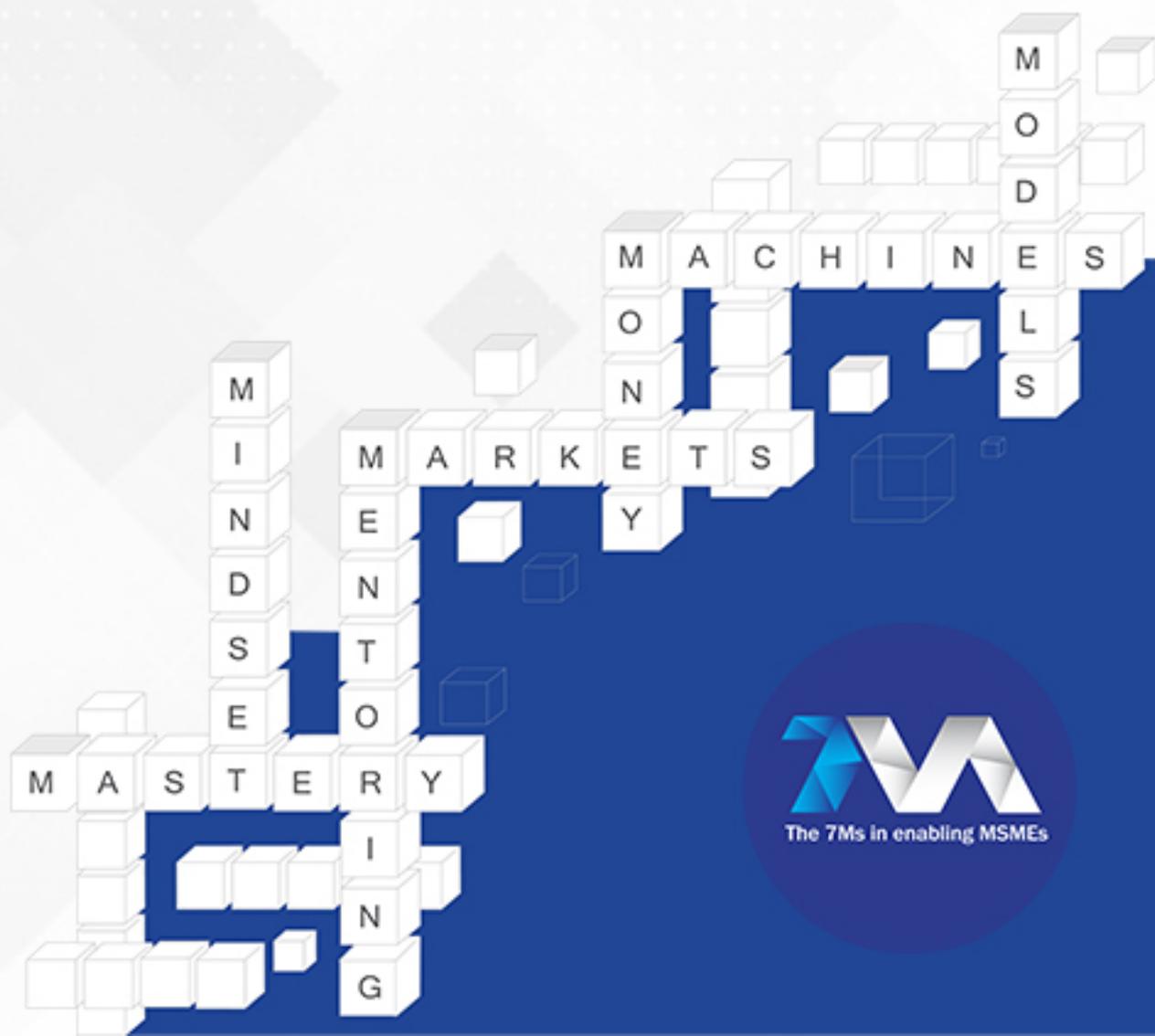




2017 ACCOMPLISHMENT REPORT

MSME DEVELOPMENT PLAN 2017-2022



MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT PLAN 2017-2022

January – December 2017 Accomplishment Report

The Micro, Small and Medium Enterprise (MSME) Development Plan 2017-2022 (MSMEDP), which serves as the sectoral plan for the growth and advancement of the MSME sector, was developed in consultation with various stakeholders from the private sector, academia, and government agencies. It is aligned with the Philippine government's goal of boosting employment, business, and livelihood or "*Trabaho, Negosyo, Kabuhayan*" translating to "*Malasakit*", "*Pagbabago*", at "*Patuloy na Pag-unlad*" of the Philippine Development Plan (PDP) 2017-2022.

The key inputs to the Plan's formulation were also taken from the 10-Point Agenda for Development presented by President Rodrigo Duterte at his first State of the Nation Address on 25 July 2016. It was also developed in accordance with *AmBisyon Natin 2040*, the long-term mission and vision statement for Philippine development formulated by the National Economic and Development Authority (NEDA) in March 2016.

The Plan envisions for "more globally competitive MSMEs that are regionally integrated, resilient, sustainable and innovative thereby performing as key drivers of inclusive Philippine economic growth." It has identified three (3) focus areas, namely: business environment, business capacity, and business opportunities with the following five (5) strategic goals: (1) improved business climate; (2) improved access to finance; (3) enhanced management and labor capacities; (4) improved access to technology and innovation; and, (5) improved access to market.

MSME SECTOR PERFORMANCE in 2017

Overall, the MSME sector has recorded a total of 920,677 enterprises and generated a total employment of 4,922,251 according to 2017 data report from the Philippine Statistics Authority (PSA)¹. More than 43,000 enterprises has become part of the MSME sector this year.

The Plan has also brought more MSME programs and policies to focus in bringing structural reforms and addressing some of the cross-cutting issues that will make tremendous impact in the Administration's inclusive economic development agenda.

1. Unveiling the 7-Point Action Agenda for MSME Development. The Philippines' 2017 Chairmanship of the Association of Southeast Asian Nations (ASEAN) has paved a way for the country to lead the ASEAN region to promote dynamic and innovative MSMEs through the adoption of the 7Ms strategy that specifically identify *Mindset Change, Mastery, Mentoring, Money, Machine, Market Access* and *Models of Negosyo* as guide in the conceptualization and implementation of policies and programs that will empower and enable Filipino entrepreneurs during the ASEAN 2017 MSME Development on 14 July 2017 at the Philippine International Convention Center (PICC), Pasay City.

¹ 2017 official data from the Philippine Statistics Authority (PSA)

The MSME Development Council's 7-Point Action Agenda for MSME Development



MINDSET CHANGE

Small business owners will be taught and encouraged to embrace the right and positive attitude that will greatly benefit them in pursuing their entrepreneurial venture. DTI's Negosyo Center seminars, the SME Roving Academy (SMERA), and the Kapatid Mentor ME (KMME) program help infuse an entrepreneurial mindset that is success- and innovation-driven, collaborative, and proactive among MSMEs.



MASTERY

Through the DTI Negosyo Centers and the Philippine Trade and Training Center (PTTC), small business owners are being taught to master the know-how and how-to's of entrepreneurship, from what they need to know when starting an enterprise, the basic rules of spotting and exploiting market opportunities, effective product positioning and differentiation, product development, market development, basic business finance, business plan preparation, and the development of a system that will encourage continuous innovation.



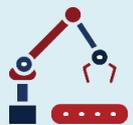
MENTORING

DTI, in cooperation with partners from the private sector such as Go Negosyo, the Philippine Chamber of Commerce and Industry (PCCI), the Philippine Franchise Association (PFA), the Federation of Filipino Chinese Chamber of Commerce and Industry, Inc. (FFCCCII), and the Association of the Filipino Franchisers, Inc. (AFFI), provides small business owners with continuous guidance through programs such as the Kapatid Mentor ME. MSME entrepreneurs experience coaching and mentoring from industry experts, corporate leaders, and large corporations free of charge. And to bring mentorship to every Filipino, the DTI and Go Negosyo will launch the Mentor Me Mobile App to provide an accessible, convenient and online mentoring session between mentors and mentees. Entrepreneurship will likewise be taught to younger Filipinos through its integration in the K-12 curriculum, even partners from the private sector are encouraged to take part in the said effort.



MONEY

DTI strongly supports access to credit and other financial resources for MSMEs through Small Business Corporation (SB Corp.), a DTI-attached government-owned and controlled corporation (GOCC), which is the implementing arm for government's anti-"5/6" Pondo sa Pagbabago at Pag-assenso (P3) Program, and other financing modalities that include equity financing; and through partnership with all MSME-oriented financial institutions, including rural banks, cooperatives, and microfinance institutions.



MACHINE

Through the Shared Services Facility (SSF) Program, DTI equips small business owners with the necessary knowledge and technical assistance on equipment and tools that are efficient and cost-effective that would enable them to increase production, enhance productivity, and maintain high quality products and services. Entrepreneurs are also being encouraged to embrace innovation as a way for their businesses, their products and/or services, and their operations to evolve and become more efficient.



MARKET ACCESS

DTI helps small businesses in promoting their products or services in the domestic and international markets through trade fairs, outbound business missions, design and product development, the One Town, One Product (OTOP) developmental program, and the Go Lokal! market access program. The Trade and Investments Promotion Group (TIPG) of DTI links MSMEs to buyers, traders, and investors for possible business and/or supplier opportunities.



MODELS OF NEGOSYO

Through the DTI Negosyo Center, DTI provides would-be entrepreneurs with various business ideas to explore, ranging from traditional business lines to direct selling and franchising; as well as necessary livelihood skills such as baking and soap-making. MSMEs are also encouraged to link up with their counterparts for synergy, enabling them to become more effective in business matching, and innovating their products or services.

Guided by 7Ms strategy, the Manila Call to Action for ASEAN MSMEs (MCA)² was also highlighted during the ASEAN Summit calling for deliberate actions to foster greater prominence of MSMEs in the Philippines as well as the other members of the ASEAN region. The MCA took into account recommended action plans in the areas of 7Ms to create smarter entrepreneurs that can thrive in an increasingly competitive global market.

Since then, the Department of Trade and Industry (DTI), as Chair of the MSME Development Council (MSMEDC), has been leading the multi-sectoral and multi-stakeholder effort to provide MSMEs with mechanisms, policies, and programs that will benefit and empower those at the bottom of the pyramid.

- 2. More than 40 partner MSME stakeholders reviewed the Plan's KPIs.** The DTI-Bureau of SME Development (BSMED), as the MSMEDC Secretariat, conducted the Workshop on the MSMED Plan's Key Performance Indicators (KPIs) on 12 October 2017 at the One Pacific Place in Makati City. The workshop generated valuable insights from data generator experts from public and private sector and helped review the KPIs and targets of the Plan.



Key data generators and MSME stakeholders were divided into six thematic groups representing the Overall KPI and the five (5) strategic goals of the Plan, namely: Business Climate, Access to Finance, Human Capital Development, Technology and Innovation, and Access to Market. The group for the Overall KPIs was composed of DTI, Department of the Interior and Local Government (DILG), Development Academy of the Philippines (DAP), National Economic and Development Authority (NEDA), Philippine Institute for Development Studies (PIDS), and Philippine Statistics Authority (PSA) to better analyze the overall indicators of the Plan.



² Manila Call to Action for ASEAN MSMEs (MCA), refer to pages 58-65 of the [MSME Development Plan 2017-2022](#)



Each thematic group discussed the proposed indicators provided in each strategic goals, including the availability of data, suggested actions, and commitment of each agency in data generation. There was also a fruitful discussion on each group's output and collective deliberation on various issues and concerns raised during the course of the workshop.

The MSMED Plan's Framework³ and KPIs were approved by the MSMED Council during its 7th meeting and 8th meeting held on 15 June and 28 November 2017, respectively. The Plan was then finalized and forwarded to the Office of the Secretary for endorsement to the President.

³ See Appendix 1 for the MSMED Plan 2017-2022 Framework

BUSINESS CLIMATE (Government Mindset)

(MSMEDP 2017-2022 Strategic Goal 1: Improved Business Climate)

Strategic Goal: To 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, and trade and economic cooperation with other countries

Established Negosyo Centers reached more than 700. A total of 790 Negosyo Centers (NCs) have been established nationwide since its launch in 2014. Of these, 343 centers were launched this 2017 which surpassed the target of 150 NCs this year by 198%.



There were 387 NCs in Luzon, 187 in Visayas, and 216 in Mindanao. A total of 647,372 NC services were rendered to the 692,037 clients.

Republic Act No. 10644: An Act Promoting Job Generation and Inclusive Growth through the Development of MSMEs, otherwise known as the Go Negosyo Act, was enacted into law on 15 July 2014. It aims to enhance the development of MSMEs, create jobs and livelihood in the community, and ease doing business for MSMEs through the establishment of Negosyo Centers nationwide.

Negosyo Centers offered capacity building program which includes modules on diagnosing an enterprise, business environment, strategic marketing, productivity and efficiency, financial management, and investment promotion facilitation.

Over 535,000 Business Name (BN) Registered. A total of 535,054 transactions were recorded for the year, up by 27% compared with 421,769 transactions in 2016. Web-based registration was the top source of transactions with a total of 299,695 transactions recorded followed by teller-based transactions accounting for 154,656, and the Philippine Business Registry (PBR) with 80,703. Most of the registered business names cover smaller scopes.

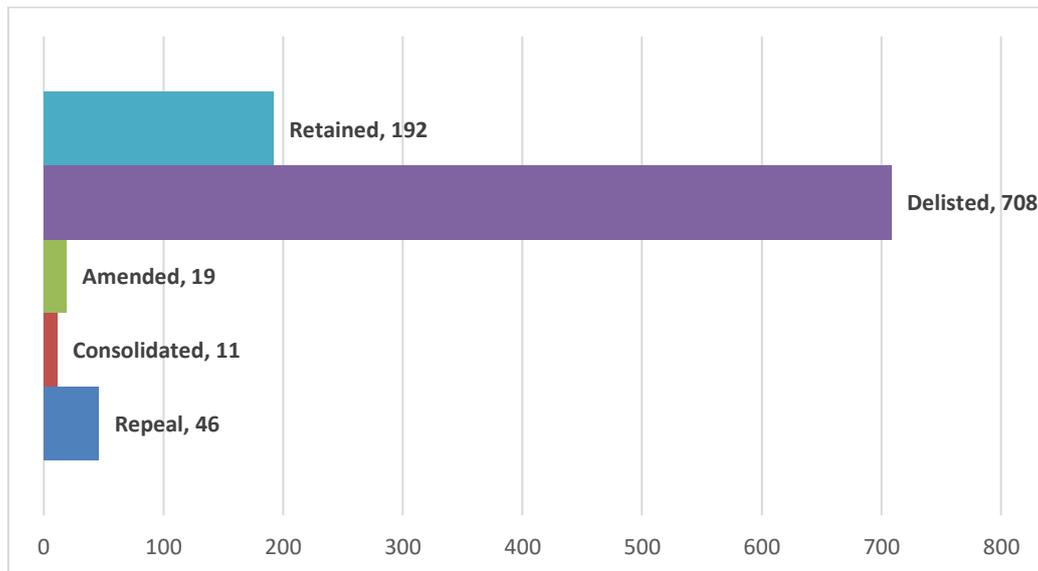
Over 10,000 has registered as BMBEs. The Barangay Micro Business Enterprises (BMBEs) Act of 2002 (R.A. No. 9178, as amended by R.A. No. 10644) encourages the formation and growth of BMBEs (or the micro enterprises) by granting them incentives and other benefits. The BMBE registration, which was transferred from the Office of the Treasurer of each city and municipality to the DTI Provincial Offices (POs) through the DTI Negosyo Centers, resulted in 13,301 BMBE registered nationwide.

Under the BMBE Act, major incentives that registered BMBEs will receive are the following:

- Income tax exemption from income arising from the operations of the enterprise;
- Exemption from the coverage of the minimum wage law (BMBE employees will, however, still receive the usual social security and health care benefits);
- Priority to a special window set up specifically for the financing requirements of BMBEs; and,
- Technology transfer, production and management training, and marketing assistance programs for BMBE beneficiaries.

Anti-Red Tape Act expanded, 3rd Project Repeal launched. In 2017, the Expanded Anti-Red Tape Act of 2017 (ARTA), an amendment of the Anti-Red Tape Act of 2007, was approved. Through this, processing of business applications by national or local government agencies should not be longer than three working days for simple transactions, and seven working days for complex transactions.

Following two successful Repeal Days in 2016, Project Repeal held the 3rd Repeal Day. This resulted in the revocation/amendment/consolidation of 976 issuances as follows:



Repeal – full elimination of a rule or issuance that is deemed no longer necessary;
Consolidate – integration of multiple, similar regulations into one legal document;
Amend – addition, deletion, and/or change of a certain provision of a rule or regulation;
Delist – removal of invalid rules and regulations from an agency’s website and roster of active issuances; and
Retain – to keep in possession of issuances which are still relevant and effective.

PH secures 99th spot in Doing Business Report. The Philippines climbed four notches to 99 from 103 in the 2017 Doing Business Report, which covers 190 countries, conducted by the World Bank (WB) – International Finance Corporation (IFC). The country has significantly gained 49 spots in the Doing Business Report since 2011, the largest gain in ASEAN. New Zealand, being the first in rank in the Ease of Doing Business, has expressed their intention to collaborate with the country. In May 2017, innovations have helped identify hurdles in the business registration process. The Philippine government aims to reduce the number of days in renewing or getting a business permit to one, from two to three. The goal is to be in the top one-third, ranging between 58 and 63.

ACCESS TO FINANCE (Money)

(MSMEDP 2017-2022 Strategic Goal 2: Improved Access to Finance)

Strategic Goal: To streamline and simplify loan processes for MSMEs, creating the necessary enabling environment that encourages local banks and relevant financial institutions to reach MSMEs at the ground level while equipping them with knowledge and enticements to avail of formal financial channels.

DTI funded over Php426 million worth of loans thru P3. One year after the President Rodrigo Duterte's directive to counter the "5-6" money lending system and to provide an affordable micro financing fund for the country's MSMEs, The DTI, together with the Small Business Corporation (SB Corp.) created the Pondo sa Pagbabago at Pag-asenso (P3), a program which provides MSMEs an alternative source of capital that is easy to access and made available at a reasonable cost.



In 2017, of the PhP1 billion on fund approved for P3, PhP815.62 million was released to fund 20,104 beneficiaries. Meanwhile, PhP375,000 was released to 37 beneficiaries from Marawi. There are four (4) national microfinance institutions (MFIs) and 123 local accredited conduits nationwide covering 71 provinces and the National Capital Region (NCR).

Interest free loans amounting to PhP5.28 million have been extended to more than 522 Maranao entrepreneurs, mostly displaced public market vendors and some start-ups. The budget for lending to Marawi small businesses is PhP50.0 million. Interest rate will be gradually implemented in the coming years as the rehabilitation of Marawi continues.

An Investment Financing fund of PhP50.0 million has been put in place for entrepreneurial families of soldiers classified as Killed in Action (KIA) or Wounded in Action (WIA). In 2017, PhP12.0 million has been released. The KIA/WIA families may opt to repay over three (3) years after the two (2) years of interest-free grace period.

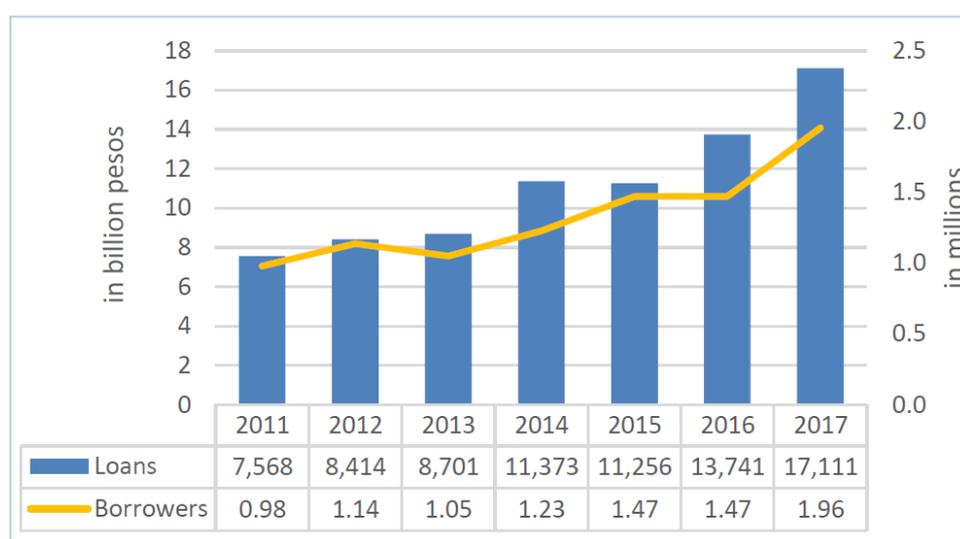
R.A. No. 9501, Section 15: Mandatory Allocation of Credit Resources for MSMEs. Republic Act No. 9501 prescribes that banks must set aside 8% of their total loanable funds for micro and small firms while 2% should be allotted for medium-sized lenders, with the goal of boosting MSMEs by handing them credit for production and expansion.

Direct lending by the banking sector to micro and small enterprises (MSEs) increased from PhP207.992 billion in 2016 to PhP213.813 billion in 2017. The 2017 figure however represents only 3.32% compliance ratio of the banking sector with the mandatory allocation requirements for MSEs.

Direct loans to medium enterprises also increased from PhP297.090 billion in 2016 to PhP323.825 billion in 2017. The 2017 figure represents 5.03% compliance of the banking industry with the mandatory credit allocation requirements for medium enterprises.

Financial Inclusion in the country. Financial inclusion is about providing all Filipinos access to affordable and client-centered financial services that can help them build a better life for themselves and their families. Since 2000, the Bangko Sentral ng Pilipinas (BSP) has been nurturing an enabling environment for the delivery of financial products specifically for the low income and vulnerable sectors of society. The goal was to mainstream microfinance as a banking activity and enable market-based solutions to address frictions and promote financial inclusion in a more sustainable manner.

In 2017, there were 162 banks with microfinance operation serving almost 2 million borrowers with outstanding loans amounting to PHP17 billion. From 2011 to 2017, the banks' microfinance loan portfolio and number of microfinance borrowers grew at an average annual rate of 15% and 13%, respectively.



Amount of outstanding microfinance loans and number of microfinance borrowers

Banks' offering of different microfinance products generally improved. While the number of banks providing microenterprise loans decreased, outstanding loans for different types of microfinance products experienced sustained growth.

		2016	2017	Growth
Microenterprise Loans	Banks	156	150	● -3.8%
	Borrowers	1,436,371	1,660,846	● 15.6%
	Amount (in million pesos)	11,956.6	14,234.6	● 19.1%
Microfinance Plus	Banks	32	37	● 15.6%
	Borrowers	5,537	8,390	● 51.5%
	Amount (in million pesos)	404.4	776.5	● 92.0%
Micro-Agri Loans	Banks	26	27	● 3.8%
	Borrowers	39,987	72,480	● 81.3%
	Amount (in million pesos)	303.3	720.9	● 137.7%
Housing Microfinance Loans	Banks	17	17	● 0.0%
	Borrowers	131,375	138,380	● 5.3%
	Amount (in million pesos)	875.6	1,002.5	● 14.5%

Credit Surety Fund (CSF) loan approval breached PhP4 billion, served 16,000 beneficiaries.

The CSF provides a maximum of 80% surety cover for loans granted by banks to borrowers that would otherwise have difficulty assessing such credit facilities due to usual barriers such as insufficient collateral, limited credit histories, and inadequate financial records.

In 2017, several milestones were achieved, with the CSF loan approval breaching PhP4 billion mark serving around 16,000 beneficiaries; launching of the 50th CSF in Cauayan, Isabela; and publishing of the implementing rules and regulation (IRR) of the Republic Act No. 10744 or the Credit Surety Fund Cooperative Act (CSF Act) of 2015.

As mandated by the CSF Act, the BSP continues to spearhead the promotion of CSF creation and organizational development in the country. To support CSF development, the BSP will continue to provide technical assistance and seminars to CSF cooperatives to enhance their management capabilities. The BSP will assist the Cooperative Development Authority (CDA) in setting the criteria and qualifications to the paper-based check system. The CDA shall be the government entity in charge of registration, regulation and supervision of CSF Cooperatives. Under the rules of for CSF cooperatives and provide such other forms of assistance as may be determined by the Monetary Board to be consistent with its mandate.

Philippine EFT System and Operations Network (PESONet) launched. The PESONet, the first Automated Clearing House (ACH) under the National Retail Payment System (NRPS), was launched on 08 November 2017. It is a batch electronic fund transfer (EFT) credit payment scheme, which can be considered an electronic alternative said ACH, the fund transfer and/or payment instructions will be processed in bulk and cleared at batch intervals. Each payee will then receive the full value in their account within the same banking day, provided the payment instruction was sent within the cut-off time.

The PESONet is more inclusive platform for EFTs which will make business-to-business (B2B), and person-to-business (P2B) payments more practical; enable business-to-person (B2P) such as corporations to credit salaries to respective existing accounts of their employees without need for the creation of special payroll accounts; enable the digitization of government-to-government (G2G) and person-to-government (P2G) collections and payments. The PESONet is also an opportunity for smaller industry players such as thrift and rural banks to have greater participation in the retail payment system.

The Philippine Clearing House Corporation (PCHC) is the designated clearing switch operator for PESONet for a two-year transitory period beginning from the time of PESONet's launch.

MANAGEMENT AND LABOR CAPACITIES *(Entrepreneurial Mindset, Mastery, Mentoring)*

(MSMEDP 2017-2022 Strategic Goal 3: Enhanced Management and Labor Capacities)

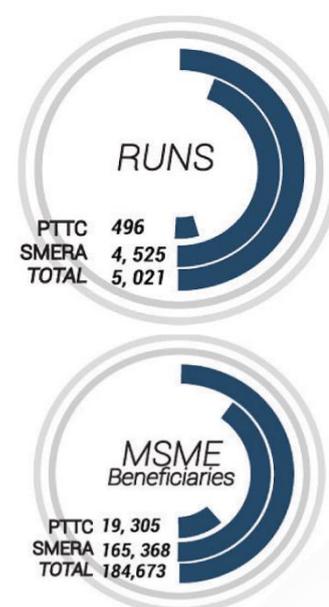
Strategic Goal: To expand and strengthen the human resources capacity of MSMEs through optimal application of a combination of mentoring, group training, field outreach, and online training as well as to improve MSME knowledge base using gender and other parameters.

KMME rolled out in 92 provinces/cities. As of December 2017, Kapatid Mentor Me (KMME) was rolled out to 92 provinces and cities to help MSMEs scale up their businesses through weekly coaching and mentoring provided by business owners and practitioners from different functional areas of entrepreneurship. A total of 121 batches were also launched, in which 2,663 mentees have graduated. Nationwide, there are 466 certified mentors available for coaching on topics that include marketing, product development, operations management, human resource management, financial management, taxation, and business law.

	2016 (Mar-Dec)	2017 (Jan-Dec)	TOTAL <i>as of 31 December 2017</i>
No. of Regions Covered	11	16	16
No. of Provinces/Cities Reached	13	92	92
No. of Batches Launched	13	108	121
No. of Runs Conducted	13	112	125
No. of Participants	4,124	24,078	28,202
- MSMEs Assisted	2,709	17,144	19,853
- Others	1,415	6,934	8,349
No. of Mentees			
- Pre-Qualified/Selected	253	2,605	2,858
- Graduated	244	2,419	2,663
- Drop-out Rate	4%	7%	7%
No. of Certified Mentors	30	466	466

Over 184,000 MSMEs benefit from SMERA and PTTC Trainings. From the 4,525 SME Roving Academy (SMERA) runs and the 496 Philippine Trade Training Center (PTTC) trainings conducted this 2017, a total of 184,673 MSMEs were assisted and educated to step up their enterprise operations, and improve their competitiveness, thereby facilitating easier access to domestic and international markets.

SMERA is a continuous learning program for the development of MSMEs to become competitive in the domestic and international markets. Its main strategies contain: integration of the business development services for SMEs at the national and local levels; establishment of the Provincial, Regional, and National Entrepreneurship Development Networks Management of an inclusive promotion program.



Almost 2,700 starter kits distributed through the Livelihood Seeding Program (LSP).

The LSP program aims to restore sustainable livelihood activities in disaster, resettlement, and poverty-stricken areas by providing a start-up capital and by providing Basic Entrepreneurship and Basic Management Trainings. The program targets to assist micro in the top of the poorest provinces identified in terms of poverty incidence and magnitude, and provide livelihood assistance to MSMEs affected by the typhoons in 2014, 2015 and 2016.

In 2017, a total of 9,963 MSMEs in NCR, Regions 3, 4A, and 8 benefitted from LSP. There were 2,697 starter kits distributed and skills and managerial entrepreneurship training programs conducted.

STRIKE Team for Indigenous People launched. The DTI launched the project dubbed as Strike Team for Indigenous People (IPs) to provide coaching in various areas of entrepreneurship. In 2017, a total of 13 provinces were visited and 6,271 IP beneficiaries were assisted. There were 84 entrepreneurial trainings conducted that were able to link 55 IP-MSMEs to financial institutions and 29 others to local and international trade fairs.

DTI, TESDA signed MOA to offer entrepreneurship trainings. The DTI and Technical Education and Skills Development Authority (TESDA) agreed to boost the ongoing government efforts to spur employment and entrepreneurship for Filipinos. On 7 August 2017, The DTI and TESDA signed a Memorandum of Agreement (MOA) to formally launch Skills Training for Employment/Entrepreneurship Program (STEEP) which aims to provide Filipinos necessary skills development on employment/entrepreneurship that could help them improve economic status.

More than 13,000 MSMEs benefitted in the Productivity Toolbox. National Wages and Productivity Commission (NWPC)'s Productivity Toolbox is a package of technical assistance and training services intended to build the knowledge and capacities of workers and enterprises on productivity concepts, tools, and techniques. Its training component is ladderized and its learning process is needs-based focused on improving workforce and enterprise productivity through adoption of productivity technologies, ranging from foundational (basic concepts and measurements, good housekeeping, work values, and work systems) to intermediate and more advanced training modules (green productivity and service quality).

In 2017, the Regional Tripartite Wages and Productivity Boards (RTWPBs) provided productivity training and technical assistance to 13,814 MSMEs benefiting 28,496 employers and workers.



NWPC has also conducted the 2017 Productivity Olympics and recognized eight (8) MSME national winners on 25 October 2017 at the Sequoia Hotel in Quezon City. Enterprises that have successfully implemented productivity improvement programs (PIPs) and have continuously adopted productivity technologies are qualified to join the Productivity Olympics.

TECHNOLOGY AND INNOVATION (*Machines, Models of Business*)

(MSMEDP 2017-2022 Strategic Goal 4: Improved Access to Technology and Innovation)

Strategic Goal: To support linkages between MSMEs and large corporations, develop more inclusive business models and social enterprises; establish feasible domestic economic zones for MSMEs; and make innovative technologies including sustainable and resilient practices affordable, cost effective, and accessible to MSMEs across all regions of the country.

Over 215,000 MSMEs assisted through SSFs nationwide. As of 31 December 2017, a total of 2,231 Shared Service Facilities (SSF) have been established nationwide. The SSFs have assisted 215,628 beneficiaries and generated 111,747 jobs.

The SSF projects are managed by cooperators for the common use of MSME beneficiaries engaged in the processing of abaca, bamboo, cacao, kalamansi, ceramics and pottery, coconut/coco coir, coffee, dairy, fashion accessories, furniture and furnishings, gifts, décor and housewares (GDH), handicrafts, meat (fresh and processed), metal and metalworks, milkfish, muscovado, organic fertilizer, pineapple, processed food, renewable energy, rubber, seaweeds, tuna, and veggie noodles, among others.



Technology transfer and commercialization by MSMEs through DOST's SET-UP. Through Small Enterprise Technology Upgrade Program (SETUP) being implemented by Department of Science and Technology (DOST) Regional Offices, MSMEs are provided with technology intervention packages in the form of innovative and cost-effective facility, human resource development, and technical consultancy services, among others.

In 2017, a total of 769 MSMEs received innovation system support fund and adopted technological interventions for enhanced productivity and competitiveness. Furthermore, a total of 5,600 technology interventions such as process and system improvement, training, technical consultancy services, product development, testing and calibration, and packaging and labelling assistance were provided during the year.

This program is aimed at empowering MSMEs so they may apply innovation in their firms, move up the technology scale, and become more competitive thereby improving productivity, substantially generating value-added and employment to increase the country's overall manufacturing growth. SETUP has also created a high level of awareness among firms that technology has a very critical impact on their operations and pave the way for better profitability, improved productivity and better products and processes as well as the development of new products for the market, among many others.

OTOP Next Gen rolled out in the regions. From the program One Town, One Product (OTOP), comes OTO Next Gen which aims to offer public-private assistance for MSMEs with minimum viable products in order to provide new or better offerings with significant improvement and innovation in the areas of quality, product development, design, standards compliance, marketability, production capability, brand development, among other criteria. The program aligns itself as a support to DTI and

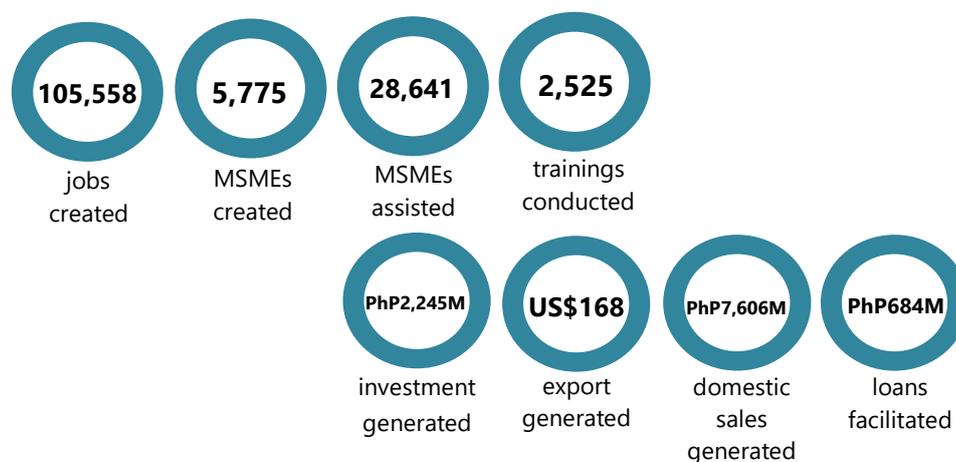
PDP-identified priority industries. OTOP products shall leverage on “Pride of Place” and “Cultural Value” while working in the backdrop of market-responsiveness.

In 2017, there were 6,522 MSMEs evaluated/assisted and 4,847 products developed throughout the OTOP Next Gen Project, while P537 million sales were generated.

Design and packaging campaign for PH brands intensified. In 2017, the DTI, through the Design Center of the Philippines (DCP), assisted 1,059 enterprises and commercialized 1,139 designs. A total of 246 trainings sessions were also conducted and trained 76 designers. DCP also provided 5,059 design services and 4,521 technical assistance. Design services included product development, merchandise development, graphics and label design, and exhibition design while technical assistance includes capability development, skills training and knowledge transfer such as technology updating workshops, agency services briefing, technical consultation, technical information, trends briefing, and referrals.

DCP likewise held “Pick Pack Boom”, a design challenge for young design professionals to develop and recreate sustainable and locally sourced recycled and sustainable packaging materials for Human Nature’s bath soap bar and Malagos’ Chocolates, which are two world-renowned Philippine brands. The best prototypes produced were the origami concept for Human Nature’s bar bath soap and the graphic storytelling of Malagos’ tree-to-bar single origin cacao. The prototypes developed during the session were turned over to Human Nature and Malagos for further development.

More than 28,000 MSMEs were assisted in the DTI’s ICE Program. With its rallying banner “Building capacities in the regions: A sustainable development model,” DTI’s Industry Cluster Enhancement (ICE) Program has exhibited a remarkable performance for the first quarter of the year. As a result of various initiatives and interventions in promoting and fostering for industry development nationwide, the seven (7) national priority industry clusters which are predominantly agri-based industries (i.e. rubber, coco coir, coffee, cacao, processed fruits & nuts, wearables & homestyles, and bamboo) had contributed significant outcomes in terms of bottomline indicators. In 2017, the program has supported/accomplished the following:



MSMEs take advantage of Intellectual Property Protection. The DTI, in partnership with the Intellectual Property Office of the Philippines (IPOP), launched its joint program known as **Juana**

Make a Mark which aims to provide 1,000 women entrepreneurs with free trademark registration. To be a beneficiary, the MSME must be able to pass a set of eligibility criteria which includes having business activities included in the DTI's or IPOPHL's list of priority sector or a business situated in areas which are prone to natural disasters or facing social and/or economic challenges, among others.

QBO bags Best Accelerator Program in Philippines Rice Bowl Startup Awards. The QBO Innovation Hub is the first public-private initiative for startups set up by the DTI, DOST, Ideospace, and JP Morgan. It offers classes, workshops, feedback sessions, and use of its co-working spaces to further the growth and learning of Philippine startups and businessmen. Consultations on legal, accounting, marketing, design, corporate, and government partner resources referrals, incorporation assistance, business registration, intellectual property filing, and investors and potential partners pitching are also available through QBO. On 25 October 2017, it was named the Best Accelerator Program in the Philippines Rice Bowl Startup Awards held at A SPACE Manila.

MOU on Inclusive Filipinnovation & Entrepreneurship Roadmap signed with DOST on the 1st Inclusive Innovation Conference. On 01 June 2017, during the first Inclusive Innovation Conference (IIC), the DTI and DOST signed a Memorandum of Understanding (MOU) to jointly formulate and implement the Inclusive Filipinnovation and Entrepreneurship Roadmap. In line with DTI's thrust of promoting entrepreneurship and innovation as the heart of the country's new industrial strategy, this MOU establishes mechanisms for coordination, means for alignment of strategies, and various areas of collaboration initiatives towards the establishment of an inclusive innovation and entrepreneurship ecosystem. This will help Philippine MSMEs move up their value chains and advance the competitiveness of Philippine industries.

Following the IIC, DTI and DOST conducted a series of regional seminar-workshops on innovation and entrepreneurship. These were conducted in NCR, Cebu, Davao, Cagayan de Oro, and Angeles City and were participated by around 500 stakeholders from government, industry, and the academe from the various regions. The seminar-workshops discussed Industry 4.0 and government plans and programs, and gathered stakeholder inputs on building an inclusive innovation and entrepreneurship ecosystem in the region.

MSMEs in food industry capacitated thru FIC. DOST's Food Innovation Center (FIC) aims to enhance the innovative capacities of MSMEs in the food industry to improve the quality of their existing products and/or develop new ones. As of 31 December 2017, there were 16 FICs in the following regions: (1) Benguet State University, CAR (Benguet); (2) Pangasinan State University, Region I (Pangasinan); (3) Cagayan State University, Region II (Tuguegarao); (4) Bulacan State University, Region III (Bulacan); (5) UP Diliman-College of Home Economics, NCR (Quezon City); (6) DOST-ITDI, NCR (Taguig City); (7) UP Los Baños, CALABARZON (Los Baños); (8) Mindoro State College of Agriculture and Technology, MIMAROPA (Oriental Mindoro); (9) Bicol University, Region V (Albay); (10) Guimaras State College, Region VI (Iloilo); (11) Cebu Institute of Technology, Region VII (Cebu City); (12) Eastern Visayas State University, Region VIII (Tacloban City); (13) Zamboanga State College of Marine Science and Technology, Region IX (Zamboanga City); (14) Mindanao University of Science and Technology, Region X (Cagayan de Oro); (15) Philippine Women's College in Region XI (Davao City); and (16) CARAGA State University, Region XIII (Butuan City).

OneLab for Global Competitiveness. One Stop Laboratory Services (OneLab) project is an IT-based solution, envisioned to broaden public access to testing services of all the member-laboratories in the network at a single touch point. It integrates participating laboratories from across the country through an IT-based Referral System. This allows for seamless handling of samples from receiving, referral, transport, analysis to the prompt delivery of calibration and testing reports wherever the customers are. The customers need not shuttle from one laboratory to another to have access to all their testing and calibration needs. The customers are also provided with accurate and complete instructions regarding their testing requirements as well as on-line access to track the status of their test requests.



In 2017, two laboratories in the Association of South East Asian Nations (ASEAN) joined the network and new tests/services were being offered such as arsenic in water, lead, water activity, fatty acid, pencil hardness test, push-pull test, pork DNA detection, crude protein, calibration of liquid-in-glass and thermometers, calibration of enclosures (ovens and climatic chambers), and calibration of bimetallic thermometers (Analog).

Promoting techpreneurship thru TBIs. Technology Business Incubation (TBI) is a facility designed to nurture and accelerate the establishment and growth of technology-based startups through the provision of business and mentoring support, offered both in the incubator and through its network of key players in the industry.

As of December 2017, the DOST- Philippine Council for Industry, Energy and Emerging Technology Research and Development (PCIEERD) has supported the establishment of 12 TBIs and two Innovation Hubs nationwide.

ACCESS TO MARKET (Market)

(MSMEDP 2017-2022 Strategic Goal 5: Improved Access to Market)

Strategic Goal: To provide timely and relevant data to help MSMEs tap new business opportunities including linkages to local and global supply chains, improve support for ensuring compliance to market and buyer requirements (e.g., different legal, regulatory and technical requirements) and provide access to marketing platforms including e-commerce.

32 Go Lokal! stores launched nationwide. As of December 2017, DTI has launched a total of 32 Go Lokal! stores nationwide including its first ever Concept Store in the East-Wing Showroom of the DTI Trade and Industry Building in Makati City. Other stores were launched in Robinsons Ermita, SM Makati, Rustan's Makati, Glorietta 2, Duty Free Philippines in Fiesta Mall, CityMall branches nationwide, and Shopwise Araneta. Go Lokal bags and shoes were also featured in PAL's November issue of its in-flight magazine. Go Lokal products are also available online through Market PH, an online store of locally produced products.



For 2017, the Go Lokal! Stores were able to generate a total of PhP13.5 million. Of the 416 products that were endorsed to the Go Lokal! retail partners, 182 or 44% were taken in as Go Lokal! products and 35 or 19% of these were enlisted as regular merchandise by the Retail Partners. Some 131 MSME companies were also provided with product development services as a strategy to increase absorption of MSME products in the mainstream market.

Initiated by DTI in collaboration with select retail partners, Go Lokal! is a marketing platform provided to MSMEs for market incubation, and brand testing. With a 365-day exposure to retail markets in prime locations and the shelf spaces provided for MSMEs at zero cost. Go Lokal! is an excellent opportunity for the country's MSMEs to go mainstream without incurring the high cost of operating a retail outlet which gives MSMEs valued savings of over PhP7M.

"e" and "m" commerce promoted thru oneStore.ph. To help MSMEs expand their customer reach, increase brand awareness, save up on operational costs for opening up new physical stores, and overcome geographical limitations, DOST established the oneStore.ph program which promotes both electronic and mobile commerce. MSMEs who are beneficiaries of SETUP are able to use the platform to sell their products for free.

In 2017, the onestore.ph online and mobile shopping platform has uploaded a total of 10,902 products and recorded a total transaction amounting to PhP1.3 million. Visit to OneStore website has reached 10 million hits. Data analytics showed that the top visitors of the portal are from the United States, South Korea, and China. There are also site visitors from Russia.



723 exhibitors participate in the 2017 Sikat Pinoy. In 2017, three (3) Sikat Pinoy events were held: the National Food Fair in March, the National Arts and Crafts in October, and the National Trade Fair in December. Total sales generated amounted to P109.94 million. Some 723 exhibitors participated and number of visitors reached 122,545.

Over \$480 million export sales generated through signature events and overseas trade fairs.

The DTI, through the Center for International Trade Expositions and Missions (CITEM), has generated a total of \$484.839 million in reported export sales (booked and under negotiation) for the participating SMEs through organization of Signature Events such as 65th and 66th Manila FAME and International Food Expo (IFEX) Philippines, and Philippine participation in the following overseas trade shows:

- *Food Sector:* Winter Fancy Food Show (San Francisco, USA / January 22-24), Gulfood (Dubai, UAE / February 26 – March 02), Foodex (Chiba, Japan / March 07-10), Taipei International Food Show (Nangang, Taipei / June 21-24) and Anuga Food Fair (Cologne, Germany / October 07-11)
- *Homestyle and Fashion Sectors:* Ambiente (Frankfurt, Germany / February 10-14), Salone Internazionale del Mobile (Milan, Italy / April 04-09), Maison Et Objet (Paris, France / September 8-12), and International Furniture Fair Tokyo (Tokyo, Japan / November 20-22)
- *General Consumer Fair:* China-ASEAN Expo (Nanning, China / September 12-15)

Over \$95 million sales generated from RIPPLES Plus. Regional Interactive Platform for Philippine Exporters (RIPPLES Plus) is a five-year program which aims to provide purposive assistance for MSMEs and large corporations. The modes of assistance under the RIPPLES Plus program include training and capacity building, investment, marketing, and promotion, support innovation, product development and design, access to markets through Mutual Recognition Arrangements (MRAs) and certifications focused on the development not only of products and services but also of exporters. There are 408 enrollees in the program whose products range from gifts, housewares, decors (GDH); processed food; services; and others such as health supplements and cosmetics.

In 2017, sales from Outbound Business Matching Missions (OBMM) reached \$82.2 million, while sales from inbound Business Matching Missions totaled \$13.5million.

APEC MSME Marketplace launched. During the Philippine' hosting of Asia-Pacific Economic Cooperation (APEC) in 2015, DTI led the adoption of the APEC Iloilo Initiative: Growing Global MSMEs for Inclusive Development by SME Ministers. Under the Iloilo Initiative, the Philippines committed the development of the APEC MSME Marketplace, a web portal which aims to promote MSMEs participation in international trade and improve cooperation in APEC on SME development. The portal shall contain information, resource materials, and other functionalities toward: (1) facilitating business networking and matching involving MSMEs; (2) enhancing MSME awareness and feedback on trade regulations; and (3) improving mechanism for knowledge sharing on trade facilitation, business support, partnerships and capacity building for MSMEs.

On 15 September 2017, the Philippines successfully launched the APEC MSME Marketplace during the 24th APEC MSME Ministerial Meeting in Ho Chi Minh City, Viet Nam. Accessible via www.apecmsmemarketplace.com, the APEC MSME Marketplace, which showcases MSME products and trade facilitation services, is the result of the collective efforts of the 21 APEC member economies to contribute to the shared vision of mainstreaming the MSMEs into the global economy.

More than 260 new brands developed thru BrEDP. The recognition of the importance of brand development as a business competitive tool has impelled the DTI to develop new strong Philippine brands. In 2017, the DTI launched the Brand Equity Development Program (BrEDP) which aims to develop innovative and globally competitive brands that can successfully penetrate into the national, regional, or international markets. The overall goal is to increase brand awareness and identity of at least one MSME brand per province, per year from 2017 to 2022. Specifically, it intends to promote understanding and to increase knowledge on the importance of developing unique brands among MSMEs and DTI business counsellors, enhance branding capacities of MSMEs, and promote developed brands to wider markets.

As of December 2017, there were a total of 264 new brands developed across the country. Major accomplishments under the BrEDP also include the preparation and dissemination of implementation guidelines, facilitation of national branding awareness sessions and consultations, provision of assistance in contracting brand development specialist for regional branding sessions, and monitoring of program implementation.

DEVELOPED / IMPROVED BRANDS <i>(as of 31 December 2017)</i>		
Regions	No. of Enrollees	No. of New Brands Developed
CAR	33	8
Region 1	26	10
Region 2	80	49
Region 3	39	9
Region 4A	83	1
Region 4B	64	--
Region 5	122	27
Region 6	67	3
Region 7	99	48
Region 8	30	17
Region 9	117	50
Region 10	12	13
Region 11	53	13
Region 12	33	11
Caraga	100	5
NCR	28	--
TOTAL	986	264

-- No submission. Activities completed include branding workshops, identification of enrollees, and IPO registration

WORKSHOPS CONDUCTED		
Orientation on Brand Equity Development for MSMEs	DTI Regional Directors and Trade Promotion Officers	February 2017
Marketing Leadership and Brand Development Workshop	DTI Regional Directors and Trade Promotion Officers	June 2017
Regional Branding Awareness Sessions	All 16 regions (DTI Employees and MSMEs)	February – December 2017
Branding Awareness Workshop	DTI-Head Office Agencies	Nov 2017



Region 2



Region 5



Region 6



Region 10



Region 12



Region 13

IRR of law on exports of Halal products signed. The Implementing Rules and Regulations (IRR) for Republic Act No. 10817 also known as the “Philippine Halal Export Development and Promotion Act” was signed on 26 July 2017 by members of the Philippine Halal Export Development and Promotion Board led by DTI Secretary Ramon Lopez. This signifies the inclusion of the country in the \$3.2 trillion global Halal market. The DTI, through its Export Marketing Bureau (EMB), has set up its Halal Section that is dedicated to conducting capacity-building activities for and among concerned Halal stakeholders. It also provides necessary assistance to local Halal Certifying Bodies (CBs) about the dynamics of the new Philippine Halal law. A total of 280 export products were certified as Halal in 2017.

DTI explores E-commerce channels for MSMEs. To push for greater multi-channel retailing, DTI partnered with Alibaba Group and Lazada Philippines, one of the country’s leading online selling platforms, to explore online retailing opportunities for MSMEs. DTI opened the possibility of using an online platform such as Lazada as a marketing venue for products from local entrepreneurs. Lazada Philippines expressed its intent to partner with DTI for a project involving a registered microsellers cooperative in the country. Alibaba Group, a major stockholder of Lazada, expressed its support for the project.

APPENDIX 1: MSME Development Plan 2017-2022 Framework

VISION	More globally competitive MSMEs that are regionally integrated, resilient, sustainable, and innovative thereby performing as key drivers of inclusive Philippine economic growth				
FOCUS AREAS	Business Environment		Business Capacity		Business Opportunities
THEMES	Business Climate	Access to Finance	Human Capital Development	Technology and Innovation	Access to Market
GOALS	Improved Business Climate	Improved Access to Finance	Enhanced Management and Labor Capacities	Improved Access to Technology and Innovation	Improved Access to Market
STRATEGIES	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.	Streamline and simplify loan processes for MSMEs, creating the necessary enabling environment that encourages local banks and relevant financial institutions to reach MSMEs at the ground level while equipping MSMEs with knowledge and enticements to avail of formal financial channels.	Expand and strengthen human resource capacity of MSMEs through optimal application of a combination of mentoring, group training, field outreach, and online training; improve MSME knowledge base using gender and other parameters.	Support linkages between MSMEs and large corporations; develop inclusive business models and social enterprises; establish feasible domestic economic zones; make innovative technologies as well as sustainable and resilient practices more affordable, cost-effective, and accessible to MSMEs.	Strengthen value and supply chain linkages; make domestic and export market information such as market analysis, and directory of potential markets for matching and interaction, timely, accurate, inexpensive and available for MSMEs
CROSS-CUTTING STRATEGIES	Expand MSME Assistance Centers Promote Women and Youth Entrepreneurship		Strengthen the role of Local Government Units Maximize Opportunities in the Digital and Internet Economy		Promote Green Growth
ACTION PLANS (Policies, Programs, Projects)	<ul style="list-style-type: none"> Expedite delivery of MSME assistance services; Streamline business systems; Remove restrictions, provide incentives and promote job-creating investments; Reduce regulatory burden, and; Reduce MSMEs' cost of doing business. 	<ul style="list-style-type: none"> Streamline and simplify loan requirements and processes for MSMEs and cooperatives; Build capacities of financial institutions and cooperatives to provide business development assistance for MSMEs; Provide financial literacy trainings for MSMEs; Enhance guarantee system and other financial infrastructures; Assess and implement related laws and programs, and; Leverage on the National Retail Payment System (NRPS) in promoting e-commerce, facilitating operational efficiency, and enabling electronic payments. 	<ul style="list-style-type: none"> Encourage and promote entrepreneurship and equal opportunities for all including women and youth; Enhance labor capacities through human resource development and gender diversity, among others, and; Intensify advocacy and education campaigns on policies and programs relevant to improving the management capability and labor productivity of MSMEs. 	<ul style="list-style-type: none"> Expand shared facilities; Provide financing for equipment and machinery acquisition; Promote Philippine National Standards (PNS) by NGAs and its adoption by MSMEs; Develop internationally harmonized industry performance standards, and; Bring MSMEs into the digital and internet economy. 	<ul style="list-style-type: none"> Expand market access to existing and new markets presented by the AEC and other preferential trade agreements; Promote e-Commerce; Organize local and international marketing events; Organize signature events; Participate in overseas trade fairs, and; Design export programs.
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

APPENDIX 2. Table 1: MSMED Plan 2017-2022 Overall KPI

OVERALL INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENT	REMARKS
				2017	
Increase in employment of MSME	Total Employment (PSA)	4,879,179	8.284M	4,922,251 <i>(out of 7,832,089 total employment)</i>	
Percentage increase in number of registered MSMEs	Number of Establishments (PSA)	911,768	1,094,122 <i>(20% increase)</i>	920,677 <i>(out of 924,721 total enterprises)</i>	
	Number of registered Enterprises with LGUs* (LGUs / PBR)	---	TBD	1,348,559	
	Number of registered MSME corporations (SEC)	---	TBD	---	
Number of women entrepreneurs created	PSA, DTI, PCW	---	TBD	---	
Number of youth entrepreneurs created (15 to 30 years old)	PSA, DTI, NYC	---	TBD	---	
Proportion of small-scale industries (enterprises) in total value added increased	Value added Other proxy: Total Sales (DTI-CB / EODB Council)	35.7% ⁴	50-55%**	---	

*It is estimated that around 3-4 million enterprises are registered with LGUs. DTI has collected information from around 10% of the LGUs which gave a total registration of about 1 million enterprises.

**Following the targets of the ASEAN-6, particularly Singapore and Malaysia.

⁴ 2006 PSA data. Note that the 2013 and 2014 ASPBI manufacturing value added is 24.34% and 20.91%, respectively.

APPENDIX 3. Table 2: MSMED Plan 2017-2022 Business Climate KPIs

INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENTS	REMARKS
				2017	
No. of Negosyo Centers established	NC Report (Negosyo Center-PMU)	297 NCs	350 ⁵	343	2014 – 5; 2015 – 145 (a total of 790 NCs since 2014)
No. of business assistance facilitated by the Negosyo Centers	NC Report (Negosyo Center-PMU)	634,591	1,271,598 (10% increase yearly)	647,372	
Increased customer Satisfaction	NC Report (Negosyo Center-PMU)	85%	90%	99%	
Number of Barangay Micro-Business Enterprises (BMBEs) ⁶ registered increased	Number of BMBEs Registered (Negosyo Center-PMU)	2,009	60,000	12,868	
Number of LGUs with streamlined business permit and licensing systems (steps in registration)	Number of LGUs (DILG-LGA/DTI-CB Reports)	1,422 LGUs	1,634 LGUs	---	
	New Business	360,590	---	470,550	
	Business Renewal	61,179	---	64,504	
Number of agencies which have streamlined their processes	NCC/EODB Report (EODB Council/DTI-CB)	---	---	---	

⁵ 202 NCs established from January to September 2017; 150 NCs for 2018. Although no target has been set for 2019-2022, NC will continue to expand at a rate of 10% or more yearly.

⁶ BMBEs are enterprises with asset size of less than Php 3M

APPENDIX 4. Table 3: MSMED Plan 2017-2022 Access to Finance KPIs

INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENTS	REMARKS
				2017	
Percentage of SMEs with bank loans/line of credit	Small enterprises (World Bank Enterprise Survey ⁷)	22.6%		---	
	Medium enterprises (World Bank Enterprise Survey ⁸)	38.9%		---	
Percentage of SMEs with a checking or savings account	Small enterprises (World Bank Enterprise Survey ⁹)	90.9%		---	
	Medium enterprises (World Bank Enterprise Survey ¹⁰)	96.2%		---	
Proportion of microenterprises availing P3 and other micro financing increased	Number of P3 borrowers (SB Corp)	2,500	19,000	20,104	
	Number of borrowers availing from microfinance banks (BSP)	1,686,152	---	---	
No. of SMEs accessing funds thru Fintech	Fintech Association / CIC	TBD	TBD	---	

⁷ Baseline figures based on 2015 report; World Bank Enterprise Survey for the Philippines has been conducted in 2009 and 2015.

⁸ Baseline figures based on 2015 report; World Bank Enterprise Survey for the Philippines has been conducted in 2009 and 2015.

⁹ Baseline figures based on 2015 report; World Bank Enterprise Survey for the Philippines has been conducted in 2009 and 2015.

¹⁰ Baseline figures based on 2015 report; World Bank Enterprise Survey for the Philippines has been conducted in 2009 and 2015.

Percentage increase in the amount of loans availed by MSMEs	Amount of loans availed by MSMEs (BSP Reports)	Php496.863B	---	---	
Percentage of MSME loans to total business loans	Amount of loans availed by MSMEs (BSP Reports)	---	---	---	
Number of MSMEs accepting digital payments		---	---	---	
SME loans granted through movable collateral	IFC-World Bank	---	---	---	
Number of special financing facilities (e.g. Micro Disaster Risk Insurance (MDRI) financing, green finance, financing for women entrepreneurs, startup)		---	---	---	

APPENDIX 5. Table 4: MSMED Plan 2017-2022 Management and Labor Capacities KPIs

INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENTS	REMARKS
				2017	
Percentage increase in MSME labor productivity	Reports from PSA (ASPBI), NWPC	---	TBD	---	
Percentage increase of trained MSME participants of government training	Reports from DTI, DOLE, NWPC, DOST, TESDA, UP-ISSI	4.296M	TBD	---	
Labor force participation rate, female (% of female population ages 15+) in MSME enterprises	Survey conducted by PSA, DOLE	---	TBD	---	
Labor force participation rate for ages 15-30 (youth). Total (%)	Reports from PSA, DOLE	---	TBD	---	
Number of training programs provided to MSMEs (including women and youth)	Agency submissions under the MSMED Plan Monitoring Report, DTI-RGMS, PCW, NYC, DepEd	---	TBD	---	
Number of MSMEs (including women and youth) trained	Agency submissions under the MSMED Plan Monitoring Report	---	TBD	---	

APPENDIX 6. Table 5: MSMED Plan 2017-2022 Technology and Innovation KPIs

INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENTS	REMARKS
				2017	
Number of new and innovative common service facilities established	Number of SSFs	2,196		2,231	
	Number of FabLabs	---		---	
	Number of Food Innovation Centers	17		16	
	Number of SET-UP	6,665		5,600	
	Number of Technology Business Incubation (TBI)	---		14	
	Number of Common Workspace	---		---	
Percentage increase of MSME investments on technology and innovation	<p>Percentage increase in the amount of investments in MSMEs</p> <p>Approved amount invested in MSME sector- Actual FDI in MSME sector in the balance of payments</p> <p>(Research and development expense, Capital expenditures (tangible) on machinery and equipment, Capital expenditures (intangible) on R&D)</p> <p>(PSA-ASPBI, DOST-S&T Plan, PSA-Foreign Investment Report, BOI, BSP, PEZA, Clark Development Corporation, SBMA)</p>	---		---	

APPENDIX 7. Table 6: MSMED Plan 2017-2022 Access to Market KPIs

INDICATORS	SOURCE	BASELINE (2016)	TARGET (2022)	ACCOMPLISHMENTS	REMARKS
				2017	
Number and percentage of MSMEs participating in global value chains increased	Direct Exports (intermediate goods only)	---	---	---	
	Sales to exporters	---	---	---	
	Contract and Commission work done for others	---	---	---	
Amount and percentage increase in amount of domestic sales	Value of domestic sales (PSA/CDA/BIR)	Php82.14B	---	<ul style="list-style-type: none"> • PhP109.93M (total sales from Trade Fairs) • PhP13M (Go Lokal! Sales) 	
	Programs of agencies: - Trade Fairs, Go Lokal, Presence of SME products in retail outlets, etc	---	---	---	
Amount and percentage increase in amount of export sales	Value of export sales	US\$14.35B and (2.4%) GR	---	US\$17.18 B and +19.7% GR	
	Number of MSMEs engaged in export sales	5,048		5,444	

Number of enterprises with online presence or participating in Marketplaces	(PSA (ASPBI) / EMB (Tradeline) / PHILEXPORT)	---	---	---	
	PBR (companies with websites)	---	---	---	
Percentage share of SMEs' contribution to national exports	PSA/BSP, EMB, BOI, PHILEXPORT	25%	---	25%	
Percentage of SMEs with investment overseas	DTI FTSC/PITC, PFA, DA Attaches	---	---	---	