



NATIONAL
COMPETITIVENESS
COUNCIL | PHILIPPINES



W E L C O M E

Widus Hotel and Resort, Clark, Pampanga

August 30, 2017



Global and Regional State of Philippine Competitiveness

Widus Hotel and Resort, Clark, Pampanga

August 30, 2017

MARINA N. SALDAÑA

Presenter

Mandate: Executive Order No. 44



Advise

the President on
policy matters
affecting
competitiveness
of the country



Promote & develop

competitiveness
strategies and push
for the
implementation of
an action agenda for
competitiveness and
link it to the PH
Development Plan



Provide

inputs to the
Philippine
Development Plan,
Investment
Priorities Plan,
Export
Development Plan



Recommend

to Congress proposed
legislation regarding
country
competitiveness

Strategize and execute

steps to improve
PH competitiveness

Vision – Mission Statement

VISION

- A more competitive Philippines
- Instill a Culture of Excellence
- Public-Private Collaboration as a development engine

MISSION

To build up the long-term competitiveness of the Philippines through:

- Policy reforms
- Project implementation
- Institution-building
- Performance monitoring

Work Program

Benchmark
against key global
competitiveness
indices

Map
each indicator to
the agency
responsible

Focus on
lowest-
indicators

Track
city
competitiveness
and key indicators

Concentrate on
specific projects
(**Special Projects and
Working Groups**)

Link work to Philippine
Development Plan,
National Budget,
Legislative Executive
Development Advisory
Council, Cabinet Agenda

NCC Projects

Sectoral focus

Working Groups

Geographical Focus

RCC, CMCI

Institutional focus

PGS -Balanced Scorecards

Process Improvement Focus

Automation
EODB, GO-OBLS, IABPI, NQI

Regulatory focus

EODB, Repeal Project

Customer focus

BPLS M&E, AESC

GLOBAL COMPETITIVENESS REPORT CARD

| REPORT | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | CHANGE 2010/11 to LATEST | SOURCE | TOP 1/3 |
|---|--------|---------|---------|---------|---------|---------|---------|---------|--------------------------------|--|------------|
| 1. Doing Business Report | | 99/190 | 103/189 | 95/189 | 108/189 | 138/185 | 136/183 | 148/183 | ↑ 49 | International Finance Corporation | 63 |
| 2. Economic Freedom Index | 58/180 | 70/178 | 76/178 | 89/178 | 97/177 | 107/179 | 115/179 | - | ↑ 57 | Heritage Foundation | 60 |
| 3. Corruption Perceptions Index | | 101/168 | 95/168 | 85/175 | 94/177 | 105/176 | 129/183 | 134/178 | ↑ 33 | Transparency International | 58 |
| 4. Global Competitiveness Report | | 57/138 | 47/140 | 52/144 | 59/148 | 65/144 | 75/142 | 85/139 | ↑ 28 | World Economic Forum | 47 |
| 5. Global Enabling Trade Index | | - | n/a | 64/138 | n/a | 72/132 | n/a | *92/125 | ↑ 28 | World Economic Forum | 46 |
| 6. Travel and Tourism Report | 79/136 | n/a | 74/141 | n/a | 82/140 | n/a | 94/139 | n/a | ↑ 15 | World Economic Forum | 46 |
| 7. Global Innovation Index | 73/128 | 74/128 | 83/141 | 100/143 | 90/142 | 95/141 | 91/125 | - | ↑ 18 | World Intellectual Property Organization | 42 |
| 8. Global Information Technology Report | | 77/139 | 76/143 | 78/148 | 86/144 | 86/142 | 86/138 | - | ↑ 9 | World Economic Forum | 48 |
| 9. E-Government Index | | 71/193 | -- | 95/193 | -- | 88/191 | -- | 78/184 | ↑ 7 | United Nations | 64 |
| 10. Fragile States Index | | 54/178 | 48/178 | 52/178 | 59/178 | 56/177 | 50/177 | - | ↑ 4 | Fund for Peace | 118 |
| 11. Global Gender Gap Report | | 7/144 | 7/145 | 9/142 | 5/136 | 8/135 | 8/135 | 9/142 | ↑ 2 | World Economic Forum | 47 |
| 12. World Competitiveness Yearbook | 41/63 | 42/60 | 41/60 | 42/60 | 38/60 | 43/59 | 41/59 | - | - | International Institute for Management Development | 21 |
| 13. Logistics Performance Index | | 71/160 | n/a | 57/160 | n/a | 52/155 | n/a | 44/155 | ↓ 27 | World Bank | 53 |

GLOBAL COMPETITIVENESS REPORT CARD

| REPORT | 2010/2011 | 2016/2017 | GOAL (Top 3rd) | CHANGE 4 to 6 yrs |
|---|-----------|-----------|-------------------|----------------------|
| 1. Doing Business Report (IFC) | 148/183 | 99/189 | 63 | ↑ 49 |
| 2. Economic Freedom Index (HF)* | 115/179 | 58/180* | 60 | ↑ 57 |
| 3. Corruption Perceptions Index (TI) | 134/178 | 101/175 | 58 | ↑ 33 |
| 4. Global Competitiveness Index (WEF) | 85/139 | 57/138 | 47 | ↑ 28 |
| 5. Global Enabling Trade Index (WEF) | 92/125 | 64/138 | 46 | ↑ 28 |
| 6. Travel and Tourism Report (WEF) | 94/139 | 79/36 | 46 | ↑ 15 |
| 7. WIPO- Global Innovation Index (WIPO) | 91/125 | 73/128 | 42 | ↑ 18 |
| 8. Global Information Technology Report (WEF) | 86/138 | 77/139 | 46 | ↑ 9 |
| 9. E-Government Index (UN) | 78/184 | 71/193 | 64 | ↑ 7 |
| 10. Fragile States Index (FFP) ** | 50/177 | 54/178 | 118 | ↑ 4 |
| 11. Global Gender Gap Report (WEF) | 9/142 | 7/144 | 47 | ↑ 2 |
| 12. World Competitiveness Report (IMD) | 41/59 | 41/63 | 23 | - |
| 13. Logistics Performance Index (WB) | 44/155 | 71/160 | 53 | ↓ 27 |

REACHED THE TOP

LATEST PERFORMANCE

UPGRADE

DOWNGRADE

THIRD
*With 2017 Results, **reverse ranking (1 as worst)

Top 4 Gains Since 2010/11



+57

No. 58
from No. 115

**ECONOMIC
FREEDOM
INDEX**



+49

No. 99
from No. 148

**DOING
BUSINESS
REPORT**



+33

No. 101
from No. 134

**CORRUPTION
PERCEPTION INDEX**



+28

No. 57
from No. 85

**GLOBAL
COMPETITIVENESS
REPORT**



NCC Programs and Activities

Widus Hotel and Resort, Clark, Pampanga

August 30, 2017

FAISAH G. DELA ROSA

Presenter

WORKING GROUPS

SECTORAL FOCUS

Working Groups

- Anti-Corruption
- Anti-Smuggling
- Business Permits and Licensing System
- Education and Human Resources Development
- Judicial System
- National Quality Infrastructure
- Nutrition and Food Sec*
- Performance Governance System
- Power and Energy
- Transport and Infrastructure

EASE OF DOING BUSINESS

PROCESS IMPROVEMENT FOCUS

EASE OF DOING BUSINESS



No. 148
*out of 183
economies*



Administrative Order 38
Ease of Doing Business Taskforce



REFORMS



+49

NOTCHES



2011-2017

No. 99

out of 189 economies

PHILIPPINES vs ASEAN (2016-2017)

| ASEAN | | 2017 REPORT (190 economies) | 2016 REPORT (189 economies) | Change 2016-2017 |
|-------|--------------------|--------------------------------|--------------------------------|---------------------|
| 1 | Singapore | 2 | 1 | ↓ 1 |
| 2 | Malaysia | 23 | 18 | ↓ 5 |
| 3 | Thailand | 46 | 49 | ↑ 3 |
| 4 | Vietnam | 82 | 90 | ↑ 8 |
| 5 | Brunei Darussalam | 72 | 84 | ↑ 12 |
| 6 | Indonesia | 91 | 109 | ↑ 18 |
| 7 | Philippines | 99 | 103 | ↑ 4 |
| 8 | Cambodia | 131 | 127 | ↓ 4 |
| 9 | Lao PDR | 139 | 134 | ↓ 5 |
| 10 | Myanmar | 170 | 167 | ↓ 3 |

Source: Published Doing Business Report

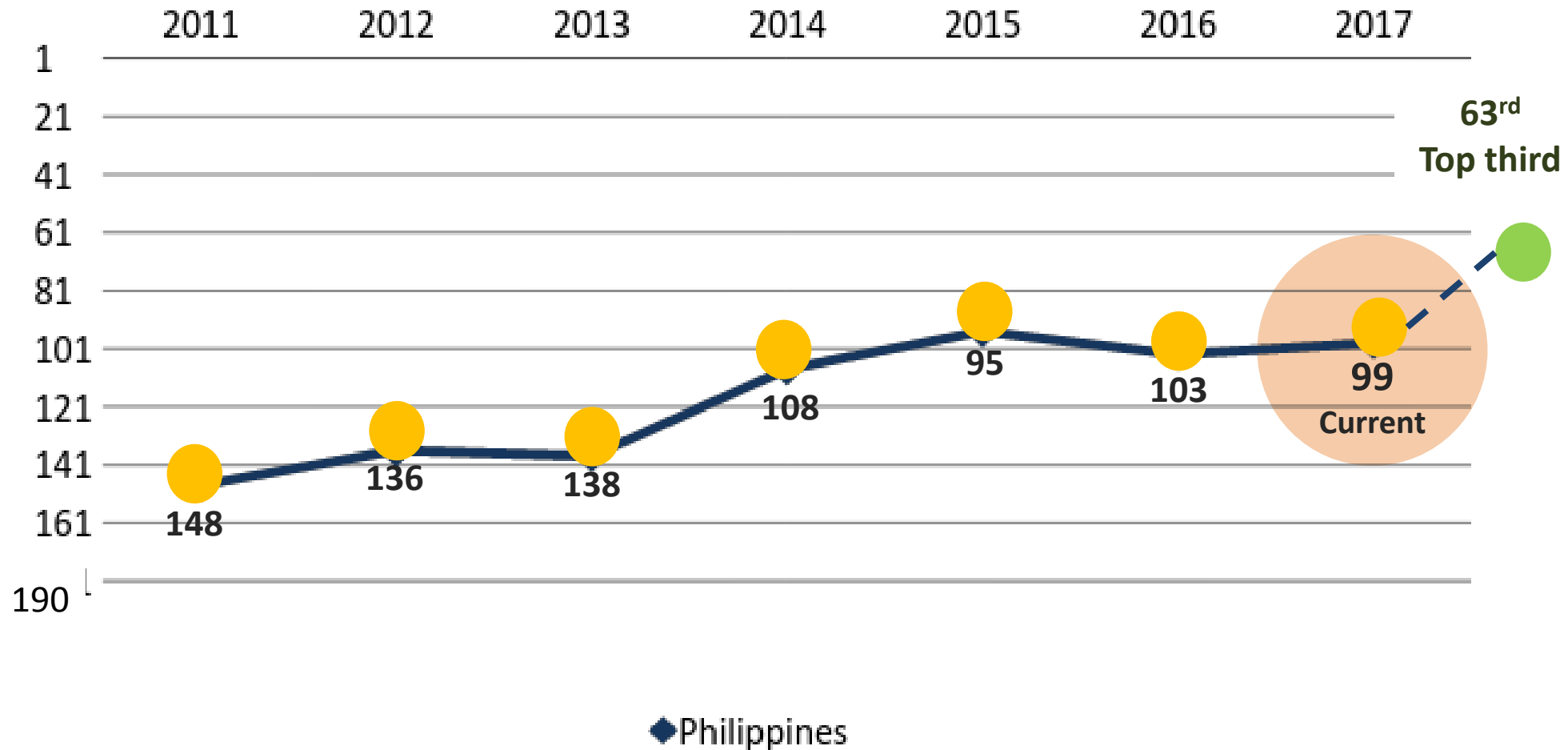
PHILIPPINES vs ASEAN (2011-2017)

| Economy | 2017 (190) | 2016 (189) | 2015 (189) | 2014 (189) | 2013 (185) | 2012 (183) | 2011 (183) | Change 2016- 2017 | Change 2011- 2017 |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------------|-------------------------|
| Singapore | 2 | 1 | 1 | 1 | 1 | 1 | 1 | -1 | -1 |
| Malaysia | 23 | 18 | 18 | 6 | 12 | 18 | 21 | -5 | -2 |
| Thailand | 46 | 49 | 26 | 18 | 18 | 17 | 19 | 3 | -27 |
| Brunei Darussalam | 72 | 84 | 101 | 59 | 79 | 83 | 112 | 12 | 40 |
| Vietnam | 82 | 90 | 78 | 99 | 99 | 98 | 78 | 8 | -4 |
| Indonesia | 91 | 109 | 114 | 120 | 128 | 129 | 121 | 18 | 30 |
| Philippines | 99 | 103 | 95 | 108 | 138 | 136 | 148 | 4 | 49 |
| Cambodia | 131 | 127 | 135 | 137 | 133 | 138 | 147 | -4 | 16 |
| Lao PDR | 139 | 134 | 148 | 159 | 163 | 165 | 171 | -5 | 32 |
| Myanmar | 170 | 167 | 177 | 182 | NDA | NDA | NDA | -3 | 12 |

Source: Published Doing Business Report

Doing Business Report: Philippines

2011-2017



Source: Published Doing Business Report

PHILIPPINES DOING BUSINESS INDICATORS (2016-2017)

| INDICATORS | 2017 REPORT (190 economies) | 2016 REPORT (189 economies) | Change 2016-2017 |
|------------------------------------|--------------------------------|--------------------------------|---------------------|
| 1. Starting a Business | 171 | 165 | ↓ 6 |
| 2. Dealing w/ Construction Permits | 85 | 99 | ↑ 14 |
| 3. Getting Electricity | 22 | 19 | ↓ 3 |
| 4. Registering Property | 112 | 112 | -- |
| 5. Getting Credit | 118 | 109 | ↓ 9 |
| 6. Protecting Investors | 137 | 155 | ↑ 18 |
| 7. Paying Taxes | 115 | 126 | ↑ 11 |
| 8. Trading Across Borders | 95 | 95 | -- |
| 9. Enforcing Contracts | 136 | 140 | ↑ 4 |
| 10. Resolving Insolvency | 56 | 53 | ↓ 3 |

Source: Published Doing Business Report

PHILIPPINES DOING BUSINESS INDICATORS (2011-2017)

| INDICATORS | Published Rankings | | | | | | | | |
|------------------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------------|-------------------------|
| | 2017 (190) | 2016 (189) | 2015 (189) | 2014 (189) | 2013 (185) | 2012 (183) | 2011 (183) | Change 2016- 2017 | Change 2011- 2017 |
| 1. Starting a business | 171 | 165 | 161 | 170 | 161 | 158 | 156 | -6 | -15 |
| 2. Dealing w/ construction permits | 85 | 99 | 124 | 99 | 100 | 102 | 156 | 14 | 71 |
| 3. Getting electricity | 22 | 19 | 16 | 33 | 57 | 54 | | -3 | -22 |
| 4. Registering Property | 112 | 112 | 108 | 121 | 122 | 117 | 102 | 0 | -10 |
| 5. Getting Credit | 118 | 109 | 104 | 86 | 129 | 126 | 128 | -9 | 10 |
| 6. Protecting Investors | 137 | 155 | 154 | 128 | 128 | 133 | 132 | 18 | -5 |
| 7. Paying Taxes | 115 | 126 | 127 | 131 | 143 | 136 | 124 | 11 | 9 |
| 8. Trading across borders | 95 | 95 | 65 | 42 | 53 | 51 | 61 | 0 | -34 |
| 9. Enforcing contracts | 136 | 140 | 124 | 114 | 111 | 112 | 118 | 4 | -18 |
| 10. Resolving Insolvency | 56 | 53 | 50 | 100 | 165 | 163 | 153 | -3 | 97 |

Source: Published Doing Business Report

UPGRADES & DOWNGRADES

Philippine Rankings (2011-2017)

Resolving
Insolvency

+97

From 153 to 56

Dealing with
Construction
Permits

+71

From 156 to 85

Getting
Electricity

+32

From 54 to 22

Paying
Taxes

+11

From 124 to 115

Getting
Credit

+10

From 128 to 118

Trading Across
Borders

-34

From 61 to 95

Enforcing
Contracts

-18

From 118 to 136

Starting
a Business

-15

From 156 to 171

Registering
Property

-10

From 102 to 112

Protecting Minority
Investors

-5

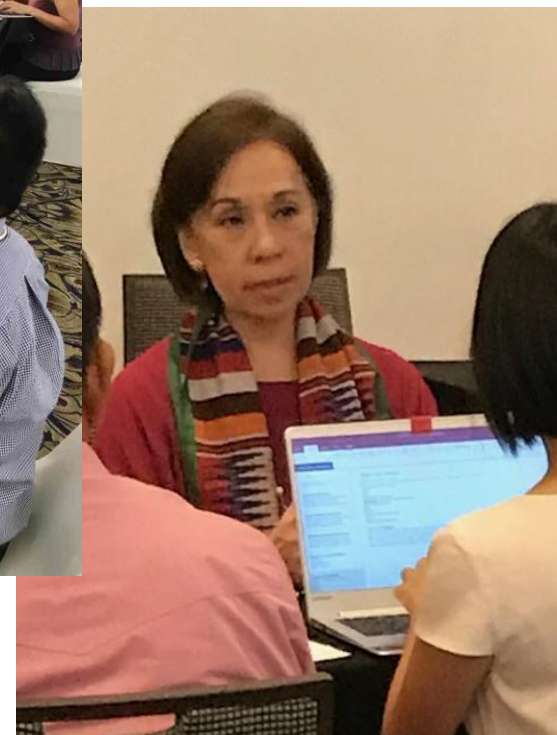
From 132 to 137

NEW ZEALAND G2G KNOW HOW

Supplying New Zealand solutions to grow
your capability

Ease of Doing Business in the Philippines:
Exploratory Support Exercise



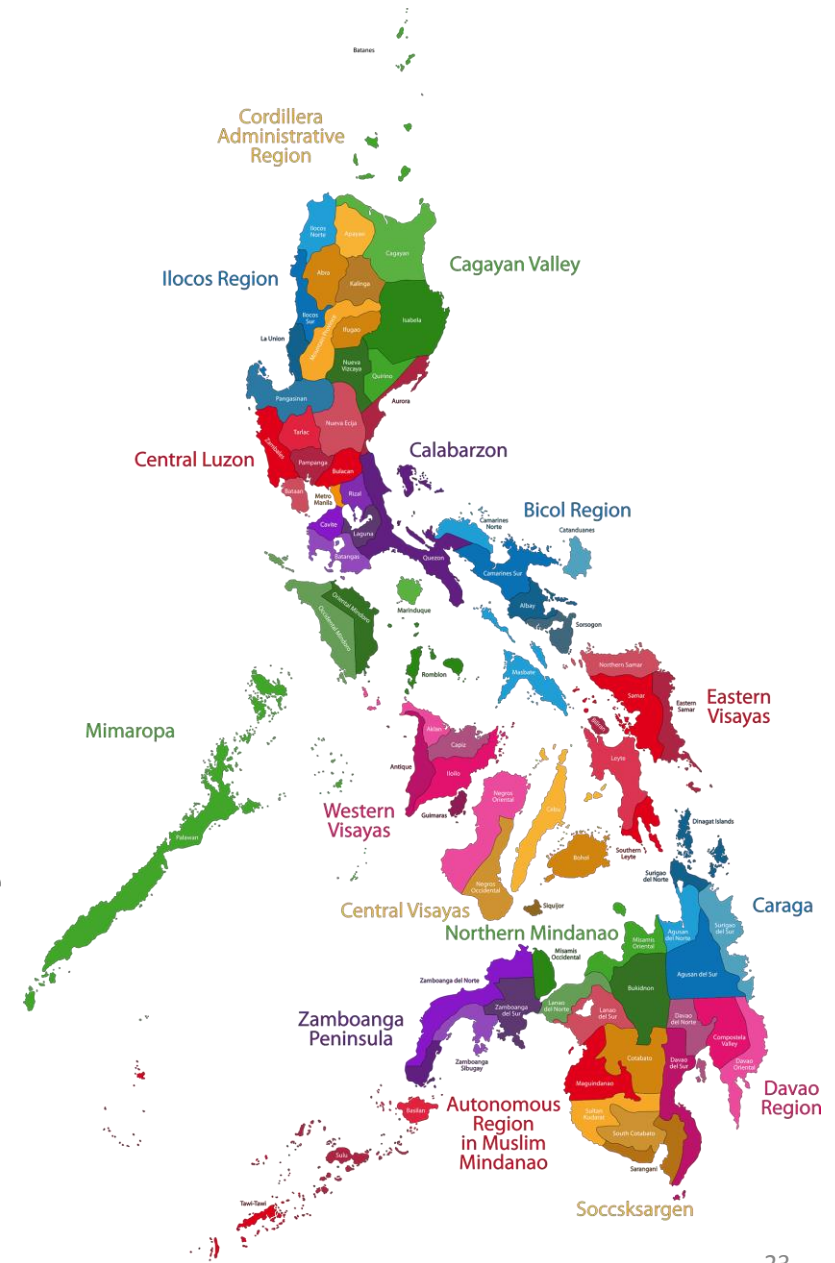


Scoping Mission : Methodology

Individual meetings with DTI, SEC, CDA, DICT, DOF

**Workshops / visits with LGUs
Quezon City, Lapu Lapu (and other regional cities) and Davao (and other regional cities)**

Interviewed 21 corporations, 23 sole proprietors and 15 co-operatives



What NZ experts heard from businesses and entrepreneurs

- “Elapsed time for registration of corporations (end to end) is typically 1 – 2 months” if there are no hiccups
- Frequent trips to offices required as a result of:
 - Key people not being available (e.g. for signatures)
 - Requirements are not consistent with published information (e.g. on the website) or have changed without being communicated
 - Online services not available / website down
- Waiting time is significant – sometimes several hours + travel time to offices – results in min. ½ day away from businesses per interaction with agency / LGU
- Lots of duplication of same basic information required for forms:
 1. SEC / DTI / CDA
 2. Clearances – Barangay, Fire, Sanitation, Location, etc
 3. LGU
- Frustration with name reservation process for corporations – “10 name suggestions required until one is approved”

What NZ experts heard from businesses and entrepreneurs

- Use 3rd parties (lawyer, accountant, representative) to complete process because it is too much hassle to complete by business directly – some with “special access” to agencies / LGUs
- “User experience on websites is poor” – takes a long time to find information required
- No pro-active communication from agencies to businesses – typically have to call or visit the office to find out status of processing
- “No lunch break” means that during lunch hours there may only be 1 or 2 counters open
- Sometimes frontline staff are not knowledgeable on specifics of the process or recent changes to the processes
- Mayor’s permit sometimes not granted or severely delayed if mayor does not like a new business
- Confusion about whether “Green Lane” process is still available / in use

What NZ experts heard from businesses and entrepreneurs

- Rules in regulation (legislation) out of sync with current practices – e.g. holding face to face AGMs with overseas shareholders
- Chicken and egg situation for paid-in capital from overseas shareholders – uncertainty over which bank clearance is required (i.e. company bank account doesn't exist so needs to be paid into another account)
- No aggregate payment of all fees and charges in one payment – some components can be paid in cash only (e.g. stock and transfer book)
- Lack of consistency at LGU level – different requirements between LGUs (difficult for businesses with operations across LGUs)
- 100% of businesses / proprietors / cooperatives we asked would like a fully electronic, online process

What NZ experts heard from agencies / LGU

- Procurement process is lengthy and complicated – many failed attempts that require re-tendering – hard to make progress quickly
- Issue with contracting of providers in some cases – no access to source code / data
- Internet stability, bandwidth, speed, reliability
- Authoritarian approach of mandating change does not always work
- Internal perception by staff that streamlined / online processes will lead to redundancies -> resistance to change
- Uncertainty over application and use of electronic signatures
- Many opportunities to link databases between national agencies as well as national agencies and LGUs but has been difficult to implement

General themes observed during the Scoping Mission

- **“Actual customer experience varies (significantly) from agency view”**
- **“Focus on immediate area of operation only”** – limited visibility / awareness of end to end journey for customer
- **“Compliance mindset”** – agencies / LGUs are typically referring to businesses / entrepreneurs as “taxpayer”
- **“Limited data”** on filing agent / businesses – limited evidence of segmentation of the businesses and filing agents
- **“Passive feedback”** - limited scope of customer feedback
- **“Inconsistency”** - wide range of different requirements / clearances by LGU
- **“Hidden requirements”** - change of requirements or “new”, undocumented requirements
- **“Duplication”** – multiple collection and data entry (both by customer and agencies)

Implications for businesses

- Process is “too hard” - motivation for non-compliance – operating without license or use of “fixers”
- Productivity loss for the economy (1m+ days of economic activity lost)
- Millennials losing faith / confidence in Government (local and national)
- Reduced (overseas) investor confidence in processes, reluctance to invest
- High barriers to entry especially for young / first time entrepreneurs. Impacts the “backbone” of the economy hardest - micro enterprises and small/medium sized enterprises

Next steps

Report with detailed findings and recommendations by July 2017

NZ Government will work with NCC to explore follow-up opportunities

Ideally – roadmap of initiatives and programmes in the short term to take advantage of opportunities to

- Step-change improvement for businesses, entrepreneurs and cooperatives
- Ranking for starting a business in top 60 in 2018

Current EODB initiatives : Proposed Expanded ARTA

- The bill proposes some basic changes in the business permitting and licensing activities of government. It addresses many of the common issues faced by businesses and entrepreneurs at both at the national agency and local government level as well as the tricky issue of fees for obtaining permits.

Current EODB initiatives : Proposed Expanded ARTA

The objectives of the proposed bill are as follows:

- Provide a business environment conducive to the establishment and operation of businesses in the country;
- Simplify business permit and licensing system procedures and streamline requirements at national and local levels;
- Promote transparency in government with regard to business registration and other manner of transacting with the public to reduce red tape and expedite permitting, licensing and other similar transactions in government.

Current EODB initiatives : Proposed Expanded ARTA

- NGAs and LGUs must provide a **COMPREHENSIVE CHECKLIST** of requirements for every type of license, clearance and/or permit being issued.



- A **SINGLE OR UNIFIED BUSINESS APPLICATION FORM** shall be used in processing new applications for business permits and business renewals which consolidates all the information of the applicant by various local government departments.

Current EODB initiatives : Proposed Expanded ARTA



PREScribed PROCESSING TIME

- **MSMEs** : maximum three **(3) working days** for **simple applications** and ten **(10) working days** for **complex applications**.
- For **special types of businesses** that require clearances, accreditation and/or licenses : **30 working days** *(or as determined by the government agency or instrumentality concerned, whichever is shorter)*.

REGULATORY IMPACT ASSESSMENT

All proposed regulations **shall undergo regulatory impact assessment** to establish if the proposed regulation does not add undue regulatory burden to business entities and national and local government agencies.

Current EODB initiatives : Proposed Expanded ARTA

CENTRAL BUSINESS PORTAL

- The DICT shall establish a Central Business Portal which shall serve as a central system to receive applications and capture application data from business entities.



PHILIPPINE BUSINESS REGISTRY DATABANK

- Business licensing and/or permitting agencies will have access to the Philippine Business Registry Databank to verify validity, existence and other information relevant to a business entity.

MONITORING AND EVALUATION

CUSTOMER FOCUS

BUSINESS PERMITS AND LICENSING SYSTEM



As of December 2016, **1,422 out of 1,516 LGUs (excluding ARMM LGUs)** reported to have completed and undergo BPLS streamlining program.







For its part, the National Competitiveness Council (NCC), in partnership with DTI Regional/Provincial Offices annually conducted two kinds of BPLS surveys as follows: (1) **Field Monitoring and Evaluation Survey** and (2) **Customer Experience Survey for Renewal of Mayor's Permits.**

BUSINESS PERMITS AND LICENSING SYSTEM



Last August 30, 2016, a new **Joint Memorandum Circular (JMC) on Revised BPLS Standards** was signed by Department of the Interior and Local Government (DILG), Department of Trade and Industry (DTI), and Department of Information and Communications Technology (DICT) in compliance with the administration's pronouncement to further streamline business permitting procedures in all cities and municipalities.

OLD vs NEW BPLS STANDARDS

| | | <u>JMC 2010</u> | <u>JMC 2016</u> |
|--|-----------------------|---|--|
|  | PROCESSING TIME | New : 10 - 5 days Renewal : 5 days or less | New : 1 – 2 days Renewal : 1 day or less |
|  | NUMBER OF STEPS | Max of 5 steps for New and Renewal of business registration | Max of <u>3 steps</u> for New and Renewal of business registration |
|  | NUMBER OF FORMS | Unified Form | Unified Form (Print and Electronic document) |
|  | NUMBER OF SIGNATORIES | Max of 2, Mayor and Treasurer/BPLO | Max of 2, Mayor and Treasurer/BPLO with alternatives |



BUSINESS PERMITTING AND LICENSING SYSTEM (BPLS)

2016 Field Monitoring and Evaluation Survey
2017 Customer Experience Survey for Renewal

A Presentation by the National Competitiveness Council (NCC)

2016 FIELD MONITORING AND EVALUATION SURVEY

- The survey was part of the **Good Governance and Anti-Corruption Cluster (GGAC) initiatives** under the previous administration. It was first piloted in 2012 covering (6 LGUs) from Region 5.
- In 2015, a total of (269 LGUs) were validated by local partner academe in each region which resulted to continuous improvement of business permitting process across all cities and municipalities.
- This year, a total of (313 LGUs) were validated. With Region XI validated a total of 47 LGUs



LIST OF PARTNER ACADEME BY REGION

| REGION | PARTNER ACADEME |
|--|--|
| National Capital Region (NCR) | UP Institute for Small Scale Industries |
| Cordillera Administrative Region (CAR) | Minds and Pens Consulting, Marketing, and Allied Services |
| Ilocos Region (I) | Don Mariano Marcos Memorial State University |
| Cagayan Valley Region (II) | Cagayan State University, Nueva Vizcaya State University, and Isabela State University |
| Central Luzon (III) | Aurora State College of Technology, Bataan Peninsula State University , Bulacan State University , Central Luzon State University, Angeles University Foundation , Tarlac State University , and Lyceum of Subic Bay |
| CALABARZON (IV-A) | Batangas State University |
| MIMAROPA (IV-B) | *Enumerators |
| Bicol Region (V) | DTI Negosyo Center Business Counselors |
| Western Visayas (VI) | Central Philippine University |
| Central Visayas (VII) | School of Business and Economics, University of San Carlos |
| Eastern Visayas (VIII) | Market Relevance Corporation |
| Zamboanga Peninzula (IX) | Western Mindanao State University |
| Northern Davao (X) | *Enumerators |
| Davao Region (XI) | University of Mindanao |
| SOCCKSARGEN (XII) | Sultan Kudarat State University |
| Caraga (XIII) | Caraga State University |

DISTRIBUTION OF RESPONDENTS BY REGION

| REGIONS | Local Government Units (LGUs) | | NEW | | RENEWAL | |
|---------|----------------------------------|--------|------------|--------------------|------------|--------------------|
| | Prescribed | Actual | Prescribed | Actual Respondents | Prescribed | Actual Respondents |
| *NCR | 17 | 17 | 170 | 321 | 170 | 338 |
| CAR | 12 to 15 | 15 | 120-150 | 164 | 120-150 | 153 |
| I | 12 to 15 | 20 | 120-150 | 201 | 120-150 | 198 |
| II | 12 to 15 | 15 | 120-150 | 150 | 120-150 | 150 |
| III | 12 to 15 | 14 | 120-150 | 135 | 120-150 | 144 |
| IV-A | 12 to 15 | 15 | 120-150 | 150 | 120-150 | 150 |
| IV-B | 12 to 15 | 46 | 120-150 | 468 | 120-150 | 502 |
| V | 12 to 15 | 19 | 120-150 | 109 | 120-150 | 182 |
| VI | 12 to 15 | 15 | 120-150 | 150 | 120-150 | 150 |
| VII | 12 to 15 | 15 | 120-150 | 150 | 120-150 | 150 |
| VIII | 12 to 15 | 15 | 120-150 | 142 | 120-150 | 150 |
| IX | 12 to 15 | 15 | 120-150 | 117 | 120-150 | 213 |
| X | 12 to 15 | 15 | 120-150 | 150 | 120-150 | 150 |
| XI | 12 to 15 | 47 | 120-150 | 400 | 120-150 | 434 |
| XII | 12 to 15 | 12 | 120-150 | 110 | 120-150 | 120 |
| Caraga | 12 to 15 | 18 | 120-150 | 166 | 120-150 | 176 |
| TOTAL | 180 to 225 | 313 | 1800-2250 | 3,091 | 1800-2250 | 3,360 |

**Valid responses for new business application is 3,013 while renewal process is 3,070*

HIGHLIGHTS OF SURVEY REPORT

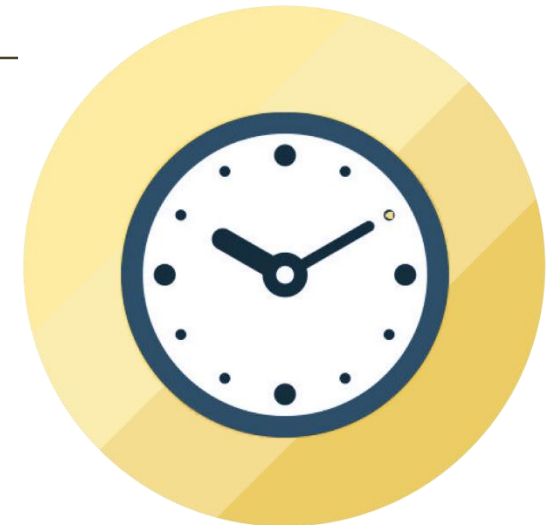
2016 Field Monitoring and Evaluation Survey

- The survey reported a total of **4,968 or 82%** were *business owners* who applied for new business or renewal of their business permit in 2016.
- Most of the type of business sector were at **wholesale and retail at 2,878 or 47%** followed **by food/restaurants at 1,006 or 16%**
- A total of **5,673 or 93%** were classified as **Sole Proprietorship**. While **5,188 or 85%** were under **MSMEs**
- A total of **6,010 or 98%** did not avail of any services offered by fixers in their LGUs.
- While most of the respondents indicated issuance of official receipts in every transaction/s in their locality.

PROCESSING TIME

Processing of new business permits, which is classified as a complex transaction shall not take more than 10 days or 5 days for the release of the permits while for business renewals, which is classified as a simple transaction, shall not take more than 5 days for the release of the permit.

| | COMPLIANCE RATE | NON-COMPLIANCE RATE |
|---------|--------------------|------------------------|
| NEW | 73% *93% | 27% *7% |
| RENEWAL | 76% *80% | 24% *20% |



Highest compliance rate in processing time for new business application and renewal of business permit are from the following regions: **CAR, II, and XI**

***Results from 2015 Field Monitoring and Evaluation Survey**

PROCEDURES

All cities and municipalities shall ensure that applicants for business registration shall follow five (5) steps in applying for new business permits or for business renewals.

| | COMPLIANCE RATE | NON-COMPLIANCE RATE |
|---------|--------------------|------------------------|
| NEW | 67% *72% | 33% *28% |
| RENEWAL | 68% *73% | 32% *27% |



Highest compliance rate in the number of procedures for new business application and renewal of business permit are from the following regions: **I, IV-A, and X**

***Results from 2015 Field Monitoring and Evaluation Survey**

| | COMPLIANCE RATE | NON-COMPLIANCE RATE |
|---------|--------------------|------------------------|
| NEW | 53% *69% | 47% *31% |
| RENEWAL | 55% *69% | 45% *31% |



Highest compliance rate in the use of unified form for new business application and renewal of business permit are from the following regions: I, VI-A, XI, and XII

*Results from 2015 Field Monitoring and Evaluation Survey

UNIFIED FORM

All cities and municipalities shall use a single unified form in processing new applications for business permits and business renewal.



| | COMPLIANCE RATE | NON-COMPLIANCE RATE |
|---------|--------------------|------------------------|
| NEW | 90% *90% | 10% *10% |
| RENEWAL | 90% *88% | 10% *12% |

Highest compliance rate in the number of signatories for new business application and renewal of business permit are from the following regions: **IX, X, and XII**



***Results from 2015 Field Monitoring and Evaluation Survey**

SIGNATORIES

All cities and municipalities shall follow the prescribed only two (2) signatories, namely the Mayor or City Administrator. He may also assign the City Treasurer or the Chief BPLO.

CUSTOMER SATISFACTION FEEDBACK



| |  SATISFIED |  DISSATISFIED |
|---------|--|---|
| NEW | 94% | 6% |
| RENEWAL | 93% | 7% |



Highest customer satisfaction rate for new business application and renewal of business permit are from the following regions: **X, XI, and XII**

****CSF ratings are same with the results from last year.***

2017 CUSTOMER EXPERIENCE SURVEY

- Last August 30, 2016, a new **Joint Memorandum Circular (JMC) on Revised BPLS Standards** was signed by Department of the Interior and Local Government (DILG), Department of Trade and Industry (DTI), and Department of Information and Communications Technology (DICT) in compliance with the administration's pronouncement to further streamline business permitting procedures in all cities and municipalities.
- The survey was annually conducted to cover the **renewal period of business permits in January to February 2017**. This was in partnership with Department of Trade and Industry (DTI) Regional and Provincial Offices
- For 2017, a total of 160 LGUs or 1,600 respondents participated in the survey.



DISTRIBUTION OF RESPONDENTS BY REGION

| REGIONS | Local Government Units (LGUs) | | RENEWAL | |
|--------------|-------------------------------|------------|--------------------|--------------------|
| | Target | Actual | Target Respondents | Actual Respondents |
| *NCR | 17 | 16 | 170 | 181 |
| CAR | 8 | 11 | 80 | 96 |
| I | 12 | 13 | 120 | 119 |
| II | 9 | 9 | 90 | 90 |
| III | 13 | 13 | 130 | 114 |
| IV-A | 14 | 15 | 140 | 168 |
| IV-B | 7 | 15 | 70 | 141 |
| V | 11 | 13 | 110 | 130 |
| VI | 13 | 4 | 130 | 60 |
| VII | 13 | 16 | 130 | 145 |
| VIII | 14 | 11 | 140 | 100 |
| IX | 7 | 7 | 70 | 79 |
| X | 9 | 10 | 90 | 100 |
| XI | 5 | 5 | 50 | 51 |
| XII | 5 | 5 | 50 | 53 |
| Caraga | 7 | 10 | 70 | 103 |
| TOTAL | 164 | 173 | 1640 | 1,730 |

HIGHLIGHTS OF SURVEY REPORT

2017 Customer Experience Survey

- The survey reported a total of **1,496 or 86%** were *personally applied* for renewal of their business permit.
- Most of the business registrations or **79% were classified as Sole Proprietorship** while 17% for Partnerships and Corporations.
- A total of **1, 592 or 92%** were classified as **Micro, Small, and Medium Enterprises (MSMEs)**.
- A total of **1,678 or 97%** did not avail of any services offered by fixers in their LGUs.
- While **860 or 50%** indicated that there were *positive reforms* implemented in their locality. (i.e., implementation of business one-stop shop)

NATIONWIDE COMPLIANCE RATE

Revised BPLS Standards

Maximum of 2 days
or less

DAYS / TIME

71%

(1,222)

While **29%** process it
in 2 days or more



PROCEDURES

Maximum of 3
procedures or less



45%

(788)

While **55%** has 4
procedures or more

Use of single
unified form

UNIFIED FORM

78%

(1,340)

While **22%** has used 2
forms or more



SIGNATORIES

Maximum of 2
signatories or less



79%

(1,359)

While **21%** has 3 or
more signatories

CUSTOMER SATISFACTION FEEDBACK



A total of 1,678 or 97% indicated 'satisfied' with the services of their respective LGUs (i.e., services of LGU frontliners, overall process of renewal period)



While 52 or 3% indicated 'dissatisfied' with the services of their respective LGUs (i.e., long procedures)

In general, the Municipalities of **La Paz and Sibagat in Agusan Del Sur** garnered an overall satisfaction score of **10.00** while **Muntinlupa City in NCR** scored of **9.62**.

CUSTOMER SATISFACTION FEEDBACK

Region III: Central Luzon



Overall regional customer satisfaction scores: 8.07

| CITY / MUNICIPALITY | CUSTOMER SATISFACTION SCORES |
|---------------------|------------------------------|
| Balanga City | 9.28 |
| Gapan City | 8.82 |
| Cabanatuan City | 8.73 |
| Mabalacat City | 8.24 |
| Tarlac City | 8.07 |
| City of San Felipe | 7.16 |
| Angeles City | 6.24 |



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