



NATIONAL  
COMPETITIVENESS  
COUNCIL | PHILIPPINES

# Competing in the Global Arena

**MR. JONATHAN CABALTERA**

**NCC**

**Calapan City Roadshow**

**April 8, 2014**









# LABAN PILIPINAS PUSO



GILAS PILIPINAS. LUMALABAN. PARA SA BAYAN.





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Transfers. More fun in the  
**Philippines**

 Donald Tapan

# About NCC



The National Competitiveness Council was born out of the collective desire of the **government** and the **business sector** to jointly address competitiveness.

# About NCC



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

# Vision

- Promote a more competitive Philippines and instill *a culture of excellence* through



**PUBLIC-PRIVATE** sector collaboration  
as a means to **REDUCE POVERTY THROUGH  
INCLUSIVE GROWTH**

# Work Program

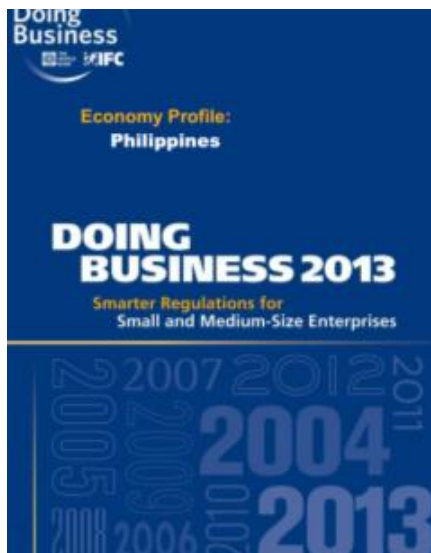
- **Benchmark** against key global competitiveness indices
- **Map** each indicator to the agency responsible
- **Focus** on lowest-ranking indicators
- **Track** city competitiveness and key indicators
- **Working Groups** concentrate on specific projects
- **Link** work to Philippine Development Plan, National Budget, Legislative Executive Development Advisory Council, Cabinet Agenda



# How to Measure Competitiveness

- Global competitiveness reports

*International Finance  
Corporation-World Bank  
Doing Business Report*



*World Economic Forum  
Global Competitiveness  
Index*



# How to Measure Competitiveness

- **Balanced Scorecards for government agencies and local governments**



# How to Measure Competitiveness

- Cities and Municipalities Competitiveness Index













# Global Competitiveness Report Card

Report	2014 Rank	2013 Rank	2012 Rank	2011 Rank	Change	ASEAN	Next Report	Source	Target
1. WEF Global Competitiveness Index		59/148	65/144	75/142	Up 6	6 of 10	Sep-14	WEF	49
2. IFC Ease of Doing Business		108/189	138/185	136/183	Up 30	6 of 10	Oct-14	IFC	63
3. IMD World Competitiveness Report		38/60	43/59	41/59	Up 5	4 of 5	May-14	IMD	20
4. TI Corruption Perception Index		94/177	105/179	129/183	Up 11	4 of 10	Dec-13	Transparency International	60
5.* Economic Freedom Index	89/178	97/177	107/179	115/179	Up 8	5 of 7	Jan-14	Heritage Foundation	59
6. Global Information Technology Report		86/144	86/142	86/138	no change	6 of 7	Apr-14	WEF	47
7. Travel and Tourism Report		82/140	n/a	94/139	Up 12	7 of 8	Mar-15	WEF	46
8. Global Innovation Index		90/142	95/141	91/125	Up 5	7 of 9	Jul-14	WIPO	47
9. Logistics Performance Index		--	52/155	44/155	Down 8	4 of 9	Feb-14	World Bank	51
10. Failed States Index		59/178	56/177	51/177	Up 3	7 of 10	Jun-14	Fund for Peace	118

# Global Competitiveness Performance

Report	Change 2013 vs 2012	Change over 3 years
World Economic Forum Global Competitiveness Index	+ 6	+ 26
IFC/WB Ease of Doing Business Report	+ 30	+ 28
IMD World Competitiveness Report	+5	+3
Transparency International Corruption Perceptions Index	+11	+35
Economic Freedom Index	+10	+18
Global IT Report (WEF)	0	0
Travel and Tourism Report (WEF)	+12	+12
Global Innovation Index	+5	+17

COUNTRIES	2011 Out of 142	2012 Out of 144	CHANGE 2011-2012	2013 Out of 148	CHANGE 2012-2013
 1. SINGAPORE	2	2	0	2	0
 2. MALAYSIA	21	25	- 4	24	+1
 3. BRUNEI DARUSSALAM	28	28	0	26	+2
 4. THAILAND	39	38	+ 1	37	+1
 5. INDONESIA	46	50	- 4	38	+12
 <b>6. PHILIPPINES</b>	<b>75</b>	<b>65</b>	<b>+ 10</b>	<b>59</b>	<b>+6</b>
 7. VIETNAM	65	75	- 10	70	+5
 8. LAOS *	-	-	-	81	-
 9. CAMBODIA	97	85	+ 12	88	-3
 10. MYANMAR*	-	-	-	139	-

(\* ) – New Economies added for 2013 report

12 PILLARS	2012-2013 CHANGE	CHANGE OVER 3 YEARS
<b>1st pillar:</b> Institutions	+15	+38
<b>2nd pillar:</b> Infrastructure	+2	+9
<b>3rd pillar:</b> Macroeconomic environment	-4	+14
<b>4th pillar:</b> Health and primary education	+2	-4
<b>5th pillar:</b> Higher education and training	-3	+4
<b>6th pillar:</b> Goods market efficiency	+4	+6
<b>7th pillar:</b> Labor market efficiency	+3	+ 13
<b>8th pillar:</b> Financial market development	+10	+23
<b>9th pillar:</b> Technological readiness	+2	+ 6
<b>10th pillar:</b> Market size	+2	+ 3
<b>11th pillar:</b> Business sophistication	-	+ 8
<b>12th pillar:</b> Innovation	+25	+ 39

# Ease of Doing Business Timeline

## JULY 2012

NCC crafts Gameplan for Competitiveness



## DECEMBER 2012

Videoconferences with IFC Washington



## JANUARY 2013

Meeting with PH Embassy in Washington



## MARCH 2013

Target validation workshops

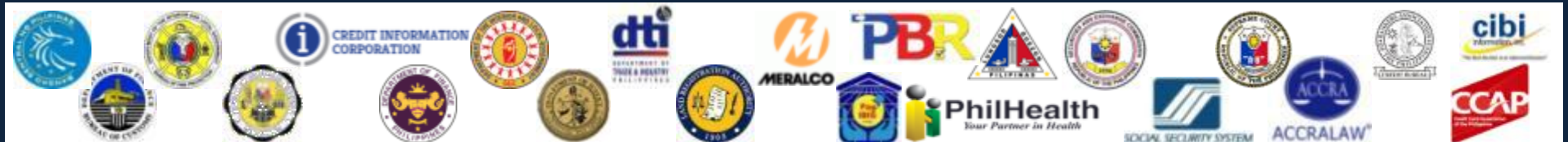
## MAY 2013

President Aquino signs Administrative Order No. 38 creating inter-agency Ease of Doing Business Task Force



## JULY 2013 OCTOBER 2013

Task Force meetings



## SEPTEMBER 2012

Economic Development Cluster approves Gameplan



## DECEMBER 2012 FEBRUARY 2013

Public-Private Dialogues



## MAY 2013

Work teams commit to implement targets at Ease of Doing Business Summit

## JUNE 2013

Reform inventory submitted to IFC

## OCTOBER 2013

Release of 2014 Doing Business Report

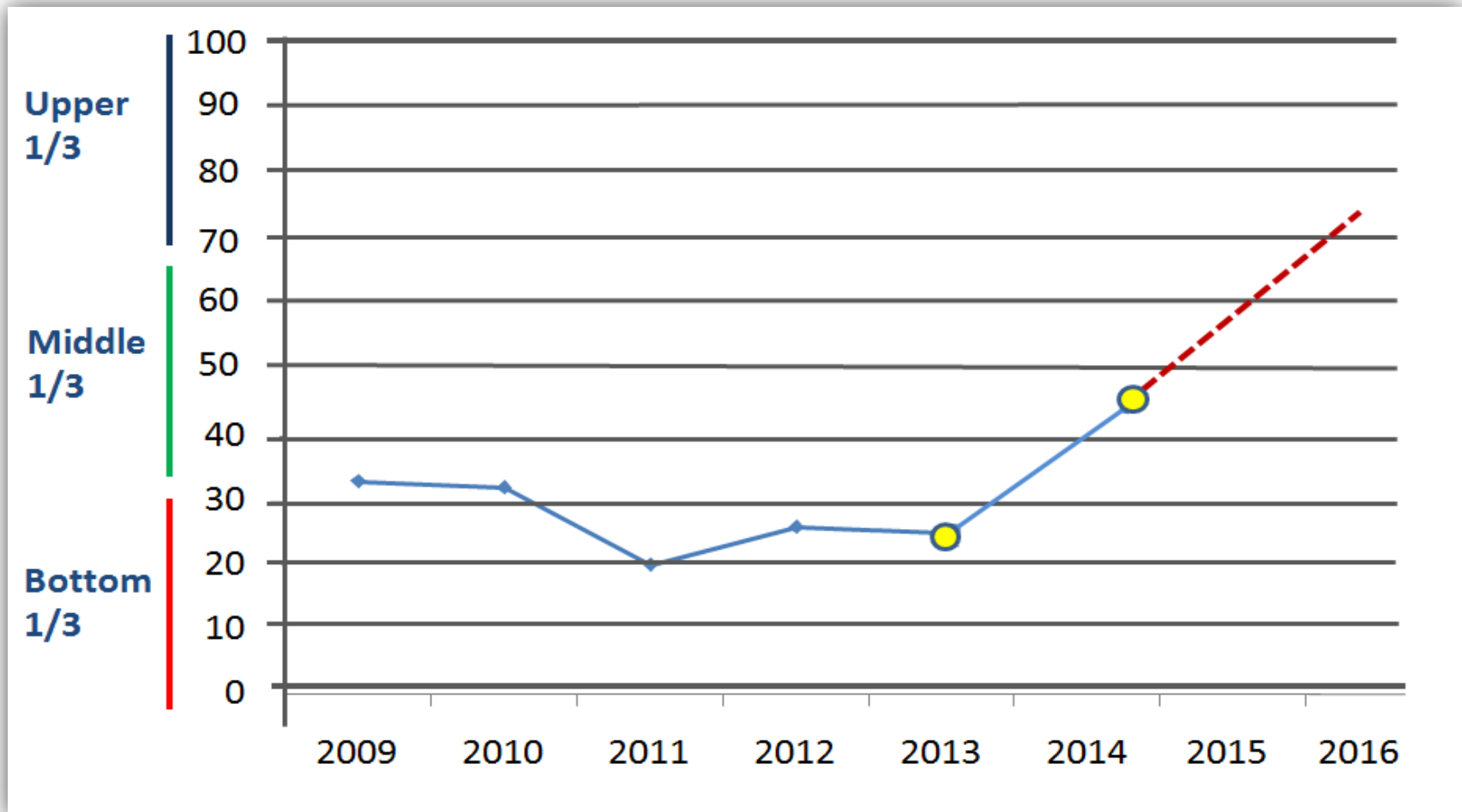




## Percentile Rank

Philippines	2009	2010	2011	2012	2013	2014
Rank	141	144	134	136	138	<b>108</b>
No. of Economies	183	183	183	183	185	189
Percentile rank	33	32	27	26	25	43

**Based on Percentile Rank**



# 2014 Top 10 Most Improved in Terms of Rankings

Economy		2013	2014	CHANGE
1	PHILIPPINES	138	108	30
2	Ukraine	137	112	25
3	Rwanda	52	32	20
4	Brunei Darussalam	79	59	20
5	Russian Federation	112	92	20
6	Burundi	159	140	19
7	Guatemala	93	79	14
8	Brazil	130	116	14
9	Iraq	165	151	14
10	Kosovo	98	86	12

# 2012-2014 Most Improved Economies

Economy		2012	2013	CHANGE	2014	CHANGE	CHANGE OVER 3 YEARS
1	Kosovo	126	98	28	86	12	40
2	Ukraine	152	137	15	112	25	40
3	Burundi	172	159	13	140	19	32
4	Poland	74	55	19	45	10	29
5	Philippines	<b>136</b>	<b>138</b>	<b>-2</b>	<b>108</b>	<b>30</b>	<b>28</b>
6	Russian Federation	118	112	6	92	20	26
7	Brunei Darussalam	83	79	4	59	20	24
8	Uzbekistan	168	154	14	146	8	22
9	Costa Rica	122	110	12	102	8	20
10	Guatemala	98	93	5	79	14	19

Results based on the following scenarios:

- **Low Hanging Fruit** - Impact of FULL implementation of Doing Business 2013 reform inventory on 8 indicators (Starting a business, Dealing with Construction Permits, Registering Property, Getting Electricity, Getting Credit, Protecting Investors, Paying Taxes and Trading Across Borders).
- **Big Impact Indicators** – Implement reforms on 4 identified Gameplan 2.0 big impact indicators (Starting a Business, Registering Property, Getting Credit, Protecting Investors).
- **Stretch targets** – Implement suggested reforms for all indicators.

Scenarios		Low Hanging Fruit	Big Impact Indicators	Stretch targets
EODB 2014		2015	2015	2015
Rank	108	39	29	7

# Balanced Scorecards

- A management tool for tracking performance
- Translates statements of governance and vision to actionable strategies and commitments leading to the realization of breakthrough results
- Balanced Scorecard method applied to selected **national agencies** and **local governments**

*Source: Institute for Solidarity in Asia*

## Balanced Scorecards

- The **Performance Governance System (PGS)** is the Philippine adaptation of the Balanced Scorecard model.
  - Allows governments agencies to be assessed objectively
  - Fosters transparency and accountability
  - Controls corruption through the participation of multi-sectoral stakeholders through the Multi-Sectoral Governance Coalition

# Balanced Scorecards

- **Public Governance Forum** to showcase good governance reforms implemented by national government agencies and local government units
- Forum conducted 2X a year to create trend for **Islands of Good Governance** by 2015 when the Philippines hosts APEC





## Department of Public Works and Highways



- Secretary Singson reported on the paving and upgrading of national roads, construction of permanent bridges, implementation of major flood control projects on major river basins, and other significant gains in its good governance and anti-corruption reforms under the “Daang Matuwid” policy agenda of the Aquino Administration.

## Department of Public Works and Highways



- Received the highest Performance Report Rating among all Millennium Challenge Corporation partner-agencies which presented during the recently held Public Governance Forum
- According to Institute of Solidarity in Asia, the DPWH has demonstrated continued determination to institutionalize good governance and deliver breakthrough results.

# Regional Competitiveness

**Potential benefits** of creating many competitive regions:

- diversification of investment and job opportunities
- creation of new wealth
- growing middle class in different parts of the country
- overall attractiveness of the Philippines as an investment site

# Regional Competitiveness

## Each committee -

- Tracks local competitiveness indicators
- Formulates programs to improve competitiveness
- Engages in investment promotion activities to attract investors and create new jobs

## Regional Competitiveness

- Convened all committees in several dialogues in 2012 to construct a **framework for local economic development and competitiveness**



## Regional Competitiveness

- Identified a **set of indicators** for the framework and validated the indicators at the city and municipality levels with the support of *USAID-INVEST*

**Economic Dynamism**  
**Government Efficiency**  
**Infrastructure**

# Regional Competitiveness

- The framework was created to help local government units:
  - Assess business environment
  - Design reforms
  - Map out how to make cities and municipalities more competitive vis-à-vis ASEAN cities

Is it more fun...



...and more **COMPETITIVE**  
in **Oriental Mindoro?**



## **Cities and Municipalities Competitiveness Index 2013**

# WHO'S ON TOP?



# Regional Competitiveness

## Overall Competitiveness – Top 10 Cities

Rank	Region	Province	LGU	Score
1	Northern Mindanao	Misamis Oriental	Cagayan de Oro City	72.09
2	Western Visayas	Iloilo City	Iloilo City	68.23
3	Central Luzon	Pampanga	San Fernando City	67.89
4	CARAGA	Agusan del Norte	Butuan City	63.07
5	Western Visayas	Negros Occ.	Bacolod City	61.62
6	SOCCSKSARGEN	South Cotabato	Koronadal	61.27
7	Ilocos Region	La Union	San Fernando	61.17
8	Central Luzon	Zambales	Olongapo City	60.63
9	Bicol Region	Camarines Sur	Naga	60.53
10	NCR		Marikina	59.73

# Regional Competitiveness

## Overall Competitiveness – Top 10 Municipalities

Rank	Region	Province	LGU	Score
1	CARAGA	Agusan del Sur	San Francisco	54.86
2	Central Luzon	Pampanga	Guagua	54.18
3	CALABARZON	Cavite	Carmona	53.18
4	BICOL Region	Camarines Norte	Daet	51.45
5	CALABARZON	Cavite	General Trias	51.22
6	Central Luzon	Nueva Ecija	Guimba	50.46
7	Central Luzon	Pampanga	Mexico	50.18
8	SOCCSKSARGEN	South Cotabato	Surallah	49.82
9	CALABARZON	Rizal	Taytay	49.19
10	CARAGA	Agusan del Sur	Prosperidad	48.92

# Regional Competitiveness

## Economic Dynamism – Top 10 Cities

Rank	Region	Province	LGU	Score
1	NCR		Quezon	26.51
2	SOCCSKSARGEN	South Cotabato	Koronadal	25.25
3	NCR		Marikina	24.07
4	CALABARZON	Rizal	Antipolo	23.64
5	CARAGA	Agusan del Norte	Butuan	23.48
6	SOCCSKSARGEN	South Cotabato	General Santos	23.37
7	N. Mindanao	Misamis Oriental	Cagayan De Oro	23.01
8	Western Visayas	Iloilo	Iloilo	22.13
9	Central Luzon	Zambales	Olongapo	22.03
10	SOCCSKSARGEN	Cotabato	Kidapawan	21.92

# Regional Competitiveness

## Economic Dynamism – Top 10 Municipalities

Rank	Region	Province	LGU	Score
1	Ilocos Region	Pangasinan	Calasiao	24.81
2	Ilocos Region	Ilocos Norte	San Nicolas	24.59
3	CALABARZON	Laguna	Sta. Cruz	23.29
4	CALABARZON	Rizal	Taytay	23.05
5	CALABARZON	Cavite	General Trias	22.46
6	CARAGA	Agusan del Sur	San Francisco	22.44
7	Ilocos Region	Pangasinan	Tayug	22.29
8	CALABARZON	Cavite	Carmona	22.12
9	SOCCSKSARGEN	South Cotabato	Surallah	21.85
10	SOCCSKSARGEN	Sultan Kudarat	Isulan	21.66

# Regional Competitiveness

## Government Efficiency – Top 10 Cities

Rank	Region	Province	LGU	Score
1	Western Visayas	Iloilo	Iloilo	22.89
2	Western Visayas	Negros Occidental	Bacolod	21.98
3	N. Mindanao	Misamis Oriental	Cagayan De Oro	20.77
4	Western Visayas	Negros Occidental	Sagay	20.69
5	Bicol Region	Camarines Sur	Naga	20.10
6	Bicol Region	Albay	Ligao	20.08
7	Bicol Region	Camarines Sur	Iriga	19.88
8	Bicol Region	Albay	Tabaco	19.81
9	Bicol Region	Albay	Legazpi	19.77
10	Western Visayas	Negros Occidental	Talisay	19.54

# Regional Competitiveness

## Government Efficiency – Top 10 Municipalities

Rank	Region	Province	LGU	Score
1	CAR	Apayao	Kabugao	19.52
2	Western Visayas	Capiz	Pontevedra	19.48
3	Western Visayas	Guimaras	Nueva Valencia	17.84
4	CAR	Benguet	Itogon	17.65
5	Central Luzon	Aurora	Maria Aurora	17.52
6	CARAGA	Surigao del Norte	Claver	17.52
7	Cagayan Valley	Isabela	Roxas	17.27
8	Western Visayas	Iloilo	Dumangas	17.25
9	CARAGA	Surigao del Sur	Cantilan	17.15
10	Eastern Visayas	Northern Samar	Catarman	17.05

# Regional Competitiveness

## Infrastructure – Top 10 Cities

Rank	Region	Province	LGU	Score
1	Bicol Region	Camarines Sur	Naga	29.54
2	Central Luzon	Pampanga	San Fernando	28.58
3	N. Mindanao	Misamis Oriental	Cagayan De Oro	28.30
4	NCR		Quezon	26.84
5	Bicol Region	Albay	Legazpi	25.17
6	NCR		Caloocan	24.88
7	Ilocos Region	La Union	San Fernando	24.85
8	Central Luzon	Tarlac	Tarlac	24.10
9	Bicol Region	Sorsogon	Sorsogon	23.35
10	Western Visayas	Iloilo	Iloilo	23.21



# Regional Competitiveness

## Infrastructure – Top 10 Municipalities

Rank	Region	Province	LGU	Score
1	Bicol Region	Camarines Norte	Daet	23.19
2	Central Luzon	Pampanga	Mexico	21.65
3	Bicol Region	Catanduanes	Virac	21.41
4	Central Luzon	Pampanga	Guagua	21.13
5	N. Mindanao	Bukidnon	Manolo Fortich	20.75
6	N. Mindanao	Camiguin	Mambajao	20.18
7	CALABARZON	Laguna	San Pedro	19.13
8	CALABARZON	Quezon	Candelaria	18.87
9	Western Visayas	Antique	San Jose II	18.64
10	N. Mindanao	Bukidnon	Maramag	18.46



# Cities and Municipalities Competitiveness Index Calapan City, Oriental Mindoro

Factor	Rank (out of 122 Cities)	Score (0-100)
Overall Competitiveness	105	29.839
Economic Dynamism	67	11.970
Government Efficiency	86	12.404
Infrastructure	116	5.465

# Regional Competitiveness

## Overall Competitiveness – Cities in MIMAROPA

Rank	Province	LGU	Score
80	Palawan	Puerto Princesa	38.773
105	Oriental Mindoro	Calapan City	29.839

# Regional Competitiveness

## Overall Competitiveness –Municipalities in MIMAROPA

Rank	Province	LGU	Score
78	Marinduque	Sta. Cruz II	32.695
91	Occidental Mindoro	Sta. Cruz III	29.971
92	Occidental Mindoro	San Jose I	29.901
109	Oriental Mindoro	Pinamalayan	27.477
132	Oriental Mindoro	Puerto Galera	20.841
136	Marinduque	Boac	20.283
141	Marinduque	Gasan	18.646
143	Palawan	Brooke'S Point	18.350

# Regional Competitiveness

## Overall Competitiveness –Municipalities in MIMAROPA

Rank	Province	LGU	Score
144	Palawan	Roxas II	17.951
145	Occidental Mindoro	Sablayan	17.943
155	Romblon	Odiongan	14.492
160	Romblon	Sibuyan	12.544

# Regional Competitiveness

## Economic Dynamism – Cities in MIMAROPA

Rank	Province	LGU	Score
41	Palawan	Puerto Princesa	15.078
67	Oriental Mindoro	Calapan City	11.970

# Regional Competitiveness

## Economic Dynamism – Municipalities in MIMAROPA

Rank	Province	LGU	Score
21	Occidental Mindoro	San Jose I	16.095
29	Oriental Mindoro	Pinamalayan	14.745
41	Marinduque	Sta. Cruz II	13.468
42	Occidental Mindoro	Sablayan	13.431
49	Occidental Mindoro	Sta. Cruz III	12.461
94	Marinduque	Boac	8.640
102	Palawan	Brooke'S Point	7.992
116	Romblon	Odiongan	6.605

## Regional Competitiveness

### Overall Competitiveness –Municipalities in MIMAROPA

Rank	Province	LGU	Score
118	Marinduque	Gasan	6.364
127	Palawan	Roxas II	5.421
129	Oriental Mindoro	Puerto Galera	5.402
150	Romblon	Sibuyan	2.775



## Regional Competitiveness

### Government Efficiency – Cities in MIMAROPA

Rank	Province	LGU	Score
79	Palawan	Puerto Princesa	13.278
86	Oriental Mindoro	Calapan City	12.404

# Regional Competitiveness

## Government Efficiency – Municipalities in MIMAROPA

Rank	Province	LGU	Score
72	Marinduque	Sta. Cruz II	11.988
81	Occidental Mindoro	Sta. Cruz III	11.288
101	Oriental Mindoro	Puerto Galera	9.907
119	Oriental Mindoro	Pinamalayan	8.200
122	Palawan	Roxas II	7.909
133	Occidental Mindoro	San Jose I	6.535
133	Marinduque	Gasan	6.535
135	Marinduque	Boac	6.119

# Regional Competitiveness

## Government Efficiency – Municipalities in MIMAROPA

Rank	Province	LGU	Score
142	Palawan	Brooke'S Point	5.619
148	Romblon	Sibuyan	3.996
158	Romblon	Odiongan	2.123
159	Occidental Mindoro	Sablayan	2.081

# Regional Competitiveness

## Infrastructure – Cities in MIMAROPA

Rank	Province	LGU	Score
98	Palawan	Puerto Princesa	10.417
116	Oriental Mindoro	Calapan City	5.465

# Regional Competitiveness

## Infrastructure – Municipalities in MIMAROPA

Rank	Province	LGU	Score
122	Occidental Mindoro	San Jose I	7.271
125	Marinduque	Sta. Cruz II	7.239
132	Occidental Mindoro	Sta. Cruz III	6.222
135	Romblon	Sibuyan	5.773
136	Romblon	Odiongan	5.765
137	Marinduque	Gasán	5.747
140	Oriental Mindoro	Puerto Galera	5.532
141	Marinduque	Boac	5.524

# Regional Competitiveness

## Infrastructure – Municipalities in MIMAROPA

Rank	Province	LGU	Score
144	Palawan	Brooke'S Point	4.738
145	Palawan	Roxas II	4.622
147	Oriental Mindoro	Pinamalayan	4.532
158	Occidental Mindoro	Sablayan	2.431

## Summary

- Moving in the right direction but still have much work ahead of us
- Public-Private Collaboration works
- Biggest challenges – Institutionalization and the permanence / irreversibility of reform

# Lessons Learned

1. Transparency leads to Competitiveness: Governance matters.
2. Work-in-Progress is no longer good enough.
3. Importance of Execution and Delivery
4. Teamwork is required: No More Silos.
5. We must focus on Multiple Fronts (no single variable).
6. The Competition never sleeps.
7. The bar always rises. We move up a weight class and meet larger, stronger competition.
8. Speed-to-Reform should be our new mantra.
9. Maintaining Momentum is important (gain speed).
10. Embedding and institutionalizing change / reform for the long run is important. This has become a key concern.



# FILIPINO CULTURE OF EXCELLENCE

- Individual and national sense of discipline (**Filipino Time, do more with less mentality**)
- Positive attitude and constant innovativeness (**Kaya natin**)
- Treating crisis as opportunities and oneself as part of the solution and never part of the problem (**competitive spirit**)
- Quality as a daily lifestyle (**Di pwede ang pwede na**)
- Strong Sense of Patronage (**Buy Filipino goods/services**)
- Strong partnership and networking with stakeholders through program ownership, **get involved** (reforms/policy issues)



*(Just in case you believe that great social problems and competitiveness agenda are beyond your scope, consider this story)*

*God said to me :*

*Your task is to build a better world...*

*I answered:*

*How can I do that? The world is such a large,  
vast place, so complicated now,  
and I am so small and useless.*

*There's nothing I can do.*

*But God in his great wisdom said:*

*Just build a better you.*

*-Anonymous*

***Competitiveness begins with you and Me***

**EACH ONE** has a stake in giving his/her share of contribution.

If we don't do our part nor participate on this cause,  
we don't have the right to complain.

# THANK YOU !



NATIONAL  
COMPETITIVENESS  
COUNCIL | PHILIPPINES

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