Twenty-First Intergovernmental Group of Experts on Competition Law and Policy Room XIX, Palais des Nations, Geneva 5-7 July 2023

Interaction between Competition and Industrial Policies

Philippines' Experience

Presentation

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Ensuring businesses compete and consumers benefit

Interaction between competition and industrial policies: Philippines' experience

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6 July 2023 beradocjr@phcc.gov.ph

Outline

- The Philippines' industrial policy
- National competition policy
- Mechanisms for collaboration

Integrated industrial policy approach to growth

Expand domestic market production and supplier base

- Enhance business-matching activities across regions
- Intensify support to industries producing for the domestic market
- Provide targeted, time-bound incentives to establish laborintensive industries and businesses
- Foster regional industrialization
- Establish common service facilities
- Undertake industry-specific R&D and technology adoption



Integrated industrial policy approach to growth

Improve competitiveness and create a dynamic industry ecosystem

- Accelerate the digitalization and innovation of MSMEs and startups
- Pursue entrepreneurship leveraging technology-enabled business models
- Bolster science-based industries linked to global value chain
- Embrace Industry 4.0 for technology-mature firms
- Upskill and reskill workers to adapt to technology
- Adopt international standards and international certification



Integrated industrial policy approach to growth

Enhance inter-sectoral linkages

- Link industrial policy with trade and investment policy
- Promote agglomeration or co-location of industry and services, including academic institutions
- Strengthen academe–industry linkages
- Enhance servicification of industries
- Activate business networks across industries



National Competition Policy (NCP)



 All government agencies to uphold the original and primary jurisdiction of the Philippine Competition Commission over the enforcement and implementation of Philippine Competition Act



- Promote market efficiency and enhance consumer welfare
- Not distort competition by creating market barriers to entry and promoting collusive outcomes



 SOEs not to enjoy competitive advantages or disadvantages over private firms simply by virtue of public ownership

Mechanisms for collaboration

- The industrial policy objectives identified in the Philippine Development Plan and the National Competition Policy require coordination
- Establish a synergistic and mutually beneficial relationship between a competition authority and a regulator
- Identify and reconcile potential overlaps between different policy objectives
 - Conduct **competition impact assessment** of laws and regulations
 - Coordinate efforts to implement corrective actions
- Promote transparency to ensure accountability in delivering the policy objectives

Thank you.

