



**LIVEABLE CITIES**  
**PHILIPPINES**

IN PARTNERSHIP WITH



**Coca-Cola**  
Philippines



**Globe**  
BUSINESS

## Liveable Cities Lab Data and the City

Using Data to Create Competitive Cities

5 March 2025 (Wednesday) | 2PM to 4:30PM  
3F, Aboitiz Tech Space, Asian Institute of Management  
Paseo De Roxas St., Legazpi Village, Makati City

## The Role of CMCI in Shaping the Philippines' Competitiveness Landscape

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# The Role of CMCI in Shaping the Philippines' Competitiveness Landscape

## A Comprehensive Overview of the Cities and Municipalities Competitiveness Index

Alvin Ang, PhD



# Outline

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**The Original Intent**

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**The Development of the Idea**

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**The Process**

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**The Initial Results**

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**The Outcomes**

# Original Intent

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Project INVEST (2012) under USAID

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Ofie Templo and Nic Agustin

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**TASK: *Come up with a proxy measurement of GDP at the local government level***

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Then NSCB can only go down to the regional level

# Why?

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it can pinpoint the benefits and connections of the outcomes of the global rankings to the localities;

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it helps identify the specific areas and their local economic strengths and weaknesses; and

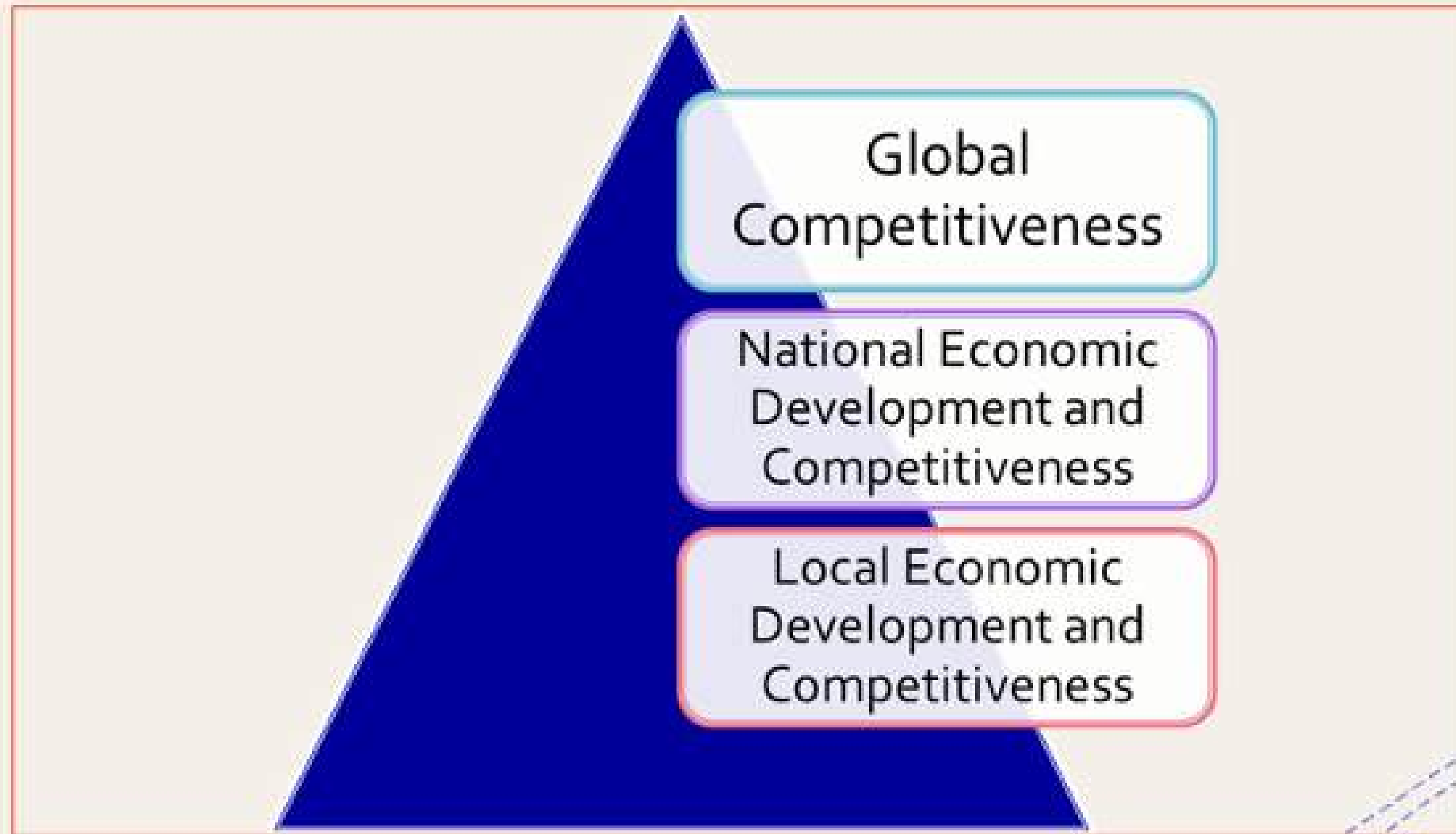
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it will allow local level comparisons which could help lagging localities to focus on their gaps and trigger catch ups.

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***Cities are bound to benefit from such comparisons as they are the considered center of economic activities and generate investments and resources for cluster areas around it and the province where it is located.***

# The Development of the Idea



# Economic Development vs Competitiveness

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**Porter defined competitiveness as based on *location* and is essentially the *productivity* that companies located there can achieve (Porter, 2004).**

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Productivity that allows ***sustainable prosperity*** over time.

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Ketel (2006) prosperity is the understanding of a “created” and an “inherited” prosperity.

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A productive locality is a competitive locality.

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# WE ASKED...

How **competitive** are our cities and municipalities?

How easy is it to **start a business** in a city?

What is the **cost of doing business** in a municipality?





# WE FOUND OUT...



**Difficult to gather data** at city and municipality level

**Sustainability** of data collection affected by funding

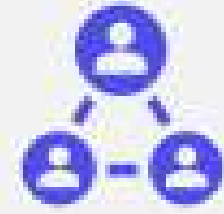
**Time lag** in national data surveys

# Integrating Ideas

	Type	Conducted by	Frequency
<b>IMD Competitiveness Survey</b>	Combination of Official Reports and Executive Opinion Survey	IMD	Annual
<b>Global Competitiveness Index</b>	Combination of official data and executive opinion	WEF	Annual
<b>Doing Business Report</b>	Combination of survey, conference calls, visits and written correspondence	IFC	Annual with country cases
<b>GDP</b>	Various surveys of NSO and other government agencies	NSCB	Quarterly
<b>Labor Force Survey</b>	Survey	NSO	Quarterly
<b>Price Indexes</b>	Survey	NSO	Monthly

<b>AIM PCCR</b>	Combination of official national and city data, perception survey, local information from local academic partners and key informant interviews of selected city officials	AIM	Bi-Annual
<b>ADB CCED</b>	Guidelines in interlocal-intercity development	-	-
<b>LGPMS</b>	Reports	BLPS-DILG	Annual (Governance) Every 3 years (Development)
<b>CBMS</b>	Survey	LGU	-

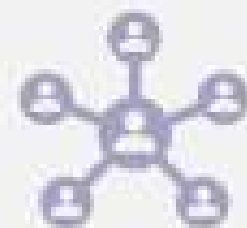
# Comparable local level economic ranking



Chief Economic  
Development Society  
(CEDOS) – UK (2011)



BERL – Local Government  
Economic Indicators  
Framework – New Zealand  
(2010)

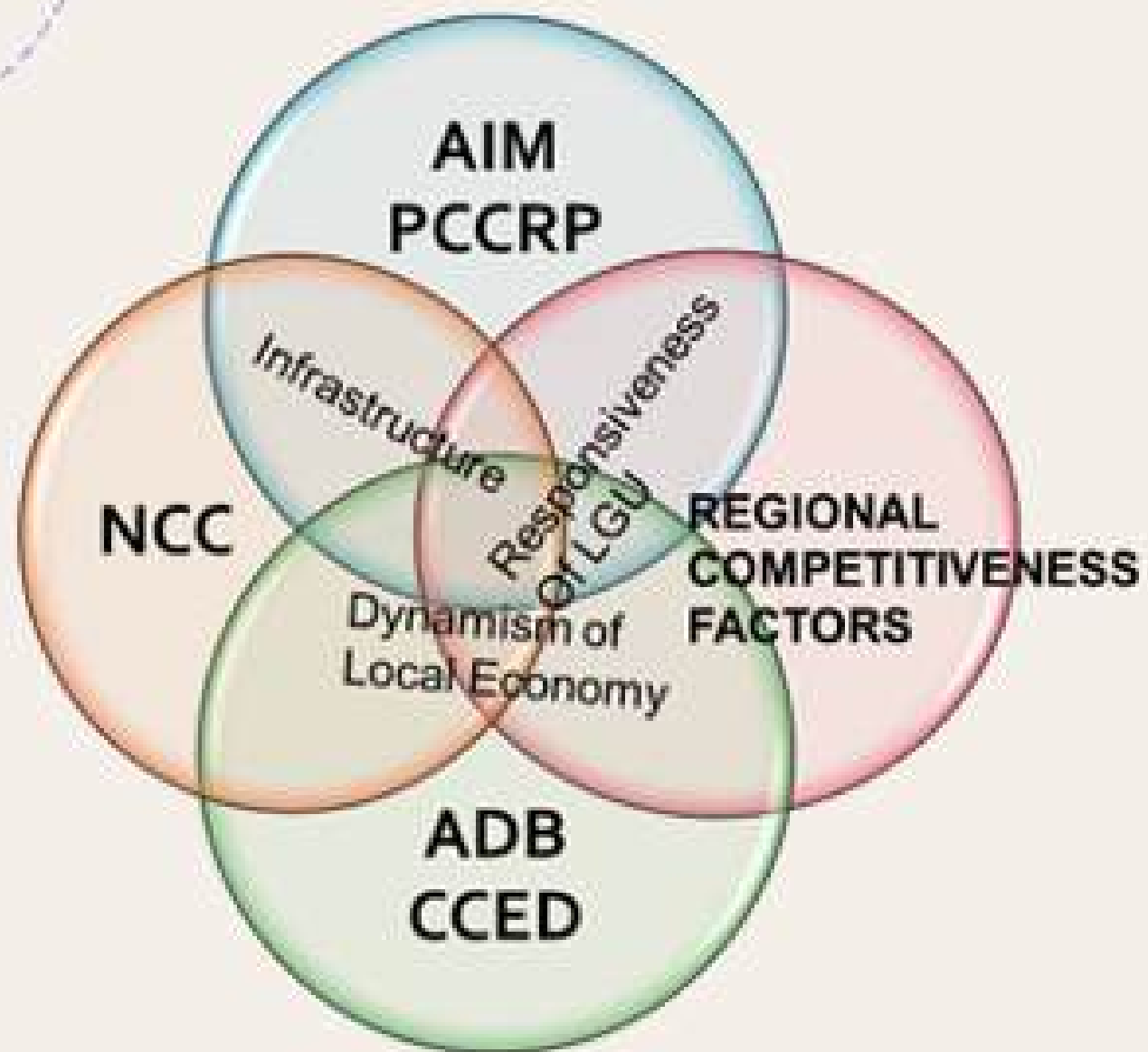


POLICOM – Economic  
Strength Rankings - US  
(2012)

# The Framework



# The Framework



# Initial Framework (2013)

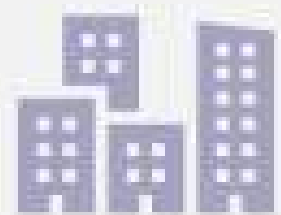




***Economic Dynamism*** – Activities that create stable expansion of businesses and industries and higher employment. Conceptually, it refers to the combination of the entrepreneurial spirit and the financial institutions that will channel it (Edmund Phelps). Localities are the centers of economic activities. Business expansion and job creation are easily observable in local settings.



***Government Efficiency*** - quality and reliability of government services and support for effective and sustainable productive expansion. Conceptually, this looks at government as an institution that is largely not corrupt; able to protect and enforce contracts; apply moderate and reasonable taxation and is able to regulate (La Porta et al, 1999).



***Infrastructure*** – refers to the physical building blocks that connects, expands and sustains a locality and its surroundings to enable the provision of goods and services. It critically involves basic inputs of production such as energy, water; interconnection of production such as transportation, roads and communications; sustenance of production such as waste, disaster preparedness, environmental sustainability and human capital formation infrastructure.



# Identify Indicators thru FEEE Principles (CEDOS)

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**Few in number**

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**Easy to Collect**

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**Easy to Understand**

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**Effective Measures of Performance**



## CMCI INDICATORS



ECONOMIC DYNAMISM

1. Size of Local Economy
2. Growth of Local Economy
3. Structure of Local Economy
4. Safety Compliant Business
5. Increase in Employment
6. Cost of Living
7. Cost of Doing Business
8. Financial Deepening
9. Productivity
10. Presence of Business Organizations



## CMCI INDICATORS

1. Compliance to National Directives
2. Investment Promotion Capacity
3. Business Registration Efficiency
4. Capacity to Generate Local Resource
5. Capacity of Health Services
6. Capacity of School Services
7. Recognition of Performance
8. Compliance to Business Permits and Licensing System (BPLS) Standards
9. Security
10. Social Protection



GOVERNMENT EFFICIENCY



## CMCI INDICATORS



INFRASTRUCTURE

1. Basic Infrastructure: Roads
2. Basic Infrastructure: Ports
3. Basic Infrastructure: Availability of Basic Utilities
4. Basic Infrastructure: Public Transportation
5. Education Infrastructure
6. Health Infrastructure
7. LGU Investment in Infrastructure
8. Accommodation Capacity
9. Information Technology Capacity
10. Financial Technology Capacity



# Process

01

Batangas, Iloilo and Cagayan de Oro, with the support of the CIDA-funded Local Governance Support Program for Local Economic Development (LGSP-LED)

02

framework to identify and prioritize the core factors and indicators to be used have been approved by a committee composed of DTI, DILG and NCC last November 2012

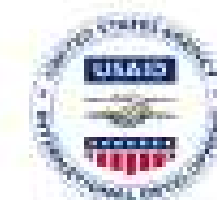
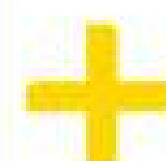
03

A series of consultation meetings with the NCC, INVEST and LGSP-LED has more or less identify a working list for validation and confirmation by proposed implementers – the Regional Competitiveness Councils (RCCs).

# CITIES AND MUNICIPALITIES COMPETITIVENESS INDEX (CMCI)



**RCC's**  
Regional Competitiveness  
Committees



**USAID**  
FROM THE AMERICAN PEOPLE

# Scoring Methodology

- To standardize the computations, the standard formula for the human development index was adopted:

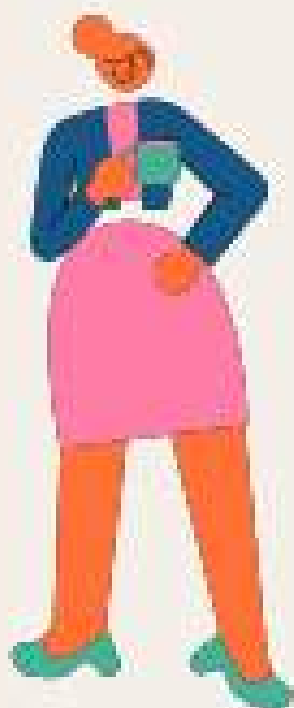
$$\text{INDEX VALUE} = \frac{\text{ACTUAL VALUE} - \text{MINIMUM VALUE}}{\text{MAXIMUM VALUE} - \text{MINIMUM VALUE}}$$

$$\text{INDICATOR OR SUB INDICATOR SCORE} = \text{INDEX VALUE} \times \text{WEIGHT PER SUB INDICATOR}$$

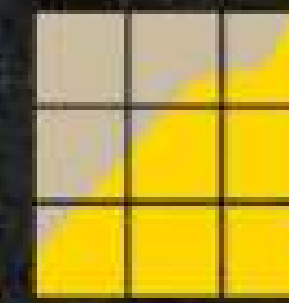
$$\text{WEIGHT PER SUB INDICATOR} = \frac{100}{5} = \frac{20}{10} = \frac{2}{\# \text{ of SI}}$$

- The resulting value is then multiplied to the identified weight per indicator.

NOTE: Some data, such as those requiring a yes or no answer or growth rates, were subject to a special scoring system so they could be reflected in the rankings.



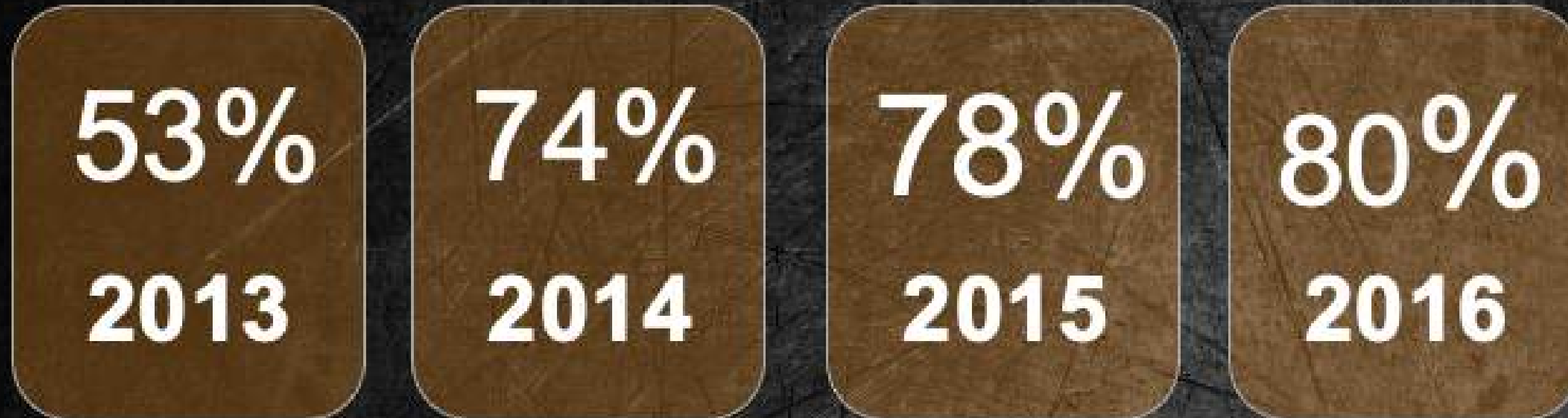
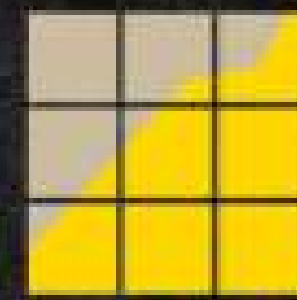
# COMPLETION RATE: 2013-2016



Completion Rate	2013		2014		2015		2016	
PILLARS	Cities	Municipalities	Cities	Municipalities	Cities	Municipalities	Cities	Municipalities
Economic Dynamism	52%	47%	83%	69%	83%	69%	88%	72%
Government Efficiency	46%	40%	85%	74%	89%	78%	89%	79%
Infrastructure	71%	63%	72%	64%	76%	71%	82%	72%
<b>TOTAL</b>	<b>56%</b>	<b>50%</b>	<b>79%</b>	<b>68%</b>	<b>83%</b>	<b>73%</b>	<b>87%</b>	<b>74%</b>

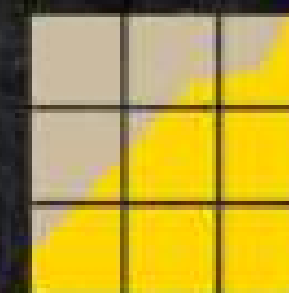


# COMPLETION RATE: 2013-2016





# ANNUAL REVIEW: TOTAL NUMBER OF INPUTS REQUIRED 2013-2016



PILLARS	INDICATORS				SUB-INDICATORS				TOTAL NUMBER OF INPUTS			
	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
Economic Dynamism	9	8	10	8	21	33	28	30	46	107	134	170
Government Efficiency	8	10	10	10	33	43	22	24	45	104	127	160
Infrastructure	10	10	11	10	18	61	39	33	18	137	205	311
<b>TOTAL</b>	<b>27</b>	<b>28</b>	<b>31</b>	<b>28</b>	<b>72</b>	<b>137</b>	<b>89</b>	<b>87</b>	<b>109</b>	<b>348</b>	<b>466</b>	<b>641</b>

**Inputs- refer to the number of data points/ cells required to be filled under each pillar**

**Example for Economic Dynamism:**

**Indicator :** (Total Annual Business Registrations)

**Sub-indicators :** (# of new business registrations, # of renewals)

**Inputs :** (Total annual count : 2011, 2012, 2013, Jan-March 2013, Jan-March 2014)



## RESILIENCY IN 2016



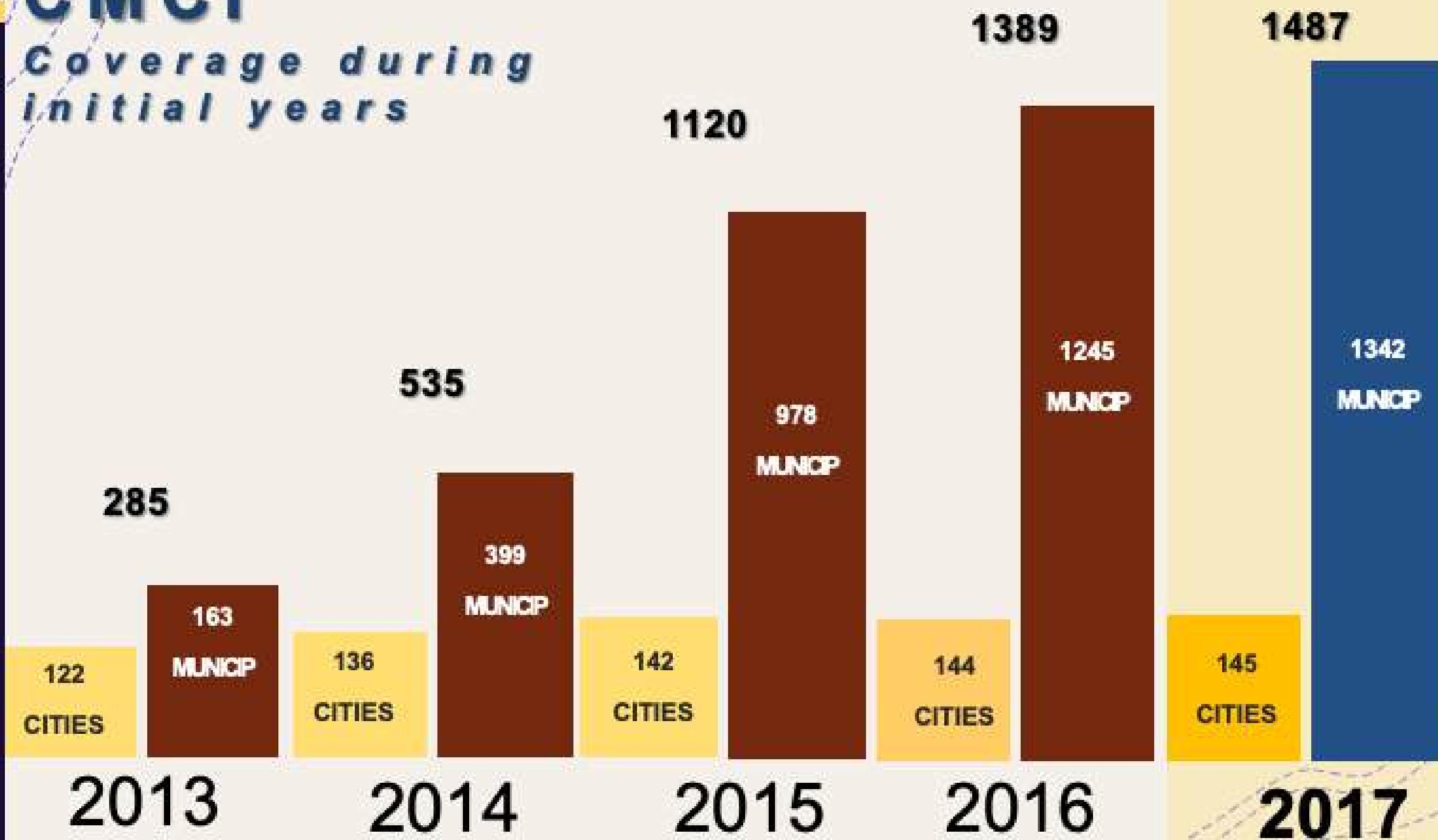
RESILIENCY

1. Organization and Coordination: Land Use Plan
2. Organization and Coordination: Disaster Risk Reduction Plan
3. Organization and Coordination: Disaster Drill
4. Organization and Coordination: Early Warning System
5. Resiliency Financing: Budget for DRRMP
6. Resiliency Reports: Local Risk Assessments
7. Resiliency Infrastructure: Emergency Infrastructure
8. Resiliency Infrastructure: Utilities
9. Resilience of System: Employed Population
10. Resilience of System: Sanitary System



# CMCI

Coverage during  
initial years



Out of 1,634 local governments in the Philippines

## INNOVATION in 2021

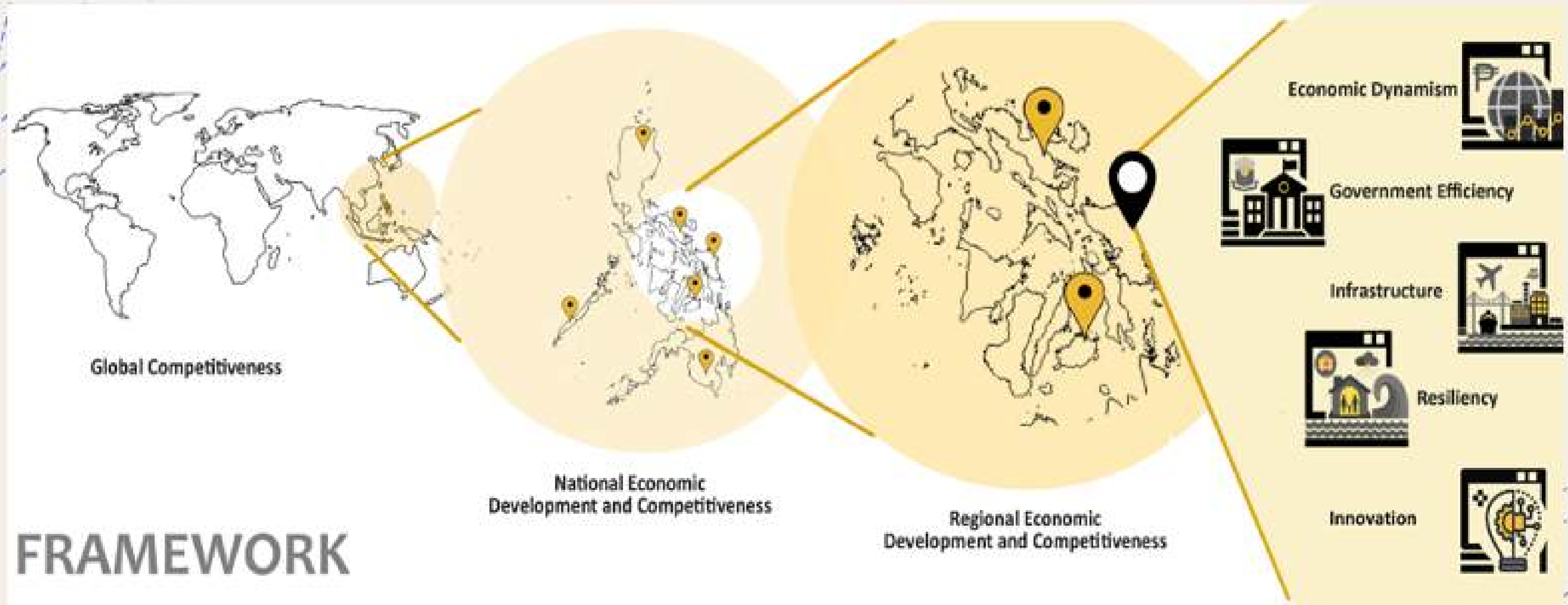


INNOVATION

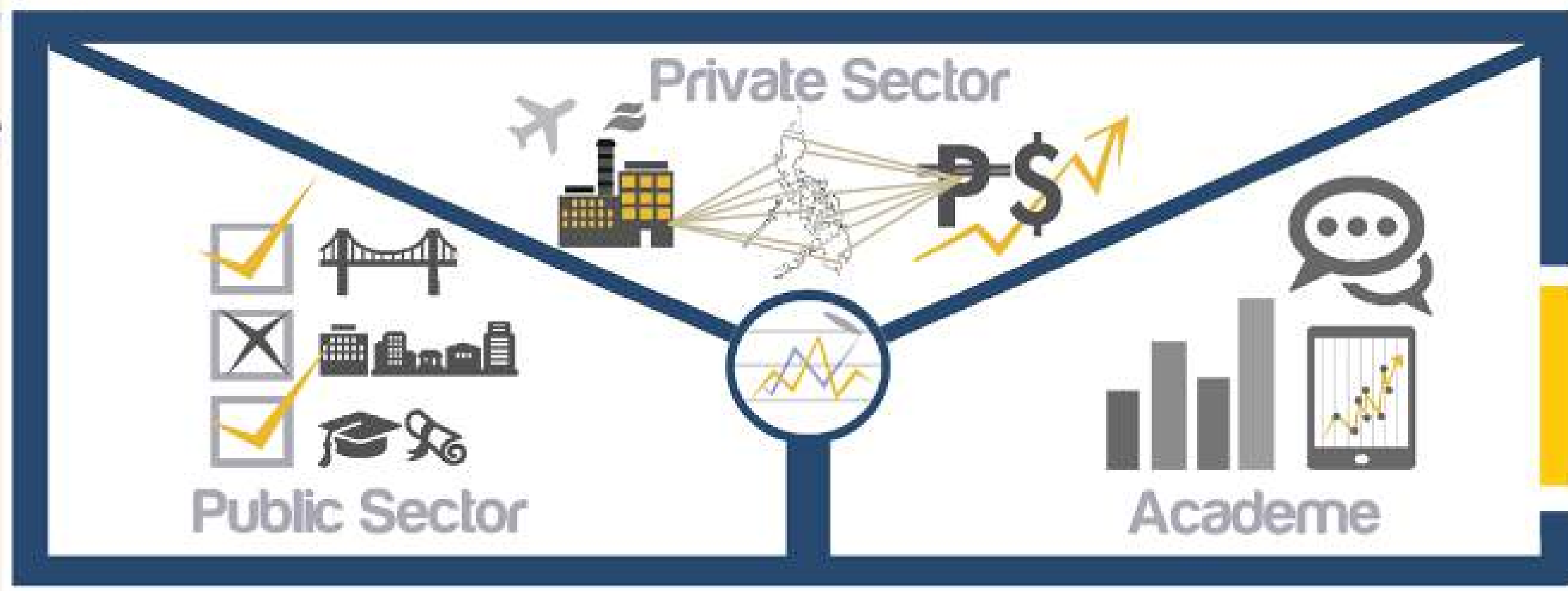
1. Start-ups
2. Innovation Facilities
3. STEAM Graduates
4. Innovation Financing: R&D Expenditures Allotment
5. IP Registration
6. ICT Use: E-BPLS Software
7. Internet Capability
8. Availability of Basic Internet Service
9. Green Innovation Project
10. Online Payment Facilities



# CMCI Framework at present



## Uses of the Index



- diagnostic tool to assess the competitiveness of their LGU
- identify areas for improvement and collaboration
- policy making, development planning and investment promotion
- businesses to decide where to locate or start an enterprise
- data to be used for further research

# CMCI: Over the years

## Creation of the CMCI Program

**Competitiveness Pillars**  
Economic Dynamism  
Government Efficiency  
Infrastructure

**Classifications**  
Cities & Municipalities



2012



2013



2014

## Reclassification

Provinces,  
Highly Urbanized Cities,  
Component Cities,  
1-2, 3-6 Class Mun.



2015



2016

**Competitiveness Pillars:**  
Economic Dynamism  
Government Efficiency  
Infrastructure

**Resiliency**



2017



2018

## Reclassification

Provinces,  
Highly Urbanized Cities,  
Component Cities,  
1-2, 3-4, 5-6 Class Mun.

## 1st & 2nd BARRM Summit

Introduction of  
the Innovation Pillar

**Competitiveness Pillars:**  
Economic Dynamism  
Government Efficiency  
Infrastructure  
Resiliency

**Innovation**

First Face-to-Face  
**Post-Pandemic**  
Awarding Ceremony

**Philippine Creative**  
Cities and Municipalities  
Competitiveness Congress

**Creative**  
Cities and Municipalities  
Congress



2019



2020



2021



2022



2023



2024

1,518  
LGUs  
Participated

1,552  
LGUs  
Participated

1,607  
LGUs  
Participated

1,608  
LGUs  
Participated

1,634  
LGUs  
Participated

1,634  
LGUs  
Participated