



NATIONAL
COMPETITIVENESS
COUNCIL | PHILIPPINES



YEAR-END PRESS CONFERENCE

DECEMBER 17, 2015

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2015 GLOBAL COMPETITIVENESS REPORT CARD

REPORT	2015 RANK	2014 RANK	2013 RANK	CHANGE	ASEAN RANK	TOP 1/3
IFC- Ease of Doing Business	103/189	95/189**	108/189*	↓ 8	6 of 10	63
WEF -Global Competitiveness Report	47/140	52/144	59/148	↑ 5	5 of 9	48
TI - Corruption Perception Index	Dec. 2015	85/175	94/177	↑ 9	3 of 9	58
HF - Economic Freedom Index	76/178	89/178	97/177	↑ 13	5 of 9	59
WEF- Global Information Technology Report	76/143	78/148	86/144	↑ 2	5 of 9	48
WEF - Travel and Tourism Report	74/141	n/a	82/140	↑ 8	5 of 9	46
WEF - Global Enabling Trade Index	Mar 2016	64/138	n/a	↑ 8	6 of 10	46
IMD -World Competitiveness Report	41/60	42/60	38/60	↑ 1	4 of 5	20
WIPO - Global Innovation Index	83/141	100/143	90/142	↑ 17	5 of 8	47
WB - Logistics Performance Index	Mar 2016	57/160	n/a	↓ 5	6 of 9	53
FFP - Fragile States Index ***	48/178	52/178	59/178	↓ 4	8 of 10	118
WEF - Global Gender Gap Report	7/145	9/142	5/136	↑ 2	1 of 9	--

*Ranking based on the 2015 Doing Business Report

**Ranking based on the 2014 Doing Business Report

***Reverse ranking (1 as worst) – Fragile States Index

*****Updated as of Nov. 2015



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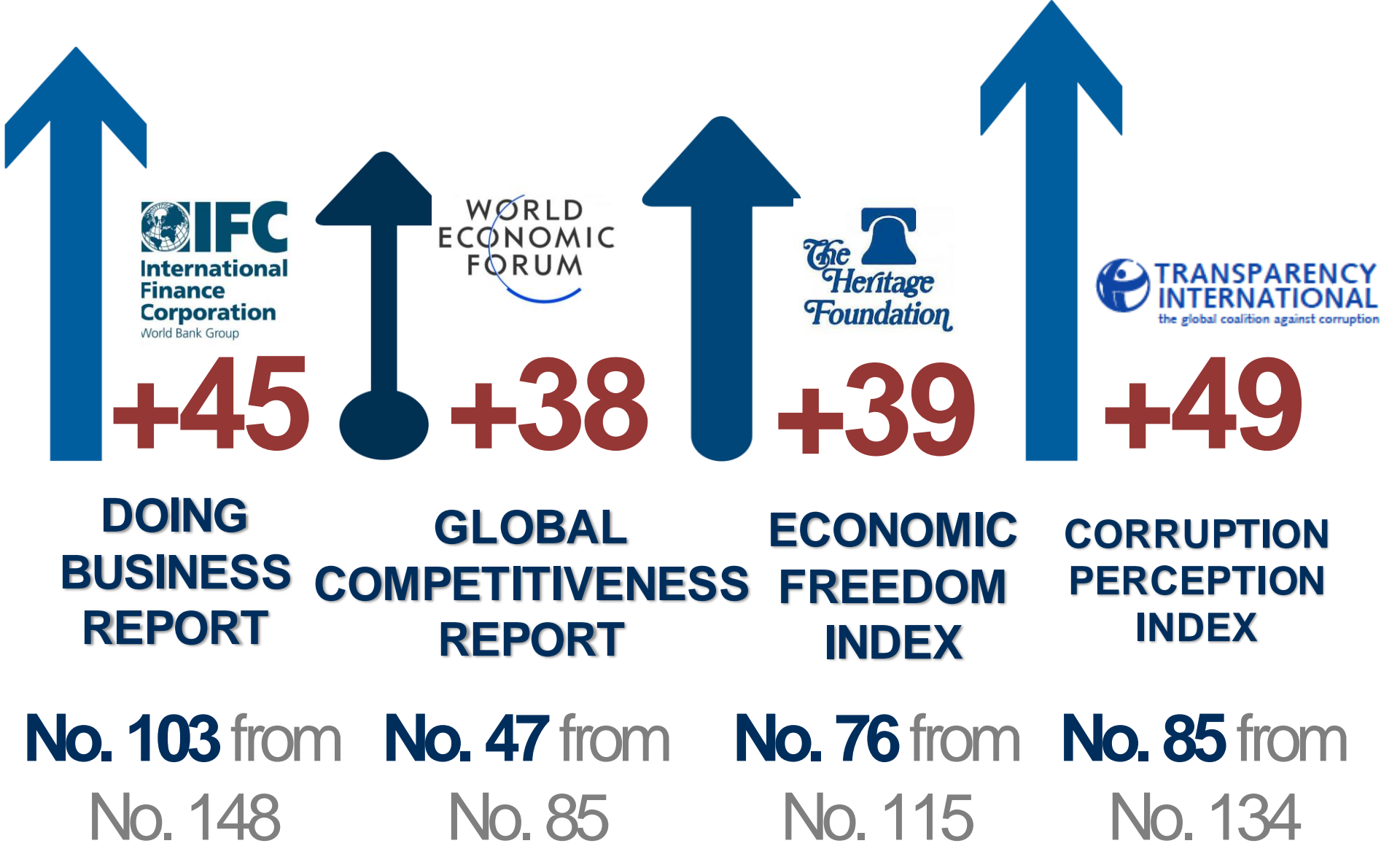
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BIGGEST GAINERS













GLOBAL COMPETITIVENESS REPORTS: PH VS ASEAN

REPORT	 PHI		 SIN	 BRU	 MAS	 THA	 IDN	 VIE	 LAO	 CAM	 MYA
	1. IFC – Ease of Doing Business Report	6 of 10	103	1	84	18	49	109	90	134	127
2. WEF -Global Competitiveness Index	5 of 9	47	2	-	18	32	37	56	83	90	131
3. IMD -World Competitiveness Report	4 of 5	41	3	-	14	30	42	-	-	-	-
4. TI- Corruption Perception Index	4 of 10	85	7	-	50	85	107	119	145	156	156
5. HF-Economic Freedom Index	5 of 9	76	2	39	31	75	105	148	150	110	-
6. WEF-Global Information Technology Report	5 of 9	76	1	-	32	67	79	85	97	110	139
7. WEF- Travel and Tourism Report	5 of 9	74	11	-	25	35	50	75	96	105	134
8. WIPO- Global Innovation Index	5 of 8	83	7	-	32	55	97	52	-	91	138
9. WB- Logistics Performance Index	6 of 9	57	5	-	29	35	53	48	131	83	145
10. FFP- Fragile States Index	8 of 10	48	159	121	115	71	88	97	55	41	27
11. WEF- Global Enabling Trade Index	-	-	-	-	-	-	-	-	-	-	-
12. WEF- Global Gender Gap Report	1 of 9	9	54	88	111	60	92	83	52	109	-

WEF GLOBAL COMPETITIVENESS REPORT

PHILIPPINES and ASEAN

Country/Economy	2015 (out of 140)	2014 (out of 144)	2013 (out of 148)	2012 (out of 144)	2011 (out of 142)	2010 (Out of 139)	Change 2014-2015	Change in 4 Years 2010-2015
 Singapore	2	2	2	2	2	3	0	1
 Malaysia	18	20	24	25	21	26	2	8
 Thailand	32	31	37	38	39	38	-1	6
 Indonesia	37	34	38	50	46	44	-3	7
 Philippines	47	52	59	65	75	85	5	38
 Vietnam	56	68	70	75	65	59	12	3
 Lao PDR	83	93	81	n/a	n/a	n/a	10	n/a
 Cambodia	90	95	88	85	97	109	5	19
 Myanmar	131	134	139	n/a	n/a	n/a	3	n/a
 Brunei Darussalam	n/a	n/a	26	28	28	28	n/a	n/a

*Brunei Darussalam is not included in the 2015 Ranking



WEF GLOBAL COMPETITIVENESS REPORT PER PILLAR (2010-2015)

INDICATORS	(2015) OF 140	(2014) OF 144	(2013) OF 148	(2012) OF 144	(2011) OF 142	(2010) OF 139	CHANGE 2014- 2015	CHANGE 2010- 2015
OVER-ALL RANKING	47	52	59	65	75	85	↑ 5	38
1st pillar: Institutions	77	67	79	94	117	125	↓ 10	48
2nd pillar: Infrastructure	90	91	96	98	105	104	↑ 1	14
3rd pillar: Macroeconomic environment	24	26	40	36	54	68	↑ 2	44
4th pillar: Health and primary education	86	92	96	98	92	90	↑ 6	4
5th pillar: Higher education and training	63	64	67	64	71	73	↑ 1	10
6th pillar: Goods market efficiency	80	70	82	86	88	97	↓ 10	17
7th pillar: Labor market efficiency	82	91	100	103	113	111	↑ 9	29
8th pillar: Financial market development	48	49	48	58	71	75	↑ 1	27
9th pillar: Technological readiness	68	69	77	79	83	95	↑ 1	27
10th pillar: Market size	30	35	33	35	36	37	↑ 5	7
11th pillar: Business sophistication	42	46	49	49	57	60	↑ 4	18
12th pillar: Innovation	48	52	69	94	108	111	↑ 4	63

RED – bottom 20%

PURPLE – bottom 40-21%

GREEN – bottom 50 – 41%

BLACK – 49% or higher



GLOBAL COMPETITIVENESS REPORT

2010 - 2015

INDICATORS		2015	2014	2013	2012	2011	2010
		Indicators	Indicators	Indicators	Indicators	Indicators	Indicators
RED	Bottom 20%	(113 th – 140 th)	(115 th – 144 th)	(119 th – 148 th)	(115 th – 144 th)	(113 th – 142 nd)	(111 th – 139 th)
		7	5	7	8	21	25
PURPLE	Ranked 21 - 40%	(84 th – 112 th)	(86 th – 114 th)	(88 th – 118 th)	(86 th – 114 th)	(85 th – 112 th)	(83 rd – 110 th)
		35	29	33	45	36	37
GREEN	Ranked 41 – 50%	(71 st – 83 th)	(72 nd – 85 th)	(72 rd – 87 th)	(72 nd – 85 th)	(71 st – 84 th)	(69 th – 82 nd)
		12	13	19	10	17	20
BLACK	Ranked 49% or higher	(1 st – 70 st)	(1 st – 71 st)	(1 st – 71 st)	(1 st – 71 st)	(1 st – 70 th)	(1 st – 68 th)
		60	67	55	48	37	29
TOTAL		114	114	114	111	111	111





Doing Business Report 2016

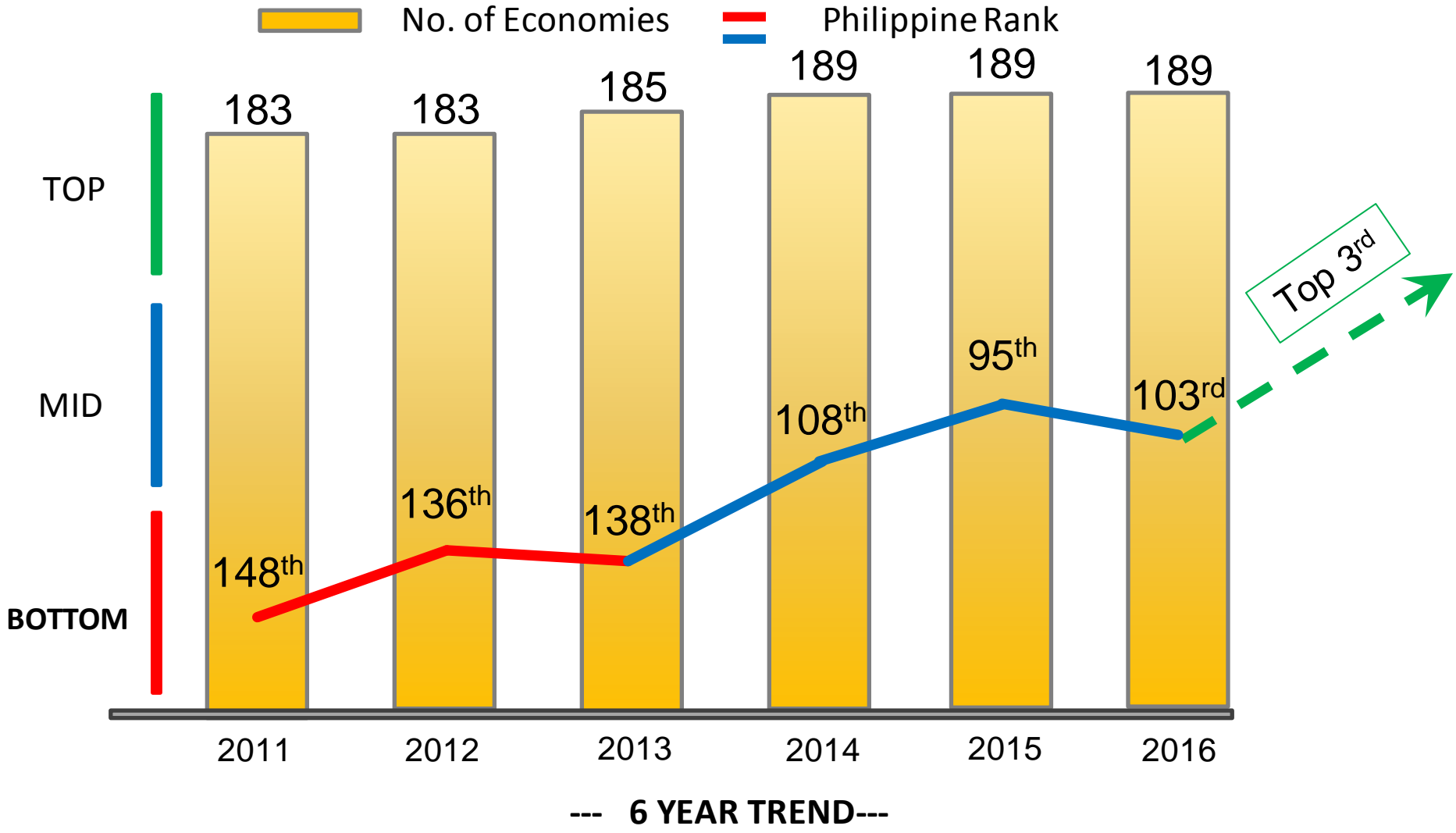
Doing Business 2016

Measuring Regulatory Quality and Efficiency





DOING BUSINESS: PHILIPPINE RANKINGS (2011-2016)





Issues on the Doing Business Report

- **The *Doing Business Report*'s methodology is erratic.**
 - The data used is questionable and inconsistent year-on-year.
 - The methodology applied changes year after year, and ranks/scores subsequently retroactively revised a year after publication.
 - Revisions in findings cannot undo the damage done to affected economies.
 - This leads us to question the credibility of the report as an instrument.





OVERALL RANK

2011-2016



Report Title	Original Release Date	Original Published Rank	Adjusted Rank (released +1yr)	Methodology Change
2011	2010	148	134	✓
2012	2011	136	136	
2013	2012	138	133	✓
2014	2013	108	86	✓
2015	2014	95	97	✓
2016	2015	103	???	✓





DOING BUSINESS INDICATORS

Published VS Adjusted



INDICATORS	2016 (189)	Published		Adjusted	
		2015 (189)	Change	2015	Change
OVER-ALL RANKING	103	95	↓ 8	97	↓ 6
1. Starting a Business	165	161	↓ 4	157	↓ 8
2. Dealing w/ Construction Permits	99	124	↑ 25	94	↓ 5
3. Getting Electricity	19	16	↓ 3	21	↑ 2
4. Registering Property	112	108	↓ 4	110	↓ 2
5. Getting Credit	109	104	↓ 5	105	↓ 4
6. Protecting Investors	155	154	↓ 1	154	↓ 1
7. Paying Taxes	126	127	↑ 1	125	↓ 1
8. Trading Across Borders	95	65	↓ 30	94	↓ 1
9. Enforcing Contracts	140	124	↓ 16	139	↓ 1





OVERALL SCORE

2011-2016



Report Title	Original Release Date	Original Published Score	Adjusted Score (released +1yr)	Methodology Change
2011	2010	-	-	✓
2012	2011	0.6211	-	
2013	2012	0.6200	55.06	✓
2014	2013	60.08	62.08	✓
2015	2014	62.08	59.94	✓
2016	2015	60.07	???	✓





STARTING A BUSINESS

FROM:

TO:

16
STEPS **34**
DAYS

6
STEPS **8**
DAYS

2014

2015





STARTING A BUSINESS OLD PROCEDURES

1 Verify and reserve the company name with SEC (1 day, Php 40)

2 Deposit Paid in Capital at the bank (1 day, Php 0)

3 Notarize articles of incorporation and treasurer's affidavit. (1 day, Php 500)

4 Register the company with SEC and receive pre-registered TIN. (2 days average, see procedure details)

5 Obtain barangay clearance. (1 day, Php 500)

6 Pay annual community tax and obtain community tax certificate. (1 day, Php 500)

7 Obtain business permit from BPLO. (6 days, see procedure details)

8 Buy special books of account at book-store. (1 day, Php 400)

9 Apply and pay for Certificate of Registration and obtain TIN at BIR. (1 day, see procedure details)

10 Pay registration fee and documentary stamp taxes (1 day, see procedure details)

11 Obtain authority to print receipts and invoices from BIR. (1 day, Php 0)

12 Print receipts and invoices. (7 days, Php 3,500)

13 Have books of accounts and Printer's Certificate of Delivery stamped by BIR. (1 day, Php 0)

14 Register with SSS. (7 day, Php 0)

15 Register with PhilHealth. (1 day, Php 0)

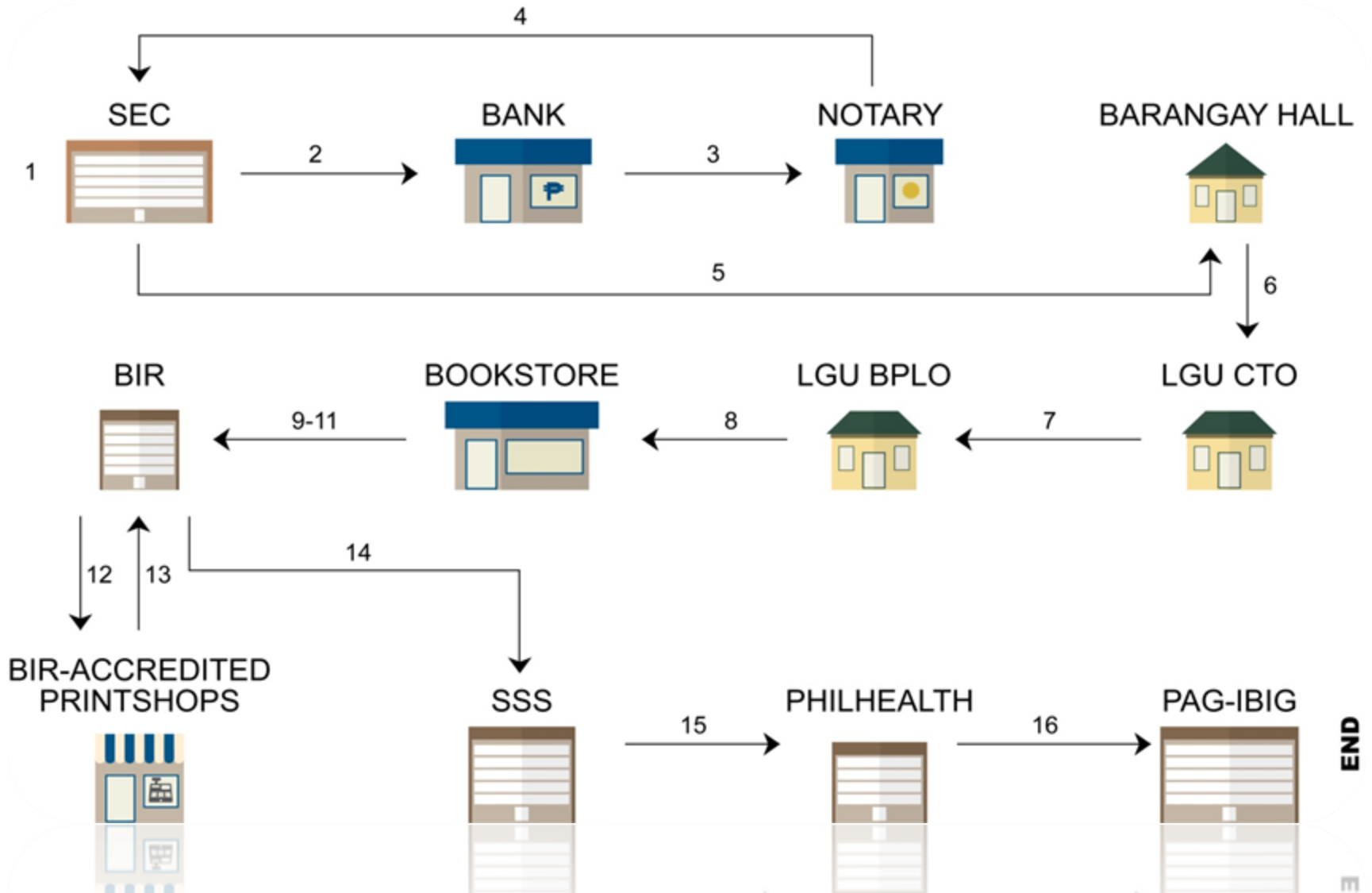
16 Register with Pag-IBIG. (1 day, Php 0)

can be completed in **34** days



STARTING A BUSINESS

AGENCY FLOWCHART





STARTING A BUSINESS NEW PROCEDURES

1 Prepare articles of incorporation, by-laws, and treasurer's affidavit signed by the incorporators for notarization.
1 DAY

Identification Number Pag-IBIG fund, PhilHealth, and SSS Employer numbers (ERNs) at the Securities and Exchange Commission through its Integrated Business Registration System. Applicant will receive a Unified Registration Form (URF).

2

3 Obtain Barangay Clearance
1 DAY

4 Obtain Business Permit to Operate from the Business Process and Licensing Office and pay necessary fees
2-3 DAYS

5 Secure Certificate of Registration and Registration of Books of accounts at the Bureau of Internal Revenue (BIR)
1 DAY

6

A. Registration Cash Register Machine (CRM) / Point of Sale (POS)
1 DAY

B. Secure Authority to Print Receipts/ Invoices (Manual Receipts)
1-7 DAYS

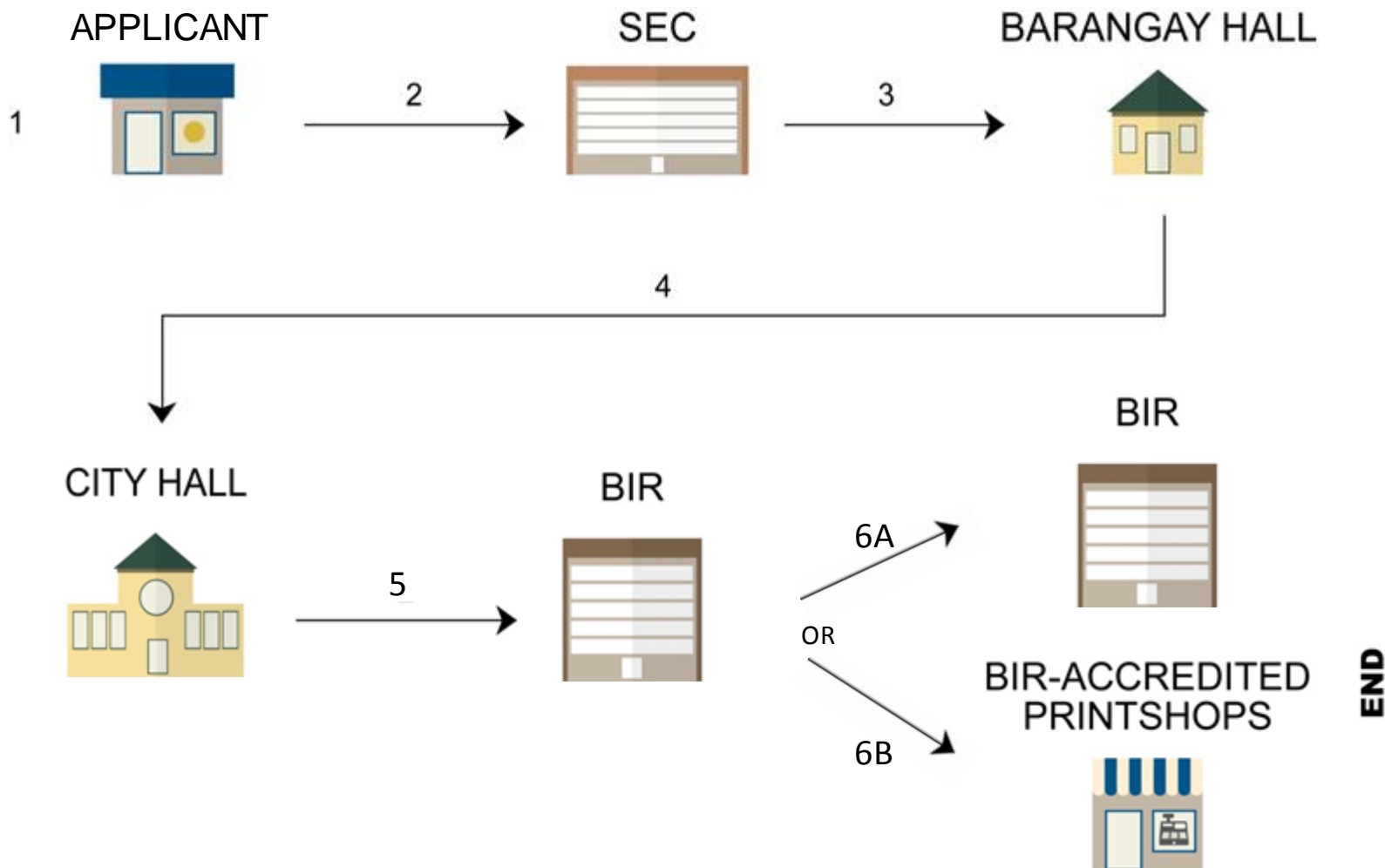
can now be completed in **8** days





STARTING A BUSINESS

AGENCY FLOWCHART





Integrated Business Registration System UNIFIED REGISTRATION RECORD (URR)



UNIFIED REGISTRATION RECORD (URR)

COMPANY NAME ONE ORANGE COMMUNICATIONS INC.	SEC REGISTRATION NUMBER CS201504528
DOING BUSINESS AS (list down trade names) Telecommunications	TAX IDENTIFICATION NUMBER (TIN) 008008000
PRINCIPAL ADDRESS 123 marvex pineda Kalookan City Metro Manila	PAG-IBIG EMPLOYER NUMBER (Eyer ID) 800170635509
PHONE NO. 7846498	PHILHEALTH EMPLOYER NUMBER (PEN) 002000008635
FAX NO. 7772345	SSS EMPLOYER NUMBER (ER No.) 0392534831
MOBILE NO.	E-MAIL ADDRESS
AUTHORIZED REPRESENTATIVE (to be filled up by company - for presentation to social agencies)	

USAGE:

Date	Performance
April 15- Septemb er 30, 2015	URRs Printed = 13,955 Applications Received = 14,021 Applications Processed = 14,014 IBRS Performance = 99.50%





Integrated Business Registration System UNIFIED REGISTRATION RECORD (URR)



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MOBILE NO.	E-MAIL ADDRESS
AUTHORIZED REPRESENTATIVE (to be filled up by company - for presentation to social agencies)	

Processing time:

Processing Time	No. of URRs Released
1 day or less	13,182
2-3 days	577
4-5 days	99
6 + days	156



Improvement in the Number of Business Registrations at the SEC

Month	2014	2015	% Change
April 15-30	771	1,208	57%
May	1,736	2,115	22%
June	1,730	2,188	26%
July	1,754	2,370	35%
August	1,690	2,101	24%
September	2,231	2,330	4%
Total	9,912	12,312	24%





CITIES AND MUNICIPALITIES COMPETITIVENESS INDEX 2015



Cities & Municipalities Competitiveness Index

July 17, 2015 | PICC , Pasay City



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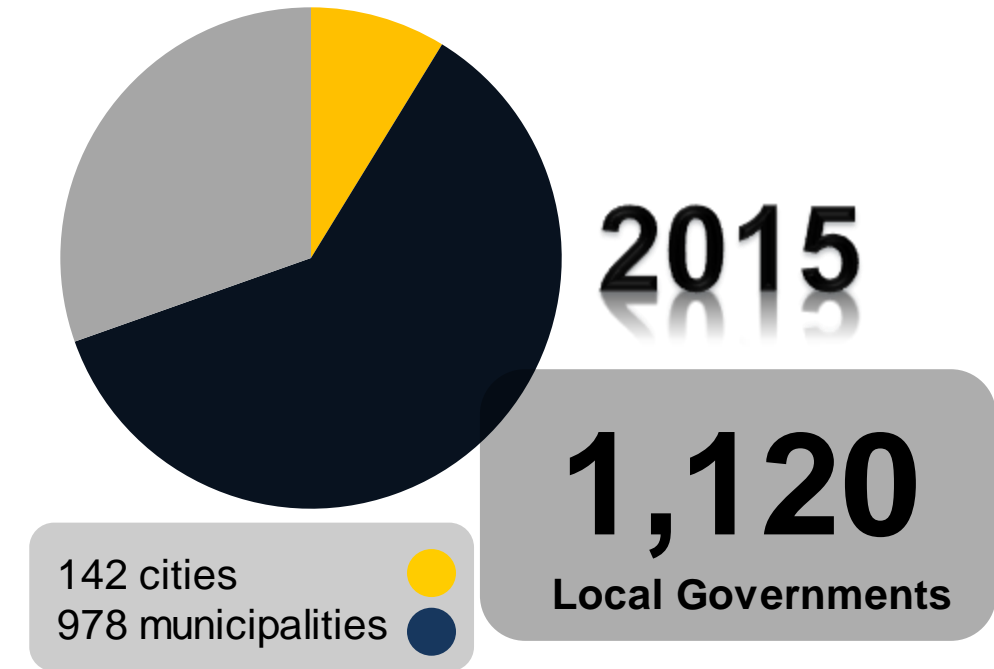
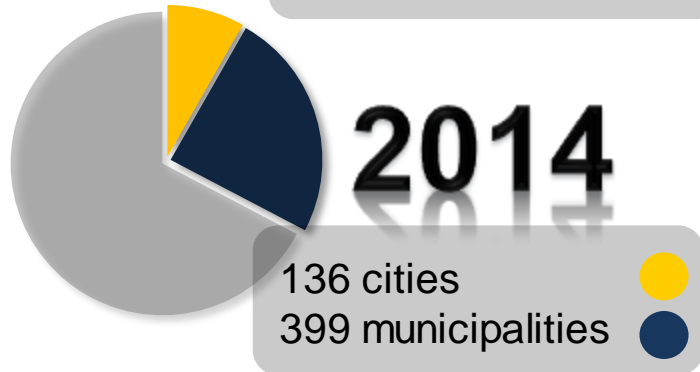
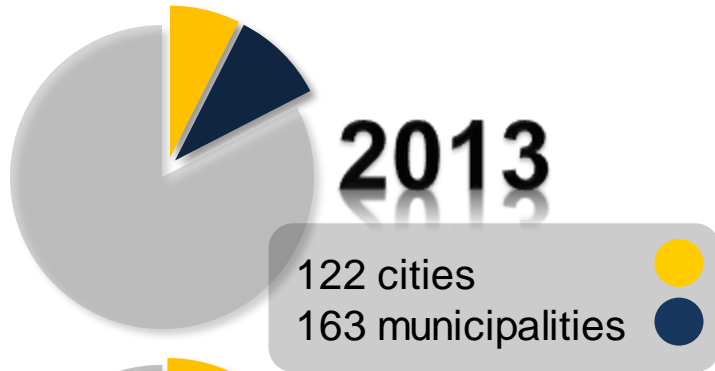


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LOCAL GOVERNMENTS COVERED SINCE 2013

More local governments covered in 2015



Out of 1,634 local governments





PARTICIPATING LOCAL GOVERNMENTS

A total of **1120** participating Local Governments

142 Cities

34 - Highly Urbanized Cities

108 - Independent Component and Component Cities

978 Municipalities

462 - 1st to 2nd Class Municipalities (315 first class and 145 second class).

516 - 3rd to 6th Class Municipalities (145 second class, 179 third class, 219 fourth class, 111 fifth class and 7 6th class).





PROVINCIAL RANKING

A total of **68** provinces qualified for provincial ranking





PERFORMANCE GOVERNANCE SYSTEM



PERFORMANCE GOVERNANCE SYSTEM

- Local adaptation of the Balanced Scorecard system developed by the Institute for Solidarity in Asia
- A management tool for tracking performance
- Translates statements of governance and vision to actionable strategies and commitments leading to the realization of breakthrough results



NATIONAL GOVERNMENT AGENCIES ON THE GOVERNANCE PATHWAY

INITIATED	COMPLIANT	PROFICIENT	INSTITUTIONALIZED
Board of Investments	Bureau of Internal Revenue	Armed Forces of the Philippines	Civil Service Commission
Department of Education	Department of Health	Development Bank of the Philippines	Department of Trade and Industry
Department of National Defense	Department of Public Works and Highways	Governance Commission for Government Owned and Controlled Corps.	National Electrification Administration
Department of Transportation and Communication	Department of Social Welfare and Development	Philippine Heart Center	Philippine Army
Intellectual Property Office of the Philippines	National Development Company	Philippine Military Academy	Philippine Navy
Maritime Industry Authority	National Police Commission	Philippine National Police	
Philippine International Trading Center	Philippine Air Force		
	Philippine Veterans Affairs Office		



LOCAL GOVERNMENT UNITS ON THE GOVERNANCE PATHWAY

INITIATED	COMPLIANT	PROFICIENT	INSTITUTIONALIZED
Bais City, Negros Oriental	Municipality of Bani, Pangasinan	Balanga City, Bataan	Iloilo City, Iloilo
Calapan City, Oriental Mindoro	Bayawan City, Negros Oriental	Bataan province	City of San Fernando, La Union
League of Cities of the Philippines	City of Bislig, Surigao del Sur	Butuan City, Agusan del Norte	City of San Fernando, Pampanga
	Municipality of Dinalupihan, Bataan	Dipolog City, Zamboanga del Norte	
	Legazpi City, Albay	Calbayog City, Western Samar	
	Marikina City	Mandaue City, Cebu	
		Masbate City, Masbate	
		Tagbilaran City, Bohol	
		Talisay City, Negros Occidental	





**ISLANDS of GOOD
GOVERNANCE**

ISLANDS OF GOOD GOVERNANCE

National Government Agencies

Local Government Units

Government Owned and Controlled Corporations



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GOVERNANCE

ISLANDS OF GOOD GOVERNANCE 2015

NATIONAL GOVERNMENT AGENCIES	LOCAL GOVERNMENT UNITS
Armed Forces of the Philippines	Balanga City, Bataan
Philippine Heart Center	Butuan City, Agusan del Norte
Department of Trade and Industry	Dipolog City, Zamboanga del Norte
National Electrification Administration	Mandaue City, Cebu
Philippine Army	Talisay City, Negros Occidental
Philippine Navy	





ANNUAL ENTERPRISE SURVEY ON CORRUPTION

- Measures the perception and experience of corruption in the bureaucracy in selected areas where there is a high concentration of business activity
- Based on face-to-face interviews of 966 businessmen:
 - Metro Manila (356)
 - Cagayan de Oro/Iligan (107)
 - Metro Cebu (100)
 - Angeles (101)
 - Iloilo City (100)
 - Metro Davao (101)
 - CALABA (101)



2014/15 RATINGS OF SINCERITY OF 36 INSTITUTIONS IN FIGHTING CORRUPTION: 21 FAVORABLE, 9 NEUTRAL, 6 UNFAVORABLE

- **5 Very Goods** (+50 to +69): SEC, SSS, PSE, Office of the President, DTI
- **8 Goods** (+30 to +49): Filipino business associations, Supreme Court, CSC, DepEd, Sandiganbayan, Office of the Ombudsman, COA, DOJ
- **8 Moderates** (+10 to +29): DOH, GSIS, DSWD, barangay gov't, DOF, PCGG, GCG, city government
- **9 Neutrals** (+9 to -9): DILG, trial courts, DENR, AFP, DBM, DOTC, Senate, BIR, COMELEC
- **5 Pooors** (-10 to -29): DA, PNP, DPWH, House of Representatives, LTO
- **0 Bad** (-30 to -49): None
- **1 Very Bad** (-50 to -69): BOC

EX - Excellent: +70 and above; VG - Very good: +50 to +69; G - Good: +30 to +49; M - Moderate: +10 to +29;

N - Neutral: +9 to -9;

P - Poor: -10 to -29; B - Bad: -30 to -49; VB - Very bad: -50 to -69; EC - Execrable: -70 and below



2015 Business Permits and Licensing System

Customer Experience Survey





OVERALL COMPLIANCE RATE : (Renewal)



<10 minutes to 5 days

January-February 2014

93%

January-February 2015

89%

Change

-4%

6 days or more

7%

11%

4%



<1 step to 5 steps

78%

77%

-1%

6 steps or more

22%

22.36%

0.36%



1 form

70%

73%

3%

2 or more forms

30%

27%

-3%



1 to 2 signatories

83%

86%

3%

3 or more signatories

17%

14%

-2%





OVERALL CUSTOMER SATISFACTION FEEDBACK



Extremely
Dissatisfied
(1-2)

1%



Dissatisfied
(3-4)

4%



Somewhat
Dissatisfied
(5-6)

13%



Somewhat
Satisfied
(7-8)

42%



Satisfied (9)

26%



Extremely
Satisfied (10)

9%



No Answer

1%

A total of **2,065** or **42%** for both new and renewal survey respondents indicated a **score of 7-8** or **'somewhat satisfied'** in the overall performance of their respective LGUs in business permitting process.

Licensing System
Field Customer Experience



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