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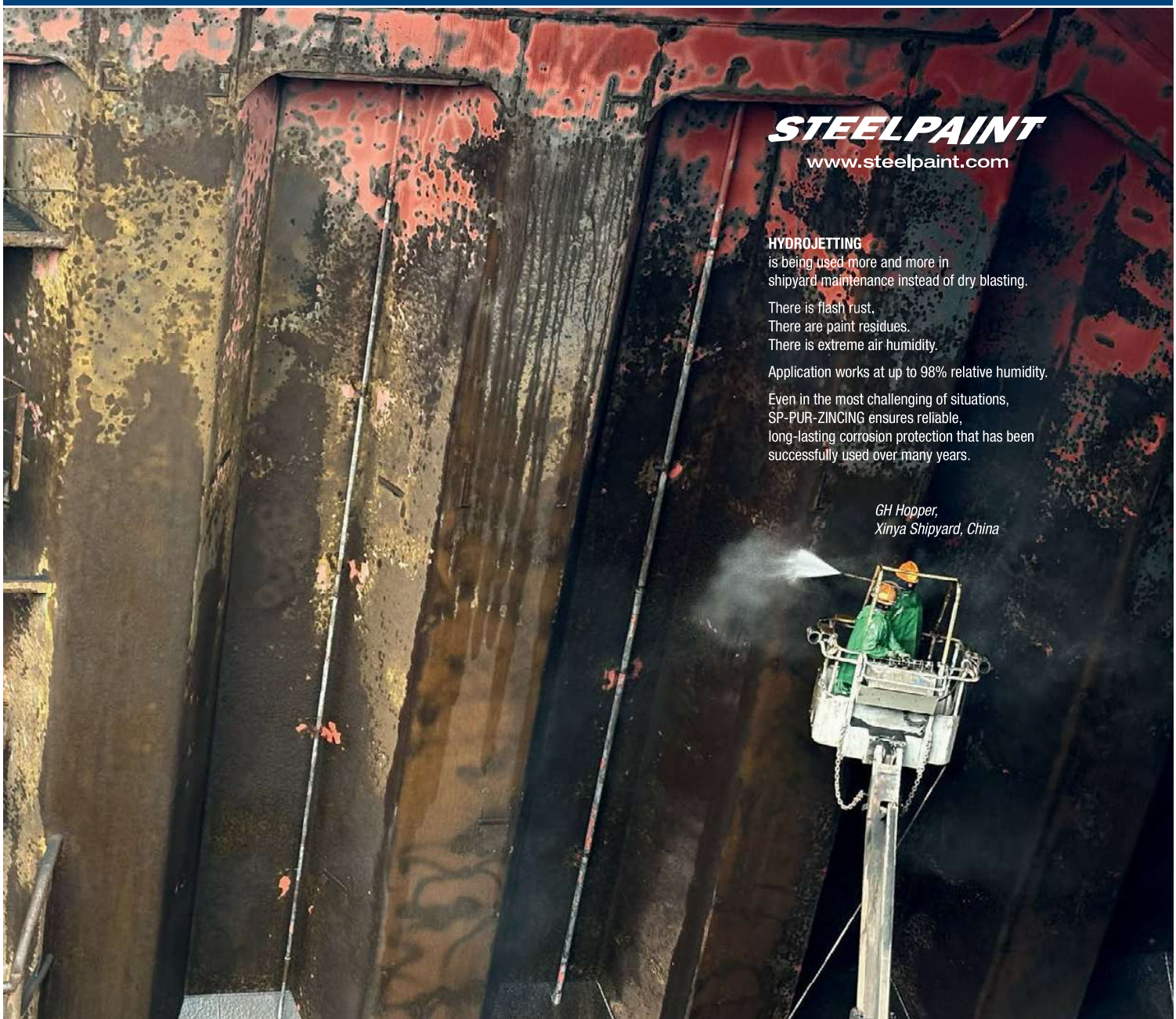
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The Philippines' maritime transformation and openings for global specialists

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ADVANCED TECHNOLOGIES The Philippines is positioning itself for the next stage of maritime development, building on its established ship construction sector, skilled workforce and growing domestic demand. For international companies, this presents opportunities to supply advanced technologies, systems and the expertise needed to produce more sophisticated vessels and increase local value creation, writes Anna Demetillo, Philippines Country Manager at global business development firm Intralink.

The Philippines is entering a new stage in the development of its maritime industry. It already has a substantial shipbuilding base, an experienced workforce and growing demand from commercial operators and government agencies. The next challenge is to build more advanced vessels and carry out more of the high-value work in the Philippines.

For international companies, this creates opportunities across marine electronics, automation, navigation, communications, digitalisation, and advanced production equipment. However, although the Philippines has the yards and maritime skills, many local companies still have limited access to the specialist technologies and technical support required for more complex vessel production.

An established industry

The Philippines has been a significant shipbuilding location for many years. It is the world's fifth largest shipbuilder by orderbook and has 132 shipyards registered with the Maritime Industry Authority (Marina).

The sector includes smaller yards serving domestic operators, as well as large facilities capable of producing vessels for international customers. It also benefits from a broad base of maritime workers, engineers and technicians.

The country's yards have considerable experience in hull construction, steel fabrication, assembly and repair. But, as projects become more technically demanding, they often depend on imported systems, specialist equipment and support from international companies.

Investment in new capacity adds to the potential. HD Hyundai Heavy Industries Philippines, for example, plans to increase production capacity from 1.3 million dwt to 2.5 million dwt, a clear sign of confidence in the country's ability to attract larger projects.

The opportunity is, therefore, to help Philippine yards move into more valuable areas of engineering, systems integration and advanced manufacturing.

Government support

Shipbuilding and ship repair exports have continued to grow, rising from USD 487 million in 2023 to USD 545 million in 2025.

Several legislative initiatives aim to maintain this progress. The Shipbuilding & Ship Repair Development Act, the Fiscal Incentives Bill and the Philippine Ship Registry Bill are intended to encourage investment and expand domestic maritime capabilities.

Defence policy is also supporting the sector. The Self Reliant Defense Posture Revitalization Act links national security with local industrial development. It places greater emphasis on domestic production, research, technology transfer, and cooperation with overseas partners.

Government procurement is beginning to reflect these priorities. The Philippine Coast Guard's 40 vessel patrol programme divides construction between French and Philippine shipyards. This gives local companies practical production experience, while creating demand for foreign equipment, design expertise, systems integration and training.

Commercial demand matters, too. More than 7,000 registered passenger wooden-hulled vessels are expected to require replacement hulls. Renewing this fleet will call for safer designs, better equipment and more efficient production methods.

The main opportunity

The principal prospect for international companies lies in the gap between the Philippines' existing manufacturing strengths and the technical requirements relating to advanced shipbuilding. Marine electronics and digital systems are potential areas. Vessel operators require access to latest digital technologies relating to ship management, as well as radar, sonar, communications equipment, integrated bridge systems, safety technologies, and vessel monitoring tools that meet international standards.

Companies that provide more than the equipment itself will have an advantage. Installation, testing, systems integration, crew training and maintenance support can be just as important as the product. Shipowners and operators need confidence that a system will continue to work after the vessel enters service.

Navigation and communications technology is another important area. The Philippines has an extensive network of islands, busy coastal routes and difficult weather conditions. Reliable navigation, vessel tracking and real-time communications improve safety and help operators manage fleets more effectively.

Automation also has a growing role. Robotic welding, automated cutting, pipe fabrication systems, material handling equipment and digital quality control will help shipyards increase output and improve consistency. These technologies can make skilled workers more productive while reducing errors in repetitive or precise tasks.

Digital tools can support larger and more complicated projects. Ship design software, production planning platforms, digital twins, asset management systems and predictive maintenance tools can improve coordination between shipowners, yards, equipment suppliers and classification bodies.

There are further openings in propulsion, power management, fuel efficiency, fire safety, water treatment and emissions control. Vessel operators are under pressure to reduce operating costs, improve reliability and meet stricter environmental and safety requirements.

Advanced manufacturing equipment is another area where foreign suppliers can add value. Computer-controlled machining, precision measurement, non-destructive testing and modern coating systems can help yards improve standards and the quality of components and systems with more demanding specifications.

Financing may influence purchasing decisions, particularly for expensive production equipment. Suppliers that offer leasing, phased investment or equipment packages linked to a vessel programme may find themselves at a competitive advantage.

Building a position in the market

For many overseas companies, working with a Philippine partner may offer a practical route into the market. Shipyards, engineering companies, vessel operators and government contractors can provide market knowledge, customer relationships and local service capability. They can also help suppliers understand procurement procedures and technical requirements.

Co-production offers another viable route. An overseas company could provide vessel design, key technologies and technical oversight, while a Philippine yard carries out fabrication, assembly and part of the systems integration. This supports the Government's interest in technology transfer and gives the Philippine partner a direct role in building capability.

Training should also form part of the commercial offer. The country already has an experienced maritime workforce, but technicians need specialised knowledge to install, operate and maintain new systems. Structured training and certification will help ensure technology is used correctly and supported locally.

In addition, companies considering a permanent presence in the market can explore maritime industrial parks and export-focused incentives. The Philippines has preferential market access through the Regional Comprehensive Economic Partnership, the European Union Generalised Scheme of Preferences Plus and free trade agreements with Japan and South Korea. These arrangements strengthen its potential as a production base for regional and international markets.

Market entry will inevitably require patience. Procurement can be lengthy, project requirements differ and customers expect dependable support after installation. Companies that invest in local relationships and understand where their technologies fit are more likely to build a lasting position.

Higher value shipbuilding

The Philippines already has much of the foundation required for a stronger maritime manufacturing industry: its shipyards, workforce and domestic demand give it an established base from which to develop. The next stage will depend on access to more advanced technologies and the ability to use them effectively. International suppliers can play an important role by filling capability gaps, supporting local production and helping yards deliver more complex vessels.

Companies that combine specialist technology with partnerships, training and reliable service will be in the strongest position. The opportunity is not only to sell into the Philippine market, but to help shape the next phase of its maritime industry.