



The Philippines
**AHK World Business Outlook
Survey Results**

Fall 2022



AHK

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



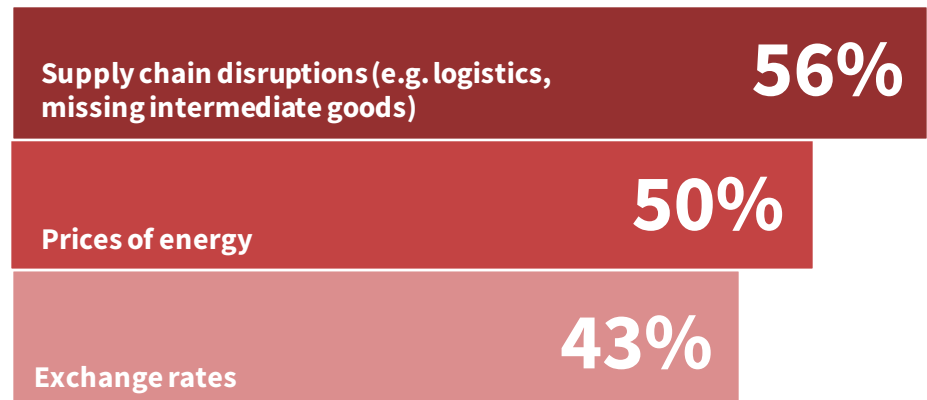
PartnerInThePhilippines

Summary

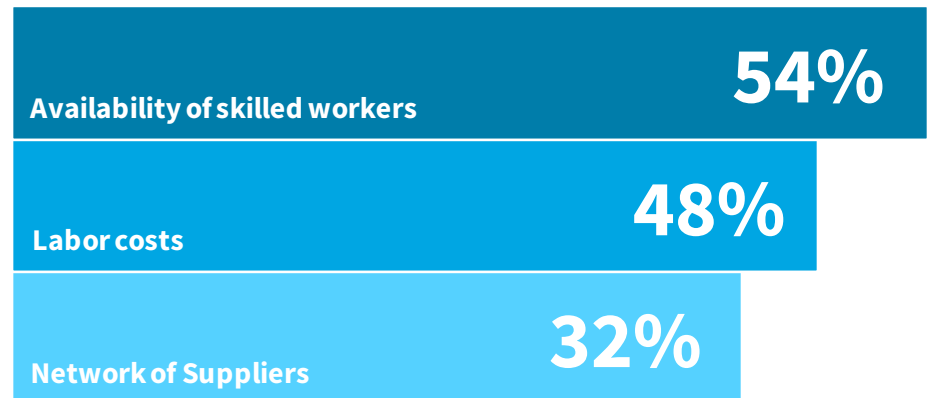
In general, companies involved in German-Philippine relations show a sluggish local business outlook as impacts of worldwide energy crises and supply chain disruptions continue to affect their respective operations.

- **The Fall 2022 survey illustrates that 53% of the respondents are in a better business situation and has shown a steady decrease in “worse” projections since 2020.**
- **61% of participating companies still forecast optimism in business development for the next twelve months, yet it is also notable that there is an increase (+12%) in worse ratings (13%) from Spring 2022 (1%).**
- **39% of participating companies forecast a satisfactory development on local economy in the next twelve months while there is a considerable increase (+21%) in "worse" ratings which is even higher last year at 12%.**
- **44% of participating companies are expecting the same local investment development in the next twelve months.**
- **Half (50%) of survey participants said that they will retain their current number of employment.**

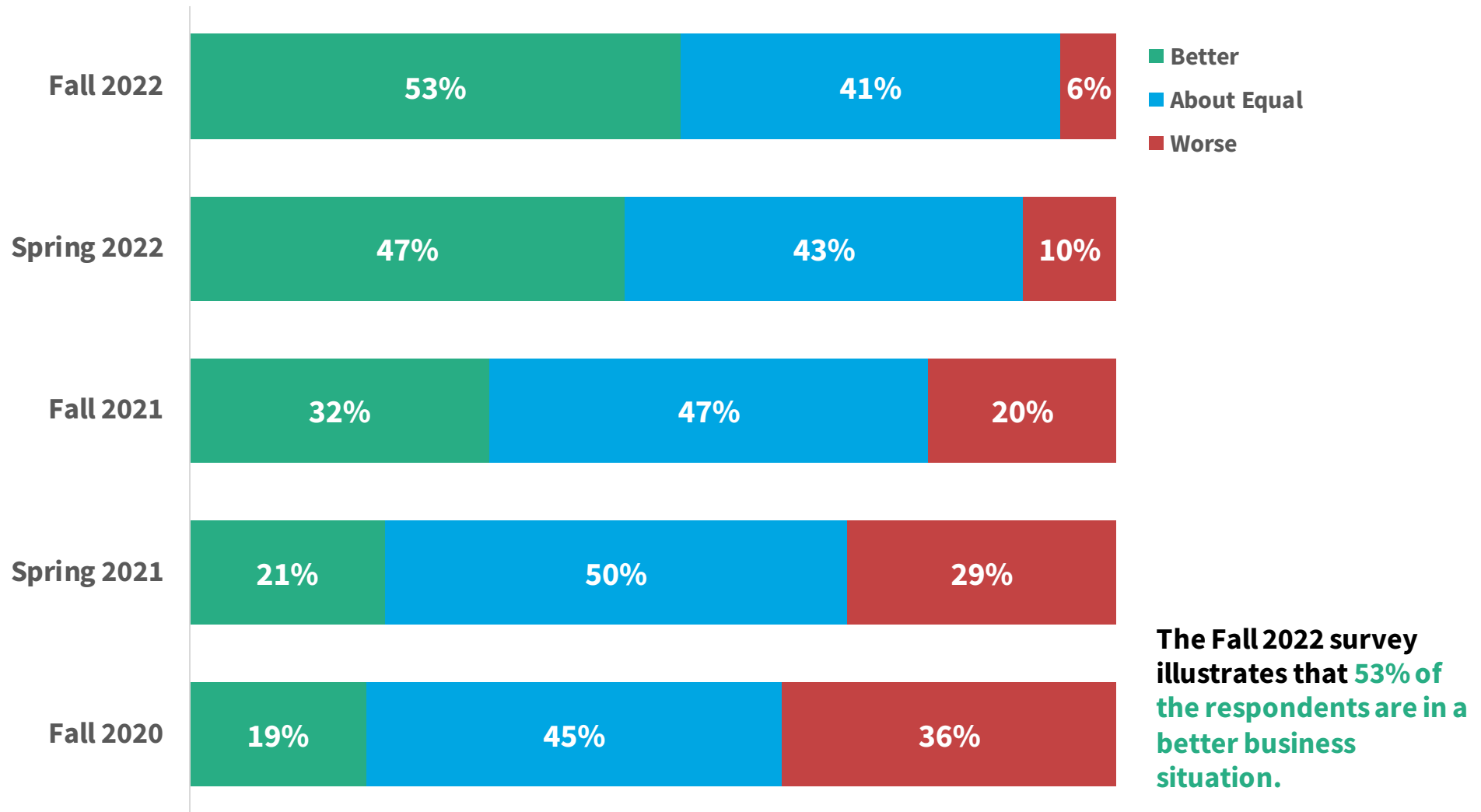
Top 3 risks for your company's economic development in the next twelve months



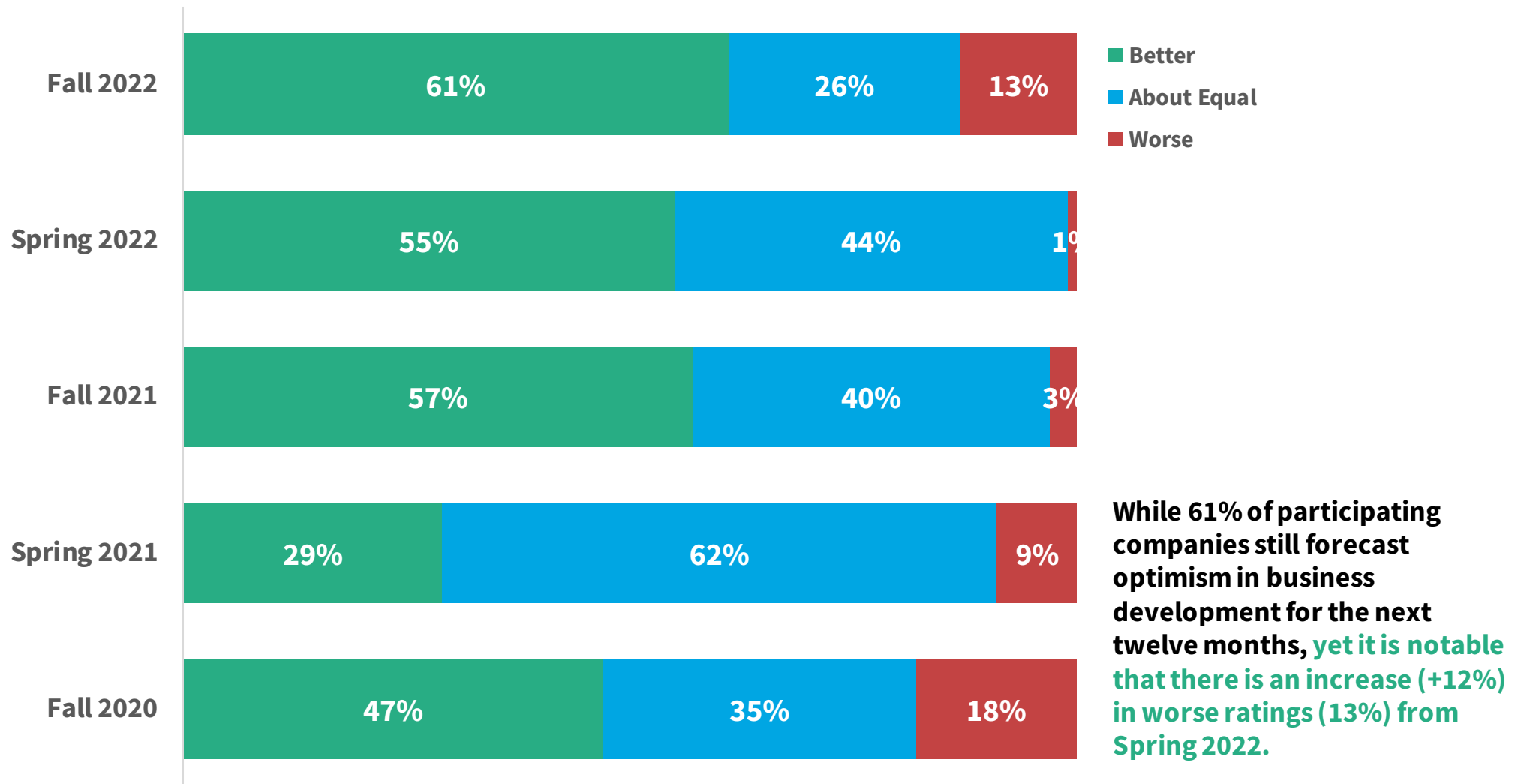
Top 3 location advantages of participating companies in the Philippines



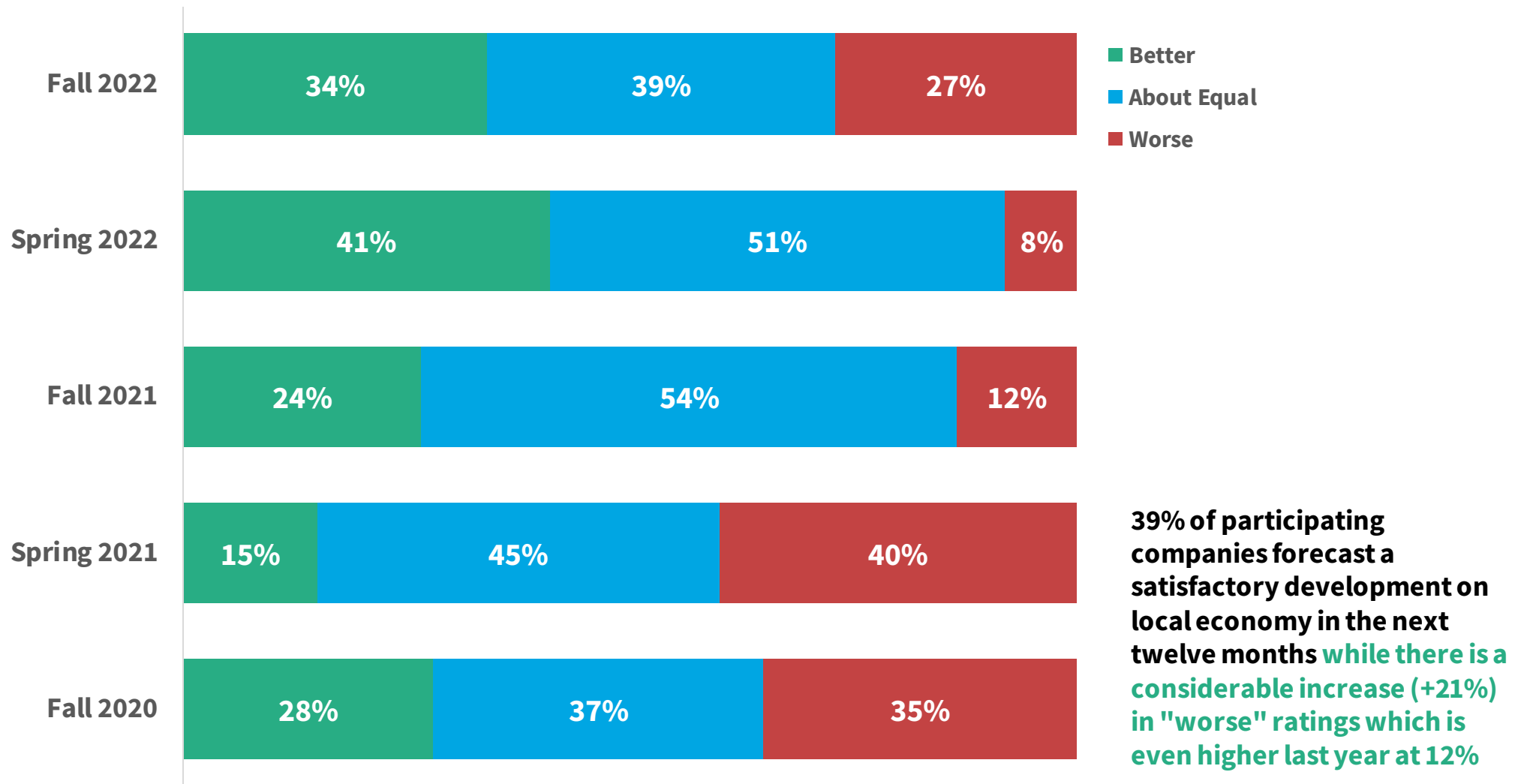
Q1: How do you assess the current situation of your company?



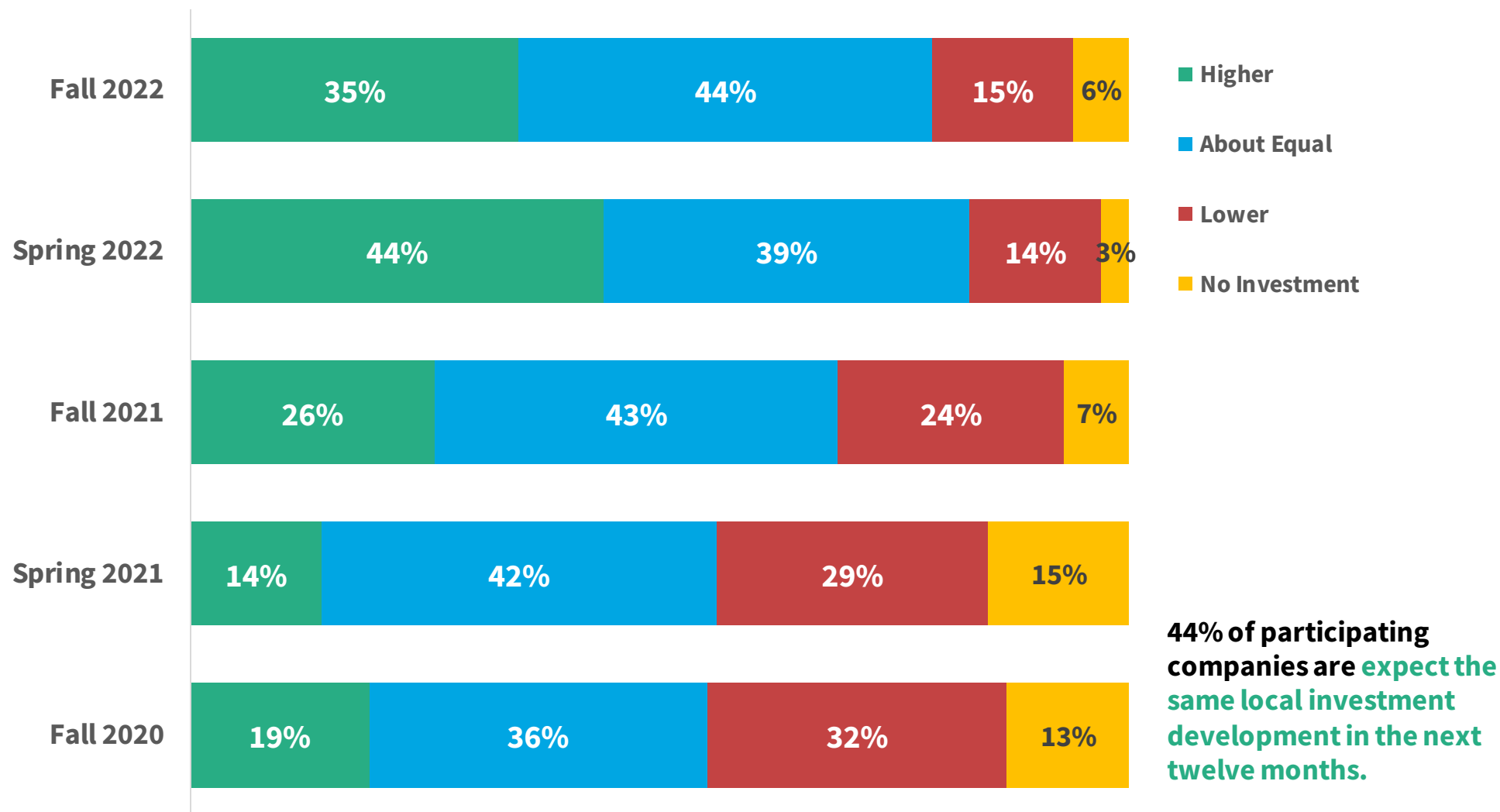
Q2. What business development does your company expect in the next twelve months?



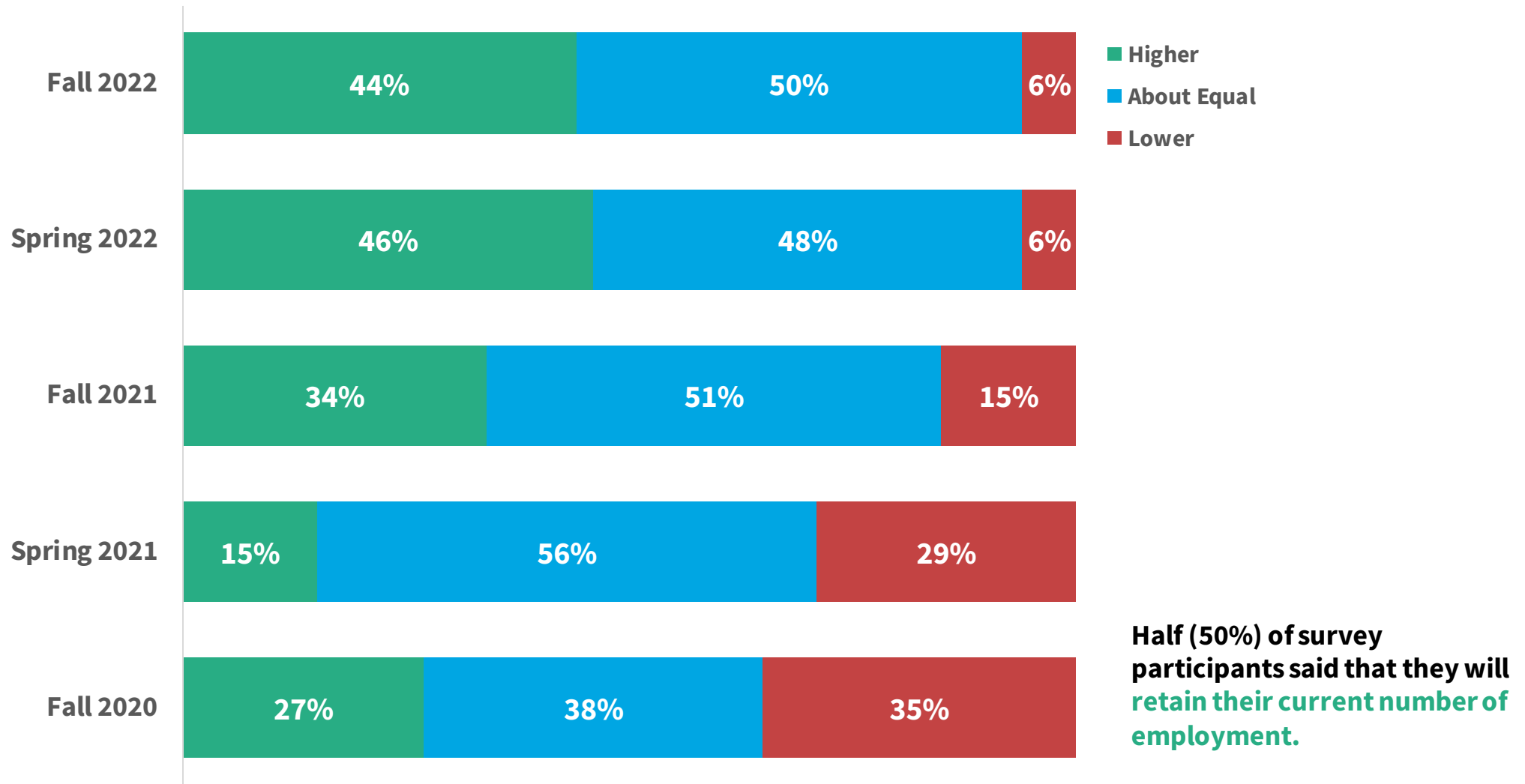
Q3: How do you judge local economic development in the next twelve months?



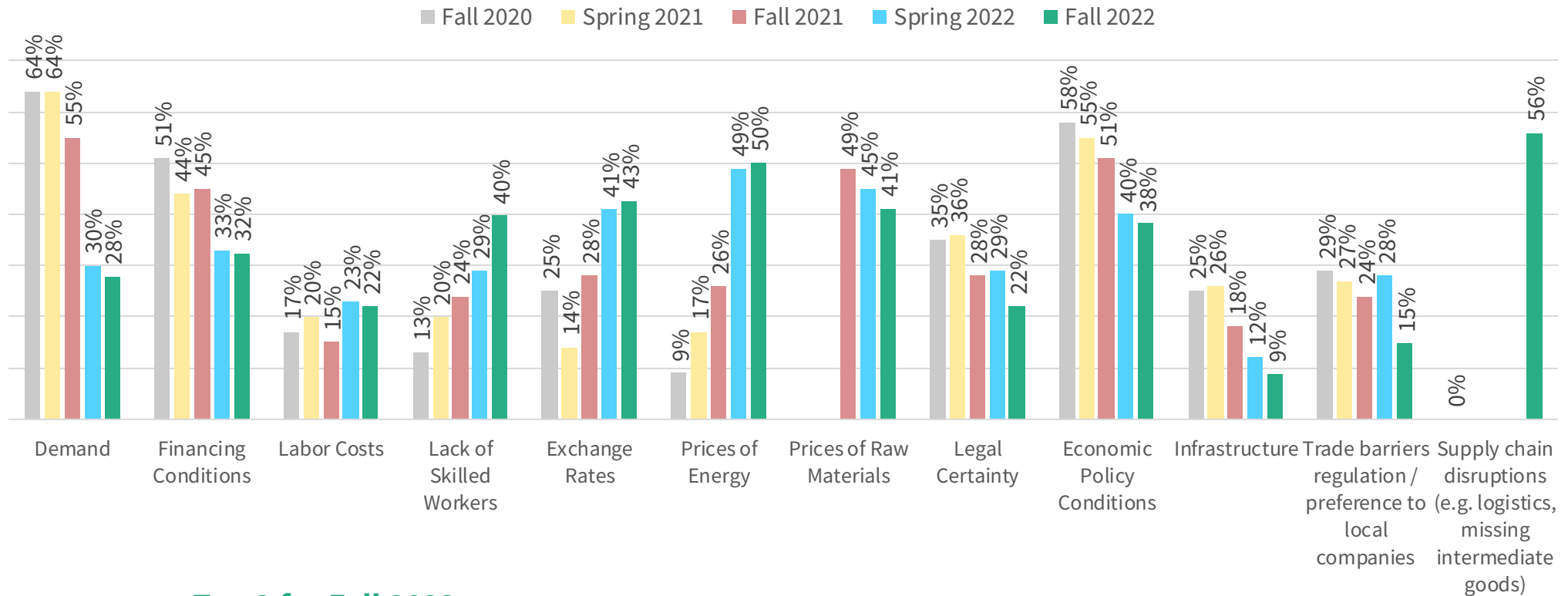
Q4: How do you think local investments of your company are likely to develop in the next twelve months?



Q5: How do think local employment of your company is likely to develop in the next twelve months?



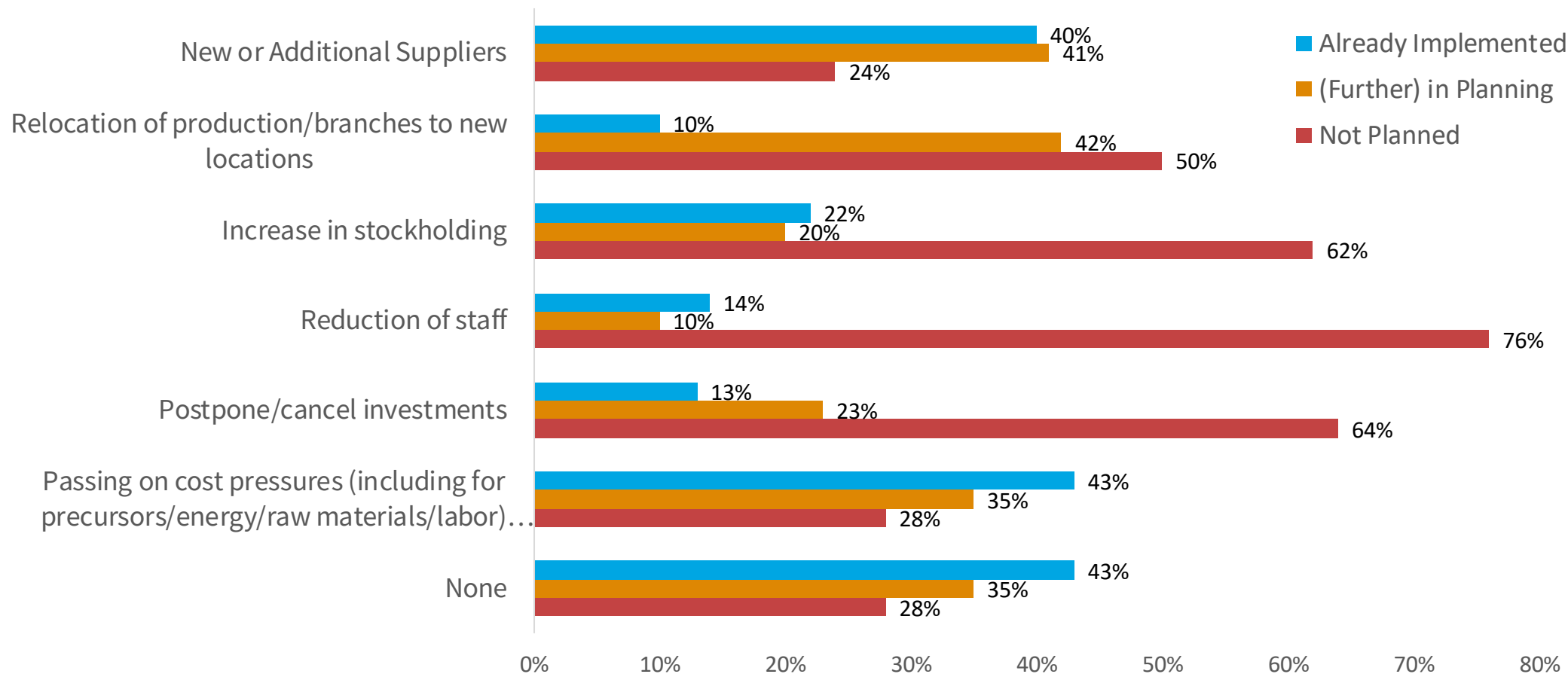
Q6: What are the biggest risks for your company's economic development in the next twelve months?



Top 3 for Fall 2022:

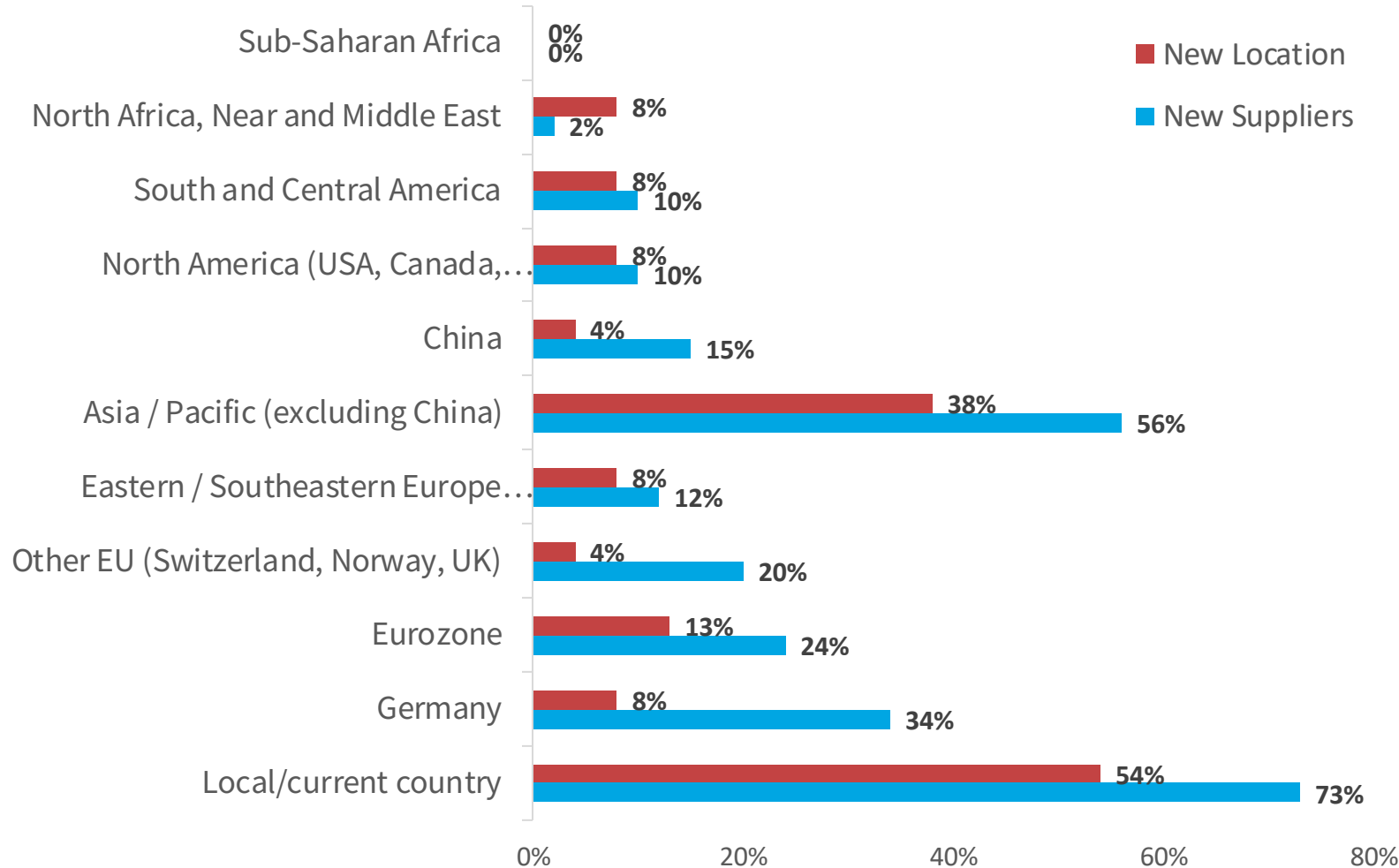
- **Supply chain disruptions (e.g. logistics, missing intermediate goods) (55%)**
- **Prices of Energy(50%)**
- **Exchange Rate (43%)**

Z1. Impact of current crises on your business (among others global supply bottlenecks, Corona pandemic, war in Ukraine): What measures have you already implemented and what measures are you still planning?



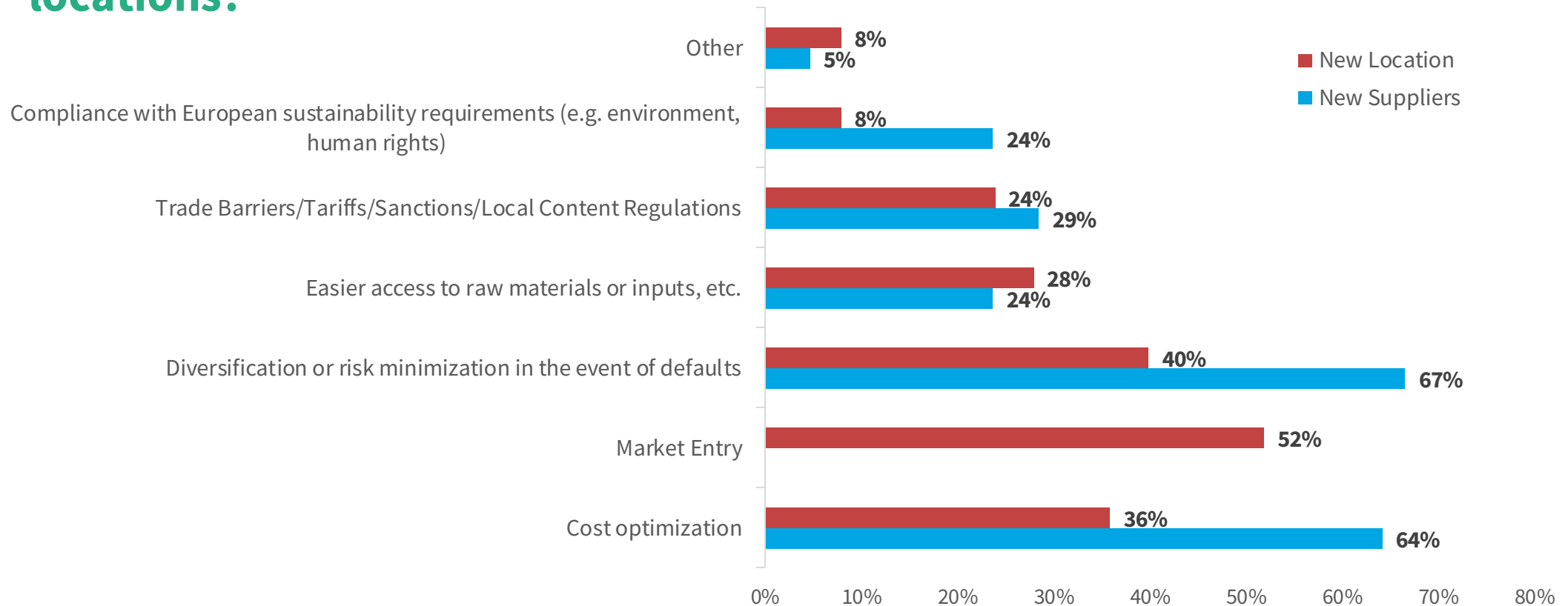
Majority of the participating companies (41%) is further planning to add or have a new supplier to their businesses.

Z2.a For those who answered “Relocation of production/branches to new locations”: In which regions have you been looking or are you looking more intensively for new suppliers and new location?



Majority of the participating companies (73 % and 54%) have been looking both more intensively for new suppliers and new locations just within their local/current country.

Z3.a For those who answered “New and Additional Suppliers / Locations”: What reasons are you looking for new suppliers and new locations?



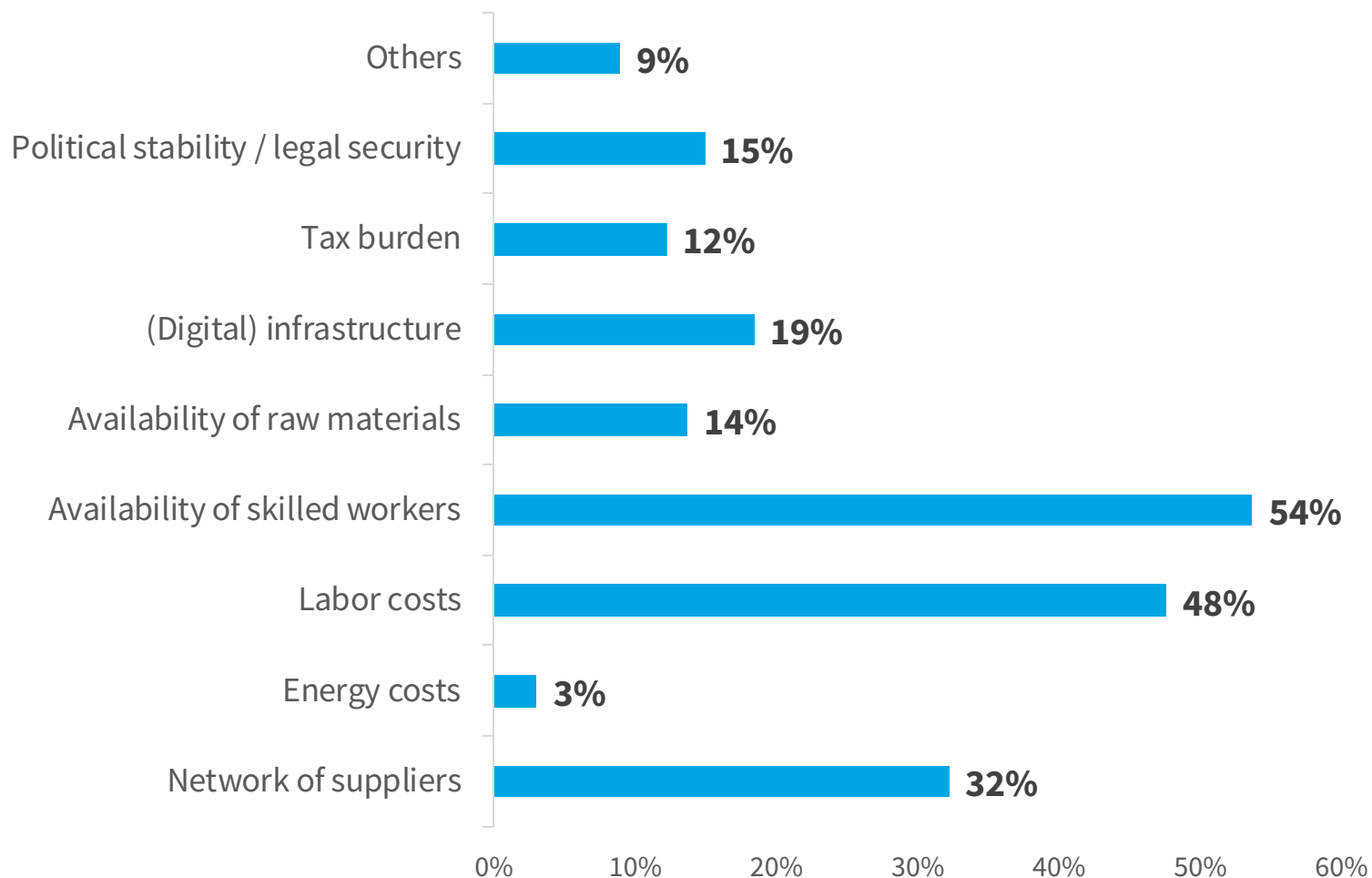
Top 3 reasons for looking into new locations are

1. Market Entry (52%)
2. Diversification or risk minimization in the event of defaults (40%)
3. Cost Optimization (36%)

Top 3 reasons for looking into new suppliers are:

1. Diversification or risk minimization in the event of defaults (67%)
2. Cost Optimization (64%)
3. Trade Barriers/Tariffs/Sanctions/Local Content Regulations (29%)

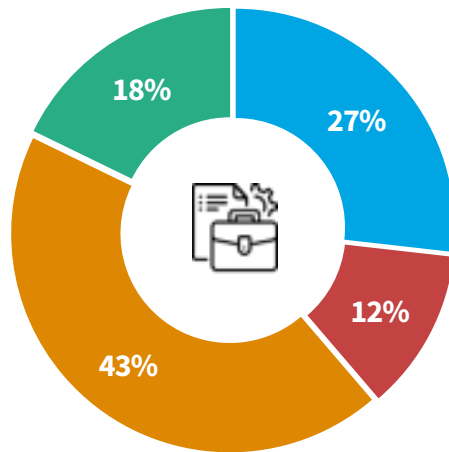
Z4 What do you currently see as the advantages of your current location (Philippines)?



Majority of the participating companies (54 %) sees the availability of skilled worker as the advantage on their current locations, while 48% is labor cost and 32% sees the advantage from the network of suppliers in the Philippines.

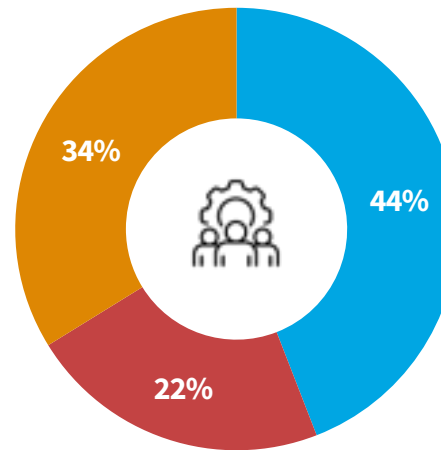
Survey Information

Sector



- Manufacturing / construction
- Trade
- Services
- Others

Employees Worldwide



- Less than 100 employees
- 100 to 1000 employees
- More than 1000 employees

The survey was sent out to companies involved in the German-Philippine Business relations and was conducted from 7 October 2022 to 23 October 2022 with a total of 68 responses collected

For more details on the DIHK / AHK WBO and the comparison to the most recent WBO surveys in the Philippines, click the links below:

- DIHK Economic Survey (English) (Fall 2022): <https://bit.ly/3UBh4MZ>
- DIHK Economic Survey (Deutsch) (Fall 2022): <https://bit.ly/3E72rtF>
- AHK WBO Fall 2022 Asia Special Analysis (Deutsch): <https://bit.ly/3Ev7fKM>
- GPCCI WBO Survey Results (Spring 2022): <https://bit.ly/3TuqbxC>
- Other surveys: <https://bit.ly/3TyYfil>

Imprint

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