

Region 12 Moves Forward after a Banner Year in 2006



Making the most of its resources, Region 12 moves steadily forward in 2007. Last year, favorable weather conditions, good market demand, and stable peace and order situation all led to better crop and fishery production, livelier tourism, improved employment rate, manageable prices, and growing investments.

With the advances, the region is zeroing in on its development plan targets for 2004-2010.

To end armed conflicts, long a bane to socioeconomic stability in the region, it has continued its programs to mitigate poverty and attain sustainable development. As the region sees better days ahead, there are still challenges to overcome.

Agriculture, Fishery and Forestry (AFF)

Region 12 is taking advantage of its vast land and coastal areas. According to its Regional Development Plan, the AFF sector contributes 43.6 percent of Region 12's total economic output.

Their produce, ranging from fruits to tuna, are either marketed locally or packed for export.

Crops. Compared with 2005 and with the exemption of mango and asparagus, the region increased output of its major crops in 2006. In general, the year's favorable weather condition was a big factor.

Corn and *palay* fared well because of sufficient rainfall, posting 5.15 percent and 13.4 percent growth, respectively.

Noteworthy is banana production's growth of 1000 percent in 2006. With strong demand here and abroad, more farmers now venture into banana farming to take advantage of the situation. Following this trend, pineapple production also increased by 2 percent.

Because of better market prices, rubber and coconut production also grew by 29.45 percent and 3.62 percent, respectively.

Fishery. The year 2006 was also good for the region's fishermen whose fish production improved amidst good weather. In addition, aquaculture farming activities expanded as fingerling dispersal was intensified.

Thus, commercial fish production grew by 10.32 percent while aquaculture production increased by 61.70 percent.

Tourism Come-ons

The region's geographical and cultural assets were a magnet to both local and foreign visitors. The area boasts of Mt. Apo, the country's highest peak, the seven falls of Lake Sebu, the white sand beach of Gumasa, and the rich deep sea ecology of Sangani. Also, it is home to indigenous groups such as the Maguindanaons, the T'bolis, and the Blaans whose colorful festivals, customs and traditions have never failed to generate local and foreign curiosity.

In 2006, 39 events were held including the *Hinugyaw* Festival, Tuna Festival, *Kalilangan*, and the *Halad sa Sto. Nino* – all of which attracted hordes of visitors.

In addition, the region also hosted national conventions such as the Association of Tourism Officers of the Philippines, the Convention on United Architects of the Philippines, the 28th Mt. Apo Mid Year Climb, and the International Meeting of the Brunei, Indonesia, Malaysia, Philippines-East Asean Growth Area (BIMP-EAGA) 3rd Cluster Meeting on Joint Tourism Development. With



these, foreign and domestic tourist arrivals grew slightly to 554,762 from 2005's 554,068.

To further strengthen the region's tourism, several enhancement programs were undertaken such as: (a) campaigns for the accreditation of tourism establishments; (b) tourism skills development; (c) organization and strengthening of tourism councils; (d) facilitation of investment promotion of tourism projects; and (e) the monitoring of the implementation of the Regional Tourism Master Plan.

Improved Employment

Two factors negatively affected the employment rate in the region: the armed conflicts; and the popular trend towards overseas employment. Thus from 92.5 percent in 2000, the employment rate dropped to 90.7 percent in 2002.

But with peace negotiation efforts, initiatives of the local government units (LGUs), and the establishment of micro, small and medium enterprises (MSMEs), employment rate is now better at 95.3 percent as of October 2006. This is equivalent to 1.622 million persons in the labor force - an increase of 1.6 percent from 1.596 million in October 2005.

The agriculture sector employs 53.23 percent of the total labor force. It is followed by the services and the industry sectors with 38.36 percent and 8.3 percent, respectively. Of these, 25.6 percent (832,000 persons) were considered underemployed.

The unemployed declined by 11.6 percent from 86,000 in 2005 to 76,000 in 2006.

Stable Prices

The consumer Price Index (CPI) for all items was estimated at 133.4 percentage points in 2006, or 5.3 percent higher than the 126.7 estimate in 2005.

But the monthly inflation rate in 2006 showed a declining trend from 5.8 percent in January to 3.7 percent in December, or an average of 5.3 percent.

By commodity group, fuel, light and water (FLW) registered the highest inflation rate of 9.6 percent, with each commodity registering inflation rates of 10.2 percent, 8.6 percent, and 10.8 percent, respectively.

Services ranked second at 8.2 percent. Among the services, transportation and communication recorded the highest rate with 11.5 percent, while medical services was next with 7.3 percent. Other services such as education, personal, and recreation

services registered lower rates with 4.4 percent, 4.2 percent, and 2.0 percent, respectively.

Inflation rate for the food group settled at 5.1 percent. Fruits and vegetables increased by 9.8 percent, fish by 7.1 percent, cereal preparation by 5.4 percent, beverages by 5.2 percent, dairy products by 4.2 percent, eggs by 4.1 percent, and cereals by 3.0 percent.

Investments

The region is taking steps to increase investments by supporting MSMEs. Activities are being pursued in the following areas: technology development; compliance with product standards and testing; database management and use of an information system; and the development and use of e-Commerce.

In 2006, MSME's contributed most to the regions' 0.90 percent growth in total investments. These were generated through investment mission, business matching, business name registration, and investment facilitation.

An Eye on the Future

In its quest to mitigate poverty and obtain sustainable development, Region 12 has taken steps to capitalize on its natural resources. These have resulted in noteworthy advancements. But given the present trends, the region still needs to work harder.

Aside from its AFF programs, the region aims to further improve its irrigation facility to further boost crop production.

The region is also seeking ways to enhance its exports. Presently, its major export goods focus on primary agricultural products such as canned tuna, fresh/frozen/chilled tuna products, asparagus, crude coconut oil, and banana.

Furthermore, the region aims to strengthen its tourism potentials by holding activities such as the *Palarong Pambansa* and various trade fairs and cultural presentations.

Other development priorities for 2007 and beyond include mining, housing, and the promotion of other exotic products such as brassware and *malong*, for local and global markets.

Sources:

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