

The Bicol Challenge: Accelerating and Sustaining Annual Growth

The main goal of the Medium-Term Philippine Development Plan (MTPDP) 2004-2010 is to reduce poverty, transforming a significant number of the population from the state of being poor to nonpoor. Strategies and action plans have been drawn up to spur economic growth and job creation and deliver basic services to the Filipino people.



Ro-Ro in Matnog, Sorsogon

For the Bicol Region (Region V), the vision laid out in its Medium-Term Regional Development Plan (MTRDP) 2004-2010 is: “one region achieving economic growth and social development through the optimum use of its natural resources.” To the rest of Luzon and the Philippines, the role of Bicol is that of geothermal energy producer, agri-industrial production center, mineral-based production center, food basket of Luzon, ecotourism destination and south Luzon’s gateway to the Visayas, Mindanao and the Pacific.

Situationer

In 2000, Bicol’s population stood at 4.7 million. With its population growth rate of 1.68 (1998-2000), its population is expected to double in 41 years. Region V is the third poorest region among the country’s 16 regions. As of 2000, 46 percent of total families or 53.1 percent of Bicol’s total population live below the annual per capita poverty threshold of PhP11,524.00.

Regional economic growth averaged 4.6 percent from 2001 to 2003. The agriculture, fishery and forestry sector grew at an average of 5.8 percent contributing to total gross regional domestic product (GRDP) averaging at 33.4 percent. Growth in the industry sector averaged 2.6 percent and its contribution to total GRDP averaged 21.9 percent. The services sector increased by an average of 4.8 percent and its contribution to total GRDP was the highest among the three production sectors at an average of 44.7 percent. Per capita GRDP levels (estimated at PhP5,762.00 in 2001) in Bicol has been the second lowest in the country since 1993.

Given the above scenario, the Bicol Region has set the following fighting targets in its MTRDP for the period 2004-2010:

- accelerate and sustain economic growth at five to seven percent per year,
- generate 100,000 jobs per year,
- maintain inflation rates at single-digit levels,
- reduce by half poverty incidence of population (i.e., 26-27 percent by 2010), and
- reduce population growth rate to 1.5 percent.

Strategies and Action Plans

Among priority strategies and activities that will be pursued to propel economic growth and job creation are:

- **Trade and Investment**

Domestic base through industry clustering will be strengthened. This is expected to promote forward-backward linkages, information sharing between and among production sectors, and a more focused development of infrastructure support system. In the medium term, the two industry clusters identified for promotion and development are: abaca-based gift and holiday decors, and aquamarine products.

- **Agribusiness**

In agribusiness, priority crops or commodities will be developed per province, namely:

- (a) Albay: high-value vegetables, corn, swine and poultry, abaca, tuna, mackerel, and anchovy;
- (b) Camarines Norte: pineapple, corn, cassava, abaca, sardines, anchovy, round scad, and seaweed;
- (c) Camarines Sur: corn, swine, poultry, abaca, shrimp, croaker, mackerel, squid, tilapia and carp;
- (d) Catanduanes: tiger grass (lasa), rootcrops, abaca, coffee, vegetables, mudcrab and tuna;
- (e) Masbate: cattle, corn, mango, mackerel, silago, milkfish, mudcrab, blue crab, and squid; and
- (f) Sorsogon: coffee, abaca, fimbriated herring, seaweed, and mussel.

Regionwide, the produce that will be given priority are: coconut, rice, pili, abaca, and aquaculture and marine products.

Another key strategy is providing assistance to various commodity stakeholders through the organization of Community Boards which are expected to develop and enhance the agribusiness potentials of their respective commodities. These Boards will also assist government in charting policies to improve production, marketing and processing activities.

Other strategies for agribusiness include:

- (a) protection of agricultural lands and watershed areas against on-essential land development projects such as residential subdivisions, commercial complexes and mining;
- (b) institutionalization of sustainable agriculture concepts, methods and strategies to attain food self-sufficiency and job generation;
- (c) transformation of agriculture from being highly chemical-dependent to environment-friendly and sustainable farming systems through research and development; and
- (d) creation of trading stations/Farmers' Trading Center at strategic barangay clusters to promote cooperation of trade/products.

● **Mineral Industry Development**

A Mineral Action Plan has been approved by President Gloria Macapagal-Arroyo on September 2004 and pursuant to Executive Order 270 that provides the policy direction for the revitalization of the mining industry.

In Bicol, the development of mineral resources include the processing of extracted minerals. Social development programs for small-scale mining communities will be formulated and developed even as mineral exploration activities are enhanced to determine mineral resource areas. Partnership with local government units, nongovernment organizations and people's organizations, and the private sector will be strengthened for resource utilization, rehabilitation and protection, among others.

● **Housing Construction**

Loans will be made available and affordable in line with the "Housing for All" program. The various housing programs of the Home Development Mutual Fund and National Housing Authority target the provision of employment to construction workers and aim to generate 152,344 jobs.

● **Tourism**

Bicol's desired outcome is to generate jobs from the tourism industry. To achieve this, the strategies are tourism destination rehabilitation/development,

tourism support facilities development, development of incentive packages and tourism-friendly ordinances, sustainable tourism marketing and promotions, and institutional development.

For the integrated delivery of basic social services, focus will be on the improvement of health and nutrition through reduced cost of medicine, provision of potable water to unserved households, improvement of key health and nutrition indicators, and better access to affordable health services.

Education will be geared toward improving key indicators, i.e., cohort survival, completion, and dropout rates, mean performance level in achievement tests, construction of classrooms, and provision of computers.

Asset reform will include the (a) redistribution of agricultural lands to landless farmers and farm workers; (b) recognition of ancestral domains for indigenous peoples; and (c) sites for socialized housing.

Livelihood and microfinance will center on providing capital to micro, small, medium and self-employment enterprises enhancing capability across sectors for gainful income and productive employment; and providing microfinancing opportunities for short-term income-generating projects.

Protection of vulnerable groups involves providing basic needs and services to and maintenance of centers and institutions to vulnerable and disadvantaged groups, and skills and capability trainings as well as employment opportunities.

Meanwhile, strategies and activities for infrastructure and logistics support in the Bicol Region will comprise the development of an intermodal transport system with improved/paved roads linked to major ports, railways and airports providing access to production, market and tourism areas. There will also be focus on increasing dependable generating capacity to provide energy to the region's remaining 288 unserved barangays. Capacity of electric cooperatives will also be enhanced and other geothermal and renewable energy sources will be developed.

Cited in this article include some of the major interventions that Region V will undertake to advance its development and improve the lives of its people as well as contribute to overall national growth. A detailed discussion of goals, programs and projects can be found in Bicol's MTRDP 2004-2010 (refer to www.neda.gov.ph).

Specific Projects

- ◆ Construction of 996 classrooms for elementary students and 1,712 classrooms for secondary students
- ◆ Acquisition of 13,062 computers for elementary schools and 600 for secondary educational institutions
- ◆ Establishment of coconut geo-textile highway from Sta. Elena, Camarines Norte to Matnog, Sorsogon
- ◆ On- and off-site development of the Bicol Regional Agri-Industrial Center
- ◆ Establishment of seven special economic zones
- ◆ Legazpi-Iriga-Naga-Daet growth corridor programs and projects
- ◆ Establishment of ceramics/pottery industry
- ◆ Improvement of eight ports and completion of Pantao Port
- ◆ Construction of eight major road links
- ◆ Construction of nautical highways to link the entire country