Policy Environment for MSME Growth

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Micro, Small and Medium Enterprise Development Plan 2017-2022

FOREWORD

Micro, small and medium enterprises (MSME) play a crucial role in fulfilling our Ten-Point Socio-Economic Agenda that seeks to sustain the momentum of our current economic growth. Comprising 99.5% of business establishments, it provides opportunities for 4.8 million people and accounts for 61.6% of the country’s total employment.

The MSME Development Plan 2017-2022 will ensure the further empowerment of rising entrepreneurs in the next five years through development strategies that will create globally competitive MSMEs that are regionally integrated, resilient, sustainable and innovative.

I am confident that the strategies outlined in this Plan will continue to accelerate the growth of our MME sector, especially as we revive the Philippine manufacturing industry and welcome new developments brought about by ASEAN integration.

As the Philippines continues to make its presence felt in the ASEAN and global economies, I encourage our partners from both the public and private sectors as well as other stakeholders to remain committed in your unwavering passion to reform, improve and develop our overall business environment so that MSMEs may truly realize their potential as drivers of inclusive growth and development.

RODRIGO ROA DUTERTE

MANILA
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THE PRESIDENT OF THE PHILIPPINES
VISION and FOCUS AREAS

VISION

More globally competitive MSMEs that are regionally integrated, resilient, sustainable and innovative thereby performing as key drivers of Philippine inclusive economic growth

Focus Area 1: Business Environment

Focus Area 2: Business Capacity

Focus Area 3: Business Opportunities
More globally competitive MSMEs that are regionally integrated, resilient, sustainable, and innovative thereby performing as key drivers of inclusive Philippine economic growth

**VISION**

**FOCUS AREAS**

**Business Environment**

**Business Capacity**

**Business Opportunities**

**STRATEGIC GOALS**

**Simplify, standardize and harmonize MSME-related rules and regulations at all levels that will encourage MSMEs to tap the opportunities in macroeconomic policy, infrastructure development, trade deals, etc.**

**Expand MSME Assistance Centers**

- Promote Women and Youth Entrepreneurship
- Maximize Opportunities in the Digital and Internet Economy
- Promote Green Growth

**ACTION PLANS**

(Policies, Programs, Projects)

- Expedite delivery of MSME assistance services;
- Streamline business permit and licensing systems;
- Remove restrictions, provide incentives and promote job-creating investments;
- Reduce regulatory burden; and,
- Foster in all government entities a convergence mindset that recognizes the centrality of MSMEs in achieving dynamic and inclusive economies.

**INSTITUTIONAL SUPPORT**

- Generation and analysis of relevant information and sex-disaggregated data in implementation plans
- Effective coordination and sharing among government agencies
- Responsive, timely, and graft free services of implementing agencies
- Strategic sectoral monitoring and evaluation of implemented plans
- Comprehensive budget allocation for all indicative programs/activities/projects
Government-wide Initiatives at a Glance

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Strategic Goals

Improved Business Climate (Gov’t MINDSET)
- R.A. No. 9501: Magna Carta for MSMEs
- R.A. No. 10644: Go Negosyo Act
- R.A. No. 10679: Youth Entrepreneurship Act
- R.A. No. 9485: Anti-Red-Tape Act
- Enhanced Business Name Registration System
- EODB Law

Improved Access to Finance (MONEY)
- R.A. No. 9501, Section 15: Mandatory Allocation of Credit Resources for MSMEs
- Microfinance program for MSMEs such as “Pondos Pagbabago at Pag-asenso” or P3 Program
- Access of Small Entrepreneurs to Sound Lending Opportunities (ASENSO Program)
- Credit Surety Fund Program (CSF)

Enhanced Management and Labor Capacities (MINDSET, MASTERY, MENTORING)
- SME Roving Academy (SMERA)
- KAPATID Mentor ME (KMME)
- SME Online Academy
- Skills Training for Employment/Entrepreneurship Program (STEEP)
- Gender-Responsive Economic Actions for the Transformation (GREAT) of Women
- Productivity Toolbox (NWPC)

Improved Access to Technology and Innovation (MACHINES, MODELS)
- Shared Service Facilities (SSF)
- Small Enterprise Technology Upgrading Program (SET-UP)
- Fabrication Laboratories
- Food Innovation Center
- Onelab

Improved Access to Market (MARKET)
- Trade Fairs
- Regional Interactive Platform for Philippine Exporters (RIPPLES)
- Go Lokal
- OTOP Hub
- Brand Equity Development
- APEC MSME Marketplace