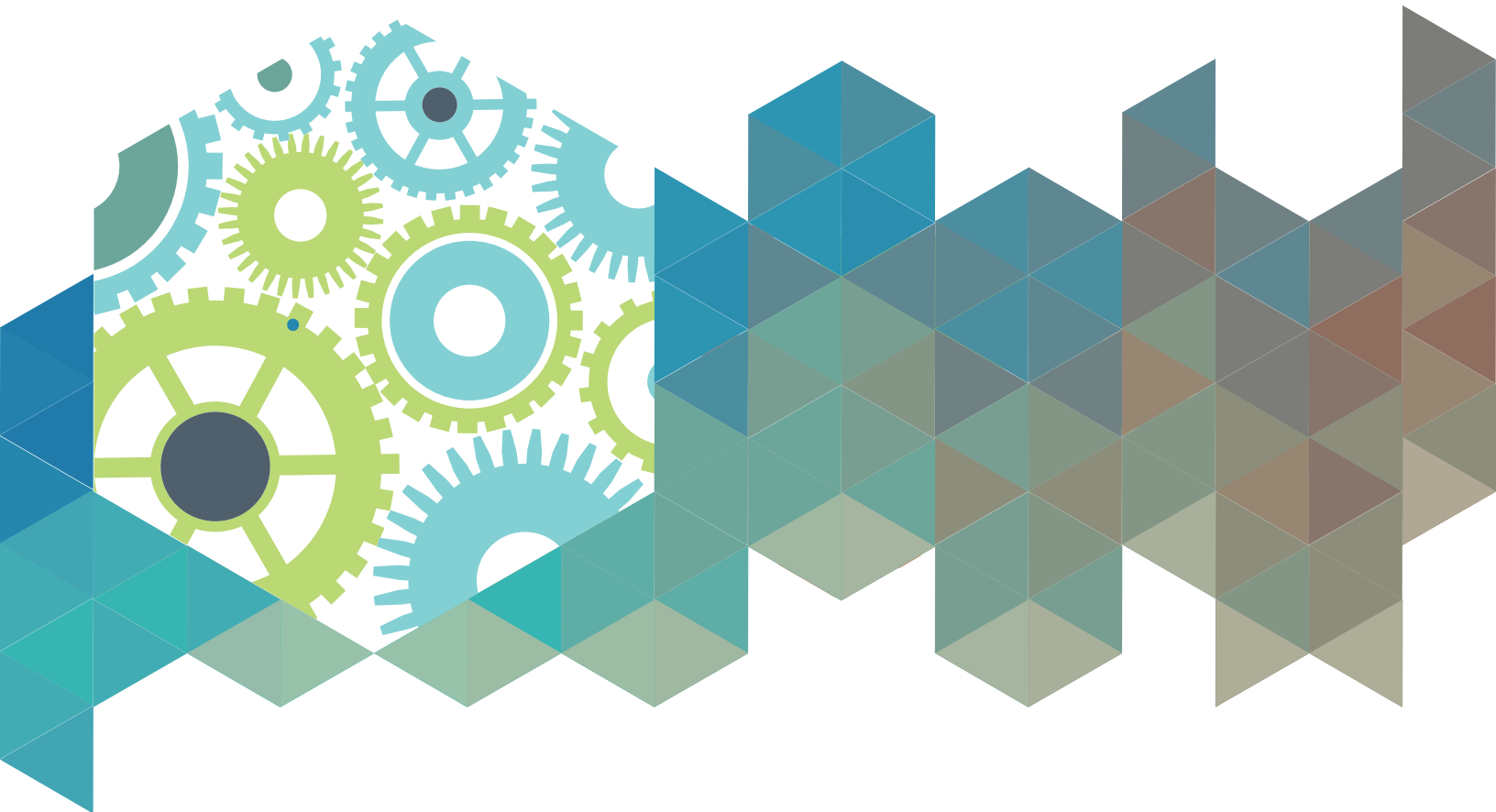


Philippine Export Development Plan 2015-2017





Philippine Export Development Plan 2015-2017





MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

MEMORANDUM CIRCULAR NO. 91

**APPROVING THE 2015-2017 PHILIPPINE EXPORT DEVELOPMENT PLAN
AND DIRECTING THE CONCERNED AGENCIES TO REVIEW ALL
RELEVANT POLICIES TO ENSURE THE IMPLEMENTATION
THEREOF**

Pursuant to the provisions of Article II of Republic Act (RA) No. 7844, otherwise known as the "Export Development Act of 1994," the attached 2015-2017 Philippine Export Development Plan (PEDP) is hereby **APPROVED**.

The following government agencies and entities are hereby directed to collectively work and review all relevant policies to facilitate exports and eliminate those that hamper its free flow:

1. Department of Trade and Industry (Lead Agency);
2. Department of Agriculture;
3. Department of Energy;
4. Department of Environment and Natural Resources;
5. Department of Finance;
6. Department of Foreign Affairs;
7. Department of Health;
8. Department of the Interior and Local Government;
9. Department of Labor and Employment;
10. Department of Public Works and Highways;
11. Department of Science and Technology;
12. Department of Transportation and Communications;
13. Bangko Sentral ng Pilipinas; and
14. National Economic and Development Authority.

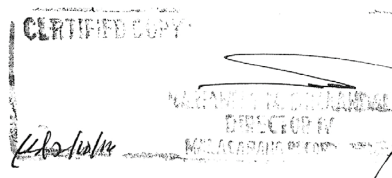
The Export Development Council (EDC) shall oversee the implementation of the PEDP and coordinate the formulation and implementation of policy reforms and promotion strategies. Further, the EDC shall ensure the biannual validation and updating of the PEDP pursuant to the provisions of RA No. 7844.

The foregoing agencies shall submit to the EDC and to the Office of the President, through the Executive Secretary, the inventory of relevant policies and action plans within sixty (60) days from the issuance of this Circular.

DONE, in the City of Manila, this 4th day of February, in the year of Our Lord, Two Thousand and Sixteen.

By the President:

PAQUITO N. OCHOA, JR.
Executive Secretary



CONTENTS

- 00 List of Annexes
- 00 List of Tables
- 00 List of Figures

EXECUTIVE SUMMARY

- 7 Export Performance
- 8 Constraints to Export Growth
- 9 Strategies for Growth and Development
- 9 Sector-focused Intervention
- II Towards an Inclusive Export Growth

I. EXPORT PERFORMANCE

- 13 Structure of Philippine Exports
- 17 Contribution of Exports to Domestic Economy
- 18 Past Performance
- 21 Benchmarking Philippine Exports with Selected ASEAN Economies

II. CONSTRAINTS TO EXPORT GROWTH

- 23 Product and Market Concentration
- 25 Trade Competitiveness Map
- 28 Comparative Advantage
- 29 Trade Competitiveness
- 30 Why Philippine export performance is lagging behind

III. STRATEGIES FOR EXPORT GROWTH AND DEVELOPMENT

- 34 Framework
- 34 Goals
- 35 Strategies

IV. EXPORT TARGETS

- 44 Assumptions
- 45 Targets

V. TOWARDS AN INCLUSIVE EXPORT GROWTH

- 47 Growth Metrics
- 49 Jobs
- 49 Value of Output
- 50 Compensation Income
- 50 Final Note

LIST OF ANNEXES

- 51 **Annex I.1** Profile of Philippine Goods Exports I
- 53 **Annex I.2** Profile of Philippine Goods Exports II
- 55 **Annex I.3** Profile of Philippine Services Exports
- 56 **Annex I.4** Origins of Domestic Value-Added in 2011 Philippine Exports, by Industry
- 57 **Annex II.1** Trade Map Analysis of Philippine Exports I
- 59 **Annex II.2** Trade Map Analysis of Philippine Exports II
- 60 **Annex II.3** Trade Map Analysis of Philippine Exports III
- 61 **Annex II.4** Revealed Comparative Advantage of Philippine Exports I
- 62 **Annex II.5** Revealed Comparative Advantage of Philippine Exports II
- 63 **Annex II.6** Revealed Comparative Advantage of Philippine Exports III
- 63 **Annex II.7** Constant Market Share Analysis of Philippine Exports I
- 65 **Annex II.8** Constant Market Share Analysis of Philippine Exports II
- 67 **Annex II.9** Export of Goods by Selected ASEAN Economies, 2013
- 69 **Annex II.10** Trade Map Analysis of Exports by Selected ASEAN Economies
- 71 **Annex II.11** RCA Analysis of Exports by Selected ASEAN Economies, 2013
- 73 **Annex II.12** Constant Market Share Analysis of Exports by Indonesia
- 75 **Annex II.13** Constant Market Share Analysis of Exports by Malaysia
- 78 **Annex II.14** Constant Market Share Analysis of Exports by the Philippines
- 80 **Annex II.15** Constant Market Share Analysis of Exports by Thailand
- 83 **Annex II.16** Constant Market Share Analysis of Exports by Vietnam
- 85 **Annex IV.1** Philippine Export Revenue Targets, 2015-2017
- 87 **Annex V.1** Input-Output Multipliers I
- 89 **Annex V.2** Input-Output Multipliers II
- 93 **Annex V.3** Projected Increases in Employment Consistent with Export Growth Targets
- 95 **Annex V.4** Projected Increases in the Value of Output Consistent with Export Growth Targets
- 97 **Annex V.5** Projected Increases in Compensation Income Consistent with the Export Growth Targets

LIST OF TABLES

- 13 **Table I.1** Philippine Exports of Merchandise and Services
- 14 **Table I.2** Composition of Philippine Goods Exports
- 15 **Table I.3** Philippine Export of Manufactured Goods
- 16 **Table I.4** Philippine Export of Services
- 17 **Table I.5** Decomposition of Philippine Exports
- 17 **Table I.6** Origins of Domestic Value-Added 2011, by Industry
- 18 **Table I.7** Comparison of Domestic Value-Added Share and Contribution of Exports to GDP in Selected ASEAN Economies, 2011
- 19 **Table I.8** Actual versus Target Export Revenues, 2011-2014
- 21 **Table I.9** Philippine Exports Compared to Selected ASEAN Countries
- 21 **Table I.10** Structure of Goods Export in Selected ASEAN Countries
- 24 **Table II.1** Top 10 Philippine Goods Export, 2006 and 2014
- 24 **Table II.2** Philippine Export of Services, 2006-14
- 25 **Table II.3** Top 10 Markets of Philippine Goods Export, 2006 and 2014
- 30 **Table II.4** CMS Analysis of Philippine Exports
- 31 **Table II.5** Comparison of Export Market and Product Diversification of Selected ASEAN Economies 2013
- 31 **Table II.6** Comparison of Trademap Analysis of Exports of Selected ASEAN Economies
- 31 **Table II.7** Competitiveness Analysis of Exports of Selected ASEAN Economies
- 32 **Table II.8** Comparative Advantage and Competitiveness of Exports of Selected ASEAN Economies
- 37 **Table III.1** Key Export Sectors
- 37 **Table III.2** Emerging Export Sectors
- 45 **Table IV.1** Projected Exports, 2015 vs. Actual Exports, 2014
- 45 **Table IV.2** Target Export Revenues, 2015-17
- 46 **Table IV.3** Target Exports by Major Sector, 2015-17
- 47 **Table V.1** Annual Increases in Export Revenues, 2014-2017
- 48 **Table V.2** Employment, Output and Income Multipliers of Selected Exports
- 49 **Table V.3** Projected Jobs Created Through Export Growth
- 49 **Table V.4** Projected Increase in Value of Production due to Growth in Exports (in billion pesos at 2006 prices)
- 50 **Table V.5** Projected Increases in Household Incomes due to Growth in Exports (in billion pesos at 2006 prices)

LIST OF FIGURES

- 19 **Figure I.1** Actual versus Target Export of Goods and Services, 2001-14
- 22 **Figure I.2** Trade Openness Index of Selected Economies
- 26 **Figure II.1** Dynamic Trade Map of Exports
- 27 **Figure II.2** Trade Map of Goods Exports, 2014
- 28 **Figure II.3** Trade Map of Services Exports, 2014
- 29 **Figure II.4** Distribution of 2014 Goods Export based on RCA and World Market Growth
- 29 **Figure II.5** Distribution of 2014 Services Export based on RCA and World Market Growth
- 30 **Figure II.6** Distribution of 2014 Goods Export based on CMS Analysis
- 35 **Figure III.1** Desired Change in Export Profile

EXECUTIVE SUMMARY

After a sharp fall in 2009 instigated by the global financial crisis, Philippine exports have made a significant recovery in the past four years. With the threat of another global recession receding and demand in traditional markets increasing, there is optimism that the growth momentum could be carried forward. However, such optimism is guarded in light of concerns of possible economic slowdown in China and slower than expected recovery in the United States, compounded by domestic supply bottlenecks.

Like many others caught in the middle-income trap,¹ exports would need more than a few years of sterling performance in order to have real impact. Economic growth stimulated by trade should be robust and sustained over an extended period to have a perceptible contribution in creating high quality jobs and reducing poverty. But the challenges of catapulting exports on a stable growth path remain formidable.

¹ The “middle-income trap” refers to the observation that a large proportion of those who successfully moved from low- to middle-income status in the 1960s have remained middle-income – some even regressing to low-income. The Philippines is among those economies that have had difficulty of transitioning to high-income status.

This document lays out a three-year plan of providing a business environment supportive of trade, growth and innovation that would enable domestic industries to establish their niches in regional and global markets, in turn, raising the status of the Philippines in the global value chain.

EXPORT PERFORMANCE

Exports of goods and services recorded an 8.6% increase in 2014, reaching US\$86.9 billion. This is the third consecutive year of positive growth. Goods constituted nearly four-fifths of total revenues, although it was the growth in services that kept the sector buoyed amid volatilities in global demand.

Manufactures dominated goods exports having a share of 83%. Increasing export of minerals has fairly reduced this share from 93% in 2000. But the real dent in the share of manufacturing was caused by the slump in electronics. Since the 1980s, electronics constituted the bulk of manufactured exports and dictated the performance of the export sector. In recent years, however, demand for electronics in the global market has been faltering and dragging the overall growth of exports. To be sure, there are significant improvements in exports of chemical products, wood manufactures and processed

food and beverages, but these are largely overshadowed by the decline in revenues from electronics.

In contrast, the phenomenal growth of IT-BPM (Information Technology-Business Process Management) that began in early 2000 has yet to be matched by other services sectors. In 2014, exports of computer and information services and other business services – technical and trade-related, collectively labelled here as IT-BPM, amounted to US\$17.3 billion or 70% of total services exports. The only other services with substantial shares are travel (19%) and transport (7%). Export revenues from telecommunication services have been fluctuating but generally declining due to new technologies and market liberalization.

By most measures, the Philippines lags behind its neighbors in export performance. In 2013, the country's export volume is just over a quarter of Thailand's, half of Vietnam's and a third of Indonesia's. Between 2006 and 2013, Philippine exports grew slower than its neighbors at 4.6% annually, compared to 17.9% of Vietnam, 9% of Indonesia and 9.2% of Thailand. Moreover, Philippine exports contributed much less to national income than exports of other ASEAN economies to their respective national incomes.

CONSTRAINTS TO EXPORT GROWTH

Several factors account for the weaker performance of Philippine exports. One factor is the concentration of revenues in few goods and services, which exposes the sector to shocks in demand and supply of these products. More than two-thirds of goods exports are accounted for by the top 10 products which include semiconductor, electronic data processing, machinery and transport equipment, woodcrafts and furniture and chemicals. Yet this is already an improvement

from 2006 when the top 10 represented 77% of revenues. There is even more lack of diversification in services exports. The share of IT-BPM has been steadily increasing from 51% in 2006 to 70% in 2014 as revenues from this industry more than tripled from US\$5.7 to US\$17 billion in the same period.

The sector is also dependent on a few markets. The top five destinations of Philippine exports, namely Japan, U.S., China, Hong Kong and Singapore delivered nearly half of the export revenues in 2014. Trading with other ASEAN economies, except Thailand and Malaysia, is still limited despite growing regional integration.

Apart from limited diversification in products and markets, the growth of exports is also hampered by competitiveness issues. A trade competitiveness mapping of 2014 exports reveals that the global demand for two-thirds of Philippine goods has either grown slower than overall world trade or contracted. The products for which the country has comparative advantage are among those with slow growing or declining demand in the global market. In the few products where global market demand is growing fast, Philippine producers have not kept pace with other producers and as result, lost some of their market share. The problems of weak demand and loss of competitiveness afflict almost half of total Philippine exports.

The loss of competitiveness can be traced to a host of domestic problems, including unnecessary and trade-impeding domestic regulations and government policies; high costs and deficient infrastructure; limited export financing especially for small and medium-scaled exporters; unstable supply of raw materials; shortage of domestic skills that match industry requirements; weak system of innovation in products and processes; and fragmented and poorly funded domestic

institutions that regulate product quality and industry standards. These problems stifle the ability of local producers to link up with the global value chain.

STRATEGIES FOR GROWTH AND DEVELOPMENT

To address the current woes of the export sector, a development plan should direct the sector towards: (1) diversifying into new markets and products; (ii) identifying and developing export capabilities in products where global market demand is fast growing; (iii) addressing bottlenecks that undermine the competitiveness of exports; and (iv) harnessing the potential of goods and services where the Philippines can be competitive but have yet to attain comparative advantage.

The long-term vision of this plan is to fully integrate the Philippine economy into the global production network. It is recognized that the essential role of the government with regard to this goal is the provision of a domestic business environment that facilitates trade, promotes competition, delivers on social infrastructures, opens up access to public goods, and promotes innovation. With a supportive market environment in the background, domestic producers could thrive, find their niche, and take advantage of scale and scope economies in the global value chain. Small and medium enterprises (SMEs) may need special attention, not only because they require more support, but also because their progress directly contributes to the attainment of inclusive growth.

To achieve export competitiveness, intervention has to be at two fronts – sectoral and macro. The first provides comprehensive support to selected sectors, while the latter works on lowering the common hurdles and costs faced by all producers.

SECTOR-FOCUSED INTERVENTION

The Philippine Development Plan (PDP) advocates intervention for sectors that contribute significantly to exports, have high growth potential, and for which the country is competitive and has comparative advantage. It is difficult to find such sectors meeting all these characteristics, especially since the global demand for many products where the country has comparative advantage is either weak or stagnant. Hence, many products exported in significant volumes have low growth potential, while exports of products with high growth potentials are still nascent and therefore relatively small.

To align PEDP with the PDP, some sectors have been selected to leverage on the country's comparative advantage, while others are chosen to exploit the opportunities presented by fast growing markets. Thus, the intervention in the next three years would be focused on two groups: key sectors or those which the Philippines has comparative advantage and thus exports in significant volume, and emerging sectors or those that have high growth potential, the demand for which the country could supply competitively in the global market.²

Six are designated key exports, namely: electronics, processed food and beverage, coconut oil, motor vehicle parts, and computer and information services and other business services – technical and trade-related (both are under IT-BPM), while exports of activated carbon,

2 Key exports are those selected having met one or several of the following criteria: (i) at least more than US\$1 billion export revenues in 2014; (ii) substantial adverse impact on employment if the sector falters; and (iii) high growth potential or remarkable export performance. Emerging exports are those products for which global demand has been increasing and for which Philippine export has been growing faster than world demand since 2006.

chemicals, metal components, and fresh and preserved fish are considered emerging.

Since intervention has been proven more effective when focused and comprehensive, the first strategy under the present plan provides for a package of comprehensive support to each of the key and emerging sectors. Such package consists of thorough and in-depth analysis of sector-specific global value chain, investment and marketing promotion, business matching, training and capacity building, financing options, and support for innovation, product development and design.

Learning from the lessons of past PEDP cycles, the interventions for the selected sectors must be accompanied by an organized system of monitoring and evaluation. Activities and support provided to these sectors will be monitored, periodically assessed, and if necessary, continually adjusted for effectiveness. The Department of Trade and Industry shall take the lead in this initiative.

Next, attention would be given to removing domestic regulations that unnecessarily raise the costs of production and market delivery. The measures include: (i) accelerating and completing reforms and modernization in the Bureau of Customs by urgently passing the proposed Customs Modernization and Tariff Act, and automating Customs procedures; (ii) full implementation of the new Cabotage Law allowing co-loading of foreign cargoes by foreign vessels; (iii) streamlining compliance procedures and regulatory requirements imposed by various agencies on traded goods; and (iii) coordination and harmonization of public policies particularly those that have significant impact on traded goods.

Third, uncompetitive cost and quality of services (energy, transport, communications and logistics) and inflexibilities in the labor market will be addressed by the following measures: (i) regulatory reform and promotion of market competition; (ii) tightening the link between pay and productivity through enterprise-based wage setting and implementation of productivity-based pay schemes; and (iii) promoting flexible yet legitimate work arrangements, such as flexible work schedules, telecommuting, job sharing and subcontracting.

Fourth, the quality of export goods and services will be continuously upgraded so as to deepen penetration in existing markets and diversify into new ones. Critical to this endeavor is promoting quality consciousness among local producers and establishing a strong national quality infrastructure (NQI). This would require, among others: increasing the resources of regulatory agencies for standards writing; setting up systems for voluntary labeling and certification; encouraging private sector to support NQI institutions and policies; and, delegating conformity assessment and voluntary standardization to independent and recognized institutions. Product quality would be promoted also by: (i) institutionalizing a supply chain group that would focus on key and emerging export sectors to accelerate export development; (ii) strengthening government training centers to ensure matching of available skills and industry requirements; (iii) encouraging the private sector to establish industry-led testing centers and skills development/training centers that will cater to the operational requirements of export-oriented firms; and (iv) broadening access of domestic producers to technologies and innovations, particularly those emerging from government programs and initiatives such as those of the Department of Science and Technology.

Fifth, exporters should be given more access to finance for market prospection, product development and market diversification. A quick fix to the long-standing problem of export financing is the full implementation of the Magna Carta for MSMEs, specifically the mandatory allocation of credit resources to the target beneficiaries of the law. Government institutions tasked to assist exporters in their financing requirements should step up in extending credit guarantees. In addition, new sources of credit should be explored such as tapping Aid-for-Trade for this purpose.

Sixth, to address the concentration of exports on few products and markets, the different government agencies and private sector should act in concert to exploit the opportunities offered by the ASEAN economic integration and other preferential trading arrangements. The government should engage more actively in information gathering and dissemination (including market intelligence), and capacity building of exporters. Through diplomatic efforts, the Philippine image as gateway of the US and EU to the ASEAN Economic Community should be bolstered. Simultaneously, the government should identify and assess the gains that the country may realistically obtain from its participation in various trading arrangements. It should also earnestly work on concluding mutual recognition arrangements (MRAs) on certification-enabled products, particularly Halal and organic products. Past initiatives to develop the country's export services capability, e.g., health information management, software development, medical tourism, retirement and education services, must be reviewed and revived when viable.

Seventh, a well-coordinated and sufficiently funded export and investment promotion campaign is needed to exploit the nexus of

foreign direct investment (FDI) and export activity. Hitherto export and investment promotion have been managed as separate initiatives. A joint campaign entails aggressive build-up of the country's image as an attractive site for production and investment, as well as rationalizing and linking investment and export incentives. The Philippines should also be able to match, if not surpass, the visibility of other ASEAN countries in trade fairs and significantly increase the frequency of exporters' and importers' business missions. For this, alternative sources of funding would have to be tapped to augment traditional sources and sustain the campaign.

Finally, sufficient attention will be given to nurturing and harnessing a national innovation system to enhance the innovative capacity of domestic producers. Concretely, this will involve unlocking the flow of knowledge and information among industries, universities and public research institutions; addressing systemic failures that undermine the capacity of industries to innovate; resolving mismatches between basic research in the public sector and academia and more applied research in the industry; raising the effectiveness of technology transfer institutions; and providing incentives for collaborative research and technology development among firms and with public research institutions.

TOWARDS AN INCLUSIVE EXPORT GROWTH

Successful implementation of the strategies laid out in this plan would help exports shrug off its uneven performance in past years, move towards a stable growth path, and attain the elusive US\$100-billion target by the end of the cycle. These could be achieved if exports would grow between 6.6 and 8.8 percent in 2016, and between 7.7 and 10.6 percent in 2017, to offset the projected contraction of about 1.2 percent in

2015. The growth targets translate to additional export revenues of US\$5.2 to US\$8.8 billion in 2016 and US\$8.5 to US\$15.5 billion in 2017.

A robust and sustained increase in exports would spur economic growth, create employment, and draw majority of the population into the social and economic mainstream. Ultimately, export-driven growth has the potential to help reduce poverty. Concretely, the export sector may be able to deliver between 800,000 and 1.4 million job opportunities in 2016, and between 1.2 and 2.3 million in 2017, to compensate for job losses in 2015 as a result of projected export decline. In all, the projected additional employment opportunities over the life of the plan, is between 500,000 and 2.8 million. This should help the country catch up with its neighbors and the rest of the world in trade and economic development.

EXPORT PERFORMANCE

The last three years witnessed a strong performance of Philippine exports, fueled by the recovery of the global economy from the financial crisis in 2009. Yet there is guarded optimism that the momentum could be carried forward to the next two years amid concerns of a moderate growth in China and slower than expected recovery in the United States, compounded by bottlenecks in the domestic supply chain.

Bearish projections are not new to the export sector as it is still grappling with the same challenges that have rendered it vulnerable to global market downturns for decades. The imperatives to diversify products and markets, raise productivity, upgrade quality and improve on cost competitiveness remain cogent if export

revenues are to endure gyrations in the global market.

This plan aims to catapult exports on a stable growth trajectory. The goal is not only to spur growth, but also to ensure that growth is sustained long enough to create high quality jobs and contribute to inclusive growth. Growth targets are set for the next three years and development strategies to meet these targets are laid out.

I. STRUCTURE OF PHILIPPINE EXPORTS

Between 2010 and 2014, export of goods and services registered an average annual increase of 5.8%, higher than the 5.1% average growth recorded over a longer period, 2006-2014 (Table I.1). Goods constituted nearly four-fifths of total

TABLE I.1
PHILIPPINE EXPORTS OF MERCHANDISE AND SERVICES (IN BILLION US DOLLARS; PERCENT)

	2011	2012	2013	2014	CAGR 2006-14	2010-14
Goods	48.04	52.99	56.70	62.10	3.4	4.8
Services	18.88	20.44	23.33	24.84	10.6	8.7
Total	66.92	72.43	80.03	86.94	5.1	5.8

Source of basic data: Philippine Statistical Authority (PSA) and Bangko Sentral ng Pilipinas (BSP)

revenues, but growth in services exports outpaced goods exports, 8.7% against 4.8%.

Bulk of goods exports, 83% in 2014, came from the manufacturing sector (Table I.2). Agro-based exports, consisting of coconut and sugar products, fruits, and vegetables, accounted for only 8%. The remaining balance is comprised of forest-based (mostly lumber), mineral (mainly copper), and petroleum products. Because of the overwhelming share of manufactures, its mediocre annual growth of 3.6% eclipsed the double-digit expansion in forest-based and mineral exports in the last five years.³

In turn, the slump in electronics dragged the performance of manufactured exports. Electronics is made up mainly of semiconductor, 70%, and electronic data processing (EDP), 19%. Since 2006, semiconductor exports had alternating boom and bust years, but generally declining by 2% annually, while export of EDP was nearly flat. These products have been dictating the growth of electronics, and also of total goods export because of their sheer size. Nonetheless, other electronic

products, specifically control and instrumentation, and medical and industrial instrumentation, have had solid performance in recent years, with average annual growth of 61% and 24% respectively.

Still, electronics was not the only one faltering; garment export also contracted by 4% annually during the same period. Several goods, however, such as chemicals, wood manufactures, machinery and transport equipment, and processed food and beverages, had double-digit expansion, allowing for at least a satisfactory growth in manufactured exports.

Unlike goods, most export of services had fair to substantial increases, which partially compensated for the weak showing of goods export. Services exports expanded at 10.6% annually during 2006 to 2014 (8.7% in 2010-2014). The most significant changes occurred in the information technology – business processing outsourcing (IT-BPM) sector which accounted for nearly 70% of services exports.⁴ Such changes were triggered by innovations that transformed into tradable services

TABLE I.2
COMPOSITION OF PHILIPPINE GOODS EXPORTS (IN MILLION US DOLLARS; PERCENT)

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Agro-based	4,015	3,579	4,248	4,659	12.4	10.9
Forest products	50	58	92	86	32.4	15.4
Mineral products	2,840	2,337	3,412	4,038	20.3	8.5
Petroleum	648	465	843	446	4.7	(8.6)
Manufactures	39,384	44,380	47,025	51,607	3.6	3.0
Others	1,368	1,280	1,077	1,265	(4.5)	(3.4)
Total	48,305	52,100	56,698	62,102	4.8	3.4

Source of basic data: PSA

3 Annexes I.1 to I.3 present a breakdown of exports into product groups followed by PSA, NEDA and BSP.

4 The IT-BPM sector is represented by computer and information services and other business services – technical and trade-related.

TABLE I.3**PHILIPPINE EXPORT OF MANUFACTURED GOODS (IN MILLION US DOLLARS)**

	2014	AVERAGE SHARE 2011-14	CAGR 2010-14	CAGR 2006-14
Electronic Products				
<i>Semiconductors</i>	18,587	39.1	(6.0)	(2.3)
<i>Electronic data processing</i>	5,805	9.6	1.4	0.1
<i>Office equipment</i>	373	0.8	11.3	4.2
<i>Consumer electronics</i>	406	0.7	8.5	(1.5)
<i>Telecommunications</i>	340	0.7	44.3	6.0
<i>Communication radar</i>	286	0.6	(19.9)	2.5
<i>Control and instrumentation</i>	740	0.8	79.3	60.7
<i>Medical industrial instrumentation</i>	133	0.2	39.3	33.6
<i>Automotive electronics</i>	121	0.9	(24.9)	(14.3)
<i>Other electronics</i>	2,977	5.3	19.2	15.4
<i>Total electronics</i>	29,767	58.6	(2.2)	(0.4)
Garments	1,854	3.8	2.2	(4.3)
Textile Yarns/Fabrics	247	0.4	9.9	1.5
Footwear	35	0.1	42.8	4.5
Travel goods and handbags	266	0.3	39.4	31.2
Wood manufactures	2,963	5.4	30.3	20.9
Furniture and fixtures	370	0.5	24.9	3.8
Chemicals	2,754	5.2	15.1	17.5
Non-metallic mineral manufactures	327	0.5	19.1	7.5
Machinery and transport equipment	5,318	9.4	20.0	15.2
Processed food and beverages	1,449	2.8	11.7	12.1
Iron and steel	108	0.4	(8.5)	(9.6)
Baby carriage, toys, games and sporting goods	291	0.6	14.7	8.5
Basketwork, wickerwork and other articles of plaiting materials	49	0.1	3.0	(0.9)
Miscellaneous manufactured article, n.e.c.	688	1.8	19.5	10.0
Other manufactures	5,121	10.2	13.6	11.2
Total	51,607		3.6	3.0

Source of basic data: PSA

many activities previously requiring geographical proximity between the services provider and customer. Just over a decade ago, when fewer activities were tradable, nearly three-fifths of trade revenues from services were derived from travel (tourism).⁵

In sum, the modest growth of exports in recent years can be explained by the strong performance of the IT-BPM sector, which was, however, attenuated by the decline in electronics and garments. The rise in exports of other goods such as chemicals and wood manufactures, helped keep the sector afloat amid the lackluster performance of traditional exports.

TABLE I.4
PHILIPPINE EXPORT OF SERVICES⁶ (IN MILLION US DOLLARS; PERCENT)

	2014	AVERAGE SHARE 2011-14	CAGR 2010-14	CAGR 2006-14
Transportation, of which:	1,744	7.4	6.7	8.0
<i>Passenger</i>	934	4.2	4.1	7.9
<i>Freight</i>	560	2.2	11.1	7.8
<i>Other</i>	251	1.0	8.2	8.6
Travel	4,767	18.4	15.9	3.8
Construction	46	0.4	(21.6)	(5.0)
Insurance and pension	127	0.4	17.5	10.9
Financial services	172	0.5	10.3	5.0
<i>Explicitly charged and other financial services</i>	63	0.2	15.9	(5.7)
<i>Financial intermediation services indirectly measured</i>	110	0.3	7.7	27.2
<i>Charges for use of intellectual property, n.i.e.</i>	10	0.0	24.0	5.8
Telecommunication, computer and information services	3,472	14.1	11.6	16.6
<i>Telecommunication services</i>	349	1.9	3.3	(5.7)
<i>Computer services</i>	3,121	12.1	12.8	27.2
<i>Information services</i>	2	0.0	5.1	9.5
Maintenance and repair n.i.e.	79	0.4	(7.1)	6.6
Other business services	14,276	57.9	6.5	13.3
<i>Research and development services</i>	59	0.1	43.3	24.9
<i>Professional and management consulting</i>	44	0.1	21.7	15.7
<i>Technical and trade-related</i>	14,173	57.7	6.4	13.3
Personal, cultural and recreational	128	0.4	32.9	22.0
<i>Audiovisual and related services</i>	54	0.2	18.4	10.7
<i>Other personal, cultural and recreational services</i>	75	0.2	52.5	53.5
Government goods and services, n.i.e.	14	0.1	3.8	
Total services exports	24,837		8.7	10.6

Source of basic data: BSP

5 In 2000, travel services amounted to US\$2,156 million, 63.8% of total exports (US\$3,377 million).

6 See Annex I.3 for 2011-2014 data and CAGR 2010-2014 and 2006-2014.

2. CONTRIBUTION OF EXPORTS TO DOMESTIC ECONOMY

The domestic value-added embodied in exports represents the contribution of exports to national income.⁷ Based on most recent WTO-OECD estimates published in June 2015, direct and indirect domestic value-added, including re-

imports, reached US\$53 billion, or 75% of gross exports in 2011.

About 95% of the US\$53 billion value-added from exports originated from manufacturing and services (Table I.6). Agriculture and mining and quarrying accounted for only 2% and 3%, respectively.

TABLE I.5
DECOMPOSITION OF PHILIPPINE EXPORTS (IN MILLION US DOLLARS, UNLESS OTHERWISE SPECIFIED)

	1995	2000	2005	2011
Gross exports	25,623	31,432	41,103	71,622
consisting of:				
(i) Direct domestic VA	11,773	12,662	16,525	34,745
(ii) Indirect domestic VA (from domestic intermediates)	5,728	8,309	8,792	19,069
(iii) Re-imported domestic VA	9	18	34	29
Total domestic value-added	17,510	20,989	25,351	53,843
(iv) Foreign value-added	7,525	10,360	15,539	16,615
Share of domestic value-added in gross exports, (%)	68.3	66.8	61.7	75.2

Source: WTO-OECD TIVA

TABLE I.6
ORIGINS OF DOMESTIC VALUE-ADDED 2011, BY INDUSTRY⁸

	DOMESTIC VALUE-ADDED US\$ MILLION)	DOMESTIC VA IN GROSS EXPORTS (%)	SHARE IN TOTAL DOMESTIC VA (%)
Agriculture, hunting, forestry and fishing	1,305	90.6	2.4
Mining and quarrying	1,469	81.0	2.7
Manufactures	26,608	71.0	49.4
Services	24,460	79.2	45.4
Total	53,843	75.2	100.0

7 The value of exports consists of: (i) direct domestic value-added created by the export producing industry; (ii) indirect domestic value-added created through purely domestic transactions between the export producing industry and other domestic industries; (iii) indirect domestic value-added embodied in imports that were used in producing exports; and (iv) direct foreign value-added embodied in the same imports. The sum of the first three components is the domestic value embodied in exports. Recently, the World Trade Organization (WTO) and Organization of Economic Co-operation and Development (OECD) have developed a system for tracing the flow of value-added (as opposed to the flow of value of goods and services) across borders. The rationale for developing such

a metric (labeled Trade-in-Value Added, TIVA) can be traced to the recognition that production networks have become global and fragmented. From this perspective, trade is seen as a flow of "tasks" rather than of values of goods and services. Each task builds up the value of a product or service as it crosses borders and undergoes further processing. Conventional trade statistics measure exports in "gross" terms, hence the value of a product is counted as many times as it crosses borders. This multiple counting of values, in turn, leads to an incorrect representation of the true contribution of trade to domestic income and economic growth.

8 Annex I.4 present a more detailed sector-level accounting of value-added embodied in exports.

The domestic content of export should not be confused with its contribution to national income. The former is measured by the ratio of domestic value-added to gross exports; the latter by the ratio of domestic value-added to total value-added produced in the economy or gross domestic product (GDP). Agriculture and mining and quarrying sectors have higher domestic content, 91% and 81%, respectively, than manufactures and services, 71% and 79% respectively, but their contributions to total domestic value-added are marginal.

In 2011, the domestic value-added embodied in exports was 24% of GDP, which is notably higher compared to 19% of 2009 but less than 26% obtained in 2000. It also pales in comparison to respective contributions of exports in Vietnam, Thailand and Malaysia, which were 45%, 44% and 54%, respectively.

3. PAST PERFORMANCE

After a seven-year bullish run, Philippine exports contracted in 2008 from US\$64 billion of the previous year to US\$62 billion; then fell sharply the following year to US\$53 billion, at the heels of the global financial crisis and natural disasters in Japan. In 2010, however, exports managed to snap the trend and regained what it lost in the past two years. That year saw exports climb

unprecedentedly by 32% to reach US\$69 billion. Swayed by this euphoric recovery, the PEDP 2011-13 projected that by 2016, exports would reach twice its 2010 value. But over the next three years, exports treaded below the projected trajectory. It was only in 2014 that exports exceeded its target - the first time since 2007.

Actual versus Target Exports

On a year-to-year basis, Philippine exports in 2014 of US\$86.9 billion topped previous year's earnings by 8.6% against a target of 8%. While the overall target was met, export of services was actually in deficit by about US\$2 billion, whereas export of goods, in surplus, by almost the same amount.

Goods and services exports have had contrasting feats against their respective targets as shown in Figure I.1. Until 2007, goods export exceeded its targets as services export fell behind. Thereafter, the trends were reversed. Thus in 2013, goods export was US\$14.5 billion below target, whereas actual services export was US\$1.05 billion above target. In addition, whereas services export was steadily increasing, goods export was relatively volatile.

Several factors may explain the divergence of actual from target exports. The Philippines, a small participant in the world market, is nearly

TABLE I.7
COMPARISON OF DOMESTIC VALUE-ADDED SHARE AND CONTRIBUTION OF EXPORTS TO GDP IN SELECTED ASEAN ECONOMIES, 2011

	PHL	IDN	VNM	THA	MYS
Gross Exports (US\$ billion)	71,621	222,640	94,945	250,506	264,621
Share of domestic VA in gross exports	76.42	88.03	63.74	61.01	59.38
Domestic VA embodied in exports as % of GDP	24.02	23.11	44.63	44.02	54.04

Source: WTO-OECD TIVA

defenseless against global downturns that have been quite difficult to anticipate of late. Although it is difficult to pin down the impact of global shocks on exports, it is fair to ascribe a considerable part of the divergence to these events.

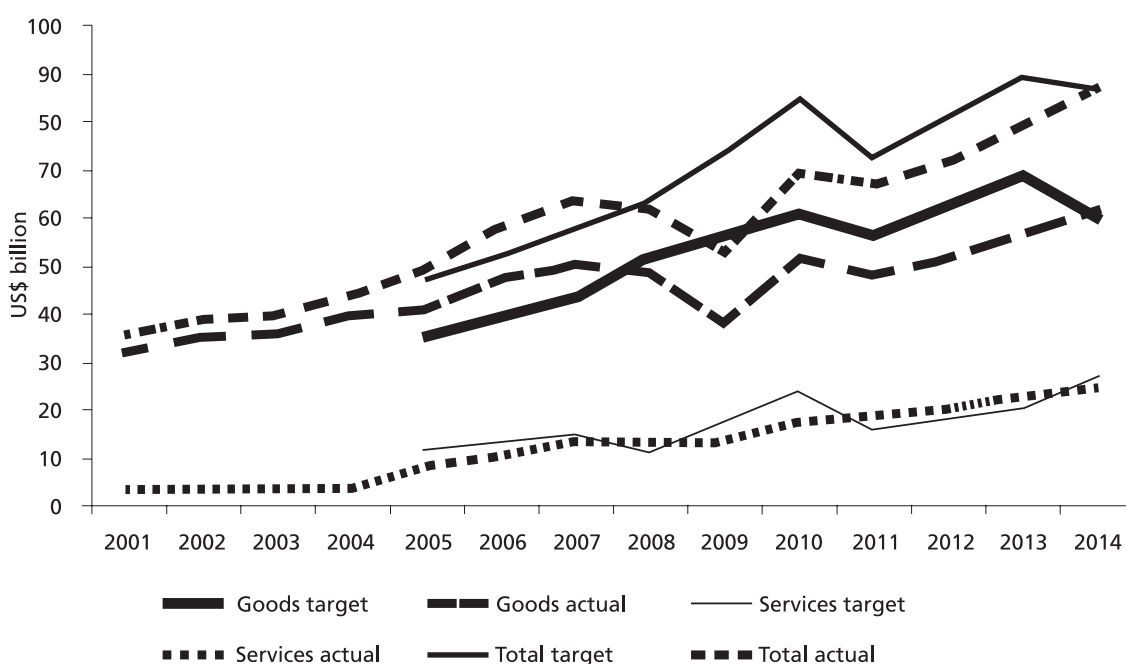
Perhaps the most significant among these shocks was the confluence of events at the turn of the century. In 2001, the world economy grew 40% less than in the previous two years. The economic recession in the biggest markets for

TABLE I.8
ACTUAL VERSUS TARGET EXPORT REVENUES, 2011-2014

	2011		2012		2013		2014	
	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET
In billion US dollars								
Total Exports	67.18	76.90	72.54	85.36	80.03	94.75	86.94	86.94
Goods	48.31	56.65	52.10	62.31	56.70	68.54	62.10	60.10
Services	18.88	20.81	20.44	24.13	23.34	27.75	24.84	26.84
Year-on-year (YOY) Growth								
Total Exports	(3.0)	11	8.0	11	10.5	11	8.6	8
Goods	(6.2)	10	7.9	10	9.0	10	9.5	6
Services	6.2	17	8.3	16	14.8	15	6.4	15

Note: YoY growth targets for 2014 were based on DBCC's projection.

FIGURE I.1
ACTUAL VERSUS TARGET EXPORT OF GOODS AND SERVICES, 2001-14



Sources: EMB for actual and target goods export and target services export; BSP for actual services export.

Philippine exports (Japan and US) was exacerbated by conflict in the Middle East, inflation in the EU, pressures on food prices from animal health epidemics, the September 11 tragedy, and the burst of the IT bubble. These events shrank world trade that was then only recovering from the impact of the Asian financial crisis in 1997. Philippine exports plummeted to US\$35.2 billion in 2001 from US\$41.5 billion a year before.

Early in 2002, the impact of the September 11 tragedy on global trade became more apparent. The US and EU tightened their import regimes through such measures as the US Bio-terrorism Act,⁹ International Ship and Port Facility Security Code, and SPS standards. Apart from security concerns, the SARS epidemic and Iraq war provided more justification for protectionism. Nonetheless, Philippine exports managed to record some recovery, rising to US\$38.6 billion.

Until 2007, Philippine exports registered growth despite global market conditions. Such growth probably could have been higher if not for these negative events. The weakening of global demand for electronics in 2003 pulled down Philippine exports because of its disproportionate share in the product mix. However, non-electronic exports made up for the slack, hence Philippines exports still managed to post minimal growth during that year.

The recovery of world demand in 2004, propelled by economic growth in China, Russia, and India, helped sustain the growth momentum of Philippine exports. Better oil revenues, and increased investment and household consumption in the US also contributed to recovery. Exports to

Japan improved as it recovered from recession. EU exports also trended with the regional economic upswing. The locus of manufacturing shifted from the US to China, benefiting the ASEAN in general. Intra-ASEAN trade in turn favored Philippine exports. However the garment quota phase-out was also completed in 2004, which dampened some of the progress of exports.

In 2005, US imports contracted because of domestic recession, restrictive foreign policies, and unconcluded negotiations with trade blocs. The impact of the recession on Philippine exports was partially offset by increasing demand from China, specifically for garments and electronics, and more vibrant trade with the rest of Asia. The Philippine mineral industry also grew, encouraged by the passage of Mining Act and rising prices of metal in the world market. There was also an uptick in services exports, due to expansion in insurance and IT-BPM.

The contraction in the US economy in 2005 was eclipsed by the financial crisis that ensued after the collapse of the Lehman Brothers financial services firm in 2008. Philippine exports dropped from US\$64 billion in 2007 to US\$ 52.5 billion in 2009 because of depressed global demand; rebounded in 2010, reaching US\$69.3 billion, but fell again in the following year.

Since 2012, however, Philippine exports have remained on the growth track after developed economies extricated themselves out of recession and demand in traditional markets recovered. Thus, despite natural calamities in the last quarter of 2013 and port congestion in the second and third quarter of 2014, exports grew quite unexpectedly above target in 2014.

9 The US Bio-terrorism Act was enacted in June 2002, while the International Ship and Port Facility Security Code, an amendment to the Safety of Life at Sea (SOLAS) Convention (1974/1988) came into force in 2004.

4. BENCHMARKING PHILIPPINE EXPORTS WITH SELECTED ASEAN ECONOMIES

Apart from falling short of its own growth targets, the Philippine export sector needs to catch-up with its neighbors. Exports of Indonesia, Malaysia, Thailand and Vietnam overshadow Philippine exports in size and rate of growth, as shown in Table I.9. Since Vietnam's exports have been growing at a phenomenal pace, it surpassed the symbolic US\$100-billion export way ahead of the Philippines. Back in 2006, Philippine export was US\$47 billion against Vietnam's US\$40 billion. But by 2013, the former has been reduced to only 56% of the latter.

To be sure, the differences are neither fortuitous nor temporal, owing for example to unusual increase in trade prices of certain commodities. The shares of extractive industries¹⁰ are significant in the exports of Indonesia and Malaysia but they do not explain why Philippine export is smaller.¹¹ Indeed, the structures of exports of the five countries are not identical but comparable as can be gleaned from Table 1.10. All are middle-income economies, struggling to shift their production to higher value-added commodities as their competitiveness in low-cost, labor-intensive products (namely apparel, footwear, and furniture) has been eroded. Thus, the share of labor-intensive exports remains significant only in the Philippines (23%) and Vietnam (31%). Still, the export structure of the Philippines is more similar to those of Malaysia and Thailand where machinery and electrical dominates all other product clusters.

10 Include non-metallic mineral ores, petroleum, precious metals and other industries based on sub-oil resources

11 After removing exports by extractive industries, the adjusted exports in 2013: are US\$118.4, Indonesia; US\$176.4 billion, Malaysia; and US\$49.5 billion Philippines.

TABLE I.9
PHILIPPINE EXPORTS COMPARED TO
SELECTED ASEAN COUNTRIES
(IN BILLION US DOLLARS; PERCENT)

	PHL	IDN	MYS	THA	VNM
Exports, 2013					
Goods	56.7	182.6	228.3	228.5	132.0
Services	23.3	22.3	39.9	59.0	10.5
Total	80.0	204.9	268.2	287.5	142.5
CAGR, 2006-13					
Goods	2.6	8.9	5.1	8.3	18.7
Services	11.2	9.9	9.1	13.3	10.9
Total	4.6	9.0	5.7	9.2	17.9

Source: COMTRADE

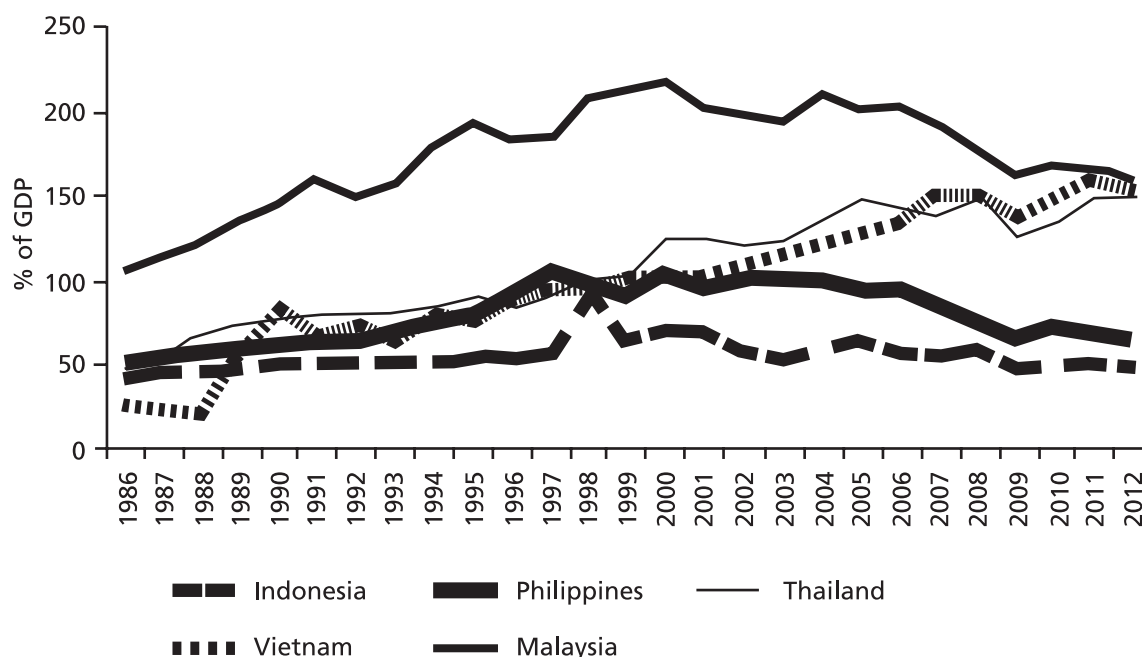
TABLE I.10
STRUCTURE OF GOODS EXPORT IN
SELECTED ASEAN COUNTRIES¹²
(PERCENT OF 2013 EXPORTS)

	PHL	IDN	MYS	THA	VNM
Animal	1.2	1.8	0.6	1.3	4.1
Chemicals	4.5	5.6	5.2	5.7	1.8
Food products	4.6	3.1	2.7	7.9	3.2
Footwear	0.1	2.1	0.1	0.3	6.8
Fuels	3.9	31.5	22.3	6.3	7.3
Hides and skins	0.4	0.3	0.0	0.5	1.6
Machinery and electrical	50.0	9.0	37.1	29.2	30.7
Metals	3.9	4.7	5.2	4.9	3.6
Minerals	4.4	3.7	0.5	0.4	0.9
Miscellaneous	5.1	2.2	5.1	3.4	6.1
Plastic or rubber	1.4	6.5	6.6	13.0	4.3
Stone and glass	1.2	2.2	2.1	5.2	1.5
Textiles and clothing	3.3	6.9	1.4	3.3	16.3
Transport equipment	4.5	3.1	1.4	12.6	1.9
Vegetable	5.1	12.2	7.3	4.3	7.9
Wood	6.4	5.2	2.5	1.8	2.1

Source of basic data: COMTRADE

12 Based on Leamer's (1984) product grouping of 2-digit Harmonized System (HS) codes.

FIGURE I.2
TRADE OPENNESS INDEX OF SELECTED ECONOMIES



Yet apart from having smaller export volume, the Philippines also appears less integrated in the global markets than its neighbors. A comparison of trade openness indices (TOI) or the ratio of trade (export plus imports) to GDP, shown in Figure I.2, reveals this. TOI measures the importance of trade goods and services in an economy insofar as it indicates the degree of dependence of domestic producers on foreign demand and of domestic consumers on foreign supply. Therefore, economies with high TOI are more integrated into the global market. In turn, TOI and per capita income are highly correlated, suggesting that more integrated economies wring out more benefits from trade.¹³ Not only is the Philippine TOI smaller than its neighbors except Indonesia, it has been falling since 2005. In 2014,

the volume of Philippine trade compared to its GDP was 61%, compared to Malaysia, 150%; Vietnam, 170%; Thailand, 143%; and Indonesia, 48%. Even at its peak in 2004, the Philippine TOI was only 102%.

Since the Philippines is perceived to have lower trade barriers and fewer “sensitive products” than any of these economies¹⁴, it is expected to be more trade-oriented. That this is not the case only shows that the country has not leveraged its liberal policies sufficiently to expand trade and reap maximum benefits from it. What prevents the Philippines from exploiting trade opportunities is a conundrum that the next sections attempt to unravel and address.

¹³ On a large sample of countries, the relationship between TOI and per capita income is found to be concave, i.e., TOI increases with per capita income but at a decreasing rate.

¹⁴ The Philippine reservations in its current trade agreements apply only to rice and sugar with tariff rates pegged at 50 and 65 percent, respectively.

II

CONSTRAINTS TO EXPORT GROWTH

The previous section discussed the structure and performance of exports since 2006. Despite decent growth, the sector appears noncompetitive and its contribution to national income smaller compared to its counterparts in the region.

This section examines the vulnerabilities of the Philippine export sector, namely: concentration in few products and markets, loss of competitiveness in products representing significant proportion of total exports and declining demand for products where the country has comparative advantage. As a result, the current export profile presents limited opportunities for future growth. Unless the sector is removed from its current bind, it will continue to be challenged in sustaining existing markets and products and in exploring new ones.

I. PRODUCT AND MARKET CONCENTRATION

A key concern on the sustainability of export growth is the concentration in a few products and markets, which exposes the sector to unexpected variations in demand or supply in any of these products or markets. This problem has long been recognized, and yet, very limited diversification in products or markets has taken place to reduce the risks.

In goods exports, the top 10 represented 67% of total revenues in 2014 – an improvement from 77% in 2006. However this apparent diversification is attributable to the significant reduction in revenues from semiconductor and EDP, which in turn reduces the revenues represented by the top 10. As Table II.1 reveals, semiconductor and EDP remained top two exports even after significant contraction in their turnover. In addition, 7 in the top 10 in 2006 remained in the top in 2014. The products displaced in the 2006 list – copper cathodes, petroleum and garments – were simply replaced by other traditional products, namely bananas, coconut oil and chemicals.

TABLE II.1**TOP 10 PHILIPPINE GOODS EXPORT, 2006 AND 2014 (US\$ MILLION)**

2006			2014		
RANK	COUNTRY	VALUE	RANK	COUNTRY	VALUE
1	Semiconductors	22,318	1	Semiconductors	18,587
2	Electronic data processing	5,745	2	Electronic data processing	5,805
3	Articles of apparel	1,770	3	Mach & transport eqpt	3,978
4	Mach & transport eqpt	1,231	4	Woodcrafts and furniture	3,334
5	Copper cathodes	962	5	Chemicals	2,603
6	Woodcrafts and furniture	926	6	Ignition wiring sets	2,050
7	Petroleum products	918	7	Articles of apparel	1,833
8	Garments	877	8	Metal components	1,377
9	Ignition wiring sets	788	9	Coconut oil	1,203
10	Chemicals	635	10	Bananas (fresh)	1,130
Share of top 10 to total		77.04	Share of top 10 to total		67.47

Source: PSA

In contrast to some diversification in goods exports, services exports have become more concentrated on IT-BPM as the industry expands briskly, while exports of other services, specifically

travel, transportation and telecommunication services, are lethargic. Thus the share of IT-BPM in total services exports increased from 52% in 2006 to 70% by 2014.

TABLE II.2**PHILIPPINE EXPORT OF SERVICES, 2006-14 (IN MILLION US DOLLARS; PERCENT)**

	2006		2014	
	US\$ MILLION	SHARE, %	US\$ MILLION	SHARE, %
Transport	946	8.6	1,744	7.0
Travel	3,542	32.2	4,767	19.3
IT-BPM	5,674	51.5	17,297	69.9
Construction	69	0.6	46	0.2
Insurance & pension	56	0.5	127	0.5
Financial	116	1.1	172	0.7
Royalties & license fees	6	0.1	10	0.0
Telecommunication	557	5.1	349	1.4
Other business services - R & D	10	0.1	59	0.2
Other business services - Professional and Management Consulting	14	0.1	44	0.2
Personal, cultural & recreational	26	0.2	128	0.5
Government services	-	-	14	0.1
Maintenance and repair	48	0.4	79	0.3
Total services exports	11,017		24,758	

Source: BSP.

There is practically no diversification in markets. The top 10 markets, led by Japan, US and China, represented 87% of revenues in 2006 and 85% in 2014. The small decline in the share of these markets was a result of the addition of new but minor destinations. There were 217 export destinations in 2014, against 189 in 2006.

TABLE II.3**TOP 10 MARKETS OF PHILIPPINE GOODS EXPORT, 2006 AND 2014 (US\$ MILLION)**

2006			2014		
RANK	COUNTRY	VALUE	RANK	COUNTRY	VALUE
1	United States of America	8,690	1	Japan	13,901
2	Japan	7,918	2	United States of America	8,661
3	Netherlands	4,769	3	China, People's Republic of	8,467
4	China, People's Republic of	4,661	4	Hong Kong SAR	5,512
5	Hong Kong SAR	3,706	5	Singapore	4,451
6	Singapore	3,505	6	Germany	2,657
7	Malaysia	2,621	7	Korea, Republic of	2,561
8	Taiwan	1,977	8	Taiwan	2,446
9	Germany	1,781	9	Thailand	2,353
10	Korea, Republic of	1,423	10	Netherlands	1,876
Share of top 10 to total		86.59	Share of top 10 to total		85.16

Source: PSA

2. TRADE COMPETITIVENESS MAP

Apart from the lack of product and market diversification, export growth is also being constrained by the slowdown in demand for Philippine exports and loss of competitiveness in some markets.

A trade mapping of exports helps in elucidating the problem. A trade map, such as in Figure II.1, plots the change in the share of a country's export in world market on the horizontal axis against the change in world demand on the vertical axis. The

chart is divided into four quadrants by a horizontal reference line marking the average growth of world trade, and a vertical reference line delineating constant share in the world market. A country's world market share remains constant if its export grows just as fast as the world market. Thus, a zero difference between the growth rates of Philippine export and of world trade implies that the Philippine share in the world market remains constant.

FIGURE II.1
DYNAMIC TRADE MAP OF EXPORTS



Four products groups are distinguished based on their location in the chart. On the upper right quadrant of the chart are products whose demand is growing faster than average global demand and in which the Philippines had an increase in market share. These products are referred to as champions or winners in growing markets. The quadrant to the left of the champions' plots underachievers in growth markets. These are products for which global demand is growing faster than average but the Philippines lost some of its world market share to other economies.

Laggards in declining markets, on the lower left quadrant, are products whose demand is growing slower than world average and for which Philippines conceded some market share. Finally, to the right of the losers' quadrants are achievers in adversity or winners in declining markets. World demand for these products is growing less than average but the Philippines gained some market share.

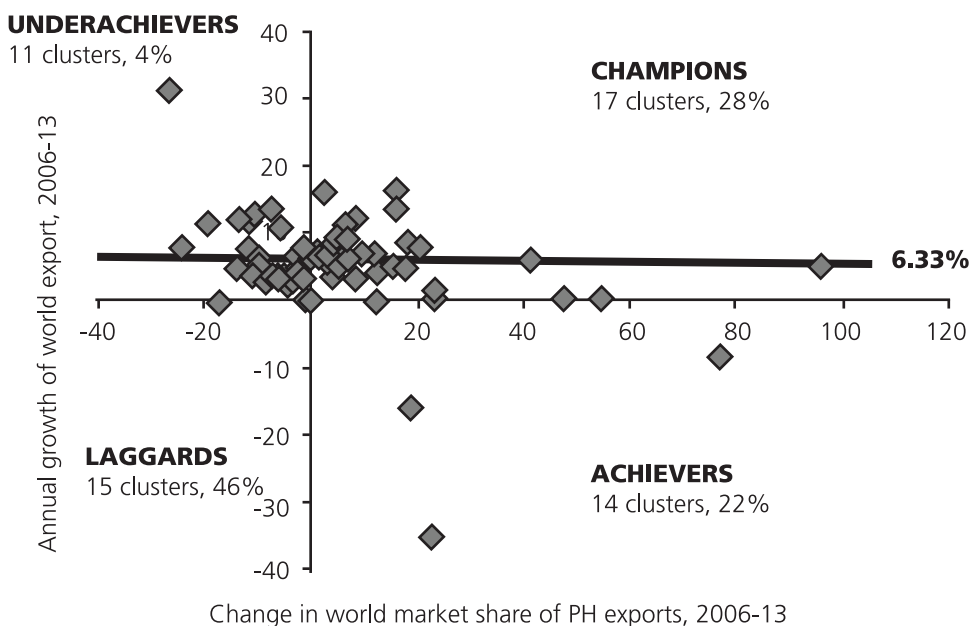
A map of 2014 exports in Figure II.2 shows the following distribution. Of the 57 product clusters based on NEDA product grouping,¹⁵ 17 clusters are in the champions' quadrant, representing 28% of the value of total goods exports; 14 clusters (22% of export value) in the achievers' quadrant; 15 clusters (46% of export value) in the laggards' quadrant; and 11 clusters (4% of export value) in the underachievers' quadrant.

Among the champions are processed food and beverages, coconut oil, banana, centrifugal casting, and refined sugar. Among the achievers are chemicals, fish (preserved and fresh), abaca fibers, baby carriages¹⁶, toys, games, and sporting

15 There are 63 product groups in the NEDA classification but the growth of world trade in six of these groups cannot be computed based on the available 6-digit HS world trade data. Hence, while the growth rates of Philippine exportation of these products are known, they could not be plotted in the trade map. These are iron ore agglomerates, pineapple juice, nickel, ramie fiber, rice and dried seaweed.

16 Refers to PSCC 8715001000.

FIGURE II.2
TRADE MAP OF GOODS EXPORTS, 2014



goods. The laggards' quadrant lists garments, footwear, furniture and fixtures, and basketworks. Finally, underachievers include desiccated coconut, coffee, mangoes, gold, and natural rubber.¹⁷

While electronics is often regarded as one sector, it is difficult to place it squarely under a single classification. The different components that comprise electronics are actually spread across all four quadrants. Thus, other electronics are in the champion' quadrant; medical and industrial instrumentation, and control and instrumentation, in the achiever'; automotive electronics and telecommunications equipment, in the underachiever'; and semiconductor, consumer electronics, EDP, and communication radar, in the laggard'.

The trade map reveals several major limitations in Philippine exports. First, two-thirds of exports are mapped below the horizontal reference line; for these products, world trade is either moving slower than average or contracting. Second, half of exports are located on the left of the vertical reference line; these are clusters in which Philippine share in global market declined. Third, almost half (46%) of exports are laggards, *i.e.*, not only is growth of these products constrained by global demand, but the Philippines is apparently less able than other economies to defy market trends, hence the decline in its market share.

Figure II.3 presents a trade map analysis of services exports in 2014. The horizontal demarcation line that distinguishes between fast growing and slow growing or declining global demand is pegged at 7.11%, the average annual growth of trade in services between 2006 and 2013. Due to data limitation, the mapping can be done only at the aggregate level. Four of 10 services grew more

¹⁷ Annex II.1 and II.2 present a trade map analysis of exports based on NEDA and PSA product classification.

than 7%; hence demand for these sectors are considered fast growing. Philippine exports of five services expanded faster than the demand in the global market, resulting in increases in the country's market share for these services. IT-BPM straddles two quadrants: other business services in the champion's quadrant, and computer and information services, in the achiever's quadrant.

3. COMPARATIVE ADVANTAGE

The preceding discussion shows that the growth of Philippine exports is stifled by weak global demand for many of these products. Why the Philippine exports are concentrated in products with limited growth potentials is explained by the country's comparative advantage.

Balassa's revealed comparative advantage (RCA) index indicates if a country has comparative advantage or disadvantage in exporting a product. When the proportion of a given product in total exports is more than the proportion of such product in global exports, the RCA index is greater than one. For such product, the country is deemed to have comparative advantage. Conversely, the country has comparative disadvantage in exporting a product that has an RCA index between 0 and 1.

Annex II.4 presents the RCA indices for NEDA product clusters.¹⁸ It shows comparative advantage in 26 products in 2006 (79% of exports), and 30 products in 2013 (68% of exports).¹⁹ Between 2006 and 2013, RCA indices changed but for most products (52 out of 57), it was neither a loss nor gain of comparative advantage. During the same period, however, the Philippines attained comparative advantage in copper concentrates and other electronics, but

FIGURE II.3
TRADE MAP OF SERVICES EXPORTS, 2014

UNDERACHIEVER 0.04% Royalties and license fees	CHAMPION 58.09% Other business services Insurance and pension Personal, cultural and recreational services
LAGGARD 21.48% Travel Financial services Construction	ACHIEVER 19.6% Computer and information services Transport services

lost it in veneer sheets and corestocks. On the other hand, the Philippines retains its comparative advantage in semiconductors and garments despite declining exports, and comparative disadvantage in chemicals and control and instrumentation, although exports of these products are growing.

A major concern is whether the products in which the country has comparative advantage could spur export growth. It does not seem the case. As shown in Figure II.4, the world market demand is weak or growing slowly for 12 product groups that account for half of 2014 exports and in which the country has comparative advantage. In addition, the country may have comparative advantage in 14 product clusters for which global demand is strong or increasing but they account for only 12% of total exports.

¹⁸ Annex II.5 shows RCA indices for PSA product clusters.

¹⁹ Based on NEDA product classification.

FIGURE II.4
DISTRIBUTION OF 2014 GOODS EXPORT
BASED ON RCA AND WORLD MARKET
GROWTH

		Growth of World Market, 2006-13	
		Fast	Slow and declining
RCA 2013	Above 1	14 goods 11.7%	12 goods 49.8%
	1 and below	14 goods 20.3%	17 goods 17.9%

FIGURE II.5
DISTRIBUTION OF 2014 SERVICES EXPORT
BASED ON RCA AND WORLD MARKET
GROWTH

		Growth in World Market	
		Fast	Slow and declining
RCA	Above 1	1 service 57.3%	1 service 12.6%
	1 and below	3 services 1.1%	8 services 29.0%

The prospects are not brighter in services. Annex II.6 shows the changing RCA indices for services. The Philippines has comparative advantage in only two services: other business services and computer and information. The growth potential appears strong in the first, but becoming limited in the second. It is also unlikely – at least in the near term – that the Philippines could take advantage of the expanding trade in other services such as insurance and pension, intellectual property, and personal, cultural and recreational, as they merely account for 1% of Philippine services exports.

4. TRADE COMPETITIVENESS

Apart from the concentration of exports in products with poor demand prospect, more worrisome is the loss of competitiveness in several sectors. The evidence is shown below using constant market share (CMS) analysis. This tool is widely used in analyzing the factors underlying export growth or the lack of it. The analysis decomposes the actual change in the export of a product into four components:

- i) *world trade effect* or the change in exports influenced by the trend in global trade;
- ii) *commodity effect* or the change in exports due to expansion in trade for the product;

- iii) *market effect* or the change in exports attributable to growth in the markets for the product; and
- iv) *competitiveness*, a catch-all residual for the change that cannot be explained by the momentum of global trade, variations in demand for the product and market growth.

On an aggregate level, Philippine exports increased by US\$9.3 billion between 2006 and 2013.²⁰ This change is decomposed in Table II.4 using CMS. First, Philippine exports could have increased by US\$25 billion if it grew as fast as the change in global trade (world trade effect). But stagnating or declining demand for the products in the Philippine export portfolio reduces this potential by US\$726 million (commodity effect). However, the destination economies for Philippine exports increased their importation, thus boosting the prospects by US\$2.1 billion (market effect). Considering the actual change in exports, US\$17.1 billion of the potential growth did not materialize. This residual is deemed to represent

20 The CMS analysis cannot be applied to export revenues from iron agglomerates, nickel, pineapple juice, ramie fiber, rice and seaweed (dried) as there are no available 6-digit HS world trade data on these products. Because of their exclusion, the analysis in Table II.4 is limited to the difference in the export revenues US\$9.280 billion, whereas the actual change is US\$9.288 billion.

TABLE II.4
CMS ANALYSIS OF PHILIPPINE EXPORTS

	US\$ MILLION
Exports, 2013	56,698
Exports, 2006	47,410
<i>Change, 2006-2013</i>	9,288
<i>Attributable to:</i>	
World Trade Effect	25,036
Commodity Effect	(726)
Market Effect	2,115
Competitiveness Effect	(17,145)

the loss of competitiveness, which in turn may be caused by policies or market conditions that adversely affected exports.

The above analysis is applied to product groups in Annex II.7 and summarized in Figure II.6. Although there are more products with positive rather than negative competitiveness effect (30 versus 27), the latter group has more exports. Thus, in 2014, those with negative competitiveness effect comprise 52% of revenues, as opposed to 48% with positive effect.

Such loss of competitiveness can be traced to a number of well-known factors: high cost and inadequate infrastructures; unnecessary and trade-impeding domestic regulations and policies; limited access to export financing, especially for small and medium enterprises (SMEs); unstable supply of raw materials; shortage of domestic skills matching industry requirements; weak innovation in products and processes; and fragmented and poorly funded domestic institutions promoting product quality and standards. These deficiencies have not only undermined the cost and quality competitiveness of exports, but also constrained domestic producers from linking to the more progressive segments in the global production network.

FIGURE II.6
DISTRIBUTION OF 2014 GOODS EXPORT
BASED ON CMS ANALYSIS

		COMPETITIVENESS EFFECT	
		POSITIVE	NEGATIVE
Commodity Effect	Positive	16 goods 25.9%	12 goods 6.4%
	Negative	14 goods 21.7%	15 goods 46.0%

5. WHY PHILIPPINE EXPORT PERFORMANCE IS LAGGING BEHIND

The previous sections presented evidence on the factors that undermine Philippine export performance, to wit: concentration in few products and markets, weak global demand for a substantial majority, comparative advantage in products with limited growth potential and loss of competitiveness reflecting high cost and low quality. These factors also explain why other ASEAN economies have outdone the Philippines based on a comparison of export profiles in the next tables.²¹

Perhaps the most apparent weakness of Philippine exports is that it is least diversified in products and markets, hence the most vulnerable to market fluctuations. Table II.5 shows the Philippines having the smallest actual number of products and second smallest actual number of markets. A more accurate measure of product and market concentration, however, is the Herfindahl-Hirschman index (HHI). Here again it shows the Philippine exports least diversified, having the smallest effective number of markets, albeit

21 The analysis in this section is based on trade at 2-digit HS codes.

TABLE II.5**COMPARISON OF EXPORT MARKET AND PRODUCT DIVERSIFICATION OF SELECTED ASEAN ECONOMIES 2013**

	IDN	MYS	PHL	THA	VNM
Actual number of products	4,380	4,239	2,882	4,456	3,574
Actual number of markets	215	222	204	223	147
HHI-equivalent number of products	41	30	37	94	34
HHI-equivalent number of markets	15	15	10	21	17

TABLE II.6**COMPARISON OF TRADEMAP ANALYSIS OF EXPORTS OF SELECTED ASEAN ECONOMIES**

	IDN	MYS	PHL	THA	VNM
Fast-growing demand in global market ¹⁷	70.5	48.9	30.2	43.8	43.5
Slow or declining demand in global market	29.5	51.1	69.8	56.2	56.5

having more effective number of products than Malaysia and Vietnam.²²

What immediately impact the size and volume of exports, however, are the changes in global demand, how a country's exports match those of other sellers, and the "specialization" or concentration of a country's exports. Table II.6 shows that the growth potential of Philippine exports is the least among the five economies as about 70% of its exports have slow or declining demand, compared to 51% of Malaysia, 56% of Thailand and 57% of Vietnam. This means that more Philippine exports are located in either the

laggards' or achievers' quadrant of the trade map than these other economies.

But apart from limited growth, more Philippine exports also languished for lack of competitiveness in the global market. As can be seen in Table II.7, the Philippines has the smallest proportion of exports for which it is competitive, 32%, compared to 50% for Indonesia, 70% for Thailand and 91% for Vietnam. Competitiveness is interpreted here as in the previous sections – in terms of a country's ability to expand exports by more than what is spurred by the growth in demand in the market and for the product.

22 The HHI-equivalent number of markets is the effective number to which a country exports if each market receives the same proportion of total exports. A country may have more (actual) market destinations, but fewer effective markets. The Philippines, for example has more actual markets (204) compared to Vietnam (147), but fewer effective markets (34 versus 37). This happens when the distribution of exports is highly skewed to a small number of markets. The same interpretation applies to products.

TABLE II.7**COMPETITIVENESS ANALYSIS OF EXPORTS OF SELECTED ASEAN ECONOMIES**

	IDN	MYS	PHL	THA	VNM
Competitive	50.4	46.9	32.3	69.9	91.4
Non-competitive	49.6	53.1	67.7	30.1	8.6

TABLE II.8**COMPARATIVE ADVANTAGE AND COMPETITIVENESS OF EXPORTS OF SELECTED ASEAN ECONOMIES**

	IDN	MYS	PHL	THA	VNM
With comparative advantage and competitive	31.8	39.1	25.7	60.9	70.8
With comparative advantage but not competitive	43.5	29.2	57.1	18.8	0.6
Without comparative advantage but competitive	18.6	7.8	6.6	9.0	20.7

Finally, other countries' edge over the Philippines in exports may not be easy to overcome as the profiles in Table II.8 suggest. Based on CMS and RCA analysis, the Philippines has the smallest proportion of its exports, 26%, where it has both comparative advantage and is competitive; by comparison, Malaysia has 39%, Thailand, 61% and Vietnam, 71%. Unless the Philippines gain competitiveness in products that it "specializes" or has comparative advantage, or substantially increase exports of products for which it is competitive, it will remain behind its regional peers in terms of export performance.

III

STRATEGIES FOR EXPORT GROWTH AND DEVELOPMENT

Export competitiveness is often perceived as a distinct goal, requiring a separate set of strategies from domestic competitiveness.²³ This is a false dichotomy. The ability to sell in the global market – what is understood as export competitiveness – is both an indicator and enabler of competitiveness. This means the ability to export is the litmus test of competitiveness, while exporting is necessary to attain competitiveness through exposure to foreign ideas and market challenges. In this light, an export development strategy should be seen as part of a comprehensive plan to improve the competitiveness of all productive sectors. Put differently, an export development strategy is not an exclusive plan for producers engaged in export, but rather a broad-based plan to improve efficiency and productivity in all sectors.

The Philippine Development Plan (PDP) 2011-15 has identified three medium-term goals to build competitive industries and services, namely: (i) improving the business environment; (ii) increasing productivity and efficiency of domestic producers; and (iii) enhancing consumer welfare. These goals are as important to domestic competitiveness as to export development. Thus the strategies in the PDP to meet these goals are integral to export promotion espoused in this plan, inasmuch as the strategies contained in this plan to bolster exports should be considered integral to the goal of industrial upgrading in the PDP.²⁴

The PEDP therefore adopts the PDP's 10-point agenda to engender "globally competitive industry and services", which involves: (i) improving governance; (ii) strengthening the economic zones; (iii) strengthening the national brand/identity awareness; (iv) intensifying the culture of competitiveness; (v) focusing interventions in key industries; (vi) enhancing firm-level support to micro, small and medium enterprises; (vii) expanding industry cluster

23 The PEDP may have contributed to this thinking in no small measure since it is often seen as a stand-alone plan, without clear relationship with the PDP.

24 This provides the link between the PEDP and the industrial roadmaps.

development, (viii) increasing market access; (ix) encouraging consumer products and services satisfaction; and (x) improving supply chains of basic and prime commodities

This plan focuses on strategies that were not expounded in the PDP but reiterates those that are directly relevant to exports. Before dwelling on the strategies, however, the policy framework underlying the strategies and goals of this plan are discussed.

I. FRAMEWORK

The pursuit of export competitiveness must take cognizance of the geographic fragmentation of industries where value is added at different stages of production and in different countries before the final product reaches consumers. This is known as the global value chain (GVC). In this environment, no domestic industry can develop on its own. Rather, the development of domestic industries is deeply intertwined with the dynamics of complex and overlapping business networks, created through a maze of foreign direct investments (FDI) and global outsourcing.

GVC has several implications in designing strategies and policies for promoting industry and national competitiveness. First, creating full-blown, vertically integrated national industries is incompatible with the GVC realities. As such, policies should aim for moving domestic industries into higher-value niches in GVCs, rather than recreating the whole value chain in the domestic economy. It follows that the competitiveness of domestic industries is best gauged by how well they perform their tasks in the GVC. Second, GVCs have tightened the link between foreign direct investments (FDI) and export growth, hence between investments and export promotion. The easiest way for developing countries to gain entry into GVCs is to induce multinational enterprises

(MNEs) that are lead firms in the GVCs to locate in the country. GVC lead firms induce suppliers in different countries to compete with each other for orders, but they often choose to work with the same suppliers in multiple locations to reduce transaction costs. Third, regional networks (through preferential trading arrangements, PTAs) present an opening to gain access into GVCs. In particular, regional production networks create scale and complementarities that can drive more production and processing in the region, and thus increase higher-value exports from the region. Policies that cultivate and maximize the country's participation in these regional production networks are therefore extremely valuable.

Given the opportunities and challenges presented by the present global trade environment, a mix of sector-focused and macro-level policies is required. Macro policies are those that could potentially benefit all sectors involved in export production since they address common and lingering problems. Sector-focused intervention, on the other hand, is directed towards specific groups that have been selected based on rational and transparent criteria.

To be clear, the prioritization of industries is not geared towards selecting “national champions” but it is more for programming resources, taking into account the extensive development needs of most sectors. The PDP has provided criteria in selecting sectors for export development: comparative advantage, competitiveness and high growth potential. These will be considered in identifying target sectors.

2. GOALS

The goals set for this plan are two-fold: (i) to transform the Philippines into a strong, competitive and innovative exporting nation; and (ii) to make exports a primary platform to

achieve inclusive growth. The latter resonates with the overarching goal of the PDP to bring about inclusive growth.

These twin goals translate to increasing the country's participation in the GVC and making full use of the benefits that can be derived from such participation. As a core strategy, the plan is to maximize the country's participation in the GVC through provision of a healthy and conducive business environment that would allow domestic producers, including SMEs, to find niches in the GVCs through which they can profitably and sustainably integrate in the regional and global markets.

An objective and verifiable measure of the plan's success is the improvement in the country's market shares in global trade. If the plan succeeds, the country should be able to move horizontally in the trade map as shown in Figure III.1. The goal is to shift the locus of exports from the left to the right quadrant of the trade map – from underachievers to champions and from laggards to achievers.

While vertical movement, *i.e.*, from achievers to champions, is desirable, it would require structural changes that cannot be realistically targeted within a PEDP cycle of three years. It is nonetheless the intention of this plan to provide

the building blocks and capacities that would facilitate vertical movements in the future.

3. STRATEGIES

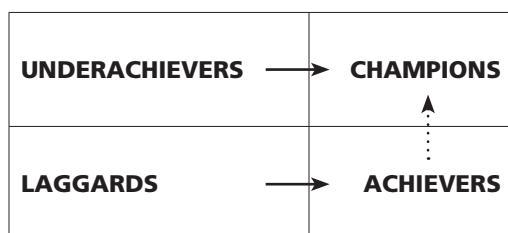
What must be done to achieve the horizontal movements? It is imperative to address the impediments to production at every link in the value chain²⁵. The constraints to trade may be found in any or all of three broad areas: products or services (customs, logistics, standards, licensing, competition policy, regulation); input (cost of capital, labor market rigidities, credit availability); and markets (supplier linkages, diversification, R&D). Such constraints could be specific to certain sectors or true to most, if not all, sectors.

A two-track intervention is therefore required. One track is sector-focused; the other track addresses the bottlenecks afflicting all sectors. The former aims to provide comprehensive business support to selected sectors, while the latter works to improve the general market environment for exports. In what follows, eight strategies have been identified where one strategy pertains to sector-level intervention, while seven other strategies attend to the common bottlenecks.

Strategy 1: Design comprehensive packages of support for selected sectors.

Ever since the first PEDP, certain sectors have been selected for export promotion. Over the years, there were few changes in the set of priority sectors. The results of past interventions have not been encouraging. In recent years, market demand has also weakened in many of these sectors. Consequently, the opportunities for future

FIGURE III.1
DESIRED CHANGE IN EXPORT PROFILE



²⁵ The value chain refers to the full spectrum of activities from conception to delivery of product or service to consumers. It covers product design, R&D, sourcing of raw materials and intermediate inputs, production, marketing, distribution and support to final consumers, including disposal and recycling.

growth are quite limited if the same sectors would be selected.

It is therefore prudent to reconsider the focus and thrust of sector intervention. The PDP suggests focusing the intervention on goods and services that are: (i) aligned with the country's comparative advantage; (ii) competitively supplied by domestic producers to foreign markets; and (iii) dynamic or fast growing. While it is difficult to find such sectors that meet all three criteria, several satisfy the competitiveness and high growth market criteria.

Interventions would be more effective if they are focused and comprehensive. Selected sectors would be extended a package of support that addresses their vulnerabilities and strengthens their capacity to meet the challenges in the global market. The package includes investment and marketing promotion, business matching, training and capacity building, access to credit, and support for innovation, product development and design. Perhaps the most important component in the package is the business advice on GVC as this would assist the sector in identifying product and market opportunities and possibly in charting new development tracks for the sector. A comprehensive GVC analysis will be undertaken for each sector, which would help in designing a sector-focused support program. The industrial roadmaps that have been developed for a number of the selected sectors could be welded into the GVC analysis.

Learning from the experiences of past PEDPs, the interventions to the selected sectors should be developed into programs that could be monitored, periodically assessed, and adjusted or revised midstream if needed. A system of monitoring and evaluation will be organized to ensure the

programs' effectiveness, with the Department of Trade and Industry taking lead in this initiative.

In the next three years, two groups of sectors would be the focus of sector intervention. The first group, dubbed key sectors, consists of sectors selected because they meet the comparative advantage criterion, and because the country derives significant export revenues from them. The second group, called emerging sectors, satisfies the high growth potential and competitiveness criteria.

The key sectors are thus selected as they satisfy one or several of the following criteria: (i) significant share in total exports, specifically having an export revenue of not less than US\$ 1 billion in 2014; (ii) substantial adverse impact on employment in case the sector falters²⁶; and (iii) high growth potential (i.e., increasing demand in the world market) or notable export performance (i.e., growth of the country's export exceeding growth of world exports). Five sectors have been selected.

Among the products with increasing global demand²⁷ and where Philippine exports are considered competitive,²⁸ four sectors are chosen as emerging (Table III.2). The list was narrowed down to include only those with relatively significant shares in total exports.

26 The employment impact of the sector is assessed in terms of the estimated employment multiplier from the 2006 Input-Output table (Annex V.1a and V.1b). Those sectors with above-median employment multiplier (2.491) are selected.

27 To be considered a fast growing market, the average annual growth of world exports from 2006 to 2013 should not be less than 6.3% for goods and 7.1% for services.

28 Competitiveness is determined using constant market share (CMS) analysis. See Annex II.7 and II.8 for the results of CMS.

TABLE III.1
KEY EXPORT SECTORS

	WORLD CAGR, % 2006-13	PH CAGR, % 2006-13	EXPORTS (US\$ B) 2014	EMPLOYMENT MULTIPLIER	TRADE MAP CATEGORY
Processed food and beverages	9.1	14.2	1.4	14.066	Champion
Electronics	5.3	(0.4)	29.8	1.847 – 4.511	Laggard
Motor vehicle parts	7.2	7.4	4.3	4.467	Champion
Coconut oil	7.2	8.2	1.2	30.494	Champion
Other business ^{1/} services – technical & trade-related	7.5	14.1	14.2	1.340	Champion
Computer and information services ^{1/}	5.7	29.8	3.1	3.216	Achiever

^{1/} Comprising the IT-BPM sector

TABLE III.2
EMERGING EXPORT SECTORS

	WORLD CAGR, % 2006-13	PH CAGR, % 2006-13	EXPORTS (US\$ M) 2014	COMPETITIVE FACTOR ^{1/}	TRADE MAP CATEGORY
Chemicals	5.1	22.4	2,603	86.7	Achiever
Activated carbon	12.4	14.9	95	22.6	Champion
Metal components	10.2	22.8	1,377	53.2	Champion
Fish, fresh or preserved	5.7	9.2	86	71.0	Achiever

^{1/} Percent of change in exports from 2006 to 2013 due to the competitiveness effect in CMS.

During the past seven years, the growth of exports by the emerging sectors exceeded the pace of world demand. As a result, the Philippine share in the world market for these products has increased. For example, global demand for control and instrumentation grew only by 5.95% average annually, but Philippine exports of such products increased exponentially, or by more than 10 times the global potential. Such a feat was achieved without the benefit of focused intervention as it was not among the priority sectors. Focused support to these sectors may help them realize their growth potentials and hence raise their contribution to total exports, which in 2013, was just about one-fifth of total exports.

Strategy 2: Remove unnecessary regulatory impediments to the movement of goods and delivery of services

Despite several institutions recently raising the Philippine ranking in the competitiveness scale, the high transaction costs of moving trade goods remains to be a major drag factor in export competitiveness. Most of these costs are related to clearing cargo at the border. Hence, Customs procedures and governance are natural targets of intervention. However, the requirements imposed by other regulatory agencies on traded goods could also just as cumbersome, costly and trade inhibiting. The OECD (2009) estimated that reforms directed at trade facilitation can lower trade transaction costs equivalent to as

much as 7 to 15% of the value of traded goods in developing economies (2 to 3% in developed economies). In order to facilitate trade, the following courses of action are appropriate:

- Accelerate and complete the reform and modernization of Customs by urgently passing the proposed Customs Modernization Tariff Act (CMTA), completing the automation of customs procedures, simplifying and harmonizing with best practices the cargo clearance procedures, and finding long-term and sustainable solution to problems of attracting, retaining and motivating Customs personnel with the right skill set;
- Identify non-tariff and other restrictive measures affecting importation and exportation of goods and services implemented by local and national government agencies; streamline procedures for complying with regulatory requirements; conduct a survey to assess the impact of these measures on their capacity to export; and set up a committee within DTI that will maintain the database and periodically monitor the removal of unnecessary measures and redesign of restrictive ones;
- Address specific and lingering concerns raised by the export sector on the trade-inhibiting policies of several agencies. These include, among others: planned expansion of the load port survey; ambiguous application of the ban on exportation of sea grass as it affects the furniture industry; and centralized processing of trade accreditation;
- Ensure proper coordination and harmonization of policies of various government agencies, especially those that have significant impact on traded goods; and,
- Adopt the practice of conducting regulatory impact assessment before any policy affecting traded goods is implemented so as to avoid

distorting market incentives and increasing transaction costs.

Strategy 3: Raise the productivity and competitiveness of Philippine enterprises

It is not unusual for economies transitioning to higher income status to lose market niches in industries where cheap labor is almost the sole basis of competitiveness. The Philippines is not immune to such ills, nor has it built sufficient defenses against other developing economies that have encroached on its export markets. This explains, for example, the continuous decline in garment exports and foreign investments in labor-intensive sectors.

The economy can cope with this transition in at least two ways. One is to seek new product niches where the labor cost disadvantage can be negated by quality improvements and process innovations. Another is to institutionalize policies that promote productivity improvements so as to offset the cost advantage of lower-income economies. These measures are not mutually exclusive, but the responsibility for the former is primarily lodged in the private sector, while the latter is lodged in the government.

New and more progressive thinking on wage determination and setting has been gaining ground among policymakers, private investors, and labor groups. To the extent that the new schemes promote productivity and industrial peace, these should be encouraged. Indeed a growing number of sectors have signified their intention to move towards enterprise-based wage setting and productivity-based pay schemes. Alternative and flexible work arrangements are gaining legitimacy as well. In the next three years, government agencies with labor governance mandates should gear their efforts towards promoting general acceptance of productivity-

enhancing work arrangements without absconding from their responsibility of protecting labor rights.

Apart from rising labor costs, the deficiencies in infrastructure services, specifically energy, logistics, transportation and communications are also undermining the competitiveness of Philippine exports. The inefficiencies and high costs of infrastructure services have been a perennial concern of both exporters and domestic producers. Despite market reforms, the inefficiencies in these sectors continue to weigh down export-oriented businesses. Many of the problems in these sectors are rooted in the lack or insufficiency of market competition.

In light of the foregoing, the following interventions are called for:

- Tighten the link between pay and productivity through enterprise-based wage setting and implementation of productivity-based pay schemes;
- Promote legitimate flexible work arrangements such as flexible work schedules (“flexi-time”), telecommuting, compressed workweeks, job sharing and subcontracting, among others;
- Strengthen the tripartite mechanisms and social dialogues to improve work conditions;
- Improve the efficiency of infrastructure services, particularly energy, logistics, transportation and communications, through continuous regulatory reforms;
- Implement a culture of continuous improvement in the quality of regulation by requiring concerned agencies to conduct periodic regulatory impact assessment;
- Mandate concerned regulatory agencies to craft and implement competition policy for their sector;

- Implement the Philippine Competition Act to curb and prevent anti-competitive practices so as to increase business confidence and inspire greater investments.

Strategy 4: Upgrade the quality and standards of export

The imperative to raise the consciousness of producers on the quality and standards of goods and services cannot be overemphasized. Exporters gain access to foreign markets by complying with technical and legal requirements of these markets. Domestic industries can compete against imports if their products meet international standards. All these call for strengthening the national quality infrastructure (NQI). Yet although there may be a consensus in building up the NQI, there are numerous obstacles towards achieving this goal.

Current efforts to formulate and enforce technical regulations are fragmented, as there is no national body tasked to coordinate the different institutions involved in these activities. At least 12 regulatory bodies are engaged in standards development, testing, calibration, inspection, certification and accreditation.²⁹ These institutions, however, regard consumer protection as their primary mandate, and developing standards to support industries as secondary. Worse, the consciousness on product quality and standards is still quite low among domestic producers as many of them still consider compliance with technical regulations and standards as additional cost rather than investment to attain competitiveness. Public resources for promoting technical standards are

29 These include the Bureau of Animal Industry, Bureau of Fisheries and Aquatic Resources, Bureau of Plant Industry, National Food Authority, Fertilizer and Pesticide Authority, Philippine Coconut Authority, National Meat Inspection Service, Sugar Regulatory Authority, Food and Drug Administration, National Telecommunication Commission, Bureau of Research and Standards and Bureau of Product Standards.

limited, and there appears not enough push to allocate more resources to NQI in general.

Further, to raise the quality of products, there should be sufficient supply of skilled workers available to domestic producers. Yet human resource development is likewise fraught with problems. Most vocational training institutes are geared towards increasing the supply of skills for entrepreneurship instead of responding to the manpower requirements of industries. Skills mismatch is a perennial problem, amidst high unemployment and underemployment rates.

To break the foregoing impasse, the following measures are required:

- Establish a strong NQI with private sector support; increase the resources of regulatory agencies for standards-writing; launch campaigns to beef up private sector support for NQI institutions and policies; and delegate conformity assessment and voluntary standardization to independent and recognized institutions;
- Set up systems for voluntary labeling and certification towards national branding;
- Institutionalize programs that will assist companies in key and emerging export sectors to implement standards;
- Strengthen the capacity of government training centers to develop skills supply attuned to industry requirements;
- Encourage the private sector to establish industry-led skills development and training centers that will cater to the operational requirements of export-oriented firms;
- Ensure wider dissemination of, and exporters' access to, technological upgrading initiatives of various government agencies, such as:
 - ▷ Quality testing facilities for auto parts, biochemical, furniture, motorcycle

assembly, motorcycle parts, rubber and electronics;

- ▷ R&D facilities for organic and natural products;
- ▷ Disease monitoring, surveillance, and control for swine and poultry industries;
- ▷ Engineered bamboos;
- ▷ New technologies for natural rubber tapping and processing; and
- ▷ Quick prototyping for creative sectors: furniture, gift and holiday decors and fashion accessories.

Strategy 5: Improve exporters' access to trade finance

There is no lack of government facilities for extending credit to exporters. Government banks such as the Development Bank of the Philippines and Land Bank have window facilities for "non-bankable" borrowers. The Small Business Corporation, a government financial institution, provides credit guarantees. In practice, however, the credits extended by these agencies are "commercial" rather than "developmental", *i.e.*, projects are evaluated under the same terms as other commercial ventures. As a result, funding opportunities for high-risk projects (*e.g.*, product development and market diversification) are few. Moreover, existing credit facilities pale in comparison with the export finance and insurance facilities in other economies.

The state-owned Export-Import Bank of Thailand (EXIM Bank), for example, provides credit and insurance facilities for promoting exports and investing overseas. The facilities include working capital loans, term loans, financing for overseas projects, export credit insurance, buyers/bank risk assessment, buyer's credit, and export insurance. Short-term credit (120 days) is offered for pre-shipment exports, while medium-term credit (2 to 7 years) for post-shipment. The Export-Import

Bank of Malaysia Berhad also extends financing facilities and insurance coverage for cross-border transactions. In addition, it provides insurance against non-payment of buyers arising from commercial and political risks.

Owing to past negative experiences with preferential credit and guarantee schemes, it is quite difficult to adopt financing infrastructures similar to Thailand's or Malaysia's. But it is clear that there is a huge demand for financial assistance for market prospection, product development, market diversification, product promotion and the like.

It is therefore worth exploring alternative schemes in using public funds to extend credit to exporters. One such scheme is the utilization of aid-for-trade (AfT) for this purpose. This is attuned to the primary objective of AfT, which is to help the grantee overcome its constraints to trade. AfT are official development assistance (ODA) directed towards increasing the recipient country's participation in global trade through development of infrastructures, building productive capacity and improving trade governance. While priority is given by AfT donors to low-income economies, the Philippines has remained among the top 10 recipients. Hitherto, nearly three-quarters of AfT to the Philippines are allocated to economic infrastructures; build-up of productivity capacity through provision of training and credit has not received as much support as infrastructures.

That extending credit to domestic producers has not been a popular cause among foreign donors is understandable in light of few successes in similar initiatives in the past. But several safeguards may be employed to prevent misallocation or misuse of funds. A possible design is a matching grant program whereby half of the cost of implementing the business plan is borne by the

exporter, while the other half is a grant. The facility may also be operated on a reimbursement basis, whereby exporters have to present receipts upon implementation of the activities in the plan to assure fund providers that the resources are used for intended purpose.³⁰

The supply of credit to micro- and small and medium enterprises (MSME) may also be improved if lending institutions are required to faithfully comply with the mandatory allocation of 10% of loan portfolio to MSMEs. This is provided for in the Magna Carta for MSME (RA 9501) that was first enacted in 1991 and amended in 2008. Such provision in the law has been rendered ineffective by the nominal penalties imposed by the Bangko Sentral ng Pilipinas (BSP) on non-compliant institutions. The urgent task now is to review and modify the pertinent BSP issuance³¹ to make it conform to the intent of the law.

Guided by the foregoing, the following interventions are appropriate:

- Work towards the full implementation of the Magna Carta for MSME, specifically the mandatory allocation of credit resources;
- Increase the credit guarantees of PHILEXIM and SB Corp for SME exporters; and,
- Expand the use of aid-for-trade to create additional facilities for exporters through development banks.

Strategy 6: Exploit opportunities presented by regional and preferential trading arrangements to expand market access within existing trade partners, explore new

30 In Tunisia, donors set up a matching grants facility of exporters called FAMEX. Several reviews of such scheme have been generally favorable.

31 Bangko Sentral ng Pilipinas Circular No. 625, Series of 2008: Revised Rules and Regulations Governing the Mandatory Allocation of Credit Resources to MSMEs.

trade partners, and develop new export products.

It is well recognized that a major drag to the country's export performance is its focus on a few products and markets. Past PEDPs have underscored the need to diversify, but success in this area has been limited. Some concrete actions in the next three years to expand market access and accelerate diversification would be the following:

- Maximize the benefits of existing FTAs by providing adequate and timely information to exporters so they could avail of those market opportunities;
- Establish and promote the Philippines as the gateway of the European Union and the United States to the ASEAN Economic Community (AEC);
- Identify and critically assess the concrete gains for the country in participating in new trading arrangements such as EU GSP+, RCEP, and TPP, and define the country's negotiating stance accordingly;
- Use the various trading arrangements, including MRAs, to promote the Philippines as leading supplier of certification-enabled products, such as halal, Kosher, organic, fair trade, and green products;
- Use political and diplomatic channels to address the legal and regulatory impediments faced by exporters in accessing foreign markets;
- Intensify efforts to provide access to information and advice to private sector in exploiting opportunities in foreign markets;
- Follow-up on past initiatives to develop the country's export potential in the following services: IT-BPM such as health information management (HIM), software development, game development, animation, and back-

office services; medical tourism; retirement services; and education services.

Strategy 7: Launch a well-coordinated, harmonized and sufficiently funded export and investment promotion campaign

Hitherto export and investment promotion have been managed as separate initiatives. There is, however, a logic to promoting exports and investments jointly. The goal of investment promotion is not only to augment domestic capital, but equally important, to facilitate entry of technology and know-how that could lead to skills and industrial upgrading. Linking investments with the need to upgrade the export structure in order to promote exports thus makes sense. The campaign to attract foreign direct investments (FDI) could thus be targeted towards raising the levels of productive capabilities needed to boost the country's export profile.

Any campaign however could only be successful if adequately supported. It is worth noting that other economies with the same income status as the Philippines allocate much more public funds to launch aggressive investment and export promotion.

To ensure a cohesive and effective program of export and investment promotion, the following measures are appropriate:

- Study the merits and feasibility of a Philippine Investment and Export Promotion Development Plan, and realign existing structures and work plans as necessary;
- Rationalize and tighten the links between investment incentives and export promotion;
- Launch an aggressive campaign to build up the country's image as an attractive site for production and investment;

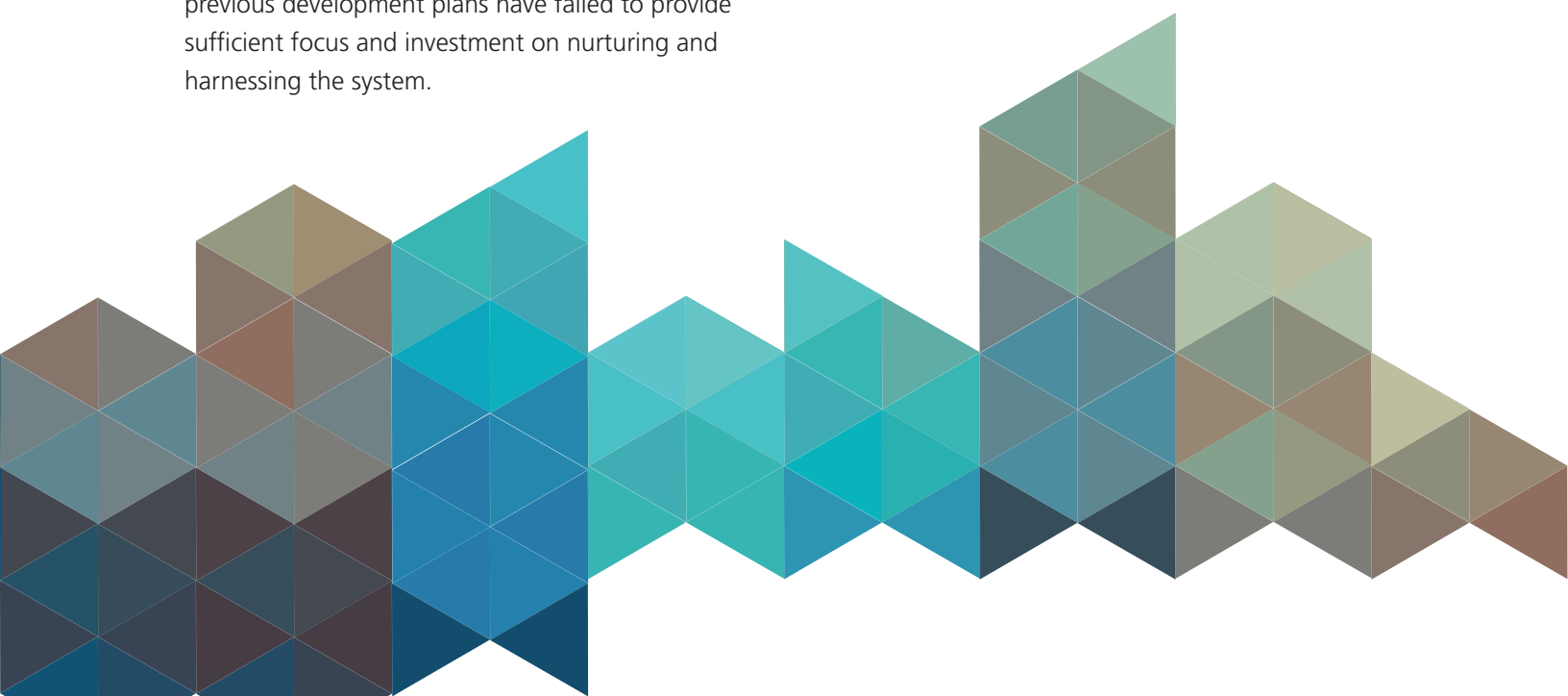
- Target to match, if not surpass, the visibility of other ASEAN countries in trade fairs and other promotional activities, and significantly increase the frequency of exporters' and importers' business missions; and
- Study the feasibility of creating a Philippine Export Promotion Board that will serve as venue for the private sector and local government units to make recommendations concerning public initiatives in marketing Philippine exports. The Board may also be tasked to decide on the allocation of fiscal budget allotted for export development.

Strategy 8: Enhance the innovative capacity of the export sector through an efficient system of national innovation

The national innovation system (NIS) refers to a network of institutions in the public and private sectors that jointly and individually contribute to the development and diffusion of new technologies. It refers in particular to the interaction among industries, universities and private and public research institutions to produce, diffuse and utilize knowledge and information to achieve societal goals. While it is widely recognized that a well functioning NIS is critical to the competitiveness of domestic producers, previous development plans have failed to provide sufficient focus and investment on nurturing and harnessing the system.

As a start, the next years will focus on unlocking the flow of information among key actors in the system. This may involve the following activities:

- Trace existing links and collaborative activities between industries, universities and public and private research institutions and identify bottlenecks that impede the flow of knowledge and information amongst them;
- Address systemic failures that undermine the capacity of industries to innovate, such as the lack of interaction among producers and users of knowledge and information in the system; mismatches between basic research in the public sector and academia and more applied research in the industry; and malfunctioning of technology transfer institutions;
- Provide resources and incentives for undertaking joint research activities and other technical collaboration among firms and with public research institutions; and
- Improve exporters' access to appropriate knowledge networks that will help them find and identify relevant technologies and information, and to adapt such knowledge to their own needs.



IV

EXPORT TARGETS³²

For three consecutive years since 2012, the Philippine export performance was bullish despite the slowdown in global trade. In 2014, global trade was estimated to grow by only 3.4% for the year, compared to an average of 6% before the financial crisis. Nonetheless, Philippine exports registered respectable growth of 10.5 and 8.6 percent in 2013 and 2014, respectively. But global trade continued to slide in 2015, growing only by 2.8%.³³ This did not spare Philippine exports, which succumbed to the decline in imports from emerging economies, particularly China, sharp fall in commodity prices and financial market volatility.

What are the prospects for Philippine exports in 2016 and beyond? This section sets the export targets, considering the cautious forecast by international organizations, such as the OECD and WTO, on the moderate recovery of global trade in the next two years. This global pessimism may be tempered, however, by expectations that the policy reforms and interventions in the past years

would somewhat cushion the impact of global slowdown on Philippine trade.

I. ASSUMPTIONS

The first 11 months of 2015 show contraction in exports of most commodities, with the exemption of electronics that grew by about 7.5%. As shown in Table IV.1, exports of goods during the first 11 months reached only US\$54 billion, against US\$57 billion for the same period in the previous year. Services exports, however, continue to expand, albeit at a much slower pace than in previous years. As a result, overall exports in 2015 may have contracted between 1.2 and 3.8 percent from previous year's level.

In the next two years, global trade is likely to be defined by China's transition from investment- to consumption-led growth, prices of oil and other primary commodities, and monetary policy responses of developed economies to China's economic adjustments. World trade in 2016 is expected to be better than 2015, however, as it is anticipated to grow by 3.9% (WTO estimates). There is yet greater optimism for 2017.

³² This section has been updated as of 21 January 2016.

³³ OECD's forecast as of 9 November 2015.

TABLE IV.1
PROJECTED EXPORTS, 2015 VS. ACTUAL EXPORTS, 2014

	2015 (PROJECTED)		2014 (ACTUAL)
	LOW	HIGH	
Goods (January – November, actual)	53,988		57,299
Services (January – September, actual)	20,561		18,505
Goods (January - December)	57,531	59,081	62,102
Services (January – December)	26,729	27,415	25,474
Total Exports (January – December)	84,261	86,496	87,576
YoY Growth rate			
Goods	(7.4)	(4.9)	
Services	4.9	7.6	
Total Exports	(3.8)	(1.2)	

2. TARGETS

In view of the foregoing, the targets set for 2016 and 2017 are premised on the effective implementation of the market interventions and reforms provided for in this plan. Thus, exports are expected to be back on trend in 2016 and 10% above it in 2017. The “low” growth targets for the two years, shown in Table IV.2, are based on the smaller between the long-term CAGR established for 2006 to 2015 and medium-term

CAGR of 2010 to 2015, for each product. The larger of these two CAGRs or trends, for each product, defines the “high” growth targets in the Table.

On the assumptions that the decline in exports in 2015 is not worse than 1.2%, a recovery in 2016 and continuous growth in the succeeding year, Philippine exports would be able to surpass the US\$100-billion mark by 2017. This would require,

TABLE IV.2
TARGET EXPORT REVENUES, 2015-17

	2015 ^{a/}		2016 ^{b/}		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
(in US\$ million)						
Goods	57,531	59,081	62,297	63,836	66,452	70,206
Services	26,729	27,415	29,894	30,232	32,868	33,861
Total Export	84,261	86,496	92,191	94,068	99,320	104,067
YoY Growth rate						
Goods	(7.4)	(4.9)	5.4	8.0	6.7	10.0
Services	4.9	7.6	9.0	10.3	9.9	12.0
Total Exports	(3.8)	(1.2)	6.6	8.8	7.7	10.6

^{a/} Based on actual exports of goods from January to November and of services from January to September.

^{b/} Calculated using the high estimate of 2015 exports as base.

TABLE IV.3
TARGET EXPORTS BY MAJOR SECTOR, 2015-17

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Agro-based	(25.3)	(23.1)	5.1	11.3	6.0	13.0
Forest-based	(41.9)	(41.9)	14.7	34.1	16.2	37.7
Minerals	(32.3)	(29.7)	8.1	15.7	9.2	18.1
Manufactures	(3.7)	(1.1)	5.4	7.5	6.7	9.4
of which electronics	4.9	7.3	2.9	4.2	4.0	5.8
Others	(1.6)	(1.6)	1.5	5.4	1.7	6.0
Total goods	(7.4)	(4.9)	5.4	8.0	6.7	10.0
Transportation	(4.5)	(2.0)	6.5	7.7	7.2	8.5
Travel	3.4	6.0	4.6	15.0	5.1	16.5
IT-BPM	5.8	8.5	7.9	14.9	8.7	16.5
Total services	4.9	7.6	9.0	10.6	9.9	11.7

however, that major export of goods and services to be on growth track as presented in Table IV.3. Thus, manufactured exports must expand between 5.4% and 7.5% in 2016, and between 6.7% and 9.4% in 2017. The electronics sector is also expected to grow, albeit moderately, in the next two years. In contrast, much is expected from the IT-BPM sector that has nonetheless

shown signs of weakening growth in recent years. To be able to register growth between 8% and 15% in 2016, and between 9% and 17% in 2017, the sector should be able to shift to higher value-added, knowledge-intensive products.

V

TOWARDS AN INCLUSIVE EXPORT GROWTH

Rapid, sustained increase in exports is expected to propel economic growth, create employment, draw majority of the population into the social and economic mainstream, and subsequently reduce mass poverty. But the speed and extent of the trickling down of the benefits of export growth depends on a number of factors. Among them are efficiency of labor and capital markets, prudent taxing and spending by the government, and effective redistributive social measures. The PDP contains a comprehensive package of programs, policies and reforms to ensure that economic gains would eventually benefit the poor. The strategies expounded in the preceding section complement these measures. Whether exports can contribute

to the goal of uplifting the poor depends on the effective implementation not only of this plan, but also crucially, of the larger set of development strategies laid out in the PDP. It is important nonetheless to determine the economic gains that may be attributed mainly to the growth in exports. This section provides estimates of the gains in terms of employment, production and income.

I. GROWTH METRICS

Consistent with the export targets described Section IV, the table that follows presents the increments in export revenues under the low and high scenarios. To recall, the figures for 2015 are informed by the January to November goods exports, published by the PSA and by the January to September services exports, reported by the BSP. The targets for 2016 assume that

TABLE V.I
ANNUAL INCREASES IN EXPORT REVENUES, 2014-2017 (IN MILLION US DOLLARS)

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Goods	(4,590)	(3,020)	3,215	4,754	4,156	6,371
Services	1,260	1,945	2,008	4,051	4,353	9,177
Total	(3,331)	(1,075)	5,224	8,806	8,508	15,547

TABLE V.2
EMPLOYMENT, OUTPUT AND INCOME MULTIPLIERS OF SELECTED EXPORTS

	EMPLOYMENT	OUTPUT	INCOME
Processed meat	11.327	2.471	3.893
Processed fish, crust. & molluscs	6.884	2.338	3.533
Processed fruit & vegetables	4.578	1.952	2.356
Mfr of vegetable & animal oils, fats	21.803	1.891	4.743
Mfr of basic chemicals	4.999	2.536	2.432
Mfr of fertilizers & nitrogen	18.182	2.419	4.311
Mfr of paints, varnishes	22.616	2.484	2.311
Mfr of soap & detergents	2.862	2.467	2.908
Non-ferrous metal ores	3.678	2.587	11.741
Mfr of electronic comp & boards	4.511	3.777	4.528
Mfr of measuring, testing equipment	3.631	2.679	4.517
Mfr of motor vehicle parts	4.467	2.465	3.739
Building of ships & floating structures	3.904	3.437	4.496
Computer services	1.489	1.805	1.437
Information services	1.226	1.630	1.226
Maintenance & repair, nie	2.315	1.736	1.489
Other business services – R&D	1.687	1.798	1.486
Other business services – Professional & Management Consultancy	2.251	1.796	1.562
Other business services – Technical	1.394	1.827	1.573

exports will revert to its long-term trend (2006-2015) or medium-term trend (2010-2015), while the targets for 2017 envisage exports to stay 10% above the trend. A more robust growth is however expected beyond 2017 if the development strategies laid out in this plan are pursued and nurtured.

To translate this growth of exports into jobs, we use the values of outputs and income and the relationships among producing sectors described in the 2006 Input-Output (IO) table, together with the production data from the 2010 survey of business establishments, to generate estimates of the responsiveness of macroeconomic variables to export stimuli. These input-output multipliers, a sample of which are presented in Table V.2, are applied to projected changes in exports in Table V.1 to obtain estimated changes in employment,

production and income when the export targets are met.³⁴

Thus, an increase in exports of processed meat by one million pesos³⁵ is projected to create 11.3 employment opportunities, based on the employment multiplier of the sector. These opportunities include direct and indirect jobs to the sector concerned. Clearly, more job opportunities may be created if the change in exports comes from a sector that is more extensively linked with the rest of the economy, hence with larger employment multiplier. The

34 Annex V.1 presents input-output multipliers of sectors grouped according to NEDA classification of goods and BSP monitoring of services. Annex V.2 contains multipliers of goods based on ISIC product grouping.

35 All values are expressed in 2006 prices. The export revenues from 2014 to 2016 are thus translated into pesos using the average exchange rate in 2006 of P51.05 to a US dollar.

employment multiplier ranges from 1.017 (mangoes) to 30.494 (coconut oil).³⁶

On the other hand, every million-peso increase in exports of basic chemicals may be expected to increase production by P2.5 million and household income (compensation) by P11.7 million, based on the output and income multipliers of the sector. The output multiplier ranges from 1.223 (logs) to 3.777 (semiconductor devices and other electronic components), while the income multiplier ranges from 1.068 (use of intellectual property) to 12.796 (coconut oil).

2. JOBS

How much additional employment may be expected if the target export revenues are attained? The next table shows projections of additional jobs coinciding with the growth in exports. Annex V.3 presents a breakdown of employment created by sector.

TABLE V.3
PROJECTED JOBS CREATED THROUGH
EXPORT GROWTH (IN THOUSANDS)

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Goods	(1,572)	(1,083)	644	1,115	824	1,462
Services	78	137	180	372	389	846
Total	(1,494)	(946)	824	1,486	1,213	2,308

36 Refer to Annex V.1 and V.2 for employment, output and income multipliers of NEDA and ISIC product clusters, respectively.

As a consequence of the decline in exports in 2015, about 1 million job opportunities are expected to have been lost.³⁷ On the other hand, the export growth in 2013 and 2014 created about 3 million job opportunities during those years. Between 2 to 3.8 million jobs may be generated if the growth targets for 2016 and 2017 are met. In all, this plan, if implemented effectively, will create between 500,000 to 2.8 million additional employment opportunities.

3. VALUE OF OUTPUT

Higher exports by one sector will expand the output not only of that sector, but also of others to whom it is directly and indirectly related in production and distribution. This explains why all output multipliers exceed unity since the economy's output expands more than proportionately to the increase in exports that triggered the change. The next table summarizes the output effects of the two-year export targets presented in the preceding section. The breakdown of the output increase by sector is shown in Annex V.4.

TABLE V.4
PROJECTED INCREASE IN VALUE OF
PRODUCTION DUE TO GROWTH IN EXPORTS
(IN BILLION PESOS AT 2006 PRICES)

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Goods	(505)	(270)	390	593	502	789
Services	124	193	203	409	439	926
Total	(382)	(77)	592	1,002	941	1,715
% of 2006 value of output	(3.0)	(0.6)	4.6	7.9	7.4	13.5

37 This does not necessarily mean that 1 million jobs were retrenched since other sectors in the economy could have grown and created new jobs.

From the foregoing table, production declines as export contracts but is expected to recover in 2016 once exports returns to a growth path. The net impact on production over the three- year period ranges from 1.1 to 2.6 billion pesos, which is equivalent in value to about 9 to 21 percent of the economy's output in 2006.

4. COMPENSATION INCOME

Apart from increases in aggregate output, the growth in exports would also have impact on compensation income. These increases are summarized below.

As is evident in the above table, the forecast impact on household real incomes due to changes in exports are significant. In 2015, for example, real incomes may have been reduced by 47 to 69 percent of 2006 level on account of export decline. The export recovery in succeeding years will, however, more than compensate for such decline. Thus, if the growth targets are met, then total compensation income could be nearly twice its 2006 level in 2017.

Annex V.5 shows the contribution of the different sectors to the projected increase in compensation.

5. FINAL NOTE

Exports can be a potent instrument in attaining the elusive goal of inclusive growth. It creates jobs, expands production, and raises incomes. In recent years, economic growth has been driven mainly by consumption that is sustained by inflows of overseas remittances. In the last two years or so, the revival of the manufacturing sector provided additional impetus. Yet there is still insufficient attention to exports as a source of economic growth.

This plan underscores the imperative of growing exports – not only for the country to catch up with its regional neighbors but more importantly, to uplift the living standards of the poor by expanding employment and income opportunities. It is easy to recognize the various impediments to exporting and difficulties faced by domestic producers in linking up with the global value chains. Indeed, there is an urgent need for government action on many fronts. Once this is recognized, putting export development at the forefront of the national agenda should be a matter-of-course.

TABLE V.5

PROJECTED INCREASES IN HOUSEHOLD INCOMES DUE TO GROWTH IN EXPORTS (IN BILLION PESOS AT 2006 PRICES)

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Goods	(1,534)	(1,137)	635	1,067	810	1,394
Services	114	179	189	378	409	854
Total	(1,420)	(958)	824	1,445	1,219	2,248
% of 2006 compensation	(68.9)	(46.5)	40.0	70.1	59.2	109.0

ANNEX

ANNEX I.1

PROFILE OF PHILIPPINE GOODS EXPORTS I (BASED ON NSO CLASSIFICATION; IN US MILLION DOLLARS)

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Abaca fibers	13	6	5	15	2.3	1.7
Activated carbon	44	109	100	95	22.2	12.2
Articles of apparel	1,446	1,387	1,522	1,833	13.0	0.4
Automotive electronics	800	218	545	121	(24.9)	(14.3)
Baby carriages, toys, games, and sporting goods	153	209	275	241	15.0	12.4
Bananas (fresh)	472	647	963	1,130	37.2	13.7
Basketworks	51	47	52	52	2.2	(2.0)
Cathodes of refined copper	1,212	505	642	462	(13.0)	(11.5)
Ceramic tiles and décor	13	11	12	18	(2.0)	(4.8)
Chemicals	1,668	1,708	2,620	2,603	16.7	19.3
Christmas décor	34	31	54	50	13.5	(1.6)
Chromium ore	8	8	15	6	(14.5)	2.0
Coconut oil	1,425	1,041	1,006	1,203	(1.3)	9.6
Coffee raw, not roasted	0	0	0	0	(43.8)	(38.3)
Communication/radar	338	234	206	286	(19.9)	2.5
Components/devices (semiconductors)	17,782	17,469	17,397	18,587	(6.0)	(2.3)
Consumer electronics	237	232	332	406	8.5	(1.5)
Control and instrumentation	94	420	248	740	79.3	60.7
Copper concentrates	337	244	443	569	21.5	27.0
Copra oil cake or meal	59	125	212	113	9.5	17.8
Dessicated coconut	287	197	199	254	13.6	7.9
Electronic data processing	4,242	3,037	4,497	5,805	1.4	0.1
Electronic eqpt & parts	338	986	993	927	26.2	24.9
Fertilizers, manufactured	213	119	132	55	(17.7)	(5.0)
Fine jewelry	39	25	27	29	(7.7)	3.1
Fish, fresh or preserved	228	280	332	388	20.3	14.1
Footwear	12	16	34	35	42.8	4.5
Garments	450	186	59	21	(56.2)	(37.2)
Gold	436	505	333	239	6.2	0.6
Ignition wiring sets	1,110	1,446	1,731	2,050	16.6	12.7

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Iron & steel	200	251	159	108	(8.6)	(9.6)
Iron ore agglomerates	63	86	113	119	2.0	(3.1)
Logs	0	4	3	1	50.4	63.5
Lumber	25	29	59	80	65.4	25.1
Machinery & transport eqpt	2,021	3,349	2,088	3,978	22.0	14.8
Mangoes	17	15	13	24	12.6	0.2
Medical/industrial instrumentation	40	57	54	133	39.3	33.6
Metal components	785	1,962	1,685	1,377	15.4	16.7
Misc. manufactured articles, n.e.s.	380	1,505	528	656	22.2	10.7
Molasses	30	21	23	11	(0.1)	(0.8)
Natural rubber	80	62	74	79	9.2	6.8
Nickel	-	a	A	-		
Non-metallic mineral manufactures	164	134	192	308	21.3	8.9
Non-woodcraft furniture	4	4	-	-	(100.0)	
Office equipment	225	533	326	373	11.3	4.2
Other coconut product	13	28	56	43	39.1	21.6
Other forest products	1	14	26	4	79.0	23.2
Other fruits and vegetables	40	51	66	78	29.5	10.4
Other manufactures	2,747	4,161	5,491	5,079	21.9	17.5
Other mineral products	784	989	1,865	2,645	47.7	26.5
Other products manufactured - consignment basis	550	338	166	41	(52.0)	(30.9)
Other sugar and products	6	46	3	22	59.3	27.0
Others	457	716	787	852	5.6	2.6
Others agro-	52	60	80	65	11.1	7.7
Petroleum products	648	465	843	446	4.7	(8.6)
Pineapple and pineapple products	344	413	421	434	15.7	8.8
Plywood	24	11	3	2	(43.3)	(20.4)
Processed food and beverages	694	608	713	914	11.8	11.0
Processed tropical fruits	242	266	271	335	19.6	12.7
Ramie fibers, raw and roasted	-	a	1	a		(31.4)
Rice	1	a	a	a	66.3	39.7
Seaweeds and carrageenan	211	185	219	263	14.3	17.7
Shrimps and prawns	57	34	48	63	6.7	(2.4)
Special transactions	910	564	280	377	(18.0)	(11.1)
Sugar	354	109	273	108	30.1	3.3
Telecommunication	101	526	326	340	44.3	6.0
Textile yarns/fabrics	184	170	188	247	9.9	1.5
Travel goods and handbags	40	60	176	266	39.4	31.2
Tuna	292	411	660	444	7.3	16.0
Unmanufactured tobacco	131	76	92	122	3.6	17.7
Veneer sheets/corestocks	a	a	1	a	(31.2)	(24.2)
Wood manufactures	a	a	1	a	162.5	5.8
Woodcrafts and furniture	1,844	2,335	3,337	3,334	29.7	17.4
TOTAL EXPORTS	48,305	52,100	56,698	62,102	4.8	3.4

a = less than US\$ 1 million

Source: Philippine Statistical Authority

ANNEX I.2**PROFILE OF PHILIPPINE GOODS EXPORTS II (BASED ON NEDA CLASSIFICATION; IN US MILLION DOLLARS)**

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Agro-based Products						
COCONUT PRODUCTS						
Copra	a	1	a	1	-	-
Coconut oil	1,425	1,041	1,006	1,203	(1.3)	9.6
Desiccated coconut	59	125	211	254	13.6	7.9
Copra meal/cake	287	197	199	112	9.3	17.7
Other coconut products	13	28	56	43	39.1	21.6
SUGAR AND PRODUCTS						
Centrifugal and refined	354	109	273	108	30.1	3.3
Molasses	30	21	23	11	(0.1)	(0.8)
Other sugar and products	6	46	3	22	59.3	27.0
FRUITS AND VEGETABLES						
Canned pineapple	195	220	176	182	9.6	6.8
Pineapple concentrates	39	43	42	40	1.7	1.0
Pineapple juice	44	51	51	58	12.2	12.7
Bananas	472	647	963	1,130	37.2	13.7
Mangoes	17	15	13	24	12.6	0.2
Other fruits and vegetables	217	227	284	346	31.2	13.8
OTHER AGRO-BASED						
Fish, fresh or preserved	368	420	478	583	14.6	10.7
Coffee, raw not roasted	a	a	a	a	(43.8)	(38.3)
Abaca fibers	13	6	5	15	2.3	1.7
Tobacco unmanufactured	131	76	92	122	3.6	17.7
Natural rubber	80	62	74	79	9.2	6.8
Ramie fibers, raw and roasted	-	a	1	a	-	(31.4)
Seaweeds, dried	56	31	43	51	7.2	9.3
Rice	1	a	A	a	66.3	39.7
Other agro-based products	207	213	254	276	14.8	16.3
TOTAL AGRO-BASED	4,015	3,579	4,248	4,659	12.4	10.9
Forest Products						
Logs	a	4	3	1	50.4	63.5
Lumber	25	29	59	80	65.4	25.1
Plywood	24	11	3	2	(43.3)	(20.4)
Veneer sheets/corestocks	a	a	1	a	(31.2)	(24.2)
Other forest products	1	14	26	4	79.0	23.2
TOTAL FOREST	50	58	92	86	32.4	15.3
Mineral Products						
Copper metal	1,212	505	642	569	21.5	27.0
Copper concentrates	337	244	443	462	(13.0)	(11.5)
Gold	214	108	67	34	(28.4)	(4.9)
Chromium ore	8	8	15	6	(14.5)	2.0
Iron ore agglomerates	63	86	113	119	2.0	(3.1)
Nickel	-	a	A	-	-	(100.0)

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Other mineral products	1,005	1,386	2,131	2,850	46.7	22.0
TOTAL MINERAL	2,840	2,337	3,412	4,038	20.3	8.5
Petroleum products	648	465	843	446	4.7	(8.6)
Manufactures						
Electronic Products						
Semiconductor	17,782	17,469	17,397	18,587	(6.0)	(2.3)
Electronic data processing	4,242	3,037	4,497	5,805	1.4	0.1
Office equipment	225	533	326	373	11.3	4.2
Consumer electronics	237	232	332	406	8.5	(1.5)
Telecommunication	101	526	326	340	44.3	6.0
Communication radar	338	234	206	286	(19.9)	2.5
Control and instrumentation	94	420	248	740	79.3	60.7
Medical/industrial instrumentation	40	57	54	133	39.3	33.6
Automotive electronics	800	218	545	121	(24.9)	(14.3)
Other electronics	1,448	2,433	2,724	2,977	19.2	15.4
TOTAL ELECTRONICS	25,307	25,158	26,656	29,767	(2.2)	(0.4)
Garments	1,896	1,573	1,580	1,854	2.2	(4.3)
Textile yarns/fabrics	184	170	188	247	9.9	1.5
Footwear	12	16	34	35	42.8	4.5
Travel goods and handbag	40	60	176	266	39.4	31.2
Wood manufactures	1,683	2,159	3,086	2,963	30.3	20.9
Furniture and fixtures	165	180	251	370	24.9	3.8
Chemicals	1,924	1,937	2,852	2,754	15.1	17.5
Non-metallic mineral manufactures	177	145	204	327	19.1	7.5
Machinery and transport equipment	2,806	5,310	3,763	5,318	20.0	15.2
Processed food and beverages	1,035	1,104	1,482	1,449	11.7	12.1
Iron and steel	200	253	159	108	(8.5)	(9.6)
Baby carriages, toys, games and sporting goods	188	239	329	291	14.7	8.5
Basketworks, wickerwork and others of plaiting materials	46	43	50	49	3.0	(0.9)
Miscellaneous manufactured articles, n.e.s.	423	1,534	558	688	19.5	10.0
Other manufactures	3,298	4,500	5,659	5,121	13.6	11.2
TOTAL MANUFACTURES	39,384	44,380	47,025	51,607	3.6	3.0
Others	1,368	1,280	1,077	1,265	(4.5)	(3.4)
TOTAL GOODS EXPORTS	48,305	52,100	56,698	62,102	4.8	3.4

a = less than US\$ 1 million.

Source: Philippine Statistical Authority

ANNEX I.3**PROFILE OF PHILIPPINE SERVICES EXPORTS (IN US MILLION DOLLARS)**

	2011	2012	2013	2014	CAGR 2010-14	CAGR 2006-14
Transport	1,424	1,594	1,637	1,744	6.68	7.95
Passengers	855	902	909	934	4.06	7.88
Freight	383	464	521	560	11.07	7.78
Others	186	228	207	251	8.24	8.63
Travel	3,198	4,061	4,690	4,767	15.87	3.78
Construction	46	100	89	46	(21.60)	(5.04)
Insurance and pension	74	74	101	127	17.53	10.86
Financial services	104	101	85	172	10.35	5.04
Explicitly charged	39	39	38	63	15.90	(5.68)
Financial intermediation	66	61	47	110	7.69	27.20
Charges for the use of intellectual property	5	8	3	10	23.98	5.76
Telecommunications	386	501	500	349	3.31	(5.69)
Computer services	2,381	2,500	2,835	3,121	12.80	27.22
Information services	1	2	1	2	5.14	9.50
Maintenance & repair	75	95	68	79	(7.14)	6.56
Other business services	11,113	11,306	13,208	14,276	6.52	13.34
R&D	16	18	15	59	43.34	24.87
Professional & MC	18	27	41	44	21.67	15.72
Technical & trade-related	11,079	11,260	13,151	14,173	6.41	13.30
Personal, cultural and recreational	58	84	107	128	32.94	22.00
Audiovisual	30	53	66	54	18.45	10.74
Others	28	31	41	75	52.47	53.52
Government goods & services, n.e.s.	12	14	14	14	3.80	3.80
TOTAL SERVICES	18,878	20,439	23,335	24,837	8.71	10.64

Source: Philippine Statistical Authority⁷

ANNEX I.4**ORIGINS OF DOMESTIC VALUE-ADDED IN 2011 PHILIPPINE EXPORTS, BY INDUSTRY (IN US MILLION DOLLARS)**

	GROSS EXPORTS		DOMESTIC VA		DOMESTIC VA TO GROSS EXPORTS
	VALUE (US\$ M)	SHARE IN TOTAL	VALUE (US\$ M)	SHARE IN TOTAL	
Agriculture, hunting, forestry and fishing	1,441	2.0	1,305	2.4	90.6
Mining and quarrying	1,813	2.5	1,469	2.7	81.0
Total Manufactures	37,485	52.3	26,608	49.4	71.0
Food products, beverages and tobacco	3,907	5.5	3,413	6.3	87.3
Textiles, textile products, leather and footwear	1,521	2.1	1,284	2.4	84.4
Wood and products of wood and cork	982	1.4	788	1.5	80.3
Pulp, paper, paper products, printing and publishing	365	0.5	280	0.5	76.6
Coke, refined petroleum products and nuclear fuel	876	1.2	370	0.7	42.2
Chemicals and chemical products	2,116	3.0	1,431	2.7	67.6
Rubber and plastics products	754	1.1	513	1.0	68.1
Other non-metallic mineral products	177	0.2	112	0.2	63.5
Basic metals	2,749	3.8	1,584	2.9	57.6
Fabricated metal products	436	0.6	270	0.5	61.8
Machinery and equipment	811	1.1	580	1.1	71.5
Electrical and optical equipment	18,792	26.2	13,463	25.0	71.6
Computer, Electronic and optical equipment	15,198	21.2	10,864	20.2	71.5
Electrical machinery and apparatus, nec	3,595	5.0	2,599	4.8	72.3
Motor vehicles, trailers and semi-trailers	2,527	3.5	1,509	2.8	59.7
Other transport equipment	857	1.2	532	1.0	62.1
Manufacturing nec; recycling	615	0.9	481	0.9	78.3
Electricity, gas and water supply	0	0.0	-	-	-
Construction	304	0.4	237	0.4	77.8
Total Business Sector Services	29,755	41.5	23,518	43.7	79.0
Wholesale and retail trade; Hotels and restaurants	8,565	12.0	7,787	14.5	90.9
Wholesale and retail trade; repairs	7,312	10.2	6,758	12.6	92.4
Hotels and restaurants	1,253	1.8	1,029	1.9	82.1
Transport and storage, post and telecommunication	13,795	19.3	9,795	18.2	71.0
Transport and storage	11,180	15.6	7,835	14.6	70.1
Post and telecommunications	2,614	3.6	1,960	3.6	75.0
Financial intermediation	748	1.0	680	1.3	90.9
Real estate, renting and business activities	6,647	9.3	5,257	9.8	79.1
Real estate activities	340	0.5	323	0.6	95.0
Renting of machinery and equipment	82	0.1	63	0.1	76.6
Computer and related activities	589	0.8	438	0.8	74.4
R&D and other business activities	5,637	7.9	4,433	8.2	78.6
Community, social and personal services	823	1.1	706	1.3	85.7
Public administration and defence; compulsory social security	0	0.0	0	0.0	87.0
Education	39	0.1	35	0.1	88.8
Health and social work	27	0.0	21	0.0	78.8
Other community, social and personal services	757	1.1	649	1.2	85.8
Private households with employed persons	-	-	-	-	-
Total	71,622	100	53,843	100	75.2

Source: WTO-OECD TIVA

ANNEX II.1**TRADE MAP ANALYSIS OF PHILIPPINE EXPORTS I (BASED ON NEDA PRODUCT GROUPING; IN PERCENT)**

	CAGR WORLD TRADE 2006-13	CHANGE IN PH GLOBAL MARKET SHARE 2006-2013	CLASSIFICATION
Abaca fibers	(34.93)	22.56	Achiever
Automotive electronics	6.67	(2.73)	Underachiever
Baby carr., toys, games, and sporting goods	3.51	8.20	Achiever
Bananas	6.36	6.79	Champion
Basketworks, wickerwork & other art. of plaiting materials	0.01	(0.85)	Laggard
Canned pineapple	3.35	3.94	Achiever
Centrifugal & refined	6.76	11.85	Champion
Chemicals	5.20	15.68	Achiever
Chromium ore	15.85	2.30	Champion
Coconut oil	7.18	1.03	Champion
Coffee raw, not roasted	7.85	(11.67)	Underachiever
Communication radar	2.28	(4.09)	Laggard
Components/devices (semiconductors)	6.21	(9.70)	Laggard
Consumer electronics	5.11	(9.61)	Laggard
Control & instrumentation	5.75	41.30	Achiever
Copper concentrates	8.49	18.31	Champion
Copper metal	4.89	(13.78)	Laggard
Copra	3.30	(3.30)	Achiever
Copra meal/cake	16.21	15.72	Champion
Desiccated coconut	10.81	(5.53)	Underachiever
Electronic data processing	3.71	(7.15)	Laggard
Fish, fresh or preserved	5.68	3.51	Achiever
Footwear	5.86	(1.21)	Laggard
Furniture and fixtures	3.58	(4.92)	Laggard
Garments	3.77	(10.87)	Laggard
Gold	30.92	(26.69)	Underachiever
Iron & steel	2.79	(8.57)	Laggard
Iron ore agglomerates	a	a	
Logs	5.32	95.77	Achiever
Lumber	0.56	23.17	Achiever
Machinery & transport equipment	5.59	6.29	Achiever
Mangoes	11.41	(19.55)	Underachiever
Medical/industrial instrumentation	4.76	17.68	Achiever
Misc. Manufactured articles, n.e.s.	6.48	1.74	Champion
Molasses	6.85	3.43	Champion
Natural rubber	7.94	(1.00)	Underachiever
Nickel	a	a	
Non-metallic mineral manufactures	4.24	(2.68)	Laggard
Office equipment	(15.79)	18.63	Achiever
Other coconut product	13.58	16.04	Champion
Other electronics	6.80	9.55	Champion
Other forest products	(8.38)	77.20	Achiever

	CAGR WORLD TRADE 2006-13	CHANGE IN PH GLOBAL MARKET SHARE 2006-2013	CLASSIFICATION
Other fruits and vegetables	8.34	4.41	Champion
Other manufactures	6.59	7.94	Champion
Other mineral products	12.13	8.31	Champion
Other sugar and products	11.67	(11.50)	Underachiever
Others	12.80	(10.92)	Underachiever
Others agro-	11.04	6.47	Champion
Petroleum products	12.03	(13.24)	Underachiever
Pineapple concentrates	3.46	(1.73)	Laggard
Pineapple juice	3.46	9.04	Achiever
Plywood	(0.18)	(17.32)	Laggard
Processed food and beverages	9.14	5.12	Champion
Ramie fibers, raw and roasted	a	a	
Rice	a	a	
Seaweeds, dried	a	a	
Special transactions	7.95	(24.10)	Underachiever
Telecommunication	13.70	(7.49)	Underachiever
Textile yarns/fabrics	3.69	(5.90)	Laggard
Tobacco unmanufactured	9.03	6.81	Champion
Travel goods and handbags	7.95	20.56	Champion
Veneer sheets/corestocks	0.08	(16.93)	Laggard
Wood manufactures	1.81	23.10	Achiever

a = no 6-digit World trade data

Source of basic data: UN COMTRADE

ANNEX II.2**TRADE MAP ANALYSIS OF PHILIPPINE EXPORTS II (BASED ON PSA PRODUCT GROUPING; IN PERCENT)**

	CAGR WORLD TRADE 2006-13	CHANGE IN PH GLOBAL MARKET SHARE 2006-13	CLASSIFICATION
Abaca fibers	(34.93)	22.56	Achiever
Activated carbon	12.43	2.49	Champion
Articles of apparel	3.81	(5.95)	Laggard
Automotive electronics	6.67	(2.73)	Underachiever
Baby carriages toys, games, and sporting goods	3.68	12.74	Achiever
Bananas (fresh)	6.36	6.79	Champion
Basketworks	4.02	(6.38)	Laggard
Cathodes & sections of cathodes, of refined copper	4.89	(13.78)	Laggard
Ceramic tiles and decor	3.10	(13.80)	Laggard
Chemicals	5.08	17.36	Achiever
Christmas decor	1.42	(2.19)	Laggard
Chromium ore	15.85	2.30	Champion
Coconut oil	7.18	1.03	Champion
Coffee raw, not roasted	7.85	(11.67)	Underachiever
Communication/radar	2.28	(4.09)	Laggard
Components/devices (semiconductors)	6.21	(9.70)	Laggard
Consumer electronics	5.11	(9.61)	Laggard
Control and instrumentation	5.75	41.30	Achiever
Copper concentrates	8.49	18.31	Champion
Copra oil cake or meal	13.41	18.54	Champion
Dessicated coconut	10.81	(5.53)	Underachiever
Electronic data processing	3.71	(7.15)	Laggard
Electronic eqpt. & parts	6.71	23.55	Champion
Fertilizers, manufactured	13.37	(6.63)	Underachiever
Fine jewelry	9.85	(7.17)	Underachiever
Fish, fresh or preserved	5.83	7.90	Achiever
Footwear	5.86	(1.21)	Laggard
Garments	1.01	(33.06)	Laggard
Gold	30.92	(25.33)	Underachiever
Ignition wiring sets	8.09	3.81	Champion
Iron & steel	2.79	(8.61)	Laggard
Iron ore agglomerates	a	a	
Logs	5.32	95.77	Achiever
Lumber	0.56	23.17	Achiever
Machinery & transport equipment	4.61	2.17	Achiever
Mangoes	11.41	(19.55)	Underachiever
Medical/industrial instrumentation	4.76	17.68	Achiever
Metal components	10.24	12.56	Champion
Misc. Manufactured articles, n.e.s.	5.94	2.98	Achiever
Molasses	6.85	3.43	Champion
Natural rubber	7.94	(1.00)	Underachiever
Nickel	a	a	
Non-metallic mineral manufactures	4.52	(1.51)	Laggard
Office equipment	(15.79)	18.63	Achiever
Other coconut product	13.58	16.04	Champion

	CAGR WORLD TRADE 2006-13	CHANGE IN PH GLOBAL MARKET SHARE 2006-13	CLASSIFICATION
Other forest products	(8.38)	77.20	Achiever
Other fruits and vegetables	8.72	0.62	Champion
Other manufactures	6.61	14.99	Champion
Other mineral products	12.13	12.35	Champion
Other products manufactured - consignment basis	a	a	
Other sugar and products	11.67	(11.50)	Underachiever
Others	12.80	(11.00)	Underachiever
Others agro-	11.08	1.07	Champion
Petroleum products	12.03	(13.24)	Underachiever
Pineapple and pineapple products	3.45	6.17	Achiever
Plywood	-	(17.50)	Laggard
Processed food and beverages	9.12	(0.42)	Underachiever
Processed tropical fruits	6.43	4.73	Champion
Ramie fibers, raw and roasted	a	a	
Rice	a	a	
Seaweeds and carageenan	8.50	8.83	Champion
Shrimps and prawns	4.46	(11.03)	Laggard
Special transactions	7.95	(24.10)	Underachiever
Sugar	6.76	11.85	Champion
Telecommunication	13.70	(7.49)	Underachiever
Textile yarns/fabrics	3.71	(5.91)	Laggard
Travel goods and handbags	7.95	20.56	Champion
Tuna	10.00	15.36	Champion
Unmanufactured tobacco	9.03	6.81	Champion
Veneer sheets/corestocks	0.08	(16.93)	Laggard
Wood manufactures	(1.88)	15.00	Achiever
Woodcrafts and furniture	3.49	16.60	Achiever

a = no available data on world exports; b = no export in 2014

ANNEX II.3

TRADE MAP ANALYSIS OF PHILIPPINE EXPORTS III (SERVICES; IN PERCENT)

	CAGR WORLD TRADE 2006-13	CHANGE IN PH GLOBAL MARKET SHARE 2006-13	CLASSIFICATION
Travel	4.1	(2.2)	Laggard
Other business services	14.1	6.6	Champion
Transport	8.1	3.2	Achiever
Financial services	(4.4)	(10.5)	Laggard
Computer, and information services	29.8	24.1	Achiever
Royalties and license fees	(10.0)	(17.4)	Underachiever
Insurance and pension services	8.8	1.3	Champion
Construction	3.6	(2.1)	Laggard
Government goods and services n.i.e.	-	-	
Personal, cultural, and recreational services	22.3	14.3	Champion
Communications services	(1.5)	(8.1)	Laggard

ANNEX II.4**REVEALED COMPARATIVE ADVANTAGE OF PHILIPPINE EXPORTS I
(BASED ON NEDA PRODUCT CLASSIFICATION)**

	2006	2013	SHARE IN 2014 EXPORT		2006	2013	SHARE IN 2014 EXPORT
Abaca fibers	112.93	1,160.43	0.02	Medical/industrial instrumentation	0.10	0.38	0.21
Automotive electronics	2.68	2.86	0.19	Misc. Manufactured articles, n.e.s.	0.32	0.46	1.11
Baby carriages, toys, games, and sporting goods	0.46	1.00	0.47	Molasses	3.54	5.64	0.02
Bananas	10.87	21.44	1.82	Natural rubber	0.78	0.94	0.13
Basketworks, wickerwork & other article of plaiting material	8.87	10.69	0.08	Nickel	a	a	b
Canned pineapple	28.13	46.79	0.29	Non-metallic mineral manufactures	0.42	0.45	0.53
Centrifugal & refined	1.25	3.34	0.17	Office equipment	2.53	13.11	0.60
Chemicals	0.17	0.56	4.43	Other coconut product	3.55	11.46	0.07
Chromium ore	1.04	1.52	0.01	Other electronics	0.91	2.12	4.79
Coconut oil	101.52	138.94	1.94	Other forest products	0.03	2.89	0.01
Coffee raw, not roasted	0.00	0.00	0.00	Other fruits and vegetables	0.59	0.99	0.56
Communication radar	0.20	0.19	0.46	Other manufactures	0.28	0.58	8.25
Components/devices (semiconductors)	8.72	5.71	29.93	Other mineral products	1.16	2.44	4.59
Consumer electronics	0.41	0.27	0.65	Other sugar and products	0.21	0.13	0.04
Control & instrumentation	0.05	0.64	1.19	Others	1.62	1.02	1.43
Copper concentrates	0.64	2.43	0.92	Others agro-	0.30	0.56	0.44
Copper metal	6.76	3.23	0.74	Petroleum products	0.55	0.29	0.72
Copra	-	2.38	0.00	Pineapple concentrates	16.69	18.98	0.06
Copra meal/cake	89.74	279.13	0.18	Pineapple juice	a	a	0.09
Desiccated coconut	147.53	131.96	0.41	Plywood	0.27	0.09	0.00
Electronic data processing	4.55	3.53	9.35	Processed food and beverages	0.45	0.80	2.33
Fish, fresh or preserved	1.06	1.71	0.94	Ramie fibers, raw and roasted	a	a	0.00
Footwear	0.08	0.09	0.06	Rice	a	a	c
Furniture and fixtures	0.58	0.53	0.60	Seaweeds, dried	a	a	0.08
Garments	2.09	1.24	2.99	Special transactions	55.61	12.14	0.61
Gold	0.36	0.09	0.05	Telecommunication	0.89	0.71	0.55
Iron & steel	0.34	0.24	0.17	Textile yarns/fabrics	0.52	0.44	0.40
Iron ore agglomerates	a	a	0.19	Tobacco unmanufactured	1.11	2.17	0.20
Logs	0.00	0.04	0.00	Travel goods and handbags	0.23	0.98	0.43
Lumber	0.09	0.47	0.13	Veneer sheets/corestocks	1.81	0.63	c
Machinery & transport equipment	0.26	0.50	8.56	Wood manufactures	5.96	31.92	4.77
Mangoes	5.90	1.95	0.04				

a = no available data on world exports; b = no export in 2014; c = less than 0.01 percent.

ANNEX II.5**REVEALED COMPARATIVE ADVANTAGE OF PHILIPPINE EXPORTS II
(BASED ON NSO PRODUCT CLASSIFICATION)**

	2006	2013	SHARE IN PH 2014 EXPORT		2006	2013	SHARE IN PH 2014 EXPORT
Abaca fibers	112.9	1,160.4	0.02	Medical/industrial instrumentation	0.1	0.4	0.21
Activated carbon	12.7	19.0	0.15	Metal components	0.4	1.1	2.22
Articles of apparel	1.4	1.2	2.95	Misc. Manufactured articles, n.e.s.	0.3	0.5	1.06
Automotive electronics	2.7	2.9	0.19	Molasses	3.5	5.6	0.02
Baby carr., toys, games, and sporting goods	0.3	0.9	0.39	Natural rubber	0.8	0.9	0.13
Bananas (fresh)	10.9	21.4	1.82	Nickel	a	a	b
Basketworks	1.1	0.9	0.08	Non-metallic mineral manufactures	0.5	0.5	0.50
Cathodes & sections of cathodes, of refined copper	6.8	3.2	0.74	Office equipment	2.5	13.1	0.60
Ceramic tiles and decor	0.3	0.1	0.03	Other coconut product	3.6	11.5	0.07
Chemicals	0.1	0.5	4.19	Other forest products	0.0	2.9	0.01
Christmas decor	2.1	2.3	0.08	Other fruits and vegetables	0.2	0.3	0.13
Chromium ore	1.0	1.5	0.01	Other manufactures	0.2	0.6	8.18
Coconut oil	101.5	138.9	1.94	Other mineral products	0.8	2.1	4.26
Coffee raw, not roasted	0.0	0.0	0.00	Other products manufactured - consignment basis	a	a	0.07
Communication/radar	0.2	0.2	0.46	Other sugar and products	0.2	0.1	0.04
Components/devices (semiconductors)	8.7	5.7	29.93	Others	1.6	1.0	1.37
Consumer electronics	0.4	0.3	0.65	Others agro-	0.1	0.2	0.10
Control and instrumentation	0.1	0.6	1.19	Petroleum products	0.5	0.3	0.72
Copper concentrates	0.6	2.4	0.92	Pineapple and pineapple products	16.1	30.9	0.70
Copra oil cake or meal	64.7	239.0	0.18	Plywood	0.3	0.1	0.00
Dessicated coconut	147.5	132.0	0.41	Processed food and beverages	0.3	0.4	1.47
Electronic data processing	4.5	3.5	9.35	Processed tropical fruits	5.1	8.9	0.54
Electronic eqpt. & parts	0.2	0.8	1.49	Ramie fibers, raw and roasted	a	a	c
Fertilizers, manufactured	1.7	1.4	0.09	Rice	a	a	c
Fine jewelry	0.2	0.1	0.05	Seaweeds and carageenan	13.8	30.4	0.42
Fish, fresh or preserved	0.7	1.5	0.62	Shrimps and prawns	1.8	1.0	0.10
Footwear	0.1	0.1	0.06	Special transactions	55.6	12.1	0.61
Garments	42.0	3.4	0.03	Sugar	1.2	3.3	0.17
Gold	1.6	0.5	0.38	Telecommunication	0.9	0.7	0.55
Ignition wiring sets	9.8	16.0	3.30	Textile yarns/fabrics	0.5	0.4	0.40
Iron & steel	0.3	0.2	0.17	Travel goods and handbags	0.2	1.0	0.43
Iron ore agglomerates	a	a	0.19	Tuna	5.4	17.1	0.72
Logs	0.0	0.0	0.00	Unmanufactured tobacco	1.1	2.2	0.20
Lumber	0.1	0.5	0.13	Veneer sheets/corestocks	1.8	0.6	0.00
Machinery & transport equipment	0.2	0.3	6.41	Wood manufactures	d	0.1	0.00
Mangoes	5.9	2.0	0.04	Woodcrafts and furniture	1.6	5.9	5.37

a = no available data on world exports; b = no export in 2014; c = less than 0.01 percent; d = less than 0.1

ANNEX II.6**REVEALED COMPARATIVE ADVANTAGE OF PHILIPPINE EXPORTS III (SERVICES)**

	2006	2013	SHARE IN PH 2014 EXPORT
Travel	1.2	0.8	19.20
Other business services	2.0	2.3	57.07
Transport	0.4	0.4	7.02
Financial services	0.1	0.1	0.69
Computer and information services	2.4	7.8	12.58
Royalties and license fees	0.0	0.0	0.04
Insurance and pension services	0.2	0.2	0.51
Construction	0.3	0.2	0.18
Government goods and services n.i.e.	-	0.0	0.06
Personal, cultural, and recreational services	0.3	0.5	0.52
Communications services	2.1	0.9	1.40

ANNEX II.7**CONSTANT MARKET SHARE ANALYSIS OF PHILIPPINE EXPORTS I
(BASED ON NEDA CLASSIFICATION; US\$ MILLION)**

	CHANGE IN EXPORT 2006-13	WORLD MAR- KET EFFECT	COMMO-DI- TY EFFECT	MARKET EFFECT	COMPE- TI-TIVENESS EFFECT
Abaca fibers	(8)	7	(19)	(a)	5
Automotive electronics	129	221	17	53	(162)
Baby carriages, toys, games, and sporting goods	177	80	(39)	(1)	137
Bananas	557	215	4	188	150
Basketworks, wickerwork & other article of plaiting matr	(3)	28	(28)	(1)	(2)
Canned pineapple	68	57	(29)	3	38
Centrifugal & refined	190	44	4	(31)	173
Chemicals	2,095	401	(79)	(10)	1,783
Chromium ore	10	3	6	1	1
Coconut oil	427	307	68	223	(172)
Coffee raw, not roasted	(a)	a	a	(a)	(a)
Communication radar	(28)	124	(84)	88	(156)
Components/devices (semiconductors)	(4,922)	11,836	(133)	(2,961)	(13,663)
Consumer electronics	(126)	243	(52)	1	(319)
Control & instrumentation	231	9	(1)	0	223
Copper concentrates	359	45	20	263	31
Copper metal	(589)	653	(164)	87	(1,165)
Copra	b	-	-	-	-
Copra meal/cake	181	16	40	5	119
Desiccated coconut	60	73	72	28	(113)
Electronic data processing	(1,248)	3,047	(1,378)	182	(3,098)
Fish, fresh or preserved	220	137	(15)	(23)	120
Footwear	9	13	(1)	1	(4)
Furniture and fixtures	(25)	146	(69)	(15)	(87)

	CHANGE IN EXPORT 2006-13	WORLD MAR- KET EFFECT	COMMO-DI- TY EFFECT	MARKET EFFECT	COMPE- TI-TIVENESS EFFECT
Garments	(1,066)	1,403	(621)	(366)	(1,483)
Gold	17	27	255	(249)	(15)
Iron & steel	(82)	128	(77)	(16)	(118)
Iron ore agglomerates	(40)				
Logs	3	a	(a)	(a)	3
Lumber	46	7	(7)	10	35
Machinery & transport equipment	2,048	909	(115)	421	833
Mangoes	(11)	13	14	1	(39)
Medical/industrial instrumentation	41	7	(2)	1	34
Miscellaneous manufactured articles	237	170	7	19	41
Molasses	12	6	1	(1)	5
Natural rubber	28	25	8	9	(14)
Nickel	a				
Non-metallic mineral manufactures	21	97	(35)	10	(51)
Office equipment	58	142	(330)	46	200
Other coconut product	47	5	8	6	28
Other electronics	1,781	500	52	(114)	1,342
Other forest products	26	a	(1)	0	26
Other fruits and vegetables	161	65	27	(8)	77
Other manufactures	3,471	1,161	73	(107)	2,344
Other mineral products	1,551	308	405	(90)	929
Other sugar and products	a	2	2	(a)	(3)
Others	98	371	555	(264)	(564)
Others agro-	172	44	45	(27)	110
Petroleum products	(75)	487	629	375	(1,566)
Pineapple concentrates	5	20	(10)	(a)	(5)
Pineapple juice	29				
Plywood	(7)	5	(5)	(a)	(7)
Processed food and beverages	899	309	183	126	280
Ramie fibers, raw and roasted	1				
Rice	a				
Seaweeds, dried	18				
Special transactions	(682)	510	171	3,977	(5,341)
Telecommunication	112	113	198	95	(294)
Textile yarns/fabrics	(32)	116	(53)	(0)	(95)
Tobacco unmanufactured	59	17	10	4	28
Travel goods and handbags	146	16	5	2	122
Veneer sheets/corestocks	(3)	2	(2)	7	(10)
Wood manufactures	2,435	345	(258)	166	2,183
Total	9,280	25,036	(726)	2,115	(17,145)

a = less than US\$1 million; b = no exports in 2006

ANNEX II.8**CONSTANT MARKET SHARE ANALYSIS OF PHILIPPINE EXPORTS II (BASED ON PSA CLASSIFICATION; IN MILLION US DOLLARS)**

	CHANGE IN EXPORT 2006-13	WORLD MARKET EFFECT	COMMODITY EFFECT	MARKET EFFECT	COMPETITIVENESS EFFECT
Abaca fibers	(8)	7	(19)	(0)	5
Activated carbon	62	20	28	1	14
Articles of apparel	(248)	939	(408)	(265)	(514)
Automotive electronics	129	221	17	53	(162)
Baby carriages, toys, games, and sporting goods	180	50	(23)	1	153
Bananas (fresh)	557	215	4	83	256
Basketworks	(9)	33	(13)	(4)	(25)
Cathodes & sections of cathodes, of refined copper	(589)	653	(164)	87	(1,165)
Ceramic tiles and décor	(15)	14	(8)	(4)	(17)
Chemicals	1,985	337	(73)	(1)	1,722
Christmas décor	(3)	30	(24)	(1)	(8)
Chromium ore	10	3	6	1	1
Coconut oil	427	307	54	235	(170)
Coffee raw, not roasted	(a)	a	a	(a)	(a)
Communication/radar	(28)	124	(84)	88	(156)
Components/devices (semiconductors)	(4,922)	11,836	(133)	(2,961)	(13,663)
Consumer electronics	(126)	243	(52)	1	(319)
Control and instrumentation	231	9	(1)	0	223
Copper concentrates	359	45	20	263	31
Copra oil cake or meal	181	16	27	16	123
Dessicated coconut	60	73	72	28	(113)
Electronic data processing	(1,248)	3,047	(1,378)	182	(3,098)
Electronic eqpt. & parts	837	83	7	(31)	779
Fertilizers, manufactured	48	44	73	(1)	(68)
Fine jewelry	5	12	9	13	(29)
Fish, fresh or preserved	197	72	(6)	(9)	140
Footwear	9	13	(1)	1	(4)
Garments	(818)	465	(401)	(193)	(689)
Gold	105	121	1,151	20,430	(21,596)
Ignition wiring sets	943	418	153	(19)	393
Iron & steel	(83)	128	(77)	(16)	(119)
Iron ore agglomerates	(40)				
Logs	3	a	(a)	(a)	3
Lumber	46	7	(7)	10	35
Machinery & transport equipment	769	699	(210)	253	26
Mangoes	(11)	13	14	1	(39)
Medical/industrial instrumentation	41	7	(2)	1	34
Metal components	1,285	212	179	210	683
Miscellaneous manufactured articles	238	154	(9)	1	92
Molasses	12	6	1	(1)	5

	CHANGE IN EXPORT 2006-13	WORLD MARKET EFFECT	COMMODITY EFFECT	MARKET EFFECT	COMPETITIVENESS EFFECT
Natural rubber	28	25	8	9	(14)
Nickel	a				
Non-metallic mineral manufactures	36	83	(26)	11	(32)
Office equipment	58	142	(330)	46	200
Other coconut product	47	5	8	6	28
Other forest products	26	a	(1)	a	26
Other fruits and vegetables	31	19	9	(5)	8
Other manufactures	4,094	741	48	(57)	3,362
Other mineral products	1,462	214	281	111	856
Other products manufactured - consign- ment basis	(624)	419	(62)	(42)	(939)
Other sugar and products	a	2	2	(a 0)	(3)
Others	92	369	552	(264)	(563)
Others agro-based products	44	19	20	(9)	14
Petroleum products	(75)	487	629	375	(1,566)
Pineapple and pineapple products	200	117	(58)	23	118
Plywood	(7)	5	(5)	(a 0)	(7)
Processed food and beverages	315	211	124	123	(142)
Processed tropical fruits	142	68	2	41	30
Ramie fibers, raw and roasted	1				
Rice	a				
Seaweeds and carageenan	148	38	17	9	84
Shrimps and prawns	(29)	41	(13)	(3)	(53)
Special transactions	(682)	510	171	3,977	(5,341)
Sugar	190	44	4	(31)	173
Telecommunication	112	113	198	95	(294)
Textile yarns/fabrics	(32)	116	(53)	(0)	(95)
Travel goods and handbags	146	16	5	2	122
Tuna	525	72	57	(11)	407
Unmanufactured tobacco	59	17	10	4	28
Veneer sheets/corestocks	(3)	2	(2)	7	(10)
Wood manufactures	0	0	(0)	0	0
Woodcrafts and furniture	2,411	491	(240)	39	2,120
Total	9,287	25,142	185	22,891	(38,932)

a = less than US\$1 million

ANNEX II.9**EXPORT OF GOODS BY SELECTED ASEAN ECONOMIES, 2013 (2-DIGIT HS 1996; IN MILLION US DOLLARS)**

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
01	Live animals	77	211	14	116	4
02	Meat and edible meat offal	23	42	33	421	47
03	Fish & crustacean	2,856	623	558	2,119	5,062
04	Dairy products, eggs, honey & edible products	231	435	60	252	215
05	Products of animal origin, not elsewhere classified	18	14	7	40	22
06	Live tree & other plant; bulb, root	20	136	4	122	40
07	Edible vegetables and certain roots	109	193	26	1,590	532
08	Edible fruit and nuts; peel of citrus/melons	418	126	1,337	1,087	2,042
09	Coffee, tea, mate & spices.	1,949	136	2	57	3,770
10	Cereals	12	15	7	4,626	2,939
11	Milling industry products	90	87	13	1,329	790
12	Oil seed, miscellaneous grains, medicinal plants, straw	243	41	43	141	56
13	Lactose, gums, resins, etc.	87	11	196	48	9
14	Vegetable plaiting materials	38	49	3	5	17
15	Animal or vegetable fats,oils & waxes	19,225	15,865	1,110	820	256
16	Preparation of meat, fish or crustaceans	990	221	687	7,118	1,611
17	Sugars and sugar confectionery.	235	277	304	3,152	355
18	Cocoa and cocoa preparations.	1,151	1,150	11	65	17
19	Preparation of cereal, flour, starch/milk;	647	1,247	239	1,120	479
20	Preparation of vegetable, fruit, nuts	204	162	524	1,977	287
21	Miscellaneous edible preparations	664	1,224	95	1,886	449
22	Beverages, spirits and vinegar	145	850	25	1,256	310
23	Residue from food industries, animal feed	736	561	259	1,429	350
24	Tobacco and manufactured tobacco substitutes	931	384	334	99	307
25	Salt, sulphur, earth & stone, plaster	171	367	25	860	978
26	Ores, slag and ash	6,544	686	2,341	83	202
27	Mineral fuels, oils & product	57,413	50,870	2,127	14,317	9,685
28	Inorgn. chemical, organic/inorganiccompounds. of precious metals, isotopes	486	611	352	637	430
29	Organic chemicals	2,760	4,416	394	6,818	175
30	Pharmaceutical products	443	200	48	424	91
31	Fertilizers	677	624	132	124	419
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	351	737	355	601	49
33	Oils & resinoids, perfumery cosmetic or toilet preparations	604	320	236	1,997	245
34	Soap, organic surface-active agents	1,056	864	510	758	360
35	Albuminoidal subs; modified starches	46	133	10	786	80
36	Explosives; pyrotechnic products; matches	21	18	44	11	1
37	Photographic or cinematographic goods	3	157	1	20	13
38	Miscellaneous chemical products	3,817	3,811	339	836	468
39	Plastics and articles thereof	2,533	6,830	537	12,682	2,460
40	Rubber and articles thereof	9,394	8,286	240	16,960	3,271
41	Raw hides & skins & leather	140	27	2	566	279
42	Articles of leather; saddlery/harness, travel goods, handbags, articles of gut	338	56	224	467	1,777
43	Furskins and artificial furskins, manufactures	2	15	1	2	9
44	Wood and articles of wood; wood charcoal	3,635	4,357	3,210	2,180	2,029
45	Cork and articles of cork	0	0	0	0	0
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	80	1	52	10	178
47	Pulp of wood/of other fibrous cellulose	1,846	45	72	137	31
48	Paper & paperboard; art. of paper pulp	3,836	1,047	94	1,600	559

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
49	Printed books, newspapers, pictures	42	235	19	93	18
50	Silk	1	0	0	13	65
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	4	68	-	46	4
52	Cotton, including yarns & woven fabrics thereof	826	393	3	778	1,156
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	8	5	27	18	34
54	Man-made filaments	1,257	640	2	801	757
55	Man-made staple fibers	2,328	324	21	1,359	597
56	Wadding, felt & non-woven; yarns; tw	147	193	51	405	198
57	Carpets and other textile floor co	69	21	2	184	30
58	Special woven fabric; tufted textiles, lace	91	41	40	220	54
59	Impregnated, coated, cover/laminate	115	64	3	172	454
60	Knitted or crocheted fabrics	118	107	16	318	268
61	Articles of apparel & clothing accessories, knitted or crocheted	3,481	769	820	1,875	7,917
62	Articles of apparel & clothing accessories, not knitted or crocheted	3,903	370	708	1,032	8,829
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	332	199	62	364	1,173
64	,Footwear, gaiters and the like; parts of such articles	3,860	150	33	713	8,722
65	Headgear and parts thereof	34	22	14	64	223
66	Umbrellas, walking-sticks, seat-sticks	2	0	2	3	10
67	Prep. feathers & down; arti. flower;	303	2	37	40	31
68	Art of stone, plaster, cement, asbestos	167	529	69	423	264
69	Ceramic products	342	323	20	758	471
70	Glass and glassware	388	873	98	599	548
71	Natural/cultured pearls, precious stone	2,751	3,139	402	10,084	607
72	Iron and steel	652	1,216	106	2,165	2,022
73	Articles of iron or steel	2,152	3,056	757	4,317	1,566
74	Copper and articles thereof	1,738	3,366	952	1,403	206
75	Nickel and articles thereof	942	69	20	9	1
76	Aluminum and articles thereof	693	2,055	57	1,360	360
78	Lead and articles thereof	8	311	7	37	51
79	Zinc and articles thereof	9	222	2	60	16
80	Tin and articles thereof	2,129	847	28	468	46
81	Other base metals; cermets; article	11	90	6	74	35
82	Tool, implement, cutlery, spoon & fork	95	316	22	385	291
83	Miscellaneous articles of base metal	185	362	175	920	186
84	Nuclear reactors, boilers, machinery parts thereof	6,054	23,891	6,678	37,267	8,324
85	Electrical machinery equipment & parts thereof	10,346	60,711	20,299	29,374	32,193
86	Railway ortramway locomotive, rolling-stock, track fixtures & fittings, signals	20	129	1	32	2
87	Vehicles other than railway or tramway rolling stock	4,567	1,871	1,446	26,170	1,599
88	Aircraft, spacecraft, and parts thereof	164	758	434	1,094	76
89	Ships, boats and floating structure	942	339	569	1,486	819
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	730	6,847	1,933	4,493	2,449
91	Clocks and watches and parts thereof	14	240	137	543	32
92	Musical instruments; parts and acc	535	60	1	22	19
93	Arms and ammunition; parts and accessories	1	2	47	9	-
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	1,874	2,845	311	1,488	4,242
95	Toys, games & sports requisites; parts and accessories	545	306	219	866	489
96	Miscellaneous manufactured articles	262	261	76	368	293
97	Works of art, collectors' pieces	16	3	10	7	1
99	UN Special Code	0	1,142	-	-	528
	Total	182,552	228,316	53,978	228,527	132,033

ANNEX II.10**TRADE MAP ANALYSIS OF EXPORTS BY SELECTED ASEAN ECONOMIES (1 = UNDERACHIEVER; 2 = CHAMPION; 3 = LAGGARD; 4 = ACHIEVER)**

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
01	Live animals	4	4	4	4	3
02	Meat and edible meat offal	1	2	2	2	1
03	Fish & crustacean	2	1	2	1	1
04	Dairy products, eggs, honey & edible products	1	2	1	1	1
05	Products of animal origin, not elsewhere classified	2	2	2	1	1
06	Live tree & other plant; bulb, root	3	4	4	3	4
07	Edible vegetables and certain roots	1	2	1	2	1
08	Edible fruit and nuts; peel of citrus/melons	2	1	2	2	1
09	Coffee, tea, mate & spices.	2	2	2	1	1
10	Cereals	1	2	1	1	1
11	Milling industry products	2	1	2	2	1
12	Oil seed, miscellaneous grains, medicinal plants, straw	1	1	1	1	1
13	Lactose, gums, resins, etc.	2	2	2	1	1
14	Vegetable plaiting materials	1	2	2	1	1
15	Animal or vegetable fats,oils & waxes	2	2	1	2	2
16	Preparation of meat, fish or crustaceans	2	2	2	2	2
17	Sugars and sugar confectionery.	2	2	2	2	2
18	Cocoa and cocoa preparations.	1	2	2	1	2
19	Preparation of cereal, flour, starch/milk;	2	2	2	2	1
20	Preparation of vegetable, fruit, nuts	1	2	2	1	1
21	Miscellaneous edible preparations	2	2	1	2	2
22	Beverages, spirits and vinegar	2	2	1	2	2
23	Residue from food industries, animal feed	2	2	2	1	2
24	Tobacco and manufactured tobacco substitutes	2	2	2	1	1
25	Salt, sulphur, earth & stone, plaster	3	4	3	3	4
26	Ores, slag and ash	1	2	2	1	1
27	Mineral fuels, oils & product	2	2	2	2	1
28	Inorgn. chemical, organic/inorganic compounds. of precious metals, isotopes	3	4	4	4	4
29	Organic chemicals	4	4	4	4	3
30	Pharmaceutical products	2	2	1	2	2
31	Fertilizers	2	1	1	1	2
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	4	4	4	4	4
33	Oils & resinoids, perfumery cosmetic or toilet preparations	2	2	2	2	2
34	Soap, organic surface-active agents	2	2	2	2	1
35	Albuminoidal subs; modified starches	1	2	1	2	2
36	Explosives; pyrotechnic products; matches	2	2	2	1	1
37	Photographic or cinematographic goods	3	4	3	3	4
38	Miscellaneous chemical products	2	2	2	2	2
39	Plastics and articles thereof	1	2	2	2	2
40	Rubber and articles thereof	1	2	1	2	1
41	Raw hides & skins & leather	3	3	3	4	4
42	Articles of leather; saddlery/harness, travel goods, handbags, articles of gut	2	1	1	1	1
43	Furskins and artificial furskins, manufactures	1	2	1	1	1
44	Wood and articles of wood; wood charcoal	3	3	4	4	4
45	Cork and articles of cork	4	3	3	4	4
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	3	3	3	3	3
47	Pulp of wood/of other fibrous cellulose	2	2	1	1	2
48	Paper & paperboard; art. of paper pulp	4	4	3	4	4
49	Printed books, newspapers, pictures	3	3	4	3	4

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
50	Silk	3	4	3	3	4
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	3	4	3	3	3
52	Cotton, including yarns & woven fabrics thereof	3	4	3	4	4
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	4	4	4	4	4
54	Man-made filaments	3	3	3	4	4
55	Man-made staple fibers	4	4	3	4	4
56	Wadding, felt & non-woven; yarns; tw	4	3	3	4	4
57	Carpets and other textile floor co	4	3	3	4	4
58	Special woven fabric; tufted textiles, lace	4	4	3	4	4
59	Impregnated, coated, cover/laminate	3	4	4	3	4
60	Knitted or crocheted fabrics	3	3	4	4	4
61	Articles of apparel & clothing accessories, knitted or crocheted	4	3	3	3	4
62	Articles of apparel & clothing accessories, not knitted or crocheted	3	3	3	3	4
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	1	2	1	1	1
64	Footwear, gaiters and the like; parts of such articles	2	1	1	1	1
65	Headgear and parts thereof	1	1	1	1	1
66	Umbrellas, walking-sticks, seat-sticks	1	1	1	1	1
67	Prep. feathers & down; arti. flower;	2	1	1	1	1
68	Art of stone, plaster, cement, asbestos	3	4	3	4	4
69	Ceramic products	3	4	3	3	3
70	Glass and glassware	3	4	3	3	4
71	Natural/cultured pearls, precious stone	2	1	1	1	1
72	Iron and steel	3	3	3	4	4
73	Articles of iron or steel	4	3	4	4	4
74	Copper and articles thereof	3	4	3	4	4
75	Nickel and articles thereof	3	4	4	4	4
76	Aluminum and articles thereof	3	4	4	4	4
78	Lead and articles thereof	2	2	2	2	2
79	Zinc and articles thereof	4	4	3	4	4
80	Tin and articles thereof	2	2	2	2	1
81	Other base metals; cermets; article	4	4	3	4	4
82	Tool, implement, cutlery, spoon & fork	4	4	4	4	4
83	Miscellaneous articles of base metal	4	4	4	4	4
84	Nuclear reactors, boilers, machinery parts thereof	4	3	3	4	4
85	Electrical machinery equipment & parts thereof	4	3	3	3	4
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	1	2	2	2	1
87	Vehicles other than railway or tramway rolling stock	4	4	3	4	4
88	Aircraft, spacecraft, and parts thereof	3	4	4	3	4
89	Ships, boats and floating structure	2	1	2	2	2
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	1	2	2	2	2
91	Clocks and watches and parts thereof	1	1	1	1	1
92	Musical instruments; parts and acc	4	4	4	4	4
93	Arms and ammunition; parts and accessories	2	1	2	1	1
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	1	1	1	1	1
95	Toys, games & sports requisites; parts and accessories	4	3	4	4	4
96	Miscellaneous manufactured articles	4	3	4	4	4
97	Works of art, collectors' pieces	4	3	4	4	3
99	UN Special Code	4	3	4	3	4

ANNEX II.11**RCA ANALYSIS OF EXPORTS BY SELECTED ASEAN ECONOMIES, 2013**

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
01	Live animals	0.35	0.78	0.21	0.43	0.03
02	Meat and edible meat offal	0.02	0.03	0.09	0.27	0.05
03	Fish & crustacean	2.83	0.49	1.87	1.68	6.94
04	Dairy products, eggs, honey & edible products	0.25	0.37	0.22	0.21	0.32
05	Products of animal origin, not elsewhere classified	0.18	0.10	0.24	0.31	0.29
06	Live tree & other plant; bulb, root	0.09	0.49	0.06	0.44	0.25
07	Edible vegetables and certain roots	0.17	0.24	0.13	1.95	1.13
08	Edible fruit and nuts; peel of citrus/melons	0.44	0.10	4.71	0.90	2.94
09	Coffee, tea, mate & spices.	4.51	0.25	0.02	0.11	12.08
10	Cereals	0.01	0.01	0.02	2.99	3.29
11	Milling industry products	0.47	0.37	0.24	5.60	5.76
12	Oil seed, miscellaneous grains, medicinal plants, straw	0.24	0.03	0.15	0.11	0.08
13	Lactose, gums, resins, etc.	1.02	0.10	7.83	0.45	0.15
14	Vegetable plaiting materials	4.80	4.92	1.35	0.54	3.03
15	Animal or vegetable fats,oils & waxes	19.46	12.84	3.80	0.66	0.36
16	Preparation of meat, fish or crustaceans	2.00	0.36	4.69	11.47	4.49
17	Sugars and sugar confectionery.	0.48	0.45	2.09	5.11	1.00
18	Cocoa and cocoa preparations.	2.67	2.13	0.09	0.12	0.05
19	Preparation of cereal, flour, starch/milk;	1.00	1.54	1.25	1.38	1.02
20	Preparation of vegetable, fruit, nuts	0.33	0.21	2.90	2.59	0.65
21	Miscellaneous edible preparations	1.06	1.56	0.51	2.40	0.99
22	Beverages, spirits and vinegar	0.13	0.60	0.08	0.89	0.38
23	Residue from food industries, animal feed	0.91	0.55	1.08	1.41	0.60
24	Tobacco and manufactured tobacco substitutes	2.24	0.74	2.71	0.19	1.02
25	Salt, sulphur, earth & stone, plaster	0.39	0.68	0.20	1.58	3.12
26	Ores, slag and ash	2.78	0.23	3.37	0.03	0.12
27	Mineral fuels, oils & product	1.95	1.38	0.24	0.39	0.45
28	Inorgn. chemical, organic/inorganic compounds. of precious metals, isotopes	0.44	0.44	1.07	0.46	0.54
29	Organic chemicals	0.64	0.82	0.31	1.26	0.06
30	Pharmaceutical products	0.09	0.03	0.03	0.07	0.03
31	Fertilizers	1.08	0.80	0.71	0.16	0.92
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	0.43	0.73	1.48	0.59	0.08
33	Oils & resinoids, perfumery cosmetic or toilet preparations	0.54	0.23	0.72	1.44	0.30
34	Soap, organic surface-active agents	1.82	1.19	2.97	1.04	0.86
35	Albuminoidal subs; modified starches	0.16	0.38	0.12	2.25	0.40
36	Explosives; pyrotechnic products; matches	0.48	0.32	3.32	0.20	0.04
37	Photographic or cinematographic goods	0.02	0.73	0.01	0.09	0.10
38	Miscellaneous chemical products	2.06	1.64	0.62	0.36	0.35
39	Plastics and articles thereof	0.43	0.92	0.31	1.71	0.58
40	Rubber and articles thereof	4.55	3.21	0.39	6.56	2.19
41	Raw hides & skins & leather	0.40	0.06	0.02	1.28	1.09
42	Articles of leather; saddlery/harness, travel goods, handbags, articles of gut	0.45	0.06	1.01	0.50	3.28
43	Furskins and artificial furskins, manufactures	0.01	0.08	0.02	0.01	0.08
44	Wood and articles of wood; wood charcoal	2.85	2.73	8.50	1.36	2.20
45	Cork and articles of cork	0.01	0.01	0.00	0.01	0.01
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	3.27	0.03	7.25	0.33	10.08
47	Pulp of wood/of other fibrous cellulose	4.01	0.08	0.53	0.24	0.09
48	Paper & paperboard; art. of paper pulp	2.04	0.45	0.17	0.68	0.41
49	Printed books, newspapers, pictures	0.09	0.40	0.14	0.16	0.05

HS	PRODUCT DESCRIPTION	IDN	MYS	PHL	THA	VNM
50	Silk	0.02	0.01	0.02	0.32	2.86
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	0.03	0.37	-	0.25	0.03
52	Cotton, including yarns & woven fabrics thereof	1.19	0.45	0.01	0.90	2.30
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	0.23	0.11	2.52	0.41	1.32
54	Man-made filaments	2.59	1.05	0.02	1.32	2.16
55	Man-made staple fibers	6.00	0.67	0.18	2.80	2.13
56	Wadding, felt & non-woven; yarns; tw	0.61	0.64	0.72	1.34	1.14
57	Carpets and other textile floor co	0.44	0.11	0.04	0.95	0.27
58	Special woven fabric; tufted textiles, lace	0.68	0.25	1.00	1.31	0.56
59	Impregnated, coated, cover/laminate	0.45	0.20	0.04	0.54	2.46
60	Knitted or crocheted fabrics	0.36	0.26	0.17	0.77	1.11
61	Articles of apparel & clothing accessories, knitted or crocheted	1.57	0.28	1.25	0.68	4.95
62	Articles of apparel & clothing accessories, not knitted or crocheted	1.99	0.15	1.22	0.42	6.22
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	0.54	0.26	0.34	0.47	2.62
64	Footwear, gaiters and the like; parts of such articles	3.02	0.09	0.09	0.45	9.43
65	Headgear and parts thereof	0.40	0.21	0.54	0.60	3.64
66	Umbrellas, walking-sticks, seat-sticks	0.04	0.01	0.18	0.06	0.37
67	Prep. feathers & down; arti. flower;	3.80	0.02	1.57	0.41	0.53
68	Art of stone, plaster, cement, asbestos	0.34	0.87	0.48	0.69	0.75
69	Ceramic products	0.67	0.51	0.13	1.19	1.27
70	Glass and glassware	0.53	0.94	0.45	0.65	1.02
71	Natural/cultured pearls, precious stone	0.41	0.37	0.20	1.19	0.12
72	Iron and steel	0.17	0.25	0.09	0.44	0.71
73	Articles of iron or steel	0.70	0.79	0.83	1.12	0.70
74	Copper and articles thereof	1.10	1.70	2.04	0.71	0.18
75	Nickel and articles thereof	3.47	0.20	0.25	0.03	0.01
76	Aluminum and articles thereof	0.45	1.06	0.12	0.70	0.32
78	Lead and articles thereof	0.11	3.39	0.32	0.40	0.96
79	Zinc and articles thereof	0.07	1.38	0.05	0.38	0.18
80	Tin and articles thereof	28.74	9.14	1.26	5.04	0.86
81	Other base metals; cermets; article	0.07	0.45	0.13	0.37	0.30
82	Tool, implement, cutlery, spoon & fork	0.15	0.39	0.11	0.48	0.63
83	Miscellaneous articles of base metal	0.29	0.46	0.94	1.17	0.41
84	Nuclear reactors, boilers, machinery parts thereof	0.29	0.93	1.10	1.45	0.56
85	Electrical machinery equipment & parts thereof	0.45	2.11	2.98	1.02	1.93
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	0.05	0.25	0.01	0.06	0.01
87	Vehicles other than railway or tramway rolling stock	0.34	0.11	0.36	1.55	0.16
88	Aircraft, spacecraft, and parts thereof	0.09	0.32	0.78	0.47	0.06
89	Ships, boats and floating structure	0.66	0.19	1.35	0.83	0.79
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	0.12	0.92	1.10	0.60	0.57
91	Clocks and watches and parts thereof	0.03	0.35	0.84	0.79	0.08
92	Musical instruments; parts and acc	8.42	0.76	0.05	0.28	0.42
93	Arms and ammunition; parts and accessories	0.01	0.01	1.49	0.06	-
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	0.82	0.99	0.46	0.52	2.56
95	Toys, games & sports requisites; parts and accessories	0.61	0.27	0.83	0.78	0.76
96	Miscellaneous manufactured articles	0.81	0.65	0.80	0.91	1.26
97	Works of art, collectors' pieces	0.06	0.01	0.14	0.02	0.00
99	UN Special Code	0.00	0.18	-	-	0.14

ANNEX II.12

CONSTANT MARKET SHARE ANALYSIS OF EXPORTS BY INDONESIA (2006-2013, US\$ MILLION)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
01	Live animals	56	10	(1)	1	46
02	Meat and edible meat offal	5	9	3	(5)	(2)
03	Fish & crustacean	1,213	800	(123)	(30)	567
04	Dairy products, eggs, honey & edible products	104	62	46	4	(9)
05	Products of animal origin, not elsewhere classified	12	3	2	2	5
06	Live tree & other plant; bulb, root	4	8	(3)	3	(3)
07	Edible vegetables and certain roots	45	31	11	34	(31)
08	Edible fruit and nuts; peel of citrus/melons	192	110	54	127	(99)
09	Coffee, tea, mate & spices.	1,028	448	383	125	72
10	Cereals	4	4	5	(22)	17
11	Milling industry products	68	11	12	9	37
12	Oil seed, miscellaneous grains, medicinal plants, straw	141	50	152	(38)	(23)
13	Lactose, gums, resins, etc.	48	19	24	(5)	10
14	Vegetable plaiting materials	(1)	19	7	26	(53)
15	Animal or vegetable fats,oils & waxes	13,155	2,956	3,771	1,258	5,170
16	Preparation of meat, fish or crustaceans	672	154	50	(87)	555
17	Sugars and sugar confectionery.	124	54	10	30	29
18	Cocoa and cocoa preparations.	296	416	249	(7)	(361)
19	Preparation of cereal, flour, starch/milk;	448	97	73	(1)	278
20	Preparation of vegetable, fruit, nuts	32	84	14	31	(97)
21	Miscellaneous edible preparations	551	55	35	29	431
22	Beverages, spirits and vinegar	107	19	2	18	68
23	Residue from food industries, animal feed	566	83	140	(66)	410
24	Tobacco and manufactured tobacco substitutes	592	165	12	53	361
25	Salt, sulphur, earth & stone, plaster	(154)	158	(28)	386	(671)
26	Ores, slag and ash	1,550	2,432	4,386	(2,341)	(2,927)
27	Mineral fuels, oils & product	29,794	13,449	8,827	8,161	(644)
28	Inorgn. chemical, organic/inorganic compounds. of pre- cious metals, isotopes	12	231	(19)	116	(315)
29	Organic chemicals	877	917	(8)	545	(578)
30	Pharmaceutical products	311	64	21	81	145
31	Fertilizers	658	10	14	(11)	645
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	132	107	(26)	28	24
33	Oils & resinoids, perfumery cosmetic or toilet prepara- tions	389	105	31	65	187
34	Soap, organic surface-active agents	680	183	56	68	372
35	Albuminoidal subs; modified starches	14	15	5	11	(17)
36	Explosives; pyrotechnic products; matches	12	4	1	(6)	13
37	Photographic or cinematographic goods	(1)	2	(2)	2	(2)
38	Miscellaneous chemical products	3,110	344	161	66	2,539
39	Plastics and articles thereof	795	846	30	291	(373)
40	Rubber and articles thereof	3,865	2,692	1,170	(974)	977
41	Raw hides & skins & leather	0	68	(39)	19	(48)
42	Articles of leather; saddlery/harness, travel goods, hand- bags, articles of gut	177	78	13	14	72
43	Furskins and artificial furskins, manufactures	0	1	0	(1)	(1)
44	Wood and articles of wood; wood charcoal	279	1,634	(1,159)	93	(288)
45	Cork and articles of cork	0	0	(0)	0	0

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	10	34	(36)	21	(10)
47	Pulp of wood/of other fibrous cellulose	719	549	22	382	(233)
48	Paper & paperboard; art. of paper pulp	1,030	1,366	(788)	93	359
49	Printed books, newspapers, pictures	(10)	25	(19)	(15)	(2)
50	Silk	(0)	0	(1)	0	(0)
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	(1)	3	(2)	(1)	(1)
52	Cotton, including yarns & woven fabrics thereof	48	379	(200)	(101)	(30)
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	6	1	(1)	1	5
54	Man-made filaments	106	560	(353)	118	(219)
55	Man-made staple fibers	970	661	(382)	192	500
56	Wadding, felt & non-woven; yarns; tw	53	46	(8)	8	8
57	Carpets and other textile floor co	29	20	(15)	11	13
58	Special woven fabric; tufted textiles, lace	47	21	(22)	11	37
59	Impregnated, coated, cover/laminate	(13)	62	(17)	25	(83)
60	Knitted or crocheted fabrics	30	43	(6)	(16)	8
61	Articles of apparel & clothing accessories, knitted or crocheted	1,322	1,051	(287)	(302)	860
62	Articles of apparel & clothing accessories, not knitted or crocheted	528	1,643	(923)	(167)	(25)
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	109	109	(13)	22	(10)
64	Footwear, gaiters and the like; parts of such articles	2,261	779	(32)	(88)	1,602
65	Headgear and parts thereof	(2)	18	(5)	(1)	(14)
66	Umbrellas, walking-sticks, seat-sticks	(14)	8	(3)	1	(19)
67	Prep. feathers & down; arti. flower;	222	40	(14)	(1)	197
68	Art of stone, plaster, cement, asbestos	45	59	(21)	18	(10)
69	Ceramic products	54	140	(72)	40	(55)
70	Glass and glassware	2	188	(51)	189	(324)
71	Natural/cultured pearls, precious stone	2,053	340	561	(313)	1,465
72	Iron and steel	(610)	615	(427)	284	(1,081)
73	Articles of iron or steel	1,291	419	(51)	42	881
74	Copper and articles thereof	(167)	927	(376)	552	(1,270)
75	Nickel and articles thereof	(325)	617	(699)	(214)	(28)
76	Aluminum and articles thereof	(169)	420	(323)	(85)	(181)
78	Lead and articles thereof	7	0	0	(0)	7
79	Zinc and articles thereof	0	4	2	(8)	2
80	Tin and articles thereof	1,202	451	377	(152)	527
81	Other base metals; cermets; article	9	1	(1)	(0)	9
82	Tool, implement, cutlery, spoon & fork	41	26	(3)	(2)	19
83	Miscellaneous articles of base metal	71	55	(16)	(27)	59
84	Nuclear reactors, boilers, machinery parts thereof	1,691	2,124	(817)	161	223
85	Electrical machinery equipment & parts thereof	3,054	3,551	(479)	(250)	233
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	(33)	26	11	(23)	(46)
87	Vehicles other than railway or tramway rolling stock	2,903	810	(338)	944	1,486
88	Aircraft, spacecraft, and parts thereof	(87)	122	5	44	(259)
89	Ships, boats and floating structure	479	226	(74)	270	58
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	265	226	(75)	136	(22)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
91	Clocks and watches and parts thereof	3	5	4	(4)	(2)
92	Musical instruments; parts and acc	201	163	(115)	38	114
93	Arms and ammunition; parts and accessories	0	0	0	(22)	22
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	(75)	949	(311)	(2,113)	1,399
95	Toys, games & sports requisites; parts and accessories	335	102	(71)	20	285
96	Miscellaneous manufactured articles	90	84	(27)	8	24
97	Works of art, collectors' pieces	7	4	(1)	5	(1)
99	UN Special Code	0	0	(0)	0	(0)
	Total	81,753	49,084	11,869	7,834	12,967

ANNEX II.13

CONSTANT MARKET SHARE ANALYSIS OF EXPORTS BY MALAYSIA (2006-2013, US\$ MILLION)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
01	Live animals	94	57	(5)	4	38
02	Meat and edible meat offal	34	4	(0)	(243)	274
03	Fish & crustacean	109	250	(38)	101	(204)
04	Dairy products, eggs, honey & edible products	254	88	66	126	(26)
05	Products of animal origin, not elsewhere classified	7	3	2	(0)	2
06	Live tree & other plant; bulb, root	75	30	(12)	12	45
07	Edible vegetables and certain roots	88	51	18	90	(71)
08	Edible fruit and nuts; peel of citrus/melons	45	39	19	50	(62)
09	Coffee, tea, mate & spices.	73	31	26	26	(10)
10	Cereals	10	2	3	2	3
11	Milling industry products	42	22	25	9	(15)
12	Oil seed, miscellaneous grains, medicinal plants, straw	18	11	34	4	(31)
13	Lactose, gums, resins, etc.	7	2	2	(1)	4
14	Vegetable plaiting materials	47	1	0	0	46
15	Animal or vegetable fats,oils & waxes	8,894	3,395	4,331	(600)	1,768
16	Preparation of meat, fish or crustaceans	95	61	20	34	(20)
17	Sugars and sugar confectionery.	141	66	12	97	(33)
18	Cocoa and cocoa preparations.	582	277	165	100	40
19	Preparation of cereal, flour, starch/milk;	843	197	148	211	287
20	Preparation of vegetable, fruit, nuts	92	34	6	28	24
21	Miscellaneous edible preparations	918	149	95	139	536
22	Beverages, spirits and vinegar	563	140	15	249	159
23	Residue from food industries, animal feed	376	90	153	(88)	221
24	Tobacco and manufactured tobacco substitutes	144	117	9	(60)	78
25	Salt, sulphur, earth & stone, plaster	132	114	(20)	277	(239)
26	Ores, slag and ash	659	13	24	18	604
27	Mineral fuels, oils & product	28,806	10,744	7,052	8,701	2,309
28	Inorgn. chemical, organic/inorganic compounds. of precious metals, isotopes	267	167	(14)	57	58
29	Organic chemicals	1,864	1,243	(11)	735	(103)
30	Pharmaceutical products	103	47	16	18	22

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
31	Fertilizers	336	140	207	28	(39)
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	373	177	(44)	70	170
33	Oils & resinoids, perfumery cosmetic or toilet preparations	139	88	26	83	(58)
34	Soap, organic surface-active agents	391	230	70	93	(2)
35	Albuminoidal subs; modified starches	83	24	8	3	47
36	Explosives; pyrotechnic products; matches	10	4	1	4	2
37	Photographic or cinematographic goods	53	51	(70)	40	32
38	Miscellaneous chemical products	1,779	989	464	(132)	459
39	Plastics and articles thereof	2,355	2,179	77	1,478	(1,379)
40	Rubber and articles thereof	3,459	2,350	1,021	(414)	502
41	Raw hides & skins & leather	0	13	(7)	16	(22)
42	Articles of leather; saddlery/harness, travel goods, handbags, articles of gut	7	24	4	32	(53)
43	Furskins and artificial furskins, manufactures	13	1	0	(5)	16
44	Wood and articles of wood; wood charcoal	(299)	2,267	(1,608)	537	(1,495)
45	Cork and articles of cork	(0)	0	(0)	(0)	(0)
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	0	1	(1)	1	(0)
47	Pulp of wood/of other fibrous cellulose	35	5	0	7	23
48	Paper & paperboard; art. of paper pulp	484	274	(158)	154	215
49	Printed books, newspapers, pictures	(7)	118	(88)	(31)	(6)
50	Silk	0	0	(0)	0	0
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	14	26	(23)	12	(1)
52	Cotton, including yarns & woven fabrics thereof	253	68	(36)	13	208
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	3	1	(1)	1	3
54	Man-made filaments	(45)	334	(210)	27	(196)
55	Man-made staple fibers	85	116	(67)	68	(32)
56	Wadding, felt & non-woven; yarns; tw	60	65	(11)	29	(22)
57	Carpets and other textile floor co	(1)	11	(8)	13	(17)
58	Special woven fabric; tufted textiles, lace	10	15	(16)	120	(109)
59	Impregnated, coated, cover/laminate	31	16	(4)	25	(5)
60	Knitted or crocheted fabrics	(3)	53	(8)	124	(173)
61	Articles of apparel & clothing accessories, knitted or crocheted	(23)	385	(105)	(87)	(215)
62	Articles of apparel & clothing accessories, not knitted or crocheted	(148)	252	(141)	(5)	(253)
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	107	45	(5)	56	11
64	Footwear, gaiters and the like; parts of such articles	(19)	82	(3)	45	(143)
65	Headgear and parts thereof	3	9	(3)	(0)	(3)
66	Umbrellas, walking-sticks, seat-sticks	(0)	0	(0)	0	(0)
67	Prep. feathers & down; arti. flower;	1	0	(0)	2	(1)
68	Art of stone, plaster, cement, asbestos	366	80	(29)	89	225
69	Ceramic products	115	101	(52)	64	2

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
70	Glass and glassware	415	223	(61)	319	(66)
71	Natural/cultured pearls, precious stone	1,403	846	1,395	(680)	(158)
72	Iron and steel	(187)	683	(475)	490	(886)
73	Articles of iron or steel	816	1,091	(133)	483	(625)
74	Copper and articles thereof	2,202	567	(230)	155	1,710
75	Nickel and articles thereof	57	6	(6)	19	39
76	Aluminum and articles thereof	1,171	431	(332)	177	895
78	Lead and articles thereof	257	26	12	(26)	245
79	Zinc and articles thereof	143	38	(57)	(9)	171
80	Tin and articles thereof	637	102	85	(47)	497
81	Other base metals; cermets; article	76	7	(4)	2	72
82	Tool, implement, cutlery, spoon & fork	120	95	(10)	23	13
83	Miscellaneous articles of base metal	160	98	(28)	46	44
84	Nuclear reactors, boilers, machinery parts thereof	(8,792)	15,915	(6,119)	2,727	(21,314)
85	Electrical machinery equipment & parts thereof	10,723	24,341	(3,283)	5,049	(15,384)
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	81	24	10	275	(227)
87	Vehicles other than railway or tramway rolling stock	924	461	(192)	523	133
88	Aircraft, spacecraft, and parts thereof	306	220	10	(85)	162
89	Ships, boats and floating structure	(603)	459	(151)	1,077	(1,988)
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	2,853	1,945	4	(7)	911
91	Clocks and watches and parts thereof	106	65	44	18	(22)
92	Musical instruments; parts and acc	16	21	(15)	6	4
93	Arms and ammunition; parts and accessories	0	1	0	5	(6)
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	510	1,137	(373)	190	(445)
95	Toys, games & sports requisites; parts and accessories	1	148	(104)	50	(94)
96	Miscellaneous manufactured articles	72	92	(29)	10	(0)
97	Works of art, collectors' pieces	(4)	3	(0)	8	(14)
99	UN Special Code	(1,227)	1,154	(520)	8,414	(10,274)
	Total	67,647	78,238	754	31,869	(43,214)

ANNEX II.14**CONSTANT MARKET SHARE ANALYSIS OF EXPORTS BY THE PHILIPPINES (2006-2013, US\$ MILLION)**

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
01	Live animals	11	1	(0)	(1)	11
02	Meat and edible meat offal	31	1	0	3	26
03	Fish & crustacean	299	126	(19)	2	190
04	Dairy products, eggs, honey & edible products	(31)	44	33	13	(121)
05	Products of animal origin, not elsewhere classified	4	2	1	(0)	1
06	Live tree & other plant; bulb, root	1	1	(0)	0	0
07	Edible vegetables and certain roots	(1)	13	4	(6)	(12)
08	Edible fruit and nuts; peel of citrus/melons	698	311	152	131	103
09	Coffee, tea, mate & spices.	2	0	0	0	1
10	Cereals	(230)	115	157	(73)	(429)
11	Milling industry products	8	3	3	2	0
12	Oil seed, miscellaneous grains, medicinal plants, straw	16	13	41	(9)	(29)
13	Lactose, gums, resins, etc.	149	23	30	(11)	108
14	Vegetable plaiting materials	2	0	0	0	2
15	Animal or vegetable fats,oils & waxes	525	285	364	161	(285)
16	Preparation of meat, fish or crustaceans	554	64	21	(18)	487
17	Sugars and sugar confectionery.	168	66	12	1	89
18	Cocoa and cocoa preparations.	6	3	2	1	1
19	Preparation of cereal, flour, starch/milk;	146	45	34	(2)	70
20	Preparation of vegetable, fruit, nuts	229	144	25	46	14
21	Miscellaneous edible preparations	34	30	19	(7)	(7)
22	Beverages, spirits and vinegar	(22)	23	2	32	(80)
23	Residue from food industries, animal feed	222	18	31	(1)	173
24	Tobacco and manufactured tobacco substitutes	196	67	5	9	115
25	Salt, sulphur, earth & stone, plaster	(51)	37	(7)	69	(150)
26	Ores, slag and ash	1,890	220	397	(50)	1,323
27	Mineral fuels, oils & product	1,034	532	349	519	(367)
28	Inorgn. chemical, organic/inorganiccompounds. of precious metals, isotopes	143	102	(9)	(48)	97
29	Organic chemicals	344	24	(0)	11	309
30	Pharmaceutical products	17	15	5	13	(16)
31	Fertilizers	49	41	60	(27)	(26)
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	335	10	(2)	2	325
33	Oils & resinoids, perfumery cosmetic or toilet preparations	187	24	7	9	146
34	Soap, organic surface-active agents	452	28	9	1	413
35	Albuminoidal subs; modified starches	3	3	1	1	(2)
36	Explosives; pyrotechnic products; matches	37	4	1	(5)	37
37	Photographic or cinematographic goods	(0)	0	(0)	0	(0)
38	Miscellaneous chemical products	227	55	26	(12)	158
39	Plastics and articles thereof	196	166	6	16	9
40	Rubber and articles thereof	14	110	48	(26)	(118)
41	Raw hides & skins & leather	(2)	2	(1)	32	(35)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
42	Articles of leather; saddlery/harness, travel goods, handbags, articles of gut	60	80	13	(16)	(16)
43	Furskins and artificial furskins, manufactures	(2)	1	1	(2)	(2)
44	Wood and articles of wood; wood charcoal	2,522	335	(238)	(61)	2,485
45	Cork and articles of cork	(0)	0	(0)	0	(0)
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	(50)	50	(52)	14	(62)
47	Pulp of wood/of other fibrous cellulose	18	26	1	(14)	5
48	Paper & paperboard; art. of paper pulp	(46)	68	(39)	2	(76)
49	Printed books, newspapers, pictures	10	4	(3)	(0)	9
50	Silk	(1)	1	(1)	0	(1)
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	(1)	1	(0)	0	(1)
52	Cotton, including yarns & woven fabrics thereof	(29)	15	(8)	(7)	(29)
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	11	8	(8)	3	8
54	Man-made filaments	(22)	12	(8)	(3)	(24)
55	Man-made staple fibers	(11)	16	(9)	4	(22)
56	Wadding, felt & non-woven; yarns; tw	11	20	(3)	(3)	(3)
57	Carpets and other textile floor co	(3)	2	(2)	(0)	(4)
58	Special woven fabric; tufted textiles, lace	(12)	25	(26)	4	(15)
59	Impregnated, coated, cover/laminate	2	0	(0)	0	2
60	Knitted or crocheted fabrics	9	3	(0)	(2)	8
61	Articles of apparel & clothing accessories, knitted or crocheted	(427)	607	(166)	(181)	(688)
62	Articles of apparel & clothing accessories, not knitted or crocheted	(638)	656	(368)	(191)	(735)
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	(1)	31	(4)	5	(33)
64	Footwear, gaiters and the like; parts of such articles	9	12	(0)	(2)	(1)
65	Headgear and parts thereof	3	5	(1)	(1)	1
66	Umbrellas, walking-sticks, seat-sticks	(5)	4	(1)	(0)	(7)
67	Prep. feathers & down; arti. flower;	15	11	(4)	3	6
68	Art of stone, plaster, cement, asbestos	21	24	(8)	(6)	12
69	Ceramic products	(175)	95	(49)	6	(228)
70	Glass and glassware	(326)	207	(57)	(79)	(398)
71	Natural/cultured pearls, precious stone	(21)	206	340	983	(1,549)
72	Iron and steel	(258)	177	(123)	91	(403)
73	Articles of iron or steel	576	88	(11)	(10)	509
74	Copper and articles thereof	(422)	669	(271)	(2)	(819)
75	Nickel and articles thereof	20	0	(0)	(0)	20
76	Aluminum and articles thereof	15	20	(16)	1	9
78	Lead and articles thereof	4	2	1	(2)	3
79	Zinc and articles thereof	(2)	2	(3)	2	(3)
80	Tin and articles thereof	20	4	3	(2)	14
81	Other base metals; cermets; article	(30)	18	(11)	(7)	(29)
82	Tool, implement, cutlery, spoon & fork	10	6	(1)	(0)	5
83	Miscellaneous articles of base metal	118	28	(8)	1	97

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
84	Nuclear reactors, boilers, machinery parts thereof	(2,054)	4,252	(1,635)	(136)	(4,535)
85	Electrical machinery equipment & parts thereof	(1,893)	10,806	(1,458)	1,555	(12,797)
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	1	0	0	(0)	1
87	Vehicles other than railway or tramway rolling stock	(116)	761	(318)	815	(1,375)
88	Aircraft, spacecraft, and parts thereof	137	145	6	(48)	34
89	Ships, boats and floating structure	534	17	(6)	57	465
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	950	479	1	204	266
91	Clocks and watches and parts thereof	(3)	68	46	(72)	(46)
92	Musical instruments; parts and acc	0	0	(0)	0	0
93	Arms and ammunition; parts and accessories	41	3	0	7	30
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	(1)	152	(50)	(35)	(68)
95	Toys, games & sports requisites; parts and accessories	84	66	(46)	4	60
96	Miscellaneous manufactured articles	26	24	(8)	2	8
97	Works of art, collectors' pieces	4	3	(0)	2	(1)
99	UN Special Code					
	Total	6,568	23,086	(2,804)	3,666	(17,380)

ANNEX II.15

CONSTANT MARKET SHARE ANALYSIS OF EXPORTS BY THAILAND (2006-2013, US\$ MILLION)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
01	Live animals	106	5	(0)	20	81
02	Meat and edible meat offal	391	15	6	61	309
03	Fish & crustacean	(63)	1,063	(164)	148	(1,110)
04	Dairy products, eggs, honey & edible products	122	63	47	35	(24)
05	Products of animal origin, not elsewhere classified	19	10	6	(7)	9
06	Live tree & other plant; bulb, root	26	47	(19)	28	(30)
07	Edible vegetables and certain roots	917	328	113	722	(245)
08	Edible fruit and nuts; peel of citrus/melons	746	166	81	489	10
09	Coffee, tea, mate & spices.	10	23	20	3	(36)
10	Cereals	1,969	1,294	1,756	1,352	(2,433)
11	Milling industry products	871	223	254	236	157
12	Oil seed, miscellaneous grains, medicinal plants, straw	54	42	129	426	(543)
13	Lactose, gums, resins, etc.	15	16	21	11	(33)
14	Vegetable plaiting materials	(0)	3	1	1	(5)
15	Animal or vegetable fats, oils & waxes	620	98	124	35	363
16	Preparation of meat, fish or crustaceans	3,127	1,943	630	(555)	1,109
17	Sugars and sugar confectionery.	2,278	426	78	426	1,348
18	Cocoa and cocoa preparations.	20	22	13	11	(26)
19	Preparation of cereal, flour, starch/milk;	719	195	147	98	278
20	Preparation of vegetable, fruit, nuts	657	642	111	199	(294)
21	Miscellaneous edible preparations	1,144	361	231	(39)	591
22	Beverages, spirits and vinegar	1,032	109	12	202	709
23	Residue from food industries, animal feed	827	293	498	(86)	123

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
24	Tobacco and manufactured tobacco substitutes	18	39	3	36	(61)
25	Salt, sulphur, earth & stone, plaster	197	323	(58)	331	(398)
26	Ores, slag and ash	15	33	60	3	(81)
27	Mineral fuels, oils & product	7,809	3,169	2,080	3,061	(501)
28	Inorgn. chemical, organic/inorganic compounds. of precious metals, isotopes	396	117	(10)	34	254
29	Organic chemicals	4,269	1,241	(11)	1,198	1,841
30	Pharmaceutical products	240	90	30	138	(17)
31	Fertilizers	69	27	39	(16)	19
32	Tanning ordyeing extracts, dyes, pigments, paints & varnishes, putty & inks	366	115	(28)	(189)	469
33	Oils & resinoids, perfumery cosmetic or toilet preparations	1,265	356	105	271	533
34	Soap, organic surface-active agents	464	143	44	60	216
35	Albuminoidal subs; modified starches	440	168	57	97	118
36	Explosives; pyrotechnic products; matches	2	4	1	(3)	0
37	Photographic or cinematographic goods	(4)	12	(16)	10	(10)
38	Miscellaneous chemical products	509	159	74	51	224
39	Plastics and articles thereof	6,192	3,160	112	1,990	929
40	Rubber and articles thereof	8,181	4,275	1,858	1,061	987
41	Raw hides & skins & leather	227	165	(95)	150	6
42	Articles of leather; saddlery/harness, travel goods, hand-bags, articles of gut	148	155	26	227	(260)
43	Furskins and artificial furskins, manufactures	(1)	1	1	5	(7)
44	Wood and articles of wood; wood charcoal	1,111	521	(369)	398	561
45	Cork and articles of cork	0	0	(0)	0	0
46	Manufactures of straw, esparto/other plaiting materials, basketware & wickerwork	(3)	7	(7)	5	(9)
47	Pulp of wood/of other fibrous cellulose	17	58	2	55	(98)
48	Paper & paperboard; art. of paper pulp	513	529	(305)	203	86
49	Printed books, newspapers, pictures	(11)	51	(38)	(29)	5
50	Silk	(14)	13	(18)	2	(11)
51	Wool & fine or coarse animal hair, including yarns & woven fabrics thereof	(16)	30	(27)	25	(44)
52	Cotton, including yarns & woven fabrics thereof	247	259	(137)	(19)	144
53	Vegetable textile fibers, not elsewhere classified, including yarns & woven fabrics, etc.	8	5	(5)	3	5
54	Man-made filaments	229	278	(175)	88	38
55	Man-made staple fibers	364	484	(280)	469	(309)
56	Wadding, felt & non-woven; yarns; tw	163	118	(20)	50	15
57	Carpets and other textile floor co	58	62	(48)	28	16
58	Special woven fabric; tufted textiles, lace	43	86	(89)	106	(59)
59	Impregnated, coated, cover/laminate	25	72	(20)	45	(72)
60	Knitted or crocheted fabrics	158	78	(11)	324	(232)
61	Articles of apparel & clothing accessories, knitted or crocheted	(202)	1,012	(276)	(225)	(712)
62	Articles of apparel & clothing accessories, not knitted or crocheted	(492)	742	(417)	1	(818)
63	Made-up textile articles, not elsewhere classified; needlecraft sets, worn clothing and rags	64	146	(17)	4	(69)
64	Footwear, gaiters and the like; parts of such articles	(220)	454	(19)	(68)	(588)
65	Headgear and parts thereof	20	21	(6)	0	4
66	Umbrellas, walking-sticks, seat-sticks	(3)	3	(1)	1	(5)
67	Prep. feathers & down; arti. flower;	(13)	26	(9)	6	(36)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
68	Art of stone, plaster, cement, asbestos	227	95	(34)	55	112
69	Ceramic products	107	317	(163)	36	(83)
70	Glass and glassware	100	243	(66)	291	(368)
71	Natural/cultured pearls, precious stone	6,409	1,790	2,953	(980)	2,647
72	Iron and steel	664	731	(508)	400	41
73	Articles of iron or steel	2,168	1,047	(128)	760	489
74	Copper and articles thereof	312	531	(215)	363	(367)
75	Nickel and articles thereof	0	4	(5)	26	(25)
76	Aluminum and articles thereof	460	438	(338)	129	230
78	Lead and articles thereof	32	2	1	2	27
79	Zinc and articles thereof	18	21	(31)	27	2
80	Tin and articles thereof	268	97	81	(87)	176
81	Other base metals; cermets; article	25	24	(15)	(5)	21
82	Tool, implement, cutlery, spoon & fork	225	78	(8)	(1)	156
83	Miscellaneous articles of base metal	542	184	(53)	86	325
84	Nuclear reactors, boilers, machinery parts thereof	13,341	11,651	(4,480)	2,976	3,195
85	Electrical machinery equipment & parts thereof	6,118	11,325	(1,528)	4,273	(7,951)
86	Railway or tramway locomotive, rolling-stock, track fixtures & fittings, signals	25	3	1	(2)	22
87	Vehicles other than railway or tramway rolling stock	16,077	4,915	(2,052)	4,162	9,052
88	Aircraft, spacecraft, and parts thereof	(223)	642	28	(219)	(674)
89	Ships, boats and floating structure	1,328	77	(25)	13	1,264
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments & accessories	2,331	1,053	2	188	1,087
91	Clocks and watches and parts thereof	153	190	128	(109)	(56)
92	Musical instruments; parts and acc	7	8	(5)	1	3
93	Arms and ammunition; parts and accessories	(11)	9	1	(18)	(3)
94	Furniture, bedding, cushions, lamps & lighting fittings not elsewhere classified, illuminated signs, nameplates & the like, prefabricated buildings	108	672	(220)	(112)	(232)
95	Toys, games & sports requisites; parts and accessories	203	323	(225)	36	70
96	Miscellaneous manufactured articles	140	111	(35)	26	39
97	Works of art, collectors' pieces	4	1	(0)	2	0
99	UN Special Code	(1,665)	811	(365)	2,199	(4,309)
	Total	97,947	63,586	(1,232)	28,325	7,268

ANNEX II.16

CONSTANT MARKET SHARE ANALYSIS OF EXPORTS BY VIETNAM (2006-2013, US\$ MILLION)

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
01	Live animals	(1)	2	(0)	0	(3)
02	Meat and edible meat offal	22	12	5	39	(34)
03	Fish & crustacean, mollusc & other	2,107	1,439	(221)	(174)	1,063
04	Dairy products; birds' eggs; natural honey; edible products of animal origin	99	56	42	(5)	6
05	Products of animal origin, nes or	12	5	3	4	1
06	Live tree & other plant; bulb, root	31	4	(2)	2	27
07	Edible vegetables and certain roots	334	96	33	224	(19)
08	Edible fruit and nuts; peel of citr	1,455	286	140	626	403
09	Coffee, tea, mati and spices.	2,226	752	642	224	608
10	Cereals	1,661	622	844	(56)	251
11	Prod.mill.indust; malt; starches;	632	77	88	180	288
12	Oil seed, oleagi fruits; miscell gr	23	16	49	(23)	(20)
13	Lac; gums, resins & other vegetable	(5)	7	9	(2)	(19)
14	Vegetable plaiting materials; veget	8	4	2	3	(1)
15	Animal/veg fats & oils & their cleavage products	239	8	11	(4)	223
16	Prep of meat, fish or crustaceans,	1,213	194	63	(83)	1,040
17	Sugars and sugar confectionery.	330	12	2	16	299
18	Cocoa and cocoa preparations.	16	0	0	0	15
19	Prep.of cereal, flour, starch/milk;	328	74	56	18	181
20	Prep. of vegg., fruits, nuts or other parts of plants	157	64	11	50	32
21	Miscellaneous edible preparations.	405	21	14	(3)	373
22	Beverages, spirits and vinegar.	280	15	2	21	242
23	Residues & waste from the food indu	325	12	21	(12)	304
24	Tobacco and manufactured tobacco substitutes	188	58	4	19	107
25	Salt; sulphur; earth & ston; plaste	931	23	(4)	38	875
26	Ores, slag and ash.	66	66	120	262	(383)
27	Mineral fuels, oils & product of their distillation	(24)	4,728	3,103	2,246	(10,101)
28	Inorgn chem; compds of prec mtl, r	408	10	(1)	5	394
29	Organic chemicals.	87	43	(0)	(29)	73
30	Pharmaceutical products.	70	10	3	12	45
31	Fertilisers.	384	17	25	(28)	371
32	Tanning/dyeing extract; tannins &	38	6	(1)	1	32
33	Essential oils & resinoids; perf,	198	23	7	15	154
34	Soap, organic surface-active agents	227	65	20	(14)	157
35	Albuminoidal subs; modified stanche	57	11	4	2	40
36	Explosives; pyrotechnic prod; match	0	0	0	(0)	(0)
37	Photographic or cinematographic goo	8	2	(3)	4	5
38	Miscellaneous chemical products.	408	29	14	(11)	376
39	Plastics and articles thereof.	1,834	305	11	50	1,468
40	Rubber and articles thereof.	1,817	708	308	433	368
41	Raw hides and skins (other than fu	205	36	(20)	(20)	210
42	Articles of leather; saddlery/harne	1,400	183	31	20	1,166
43	Furskins and artificial fur; manuf	5	2	1	(18,786)	18,789
44	Wood and articles of wood; wood ch	1,684	168	(119)	(74)	1,709
45	Cork and articles of cork.	0	0	(0)	44	(44)
46	Manufactures of straw, esparto/other plaiting materials	20	77	(80)	44	(20)
47	Pulp of wood/of other fibrous cellu	31	0	0	0	31

HS	PRODUCT DESCRIPTION	EXPORT CHANGE 2006-13	WORLD MARKET EFFECT	COM- MODITY EFFECT	MARKET EFFECT	COMPETI- TIVENESS EFFECT
48	Paper & paperboard; art of paper pu	390	82	(48)	(9)	364
49	Printed books, newspapers, pictures	9	5	(4)	(2)	9
50	Silk.	23	20	(29)	3	28
51	Wool, fine/coarse animal hair, hors	(1)	2	(2)	(0)	(1)
52	Cotton.	1,078	38	(20)	1	1,060
53	Other vegetable textile fibres; pap	8	13	(13)	11	(2)
54	Man-made filaments.	564	94	(59)	(17)	547
55	Man-made staple fibres.	410	91	(53)	8	364
56	Wadding, felt & nonwoven; yarns; tw	133	32	(5)	4	103
57	Carpets and other textile floor co	19	5	(4)	2	16
58	Special woven fab; tufted tex fab;	21	16	(17)	4	18
59	Impregnated, coated, cover/laminate	402	25	(7)	5	379
60	Knitted or crocheted fabrics.	221	23	(3)	(10)	210
61	Art of apparel & clothing access,	5,885	989	(270)	(239)	5,405
62	Art of apparel & clothing access, n	5,444	1,648	(926)	(128)	4,849
63	Other made up textile articles; set	801	181	(21)	11	629
64	Footwear, gaiters and the like; parts of such articles	5,067	1,780	(73)	(392)	3,753
65	Headgear and parts thereof.	117	52	(14)	(9)	88
66	Umbrellas, walking-sticks, seat-sti	6	2	(1)	0	5
67	Prepr feathers & down; arti flower;	13	8	(3)	(1)	9
68	Art of stone, plaster, cement, asbe	197	32	(12)	(6)	183
69	Ceramic products.	197	134	(69)	12	120
70	Glass and glassware.	434	56	(15)	54	339
71	Natural/cultured pearls, prec stone	442	81	133	(101)	328
72	Iron and steel.	1,783	116	(81)	55	1,693
73	Articles of iron or steel.	1,177	190	(23)	(27)	1,037
74	Copper and articles thereof.	178	14	(6)	(7)	177
75	Nickel and articles thereof.	1	0	(0)	0	1
76	Aluminum and articles thereof.	280	39	(30)	16	256
78	Lead and articles thereof.	49	1	0	(1)	49
79	Zinc and articles thereof.	13	2	(2)	1	13
80	Tin and articles thereof.	25	10	9	2	5
81	Other base metals; cermets; article	30	2	(1)	(2)	31
82	Tool, implement, cutlery, spoon & f	200	45	(5)	(10)	170
83	Miscellaneous articles of base meta	155	15	(4)	(22)	167
84	Nuclear reactors, boilers, machinery and mechanical appliances	6,680	801	(308)	115	6,073
85	Electrical mchy equip parts thereof	30,122	1,008	(136)	96	29,154
86	Railw/tramw locom, rolling-stock &	(0)	1	0	(1)	(1)
87	Vehicles o/t railw/tramw roll-stock	1,146	220	(92)	72	946
88	Aircraft, spacecraft, and parts the	69	3	0	(2)	68
89	Ships, boats and floating structure	793	13	(4)	14	770
90	Optical, photo, cine, meas, checking, precision, etc.	2,277	84	0	(27)	2,220
91	Clocks and watches and parts theoo	18	7	5	(7)	14
92	Musical instruments; parts and acce	13	3	(2)	1	11
93	Arms and ammunition; parts and acc	(1)	0	0	(0)	(1)
94	Furniture; bedding, mattress, matt	2,430	883	(289)	(187)	2,023
95	Toys, games & sports requisites; parts and accessories	373	57	(40)	4	352
96	Miscellaneous manufactured articles	195	48	(15)	5	157
97	Works of art, collectors' pieces and antiques	0	0	(0)	(0)	(0)
99	UN Special Code	377	73	(33)	6,635	(6,298)
	Total	92,207	19,393	2,640	(8,801)	78,974

ANNEX IV.I**PHILIPPINE EXPORT REVENUE TARGETS, 2015-2017 (IN MILLION US DOLLARS, FOB)**

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Agro-based Products						
COCONUT PRODUCTS						
Copra	1	1	1	1	1	1
Coconut oil	1,107	1,172	1,172	1,268	1,172	1,382
Desiccated coconut	66	70	70	70	70	70
Copra meal/cake	149	158	182	190	212	232
Other coconut products	79	84	108	125	141	192
SUGAR AND PRODUCTS						
Centrifugal and refined	24	24	24	24	24	24
Molasses	4	4	4	4	4	4
Other sugar and products	7	7	7	8	8	9
FRUITS AND VEGETABLES						
Canned pineapple	323	323	365	389	417	478
Pineapple concentrates	47	47	48	49	50	52
Pineapple juice	54	54	58	59	63	66
Bananas	439	439	443	468	447	502
Mangoes	16	16	16	16	16	16
Other fruits and vegetables	264	264	287	311	315	371
OTHER AGRO-BASED						
Fish, fresh or preserved	468	486	521	522	563	566
Coffee, raw not roasted	0	0	0	0	0	0
Abaca fibers	7	7	7	7	7	7
Tobacco unmanufactured	105	105	105	119	105	137
Natural rubber	58	58	58	59	59	61
Ramie fibers, raw and roasted	0	0	0	0	0	0
Seaweeds, dried	17	17	17	17	17	17
Rice	0	0	0	0	0	0
Other agro-based products	249	249	272	281	300	322
TOTAL AGRO-BASED	3,482	3,582	3,764	3,986	3,989	4,506
Forest Products						
Logs	0	0	0	0	0	1
Lumber	47	47	55	64	64	88
Plywood	1	1	1	1	1	1
Veneer sheets/corestocks	0	0	0	0	0	0
Other forest products	1	1	2	2	2	3
TOTAL FOREST	50	50	57	67	67	93
Mineral Products						
Copper metal	336	336	354	392	374	464
Copper concentrates	571	571	571	571	571	571
Gold	127	127	127	140	127	157
Chromium ore	5	5	5	5	5	5
Iron ore agglomerates	113	113	113	114	113	115
Nickel	-	-	-	-	-	-
Other mineral products	1,582	1,687	1,899	2,063	2,162	2,570
TOTAL MINERAL	2,733	2,838	3,068	3,285	3,352	3,881
Petroleum products	302	302	302	302	302	302
Manufactures						
Electronic Products						
Semiconductor	20,503	21,029	21,029	21,029	21,029	21,029

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Electronic data processing	4,800	4,868	4,868	4,868	4,868	4,868
Office equipment	583	591	646	707	711	858
Consumer electronics	517	524	532	589	541	669
Telecommunication	459	465	508	665	558	978
Communication radar	326	331	331	343	331	358
Control and instrumentation	594	603	898	923	1,382	1,462
Medical/industrial instrumentation	199	202	274	286	381	417
Automotive electronics	105	120	120	120	120	120
Other electronics	3,149	3,193	3,657	3,728	4,240	4,415
TOTAL ELECTRONICS	31,235	31,926	32,860	33,257	34,159	35,174
Garments	1,433	1,468	1,468	1,468	1,468	1,468
Textile yarns/fabrics	197	197	197	203	197	210
Footwear	60	61	68	92	76	141
Travel goods and handbag	433	433	581	622	801	922
Wood manufactures	2,687	2,916	3,445	3,592	4,132	4,507
Furniture and fixtures	317	328	335	383	342	453
Chemicals	1,907	2,031	2,139	2,266	2,264	2,556
Non-metallic mineral manufactures	180	180	180	184	180	188
Machinery and transport equipment	4,981	5,185	5,863	5,967	6,707	6,957
Processed food and beverages	1,142	1,189	1,248	1,287	1,317	1,404
Iron and steel	102	102	102	102	102	102
Baby carriages, toys, games and sporting goods	325	325	354	371	388	429
Basketworks, wickerwork and others of plaiting materials	47	48	48	49	48	51
Miscellaneous manufactured articles	605	605	649	680	701	772
Other manufactures	4,069	4,069	4,302	4,359	4,573	4,701
TOTAL MANUFACTURES	49,718	51,064	53,841	54,882	57,457	60,034
Others	1,245	1,245	1,264	1,312	1,285	1,391
TOTAL GOODS EXPORTS	57,531	59,081	62,297	63,836	66,452	70,206
Transport	1,803	1,849	1,970	1,992	2,112	2,162
Travel	5,192	5,325	5,572	6,125	5,856	7,137
Construction	59	60	60	60	60	60
Insurance and pension	116	119	129	133	141	151
Financial services	369	379	432	480	498	620
Royalties and license fees	13	13	15	17	16	22
Telecommunications	299	307	307	307	307	307
Computer services	3,006	3,083	3,386	3,813	3,753	4,807
Information services	4	4	5	5	5	6
Other business services – R&D	87	89	114	129	148	193
Other business services – Profession and Management Consulting	48	49	57	59	67	72
Other business services – Technical and trade-related	15,491	15,888	17,084	17,980	18,499	20,585
Personal, cultural and recreational	139	143	197	200	281	292
Government goods & services, n.e.s.	13	13	14	14	14	14
Maintenance and repairs, n.e.s.	92	95	95	102	95	111
TOTAL SERVICES EXPORTS	26,729	27,415	29,894	30,323	32,868	33,861
TOTAL EXPORTS	84,261	86,496	92,191	94,068	99,320	104,067

ANNEX V.I**INPUT-OUTPUT MULTIPLIERS I (BASED ON NEDA PRODUCT GROUPING)**

	EMPLOYMENT	OUTPUT	INCOME
Abaca fibers	1.431	1.747	1.406
Automotive electronics	8.055	2.430	2.207
Baby carr., toys, games, and sporting goods	2.159	2.462	2.204
Bananas	1.294	1.389	1.222
Basketworks, wickerwork & otr art. Of plaiting matr	1.290	2.653	1.222
Canned pineapple	1.017	1.952	1.410
Centrifugal & refined	1.141	2.112	1.597
Chemicals	11.343	2.413	2.625
Chromium ore	1.206	1.497	1.307
Coconut oil	30.494	2.411	12.796
Coffee raw, not roasted	1.040	1.287	1.184
Communication radar	2.872	2.513	4.909
Components/devices (semiconductors)	4.511	3.777	4.528
Consumer electronics	3.644	3.639	12.313
Control & instrumentation	3.631	2.679	4.517
Copper metal	3.534	2.081	2.376
Copra	30.494	2.411	12.796
Copra meal/cake	30.494	2.411	12.796
Desiccated coconut	30.494	2.411	12.796
Electronic data processing	3.644	3.639	12.313
Electronic equipment & parts	3.179	1.932	1.574
Fish, fresh or preserved of which: shrimps & prawn	1.492	1.430	1.407
Footwear	1.566	2.241	1.966
Furniture and fixtures	2.223	2.377	2.333
Garments	1.352	2.179	1.755
Gold	1.878	1.812	1.746
Iron & steel	4.640	2.929	5.088
Iron ore agglomerates	4.640	2.929	5.088
Logs	1.097	1.223	1.240
Lumber	1.097	1.223	1.240
Machinery & transport equipment	3.314	2.422	3.401
Mangoes	1.017	1.298	1.410
Medical/industrial instrumentation	2.894	2.452	3.073
Misc. Manufactured articles, n.e.s.	2.420	3.125	10.987
Molasses	18.780	2.112	2.187
Natural rubber	1.078	1.449	1.143
Nickel	2.089	1.784	1.531
Non-metallic mineral manufactures	2.712	2.736	3.885
Office equipment	3.644	3.639	12.313
Other coconut product	21.803	1.891	4.743
Other forest products	1.097	1.223	1.240
Other fruits and vegetables	1.270	1.369	1.347
Other manufactures	2.420	3.125	10.987
Other mineral products	5.195	1.541	1.762

	EMPLOYMENT	OUTPUT	INCOME
Other sugar and products	9.954	1.945	1.941
Others	3.141	2.765	4.317
Others agro-	1.178	1.468	1.144
Petroleum products	17.812	1.437	3.207
Pineapple concentrates	4.578	1.952	2.356
Plywood	1.499	2.353	2.687
Processed food and beverages	14.066	2.311	4.689
Ramie fibers, raw and roasted	4.169	2.928	3.208
Rice	26.535	1.985	5.670
Seaweeds, dried	1.219	1.430	1.422
Special transactions	1.401	2.302	1.598
Telecommunication	1.847	2.283	3.040
Textile yarns/fabrics	1.529	2.149	1.760
Tobacco unmanufactured	1.309	1.539	1.361
Travel goods and handbags	1.157	1.279	1.364
Veneer sheets/corestocks	1.499	2.353	2.687
Wood manufactures	3.131	2.247	2.541
Transport, passengers	2.202	2.101	1.932
Transport, freight	1.285	2.001	2.393
Transport, others	1.797	1.925	1.957
Travel	1.427	2.090	1.818
Construction	1.650	2.039	1.368
Insurance & pension services	5.294	1.668	1.884
Financial services explicitly charged	2.168	1.547	1.523
Financial services indirectly measured	3.081	1.680	1.714
Charges for intellectual property, nie	2.451	1.242	1.068
Telecommunications services	3.231	1.842	1.561
Computer services	3.216	1.966	1.751
Information services	1.366	1.815	1.502
Maintenance & repair, nie	2.317	1.736	1.489
Other business services – R&D	1.688	1.798	1.486
Other business services – professional & management consulting	1.296	1.690	1.350
Other business services – technical & trade-related	1.340	1.967	1.862
Personal, cultural & recreational – audiovisual	4.090	2.284	2.191
Personal, cultural & recreational – others	2.331	2.074	1.913
Government goods and services, nie	1.399	1.808	7.029

ANNEX V.2**INPUT-OUTPUT MULTIPLIERS II (BASED ON ISIC PRODUCT GROUPING)**

ISIC	EMPLOYMENT	OUTPUT	INCOME
0111 Cereals (exc. rice), leguminous crops & oil seeds	2.193	1.571	1.226
0112 Rice	1.063	1.561	1.315
0113 Vegetables & melons, roots & tubers	1.439	1.443	1.775
0115 Tobacco	1.309	1.539	1.361
0116 Fibre crops	1.170	1.233	1.135
0119 Other non-perennial crops	1.078	1.449	1.143
0121 Grapes	1.134	1.234	1.173
0125 Other tree and bush fruits & nuts	1.040	1.179	1.108
0126 Oleaginous fruits	1.040	1.179	1.108
0127 Beverage crops	1.040	1.287	1.184
0128 Spices, aromatic, drug & pharmaceutical crops	1.170	1.233	1.135
0129 Other perennial crops	1.170	1.233	1.135
0130 Plant propagation	2.072	1.634	1.793
0141 Cattle and buffaloes	3.770	2.063	2.133
0142 Horses and other equines	6.026	2.611	7.663
0146 Poultry	3.874	1.743	1.687
0149 Other animals	6.026	2.611	7.663
0170 Hunting, trapping and related service activities	1.178	1.468	1.144
0220 Logging	1.097	1.223	1.240
0230 Non-wood forest products	1.097	1.223	1.240
0311 Marine fishing	1.410	1.405	1.406
0321 Marine aquaculture	1.501	1.819	1.978
0322 Freshwater aquaculture	1.355	1.455	1.419
0510 Mining of hard coal	2.844	1.712	1.523
0610 Crude petroleum	17.812	1.437	3.207
0710 Iron ores	2.663	1.483	1.486
0729 Other non-ferrous metal ores	2.663	1.483	1.486
0810 Stone, sand and clay	1.594	1.630	1.302
0891 Chemical and fertilizer minerals	1.061	1.441	1.293
0893 Extraction of salt	1.061	1.441	1.293
0899 Other mining and quarrying n.e.c.	1.061	1.441	1.293
1010 Processing of meat	11.327	2.471	3.893
1020 Processing of fish, crustaceans and molluscs	6.884	2.338	3.533
1030 Processing of fruit and vegetables	4.578	1.952	2.356
1040 Mfr of vegetable & animal oils, fats	21.803	1.891	4.743
1050 Mfr of dairy products	29.160	2.568	6.719
1061 Mfr of grain mill products	26.535	1.985	5.670
1062 Mfr of starches and starch products	23.603	2.505	5.702
1071 Mfr of bakery products	4.427	2.339	2.663
1072 Mfr of sugar	18.780	2.112	2.187
1073 Mfr of cocoa, choc. & sugar confectionery	5.453	2.363	2.430
1074 Mfr of macaroni & oth. farinaceous products	11.986	2.482	3.150
1075 Mfr of prepared meals & dishes	4.433	2.708	9.568
1079 Mfr of other food products	4.433	2.708	9.568

ISIC	EMPLOYMENT	OUTPUT	INCOME
1080 Mfr of prepared animal feeds	7.810	2.334	7.421
1101 Distilling, rectifying and blending of spirits	21.632	2.467	6.552
1102 Mfr of wines	21.632	2.467	6.552
1103 Mfr of malt liquors and malt	6.672	1.830	2.847
1104 Mfr of soft drinks & other bottled water	12.268	2.568	4.085
1200 Mfr of tobacco products	2.788	2.293	6.254
1311 Prep. & spinning of textile fibres	1.953	2.164	2.043
1312 Weaving of textiles	1.953	2.164	2.043
1391 Mfr of knitted and crocheted fabrics	1.874	2.056	1.475
1392 Mfr of made-up textile articles, exc. apparel	1.364	2.177	1.716
1393 Mfr of carpets and rugs	1.724	2.120	1.350
1394 Mfr of cordage, rope, twine & netting	1.449	1.970	1.636
1399 Mfr of other textiles n.e.c.	1.382	2.312	1.467
1410 Mfr of wearing apparel, exc. fur apparel	1.283	2.700	2.222
1420 Mfr of articles of fur	1.565	2.121	1.863
1430 Mfr of knitted and crocheted apparel	1.565	2.121	1.863
1511 Tanning & dressing of leather; fur	1.566	2.353	2.182
1512 Mfr of luggage, handbags	6.878	2.465	2.595
1520 Mfr of footwear	1.566	2.241	1.966
1610 Sawmilling & planing of wood	1.579	2.136	3.736
1621 Mfr of veneer sheets & wood-based panels	1.499	2.353	2.687
1622 Mfr of builders' carpentry & joinery	3.545	2.194	1.686
1623 Mfr of wooden containers	1.179	2.158	2.417
1629 Mfr of oth. products of wood	1.321	2.271	2.510
1701 Mfr of pulp, paper and paperboard	4.915	2.476	5.199
1702 Mfr of corrugated paper & paperboard	3.391	2.667	5.647
1709 Mfr of oth. articles of paper & paperboard	6.422	2.758	3.990
1811 Printing	2.491	2.653	2.303
1812 Service activities related to printing	2.072	2.407	2.368
1910 Mfr of coke oven products	1.915	2.089	1.814
1920 Mfr of refined petroleum products	61.657	2.200	3.850
2011 Mfr of basic chemicals	4.999	2.536	2.432
2012 Mfr of fertilizers & nitrogen cd	18.182	2.419	4.311
2013 Mfr of plastics & synthetic rubber	4.407	2.248	2.545
2021 Mfr of pesticides & other agrochemical prod.	2.864	2.329	2.260
2022 Mfr of paints, varnishes	22.616	2.484	2.311
2023 Mfr of soap & detergents	2.862	2.467	2.908
2029 Mfr of other chemical products	31.012	2.293	2.185
2030 Mfr of man-made fibres	4.169	2.928	3.208
2100 Mde of pharmaceuticals	3.805	2.528	2.045
2211 Mfr of rubber tyres & tubes	6.262	2.163	2.636
2219 Mfr of other rubber products	2.568	2.356	2.104
2220 Mfr of plastics products	2.097	2.694	4.347
2310 Mfr of glass & glass products	1.741	2.311	1.802
2391 Mfr of refractory products	2.712	2.736	3.885
2392 Mfr of clay building materials	5.283	2.374	2.533
2393 Mfr of other porcelain & ceramic products	3.678	2.587	11.741

ISIC		EMPLOYMENT	OUTPUT	INCOME
2394	Mfr of cement, lime & plaster	8.873	2.308	3.128
2395	Mfr of articles of concrete, cement & plaster	8.873	2.308	3.128
2396	Cutting, shaping and finishing of stone	2.420	3.125	10.987
2399	Mfr of oth. non-metallic mineral prod.	2.712	2.736	3.885
2410	Mfr of basic iron and steel	4.640	2.929	5.088
2420	Mfr of basic precious & other non-ferrous metals	3.678	2.587	11.741
2431	Casting of iron and steel	1.438	2.569	3.572
2511	Mfr of structural metal products	1.684	2.458	2.123
2512	Mfr of tanks, reservoirs & containers of metal	1.694	2.643	4.033
2513	Mfr of steam generators	2.600	2.461	2.527
2520	Mfr of weapons & ammunition	2.420	3.125	10.987
2593	Mfr of cutlery, hand tools & gen. hardware	2.218	2.991	6.744
2599	Mfr of oth. fabricated metal prod.	2.265	3.016	15.242
2610	Mfr of electronic components & boards	4.511	3.777	4.528
2620	Mfr of computers & peripheral equipment	4.511	3.777	4.528
2630	Mfr of communication equipment	4.511	3.777	4.528
2640	Mfr of consumer electronics	4.511	3.777	4.528
2651	Mfr of measuring, testing eqpt	3.631	2.679	4.517
2652	Mfr of watches and clocks	1.240	1.889	1.426
2660	Mfr of irradiation, electromedical eqpt	3.068	2.320	2.185
2670	Mfr of optical instru. & photo. Eqpt	3.068	2.320	2.185
2710	Mfr of electric motors, generators	2.600	2.461	2.527
2720	Mfr of batteries & accumulators	8.055	2.430	2.207
2731	Mfr of fibre optic cables	3.614	2.423	4.873
2732	Mfr of other electronic & electric wires	3.179	1.932	1.574
2740	Mfr of electric lighting eqpt	2.095	2.624	2.277
2750	Mfr of domestic appliances	4.018	2.675	3.180
2790	Mfr of other electrical equipment	2.095	2.624	2.277
2811	Mfr of engines and turbines	2.423	2.471	2.734
2812	Mfr of fluid power equipment	2.420	3.125	10.987
2813	Mfr of other pumps, compressors	3.820	2.657	6.954
2814	Mfr of bearings, gears, gearing & driving elem.	2.420	3.125	10.987
2815	Mfr of ovens, furnaces & furnace burners	2.420	3.125	10.987
2816	Mfr of lifting & handling equipment	2.420	3.125	10.987
2817	Mfr of ofc mach and eqpt	3.644	3.639	12.313
2818	Mfr of power-driven hand tools	2.420	3.125	10.987
2819	Mfr of other general-purpose machinery	3.301	2.249	2.058
2821	Mfr of agri & forestry mach.	1.736	2.581	2.533
2822	Mfr of metal-forming mach.	1.522	2.826	3.972
2823	Mfr of mach. for metallurgy	1.522	2.826	3.972
2824	Mfr of mach. for mining, quarrying	1.522	2.826	3.972
2825	Mfr of mach. for food, bev. & tobacco proc.	1.522	2.826	3.972
2826	Mfr of mach. for textile, apparel & leather prod.	1.522	2.826	3.972
2829	Mfr of other special-purpose mach.	1.522	2.826	3.972
2910	Mfr of motor vehicles	4.467	2.465	3.739
2920	Mfr of bodies for motor vehicles	4.467	2.465	3.739
2930	Mfr of parts & accessories for motor vehicles	4.467	2.465	3.739

ISIC		EMPLOYMENT	OUTPUT	INCOME
3011	Building of ships & floating structures	3.904	3.437	4.496
3012	Building of pleasure & sporting boats	3.904	3.437	4.496
3020	Mfr of railway locomotives & rolling stock	5.122	2.533	2.921
3030	Mfr of air & spacecraft & related mach.	3.672	2.586	1.891
3040	Mfr of military fighting vehicles	4.467	2.465	3.739
3091	Mfr of motorcycles	6.218	2.481	4.673
3092	Mfr of bicycles & invalid carriages	6.218	2.481	4.673
3099	Mfr of other transport eqpt	3.240	2.476	5.232
3100	Mfr of furniture	2.379	2.353	2.447
3211	Mfr of jewellery & rel. articles	1.839	2.559	2.294
3212	Mfr of imitation jewellery & rel. articles	1.839	2.559	2.294
3220	Mfr of musical instruments	1.176	2.260	1.968
3230	Mfr of sports goods	2.230	2.375	1.932
3240	Mfr of games and toys	2.087	2.550	2.477
3250	Mfr of medical & dental instruments	1.984	2.357	2.518
3290	Other manufacturing n.e.c.	2.420	3.125	10.987
3830	Materials recovery	3.791	2.878	6.330
5811	Book publishing	2.491	2.653	2.303
5813	Publishing of newspapers, journals	2.491	2.653	2.303
5819	Other publishing activities	2.491	2.653	2.303
5820	Software publishing	3.217	1.999	1.576
5911	Motion picture, video and TV activities	2.369	2.251	1.503
6411	Central banking	2.201	1.570	1.795
7110	Architectural & engineering activities	1.395	1.659	1.345
7420	Photographic activities	2.369	2.251	1.503
9102	Museums activities & operation	1.836	1.646	1.503

ANNEX V.3**PROJECTED INCREASES IN EMPLOYMENT CONSISTENT WITH EXPORT GROWTH TARGETS**

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Agro-based Products						
COCONUT PRODUCTS						
Copra	(412)	(358)	215	215	288	0
Coconut oil	(148,983)	(47,541)	-	148,917	-	177,174
Desiccated coconut	(292,808)	(286,755)	-	-	-	-
Copra meal/cake	57,682	71,342	36,938	49,395	46,739	65,256
Other coconut products	40,238	45,433	26,248	45,589	36,980	74,604
SUGAR AND PRODUCTS						
Centrifugal and refined	(4,890)	(4,890)	-	-	-	-
Molasses	(7,137)	(7,137)	-	-	-	-
Other sugar and products	(7,766)	(7,766)	288	495	343	624
FRUITS AND VEGETABLES						
Canned pineapple	7,300	7,300	2,177	3,463	2,706	4,596
Pineapple concentrates	1,624	1,624	293	512	331	590
Pineapple juice	(1,063)	(1,063)	987	1,279	1,171	1,550
Bananas	(45,643)	(45,643)	257	1,905	285	2,233
Mangoes	(439)	(439)	-	8	-	9
Other fruits and vegetables	(5,330)	(5,330)	1,519	3,031	1,819	3,925
OTHER AGRO-BASED						
Fish, fresh or preserved	(8,726)	(7,386)	2,690	2,784	3,174	3,293
Coffee, raw not roasted	0	0	-	-	-	-
Abaca fibers	(585)	(585)	-	-	-	-
Tobacco unmanufactured	(1,150)	(1,150)	-	956	-	1,196
Natural rubber	(1,172)	(1,172)	24	77	27	86
Ramie fibers, raw and roasted	52	52	9	9	11	11
Seaweeds, dried	(2,087)	(2,087)	-	-	-	-
Rice	(120)	(120)	40	52	56	76
Other agro-based products	(1,608)	(1,608)	1,409	1,959	1,696	2,438
TOTAL AGRO-BASED	(423,024)	(295,279)	73,093	260,647	95,626	337,663
Forest Products						
Logs	(39)	(39)	2	6	2	10
Lumber	(1,807)	(1,807)	403	924	511	1,371
Plywood	(56)	(56)	-	-	-	-
Veneer sheets/corestocks	(26)	(26)	-	-	-	-
Other forest products	(119)	(119)	7	27	9	39
TOTAL FOREST	(2,047)	(2,047)	412	958	521	1,420
Mineral Products						
Copper metal	(41,911)	(41,911)	3,171	10,101	3,671	12,960
Copper concentrates	19,634	19,634	-	-	-	-
Gold	8,916	8,916	-	1,309	-	1,595
Chromium ore	(55)	(55)	-	-	-	-
Iron ore agglomerates	(1,334)	(1,334)	-	164	-	181
Nickel	-	-	-	-	-	-
Other mineral products	(336,220)	(308,443)	56,329	99,857	69,765	134,366
TOTAL MINERAL	(350,970)	(323,193)	59,500	111,431	73,436	149,103
Petroleum products	(130,360)	(130,360)	-	-	-	-
Manufactures						
Electronic Products						
Semiconductor	441,188	562,371	-	-	-	-

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Electronic data processing	(187,009)	(174,409)	-	-	-	-
Office equipment	39,096	40,626	10,096	21,448	12,126	28,194
Consumer electronics	20,597	21,953	1,451	12,034	1,619	14,872
Telecommunication	11,237	11,848	3,968	18,788	4,759	29,515
Communication radar	5,878	6,552	-	1,891	-	2,162
Control and instrumentation	(27,006)	(25,451)	54,735	59,361	89,696	99,979
Medical/industrial instrumentation	9,761	10,176	10,604	12,445	15,810	19,400
Automotive electronics	(6,327)	(423)	-	-	-	-
Other electronics	27,967	35,180	75,174	86,767	94,685	111,421
TOTAL ELECTRONICS	335,383	488,424	156,027	212,733	218,695	305,544
Garments	(29,120)	(26,658)	-	-	-	-
Textile yarns/fabrics	(3,883)	(3,883)	-	471	-	535
Footwear	2,030	2,139	529	2,412	645	3,957
Travel goods and handbag	9,840	9,840	8,779	11,189	12,972	17,693
Wood manufactures	(44,141)	(7,483)	84,544	107,989	109,866	146,309
Furniture and fixtures	(6,068)	(4,798)	725	6,183	813	7,930
Chemicals	(490,591)	(418,704)	62,662	136,429	72,601	167,482
Non-metallic mineral manufactures	(20,277)	(20,277)	-	525	-	590
Machinery and transport equipment	(57,095)	(22,494)	114,765	132,336	142,756	167,528
Processed food and beverages	(220,507)	(186,701)	42,661	70,349	49,272	83,759
Iron and steel	(1,460)	(1,460)	-	-	-	-
Baby carriages, toys, games and sporting goods	3,763	3,763	3,171	5,056	3,797	6,346
Basketworks, wickerwork and others of plaiting materials	(122)	(23)	-	72	-	81
Miscellaneous manufactured articles, n.e.s.	(10,288)	(10,288)	5,445	9,252	6,426	11,438
Other manufactures	(130,030)	(130,030)	28,825	35,856	33,526	42,256
TOTAL MANUFACTURES	(662,564)	(328,633)	508,134	730,853	651,370	961,448
Others	(3,176)	(3,176)	3,005	10,772	3,361	12,561
TOTAL GOODS EXPORTS	(2,675,362)	(1,543,414)	1,441,311	2,431,282	1,863,965	3,217,371
Transport – passengers	(2,451)	450	6,170	9,478	13,319	20,755
Transport – freight	(4,925)	(4,066)	2,099	2,522	4,548	5,501
Transport – others	1,192	1,865	2,560	2,665	5,645	5,887
Travel	12,330	22,031	17,984	58,294	38,684	132,051
Construction	1,082	1,209	-	-	-	-
Insurance and pension	(3,162)	(2,360)	2,801	3,909	6,150	8,732
Financial services – explicitly charged	14,196	14,739	1,676	8,955	3,662	22,872
Financial services – financial intermediation	8,037	8,755	5,034	8,928	11,542	21,801
Royalties and license fees	406	447	147	441	323	1,053
Telecommunications	(8,247)	(6,982)	-	16	-	33
Computer services	(18,947)	(6,294)	49,809	119,906	109,991	283,049
Information services	125	132	46	51	104	118
Maintenance and repair, n.i.e.	2,406	2,598	2,119	3,451	5,091	8,949
Other business services – R&D	284	366	502	647	1,139	1,499
Other business services – Professional and Management Consulting	76,663	103,831	81,802	143,111	178,558	321,264
Other business services – Technical and trade-related	14,196	14,739	1,676	8,955	3,662	22,872
Personal, cultural and recreational – audiovisual	(2,508)	(2,285)	1,267	2,038	1,403	2,112
Personal, cultural and recreational – others	95	397	5,877	6,293	8,961	8,288
Government goods & services, n.e.s.	(66)	(43)	39	35	40	32
TOTAL SERVICES EXPORTS	78,085	136,644	179,932	371,631	389,161	845,947
TOTAL EXPORTS	(2,597,278)	(1,406,771)	1,621,243	2,802,913	2,253,125	4,063,317

ANNEX V.4**PROJECTED INCREASES IN THE VALUE OF OUTPUT CONSISTENT WITH EXPORT GROWTH TARGETS (IN MILLION PHILIPPINE PESOS, AT 2006 PRICES)**

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Agro-based Products						
COCONUT PRODUCTS						
Copra	(33)	(28)	17	17	23	23
Coconut oil	(11,780)	(3,759)	-	11,774	-	14,009
Desiccated coconut	(23,151)	(22,673)	-	-	-	-
Copra meal/cake	4,561	5,641	2,921	3,906	3,696	5,160
Other coconut products	3,490	3,941	2,277	3,954	3,208	6,471
SUGAR AND PRODUCTS						
Centrifugal and refined	(9,049)	(9,049)	-	-	-	-
Molasses	(803)	(803)	-	-	-	-
Other sugar and products	(1,517)	(1,517)	56	97	67	122
FRUITS AND VEGETABLES						
Canned pineapple	14,008	14,008	4,177	6,645	5,192	8,819
Pineapple concentrates	693	693	125	218	141	251
Pineapple juice	(453)	(453)	421	545	499	661
Bananas	(49,008)	(49,008)	276	2,046	306	2,398
Mangoes	(560)	(560)	-	10	-	12
Other fruits and vegetables	(5,746)	(5,746)	1,637	3,268	1,961	4,232
OTHER AGRO-BASED						
Fish, fresh or preserved	(8,368)	(7,083)	2,580	2,670	3,044	3,158
Coffee, raw not roasted	0	0	-	-	-	-
Abaca fibers	(714)	(714)	-	-	-	-
Tobacco unmanufactured	(1,353)	(1,353)	-	1,125	-	1,406
Natural rubber	(1,575)	(1,575)	33	103	36	116
Ramie fibers, raw and roasted	37	37	6	6	8	8
Seaweeds, dried	(2,447)	(2,447)	-	-	-	-
Rice	(9)	(9)	3	4	4	6
Other agro-based products	(2,004)	(2,004)	1,756	2,443	2,114	3,039
TOTAL AGRO-BASED	(95,781)	(84,462)	16,285	38,831	20,299	49,890
Forest Products						
Logs	(43)	(43)	2	7	2	11
Lumber	(2,015)	(2,015)	449	1,031	569	1,528
Plywood	(88)	(88)	-	-	-	-
Veneer sheets/corestocks	(41)	(41)	-	-	-	-
Other forest products	(132)	(132)	8	30	10	44
TOTAL FOREST	(2,319)	(2,319)	459	1,068	581	1,583
Mineral Products						
Copper metal	(24,672)	(24,672)	1,867	5,946	2,161	7,629
Copper concentrates	11,558	11,558	-	-	-	-
Gold	8,604	8,604	-	1,263	-	1,540
Chromium ore	(68)	(68)	-	-	-	-
Iron ore agglomerates	(842)	(842)	-	103	-	114
Nickel	-	-	-	-	-	-
Other mineral products	(99,706)	(91,469)	16,704	29,613	20,689	39,846
TOTAL MINERAL	(105,126)	(96,889)	18,571	36,926	22,850	49,130
Petroleum products	(10,519)	(10,519)	-	-	-	-
Manufactures						

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Electronic Products						
Semiconductor	369,467	470,949	-	-	-	-
Electronic data processing	(186,779)	(174,195)	-	-	-	-
Office equipment	39,048	40,576	10,084	21,422	12,111	28,160
Consumer electronics	20,572	21,926	1,449	12,020	1,617	14,854
Telecommunication	13,894	14,649	4,906	23,229	5,884	36,492
Communication radar	5,143	5,734	-	1,655	-	1,891
Control and instrumentation	(19,922)	(18,775)	40,378	43,790	66,168	73,754
Medical/industrial instrumentation	8,269	8,621	8,983	10,543	13,394	16,435
Automotive electronics	(1,909)	(128)	-	-	-	-
Other electronics	16,994	21,376	45,678	52,722	57,534	67,703
TOTAL ELECTRONICS	264,776	390,734	111,477	165,380	156,708	239,290
Garments	(46,919)	(42,952)	-	-	-	-
Textile yarns/fabrics	(5,457)	(5,457)	-	663	-	751
Footwear	2,906	3,062	758	3,453	923	5,664
Travel goods and handbag	10,873	10,873	9,700	12,363	14,333	19,549
Wood manufactures	(31,675)	(5,370)	60,666	77,490	78,837	104,988
Furniture and fixtures	(6,488)	(5,130)	776	6,611	870	8,480
Chemicals	(104,362)	(89,070)	13,330	29,022	15,444	35,628
Non-metallic mineral manufactures	(20,455)	(20,455)	-	530	-	595
Machinery and transport equipment	(41,722)	(16,437)	83,864	96,704	104,318	122,420
Processed food and beverages	(36,223)	(30,670)	7,008	11,556	8,094	13,759
Iron and steel	(921)	(921)	-	-	-	-
Baby carriages, toys, games and sporting goods	4,292	4,292	3,617	5,766	4,331	7,238
Basketworks, wickerwork and others of plaiting materials	(251)	(48)	-	149	-	167
Miscellaneous manufactured articles, n.e.s.	(13,288)	(13,288)	7,033	11,950	8,300	14,773
Other manufactures	(167,939)	(167,939)	37,229	46,310	43,300	54,575
TOTAL MANUFACTURES	(192,853)	11,223	335,457	467,947	435,459	627,877
Others	(2,796)	(2,796)	2,645	9,483	2,959	11,058
TOTAL GOODS EXPORTS	(540,697)	32,525	855,668	1,264,405	1,118,044	1,707,307
Transport – passengers	(2,338)	429	5,888	9,043	12,708	19,803
Transport – freight	(7,672)	(6,334)	3,269	3,929	7,085	8,569
Transport – others	1,278	1,998	2,743	2,855	6,048	6,308
Travel	18,056	32,264	26,337	85,370	56,651	193,384
Construction	1,337	1,493	-	-	-	-
Insurance and pension	(996)	(744)	883	1,232	1,938	2,752
Financial services – explicitly charged	10,132	10,519	1,196	6,391	2,614	16,323
Financial services – financial intermediation	4,383	4,775	2,746	4,869	6,295	11,891
Royalties and license fees	205	227	74	223	164	534
Telecommunications	(4,702)	(3,981)	-	9	-	19
Computer services	(11,580)	(3,847)	30,442	73,283	67,223	172,990
Information services	166	176	61	68	139	157
Maintenance and repair, n.i.e.	1,180	1,389	-	668	-	1,461
Other business services – R&D	2,563	2,768	2,257	3,676	5,423	9,533
Other business services – Professional and Management Consulting	370	477	654	843	1,484	1,954
Other business services – Technical and trade-related	112,560	152,450	120,106	210,123	262,168	471,696
Personal, cultural and recreational – audiovisual	(1,401)	(1,276)	708	1,138	783	1,180
Personal, cultural and recreational – others	85	353	5,230	5,600	7,974	7,376
Government goods & services, n.e.s.	(86)	(55)	50	45	52	42
TOTAL SERVICES EXPORTS	123,540	193,081	202,644	409,367	438,749	925,970
TOTAL EXPORTS	(417,157)	225,606	1,058,311	1,673,772	1,556,794	2,633,277

ANNEX V.5**PROJECTED INCREASES IN COMPENSATION INCOME CONSISTENT WITH THE EXPORT GROWTH TARGETS
(IN MILLION PHILIPPINE PESOS, AT 2006 PRICES)**

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Agro-based Products						
COCONUT PRODUCTS						
Copra	(173)	(150)	90	90	121	121
Coconut oil	(62,516)	(19,949)	-	62,489	-	74,346
Desiccated coconut	(122,868)	(120,328)	-	-	-	-
Copra meal/cake	24,205	29,936	15,500	20,727	19,613	27,383
Other coconut products	8,754	9,884	5,710	9,918	8,045	16,231
SUGAR AND PRODUCTS						
Centrifugal and refined	(6,843)	(6,843)	-	-	-	-
Molasses	(831)	(831)	-	-	-	-
Other sugar and products	(1,515)	(1,515)	56	97	67	122
FRUITS AND VEGETABLES						
Canned pineapple	10,117	10,117	3,017	4,799	3,750	6,370
Pineapple concentrates	836	836	151	264	170	304
Pineapple juice	(547)	(547)	508	658	603	798
Bananas	(43,118)	(43,118)	243	1,800	269	2,110
Mangoes	(608)	(608)	-	11	-	13
Other fruits and vegetables	(5,653)	(5,653)	1,611	3,215	1,929	4,163
OTHER AGRO-BASED						
Fish, fresh or preserved	(8,234)	(6,969)	2,538	2,627	2,995	3,107
Coffee, raw not roasted	0	0	-	-	-	-
Abaca fibers	(575)	(575)	-	-	-	-
Tobacco unmanufactured	(1,196)	(1,196)	-	994	-	1,243
Natural rubber	(1,242)	(1,242)	26	81	29	92
Ramie fibers, raw and roasted	40	40	7	7	9	9
Seaweeds, dried	(2,434)	(2,434)	-	-	-	-
Rice	(26)	(26)	9	11	12	16
Other agro-based products	(1,562)	(1,562)	1,369	1,904	1,647	2,368
TOTAL AGRO-BASED	(215,989)	(162,732)	30,834	109,691	39,259	138,794
Forest Products						
Logs	(44)	(44)	2	7	2	11
Lumber	(2,042)	(2,042)	455	1,044	577	1,549
Plywood	(101)	(101)	-	-	-	-
Veneer sheets/corestocks	(47)	(47)	-	-	-	-
Other forest products	(134)	(134)	8	30	10	45
TOTAL FOREST	(2,367)	(2,367)	466	1,082	589	1,604
Mineral Products						
Copper metal	(28,180)	(28,180)	2,132	6,792	2,468	8,714
Copper concentrates	13,201	13,201	-	-	-	-
Gold	8,290	8,290	-	1,217	-	1,483
Chromium ore	(59)	(59)	-	-	-	-
Iron ore agglomerates	(1,462)	(1,462)	-	179	-	199
Nickel	-	-	-	-	-	-
Other mineral products	(114,062)	(104,639)	19,110	33,876	23,668	45,584
TOTAL MINERAL	(122,273)	(112,850)	21,242	42,065	26,136	55,980
Petroleum products	(23,468)	(23,468)	-	-	-	-
Manufactures						
Electronic Products						

	2015		2016		2017	
	LOW	HIGH	LOW	HIGH	LOW	HIGH
Semiconductor	442,890	564,540	-	-	-	-
Electronic data processing	(631,966)	(589,388)	-	-	-	-
Office equipment	132,117	137,289	34,119	72,480	40,977	95,278
Consumer electronics	69,604	74,188	4,902	40,668	5,472	50,258
Telecommunication	18,501	19,506	6,532	30,931	7,835	48,592
Communication radar	10,046	11,198	-	3,232	-	3,694
Control and instrumentation	(33,589)	(31,655)	68,078	73,831	111,561	124,351
Medical/industrial instrumentation	10,364	10,804	11,258	13,212	16,786	20,597
Automotive electronics	(1,733)	(116)	-	-	-	-
Other electronics	13,847	17,418	37,219	42,959	46,879	55,166
TOTAL ELECTRONICS	30,079	213,784	162,108	277,314	229,511	397,937
Garments	(37,796)	(34,600)	-	-	-	-
Textile yarns/fabrics	(4,469)	(4,469)	-	543	-	615
Footwear	2,550	2,686	665	3,029	810	4,969
Travel goods and handbag	11,600	11,600	10,350	13,190	15,292	20,857
Wood manufactures	(35,818)	(6,072)	68,603	87,627	89,151	118,722
Furniture and fixtures	(6,368)	(5,035)	761	6,488	854	8,322
Chemicals	(113,521)	(96,887)	14,500	31,569	16,800	38,755
Non-metallic mineral manufactures	(29,044)	(29,044)	-	753	-	845
Machinery and transport equipment	(58,596)	(23,086)	117,783	135,816	146,511	171,934
Processed food and beverages	(73,508)	(62,239)	14,221	23,451	16,425	27,922
Iron and steel	(1,601)	(1,601)	-	-	-	-
Baby carriages, toys, games and sporting goods	3,843	3,843	3,238	5,163	3,878	6,481
Basketworks, wickerwork and others of plaiting materials	(115)	(22)	-	69	-	77
Miscellaneous manufactured articles	(46,710)	(46,710)	24,721	42,006	29,175	51,929
Other manufactures	(590,347)	(590,347)	130,868	162,792	152,211	191,845
TOTAL MANUFACTURES	(949,822)	(668,198)	547,818	789,811	700,616	1,041,210
Others	(4,365)	(4,365)	4,130	14,803	4,619	17,262
TOTAL GOODS EXPORTS	(2,578,657)	(1,706,344)	1,366,957	2,177,416	1,767,329	2,890,373
Transport – passengers	(2,150)	395	5,415	8,317	11,687	18,213
Transport – freight	(9,173)	(7,573)	3,909	4,698	8,471	10,246
Transport – others	1,299	2,031	2,789	2,903	6,148	6,412
Travel	15,702	28,057	22,903	74,238	49,264	168,168
Construction	897	1,002	-	-	-	-
Insurance and pension	(1,125)	(840)	997	1,391	2,189	3,108
Financial services – explicitly charged	9,968	10,349	1,177	6,288	2,572	16,060
Financial services – financial intermediation	4,471	4,871	2,801	4,967	6,422	12,129
Royalties and license fees	177	195	64	192	141	459
Telecommunications	(3,984)	(3,373)	-	8	-	16
Computer services	(10,317)	(3,427)	27,120	65,287	59,889	154,117
Information services	138	145	50	56	115	130
Maintenance and repair	1,012	1,191	-	573	-	1,252
Other business services – R&D	2,118	2,287	1,865	3,038	4,482	7,877
Other business services – Professional and Management Consulting	296	381	523	673	1,186	1,561
Other business services – Technical and trade-related	106,534	144,289	113,677	198,875	248,133	446,446
Personal, cultural and recreational – audiovisual	(1,344)	(1,224)	679	1,092	752	1,132
Personal, cultural and recreational – others	78	326	4,825	5,166	7,356	6,804
Government goods & services, n.e.s.	(334)	(214)	193	177	201	162
TOTAL SERVICES EXPORTS	114,262	178,867	188,986	377,938	409,006	854,290
TOTAL EXPORTS	(2,464,395)	(1,527,478)	1,555,942	2,555,355	2,176,335	3,744,663



PUBLISHED BY:



WITH SUPPORT FROM:



TRADE RELATED TECHNICAL ASSISTANCE PROJECT 3

A project supported by the European Union