



NATIONAL
COMPETITIVENESS
COUNCIL | PHILIPPINES



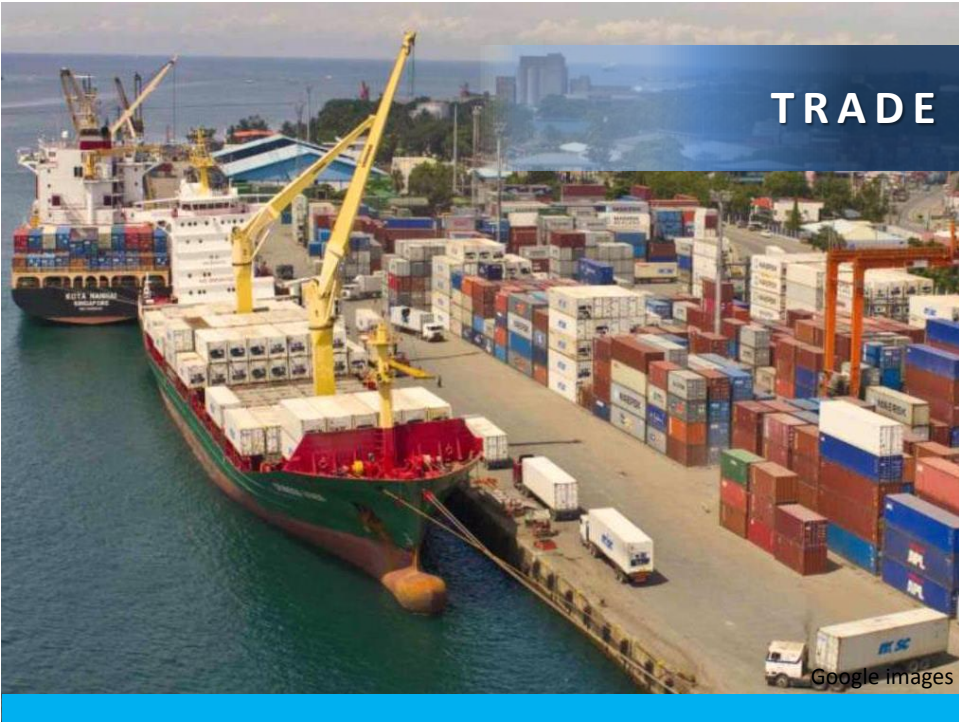
Overview on ASEAN & Competitiveness

FORUM ON ASEAN MUTUAL RECOGNITION ARRANGEMENTS
August 13, 2014

GUILLERMO M. LUZ
Co-Chairman, Private Sector



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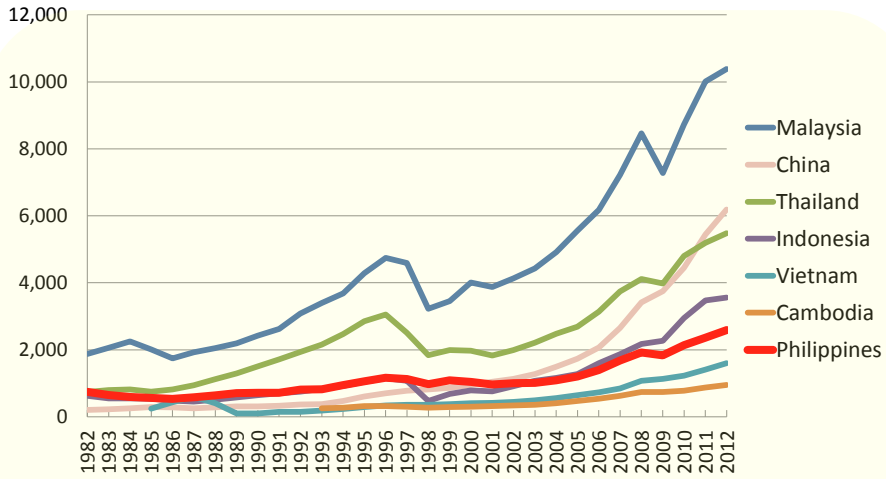
GLOBAL COMPETITIVENESS REPORT CARD

REPORT	2014 RANK	2013 RANK	2012 RANK	CHANGE	ASEAN RANK	NEXT RELEASE	SOURCE	TARGET
1. WEF Global Competitiveness Index		59/148	65/144	↑ 6	6 of 10	Sep-14	WEF	49
2. IFC Ease of Doing Business		108/189	138/185	↑ 30	6 of 10	Oct-14	International Finance Corp	63
3. IMD World Competitiveness Report	42/60	38/60	43/59	↓ 4	5 of 5	May-15	Int'l Institute for Mgt Dev't	20
4. TI Corruption Perception Index		94/177	105/176	↑ 11	4 of 10	Dec-14	Transparency International	60
5. Economic Freedom Index	89/178	97/177	107/179	↑ 8	5 of 9	Jan-15	Heritage Foundation	59
6. Global Information Technology Report	78/148	86/144	86/142	↑ 8	6 of 10	Apr 15	WEF	49
7. Travel and Tourism Report		82/140	n/a	↑ 12	7 of 8	Mar-15	WEF	46
8. Global Innovation Index	100/143	90/142	95/141	↓ 10	7 of 9	Jul-15	World Intellectual Property Org	47
9. Logistics Performance Index	57/160	n/a	52/155	↓ 5	6 of 9	Mar-16	World Bank	53
10. Fragile States Index	52/178	59/178	56/177	↓ 7	8 of 10	Jun-15	Fund for Peace	118
11. Global Enabling Trade Index	64/138	n/a	72/132	↑ 8	6 of 10	Mar-15	WEF	46
12. Global Gender Gap Report		5/136	8/135	↑ 3	1 of 9	Oct-14	WEF	--

As of July 2014

WHY DOES IT MATTER?

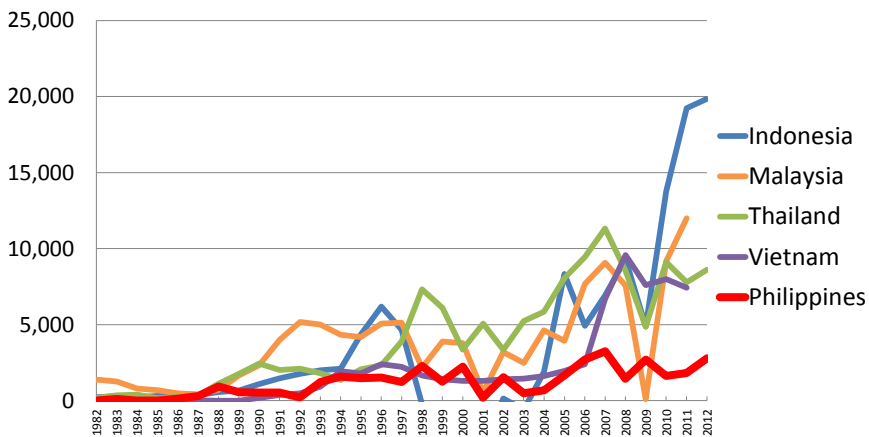
GDP per capita (US\$)



Source: World Bank

WHY DOES IT MATTER?

Foreign Direct Investments, net inflows (US\$ millions)



Source: World Bank

- Higher FDI (new investments of 3-4% of GDP), from US\$1.7 billion in 2010
- Double export growth to US\$120 billion by 2016 with new products and services to account for 30% of exports
- GDP Growth of 7-8% per year
- Job Growth / Lower Unemployment
- Lower Poverty Incidence : 26.5% in 2009 to 16.6% by 2015
- Growing C socioeconomic class(currently 8.6%); shrinking DE class (currently 91%)

Sources: NSCB (Breakdown: 2010 Baseline- US\$ 51.39 (goods) US\$ 12.27 (services), 2016 Target- US\$ 91.5 B (goods) & US\$ 28.9 B (services), Chapter 3 Phil Development Plan (Competitive Industry Sector), NEDA Targets; Phil. Labor and Employment Plan 2011-2016

Most people ask -
Are we ready for AEC 2015 ?

Our position -
We must get ready for AEC 2015.













GLOBAL COMPETITIVENESS REPORT CARD

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As of July 2014

GLOBAL COMPETITIVENESS REPORT PHILIPPINES VS ASEAN

COUNTRIES	2013 Out of 148	CHANGE 2012-2013	2012 Out of 144	2011 Out of 142	CHANGE 2011-2012
 1. SINGAPORE	2	0	2	2	0
 2. MALAYSIA	24	+1	25	21	- 4
 3. BRUNEI DARUSSALAM	26	+2	28	28	0
 4. THAILAND	37	+1	38	39	+ 1
 5. INDONESIA	38	+12	50	46	- 4
 6. PHILIPPINES	59	+6	65	75	+ 10
 7. VIETNAM	70	+5	75	65	- 10
 8. LAOS *	81	-	-	-	-
 9. CAMBODIA	88	-3	85	97	+ 12
 10. MYANMAR*	139	-	-	-	-











(*) – New Economies added for 2013 report

12 PILLARS	2013	2012-2013 CHANGE	2012	2011-2012 CHANGE	2011
1st pillar: Institutions	79	+15	94	+23	117
2nd pillar: Infrastructure	96	+2	98	+7	105
3rd pillar: Macroeconomic environment	40	-4	36	+18	54
4th pillar: Health and primary education	96	+2	98	-6	92
5th pillar: Higher education and training	67	-3	64	+7	71
6th pillar: Goods market efficiency	82	+4	86	+2	88
7th pillar: Labor market efficiency	100	+3	103	+10	113
8th pillar: Financial market development	48	+10	58	+13	71
9th pillar: Technological readiness	77	+2	79	+4	83
10th pillar: Market size	33	+2	35	+1	36
11th pillar: Business sophistication	49	0	49	+8	57
12th pillar: Innovation	69	+25	94	+14	108

EASE OF DOING BUSINESS 2014 MOST IMPROVED:

ECONOMY	2014 Rank out of 189	2013 Rank out of 185	CHANGE
1 Philippines	108	138	30
2 Ukraine	112	137	25
3 Rwanda	32	52	20
4 Brunei Darussalam	59	79	20
5 Russian Federation	92	112	20
6 Burundi	140	159	19
7 Guatemala	79	93	14
8 Brazil	116	130	14
9 Iraq	151	165	14
10 Kosovo	86	98	12

EASE OF DOING BUSINESS PHILIPPINES VS ASEAN

ASEAN	2014 Rank out of 189	2013 Rank out of 185	CHANGE	2012 Rank out of 183	CHANGE
 1. SINGAPORE	1	1	0	1	0
 2. MALAYSIA	6	12	+6	14	+2
 3. THAILAND	18	18	0	17	-1
 4. BRUNEI DARUSSALAM	59	79	+20	83	+4
 5. VIETNAM	99	99	0	99	0
 6. PHILIPPINES	108	138	+30	136	-2
 7. INDONESIA	120	128	+8	130	+2
 8. CAMBODIA	137	133	-4	141	+8
 9. LAO PDR	159	163	+4	166	+3
 10. MYANMAR	182	-	0	-	0

INDICATORS	2014 Rank out of 189	CHANGE 2013-2014	2013 Rank out of 185	2012 Rank out of 183
1. Starting a business	170	-9	161	158
2. Dealing with construction permits	99	+1	100	101
3. Getting electricity	33	+24	57	53
4. Registering Property	121	+1	122	120
5. Getting Credit	86	+43	129	127
6. Protecting Investors	128	0	128	124
7. Paying Taxes	131	+12	143	136
8. Trading across borders	42	+11	53	56
9. Enforcing contracts	114	-3	111	109
10. Resolving Insolvency	100	+65	165	166



Corruption Perceptions Index

CORRUPTION PERCEPTIONS INDEX PHILIPPINES VS ASEAN



COUNTRIES	2013 Rank (out of 177)	CHANGE (2012-2013)	2012 Rank (out of 176)	2011 Rank (out of 183)	2010 Rank (out of 178)	CHANGE Over 3 Years
SINGAPORE	5	0	5	5	1	-4
BRUNEI DARUSSALAM	38	8	46	44	38	0
MALAYSIA	53	1	54	60	56	3
PHILIPPINES	94	11	105	129	134	40
THAILAND	102	-14	88	80	78	-24
INDONESIA	114	4	118	100	110	-4
VIETNAM	116	7	123	112	116	0
LAOS	140	20	160	154	154	14
MYANMAR	157	15	172	180	176	19
CAMBODIA	160	-3	157	164	154	-6

CORRUPTION PERCEPTIONS INDEX MOST IMPROVED IN 3 YEARS












Country / Territory	2013 (out of 177)	Change 2012-2013	2012 (out of 176)	2011 (out of 183)	2010 (out of 178)	Change in 3 Years
Philippines	94	11	105	129	134	40
Mongolia	83	11	94	120	116	33
Nepal	116	23	139	154	146	30
Sao Tome and Principe	72	0	72	100	101	29
Armenia	94	11	105	129	123	29
Senegal	77	17	94	112	105	28
Comoros	127	6	133	143	154	27
Russia	127	6	133	143	154	27
Ecuador	102	16	118	120	127	25
Mauritania	119	4	123	143	143	24



Global Enabling Trade Index

GLOBAL ENABLING TRADE INDEX PHILIPPINES vs ASEAN

COUNTRIES	2014 Out of 138	CHANGE	2012 Out of 132	2010 Out of 125	CHANGE
 1. SINGAPORE	1	0	1	1	0
 2. MALAYSIA	25	-1	24	30	6
 3. THAILAND	57	0	57	60	3
 4. INDONESIA	58	0	58	68	10
 5. PHILIPPINES	64	+8	72	92	20
 6. VIETNAM	72	-4	68	71	3
 7. CAMBODIA	93	+9	102	102	0
 8. LAOS *	98	-	-	-	-
 9. MYANMAR*	121	-	-	-	-

Sub-index	PHILIPPINES	CAMBODIA	INDONESIA	LAO PDR	MALAYSIA	MYANMAR	SINGAPORE	THAILAND	VIETNAM	
MARKET ACCESS	2 of 9	11	36	20	39	40	25	2	51	34
Domestic Market Access	2 of 9	19	133	26	121	75	97	3	113	76
Foreign Market Access	6 of 9	26	1	37	4	42	6	13	12	28
BORDER ADMINISTRATION	5 of 9	71	108	69	114	33	117	1	56	86
Efficiency and Transparency of Border Administration	5 of 9	71	108	69	114	33	117	1	56	86
INFRASTRUCTURE	6 of 9	89	101	64	115	23	136	1	46	60
Availability and Quality of Transport Infrastructure	7 of 9	96	113	60	91	14	138	2	28	74
Availability and Quality of Transport Services	6 of 9	84	97	58	107	26	133	1	39	50
Availability and use of ICTs	6 of 9	85	95	81	122	38	135	8	71	64
OPERATING ENVIRONMENT	8 of 9	82	74	61	68	27	134	2	75	81
Operating Environment	8 of 9	82	74	61	68	27	134	2	75	81



GLOBAL INNOVATION INDEX PHILIPPINES VS ASEAN



Country	2014 Out of 143	Change 2013-2014	2013 Out of 142	2012 Out of 141	2011 Out of 125
SINGAPORE	7	1	8	3	3
MALAYSIA	33	-1	32	32	31
THAILAND	48	9	57	57	48
VIETNAM	71	5	76	76	51
INDONESIA	87	-2	85	100	99
BRUNEI DARUSSALAM	88	-14	74	53	75
PHILIPPINES	100	-10	90	95	91
CAMBODIA	106	4	110	129	111
LAOS	-	-	-	138	-

GLOBAL INNOVATION INDEX PHILIPPINE RANKINGS



Pillars	2014 Rank (out of 143)	2013 Rank (out of 142)	2013-2014 CHANGE
<i>Innovation Input Sub-Index</i>	110	108	-2
1 Institutions	108	128	20
2 Human capital & research	121	116	-5
3 Infrastructure	94	78	-16
4 Market sophistication	93	95	2
5 Business sophistication	113	96	-17
<i>Innovation Output Sub-Index</i>	84	77	-7
6 Knowledge & technology outputs (formerly Scientific outputs)	68	61	-7
7 Creative outputs	98	91	-7
<i>Innovation Efficiency Ratio</i>	35	24	-11

GLOBAL INNOVATION INDEX PHILIPPINE RANKINGS



Indicator	2014 Rank (out of 143)	2013 Rank (out of 142)	2013-2014 CHANGE
2 Human capital & research	121	116	-5
2.1 Education	132	134	2
2.1.1 Expenditure on education, % GNP	117	103	-14
2.1.2 Gov't Expenditure/pupil, Secondary % GDP/cap	101	107	6
2.1.3 School life expectancy, years	101	100	-1
2.1.4 PISA scales in reading, maths, & science	-	-	-
2.1.5 Pupil-teacher ratio, secondary	112	124	12

GLOBAL INNOVATION INDEX PHILIPPINE RANKINGS



Indicator	2014 Rank (out of 143)	2013 Rank (out of 142)	2013-2014 CHANGE
2.2 Tertiary education	113	91	-22
2.2.1 Tertiary enrolment, % gross	77	78	1
2.2.2 Graduates in science & engineering, %	-	27	-
2.2.3 Tertiary inbound mobility, %	108	104	-4
2.2.4 Gross tertiary outbound enrolment, %	-	136	-

GLOBAL INNOVATION INDEX PHILIPPINE RANKINGS



Indicator	2014 Rank (out of 143)	2013 Rank (out of 142)	2013-2014 CHANGE
2.3 Research & development (R&D)	67	67	0
2.3.1 Researchers, headcounts/mn pop	97	88	-9
2.3.2 Gross expenditure on R&D, % GDP	102	95	-7
2.3.3 QS university ranking, average score top 3	45	44	-1


GLOBAL INNOVATION INDEX PHILIPPINE RANKINGS



Indicator	2014 Rank (out of 143)	2013 Rank (out of 142)	2013-2014 CHANGE
5.1 Knowledge workers	87	73	-14
5.1.1 Knowledge-intensive employment, %	64	59	-5
5.1.2 Firms offering formal training, % firms	61	61	0
5.1.3 GERD performed by business, % GDP	67	63	-4
5.1.4 GERD financed by business, %	26	8	-18
5.1.5 GMAT mean score	-	41	-
5.1.6 GMAT test takers/mn pop. 20–34	112	119	7

What if ASEAN were a Country?

ASEAN as One: Quick Facts (2012)

 **Population:** 617.2 million

 **Land Area:** 4,435,617 km²

 **GDP:** US\$ 2,318 billion

 **GDP per capita:** US\$ 3,756


 **Tourist Arrivals ('000)**

Total ASEAN: 89,225.2

Intra-ASEAN: 39,845.5

Extra-ASEAN: 49,379.8

US\$ million

 **Total Trade:** 2,476,427

Total Exports: 1,254,581

Total Imports: 1,221,847

US\$ million

 **Total FDI inflows:** 110,291.2

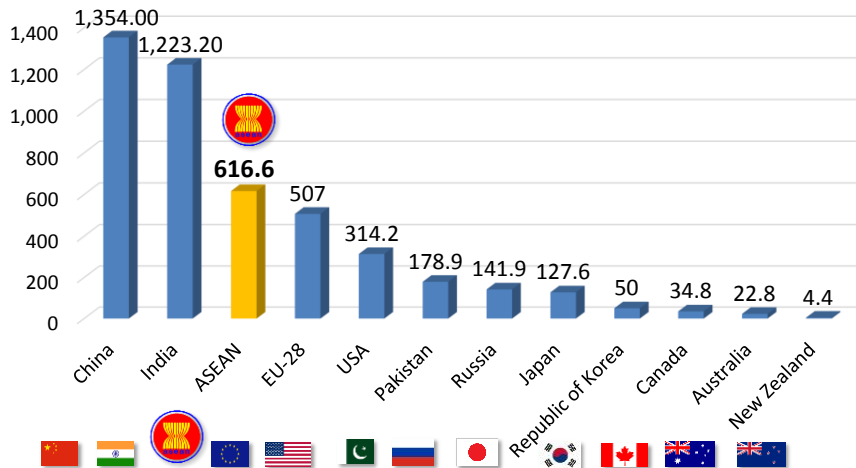
Intra-ASEAN: 20,160.1

Extra-ASEAN: 90,131.1

Source: ASEAN Statistics by The ASEAN Secretariat, Jakarta

ASEAN and Selected Trading Partners

Population, 2012 (million)













Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

ASEAN Population

ASEAN	2010	2011	2012
Brunei Darussalam	400,569	406,512	412,238
Indonesia	240,676,485	243,801,639	246,864,191
Cambodia	14,364,931	14,605,862	14,864,646
Lao PDR	6,395,713	6,521,314	6,645,827
Myanmar	51,931,231	52,350,763	52,797,319
Malaysia	28,275,835	28,758,968	29,239,927
Philippines	93,444,322	95,053,437	96,706,764
Singapore	5,076,700	5,183,700	5,312,400
Thailand	66,402,316	66,576,332	66,785,001
Vietnam	86,932,500	87,840,000	88,775,500











Source: data.worldbank.org

**ASEAN 0-14 YEARS OLD
(% of Total Population)**

ASEAN	2010	2011	2012
 Singapore	17.342	16.92	16.475
 Thailand	19.332	18.862	18.466
 Vietnam	23.491	23.118	22.872
 Myanmar	26.071	25.676	25.278
 Brunei Darussalam	26.593	26.165	25.755
 Malaysia	27.683	27.169	26.653
 Indonesia	29.829	29.594	29.273
 Cambodia	31.836	31.448	31.233
 Philippines	35.284	34.908	34.533
 Lao PDR	36.77	36.164	35.605

Source: data.worldbank.org

**MEDIAN AGE (as of 2010)
ASEAN COUNTRIES**

ASEAN	Median Age	Male	Female
 Lao PDR	19.5	19.2	19.8
 Cambodia	22.5	21.8	23.2
 Philippines	22.7	22.2	23.2
 Malaysia	25.1	24.5	25.8
 Myanmar	26.5	26	27.1
 Vietnam	27.4	26.4	28.5
 Indonesia	27.9	27.4	28.4
 Brunei Darussalam	28.1	28	28.2
 Thailand	33.7	32.9	34.7
 Singapore	39.6	39.1	40

Source: wikipedia

POVERTY HEADCOUNT RATIO AT NATIONAL POVERTY LINE (% OF POPULATION)

COUNTRY NAME	POVERTY HEADCOUNT RATIO	YEAR OF LAST UPDATE
Brunei Darussalam	-	-
Indonesia	11.4	2013
Cambodia	20.5	2011
Lao PDR	27.6	2008
Myanmar	-	-
Malaysia	1.7	2012
Philippines	25.2	2012
Singapore	-	-
Thailand	13.2	2011
Vietnam	17.2	2012

SOURCE: <http://data.worldbank.org>

National poverty rate is the percentage of the population living below the national poverty line. National estimates are based on population-weighted subgroup estimates from household surveys.

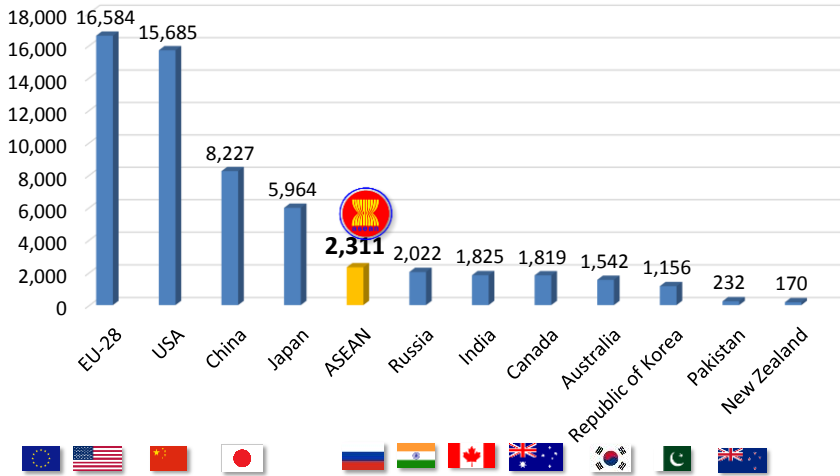
ASEAN and the World



Source: data.worldbank.org

ASEAN and Selected Trading Partners

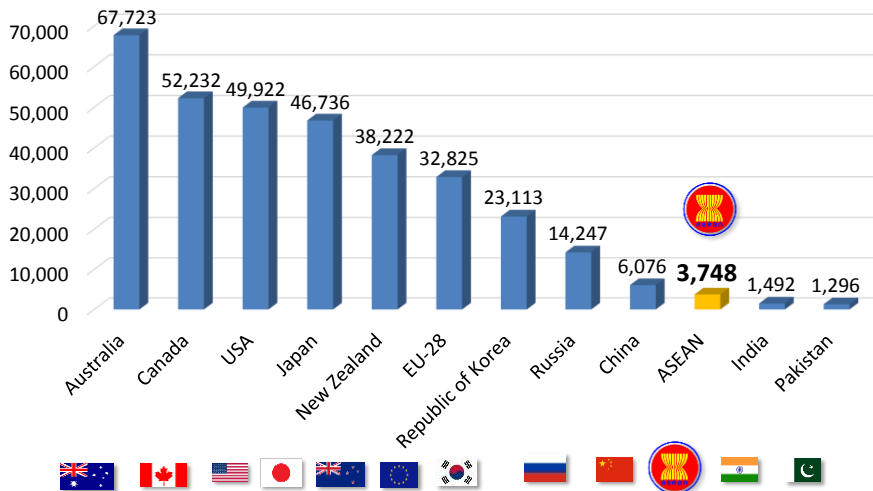
💰 Gross Domestic Product, 2012 (at current prices, US\$ billion)



Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

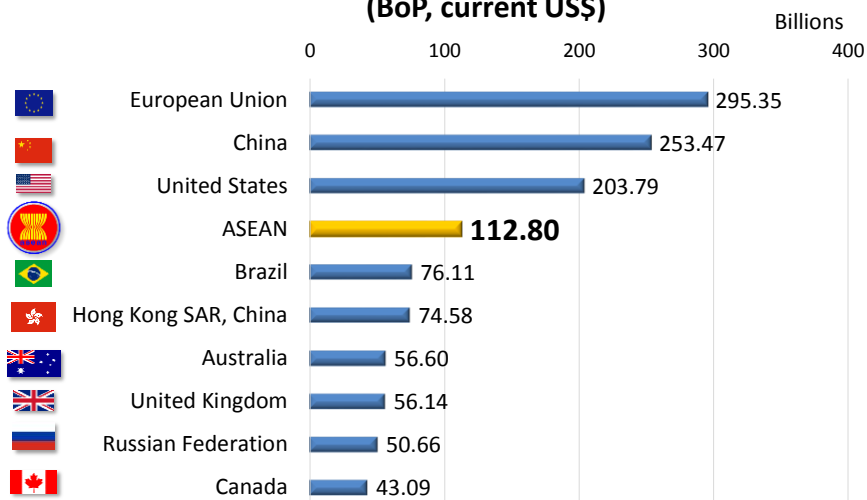
ASEAN and Selected Trading Partners

👤 GDP per Capita, 2012 (in US\$)



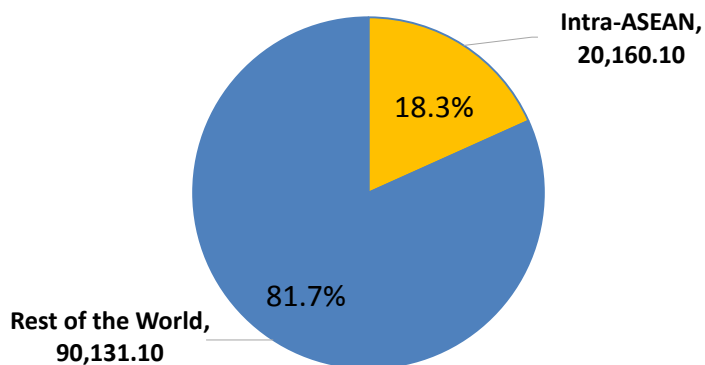
Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

Foreign direct investment, net inflows, 2012 (BoP, current US\$)



Source: data.worldbank.org

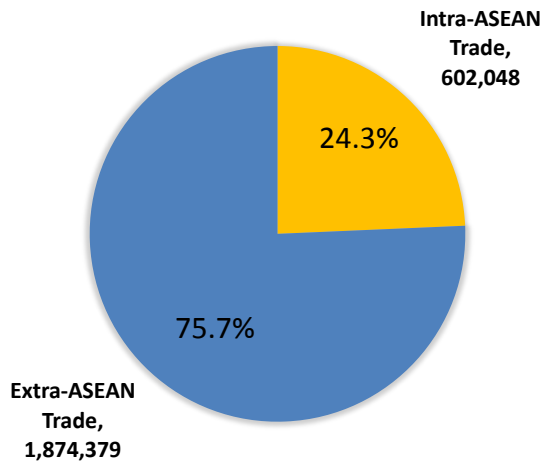
FDI Inflows (US\$ million), 2012



Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

ASEAN and Selected Trading Partners

ASEAN TOTAL TRADE, 2012 (US\$ MILLION)



Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

ASEAN Top 10 Export Commodities (2012)

Commodities	Value (US\$Mn)	Share (%)
Electronic integrated circuits & microassemblies; parts thereof	116,424	9.3
Oil (not crude) from petrol & bituminous minerals etc.	103,955	8.3
Petroleum gases & other gaseous hydrocarbons propane, butane, ethylene	49,259	3.9
Crude oil from petroleum and bituminous minerals	39,222	3.1
Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form & machines for processing such data keyboard, printer, scanners, disk drives, power supply	38,709	3.1
Palm oil & its fractions, not chemically modified	33,546	2.7
Electric apparatus for line telephony or telegraphy telephone sets, teleprinters, modems, facsimile machines	28,070	2.2
Coal; briquettes, ovoids and similar solid fuels manufactured from coal	25,695	2.0
Natural rubber in primary form or plates balata, gutta-percha, guayule, chicle	22,456	1.8
Parts and accessories (not covers, carrying cases) for office machines & typewriters of 8469 to 8472	18,957	1.5

Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

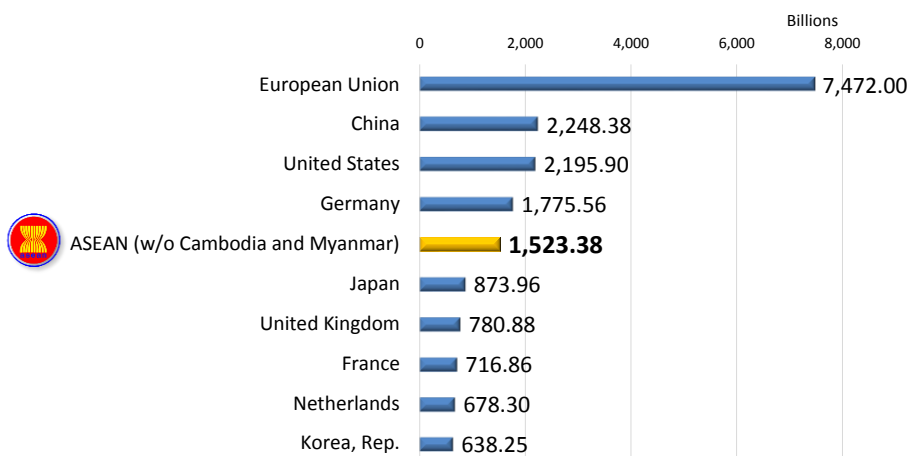
ASEAN Top 10 Import Commodities (2012)

Commodities	Value (US\$Mn)	Share (%)
Oil (not crude) from petrol & bituminous minerals etc.	143,250	11.7
Electronic integrated circuits & microassemblies; parts thereof	108,833	8.9
Crude oil from petroleum and bituminous minerals	103,710	8.5
Electric apparatus for line telephony or telegraphy telephone sets, teleprinters, modems, facsimile machines	28,429	2.3
Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form & machines for processing such data keyboard, printer, scanners, disk drives, power supply	18,180	1.5
Petroleum gases & other gaseous hydrocarbons propane, butane, ethylene	16,885	1.4
Parts and accessories of the motor vehicles of headings 8701 to 8705	16,637	1.4
Gold (including gold plated with platinum), unwrought or semimanufactured or powder	16,056	1.3
Parts and accessories (not covers, carrying cases) for office machines & typewriters of 8469 to 8472	14,750	1.2
Aircraft, powered; spacecraft & launch vehicles helicopters, satellites	12,190	1.0

Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

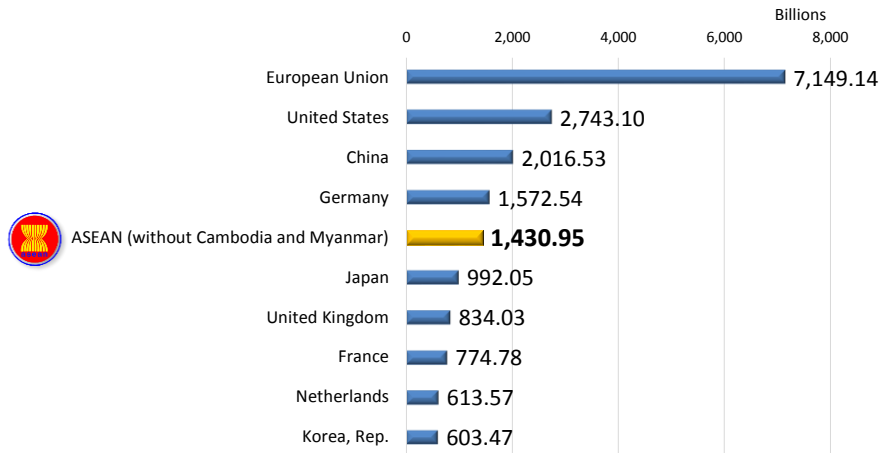
ASEAN and the World

Exports of goods and services (current US\$), 2012



Source: data.worldbank.org

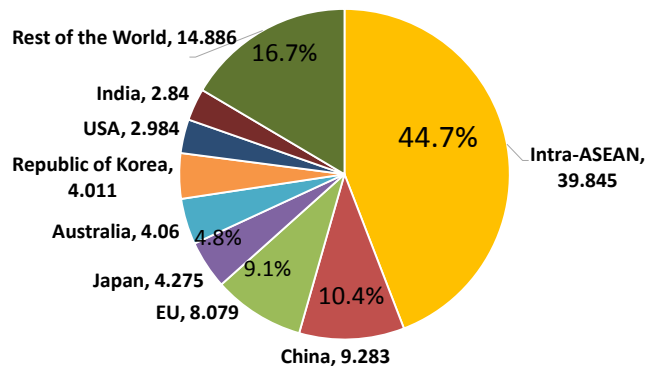
Imports of goods and services (current US\$), 2012



Source: data.worldbank.org

Tourist Arrivals, 2012 ('000)

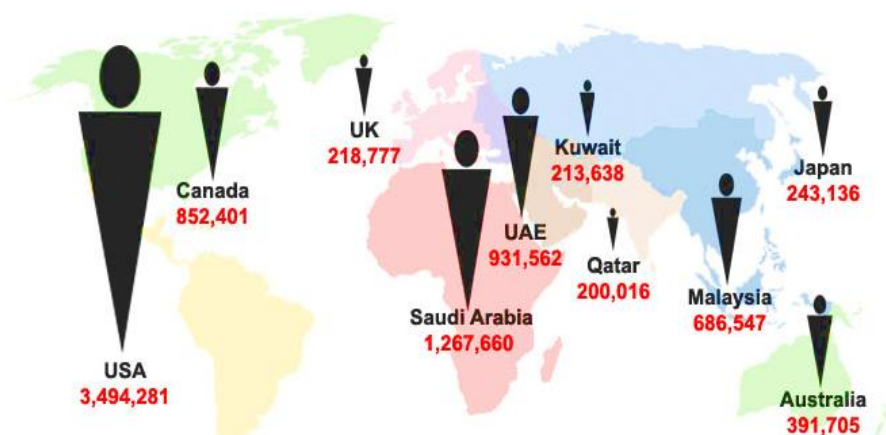
Total = 90.2 million



Source: ASEAN Community in Figures (ACIF) 2013 by The ASEAN Secretariat, Jakarta

Overseas Filipino Workers

GLOBAL MAPPING OF OVERSEAS FILIPINOS



Top 10 countries of destination based on the 2012 Stock Estimate of Overseas Filipinos

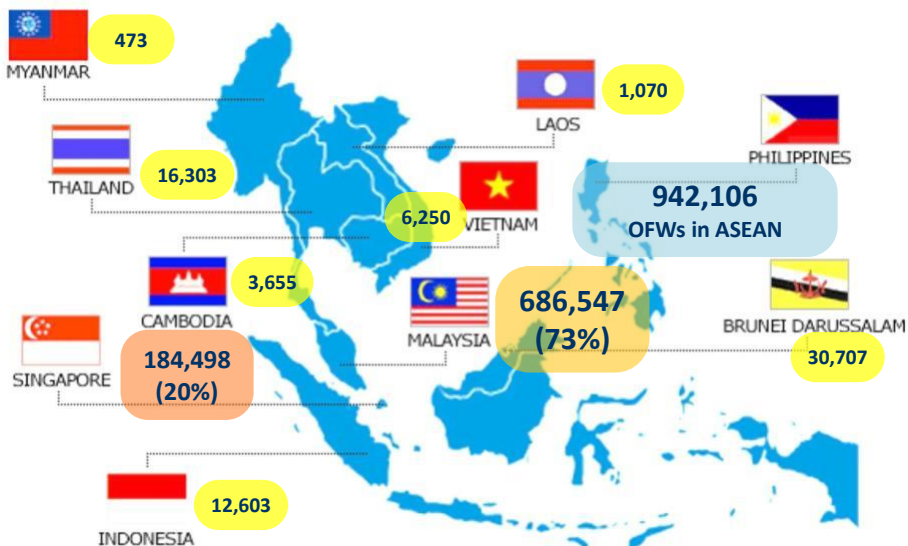
Source: Commission on Filipinos Overseas (CFO)
www.cfo.gov.ph

STOCK ESTIMATE OF OVERSEAS FILIPINOS (2010-2012)



Source: Commission on Filipinos Overseas (CFO)

2012 MAPPING OF OVERSEAS FILIPINOS IN ASEAN



Source: Commission on Filipinos Overseas (CFO)
www.cfo.gov.ph

Most people ask -
Are we ready for AEC 2015 ?

Our position -
We must get ready for AEC 2015.



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