PHILIPPINE COMPETITION COMMISSION
Ensuring businesses compete and consumers benefit

25/F Vertis North Corporate Center I,
North Avenue, Quezon City 1105
www.phcc.gov.ph
queries@phcc.gov.ph
(+632) 8771 9722
(+632) 8771 9713

PRESS RELEASE
5 October 2017

PCC Chairman says competition improving, cites Global Competitiveness Report

The business community's perception of competition in the Philippines hit a new high, as the country locks in its highest score in the latest Global Competitiveness Report (GCR) for 2017-2018.

In terms of intensity of local competition, the Philippines scored 5.3 in the latest GCR, an uptick from 5.2 in 2016 and the highest since the 5.0 garnered in 2007. As a result, the country's ranking improved to 54th among 137 economies included in this year's report, from 60th among 138 surveyed in 2016.

"This is the highest score we have ever achieved in the last decade and we are optimistic that the coming years will see better numbers as the enforcement of the competition law gains traction," said Arsenio M. Balisacan, chairman of the Philippine Competition Commission (PCC).

Intensity of local competition is one of 16 indicators of goods market efficiency, which in turn is one of 12 pillars of the Global Competitiveness Index (GCI). The Philippines' overall GCI ranking improved to 56th this year from 57th last year. Other ASEAN member-economies that improved their standing were Brunei Darussalam, which jumped 12 notches to 46th place this year, while Vietnam went up five points to 55th place.

"Any progress in the competitiveness score card translates to an upbeat outlook for investors who are keen to enter and compete in the Philippine market. This sets the stage for the business community to feel the impact of the competition law," Balisacan said.

Two other indicators of goods market efficiency are relevant to PCC's mandate to promote competition, namely extent of market dominance and effectiveness of anti-monopoly policy. The Philippines ranked 119th on the first and held steady at 106th place on the second.

"Now that PCC is here, the challenge is to secure significant reforms that will address the weaknesses in the current competition landscape, thereby promoting inclusive growth and consumer welfare," Balisacan said.

Organized in February 2016, the PCC considers competitiveness as an indirect indicator of the degree of competition in the country.

"We recognize that competition is a key driver of competitiveness. When real competition is in effect, the economy bears witness to the benefits of their efficiency and, by extension, their competitiveness. And with real competition comes more affordable goods and services and better choices for consumers," Balisacan said.

The GCI is based on an annual survey administered by the World Economic Forum (WEF) that factors in 12 categories, which apart from goods market efficiency, also includes institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, labor market efficiency, financial market development, technological readiness, market size, business sophistication and innovation.

For this year's GCI, the WEF polled 12,775 business executives in 133 economies between February and June 2017. In the Philippines alone, the WEF surveyed 55 executives.

###

REFERENCE:
Penelope P. Endozo
publicaffairs@phcc.gov.ph
Public Affairs Division
Philippine Competition Commission