The Philippine Board of Investments (BOI) is the lead agency for Inclusive Business promotion and policy implementation. One of our objectives is to enhance the enabling environment for inclusive businesses and encourage more enterprises to adopt the IB model for their operation. The BOI added Inclusive Business models to the 2017-2019 Investment Priorities Plan (IPP), a three (3) year rolling plan which identifies areas of activities that qualify for fiscal and non-fiscal incentives with the theme of, “Scaling-up, Dispersing Opportunities.” The Philippine government has implemented Inclusive Growth initiatives to reduce the poverty rate from around 21% some two years ago to 14% by May 2022 when President Rodrigo Duterte ends his term. This means lifting 19 million people out of extreme poverty.

Under the plan, medium and large enterprises (MLEs) in the agribusiness sector that provide business opportunities to micro and small enterprises (MSEs) as part of their value chain are qualified to enrol in the program for fiscal and non-fiscal incentives. To qualify MLEs after three (3) years of commercial operation must show that 25% value of their total cost of goods are sourced from registered or recognized MSEs, at least 300 farmers/fisherfolks 30% of which are women have increased their average income by 20% from a base reference line. For the tourism sector the same applies except that only 25 direct hires are required but must belong to either social welfare assistance programs, agrarian reform beneficiaries, indigenous people groups, PWDs, etc., 30% of which are women. Income tax holidays are provided to mitigate risks in hiring less qualified/skilled individuals while providing opportunities for previously excluded sectors of society.

To date PHP2.9Billion worth of goods and services from MSEs involving 1,200 individuals have been hired, 30% of which are women.

BOI continues to consult and collaborate with potential IB companies, business associations, NGOs, academe, financing institutions, and international development partners such as IBAN, Oxfam, Grow Asia, UN ESCAP, and GIZ. We have a strong partnership with the University of the Philippines, Center for Integrative Studies, in collaboration with the EU Erasmus University, Rotterdam School of Management doing participatory-action research with foundations and business stakeholders engaged with former combatants and small farm holder groups with tenural issues. Our most recent partner is by a Filipino-Japanese wire harness company with 10,000 employees that went into mechanized farming to provide good quality rice for their factory plant cafeteria. They entered into a farm management agreement with beneficiaries of the government’s comprehensive agrarian reform program who lost their land to the banks. This company bought some108 hectares back from the bank and from the proceeds of their labor, ultimately recover their property.

With support from United Nations Economic and Social for Asia and the Pacific (UN ESCAP) and Inclusive Business Action Network (IBAN) an Inclusive Business Roadmap was prepared to advance the implementation of the IB policy and to address bottlenecks in the implementation of IB projects. Some of the issues that need to be addressed are the lack of a lead agency to coordinate MSEs and MLEs integration/collaboration, Ineligibility for funding facilities, lack of requirements, collateral, track record.

The BOI is currently looking on including the manufacturing sector specially in the light of the impacts of the pandemic which demands shorter supply chains and clustering. The BOI is also looking at expansion programs for existing program participants. Through these continuing sharing of experiences on IB, BOI has found it timely and relevant to find partners to support an act to promote address these issues. It is our hope to find sponsors in the Philippine Congress.