

## Data Collection and Analysis of Citizen Feedback to Strengthen Formal and Informal Businesses in Iligan City

### Executive Summary

The COVID-19 pandemic disrupted business operations and resulting employment opportunities in Iligan City. In order to craft policies and programs that best support formal and informal MSMEs<sup>1</sup> in the locality, the city government of Iligan sought the opinions of their constituents through the Digital Democracy project.

A series of online consultations with Iligan City was conducted to formulate a 45-statement open-ended survey through the [Pol.is](#) platform. Respondents voted either 'agree', 'disagree', or 'pass' for every statement presented to them.

An online citizen assembly was held on September 16, 2021, to explain the survey objectives and kick off the feedback collection process. The survey ran for a total of 13 days, with a total of 221 respondents and 5,296 votes. After tabulation and analysis, the survey results were presented in the closing citizen assembly on September 30, 2021, as a centerpiece for discussion.

Using Principal Components Analysis (PCA) and clustering via Pol.is report page, 153 voters were grouped under three opinion groups<sup>2</sup>. The general profiles of the opinion groups by metadata are as follows:

**Group A** (n=76) – Freelancers, home-based businesses, and businesses that shifted industries due to COVID-19;

**Group B** (n=44) - Established businesses mostly with physical stores, already registered in DTI, and has been operating for at least a year;

**Group C** (n=33) - Micro businesses and home-based businesses, many are not DTI-registered;

Groups A and C are similar in terms of metadata except that there are more freelancers and more DTI-registered businesses in Group A. Based on the competency-related statement votes, Group C is in need of additional support and training on the basics of running a business<sup>3</sup>. Group B on the other hand needs the least support among the opinion groups. Group B voters are registered and are doing relatively better in terms of business operations and know-how.

Points of consensus among opinion groups are:

1. Businesses are negatively affected by COVID-19;
2. Needs marketing and financing support;
3. Currently using social media and the internet in business operations;
4. Takes extra steps to be environmentally friendly;
5. Believes that there isn't enough local policy that supports MSMEs and freelancers;

Meanwhile, the opinion groups are divided<sup>4</sup> between agreement and disagreement on the following statements:

1. Some shifted into freelancing due to COVID-19;
2. Business closed amid COVID-19;
3. Seldom short on funds;

A point of uncertainty among voters is whether or not they registered (or should register) their business with the DTI.

Association rules mined in the voting patterns showed that those who claimed that their businesses did not close due to the pandemic are those who are already competent in Marketing. Those who claimed that their business improved during the pandemic and that the business processes in Iligan are fast and efficient are those who own/worked for large enterprises that are in operation for at least 4 years. The large business owners/workers are also the minority that believes that there is sufficient policy in Iligan to support businesses.

Apart from the statement votes, the qualitative responses from the open-ended feedback raised the need for awareness in existing programs and policies of the LGU that support MSMEs, and that the business registration and compliance process should be streamlined and made online.

Finally, combining qualitative, quantitative, and discussion results highlighted the following key support requirements by Iligan MSMEs and freelancers:

1. Lack of (awareness of) programs and policies that support MSMEs and freelancers;
2. Need for relaxation of registration deadlines and request for local tax amnesties;
3. Streamlining of business process registration and tax filing (through digital platforms);
4. Need for training on marketing, business finance management, compliance to policy, ICT tools for business, etc.;
5. Need to strengthen ICT infrastructure in Iligan;
6. And, fast-tracking of COVID-19 vaccination.

<sup>1</sup> Micro, Small, and Medium Enterprises

<sup>2</sup> These are groups of respondents who voted similarly on a group of statements.

<sup>3</sup> E.g. Business succession plan, business finance management, compliance to registration and tax obligations, etc.

<sup>4</sup> Roughly 50-50 between agreement and disagreement

## Survey Report

### Background Data and Context:

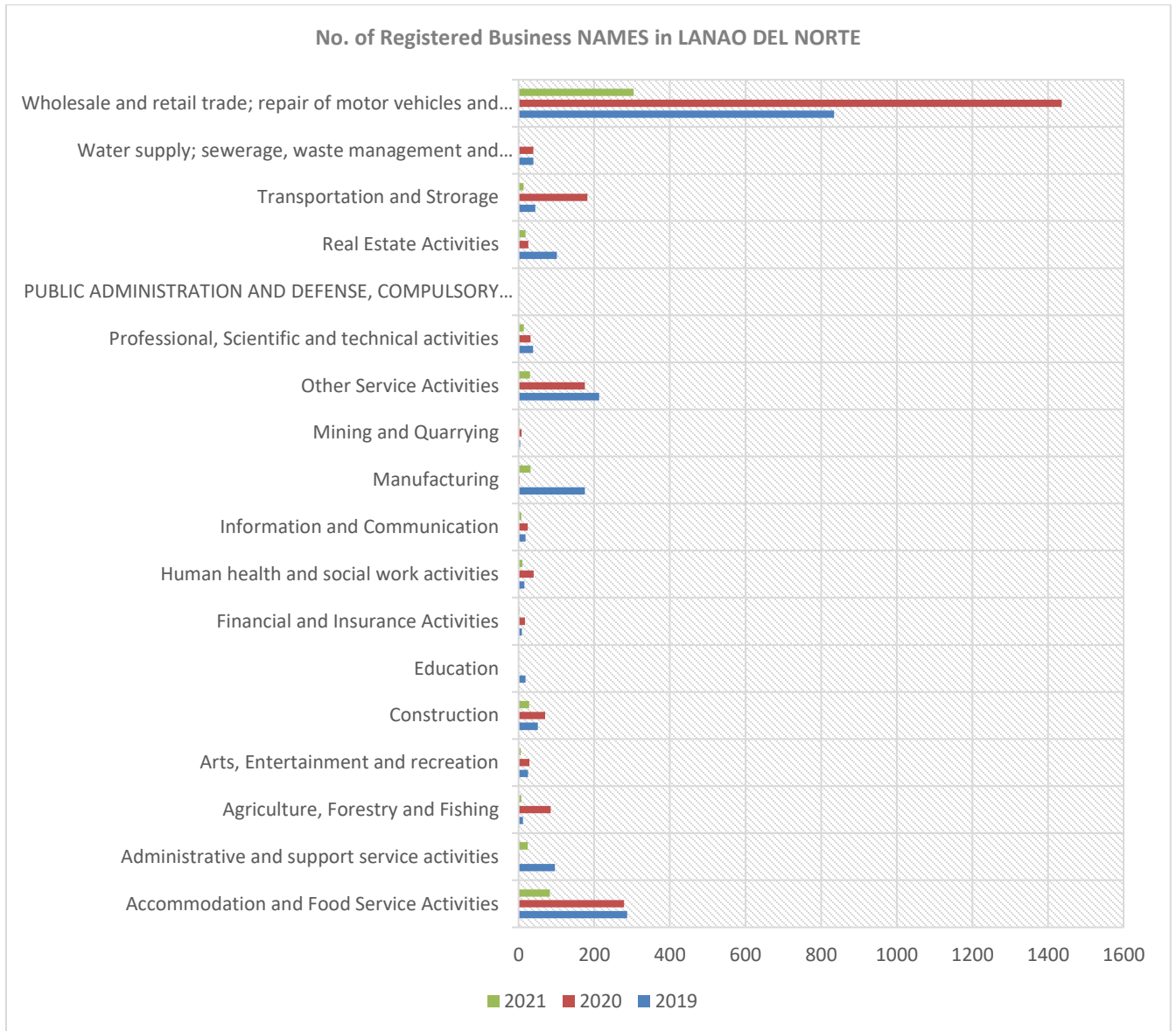
Micro, small, and medium enterprises (MSMEs) play a critical role in the economy, comprising approximately 90% of businesses, providing over 50% of employment globally, and contributes around 40% to the Gross Domestic Product (GDP) in emerging economies [1]. However, due to the COVID-19 pandemic, the business operations of MSMEs and resulting employment opportunities were significantly affected. Furthermore, it has been observed that following COVID-19 pandemic, the informal economy expanded, which negatively affects the sustainability of economies [2].

Iligan City is a highly urbanized city situated in Northern Mindanao (Region 10). The city has a total of 11 major industries, 24 banks (4 public, 20 private), 181 schools (106 public, 75 private, 17 madrasah) with a literacy rate of 94.71% [3]. According to the records of the Department of Trade and Industry – Province of Lanao del Norte, the number of registered businesses<sup>5</sup> in the province decreased by approximately 76% in 2021. Figure 1 illustrates the business name category breakdown of the 1,979 registered business names in 2019, 2,448 in 2020, and 585 in 2021. Note, however, that while the total number of business name registrations decreased from 2020 to 2021, the business name registrations under the industries “Administrative and Support Service Activities” and “Manufacturing” significantly increased compared to the previous year.

Acknowledging the importance of supporting both the formal and informal business sector in the city, the local government of Iligan consulted their constituents through online voting and discussions, to inform local policy and programs on how to best support businesses and freelancers to inclusively recover from the effects of the COVID-19 pandemic.

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<sup>5</sup> Registered business names by industry



**Figure 1– No. of registered business names for the years 2019-2021**  
 Source: Department of Trade and Industry Province of Lanao del Norte

### Objectives of the Survey:

- Understand citizen sentiment and opinion on owning, running, and working for formal and informal businesses in Iligan city
- Identify key points of conversations and opinion groups based on voting patterns
- Identify key statements and key concerns raised (or support needed) by local businesses
- Extract insights to inform policy and decision making of the city government of Iligan, to support both formal and informal businesses in the city

### Methodology

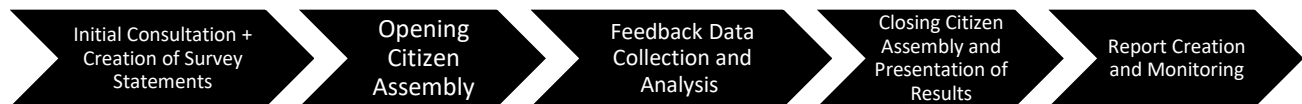


Figure 2 – Digital Democracy process

The process started with an initial correspondence between MBC and Iligan City, to discuss the survey objectives and formulate the initial statements which will be used in the survey. An opening online citizen assembly was held on September 16, 2021, with Iligan City Vice Mayor Jemar L. Vera Cruz as the keynote speaker. The Opening assembly kicked off the voting process, which ran for a total of 13 days.

The survey data were pre-processed, analyzed, visualized, and presented during the closing assembly on September 30, 2021. The closing assembly held breakout rooms for the stakeholders to discuss the survey results and proposed next steps.

### Feedback Collection Process and Instrument

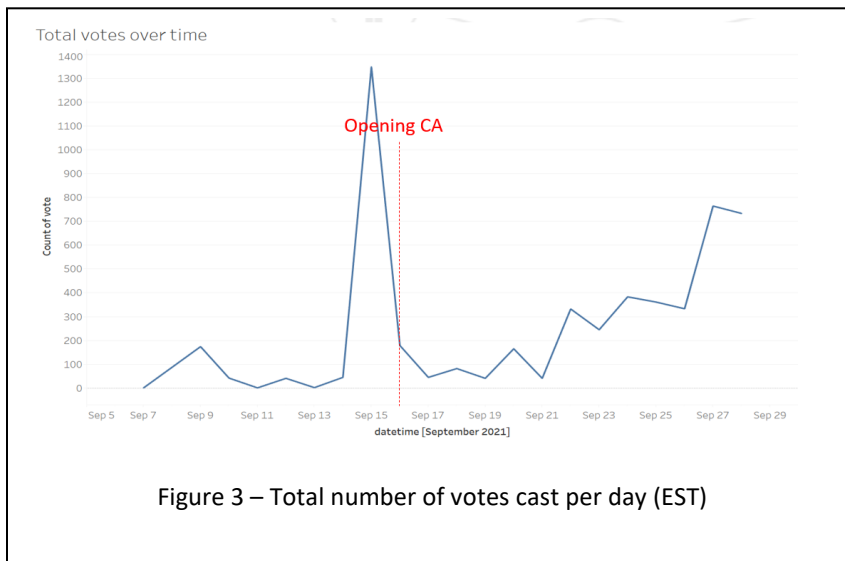
The primary feedback collection tool for this survey is [Pol.is](#), supplemented by stakeholder discussions during the opening and closing assemblies. Additional data on business registration was provided by the Department of Trade and Industry – Province of Lanao del Norte to give context to the analysis and discussions.

## Pol.Is Statements

The Pol.Is survey has a total of 45 topic-related statements, 5 of which are metadata. The statements are written in Cebuano, with corresponding English translations. Respondents voted either ‘agree,’ ‘disagree,’ or ‘pass,’ for each statement, and submitted qualitative statements at the end of the survey. The complete list of statements can be found [here](#).

## Voting Summary

- Voting ran from **September 16, 2021**, to **September 29, 2021** (13 days).
- **221** total voters were counted, **153** of these were grouped.
- There are a total of 45 statements.
- **5,296** votes were cast for all statements.
- An average of **25.46** votes is cast per voter.



## Voting Timeline

The opening online citizen assembly was held on September 16, 2021.

Iligan City invited stakeholders to answer the online survey via local channels and social media. Votes counted were until September 28, 2021, and preliminary results were presented during the closing citizen assembly held on September 30, 2021.

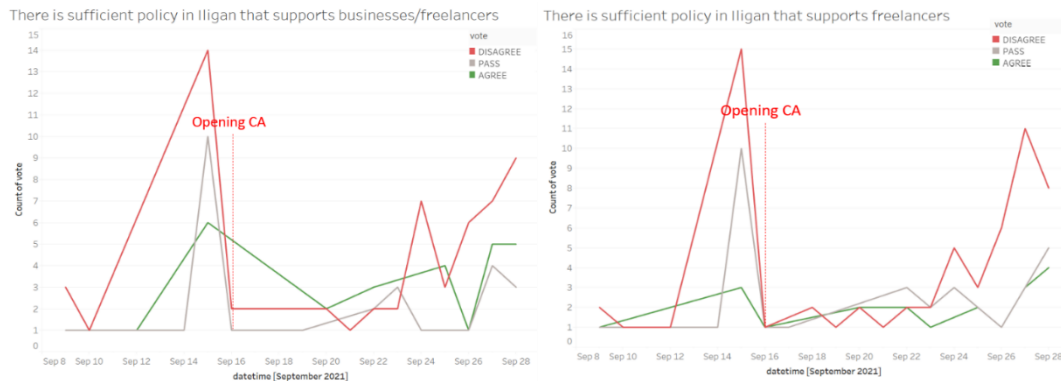


Figure 4 – Agree/Disagree votes on the sufficiency of policies that support businesses versus time

Agreement to the statements on the sufficiency of policies in Iligan that supports businesses and freelancers (in relation to disagreement) briefly increased for a few days after the opening citizen assembly. During the opening assembly, existing policies and programs that support MSMEs were presented by the local government.

### Opinion Groups Identified

Three “opinion groups” were identified based on voting patterns. These are groups of respondents who voted similarly on a number of statements. Identifying opinion groups informs the city government of the specific concerns of specific sectors in the population.

Using Principal Components Analysis (PCA) and clustering, Pol.Is platform detected three opinion groups: Group A, with 76 respondents, Group B with 44 respondents, and Group C, with 33 respondents.

### What do these opinion groups look like?

Table 1 compares the three opinion groups via metadata. The highest number of voters are in Group A, followed by Group B.

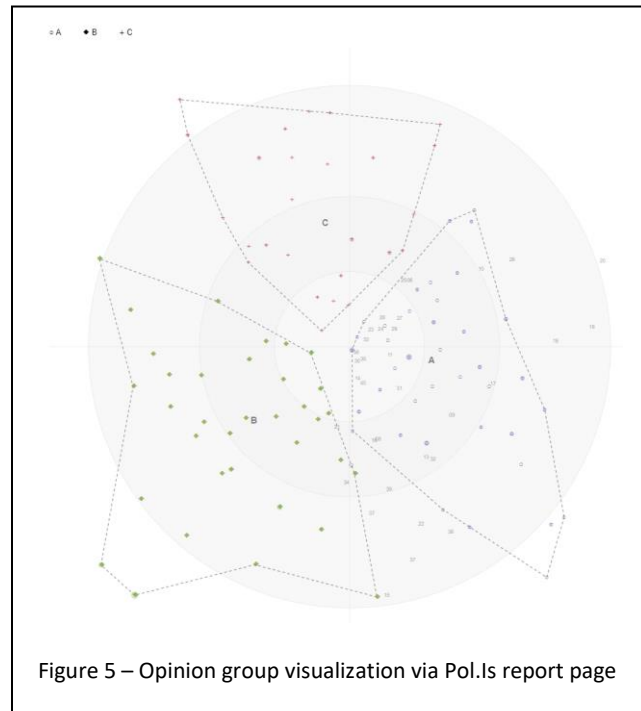


Figure 5 – Opinion group visualization via Pol.Is report page

All groups are mostly Iligan residents and business owners, except for Group B with the lowest percentage (but still the majority) among the three. Both groups A and C are mostly home-based businesses, while there are more non-home-based businesses in Group B. With this, we can assume that Group B voters are either owners or employees of established businesses with physical stores. This profiling is further supplemented by the ratio of freelancers being higher in Groups A and C compared to Group B. Furthermore, the majority of Group A and C voters claim that their business is operational for less than 1 year while the majority of Group B voters own/are working for businesses that are operational for at least over a year.

From the metadata, we can profile most Group B voters to be those who own or working for established businesses and businesses with physical stores while Groups A and C voters are either freelancers, home-based businesses, or newly-created businesses. The only difference between Group A and Group C is that there are more DTI-registered businesses in Group A (71%) compared to Group C (46%).

	GROUP A (n=76)	GROUP B (n=44)	GROUP C (n=33)
Resident of Iligan City	88% YES	86% YES	96% YES
I own a business (proprietor)	73% YES	64% YES	75% YES
My business is HOME-BASED	64% YES	41% YES / 48% NO	61% YES
My business is DTI-registered	71% YES	65% YES	46% YES / 34% NO
I am a FREELANCER	58% YES/ 18% NO	38% YES / 47% NO	52% YES / 38% NO
My FREELANCING is registered with DTI	29% YES / 41% NO	20% YES / 51% NO	16% YES / 50% NO
Business operational for less than 1 year	53% YES	25% YES / 65% NO	35% YES / 39% NO

Table 1 – Comparison of opinion groups A, B, and C with metadata

### Points of Consensus

Table 2 shows a summary of the points of consensus for all voters. Points of consensus are statements wherein the majority of voters, regardless of opinion group, agreed or disagreed with.

The majority of voters across opinion groups felt the negative impact of COVID-19 on their business. Although the respondents claimed that they are already using the internet and social media in their business operations, the voters still expressed the need for support on marketing their products and services and additional financing to improve their businesses.

The respondents also claimed that they take extra steps and precautions in ensuring that their business operations are environmentally friendly (such as waste segregation). However, the majority also said that there is still a lack of policy that supports small businesses and freelancers in the city.






	All groups felt Covid 19's <b>NEGATIVE IMPACT</b> on their business
	All groups <b>NEED MARKETING</b> and <b>FINANCING</b> support to improve their businesses
	All groups <b>USE INTERNET</b> and <b>SOCIAL MEDIA</b> in their business operations
	All groups take <b>EXTRA STEPS</b> to be <b>ENVIRONMENTALLY FRIENDLY</b> in their business operations. (and all groups practice <b>WASTE SEGREGATION</b> )
	All groups said there is <b>NO SUFFICIENT POLICY</b> in the LGU that support freelancers

Table 2 – Points of consensus for both opinion groups A, B, and C



### **Divisive Statements**

Divisive statements are statements wherein participants are split within agreement and disagreement. Divisive statements are important points of conversation that often require clarification and/or attention from the local government and stakeholders. The following are flagged as divisive statements:

- I shifted into freelancing because of COVID-19
- My Business CLOSED due to COVID-19
- I have savings in my bank account and I am seldom short of funds

### **Unique Voting Patterns of the Opinion Groups**

As shown in Table 3, the key difference with Group A is that majority of Group A claimed to have shifted to another business or to freelancing because of COVID-19 (78% and 61% respectively). They also have the highest percentage of respondents who requested for support regarding business registrations, freelancing, and compliance with tax obligations. Group A also claimed to earn a minimum wage.

Group C on the other hand, expressed the most need for assistance in business finance management. Group C voters said that they are frequently short of funds, have little savings in their bank account, have no clear business succession plan, are not aware of business/freelance tax filing, and that their business funds are not managed separately from household funds. Group C has the highest percentage of voters who claimed that there is insufficient policy in Iligan city that supports freelancers.

The majority of Group B claimed they no longer need assistance on business registration and tax filing. Many Group B voters also claimed that their businesses did NOT close nor shift to another business because of the pandemic. Among the three groups, Group B appears to be doing relatively well and needs the least support.

STATEMENT	GROUP A			GROUP B			GROUP C		
	Agree	Disagree	Pass	Agree	Disagree	Pass	Agree	Disagree	Pass
Shifted into another business because of COVID-19	78%	7%	13%	19%	69%	11%	26%	66%	6%
Shifted into FREELANCING because of COVID-19	61%	16%	22%	0%	88%	11%	22%	51%	25%
Need support in compliance with law re: business and freelancing	91%	1%	6%	44%	30%	25%	86%	10%	3%
Need help to REGISTER BUSINESS	73%	6%	19%	16%	67%	16%	55%	31%	13%
I need support in FINANCING my business	93%	1%	5%	65%	23%	11%	81%	7%	11%
I earn a minimum wage	61%	22%	20%	7%	80%	11%	18%	77%	3%

Table 3 – Unique voting pattern identified for Group A

STATEMENT	GROUP A			GROUP B			GROUP C		
	Agree	Disagree	Pass	Agree	Disagree	Pass	Agree	Disagree	Pass
I am aware of business/freelance tax filing	59%	25%	15%	75%	11%	13%	20%	63%	11%
Shifted into FREELANCING because of COVID19	61%	16%	22%	0%	88%	11%	22%	51%	25%
Need support to REGISTER BUSINESS	73%	6%	19%	16%	67%	16%	55%	31%	13%
Business CLOSED due to Pandemic	56%	22%	20%	7%	80%	11%	18%	77%	3%
Shifted to another business due to pandemic	78%	7%	13%	19%	69%	11%	26%	66%	6%

Table 4 – Unique voting pattern identified for Group B

STATEMENT	GROUP A			GROUP B			GROUP C		
	Agree	Disagree	Pass	Agree	Disagree	Pass	Agree	Disagree	Pass
I need equipment & technology upgrading	89%	5%	5%	59%	23%	16%	92%	7%	0%
have savings in my bank account and I am seldom short of funds	49%	31%	19%	48%	30%	20%	15%	84%	0%
There is a sufficient policy in Iligan city that supports freelancers	28%	42%	28%	14%	45%	40%	0%	88%	12%
We have a clear business succession plan	74%	12%	12%	51%	19%	29%	25%	62%	11%
I am aware of business/freelance tax filing	59%	25%	15%	75%	11%	13%	20%	63%	11%
Business funds are managed separately from household funds	80%	13%	6%	76%	11%	11%	33%	55%	11%

Table 5 – Unique voting pattern identified for Group C

**Areas of Uncertainty:**

Areas of uncertainty are statements flagged by Pol.Is to have ‘Pass’ votes of over 30%. The statement “I have registered my freelancing business with the DTI” was flagged under this category.

The majority of respondents disagree with this statement, while a significant number of votes is ‘Pass’.

GROUP A			GROUP B			GROUP C		
Agree	Disagree	Pass	Agree	Disagree	Pass	Agree	Disagree	Pass
28%	41%	30%	20%	46%	32%	15%	57%	26%

Table 6 – Breakdown of votes for statement under area of uncertainty

## Identifying Statement Relationship

All 45 Pol.Is statements were analyzed using Association Rules Mining to find associations between statements based on voting patterns from all 221 voters. As a guide, the following key statements were used to direct the apriori algorithm<sup>6</sup>.

- Statement 18: My Business CLOSED due to the pandemic
- Statement 22: My Business IMPROVED during the pandemic
- Statement 39: Business Transactions in the City Hall are fast and efficient

	<p><b>Statement 18: My Business CLOSED due to the pandemic</b></p> <p>Businesses who claimed that they do NOT need Marketing support, <b>said that their business did NOT CLOSE due to the pandemic.</b></p> <p>Of all the kinds of support presented to the voters (equipment, finance, tech, compliance, etc.), only Marketing is linked to this statement as an antecedent. These voters still claimed that they need support on digital transformation, financing, and technology upgrading.</p>
	<p><b>Statement 22: My Business IMPROVED during the pandemic</b></p> <p>Respondents who said they WORK for a large enterprise and said that there is sufficient policy in Iligan supporting businesses, <b>also said that their business IMPROVED during the pandemic.</b></p>

<sup>6</sup> The specific algorithm that is used in R (statistical programming language) to mine frequent patterns in the dataset.

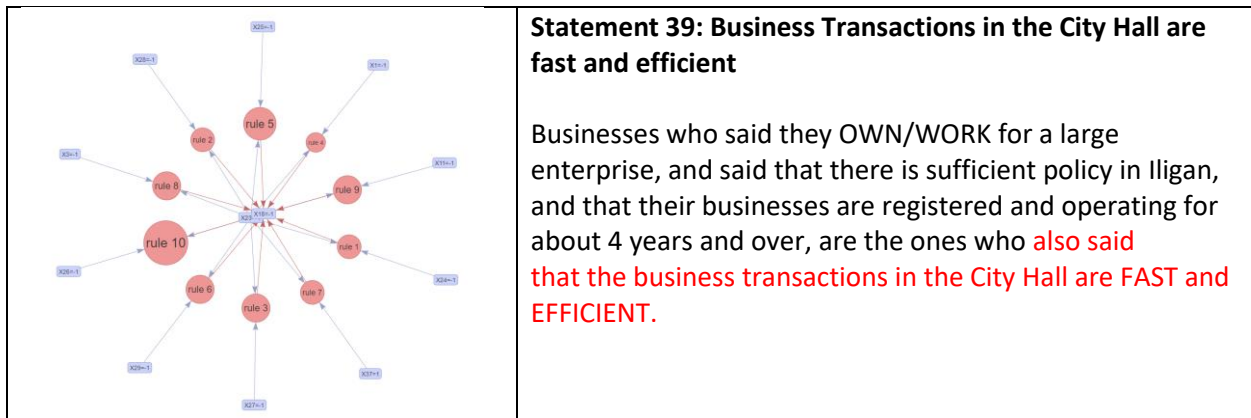


Figure 6 – General observations from associations rules mined

Looking at the votes that claimed to be doing relatively well despite the pandemic, we can see links to competency in marketing, number of years in operation, and they are mostly owners or employees of large enterprises.

### Analyzing Qualitative Statements

Apart from the 45 pre-determined statements which the respondents voted on, a total of 125 qualitative statements (open-ended feedback) were received and classified as follows:

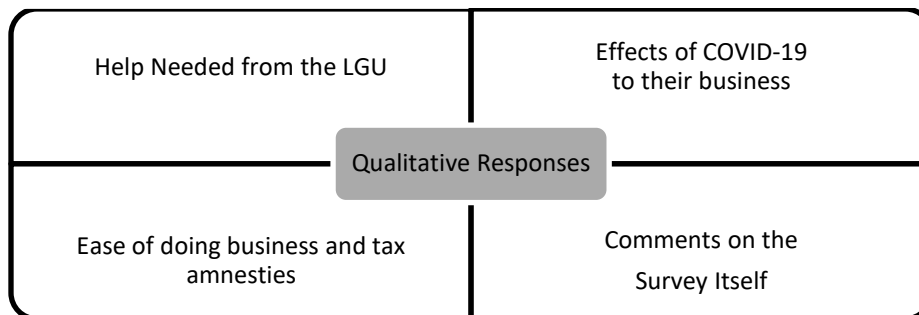


Figure 7 – Discovered classifications of qualitative responses

Qualitative responses submitted were mostly:

1. Specific requests for assistance addressed to the city government (e.g. messages asking for financial support, training and orientation on business-related topics, etc.)
2. Statements explaining the negative effects of COVID-19 to their businesses
3. Statements regarding ease of doing business in the local government
4. Various comments about the survey

The majority of qualitative responses are about the ease of doing business in Iligan City, and filing of business taxes. Some respondents claimed to be new business owners in need of training and assistance on business registrations and tax filings. This is followed by the need for awareness of existing programs and policies of the LGU which they can leverage to keep their businesses afloat.

There were also suggestions to ease the deadlines on business and tax filings due to the difficult circumstances brought by COVID-19, and the possibility of making these transactions online to lessen the need for physical appearance in the city hall.

There were also specific questions and concerns regarding the business registration process (e.g. Does a home-based business still need a certificate of occupancy?), and how the difficult process and requirements can discourage home-based businesses from registering their business.

Finally, qualitative comments include suggestions to fully implement Iligan City's Local Incentive Promotion Code to support MSMEs in Iligan, more transparency in business processes, and for Iligan City to have a business registry databank.

## Spotlights

### Opinion Groups:

Table 7 shows the general profile of the three opinion groups identified. Group A (with 76 respondents) are mainly freelancers or business owners that shifted to another business because of COVID-19. Group A voters need support mostly on business/freelancing registration and tax compliance, apart from the general support raised by voters discussed in the next section. Group B voters (with 44 respondents) are on-site workers/business owners, with a physical storefront for their business. The majority have been operating for over a year, and they are already knowledgeable on the basics of a running business. Many also claimed that their business operations continued despite the COVID-19 pandemic. Group B voters need the least support among the opinion groups. Group C is similar to group A, except that more group C businesses are not registered with the DTI. We can assume that a significant percentage of Group C respondents belongs to the informal sector. Group C needs the most support, including basic business finance management training, registration, and compliance




 <b>GROUP A</b>	 <b>GROUP B</b>	 <b>GROUP C</b>
<b>n=76</b>	<b>n=44</b>	<b>n=33</b>
Freelancers, shifted into another business/went into freelancing because of COVID-19. Needs support on business/freelancing registration and financing.	Established business (onsite, not-home based), already registered, has been operating for at least over a year. Continued operations despite pandemic.	Similar to Group A BUT not DTI registered. Strongest 'no sufficient policy' vote. Needs support on registration, financing, tech, basic business planning and management.

Table 7 – Summary of key differences between opinion Groups A, B and C.

### Support Needed:

The following are the support requested by the respondents, 1 being the most voted on, and 6<sup>th</sup> the least voted on:

1. Marketing (81%, 7%)
2. Financing (81%, 10%)
3. Equipment and Technology (80%, 11%)
4. Law & Regulatory Compliance (73%, 13%)
5. Digital Transformation (73%, 17%)
6. Business Registration\* (50%, 32%)

Legend:




**GREEN** – Need support

**RED** – Does NOT Need support

\*Only groups A and C requested for support on business registration.

In addition, based on the unique voting pattern of Group C, this opinion group also needs basic business and financial management training.

### Possibly Interesting statements for the city government of Iligan:

STATEMENT		ALL VOTERS		
		AGREE	DISAGREE	PASS
	There is sufficient policy in Iligan city that supports business/freelancing .*	21%	52%	26%
	There is a sufficient policy in Iligan city that supports freelancers.*	17%	53%	29%
	Business-related transactions with Iligan city hall are fast and efficient.*	29%	44%	25%
	Utilities in Iligan City are <b>SUFFICIENT</b> in running a business or doing freelancing.	<b>73%</b>	15%	11%

\* mostly group C voters voted disagree.

Table 8 – Statements related to LGU processes



Table 8 are statements that may be interesting to the city government of Iligan. In general, voters said that there is no sufficient policy to support businesses and freelancers in the city. This is especially true for Group C voters (88% disagreement). The majority of voters also disagreed that business-related transactions with Iligan city hall are fast and efficient. However, the rules mining revealed that respondents working for large enterprises that are running for over 4 years say otherwise. Finally, voters agree that utilities in Iligan city (Internet, electricity, water) are sufficient in running a business or doing freelancing.<sup>7</sup>

## Recommendations (Based on Survey Results)

1. **Improve communication with stakeholders.** During the opening citizen assembly, the LGU presented that there are already existing programs, policies, and offices, that address many of the questions and issues raised by the MSME respondents. However, many are still not aware of these. Social media can be leveraged to let stakeholders know about the existing programs of the city government and its partners. Since the majority of voters claimed to have been using the internet and social media in their business operations, a social media information campaign may be viable. Use infographics and engaging social media posts and explain the step-by-step process of how MSMEs and freelancers can avail of these services and benefits. In parallel, barangays may be tapped to reach areas without internet or social media penetration.
2. Given the significant percentage of new businesses and freelancers, it would be helpful to conduct training on business registration and tax filing. Clarify why registration is necessary, and the benefits of having a registered business.
3. Qualitative responses stress the need for streamlined business registration and regulatory compliance processes. Because the majority of respondents are already using social media and the internet in their business operations, making some steps of the process online (e.g. submission of forms, e-payment, etc.) may be a viable option. Streamlining business processes may help convince those informal businesses to transition to the formal economy which is beneficial for economic sustainability [2].
4. Revisit requirements for registration of home-based businesses and freelancing. To encourage businesses to register, the requirements must be clear.

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<sup>7</sup> During the closing citizen assembly, there were attendees who still raised the need for faster internet connection.

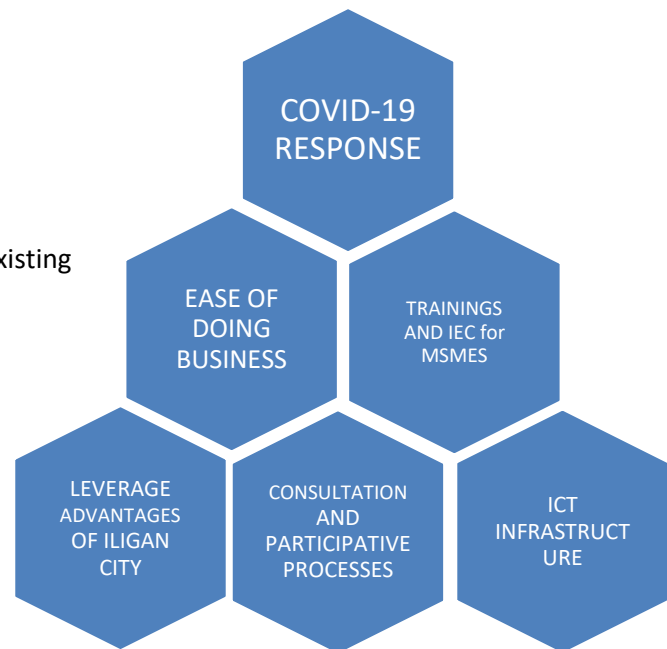
5. Map the specific needs pointed out by the respondents to existing LGU programs, projects, or policies. Also consider partner institutions or organizations that offer these kinds of support (e.g. which microfinancing organizations are accredited by the city government? Which NGOs in the city are offering training on marketing, business management, etc.?)
6. Monitor effectiveness of training/support given to the businesses. Get feedback on the quality of training/support given to them. Set indicators to measure impact and identify, what worked and what didn't work.
7. The needs of MSMEs change over time. Given the rapidly changing business environment brought by technology and other factors such as COVID-19, it is important to constantly monitor which programs and policies are still working for the local businesses and which ones need to be updated. Proactively collecting citizen feedback can help keep the city government's policies and programs up-to-date and relevant to the needs of the businesses.

## Closing Citizen Assembly Conversations and Suggestions from Attendees

After the presentation of the results in the closing assembly, the participants were grouped into four breakout rooms to discuss the results of the survey.

The following key topics were raised:

- Covid—19 vaccination
- Training and information dissemination on existing policies to support MSMEs
- Ease of doing business
- Strengthening ICT infrastructure
- Leveraging Iligan city's advantages for businesses
- Continuous consultations and future Surveys to ensure alignment of policies and its relevance to industries.



### **COVID-19 vaccinations:**

One of the biggest challenges the local government and MSMEs are facing is the effects of COVID-19 to their business operations. The stakeholders requested to fast-track vaccinations, which will be beneficial in the local economic recovery.

### **Training, and information dissemination on existing policies to support MSMEs:**

There are existing policies, programs, and support available for MSMEs in Iligan city. However, awareness to these kinds of support and how to avail them is still a challenge. The stakeholders proposed a more active awareness campaign to ensure that policies and their benefits would reach the MSMEs on the ground. They also specified the importance of making this information available online because COVID-19 limits their mobility.

It was also raised that many MSMEs are reluctant to register their businesses because they do not know how to do it. The stakeholders suggested having more training, ideally facilitated by the city government itself so that they can directly answer the questions, concerns, and clarify points regarding MSME registration and compliance to various policies and obligations. There is also a suggestion to involve the Iligan chamber of commerce to better address this.

### **Ease of doing business:**

Stakeholders raised the importance of streamlining business registration and regulatory compliance processes. Simplify the process and invest in ICT and digitalization. Leverage online platforms to make the process safer, more efficient, and more welcoming to MSMEs. Stakeholders suggested creating a one-stop shop for business registration.

### **Strengthening ICT infrastructure:**

In relation to the proposed digitalization and streamlining of the business registration process, the stakeholders stressed the importance of strengthening the ICT infrastructure of Iligan City. This will enable online tax payments, registrations, and this will encourage MSMEs to register and pay their obligations on time.

In addition, give MSMEs training on how to use online platforms and technology, so that they can adapt to new technology. Although the survey showed sufficiency of utilities in running a business in Iligan City, the stakeholders still raised the need to improve internet connectivity.

### **Leveraging advantages of Iligan City for business operations:**

Stakeholders presented the current advantages for businesses to operate in Iligan city. First, they claimed that Iligan has relatively low operating expenses and that the city has no typhoons nor experience frequent power outages. Furthermore, the presence of academic institutions, such as the Mindanao State University – Iligan Institute of Technology (IIT) is a source of competitive talents. Leveraging these advantages to foster a flourishing business climate, stakeholders raised the possibility of establishing economic zones, ideally a Philippine Economic Zone Authority (PEZA) Zone.

### **Continuous consultations and future Surveys to ensure alignment of policies and its relevance to industries:**

Finally, the stakeholders agreed that there should be an alignment of policies between the national level and the LGU level in order to have consistency in the implementation and avoid confusion. The stakeholders also raised that in crafting policies for businesses, each industry has different needs. This is why it is important to make the policymaking process consultative and participatory, to ensure that the policies are relevant and meeting the actual needs of the beneficiaries.

### **Comments on the survey process:**

Stakeholders expressed appreciation for the survey process and claimed that it is one step closer to the ‘more consultative policymaking process’ that they are targeting to achieve. They hope that more surveys will be rolled out in the future.

As points for improvement in the next iteration of the survey, participants suggested having a longer survey period to accommodate more votes and have more insightful findings. They also requested that the survey be made longer, more user-friendly, and written in only one language to avoid confusion.

### **Response of the Local Government:**

To respond to the stakeholder suggestions and points raised, Iligan City Vice Mayor Jemar L. Vera Cruz assured that the local government will do its best to create a climate that would help businesses in Iligan. He urged the stakeholders to continue participating, and that they will make the process even more consultative. The Vice Mayor also assured that the city government is doing its best to fast track vaccinations, but one hurdle is vaccine hesitancy.

DTI Lanao del Norte also shared that DTI has existing programs, webinars, and trainings on marketing, financing, business continuity, and related topics.

Finally, MSU-IIT shared that they have an existing incubation program that helps foster innovations in the university, and that they are very much willing to work with the city government to foster talents in the city.

The full recording of the closing citizen assembly can be viewed [HERE](#).

## Final Notes and References

### References:

[1] City Government of Iligan (2021) *About Iligan City*. Available at: <https://www.iligan.gov.ph/about-iligan/> (Accessed: 10/10/2021).

[2] International Labour Organization (2020) *COVID-19 Crisis in the Informal Economy – Immediate Responses and Policy Challenges*. Available at: [https://www.ilo.org/wcmsp5/groups/public/---ed\\_protect/---protrav/---travail/documents/briefingnote/wcms\\_743623.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/briefingnote/wcms_743623.pdf) (Accessed: 10/10/2021).

[3] The World Bank Group (no date) *Small and Medium Enterprises (SMEs) Finance*. Available at: <https://www.worldbank.org/en/topic/smefinance> (Accessed: 10/9/2021).

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### END OF REPORT

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