZFTA in 2024
- RCEP since June 2023
- Certificate of Origin (COO) Form for every shipment



Registration with the Food and Drug Administration (FDA)

- Importer/distributor to do online FDA registration
- License to Operate + Certificate of Product Registration
- FDA registration still applies to products sold online
- 3-4 months registration



Transport & Logistics

- Sea: with transshipment in Singapore, HK, other Asian ports
- Air: 31 direct flights

Australian Festival with Robinsons Retail



Straight from the Vineyard

Meet the Winemakers and enjoy a wine tasting experience at Grand Atrium, Shangri-La Plaza from October 13 to 16, 10am to 9pm!

 Laurent Barrier Saignonvot Freres	 Erwan Flaquet Chateau Brilette	 Graham Cranwick Cranwick Wines	 Anthony Murphy Terroir Estates	 Denys St. Pierre Wine Wings AWIC Australia
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Wine Fair
The Marketplace

THE MARKETPLACE Wine Fair Shangri-La Plaza



Taste of Australia Showcase Australia Day Reception

2023 Wines of Australia E-Commerce Campaign Winery.ph

AUSTRALIA
Shop all Aussie wines at 20% off
Promo runs from May 22 to June 21
ENTER THE CODE: AUS20OFF



*Limited to 100 redemptions
In partnership with the Australian Trade and Investment Commission

Wine Campaigns in the Philippines

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Thank you



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