Supporting MSMEs in Rebuilding their Businesses

Regional Operations Group
DEPARTMENT OF TRADE AND INDUSTRY
Presentation Outline

- Overview of the Philippine MSMEs
- Results of the Impact Assessment Survey of COVID-19 on the MSME Sector conducted by DTI
- DTI MSME Programs
- DTI Interventions in the Creative Industry
DEFINITION OF MSMES

The Philippine MSMEs* are categorized based on asset size (excluding land) and number of employees:

<table>
<thead>
<tr>
<th>TOTAL ASSET VALUE</th>
<th>CATEGORY</th>
<th>EMPLOYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to ₱3,000,000</td>
<td>MICRO</td>
<td>1-9</td>
</tr>
<tr>
<td>₱3,000,001 - 15,000,000</td>
<td>SMALL</td>
<td>10-99</td>
</tr>
<tr>
<td>₱15,000,001 - 100,000,000</td>
<td>MEDIUM</td>
<td>100-199</td>
</tr>
</tbody>
</table>

* The Magna Carta Micro, Small and Medium Enterprises (R.A. No. 6977, as amended) defines MSMEs according to assets. However, please note that available statistics from Philippine Statistics Authority (PSA) are still categorized according to the number of employees.
As per data gathered by DILG from LGUs, there were 2,081,274 million registered enterprises in the country as of 31 August 2021.

Source: 2020 List of Establishments (LE), Philippine Statistics Authority (PSA)
DISTRIBUTION OF MSME PER INDUSTRY SECTOR

*Other Service Activities include Personal Services for Wellness, except Spas, Repair of Personal and Household Goods, Funeral and Related Activities, Repair of Computers and Communications Equipment, Laundry Activities, and Other Personal Service Activities.

**Other Industries (16.23%)**
- Human Health and Social Work Activities (2.89%)
- Information and Communication (2.81%)
- Education (1.77%)
- Administrative and Support Service Activities (1.72%)
- Professional, Scientific and Technical Activities (1.60%)
- Arts, Entertainment, and Recreation (1.50%)
- Real Estate Activities (1.25%)
- Transport and Storage (1.07%)
- Agriculture, Forestry, and Fishing (0.87%)
- Construction (0.41%)
- Water Supply; Sewerage, Waste Management and Remediation Activities (0.15%)
- Electricity, Gas, Steam, and Air Conditioning Supply (0.13%)
- Mining and Quarrying (0.07%)

Source: 2020 List of Establishments (LE), Philippine Statistics Authority (PSA)
PHILIPPINE MSMEs at a glance

Source: 2020 List of Establishments (LE), Philippine Statistics Authority (PSA)

Economic Indicators

- **99.51%** Business Establishments
- **62.66%** Employment
- **35.7%** Total Value Added

Sectoral Distribution

- **46.74%** Wholesale and Retail Trade
- **14.07%** Accommodation and Food Services
- **11.64%** Manufacturing
Results of the Impact Assessment Survey of COVID-19 on the MSME Sector conducted by DTI
MSMEs’ Business Operations Affected by COVID-19

Source: DTI's Impact Assessment Surveys of COVID-19 on the MSME Sector
ASSISTANCE NEEDED BY MSMEs AFFECTED BY COVID-19


- Financing Assistance (45.9%)
- Marketing Assistance (19.0%)
- Compliance with Gov’t Regulations (18.3%)
- Skill/Management Training (8.8%)
- Technology Upgrading (6.1%)
DTI MSME Programs
MSME PROGRAMS AT A GLANCE

Business Climate
(Government Mindset)

Access to Finance
(Money)

Management and Labor Capacities
(Entrepreneurial Mindset, Mastery, Mentoring)

Access to Technology and Innovation
(Machines, Models)

Access to Markets
(Market)

Negosyo Center Online Portal

BNRS

BMME

P3 COVID-19 Assistance to Restart Enterprises (CAREs)

HEROES PROGRAM

Virtual National Trade Fair

Bagsakan Special Project

Virtual National Trade Fair

Negosyo Center Online Portal

BNRS

BMME

P3 COVID-19 Assistance to Restart Enterprises (CAREs)

HEROES PROGRAM

Virtual National Trade Fair

Bagsakan Special Project
Recovery Cluster Action Plans

During the COVID-19 Pandemic
Rebuild (Go Lokal, Negosyo Center, OTOP)
Investment Promotion: CREATE
Ease of Doing Business (EODB)
Transparent Reporting
Easing up of Border Controls
4Ps: Pantawid Pamilyang Pilipino Program
Recovery Cluster Action Plans

- Urban Agriculture
- National Employment Recovery Strategy
- Face to Face schooling in low-risk areas
- BCP/ Public Services Contingency Plan
- Build Build Build
DTI Interventions for the Creative Industry

During the COVID-19 Pandemic
Creative Initiatives with DTI During the COVID-19 Pandemic
Creative Initiatives with DTI during the COVID-19 Pandemic

**House Bill 10107**

**PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT BILL**

*APPROVED ON THIRD AND FINAL READING BY THE CONGRESS.*

Ang panukalang batas ng buong Arts and Culture and Creative Industries Bloc of the 18th Congress (ACCI) ay pasado na sa Third and Final Reading sa kamaral. Ito ang unang batas na naipasa ng Special Committee on Creative Industry and Performing Arts, na nabuo wala pang isang taon ang nakalipas.

Nagpasalamat tayo sa ating mga kasama sa kamara, sa pangunguna ni Speaker Lord Allan Velasco, sa kanilang taus-pusong pagsusporta sa panukalang ito para sa malinig at sektor ng ating bansa.
Despite of the fortuitous disruption of the COVID-19 pandemic, efforts to propel development and progress for industries must be ceaseless.

We value innovation and creativity and use it as catalyst to further the growth of the MSMEs and industries.

Collaboration between government agencies, industry stakeholders, academe and other enablers are necessary in the crafting and implementation of relevant development programs.
THANK YOU!