Interaction between Competition and Industrial Policies

Philippines’ Experience

Presentation

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Interaction between competition and industrial policies: Philippines’ experience

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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 labor-intensive 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
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)

**ENFORCEMENT OF COMPETITION-RELATED LAWS AND ISSUANCES**
- All government agencies to uphold the original and primary jurisdiction of the Philippine Competition Commission over the enforcement and implementation of Philippine Competition Act

**PRO-COMPETITIVE POLICIES & GOVERNMENT INTERVENTIONS**
- Promote market efficiency and enhance consumer welfare
- Not distort competition by creating market barriers to entry and promoting collusive outcomes

**COMPETITIVE NEUTRALITY**
- 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.