

2015

ANNUAL REPORT



GAME CHANGERS

IN THE EXPORT MARKET



MESSAGE

Amid the onset of an integrated ASEAN region and challenges in the global economy, driving innovation and skills development among micro, small, and medium enterprises become more relevant than ever.

As a key pillar of the Philippine economy, 99.6% of Filipino entrepreneurs who contribute nearly 5 million jobs, the MSMEs have all the potential to sustain the country's growth momentum.

In Bicol, DTI is a proud partner of local MSMEs in pursuing growth opportunities in the export market through innovation and skills development. For example, the growing number of shared services facilities (SSF) to drive innovative and competitive products like our wearable & homestyles and our food products has helped changed the game in the exporting marketplace.

Also, our partnership with the local government units (LGUs) and the private sector in the establishment and operationalization of Negosyo Centers helped MSMEs in Bicol build their capacity in understanding and exploring opportunities in the field of business.

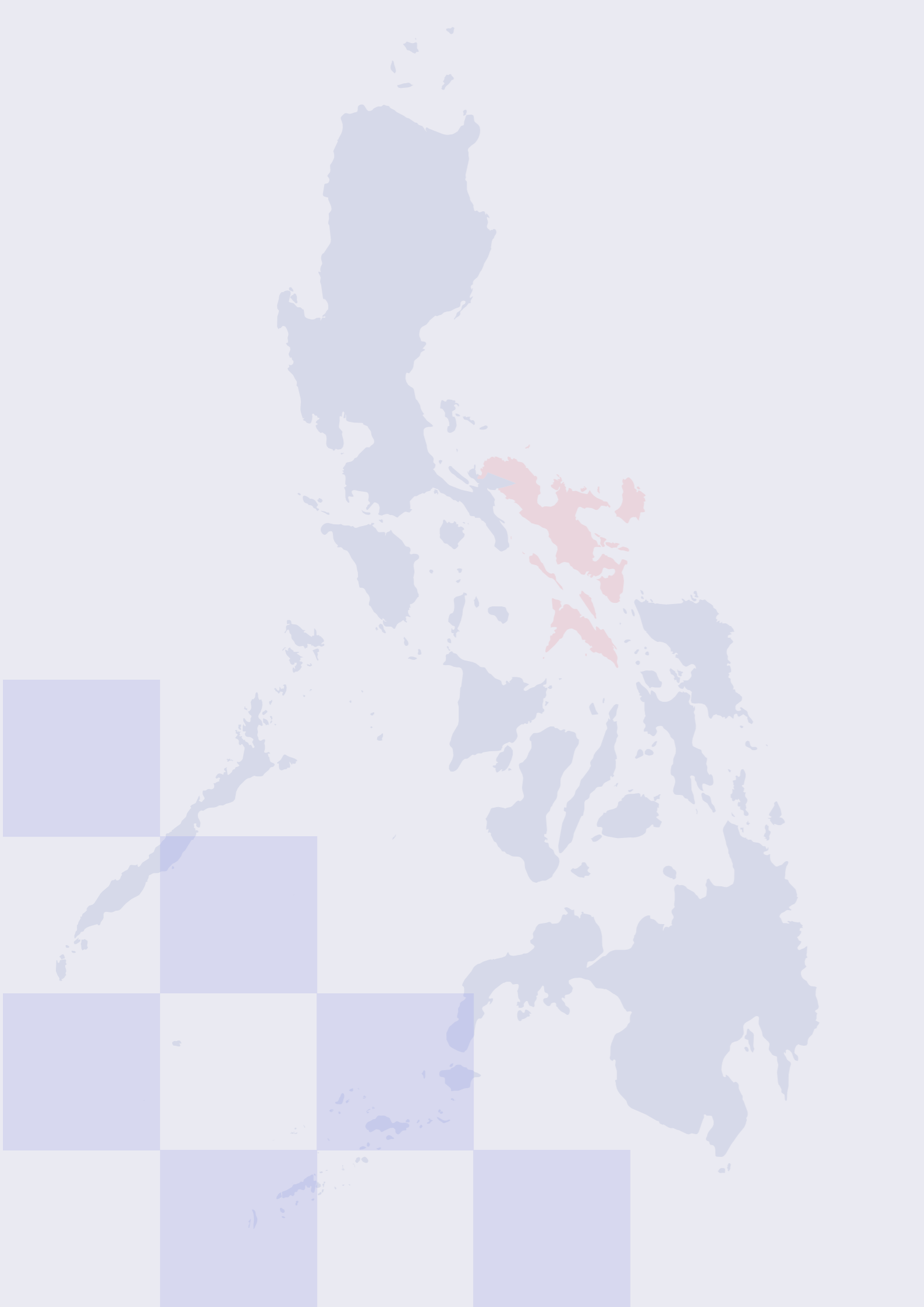
The year 2015 also saw the expansion of our market capacity enhancement activities including our first participation to the 12th Singapore Food and Beverage Fair to study and gain exposure in the ASEAN and Halal markets.

Our participation to the seminars on trading with ASEAN and European Union (EU) as well as openness to new business models like green development to promote environment sustainability in our processes also transformed the way MSMEs in Bicol approach their business.

The global competition for MSMEs' place in the market is ever evolving. To grow and sustain our MSMEs, the desire to outperform should be there. DTI-Bicol is delighted to be a partner of our MSMEs in this journey of leveling up their competitiveness and becoming game changers in the export market.

We thank all our stakeholders for a productive and successful 2015. Let's continue working together to grow our MSMEs.

Jocelyn L.B. Blanco
Regional Director
DTI-Bicol



CONTENTS

ENABLING BUSINESS

- Developing MSMEs
- Expanding Markets
- Nurturing Industries

CHAMPIONING CONSUMERS

- Ensuring Consumers Get the Best “Value for Money”
- Increasing Consumer Awareness
- Intensifying Monitoring and Enforcement Activities
- Protecting Consumers’ Interests
- Regional Consumerism Challenge

ENHANCING COMMUNITIES

- Community Enterprise Development through DTI-Comprehensive Agrarian Reform Program (CARP)
- Bottom-up-Budgeting (BuB)
- Green Economic Development
- ASEAN Economic Community Integration Advocacy

BUILDING TRUST

- Upholding Good Governance
- Work-life Balance
- SPRINTS Awards
- DTI-5 Management Team

MAJOR FINAL OUTPUTS PER PROVINCE

KEY HIGHLIGHTS 2015

The focus of DTI-5 remains to be building up and growing the MSMEs into global enterprises in many levels including starting the business, innovating products and upholding standards, entering new markets, and creating jobs.



MSMEs assisted

20142015

4,7314,866



Jobs generated

12,37213,385



Domestic sales generated

Php746MPhp870M



Shared services facilities
established

3638



Business names registered

12,37213,181



Firms monitored for Price Act and
Product Standards compliance

4,4715,040

1

ENABLING BUSINESS

DTI-Bicol continued growing MSMEs and integrating them in the global value chain, amid the wave of a growing Philippine economy and increased opportunities in an integrated ASEAN market.

DEVELOPING MSMEs

DTI-Bicol supported continuous capability enhancement of MSMEs in Bicol to boost their competitiveness and ability to seize opportunities in the local and global markets.

The agency provided support to 4,731 MSMEs in 2015, Camarines Sur having the biggest contribution with 1,623 MSMEs assisted; followed by Albay with 1,157; and Sorsogon, 749.

The assistance came in a wide spectrum of areas including consultancy, market matching, product and label design, trade fair participation, and skills trainings and seminars. Their financial position also improved through DTI's intervention or referrals for loan grants from various financing institutions.

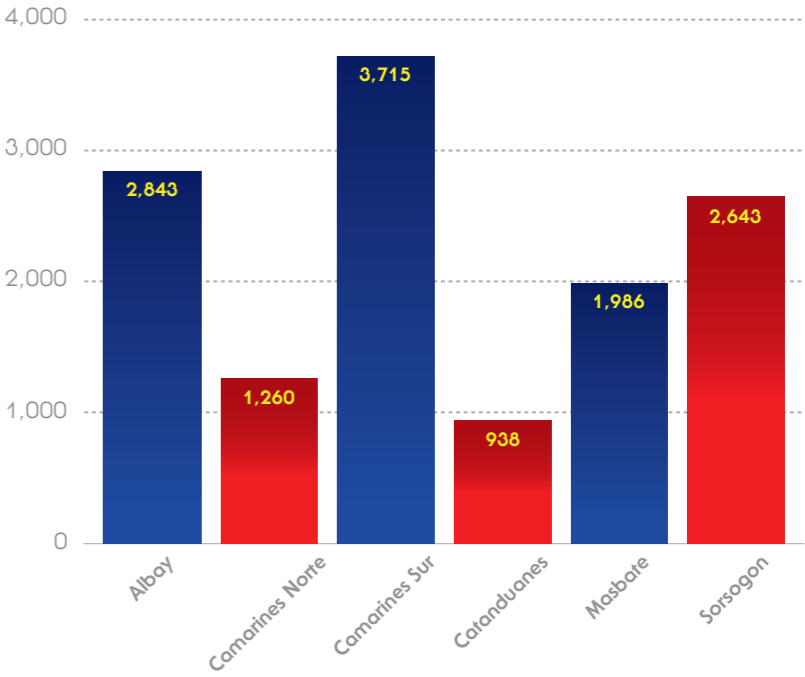
With a firmer foothold in the market, the MSMEs in Bicol generated 13,385 new jobs.



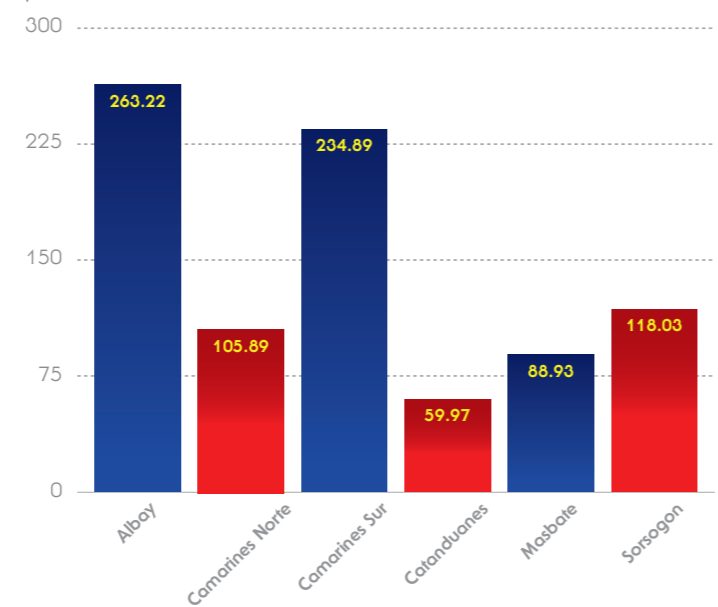
13,385

Jobs Generated

Jobs Generated per province



Domestic Sales per province



SME Roving Academy



The SME Roving Academy (SMERA) implemented skills trainings on business development for small businesses. The initiative helped enterprises better understand the market, while improving their productivity.

For 2015, enhanced SMERAs were conducted in all the provinces of the region. SMERA, which is a continuous learning program for the development of MSMEs has shifted to a higher level of capability building that develop key competencies like enhancing entrepreneurial mindset; ensuring MSMEs readiness for an uninterrupted business in times of displacement and fast recovery caused by disaster through the Business Continuity Planning Seminar; upgrade managerial skills of business owners; and encourage them to "Go Green" through the Promotion of Green Economic Development (ProGED), which is so timely with the onset of global warming.



128

SME Roving Academy Runs

4,544

SME Roving Academy Beneficiaries



13,181

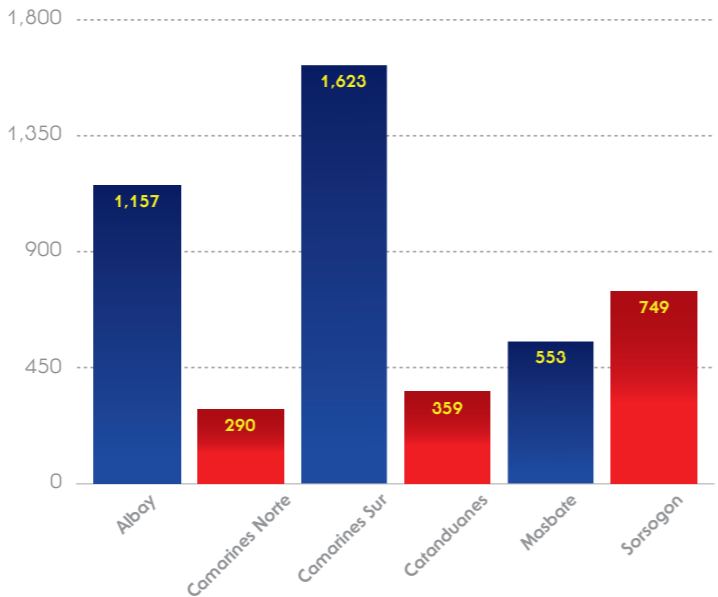
Businesses Names Registered



4,731

MSMEs Assisted

MSMEs Assisted per province



EXPANDING MARKETS

DTI-Bicol helped MSMEs strengthen their market positions or carve a niche for their products through a comprehensive market assistance program.

Negosyo Centers

Twelve (12) Negosyo Centers in Bicol are now serving the needs of all micro, small and medium enterprises (MSMEs) and would-be entrepreneurs in the entire region. MSMEs enjoy services like access to finance, business advisory, capability building, access to market, and other support services.

Sen. Bam Aquino, who authored Republic Act (RA) 10644 or the Go Negosyo Act, was present in the launching of some of these Centers.

These Negosyo Centers will boost the development of MSMEs, providing a unified and simplified business registration process, thus, helping ease of doing business and fast-track government processes in putting up a business in any part of the country.

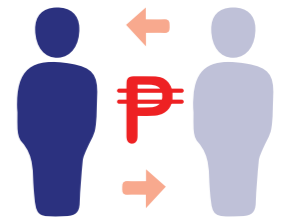
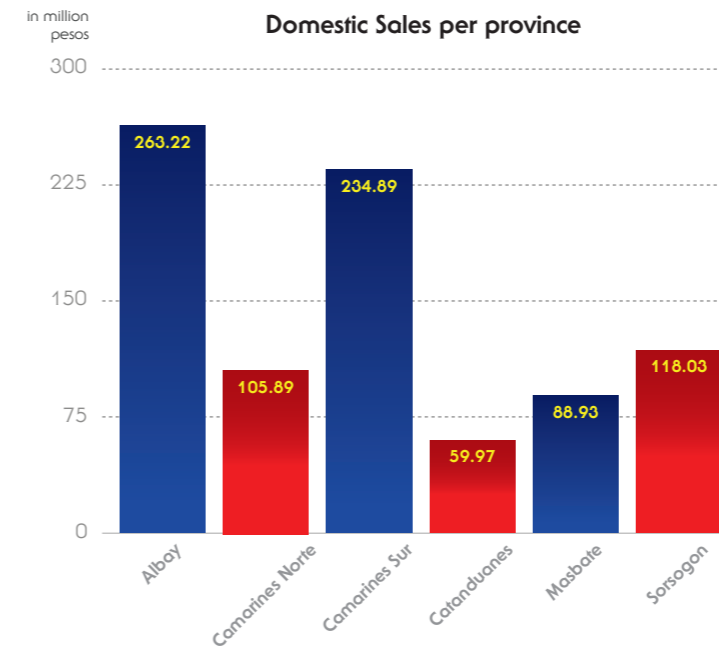
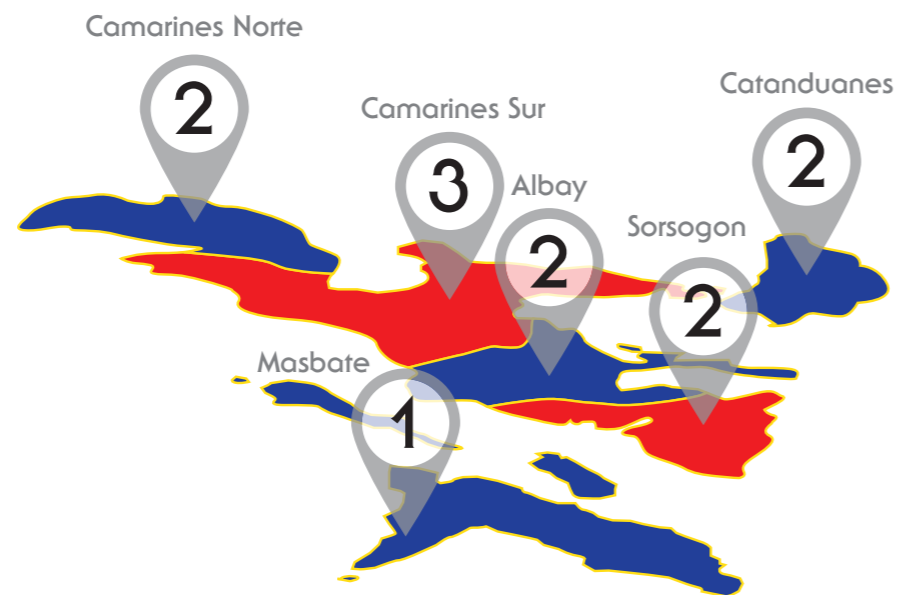
The “Go Negosyo Act” provides for the establishment of Negosyo Centers in provinces, cities, and municipalities in the country.



12

Negosyo Centers
Established

Negosyo Centers established per province



Php870M

Domestic Sales from Pasalubong
Centers, Market Matching,
and Trade Fairs/Exhibits

Food Business Development Program

DTI-Bicol pioneered a business development program in 2007 to increase sales of the region's prime commodity, the Pili Nut. As part of DTI's continuing support to the enrollees in the program, seven (7) enterprises from Bicol exhibited at the 12th Singapore Food & Beverage Fair, an opportunity to mainstream Bicol food products in ASEAN markets particularly Singapore and Malaysia. Among the exhibitors were **Leslie Pili Products, Noveno's Pilinut Candies, The R.A.I.N.S. Delicacies, Tia Berning Pili Candies, Antes Enterprises, Espeña Eco Farm Enterprises, and YML Health Food Products.**



LAUNCHING OF NEGOSYO CENTERS. Left Photo: DTI-Regional Director RD Jocelyn L.B. Blanco poses with the DTI-Camarines Sur Family after a successful launch of its Negosyo Center. Right Photo: Sen. Bam Aquino, the author of Republic Act (RA) 10644 or the Go Negosyo Act graces the launching of two (2) Negosyo Centers in Daet, Camarines Norte. The one in Daet, is the first LGU-based Negosyo Center ever established in the entire country and the other one in DTI-Camarines Norte Provincial Office is the first DTI-based Negosyo Center in the region.

The Region V Delegation with Mr Glenn G. Penaranda (2nd from left), Commercial Counselor, Philippine Trade and Investment Center in Singapore; and Head of Delegation, Engr. Jocelyn LB Blanco (3rd from left), Regional Director, DTI Regional Office V (Bicol Region); Courtesy call on the Philippine Ambassador to Malaysia, HE Eduardo Malaya.

NURTURING INDUSTRIES

Many MSMEs in Bicol upgraded their products and processes, increased their productivity, and diversified their offerings through the industry cluster approach. The promotion of industry clusters is a major strategy to achieve a globally-competitive and innovative industry that contributes significantly to inclusive growth and employment generation.

Wearables & Homestyle

The continuous product development seminars, market matching activities, raw material propagation, mobile learning, and skills enhancement trainings strengthened the marketing skills and reinforced the entrepreneurial creativity of the MSMEs in the Wearables & Homestyles (W & H) cluster.

These interventions resulted to increased in bottomlines, expanded collaborative network among the industry-academe-government, and sustained interest of key industry players.



	Jobs generated	2,531
	Investments	Php21.76M
	Exports	USD8.47M
	Domestic Sales	Php161.2M
	MSMEs Created	100
	MSMEs Assisted	827
	Amount of Loans Facilitated	Php8.283M
	Trainings Conducted	60
	Beneficiaries Trained	566

Support to Tourism

To further enhance the existing products of MSMEs in Bicol, series of product development activities were undertaken, which enabled significant accomplishments of the cluster.

	Jobs Generated	5,178
	Investments	Php816.26M
	Exports	USD8.47M
	Domestic Sales	Php459.63M
	MSMEs Created	269
	MSMEs Assisted	2081
	Amount of Loans Facilitated	Php28.89M
	Trainings Conducted	105
	Beneficiaries Trained	2,548



Shared Services Facilities (SSFs)

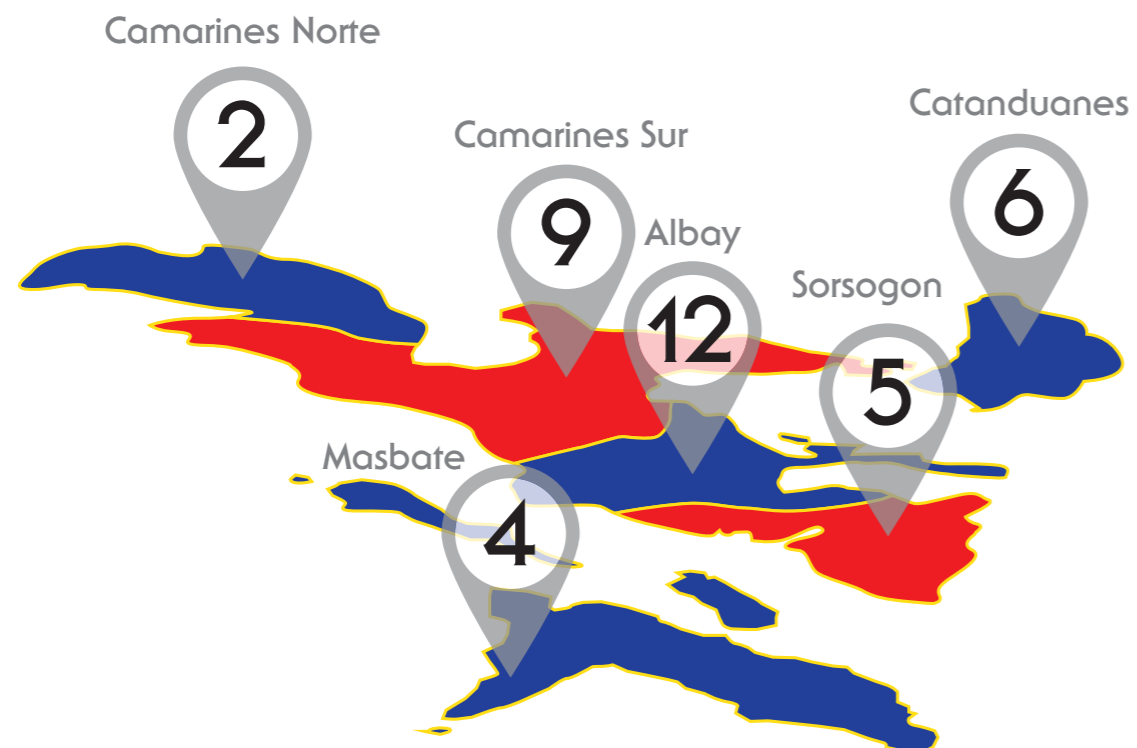
The SSF's primary objective is to help MSMEs improve their businesses through the provision of new machines, equipment, and tools for faster and efficient production, which will enable MSMEs to manufacture high quality products.



38

Shared Services Facilities
Established

SSFs Established per province





Market Capacity Enhancement Program

DTI-Bicol implemented a comprehensive market capacity enhancement initiative to help MSMEs expand into overseas markets.

CONSUMER-LEVEL PROMOTION

DTI-Bicol spearheaded Bicol's participation to Food and Beverage Fair Singapore 2015 under Bicol's Food SME Business Development Program promoting MSMEs from Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate, and Sorsogon in niche markets in ASEAN.

Bicol food products were introduced to consumers and supply chain players in Singapore and Malaysia. Local entrepreneurs from Bicol also learned food trends and preferences through the program. Their exposure to said markets in the region also provided business leads and opportunities to further the MSMEs' reach beyond the local market.

BUSINESS MISSION

Local MSMEs interacted with buyers from Singapore and Malaysia through a business mission in partnership with the Philippine International Trade Center (PITC). MSMEs from Bicol visited key retail chains (e.g. Cold Storage, Tesco, and Lucky Plaza and other hypermarkets in Singapore and Malaysia), and participated in meetings on Malaysia's halal program and prospects.

2

CHAMPIONING CONSUMERS

DTI-Bicol is committed to encouraging enterprises to build consumer trust in their products and for these products to adhere to standards.

CHAMPIONING CONSUMERS

Ensuring Consumers Get the Best "Value for Money"

In its effort to safeguard the interest of consumers against some erring public market stall owners, DTI gave some one hundred ninety-six (196) calibrated weighing scales to all public markets throughout the region.

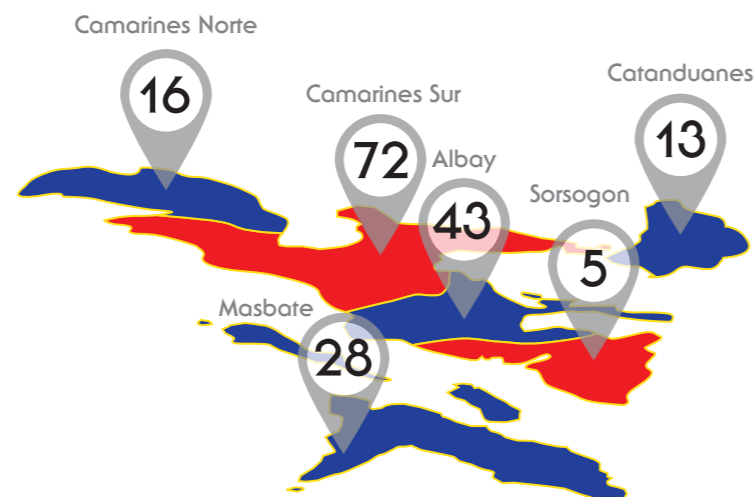
With the presence of the "Timbangan ng Bayan" consumers can check whether the goods or products they bought have accurate weight by validating them in the 'timbangan ng bayan'.



196

Calibrated weighing scales distributed to public markets

Timbangan ng Bayan Distributed per province



Increasing Consumer Awareness

DTI-Bicol launched 'Konsyumer Balitaktakan,' a radio program that aims to raise higher level of consumer awareness through discussions on issues upholding consumer rights, and product quality and safety. Consumers are also given information on frontline government agencies that support consumer protection and other business issues.

Intensifying Monitoring and Enforcement Activities

PRICE ACT

Camarines Sur monitored the most number of firms at 1,188, followed by Albay with 975, and Sorsogon with 475 firms monitored.

Masbate recorded the highest number of firms penalized with 12 or 70% of the total firms monitored. While in the provinces of Camarines Norte and Catanduanes, all firms monitored are compliant to Price Act.

PRODUCT STANDARDS

Region 5 exceeded by 267 or an increase of 23 percent over target. CamSur monitored the highest at 565 firms, followed by Albay with 441, and Sorsogon with 131 firms. 37 were found to be non-compliant.



3,629

Firms monitored for adherence to the Price Act

1,411

Firms monitored for adherence to Philippine product standards

PENALTY

17

Firms penalized for Price Act violations

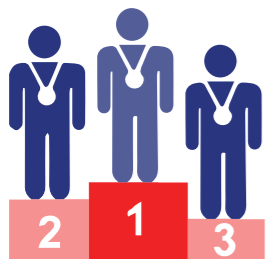
37

Firms penalized for Philippine product standards violations



Protecting Consumers' Interests

DTI-Bicol initiated a partnership with the Department of Social Welfare Development (DSWD) through its program, *Pantawid Pamilyang Pilipino* Program or 4Ps. Before, consumer education seminars are normally conducted in growth areas only, so this intervention will address the low level of consumer awareness with regard to consumerism, as DTI is mandated to promote consumer education in the grassroots particularly the beneficiaries of the government's poverty alleviation program.



127

Total Number of
Competing Schools

Regional Consumerism Challenge

To stimulate the level of awareness of students on consumer laws, rights and safety, DTI-Bicol staged the 4th Regional Consumerism Challenge for High School Students.

One of the objectives of this activity is to enhance the students' interest on consumerism and to strengthen the linkage between the DTI and the Department of Education (DepEd) in providing consumer education. This activity also develops sensible student-consumers who can make better decisions.

2015 REGIONAL CONSUMERISM CHALLENGE WINNERS

Champion Magsaysay National High School, Capalonga, Daet, Camarines Norte | Students Marian J. Avila & Roselle Jane Lanaban with Coach Ms. Christine N. Malaluan | Prize: Plaque + Php15,000

1st Runner-up Universidad de Sta. Isabel, Naga City, Camarines Sur | Students Athena Miguelle C. Alanis & Marianella S. Ocampo with Coach Ms. Elilibeth Cerdeño | Prize: Plaque + Php10,000

2nd Runner-up Naga City Science High School | Students Kathleen Alexis C. Llorente & Therese Elaine DC. Lomeda with Coach Ms. Nelia F. Hernandez | Prize: Plaque + Php7,000

3rd Runner-up Mary's Child Science Oriented High School, Daraga, Albay | Students Arbel Angelo N. Perete & Caryl Anne A. Lupo with Coach Mr. Albert Bandoquillo | Prize: Plaque + Php5,000



ENHANCING
COMMUNITIES

DTI-Bicol supported MSMEs by encouraging collaboration and partnerships with different export markets. By exposing them to the benefits of new markets, many homegrown MSMEs in Bicol are encouraged to scale their businesses and explore new partnerships.

ENHANCING COMMUNITIES

Community Enterprise Development Through DTI-Comprehensive Agrarian Reform Program (CARP)



The DTI-CARP Program supports farmers and small shareholders affected by the Comprehensive Agrarian Reform Program. Under the program, MSMEs from the food sector were encouraged to adopt standards through accreditation and license from the Food and Drugs Administration (FDA) and brand registration at the Intellectual Property Office (IPO).



102

Agrarian Reform Communities Assisted



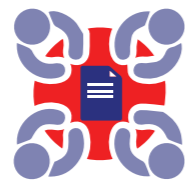
3,471

Jobs Generated



15,290

Farmer Beneficiaries



116

Human Resource And Product Development Trainings Given



233

Trade Promotion Activities for CARP Beneficiaries



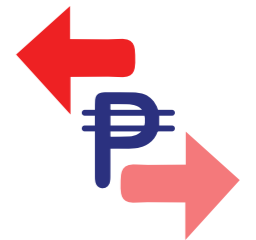
DTI-Bicol | Game Changers in the Export Market



RD Jocelyn L.B. Blanco inspires BuB beneficiaries in the coastal municipality of Presentacion in Camarines Sur during the turnover of Mobile Karitons to some recipients

Bottom-Up Budgeting (BuB)

Bottom-up Budgeting is one of the new programs of the government that calls for citizen participation when it comes to project identification. Under the program, civil society organizations are given the chance to be heard as they are the ones who know the needs of the people in the community. The government believes that with their participation, projects that will be identified will surely enhance their quality of life.



Php43.16M

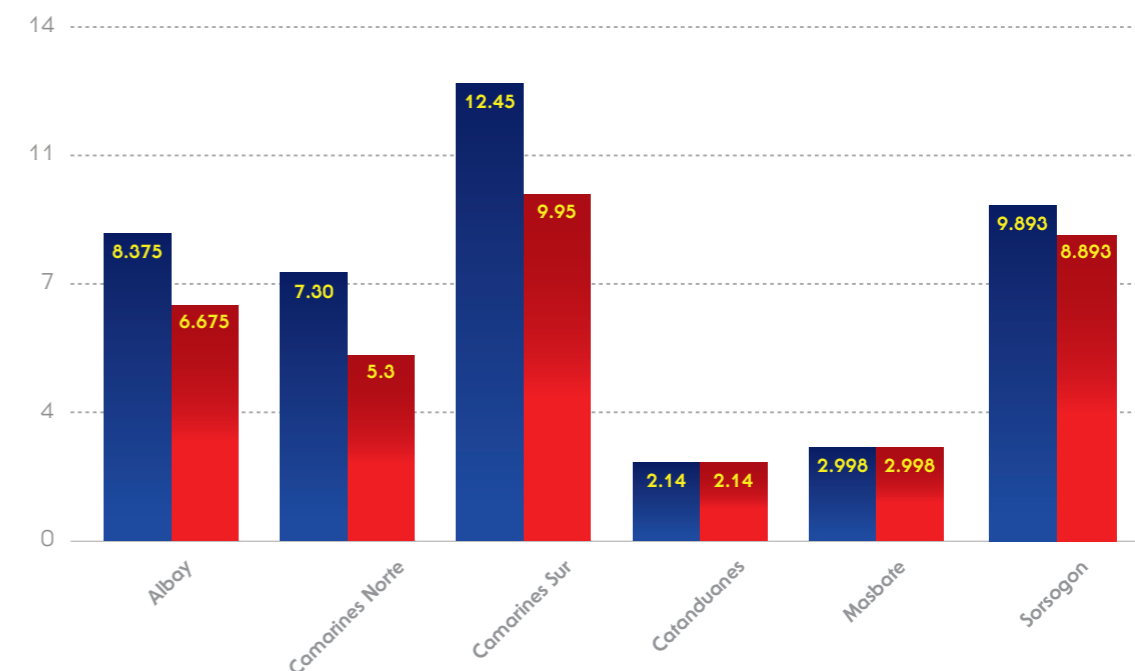
Total Budget Allocated

Php35.96M

Total Budget Released

in million pesos

Budget Allocated & Released



Green Economic Development

DTI, in partnership with German Sustainable development service provider *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, began implementing the ProGED program in 2013.

Albay, Camarines Sur, and Sorsogon joined the DTI's Promotion of Green Economic Development (ProGED) of the German International Cooperation (GIZ) to promote sustainable economic development through environment-friendly and climate smart approaches in the way MSMEs do business.

DTI-Albay Provincial Office, being the pilot province to have implemented the ProGED, initiated an activity, dubbed as “Albay Green Awards”, where some establishments that practice green initiatives were given recognition. Entries were categorized under 1) Green Enterprises; 2) Green Institutions (NGOs/ Other Private Private Organizations; 3) Local Government Units, and 4) National Government Agencies/Institutions. Winners received Php50,000 to Php100,000 plus trophies.

2016 ALBAY GREEN AWARD WINNERS

Categories	Greening Initiatives / Strategies Adopted
------------	---

Green Enterprises

- | | |
|-------------------------|--|
| • Legazpi Eye Center | Energy efficiency, Water efficiency,
Waste management
Environment-friendly transport |
| • The Oriental Hotel | Energy efficiency, Water efficiency
Waste management
Environment-friendly transport
Natural resource management |
| • Philippine Geothermal | Natural resource management |

Green Institutions / NGOs / other Private organizations

- | | |
|---|---|
| <ul style="list-style-type: none"> Don Bosco Agro-Mechanical Technology Center | Environment-friendly supply
Waste management
Water efficiency |
|---|---|

Local Government Units

- Legazpi City
 - Waste management
 - Natural resource management
 - Energy efficiency
 - Environment-friendly transport

National Government Institutions/ Agencies / Institutions

- Naga National High School
Tiwi, Albay



ASEAN Economic Community Integration Advocacy

The onset of the ASEAN Economic Community integration provided opportunities for Filipino MSMEs to start their business and globalize existing enterprises because of further tariff reductions.

The European Union (EU) Generalized Scheme of Preferences Plus or EU-GSP+ also opened opportunities for local MSMEs to expand business in the EU following the preferential tariff coverage to about 6, 274 products.

As potential large markets for Philippine exports, the ASEAN and the EU markets could benefit greatly the local MSMEs in terms of new opportunities for innovative products and services and jobs.

To cater to these markets, the cities of Legazpi and Naga hosted the Doing Business with ASEAN and EU Seminar in partnership with the DTI Export Marketing Bureau. Some 300 MSMEs, industry partners, academe, and other stakeholders attended said seminar.



Bottom Photo, left to right: DTI-Bicol Regional Director Jocelyn L.B. Blanco, DTI- Asec. Rafaelita M. Aldaba, and Dr. Volker Steigerwald face the media during a luncheon press conference.

3

BUILDING TRUST

DTI-Bicol implemented various initiatives to promote and strengthen management systems and processes in the delivery of its services to its clients.

BUILDING TRUST

Upholding Good Governance

DTI-5 upheld good governance by ensuring transparency and maximized results of our operations budget and funding in carrying out the agency's major final outputs targets to drive MSME productivity and competitiveness.

REGION 5	PS	MOOE				CO		
		Regular	BuB	Go Negosyo	SMERA	SSF	Go Negosyo	Total
GAS	7,097,000	10,470,000	1,295,000					18,862,000
MFO 2	19,643,000	2,932,000	43,156,000	4,641,000	1,739,000		660,000	72,771,000
MFO 3	5,399,000	5,597,000						10,996,000
MFO 4	11,730,000	6,663,000						18,393,000
MFO 5	3,324,000	1,599,000						4,923,000
Locally Funded Projects						34,554,000		34,554,000
TOTAL	47,193,000	27,261,000	44,451,000	4,641,000	1,739,000	34,554,000	660,000	160,499,000

REGION 5	MFO2 BuB	MFO2 Go Negosyo	MFO2 SMERA	MFO2	MFO3	MFO4	MFO5	TOTAL
Regional Office		4,641,000	44,000	1,030,330	1,287,310	1,532,490	367,770	8,902,900
Albay PO	8,375,000		390,000	310,650	839,550	1,184,750	239,850	2,964,800
Camarines Norte PO	7,300,000		200,000	360,520	671,640	614,260	191,880	2,038,300
Camarines Sur PO	12,450,000		420,000	280,650	839,550	999,450	239,850	2,779,500
Catanduanes PO	2,140,000		200,000	313,810	615,670	732,930	175,890	2,038,300
Masbate PO	2,997,600		200,000	267,100	559,700	666,300	159,900	1,853,000
Sorsogon PO	9,893,400		285,000	368,940	783,580	932,820	223,860	2,594,200
TOTAL	43,156,000	4,641,000	1,739,000	2,932,000	5,597,000	6,663,000	1,599,000	23,171,000

Fostering Work-Life Balance

To strengthen teammanship and camaraderie among the members of the DTI-5 family, employees are gathered at least once a year to recognize their contribution and achieve their professional and personal goals through work-life balance.

Teambuilding activities, Family Day, Wellness Programs, and Spiritual Enlightenment were held to develop well-rounded personalities among the members of the DTI-5 family.

The men and women behind this year's success



FIRST ROW, left to right: DTI-Sorsogon Team, DTI-Camarines Sur Team, DTI-Camarines Norte Team; SECOND ROW: DTI-Bicol Regional Office Team; THIRD ROW, left to right: DTI-Masbate Team, DTI-Albay Team, DTI-Catanduanes Team

SPRInts Awards

Nine members of DTI-5 Family were nominated to 2014 SPRInts Awards namely: ARD Rodrigo M. Aguilar, PD Leah A. Pagao, DC Melchor L. Aguilar, DC Emerita P. Gomez, DC Ma. Theresa Arbo, DC Senen C. Malaya, Accountant III Angela Glenda B. Millano, TIDS Ma. Salvacion B. Macainag, and Administrative Aide Rufino A. Galero.

Among the nine nominees, DTI-Sorsogon PD Leah A. Pagao gave honor to the region for being awarded “Huwarang DTI” for 2014.

BELOW: RD Jocelyn Blanco (2nd from left), with some of the nominees from left to right: DC Senen C. Malaya, PD Leah A. Pagao, Accountant III Angela Glenda B. Millano, and DC Melchor L. Aguilar during the Huwarang DTI 2014 SPRInts Awarding Ceremony held on August 17, 2015 at PICC.



PD Leah A. Pagao
2014 HUWARANG
DTI AWARDEE



THE DTI-5 MANAGEMENT TEAM



JOCELYN L.B. BLANCO
Regional Director, DTI-Region 5
Tel: (+6352) 480.5749
Email: Jocelyn.Blanco@dti05.org



RODRIGO M. AGUILAR
Provincial Director, DTI-Albay /
Concurrent OIC-ARD
Tel: (+6352) 480.6834
Email: Rodrigo.Aguilar@dti05.org



CYNTHIA G. OLAGUER
Provincial Director
DTI-Camarines Norte
Tel: (+6354) 440.1339
Email: Cynthia.Olaguer@dti05.org



EDNA S. TEJADA
Provincial Director
DTI-Camarines Sur
Tel: (+6354) 473.8111
Email: Edna.Tejada@dti05.org



THE DTI-5 MANAGEMENT TEAM. First Row, L-R: DC Joselina N. Dela Cruz, PD Edna S. Tejada, DC Helen A. Manila, RD Jocelyn L.B. Blanco, PD Cynthia G. Olaguer, PD Leah A. Pagao; Second Row, L-R: PD Rodrigo M. Aguilar, PD Edgar E. Ramos, DC Elieser E.N. Morona, PD Heginio A. Baldano, DC Melchor L. Aguilar.



HEGINIO A. BALDANO
Provincial Caretaker
DTI-Catanduanes
Mobile: (+63917) 501.7332 /
(+63999) 884.0152
Email: Heginio.Baldano@dti05.org







EDGAR E. RAMOS
Provincial Director
DTI-Masbate
Tel: (+6356) 333.5734
Email: Edgar.Ramos@dti05.org



LEAH A. PAGAO
Provincial Director
DTI-Sorsogon
Tel: (+6356) 421.5553
Mobile: (+63928) 505.8833
Email: Leah.Pagao@dti05.org

MAJOR FINAL OUTPUTS PER PROVINCE

Albay
Camarines Norte
Camarines Sur
Catanduanes
Masbate
Sorsogon

<div>MSMEs ASSISTED</div> <div></div> <div>A total of 4,731 MSMEs in the region were given various assistance like skills trainings, market matching, participation to various trade fairs, and other development programs.</div>	1,157	290	1,623	359	553	749
<div>JOBS GENERATED</div> <div></div> <div>DTI-5 created 12,372 jobs for the year, which exceeded its 11,500 target.</div>	2,748	1,243	3,388	898	1,780	2,585
<div>BUSINESS NAMES REGISTERED</div> <div></div> <div>The number of business name registration applications processed for the year totaled to 13,181.</div>	3,423	1,386	4,489	922	1,407	1,554
<div>DOMESTIC SALES (Php M)</div> <div></div> <div>The various interventions of DTI-5 to MSMEs resulted to a total of Php870.35M domestic sales for the MSMEs, which surpassed its Php800M target sales for the year.</div>	263.22	105.89	234.31	59.97	88.93	118.03

