Defining Philippine Micro, Small and Medium Enterprises (MSMEs)

The Philippines employs two criteria in operationally defining MSMEs, namely employment and asset size. The Philippines Statistics Authority classifies an enterprise as a micro enterprise if it has less than 10 employees, small if it has 10-99 employees, medium with 100-199 employees, and large if it has 200 or more employees. On the other hand, the Small and Medium Enterprise Development Council (SMEDC) uses asset size as its basis for classification.

Size	By Employment	By Asset Size
Micro	1-9 employees	Up to P3,000,000
Small	10-99 employees	P3,000,001 – P15,000,000
Medium	100-199 employees	P15,000,001 – P100,000,000
Large	200 and above employees	P100,000,001 and above

2021 Philippine MSME Statistics in Brief

REGION	Number of Establishments by Region and Employment Grouping									Total Employment by Region and Employment Grouping							
KLGION	MICRO	SMALL	MEDIUM	Total MSMEs	% Share	LARGE	% Share	TOTAL	MICRO	SMALL	MEDIUM	Total MSMEs	% Share	LARGE	% Share	TOTAL	
Philippines	978,612	93,230	4,437	1,076,279	99.58%	4,531	0.42%	1,080,810	2,741,741	2,118,519	601,471	5,461,731	64.67%	2,983,847	35.33%	8,445,578	
NCR	170,146	26,896	1,610	198,652	99.05%	1,902	0.95%	200,554	504,393	648,842	219,172	1,372,407	49.56%	1,396,905	50.44%	2,769,312	
CAR	21,195	1,270	28	22,493	99.79%	47	0.21%	22,540	50,757	25,968	3,802	80,527	75.61%	25,976	24.39%	106,503	
I - Ilocos Region	54,207	3,615	107	57,929	99.90%	60	0.10%	57,989	145,676	76,573	14,377	236,626	91.83%	21,047	8.17%	257,673	
II - Cagayan Valley	30,947	2,034	57	33,038	99.90%	34	0.10%	33,072	84,704	42,128	7,274	134,106	89.51%	15,717	10.49%	149,823	
III - Central Luzon	127,333	9,925	419	137,677	99.74%	355	0.26%	138,032	348,304	221,224	56,091	625,619	73.13%	229,842	26.87%	855,461	
IVA - CALABARZON	146,034	12,671	672	159,377	99.55%	728	0.45%	160,105	405,607	295,017	91,444	792,068	61.22%	501,764	38.78%	1,293,832	
IVB - MIMAROPA	21,562	1,659	42	23,263	99.91%	22	0.09%	23,285	59,753	34,826	5,526	100,105	91.56%	9,222	8.44%	109,327	
V - Bicol Region	41,885	3,228	121	45,234	99.83%	78	0.17%	45,312	115,678	68,369	16,472	200,519	87.29%	29,191	12.71%	229,710	
VI - Western Visayas	67,598	5,662	255	73,515	99.73%	200	0.27%	73,715	192,055	120,827	34,606	347,488	77.92%	98,472	22.08%	445,960	
VII - Central Visayas	69,488	7,798	412	77,698	99.37%	496	0.63%	78,194	197,017	180,641	55,410	433,068	56.09%	339,048	43.91%	772,116	
VIII - Eastern Visayas	32,718	2,473	67	35,258	99.90%	34	0.10%	35,292	91,563	52,723	8,726	153,012	92.23%	12,893	7.77%	165,905	
IX - Zamboanga Peninsula	32,150	2,315	76	34,541	99.84%	57	0.16%	34,598	85,426	48,746	10,533	144,705	86.00%	23,562	14.00%	168,267	
X - Northern Mindanao	35,088	3,712	150	38,950	99.64%	139	0.36%	39,089	99,128	81,278	20,375	200,781	74.86%	67,424	25.14%	268,205	
XI - Davao Region	55,136	4,950	221	60,307	99.64%	218	0.36%	60,525	155,963	112,537	30,358	298,858	70.43%	125,456	29.57%	424,314	
XII - SOCCSKSARGEN	44,732	3,067	129	47,928	99.79%	103	0.21%	48,031	125,233	67,163	17,343	209,739	77.30%	61,579	22.70%	271,318	
Caraga	20,783	1,615	64	22,462	99.77%	52	0.23%	22,514	58,839	34,690	9,071	102,600	81.59%	23,145	18.41%	125,745	
BARMM	7,610	340	7	7,957	99.92%	6	0.08%	7,963	21,645	6,967	891	29,503	91.89%	2,604	8.11%	32,107	

SIZE	NO. OF ESTABLISHMENTS	% SHARE	TOTAL EMPLOYMENT	% SHARE
MICRO	978,612	90.54%	2,983,847	32.46%
SMALL	93,230	8.63%	2,118,519	25.08%
MEDIUM	4,437	0.41%	601,471	7.12%
LARGE	4,531	0.42%	2,983,847	35.33%
TOTAL	1,080,810	100%	8,445,578	100%
MSME	1,076,279	99.58%	5,461,731	64.67%

Source: Philippine Statistics Authority, 2021 List of Establishments

Industry Sector	Number of Establishments by Industry and Employment Grouping							Total Employment by Industry and Employment Grouping								
Philippines	MICRO 978,612	SMALL 93.230	MEDIUM 4.437	Total MSMEs 1,076,279	% Share 99.51%	LARGE 4.531	% Share 0.49%	TOTAL 1.080.810	MICRO 2,741,741	SMALL 2,118,519	MEDIUM 601,471	Total MSMEs 5,461,731	% Share 64.67%	LARGE 2,983,847	% Share 35.33%	TOTAL 8,445,578
Agriculture, Forestry, and Fishing	6,020	2,553	175	8,748	98.46%	137	1.54%	8,885	21,344	66,653	23,537	111,534	57.17%	83,574	42.83%	195,108
Mining and Quarrying	413	316	18	747	95.89%	32	4.11%	779	1,770	8,671	2,685	13,126	33.74%	25,783	66.26%	38,909
Manufacturing	118,804	10,808	961	130,573	99.22%	1,027	0.78%	131,600	343,069	286,163	132,018	761,250	50.85%	735,823	49.15%	1,497,073
Electricity, Gas, Steam, and Air Conditioning Supply	480	698	99	1,277	93.69%	86	6.31%	1,363	2,170	19,781	14,309	36,260	53.11%	32,013	46.89%	68,273
Water Supply; Sewerage, Waste Management and Remediation Activities	822	725	36	1,583	98.02%	32	1.98%	1,615	3,613	20,191	4,662	28,466	69.70%	12,374	30.30%	40,840
Construction	2,001	1,877	235	4,113	94.03%	261	5.97%	4,374	8,342	56,636	31,034	96,012	36.72%	165,438	63.28%	261,450
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	504,616	33,348	1,042	539,006	99.91%	498	0.09%	539,504	1,344,461	690,132	140,323	2,174,916	91.83%	193,471	8.17%	2,368,387
Transport and Storage	7,804	3,844	232	11,880	98.43%	190	1.57%	12,070	29,589	102,794	31,136	163,519	56.87%	124,007	43.13%	287,526
Accommodation and Food Service Activities	140,115	11,512	121	151,748	99.96%	60	0.04%	151,808	410,318	244,512	15,210	670,040	96.58%	23,745	3.42%	693,785
Information and Communication	10,729	1,491	155	12,375	98.81%	149	1.19%	12,524	23,595	41,356	21,622	86,573	46.14%	101,078	53.86%	187,651
Financial and Insurance Activities	41,671	8,267	151	50,089	99.66%	173	0.34%	50,262	159,431	146,852	20,198	326,481	72.34%	124,844	27.66%	451,325
Real Estate Activities	12,135	2,143	75	14,353	99.49%	74	0.51%	14,427	33,828	50,455	9,390	93,673	71.54%	37,274	28.46%	130,947
Professional, Scientific and Technical Activities	12,938	1,841	109	14,888	99.40%	90	0.60%	14,978	40,224	43,834	14,979	99,037	62.25%	60,064	37.75%	159,101
Administrative and Support Service Activities	10,524	2,637	458	13,619	91.66%	1,239	8.34%	14,858	29,418	78,283	62,971	170,672	14.12%	1,038,064	85.88%	1,208,736
Education	6,317	5,887	327	12,531	98.38%	206	1.62%	12,737	28,475	151,235	43,965	223,675	72.18%	86,224	27.82%	309,899
Human Health and Social Work Activities	24,293	2,270	202	26,765	99.11%	239	0.89%	27,004	65,021	59,796	27,932	152,749	59.36%	104,576	40.64%	257,325
Arts, Entertainment, and Recreation	11,832	872	26	12,730	99.76%	30	0.24%	12,760	30,033	17,750	3,483	51,266	67.59%	24,585	32.41%	75,851
Other Service Activities	67,098	2,141	15	69,254	99.99%	8	0.01%	69,262	167,040	33,425	2,017	202,482	94.89%	10,910	5.11%	213,392