

16

Leveling the
Playing Field
through a Regional
Competition Policy

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Competition at the regional level can also promote innovation particularly for micro-, small-, medium enterprises (SMEs). By introducing innovation, MSMEs can be further developed and allow improving the variety of local products that can compete with other mature markets. SOCCSKSARGEN region has shown its potential of harnessing the strengths of its various industry sectors to penetrate larger economic playing fields towards competitive dynamism.

Socially beneficial competition ensues when the right incentives are generated “for firms to improve their economic performance vis-à-vis their actual and potential rivals and in so doing deliver the best outcomes for their consumers and society as a whole which is the basic rationale for a competition policy.

The enactment of Republic Act (RA) No. 10667 or the Philippine Competition Act (PCA) on July 21, 2015 reinforces the efforts of the government to sustain inclusive economic growth. The PCA provides for the formulation of a National Competition Policy (NCP) that aims to steer regulations and administrative procedures of government agencies toward promoting competition, as well as to strengthen the enforcement of anti-trust laws and effectively ensure competitive neutrality. The PCA specifically provides for the creation of the Philippine Competition Commission (PCC) which will conduct inquiries, investigate, hear, and decide on cases involving anti-competitive agreements, abuse of dominant position, and anti-competitive mergers and acquisitions (M&As).

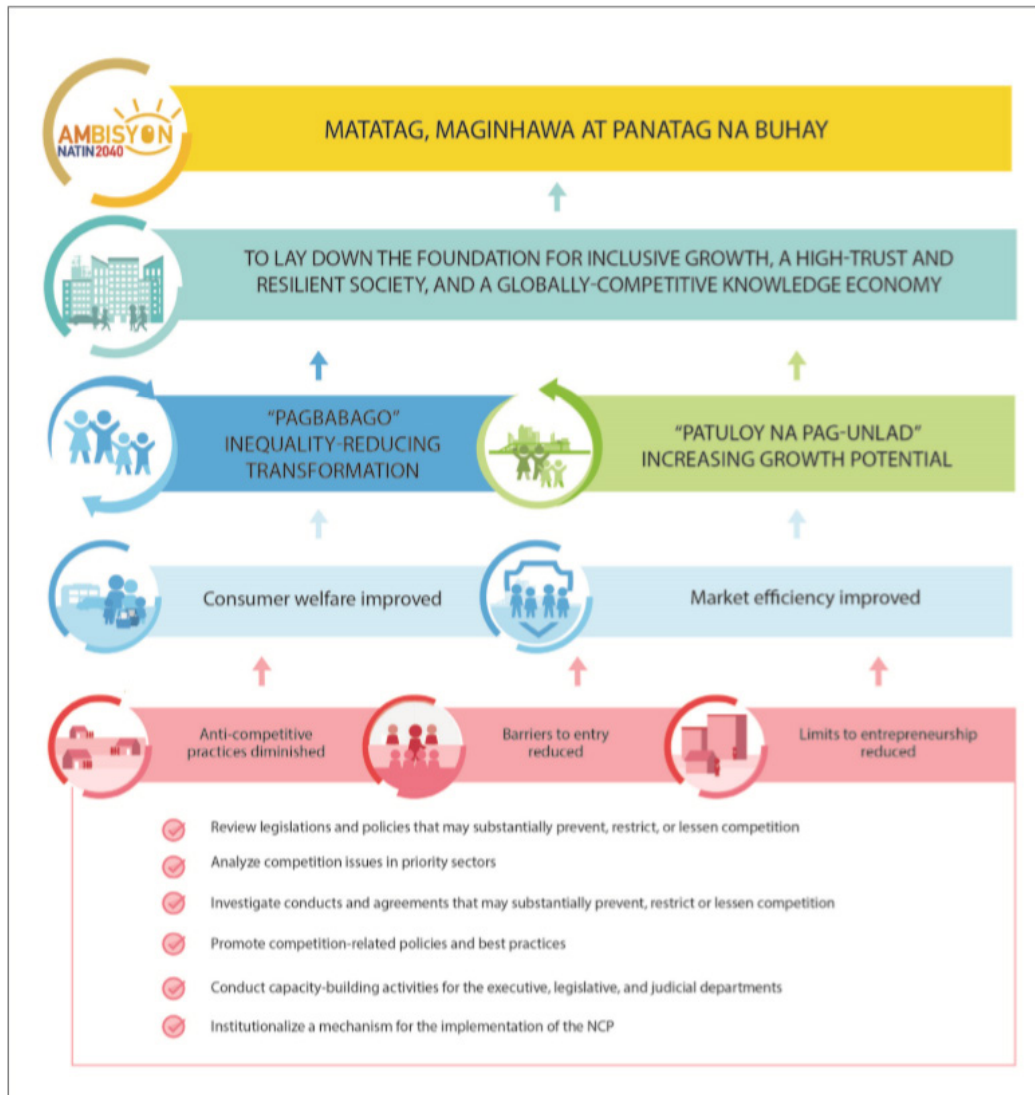
Challenges

Competition challenges at the national level are also felt at the regional level such as government agencies with their own legislative charters with dual regulatory and promotional functions. Some examples are the National Food Authority, Sugar Regulatory Administration, Philippine Coconut Administration, Philippine Ports Authority, Philippine Fisheries and Development Authority, MARINA, and others. The lack of separation between these dual functions may result in a discretionary application of rules and have an unintended

negative impact on market outcomes.

Another challenge is too much regulation for businesses. Regulation is necessary but too much of it can dampen economic development and competition. Permits to start a business, import products, secure approvals from various government agencies at the national and local levels for big ticket items, registering new products or variants thereof can be burdensome in terms of cost and time.

Figure 21: Strategic Framework to Level the Playing Field through a National Competition Policy, 2017-2022



the ongoing collaborative effort between the private sector (through the National Competitiveness Council) and the government called Project Repeal which is intended to establish a systematic way of studying rules, regulations, regulations and laws that have outlived their relevance or have been overtaken by developments. The initiative aims to clean up regulations and legislation by repealing provisions or rules that are no longer necessary or may be detrimental to the economy. The overall

entrepreneurs and the cost of administration and enforcement for the government. Repealing unnecessary regulations will have a positive impact on businesses and foment more competition, boost economic activity and spur growth.

The region shall continue to enjoy LGUs to participate in national competitiveness surveys to encourage them to level up with other localities in terms of doing business and inviting investors in their areas.

Table 48: Results Matrix to Level the Playing Field through a National Competition Policy, 2017-2022

SOCIETAL GOAL: TO LAY DOWN THE FOUNDATION FOR INCLUSIVE GROWTH, A HIGH TRUST SOCIETY, AND A GLOBALLY COMPETITIVE KNOWLEDGE ECONOMY			
Sector Outcome: LGU competitiveness, consumer welfare, improved			
Indicators	Baseline		End of Plan Target
	Year	Value / Number	
Promotion of LGU competitiveness tracked by ease of doing business			
Percentage of LGUs participating in the competitiveness survey	2016		Increasing
Ranking in provinces/cities/municipalities in the competitiveness survey	2016		Improving

